

2007



sustainability report

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Our vision is to be a great business helping create a better world . . . through enduring, rewarding relationships

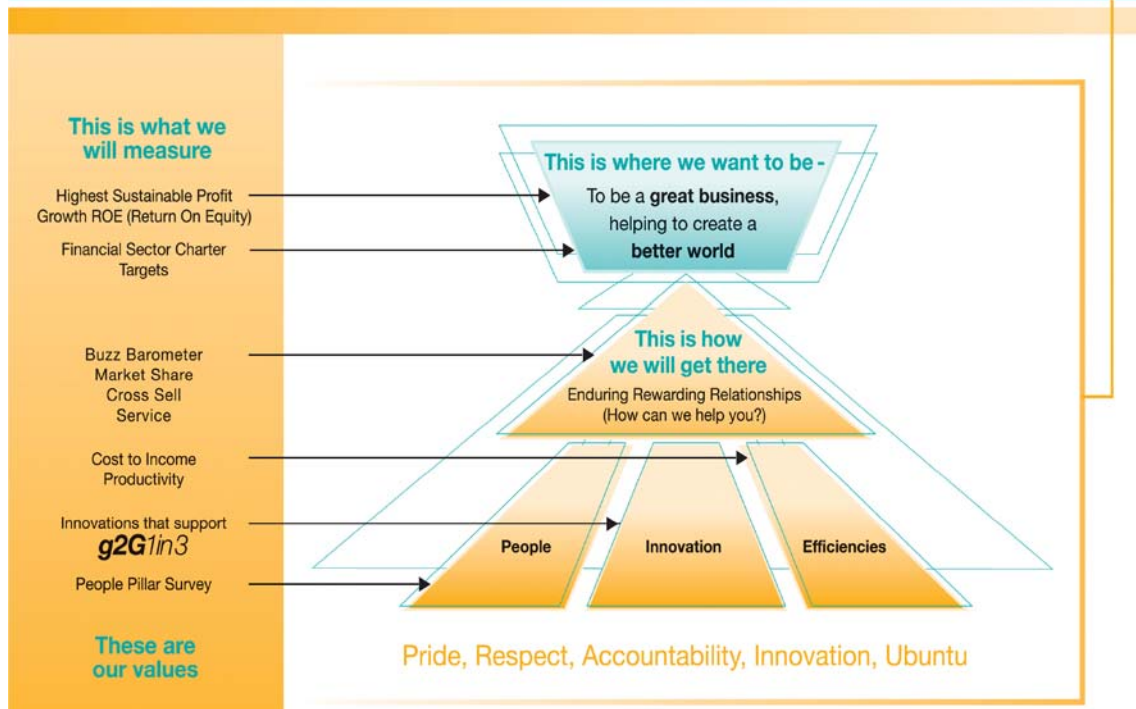
OUR FOCUS THIS YEAR

Our vision at FNB is to be a great business helping to create a better world. We therefore have as a top priority a desire to impact positively on the world around us and on our many stakeholders. The way we aim to achieve our vision at FNB is to develop enduring, rewarding relationships with all of our stakeholders, and sustainability is therefore an integral part of our strategic planning.



Moving from good to Great (the fastest profit growing bank) in three years, focusing on one thing, namely enduring, rewarding relationships, supported by three pillars: People, Innovation and Efficiencies.

g2G1in3



We reflect on some of our successes, such as the transformation of the profile of our staff base, providing more opportunities at all levels for black staff and women representation. Our investment in staff development was acknowledged with the international Gold Quill Award (IABC International Association of Business communication) for excellence in 'Banking for Knowledge'. Increased spend was undertaken to ensure modern, secure and easily accessible banking infrastructure. The increase in procurement opportunities for black businesses enables our contribution towards the economic and social transformation of South Africa. We were also extremely pleased to be selected as a sponsor for the FIFA 2010 World Cup, with the excitement and the promise of opportunity it brings to South Africa. We persevered in our long-standing effort to reduce and responsibly manage our environmental impact; our award by the Mail and Guardian, as the company with the Most

Improved Environmental performance motivated us to continue seeking opportunities to manage our direct and indirect environmental impact. We maintained our long-standing relationship with the community by increasing investment in the Education, Community Care and HIV/Aids (Hospice) sectors.

We acknowledge though that being a responsible and sustainable business is an ongoing task. We can and must improve our performance in a number of areas. We need to identify how to sustain our employment equity success by developing solutions to manage our talent more effectively. We need to understand and address the root causes of attrition, with a special focus on the attrition of black staff. We recognise the powerful role a financial institution such as ours can play in influencing responsible environmental behaviour amongst our customer and supplier base, and need to identify how we partner with stakeholders to address this imperative. Ensuring that we provide cost-effective, innovative and valuable products to the market remains of utmost importance.

We are mindful of the challenges faced within our operational environment and our responsibility as a good corporate citizen. While we may not have fully achieved all the objectives we set out in the previous year, our values, drive and the passion and energy of our staff have helped us make notable differences to the lives of our customers, our suppliers, and the communities we partner with, and the environment we operate in. We are confident that our commitment and strategy will enable us to contribute meaningfully as we become a sustainable business and help create a better South Africa for all.

REPORTING TO OUR STAKEHOLDERS

Communicating with our key stakeholders is an important consideration for us to understand what matters, key challenges our stakeholders face, and how these can be addressed. This also informs our strategies going forward. Various types of communication channels are used in this regard as indicated in the table below.

Stakeholder	Face-To-Face	Electronic Communication (Email, telephony, intranet, internet networks)	Transaction channels**	Surveys, Forums, Road- shows, Conferences, AGMs Summits, other forms of dialogue	Internal Communication Media and forums	External Communication Media and forums	Briefings and Releases (E.g. Media: SENS)
Staff	•	•	•	•	•		•
Suppliers	•	•	•	•		•	
Customers	•	•	•	•		•	•
Brokers, agents, dealers	•	•	•	•	•	•	•
Community (incl. NGOs, CBOs, Civil Society)	•	•		•		•	•
Environment (incl. NGOs & Civil Society) Dealerships	•	•		•		•	•
Regulatory Authorities (incl Ombudsmen)	•	•		•		•	•
Government	•	•		•		•	•
Industry Associations	•	•		•		•	•
Shareholders, Investors & Analysts	•	•		•		•	•

THE SCOPE OF THIS REPORT

This report focuses on our operations in South Africa, spread across branches, agencies, call centres, sales centres and ATM network, and administration offices including head office. The scope of our operations in Botswana, Namibia, Lesotho and Swaziland are provided in separate reports on the website www.firstrandusrep.co.za. We have also very recently commenced activity in Mozambique and Zambia. As our operations here are extremely new, we have not provided a report in this respect for the period under review.

MAKING PROGRESS

We are mindful of the multi-dimensional impacts of our operational activities and the need to balance our business objectives with sound environmental practices and social responsibility. Our sustainability reporting reflects our approach to integrating sustainability principles into our business planning and remains a long and steady journey for us.

DATA

We have provided a comprehensive qualitative and quantitative view of our business. This includes numerical data and trend indications providing key performance indicators, qualifying our statements with evidence and reflecting progress made in areas such as transformation, environmental impact and enterprise development. Over time, we hope to increase both the quantity and depth of meaningful data presented in our reports.

INTERNAL AUDIT STATEMENT

As we followed a risk-based audit approach, we focused our audit attention on high-risk processes, and therefore the key operational processes had been reviewed in the following areas:

- Identify material statements in the sustainability report.
- Verify the accuracy and validity of the selected material statements to supporting evidence.
- Confirm that the report is adequately approved as per the governance processes.

Based on the audit conducted on the review of the sustainability reports of FNB Africa, no material misstatements were noted for the statements which could be agreed to supporting evidence for accuracy and validity. It should be noted that in some instances the lack of supporting evidence resulted in the statements being removed or changed in the report.



WHY OUR PEOPLE MATTER TO US

We are in year two of our three year journey from good to Great. Our people are one of the three key pillars of our “g2G” strategy, which focuses on building enduring, rewarding relationships. We consider our people and their talent a true competitive differentiator, and believe that by placing our people first, business results will naturally follow. Our people philosophy, Care and Grow, is at the heart of our initiatives to put people first with the aim of creating a powerful and empowering culture that grows and sustains us.

We strive to create an enabling environment in which our people are energised and committed to adding value and achieving their full potential. It is for this reason that we are focused on creating a values-based and output-focused culture, where our people can take initiative to drive their own careers, grow and be challenged to reach their full potential with few institutionalised obstacles.

WHO OUR PEOPLE ARE

We have 28,852 permanent staff spread across operational areas at head office, call centre as well as in regional branches and offices located nationally.

65% of our workforce is female, enabling us to exceed Financial Sector Charter (FSC) targets yet again in terms of women representation across all management levels with 13% at middle level and 5% at senior management level. Approximately 67% of our staff are black, 22% of whom are represented at senior management level.

We have 159 disabled staff (down from 188 in the previous year). The average age of our staff is 34 years.

Occupational categories	Designated							Non-designated			Total
	Male			Female				White male	Foreign Nationals		
	A	C	I	A	C	I	W	W	Male	Female	
Top Management	5	0	4	13	0	0	16	72	3	0	113
Senior Management	67	24	58	29	8	26	221	465	7	1	906
Mid Managers	437	179	341	301	335	297	1 349	1 920	23	6	5 188
Junior	951	375	473	1 187	1 209	927	2 870	1 154	9	12	9 167
Semi skilled	2 166	645	333	4 168	1 943	934	2 085	447	0	4	12 725
Unskilled	414	71	1	212	50	0	0	4	1	0	753
Total	4 040	1 294	1 210	5 910	3 545	2 184	6 541	4 062	43	23	28 852
Non Permanent	648	228	188	936	526	263	657	487	0	0	3 933
Grand Total	4 688	1 522	1 398	6 846	4 071	2 447	7 198	4 549	43	23	32 785

WHAT MATTERS TO OUR PEOPLE

We identified issues of key importance to our people through various means of engagement (examples of some of our staff engagement channels are provided in the table alongside). We monitor trends to improve our performance.

People-Pillar Survey

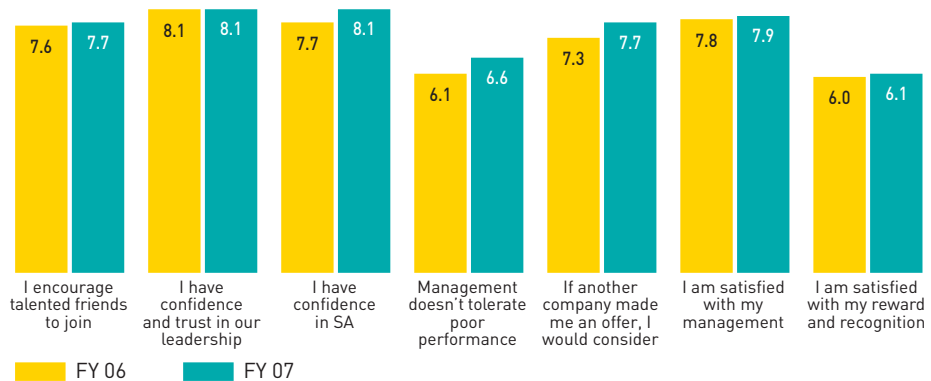
19,878 staff surveyed 2 x year

Performance Reviews

Target 2 x year for 100% staff

Participation in the People Pillar survey was at an all time high with 19,878 staff giving us their view compared to about 16,000 in the previous year.

Employee satisfaction



The average score (out of 10) across all questions showed an overall improvement and indicated the need for improvement in matters related to:

- Effective management of under-performance;
- Satisfaction levels with remuneration; and
- Recognition for outstanding performance.

These issues are being addressed at a local business unit level with management action plans put in place.

OUR KEY STRATEGIC FOCUS AREAS AND WHAT WE ARE DOING ABOUT THEM

FY '06 Report Feedback

Feedback from last year's report is provided and summarised in the table below.

Last Year's Goals	Progress	Commentary/What We Did
Improve performance management	✓	<ul style="list-style-type: none"> Delivered soft-skills training such as mentoring and feedback, for performance management in Branch Banking
Ensure Reward and recognition	✓	<ul style="list-style-type: none"> Implemented standardised remuneration bands across all business units
Focus on Leadership Development	✓	<ul style="list-style-type: none"> Developed Leadership DNA tool and process to enable growth in management and leadership skills at all levels with a particular focus on black leadership. Business units may now adopt tool.
Focus on staff retention and recruitment	✓	<ul style="list-style-type: none"> Developed a standardised recruitment training programme Completed an employee value proposition in Branch Banking to determine our competitiveness as an employer of choice

This Year Driving BEE Transformation and Diversity *Ensuring Transformation through Financial Sector Charter and Employment Equity*

Transformation remains an important business imperative for us. Our Employment Equity (EE) statistics increased steadily over the last 3 years following efforts to ensure recruitment, retention and promotion of talented staff. We have exceeded targets in the Black Female Senior Management, Black Middle Management, Black Female Middle Management, and Black Female Junior Management categories, and we are confident of meeting the 2008 Financial Sector Charter (FSC) EE targets. Executive attention is focused on sustaining and accelerating our EE performance, with a special focus on Senior Management, given the expected increase in targets with the promulgation of the DTI Codes of Good Practice.

Over the last year, we set ourselves the objective of enhancing our efforts to build an effective and fully-performing sustainable pool of talent and business leaders at all organisational levels over the long term. We will continue to maintain focus on driving the transformation imperative further and across all areas of our business.

Transforming, Increasing and Improving the Skills Pool

Skills shortages remain a national consideration. We have taken a long-term view of the shortage of skilled technical, specialist and management staff by developing people. For example our annual graduate recruitment programme recruited an additional 37 graduates. Graduates are mentored and developed to assume leadership positions within 3 to 6 years. We are also expanding our leadership pipeline, identifying, developing and retaining high potential middle management skills to increase our African, Coloured and Indian (ACI) Senior Management base.

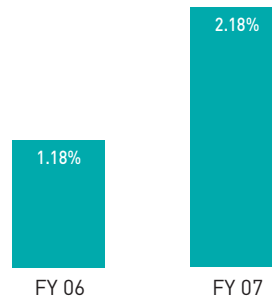
Some of our skills development initiatives completed in the last year include the following:

- We enrolled 265 Call Centre agents in our University of Banking (UoB) programme to expose learners to business and banking concepts, improve customer service and instill a banking career mindset. The UoB was acknowledged with the international Gold Quill Award from IABC (International Association of Business Communication) for excellence in business communication. The programme has a two pronged approach that consists of a formal UNISA Certificate in Banking qualification and an informal Community of Practice (CoP) program. The first set of learners is expected to graduate in 2008. We also won the 2006 Contact in Gauteng Award for best training programme and became runner-up in the National Awards.
- We provided 500 employees in FAIS-affected roles, who give advice to customers in their business environments, with the opportunity to acquire formal qualifications at universities or skills programmes with credits towards qualifications.
- We continue to work towards achieving the set targets of 4.5% of total staff being unemployed black matrics and 1.5% of our payroll spent on black skills development. Our engagements with BankSeta and the Department of Labour are also continued to access learnership subsidies to realise FSC targets. A total of about 700 learners have been hosted in the Letsema Learnership Programme since its inception in 2004 and employed 68% of these learners hosted in the last year.
- 620 learners (480 undergraduate and 120 post graduates) benefited from our Branch Banking scholarship scheme at a cost of R18 million per annum.

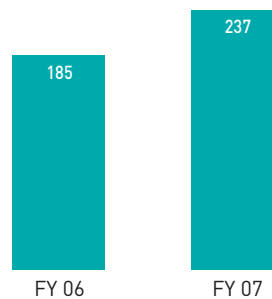
Skills investment (R'000)



Training % of payroll



Total learnerships



Diversity Management

We value diversity in our people, particularly in the way that this contributes to innovative thinking while ensuring a equitable, representative work environment. Our diversity management approach is focused diversity in all its forms: diversity of skills, experience and perspectives. Key activities in this area include:

- Revisiting our diversity management programme, to be a close link with our values, and ensure relevance and improved focus in line with our business requirements.
- Completing training for our Diversity Forum across all business units to enable forum members to deliver on their mandate.
- Ensuring the development of 18 women as part of our Women in Leadership Programme with the University of the Free State, now in year 2 of a 3 year programme. The programme is aimed at equipping women with leadership skills and competencies, from a distinctly female perspective. The first graduates are expected to complete the programme in 2008.
- Rolling out our Disability Awareness and Sensitization Programme (DASP) initially within the Branch Banking business unit and continuing to work towards increasing representation of staff with disabilities to a target of 1%.

Harnessing Talent and Career Management

We believe that the process of harnessing talent and leadership capacity begins with a compelling employee value proposition based on our competitiveness as an employer of choice. Our activities in this area are described below.

Managing Performance More Effectively

Our performance management strategy is based on getting the basics right and equipping people with the tools to do what is expected, supported by the necessary knowledge and processes. We began the process of dealing with non-performance more effectively. Business units have tailored their approaches to performance management to suit their area of operations.

We will improve on this to include measurement and accountability of people issues for managers as part of our efforts to embed a performance culture. We will also enhance our approach to performance management in the coming year to ensure that performance contracts are in place for all employees and that these continue to be scored regularly and aligned with recognition and rewards programmes.

Linking Reward and Recognition

Reward is one of the most powerful drivers of performance. Our outcomes-based remuneration approach encourages our people to “Write Your Own Pay cheque” (WYOP), which aligns effort with reward, by taking personal ownership of their growth and development. This is underpinned by our Care and Grow philosophy where people are not used to achieve results, but rather using results to develop and grow our people.

WYOP is aimed at ensuring that employees are remunerated for the work done and gives employees the flexibility to work shorter hours and earn less, if they prefer, or work longer hours and earn more, as each employee will be accountable for their own outputs. New reward programmes will be introduced in the coming year to make it possible for more of our staff to participate in “WYOP”. Stage 1 implementation is already underway in some areas of our business and is expected to be rolled out in time across our entire business.

Developing our People

We enhanced our people development initiatives and developed a “Business Leadership DNA” tool and process to encourage growth in management and leadership skills with an emphasis on black and female leadership. We began this process by identifying skills development acceleration areas to allow for job shadowing and management coaching of black staff. Development programmes are put in place together with clear training and development objectives. These are primarily driven by each employee with mentorship and support provided by management.

The leadership pipeline process is now being rolled-out across the business as part of our people development strategy linked with the management of our talent. This process is complemented by a human resource (HR) Management Information System (MIS) to track progress and capture data of our effective and fully performing employees. Our succession planning will be informed by this process.

Recruiting and Retaining the Best Talent

We want to attract, empower and retain the best talent. We provide training to our managers to ensure that only accredited managers are allowed to champion the recruitment process with each appointment recorded against a recruiter to ensure accountability.

Over the last 12 months, we exceeded the targets for recruitment across the board. As an example 56% of black professionals recruited were at senior management level. While good progress is made to attract high-calibre talent, we remain aware that such recruitment needs to be truly representative and is not biased towards one particular race group.

Equally important is to manage our attrition levels. This is an area of concern for us, especially relating to black staff, and we are continually gaining insights in this respect. A comprehensive approach is being adopted to roll-out HR interventions based on a compelling employee value proposition, addressing diversity barriers and aligning our recruitment practices. We continue to engage with staff to identify the root causes of attrition, and determine how to manage our talent more effectively, with a special focus on African, Coloured and Indian (ACI) staff.

We are responding to the needs of the talent market through our Employee Value Proposition (EVP), completed in the last year to “Make the First Move” aimed at retaining our star performers and attracting high-calibre talent.

Some examples of our talent management initiatives include the introduction of accelerated training for all new entrants to ensure a successful on-boarding experience to facilitate making a meaningful contribution to the business (and improve new employee self-worth) in the shortest possible time.

This will be coupled with the introduction of an informal coaching programme or “buddy system” for all new recruits. We will also focus on ensuring greater alignment of our retention strategy with improved performance management standards and outcomes-based remuneration to ‘pay for performance’, in the coming year.

Creating an Enabling Work Environment

Embedding a Values-Based Culture

We completed the process of embedding our values as part of our company culture through our “Shine” programme. Each business unit, segment and team commenced interpreting, tailoring and applying the values of Pride, Respect, Accountability, Innovation and Ubuntu into their area of operations. Each month, we celebrate “shining stars” from an average of 300 nominations, who translate these values into workplace behaviours that are consistent with our values-based, high-performance culture.

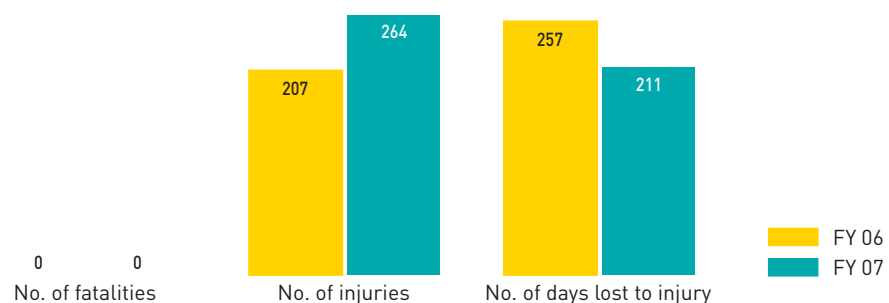
The next phase of our “Shine Challenge” will focus on integrating these values with our Customer Service Charter to deliver improved service delivery for our customers within an enabling work environment.

Ensuring a Healthy Workforce

We updated our comprehensive wellness programme to focus on stress management, reducing coronary disease, and trauma management for our staff. Our focusing on HIV/Aids is integrated within the wellness programme, ensuring that our staff can access a holistic and sustainable health programme. Full details of our HIV/Aids report explaining our strategy and related activities is reported in terms of the UN GRI standard, appended below.

The diagram below indicates the number of deaths (zero), fatalities and injuries in our working environment over the past 2 years.

FNB working environment



UPDATES TO POLICIES AND PRACTICES

There have been no major changes to our policies and practices. We continue to make ongoing progress in key policy areas such as transformation, performance management and reward and recognition.

OBJECTIVES FOR THE UPCOMING YEAR

In the coming year, we will focus on the following objectives listed below with targets included, where possible.

- Increase the pace of transformation with 20% of management incentives based on successful attainment of the transformation imperative;
- Improve performance management standards, managing under-performance more effectively and ensure alignment for consistency;
- Address retention of black skills paying attention to areas such as leadership development, remuneration, mentorship, training and cultural sensitivity;
- Introduce company-wide talent management and promotion process;
- Increase representation of disabled staff to 1%;
- Drive our employee value proposition further and promote visibility of opportunities across the broader FirstRand Group to enable us to attract and retain high-calibre employees; and
- Open a crèche at BankCity, to support the requirements of working parents.



FNB Commercial established a Commercial Junior Board to develop strategic thinking and strengthen their leadership pipeline. This involved pairing 22 individuals with good performance track records with Strategy Committee members. In this way they are prepared for leadership roles, fulfill an internal coaching role for graduates and junior achievers, and deliver on internal projects. The Junior Board has proved to be a great success, with members gaining valuable skills and experience from interacting with each other and the broader business.

DATA PACK: HIV/Aids GRI REPORT

In 2005 our focus over was to determine the impact of HIV/Aids on the business, refine our strategy and implementation plan, and update our communication campaign. Having achieved this, last year we completed the Knowledge, Attitudes & Practices (KAP) study and actuarial analysis, and used the results to inform and drive our intervention strategies.

Using the GRI reporting format, we describe our activities below.

Performance Indicators	Topic	Description
Good Governance		
HIV1	Description of HIV/Aids Policy	<ul style="list-style-type: none"> HIV/Aids is a challenge that must be managed strategically and pro-actively. Our HIV/Aids policy, written in simple English, ensures the rights of HIV/Aids employees are protected in the workplace, in accordance with existing South African laws and the Southern African Development Community (SADC) Code on HIV/Aids and Employment. The policy emphasises non-discrimination, confidentiality, support for Voluntary Counselling and Testing (VCT) and Employee Assistance Programmes (EAP), incapacity management, safety measures to prevent spread in the workplace and empowering employees. The policy will be reviewed this year: no major changes are expected.
HIV2	Strategy for managing HIV/Aids risk	<ul style="list-style-type: none"> We developed a Workplace HIV/Aids programme based on guidelines from the Department of Health. This represents our stance and policy on preventing the spread of HIV/Aids amongst our staff and supportively assisting those employees who are already infected. Our strategy is targeted at all bank employees and their families. Our intervention is both direct, through our education, training and support, and indirect, through third party service providers such as Bankmed and Discovery, our medical aid service providers. We implemented interventions aimed at reducing potential new infection, undertook awareness and training projects, and focused on getting managers to be 'HIV-literate and competent' including how to manage affected and infected staff. A variety of communication platforms were used.

Using the GRI reporting format, we describe our activities below.

Performance Indicators	Topic	Description
Good Governance		
HIV3	Preparedness and contingency planning in anticipation of expected HIV/Aids impacts	<ul style="list-style-type: none"> • The actuarial analysis was completed: it helped us quantify the impact of HIV/Aids and assists our leadership in understanding prevalence by stages, financial impact of prevalence found and by skills profile. The skills profile results will guide the HR team in succession planning, leadership pipeline and training and development interventions. • A Knowledge, Attitudes and Practices (KAP) study was completed, which helped us benchmark the knowledge, attitudes and practices within FNB. The KAP survey identified gaps in the HIV/Aids programme and acts as a monitoring and evaluation tool to determine the effectiveness and success of our HIV/Aids management initiatives. • Training and development programmes and succession planning are designed with an understanding of the prevalence and skills profile. • Educational programmes are structured to motivate HIV negative staff to stay negative and HIV positive individuals to change their lifestyle and live positively.
HIV4	Monitoring of progress and reports in respect of indicators 1-3 above	<ul style="list-style-type: none"> • HIV/Aids issues and disclosure, initiatives and commentary appear in the Group's Annual Financial Statements. • HIV/Aids is a standing item, either directly or through associated topics, on every Board and/or Leadership team meeting agenda. • SASBO, FNB's staff union, has a representative in the Wellness Committee • HIV/Aids is identified as a risk in the FirstRand Banking Group Business Performance and Risk Management Framework. • The Steering and Working Committees are responsible for ensuring initiatives are rolled out and reported upon. • The KAP study will also be utilised as a key monitoring and evaluation tool: it will be repeated in 18 – 24 months to assess differences in knowledge, attitudes and practices/behaviour.

Using the GRI reporting format, we describe our activities below.

Performance Indicators	Topic	Description
Good Governance		
HIV5	Stakeholder involvement in formulation of policy, strategy and implementation	<ul style="list-style-type: none"> • The HIV/Aids strategic forum comprises of different functions across the bank, including HR, Risk, Finance, Brand & Communication, Health Services and two executive members. The forum convenes every third month. It provides direction and input on how to leverage initiatives for sustainability to the working committee. • The working committee comprises business unit co-ordinators, wellness managers, HR managers and the Brand and Health services of each business segment/business unit. • Two Executive FNB members are co-opted onto the Aids Strategy Steering Committee to provide the committee with legitimacy and priority status.
Measurement, Monitoring and Evaluation		
HIV6	Prevalence rates	<ul style="list-style-type: none"> • 5.3% of FNB staff are HIV positive, based on the results of the recently completed actuarial study. The average South African workforce rate is estimated at 19%.
HIV7	HIV/Aids-associated costs and losses	The actuarial study has helped FNB quantify associated costs up to 2015. We will be updating the relevant insurance and pension schemes
HIV8	Total assumed HIV/Aids associated costs/losses	As per HIV7

Using the GRI reporting format, we describe our activities below.

Performance Indicators	Topic	Description
Workplace Conditions and HIV/Aids Management		
HIV9	Workplace-related HIV/Aids programmes and interventions	<ul style="list-style-type: none"> • Please refer to our 2005 Sustainability Report for a complete list of all our workplace-related HIV/Aids interventions and programmes. We have added additional forms of awareness and communication, such as Industrial Theatre events. Programmes are holistic and structured, comprising ongoing awareness, training and education through mass communication, staff training, attitude and sensitivity awareness and videos, staff are encouraged to participate in voluntary and confidential counselling and testing as well as care and treatment for HIV+ employees through our medical aid companies (Bankmed and Discovery). We will also update our interventions and communication to address key issues identified through the KAP study • A central component of the strategy last year was to educate, share knowledge, explain legal considerations and provide training with regards to HIV/Aids in the bank. Over 6 000 (up from 5 000 in 2005) managers cumulatively have completed training • Our Employee Assistance Programme (EAP) addressing staff wellbeing includes telephonic and face-to-face counselling on various psycho-social issues. HIV/Aids is one of the elements of this programme, ensuring staff are well looked after and have access to a comprehensive, holistic and sustainable programme. Clinical support and counselling is provided for related issues such as emotional and personal difficulties, family and relationship concerns, substance abuse, career, legal and general health concerns, and bereavement and loss. This support is available telephonically 24 hours a day and through face-to-face sessions.
HIV10 (FNB)	Budget allocation	Financial resources have been made available as indicated in the strategy. Depth quality/sustainability of programme

Using the GRI reporting format, we describe our activities below.

Performance Indicators	Topic	Description
Depth quality/sustainability of programme		
HIV11	Voluntary counselling and testing	<ul style="list-style-type: none"> • VCCT (Voluntary Confidential Counselling and Testing) is a key element in the strategy, as it acts as a “behaviour change” model. Once an individual undergoes an HIV test, there is the likelihood of behaviour change. Depending on the outcome of the test, an HIV+ person will be referred to, encouraged or informed of the appropriate disease management programme. The test is funded by Bankmed and Discovery medical aids: staff can undergo an HIV test at on-site clinics at specific locations (e.g. head office) or at their preferred doctor. Pre-test and post-test counselling are part of the VCCT process • We are reviewing options to ensure more convenient access to testing and counselling
HIV12	Other support programmes	See HIV 9 – Employee Assistance Programme
HIV13	HIV/Aids education and training programmes	<ul style="list-style-type: none"> • One of the main contributing factors to the increasing HIV/Aids prevalence rate in Sub-Saharan Africa is lack of education, and gender inequality. We developed an integrated, innovative awareness campaign communicated through various internal media and forums and focused on HIV literacy and training. The FNB Leadership team has undergone various education and training programmes, and a rollout plan to the rest of the management and non-management team has been developed. The programme includes Exco briefing, management training, awareness training and peer educator training. The programme has also been rolled out to our operations in the rest of Africa. • Topics of education and training include: <ul style="list-style-type: none"> • History and origin of HIV/Aids • Economic impact • Common myths and misconceptions • The basics i.e. a healthy and HIV infected immune system, stages and opportunistic infections • Modes of transmission • Prevention, including ABCD, universal precautions, post-exposure prophylaxis, mother-to-child transmission, and voluntary counselling and testing (VCT) • Treatment • Life Skills • Rights and legal aspects • Local and international HIV/Aids statistics and trends

Using the GRI reporting format, we describe our activities below.

Performance Indicators	Topic	Description
Depth quality/sustainability of programme		
HIV14	Condom and Femidom distribution programme	<ul style="list-style-type: none"> • Condoms and femidoms are distributed at BankCity's onsite clinic for employees.
HIV15	General healthcare provision	<ul style="list-style-type: none"> • Health-days, information drives and communication campaigns that address HIV/Aids or associated issues such as healthy living, weight and stress management as well as correct nutrition are a regular feature of our staff wellness programme.
HIV16	Additional benefits for employees sick, dying or deceased from HIV-related conditions	<ul style="list-style-type: none"> • VCCT tests are paid for by Medical Aids/Schemes with which we have partnered • Treatment (antiretroviral benefits) is included as a PMB (prescribed minimum benefit). • A comprehensive Disease Management plan that includes the following is available to HIV/Aids employees: <ul style="list-style-type: none"> • Lifestyle and HIV/Aids-specific education • Highly Active Anti-Retroviral Therapy (HAART) application and approval • Education on HAART and assistance in the member's choice of medication delivery • Compliance monitoring to ensure that the HAART is effective This includes follow-up calls to the member to assist in management of HAART. • Management of hospitalisation for HIV/Aids-related illnesses • Education and counselling for members requiring prophylactic antiretroviral therapy • Ensuring appropriate claims are funded by Medical Schemes.

WHY OUR CUSTOMERS MATTER TO US

FNB’s “good to Great” (g2G) strategy is built on our vision of being a great business, helping to create a better world. This is not merely a slogan for us - we want to achieve this through building enduring, rewarding relationships. We aim to meet our clients’ banking and financial needs by enabling a greater proportion of the population to be in a position to benefit from the infrastructure, products and services of our innovative approach to banking. By providing financial resources we play a considerable part in the participation of our customers, across all segments, in the mainstream economy.

WHO OUR CUSTOMERS ARE

Our customers vary from previously-unbanked individuals to large corporate public sector clients. A snapshot of our FNB-unique customer base over the last year indicates we have 5,8 million clients, up by 13% from the previous year. The average number of products held per customer is 2,9 (1,43 in FY06).

The diagram below provides a summarised view of our customers by the segments that serve them.

Mass (Smart)	Consumer (Personal)	Wealth	Commercial	Corporate	Public Sector
Individual Gross Annual Income <R81k p.a.	Individuals earning between R750k p.a. (segmented)	Individuals earning >R750k p.a or with R1m in investable liquid assets	<ul style="list-style-type: none"> • SMME • Commercial Business • Mid Corporate • Agriculture 	<ul style="list-style-type: none"> • Large Corporates • Financial Institutions • State-owned Enterprises 	<ul style="list-style-type: none"> • National Govt • Principal Govt • Municipal Govt • Educational Institutions

Our Offering					
Transact, Borrow, Save & Invest, Insure, Rewards, Financial Solutions		Banking, Rewards, Payments, Finance, Managing, Risks, International Banking, Specialist Solutions,		Relationships, Payment & Collection Solutions, Cash & Risk Management, Investments, Financing, International Banking, Working Capital Transactional Banking	
<ul style="list-style-type: none"> • Transactional products (accounts) • Savings • Insurance products & policies • Services e.g. prepaid airtime • Loans (home loans, microfinance, etc.) • Loans (home, personal) 	<ul style="list-style-type: none"> • Core banking solutions (accounts, cards, etc.) • Loans (home personal) • Investment, international and packaged products/ solutions • eBucks loyalty 	<ul style="list-style-type: none"> • Full suite of tailored, flexible financial solutions • Transactional banking • Wealth/ portfolio management • Specialist investment services • Fiduciary (trusts and wills) • Structured lending 	<ul style="list-style-type: none"> • Transactional banking • Loans and other forms of finance • International banking • Segment specific products and services (e.g. agricultural franchising, advice, etc) • Leveraged finance • Services/ solutions (e.g. FirstRand Bank collaborative solutions, SMME support, eBucks, BizNetwork, relationship/ credit centres) • Structured Lending 	<ul style="list-style-type: none"> • Corporate transactional banking • International banking • Collaborative products/ solutions from FirstRand Banking Group 	<ul style="list-style-type: none"> • Customised service propositions based on each client’s financial requirements • Cover both the corporate and commercial offering

WHAT MATTERS TO OUR CUSTOMERS

The needs of our customers remained fairly consistent with previous years. Customers continue to require us to deliver innovative, effective, competitive and value-for-money financial products and solutions across a broad range of convenient, easily accessible and secure platforms. Supporting their needs extends to understanding the challenges of an un-banked market, and providing access to financial services with support, education, mentorship and training.

The table below summarises what matters to our customers by segment.

Segments	Want
Mass (Smart Solutions)	Efficient and approachable customer service, value-for-money products and a demonstrated understanding of their needs
Consumer	Excellent service, value-for-money products & a demonstrated understanding of their needs
Wealth	Specialised approaches, individualised service & international solutions
Commercial	Enhanced basic banking offering, excellent service, customised solutions and mentorship support, competitive pricing
Corporate	Speed, customised solutions, system reliability stability, competitive pricing, innovation in process improvement and efficiency maximisation
Public Sector	Partnership and facilitation to help government deliver on its strategic imperatives at a competitive rate
Branch Banking*	Relationship management & outstanding customer service

* Not a customer segment

We understand these needs through engagement with customers across a variety of channels, as indicated below, which enable us to identify important customer issues and develop innovative and service-oriented solutions. Non-transactional dialogue across all channels is conducted on an annual basis four times a year based on a sample of about 30,000 customers, and the results are integrated into our operations using our quarterly Buzz Barometer. The Buzz Barometer asks one ultimate question: Would you recommend FNB to a friend? This is a tough, but consistent way of measuring overall customer satisfaction and shows us which areas we need to improve on.

The result – a Net Promoter Score – is a proxy to determining customer satisfaction. Last year, 43% of our customers indicated they would recommend FNB to a friend. This year, it decreased to 35% mainly due to system technicalities such as the migration of our online banking platform as well as normal research fluctuations. We are addressing these issues to improve our customer service delivery.

We also use the number of complaints logged with the Banking Ombudsman as a measure of customer satisfaction.

OUR KEY STRATEGIC FOCUS AREAS AND WHAT WE ARE DOING ABOUT THEM

FY '06 Report Feedback

Last Year's Goals	Progress	Commentary/What We Did
Continue delivering relevant, value-adding client innovations	✓	<ul style="list-style-type: none"> Product innovations such as paying of traffic fines at ATMs were launched. Developed solutions for needs of specific segments e.g. diplomatic representatives from foreign countries, and the tourism sector. Launched China Union Pay, a Chinese payment scheme that has expanded Point-of-Sale (SpeedPoint) and ATM acceptance for the benefit of travelling Chinese citizens travelling outside of China.
Ensure we are price-competitive	✓	<ul style="list-style-type: none"> Reduced many of our fees; overall fees increased by 2.2%, well below inflation.
Upgraded ATM infrastructure	✓	<ul style="list-style-type: none"> Upgraded ATM network from fixed-line to GPRS infrastructure to enable us to deploy ATMs faster, reduce costs and transaction time.

This Year

Taking into account what matters to our customers, and what our own objectives are, we remained focused on implementation of the Financial Sector Charter (FSC), extending access to financial services and driving business innovation. We also continued to ensure that we remain a responsible lender of credit, and encouraged personal savings. The safety and security of our customers, always an operational consideration, remained critical to us. Customer service levels in our environment are fundamental, and remained a recurring theme in our strategy.

We describe our efforts in more detail below.

Accessible & Inclusive Finance – Financial Sector Charter and Beyond

Through the Financial Sector Charter (FSC), we committed ourselves to actively promote a transformed, vibrant and globally competitive sector that reflects the demographics of South Africa, and contributes to the establishment of an equitable society. We do this by providing effective access to financial services for a greater segment of our population.

Improving Financial Literacy

Consumer education is a basic tool to empower consumers to access opportunities. Our consumer education programmes are provided at no cost and obligation. They are designed to educate and inform consumers about basic financial literacy concepts such as transacting, borrowing, savings and insurance. For the calendar year 2007, we allocated 0.2% of NPAT to developing and delivering financial literacy education to the LSM 1-5 consumer market.

Key programmes include “Be Financially Smart”, a radio-based education programme, our branch banking community outreach programme on basic financial literacy, and homeowner education. Further non-FSC consumer education is also undertaken in a variety of areas including the use of cards and cellphone banking, ensuring safety when using at ATM, tailored education for emerging farmers, information on latest changes in the financial environment such as the National Credit Act, etc.

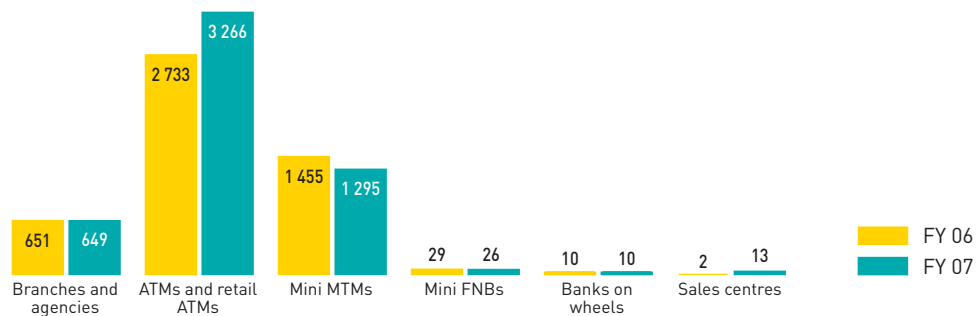
Mzansi – Banking the Previously Unbanked

We continued to provide entry-level banking services through the Mzansi Account to ensure access and affordability to entry-level clients who previously did not have a bank account. Over the last year, we opened 369,506 accounts, up from 280,581 from the previous year. This indicates an increasing acceptance of formal banking by new entrants into the banking sector.

Increasing Infrastructure Access

We continued to roll out portable branches, which have proved to be a success in under-served areas, evidenced by the conversion of at least 1% of our mini branches to full-service branches to meet community demand. We also introduced new capabilities to improve access, and distribute transactions by introducing new facilities such as mini-ATMs, sales centres and Bank-On-Wheels (mobile branches). At least 1 in 4 (25%) of our representation points totalling 698 are located in FSC-designated areas. We implemented Sales Centres, positioned at convenient locations for mainstream customers and rolled out mini-ATMs to spread our infrastructure access to rural locations. Switching our ATM network from fixed-line to GPRS infrastructure to reduce costs and transaction time from 26 to 18 seconds on average enabled us to deploy ATMs faster, reduce queues at ATMs as well as extend services to areas with poor telecommunications infrastructure.

Number of infrastructure access points



Enabling Home Ownership

Home ownership helps people build assets through economic inclusion and upliftment. In the last 15 months, FNB and Rand Merchant Bank invested over R2 billion in the development of affordable housing, which resulted in more than 7,000 homes for our nation. These included financing the construction, development and purchase of houses in areas such as Cosmo City, Evaton West, Windmill Park Estate, Empangeni (Umhlatuze), Glen Ridge (Soweto) and Delft Symphony (N2 Gateway).

Our focus goes beyond just providing affordable housing finance: we rolled out a sustainable model for affordable housing by providing a comprehensive funding solution to enable synchronisation of the different funding solutions, elimination of end-user funding process risk and ensures more secure sales for the developer instead of buyers accessing finance themselves. Our innovative products such as Smart Bond Step-Up enables our customers to buy quality and bigger houses with affordable payments that are low in the initial years, and rising steadily in line with their improving salary and economic conditions.

To ensure the homes we finance are of acceptable quality standards, we require developers we finance to be enrolled with the National Home Builders Registration Council (NHBC), which guarantees recourse against poor quality. We also partnered with developers to agree on a fixed delivery schedule including time, cost and quality.

The quality of affordable housing in South Africa is a key concern amongst stakeholders. N2 Gateway and Cosmo City homeowners in particular have expressed complaints about a variety of issues. We believe that our affordable housing programme is a project in progress until all houses are complete. Incidences of latent defects have been found in some houses and are being addressed by the developer according to the snag list. Each house is subject to inspection by the NHBRC and an independent project team hired by FNB prior to handover to each homeowner. We continue with this process to ensure that our affordable housing programme meets the required standard and is of acceptable quality to the homeowners.

Helping Start-Ups and Small Businesses

We provide tailor-made solutions for start-ups with a trading history of less than two years with a one-stop shop offering to facilitate financing of transactions regarded as previously un-bankable focusing on all phases of the business life-cycle from idea and concept, mentorship through to investment products.

- We enhanced our Biznetwork service to business owners by introducing a free 'light' membership, aimed at improving the running of their businesses and serve as a networking platform;
- The FNB Enablis Foundation was launched to encourage entrepreneurial activity. Approximately 3,000 new business plans are prepared and reviewed annually. Support is also provided through Enterprise Business SA where start-up customers receive access to free tools such as business plan creator, toolkits and mentors; and
- Through our association with agencies such as Khula and SEDA we equipped entrepreneurs with the necessary skills to run a sustainable business enterprise.

Sustaining Transformation of Medium to Large Corporates

Enabling Black economic empowerment (BEE) is an integral part of our business strategy. We developed comprehensive solutions for BEE coinciding with the gazetting of the DTI Broad-Based Black Economic Empowerment Codes of Good Practice to assist businesses to transform in a sustainable manner. Our value proposition focuses on providing comprehensive solutions such as BEE rating of our clients, sourcing and procuring from BEE partners and suppliers and ongoing mentorship.

We also provided funding to enable BEE ownership transactions. For the 2007 financial year to date, 30 transactions amounting to an aggregate disbursement of just over R250 million were financed to enable empowerment-related ownership buy-in transactions. In addition, we provided finance in 21 transactions to a total value of R43 million directly to existing black owned businesses.

Supporting Women in Business

We became a member of the Global Banking Alliance for Women, aimed at accelerating the growth of women in business and creation of wealth while generating superior business outcomes for member financial institutions. Only two financial institutions per country are allowed membership, the other South African partner being the Women's Development Bank (WDB). We are members of the international Women's Federation of South Africa as well as the Women in Finance which is focused on providing networking and best practices support for female entrepreneurs. These memberships enable us to identify and share best practices, source and collaborate on relevant women's market research, create forums for industry and thought leaders, and share collective knowledge.

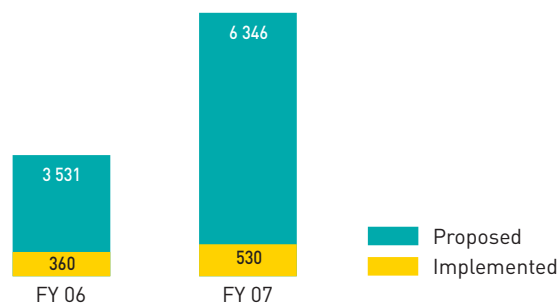
Financing and Developing the Emerging Farmer

Through our mentorship programme for emerging farmers, we counted as our client 2007 BEE Beef Producer of the Year. We also entered into joint ventures with SAB Miller and Afgri for farmer development and venture risk-sharing.

Maintaining our Competitive Edge Through an Innovative Culture

Innovation is part of our business DNA. Our annual Innovators Campaign encourages staff to conceive and implement great ideas. The success of the campaign is evidenced by year-on-year growth of the number of ideas submitted and implemented. Last year, 3,531 new ideas were logged by staff members with 360 of these ideas implemented. The 2007 competition resulted in 6,346 ideas logged and 530 ideas approved and implemented. A remaining 5,288 active ideas are in the running for the 2008 Awards. The pace of internal innovation is increasing, living up to our core values. Last year's winner – a joint of FNB Commercial Property Finance and Smart Solutions staff - developed an innovation around Funding for Affordable Housing that is a first in South Africa by providing an end-to-end solution for housing finance, eliminating some of the major barriers to affordable home ownership.

Number of innovators campaign ideas



Encouraging Consumer Saving

Last year South Africa's household saving rate was 0.2%. Personal savings remains a challenge, especially given the significantly unbanked population. We encourage consumers to save by conveying the message of the importance of setting money aside to help consumers cope with unexpected costs and to build towards future goals such as education or retirement. Products like our Future Account encourage saving from a young age, and SuperSave and Stokvel enables group savings to be pooled with lower charges provided that a minimum balance is maintained.

One of the key product in our savings offering is the Million-A-Month (MaMA) account created to entrench a culture of savings that provides an additional incentive, other than interest rate, to save money without charging monthly account fees. It acts as an "electronic piggy bank" where money is safe and brings informal money into the formal banking system. MaMA has created approximately 750,000 savers and has paid out about R45 million since it was launched in January 2005.

Feedback on Million a Month Account (MaMA) Dispute

The MaMA account has been the subject of debate over the last year following the dispute with the National Lotteries Board which argues that the MaMA savings offering constitutes an unlawful lottery. As our product is a 32-day notice account, and there is no risk of losing the initial investment, we do not consider MaMA as a lottery product. We have been granted approval to appeal the negative ruling of December 2006 in the Supreme Court, expected to be heard in early 2008. In the interim, we continue to operate as usual until the outcome of the court case and will be introducing product enhancements and new prizes in the future.

Remaining a Responsible Lender

From 1 June 2007 all new agreements (including renewal/re-negotiated agreements) are governed by the National Credit Act (NCA). The Act requires finance providers to engage in responsible lending and take into account the total affordability of credit by the applicant before credit is extended. Debt counselling will be provided to over-indebted customers, and we will facilitate debt restructuring through a Debt Review Centre once it is established.

To remain a responsible credit lender we complete reasonable affordability assessments first, using all information at our disposal before granting credit. We implemented automated scoring models ensuring customers are treated consistently. We support our clients and their dependents against unexpected events through our new Automatic Debt Protection and optional Debt Protection Plan to cover outstanding credit card values. We also moved away from the historical process of issuing credit on a product level, allowing us to build enduring rewarding relationships with the entire customer profile in mind.

Along with other banks, we are signatories to the Banking Association Code of Banking Practice. This voluntary Code sets out minimum standards that banks must adhere to in the relationship with a client and is aimed at providing valuable safeguard to clients.

Providing a Safe and Secure Environment

The financial services industry is particularly prone to certain types of crime and insecurities: branch robberies, internet banking fraud, ATM crime, etc. We vigilantly identify solutions to improve the safety and security of clients utilising our different channels. These include:

- **Branch Safety:** We implemented Security Service Standards to make customers aware of security issues, providing tips on how to keep money safe. Ongoing measurement of clients' perception of security and safety in branches is undertaken; latest results indicate 89% of the 24 112 clients surveyed nationwide feel we exceeded their expectation in providing a safe environment. If our customers are victims of a branch robbery, trauma counselling is provided to them to help them deal with the ordeal.
- **Internet Banking Security:** Along with a total revamp of our internet banking facility, we introduced a One Time Pin (OTP), a unique 8-digit security PIN customers receive via SMS or e-mail each time they login, to confirm transactions. It complements the optional Digi-Tag some of our customers have previously used as an additional security layer. Email, web-based and other forms of communication and education about phishing, viruses, and how to avoid being defrauded is undertaken.
- **The increase in explosives attacks on ATMs is a very real threat to the industry.** We invested over R60 million in technology and skills for ATM upgrades and enable successful prosecution of criminals. This investment provides greater security enhancements such as cameras at ATM points, bag and parcel shelves to reduce risk of theft during transacting, improved software, and streamlining transaction procedures. This is part of a four year roll-out plan to cover our ATM site base and maximise consumer security. The 30% decrease in transaction time reduces the risk of customers falling victim to criminals who prey on ATM users. We also participated in an industry-wide crime awareness initiative aimed at making all banking customers 'street smart' about banking crime with an emphasis on ATM and card crime.
- **We increased our investment in InContact** (a free cellphone-based transaction notification service, which remains a differentiator for FNB, helping attract and retain clients. Great value is derived from this service by our customers in preventing potential fraudulent transactions, as indicated in our customer feedback.

We also encourage our staff to identify and report criminal activity with our ongoing "Vow of Vigilance" initiative. Staff are incentivised with a R1 million cash prize incentive. Through this campaign, an estimated R2 billion has been saved annually, totalling R12 billion in the last 6 years.

Helping Customers Get Value For Money, Simplifying and Reducing Fees

We compete vigorously across multiple dimensions as the innovation leader in the market to deliver superior value to our customers. Pricing competition plays an important role to keep bank fees affordable and profits in line. For this reason we have been pursuing an innovative pricing strategy since 2002 to distinguish our prices and offerings from those of our competitors. The overall increase in FNB Mainstream, Personal and Business fees is approximately 2.2%, well below inflation. We moved away from complex to flat fee structures to make our fees simple and easy to understand. Highlights of the pricing changes made in accordance with this strategy this year are the scrapping of charges on Telephone and Cellphone Banking, as well as ATM Cash Deposits and Prepaid Purchases.

Other electronic pricing such as Internet Banking and FNB's innovative and highly popular Electronic Pricing Option remained unchanged. Increased fees were mainly limited to branch cash transactions and monthly account fees. Mzansi account holders receive a reduction charge of around 14% due to the lowering of other bank fees. Our dedicated pricing helpdesk (0860 11 22 44) is in place to help customers choose the cheapest pricing option and to reduce their banking costs.

We also continued to work with the Competition Commission to explore issues and potential solutions related to pricing practices within the banking industry. Some of the proposals made by FNB to the Panel relate to:

- Zero SASWITCH fees to enable a more efficient use of ATM network, increase transactions and broaden access to banking services. Scrapping of these fees by the industry could save customers R500 million a year.
- Replacing the SASWITCH fee with a Direct Customer Charge by the ATM owner where the acquiring bank (on whose ATM transaction occurs) will recover a fee from the issuing bank's customers instead of the issuing bank. This would result in reduced bank charges and improved price transparency.



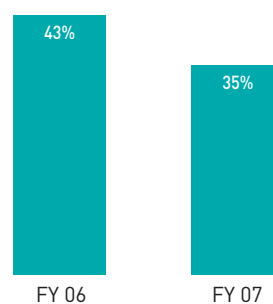
The 2010 FIFA World Cup is many things to many people: fun and games, infrastructure investment, and economic opportunity. For FNB, while our R160 million sponsorship may ensure access to tickets for qualifying staff and customers, and contribute towards community-building through our provision of public viewing sites and promotion of soccer at our Schools' Soccer Clash, we were also motivated by the infrastructure and economic benefits of this World Cup to South Africa.

We are revisiting our credit models to allow targeted lending into key high-growth areas such as the construction industry. We are also partnering with local authorities and third parties to facilitate enterprise development e.g. through a R200 million fund established with NURCHA for the development of emerging contractors. We invested in "PreBook", a unique booking system that helps small and mid-size enterprises compete with larger hotels through a credible on-line booking portal to grow market share in the fast growing tourism and hospitality industry.

Relentless Striving to Enhance Customer Service & Satisfaction

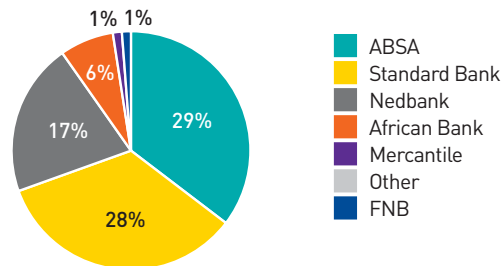
We strive to improve our service on an ongoing basis. Our Buzz Barometer surveys our customers regarding their experience at our branches.

Customer satisfaction –
Buzz barometer



The Banking Industry Ombudsman: Customer complaints lodged with the Banking Ombudsman are investigated independently. In 2006, FNB was rated 3rd lowest of the big four banks with the least number of complaints opened (866 cases). This year, the Ombudsman enhanced reporting by indicating the number of complaints along with the Net Asset percentage of each bank. We have therefore not provided comparative data for previous years, but merely performance for this year.

Customer complaints (Ombudsman) ranked by % of assets



“Five Star Service That Shines” service standards, which are based on the hospitality industry are being implemented as an industry-first in customer service within the banking sector. These service standards enable us to ‘walk in the customers’ shoes to deliver end-to-end five star customer service.

UPDATE TO POLICIES AND PRACTICES

- We updated our overdraft policy to ensure that customers no longer automatically go into overdraft.
- No credit is extended without first conducting an ‘affordability test’ in line with the NCA requirement. This enables us to determine customers’ understanding of the risks, costs and obligations involved and are able to meet repayment requirements.

OBJECTIVES FOR THE COMING YEAR

- Leverage opportunities in key sectors such as tourism and construction, enabled by our sponsorship of the 2010 FIFA World Cup;
- Continued roll-out of new branch banking operating model to improve customer experience at branches, specifically focusing on advice and transactions, ensuring service consistency and measuring customer satisfaction;
- Improve access to services through a further roll-out and upgrade of branch, ATM, bank on wheels, and sales centres; and
- Entrench personal client relationships, service delivery and refined offerings.

WHY OUR SUPPLIERS MATTER TO US

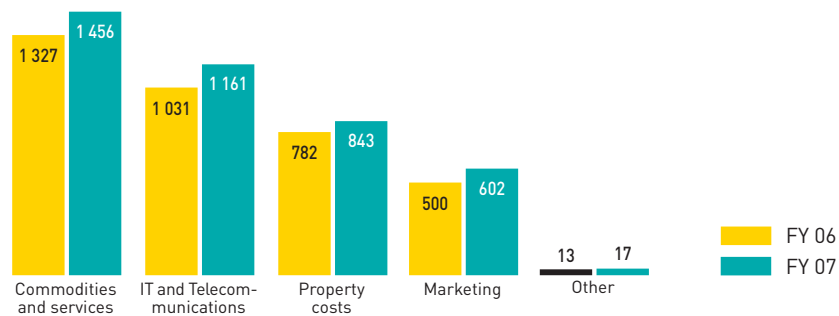
Last year we spent over R3 billion on procurement purchasing. Suppliers significantly influence our g2G1in3 strategic objective of achieving efficiencies, and developing enduring, rewarding relationships that sustain our business and contribute to the value we create for our stakeholders. As a sizeable procurer, we are also in a position to encourage our suppliers to effect black economic transformation and support enterprise development, a fundamental pillar of South Africa's equity position and a key focus area for FNB. We are also increasingly utilising our position to engage in discussion about responsible sourcing with our suppliers.

WHO OUR SUPPLIERS ARE

We have nearly 24,000 (19,860 in FY 06) suppliers on our database, about 40% of which we use. They range in size from large multinational corporates to emerging and micro enterprises.

The diagram below depicts the main categories of our suppliers and spend over the last 3 years.

Main procurement categories (R'000)



WHAT MATTERS TO OUR SUPPLIERS

Through ongoing dialogue with our suppliers throughout the year, we determined that supplier needs had not drastically changed from the previous year. Our suppliers' key requirement remains to obtain the quick settlement of invoices within terms.

We continue to pro-actively identify processes to improve supplier invoice settlement. We are also establishing a Service Level Department that focuses on the service we provide to our suppliers, and vice versa.

OUR KEY STRATEGIC FOCUS AREAS AND WHAT WE ARE DOING ABOUT THEM

FY '06 Report Feedback

Last Year's Goals	Progress	Commentary/What We Did
Achieve cost savings via efficiency innovation	✓	<ul style="list-style-type: none"> • Leverage FirstRand Banking Group spend • We realised over R120 million savings last year (and a cumulative saving of R240 million)
Consolidate & centralise contracting	✓	<ul style="list-style-type: none"> • Established centralised Procurement Contracts Management Department
Conduct Supplier Satisfaction Refine End-User Satisfaction	✗	<ul style="list-style-type: none"> • Supplier CSI to be done
Reporting & Improve Results	✗	<ul style="list-style-type: none"> • Customer Satisfaction Index conducted

This Year

Our procurement strategy is informed by two business imperatives viz:

- Meet Financial Sector Charter (FSC) transformation requirements for 2008 and thereafter; and
- Support the overall strategy of g2G1in3, which identifies the need for innovation and efficiencies to enable enduring business relationships.

Ongoing Transformation of our Supplier Base

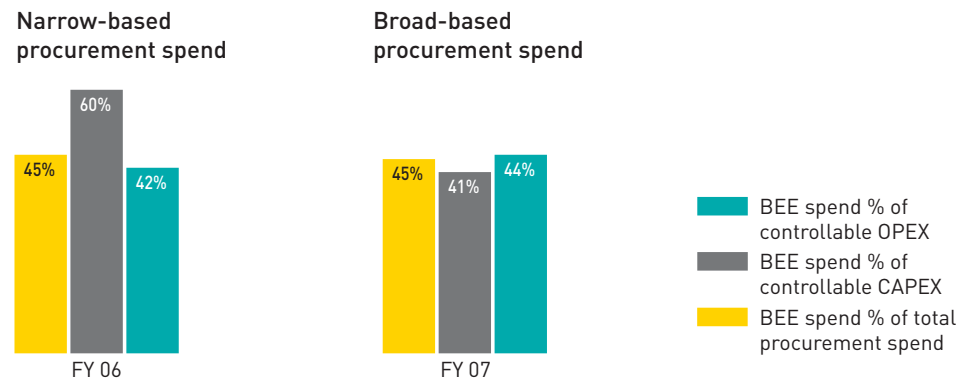
At FNB, we continuously look at ways of contributing to sustained economic growth, redressing social and economic inequities and broadening increasing business participation through procurement. We believe that it is only through transformation that these objectives can be realised.

To this end, over 48% of our procurement spend (measured on a narrow-basis focusing on ownership and control) was placed with Black Economic Empowerment (BEE) suppliers. We focused on getting our suppliers rated to establish their transformation progress. We also focus particularly on non-compliant suppliers (achieving less than 40% in terms of the BBBEE transformation scorecard, and suppliers who have not reported their transformation status to us (unrated suppliers). Therefore, while we ensure that our procurement spend from BEE suppliers is increased, we also play an active role in ensuring that transformation scorecard requirements are met by decreasing our spend with those suppliers who do not comply.

Opportunities to foster new and developing BEE firms through joint ventures, skills transfer and infrastructural support continue to be explored and created. For example, we encouraged a management buy-out at our advertising agency, FCB, which gave its staff a significant share in the company's equity.

The diagram below reflects our BEE procurement spend over the last 2 years. Note that FY 07 is presented as an unaudited figure; our external auditors will audit this during the course of our annual FSC scorecard prior to March 2008.

Due to a change in internal reporting from a narrow to a broad basis, our performance as indicated by the diagram below appears to have reduced slightly. This is to be expected as narrow-based reporting measures only on ownership and control elements of transformation, and broad based is measured on all 7 pillars. We nevertheless elected to present a comparative view, as we believe our performance remains positive.



Increasing Focus on Enterprise Development

We increased our focus on enterprise development by providing black Exempted Micro Enterprises (EMEs) or Qualifying Small Enterprises (QSEs) and women-owned enterprises such as local cleaning and security companies and providing them with opportunities to tender for business. We ensure that invoices are paid timeously to contribute to their cash flow.

Vezubhle Business Furniture (VBF) is one such enterprise that we supported as part of our commitment to increase our procurement spend with BEE suppliers. VBF is a 100% black-owned operation established in June 2000 by three entrepreneurs and is one of two companies that supply us with our furniture requirements. FNB is the company's first big client and has contributed to the success and sustained growth of the company by awarding the company its first major account to provide furniture at all our branches.

Realising Procurement Efficiencies and Savings

Our drive to improve efficiencies and realise savings in support of the broader FNB g2G 1in3 strategy saw us achieving over R120 million in savings last year through effective management of our consumption and supplier negotiation. We also concentrated on consolidating a number of duplicated supplier contracts across the business, and reduced the number of SLAs with suppliers through our centralised contracting function. As a result, there is now one central negotiation point, allowing us to leverage our spending more effectively.

UPDATES TO POLICIES AND PRACTICES

- Procurement Guidelines: these were formalised and communicated to CFOs for implementation throughout the Company as a governance framework to standardise our procurement standards in the sourcing of goods and services; and
- We began reporting internally on the transformation of our supplier base using both narrow-based and broad-based measurements.

OBJECTIVES FOR THE UPCOMING YEAR

- Implement an Integrated Procurement Solution underpinned by procurement standards, policies and processes company-wide;
- Continue to build enduring relationships with our contracted suppliers by sharing procurement opportunities and transforming our supplier base in terms of the FSC on an ongoing basis;
- Conduct formal Supplier Satisfaction Assessments;
- Establish a centre-led Service Level Management Department;
- Increased focus on enterprise development with an emphasis on black-owned and female-owned businesses;
- Increase focus on enterprise development as well as black-owned and women-owned businesses; and
- Increase sustainability in our supply chain by developing an approach to work with our suppliers on social and environmental issues.

WHY THE ENVIRONMENT MATTERS TO US

FNB is located in Southern Africa, an emerging environment particularly prone to the negative impact of climate change. Being the employer of over 26,000 staff, based in multiple locations, it is our responsibility to systemically minimise our direct environmental impact. We exercise economy in our consumption of natural and derived resources. Actively managing our environmental impact remains an ongoing task, but one that continues to see us reduce our impact. Our environmental management practices were recognised at the Mail & Guardian "Greening the Future" 2006 Awards for the company with the most improved environmental performance.

Our consideration for the environment extends to our indirect impact. This ranges from engaging with key stakeholders, such as our suppliers, on environmental considerations to environmentally-orientated solutions that are brought to market to help customers mitigate environmental impact.

WHERE OUR DIRECT IMPACT IS

The following operational areas contribute most significantly to our environmental impact:

- First National Bank Head Office (BankCity) Johannesburg (up to 6,500 regular users) Our Call Centre and IT Infrastructure centre
- FNB regional offices and branches located nationally

OUR SIGNIFICANT DIRECT IMPACTS AND WHAT WE ARE DOING ABOUT THEM

FY '06 Report Feedback

Last Year's Goals	Progress	Commentary/What We Did
Implement requirements in with updated Business Process Risk Management Framework (BPRMF)	✓	<ul style="list-style-type: none"> • BankCity Internal Auditors reviewed line environmental positions of business units in line with BPRMF and advised on good practice. All business units will commence compliance reporting in the coming year.
Working towards ISO 14001 accreditation for both FNB & BankCity by FY '08	⌚	<ul style="list-style-type: none"> • All activities required to obtain certification are largely complete. An external audit will be conducted during the first half of FY '08.

This Year

Management of our direct and indirect environmental impact falls under the auspices of our Group Environmental Health and Safety office. Compliance with environmental legislation is monitored by 50 compliance officers located in all business units and Internal Audit.

Our direct impact includes consumption of natural resources, energy, paper and consumables, cleaning materials, information technology, and electrical equipment and accessories. We describe our efforts to reduce our environmental footprint below, primarily at BankCity, our largest impact area.

The information below is based on ongoing activity, with specific projects being undertaken since at least 2004. We therefore only report on significant improvements over the last financial year. For more information of our ongoing efforts, please refer to our previous Sustainability Reports on www.firstrandusrep.co.za.

Compliance to Environmental Legislation

The Group Environmental Health & Safety Manager ensures new legislation is integrated as soon as it is promulgated.

Obtaining ISO 14001:2004 Certification

Obtaining recognition for environmental management systems will demonstrate that our commitment to environmental issues extends beyond legal compliance. We are developing strategies to ensure our management systems compare take into account urgent issues such as global warming and resource protection, and are factored into our planning.

Top 10 Direct Risk Identification

We have identified our top 10 direct environmental risks. These are part of our Environmental Management System, and we are actively working on effective control measures, including engineering, training and operational procedure requirements.

Staff Environmental Awareness & Training

Ongoing efforts to enhance staff awareness about workplace environmental impact include:

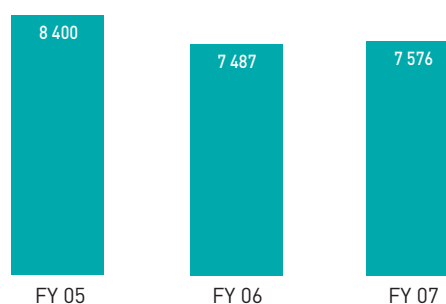
- Environmental management training for SHE representatives (90% pass rate by 300 representatives)
- One-day training by the University of Potchefstroom's Centre for Environmental Management on development principles, issues and strategies for environmental management in the Banking sector for approximately 40 staff
- Online employee learning module on importance of environmental management and our initiatives
- Pilot use of recycled paper accompanied by education about efficient printing methods
- Awareness of water conservation through training and internal communications.

Improving Energy Efficiencies

A significant number of areas for reduced energy consumption were addressed, including lighting, refrigeration, head office lifts, dishwashers, air-conditioning, etc. Branches at risk of frequent power outages have also installed powered generators that cover our network. Electrical assessments are conducted prior to installation, with regular monitoring to ensure safety and compliance.

While there was a slight increase in consumption over the reporting period, ongoing efforts in support of Eskom's Demand Side Management (DSM) have resulted in a total saving of R10,7 million over the last three years, with a saving of more than R2,3 million over the last 12 months alone. We believe there is further scope to reduce our energy consumption, and we are exploring opportunities in this respect.

BankCity energy consumption (kVA)



Managing Water Wisely

The general efficiency of the water management system has been reviewed over a long period, and last year's report indicates the steps we have taken. Opportunities to reduce fresh water intake and recycled water, including grey water, are now minimal, but have resulted in modest savings of approximately R25,000 over the last year (about 4 kiloliters per day). We also instituted a rebate system on the effluent water with the local water authority due to water evaporation in the cooling towers. Monthly water readings are analysed to ensure instances of excessive use are evaluated and causes addressed.

Recycling Paper

We reviewed our paper recycling solution and maintained focus on staff awareness programme on paper wastage. BankCity office paper is shredded and handed over to Nampak Recycling. Branches maintain their own recycling programmes based on community or business objectives they wish to support.

IT Consumables

We are currently in the final stages of choosing an IT Consumables supplier. Proposals on recycling and collecting cartridges, ribbons and other consumables are being evaluated.

UPDATES TO POLICIES AND PRACTICES

- The governance structure for the management of environmental issues has been refined. This now includes the newly-formed FRBG Environmental Forum consisting of a cross-section of functions tasked with ensuring the bank identifies sound direct and indirect environmental issues, risks and opportunities. The Forum reports to various executives and to the Board of FirstRand Bank;
- The FRBG SHE policy (framework for managing our environment) has been updated and signed off by Sizwe Nxasana, our CEO, and is now used for updated training and communication. Due to the size of operations, a separate SHE policy has been developed for BankCity;
- Implementation of an Environmental Management System for BankCity commenced in June; and
- Our Disaster Management System has been updated to ensure operations are not negatively affected by power outages. This requires us to pay careful attention to the use and management of our diesel stores.

OBJECTIVES FOR THE UPCOMING YEAR

- Participate in an ISO 14001 audit of BankCity to obtain certification;
- Research or implement further environment-saving projects, including assessing installation of movement/motion detection lights in specific areas, a feasibility assessment of solar water heating and installing new fans for basement parking for carbon monoxide extraction;
- Implement a total waste management solution at BankCity; and
- A staff competition is being conceived to encourage energy savings ideas from staff.

WHY OUR INDIRECT ENVIRONMENT MATTERS TO US

As a provider of finance, we enable products and services to be accessed, and facilitate consumption. We therefore have a role to play in balancing the conflicting need to facilitate South Africa's requirements for a growing and inclusive economy, with the need to ensure such growth is enabled in a responsible social and environmental manner. For us, this translates into both risk management and business opportunity development. Our indirect impact also extends to the suppliers with whom we engage.

OUR INDIRECT ENVIRONMENTAL IMPACT AND WHAT WE ARE DOING ABOUT IT

Our indirect environmental impact stems from two areas: the products we procure, and the final products and services we extend to the market.

What we are doing about our Supply Chain Impact

Engagement with suppliers on environmental practice is still at the early stage for us, but will receive greater prominence as we begin including requests for information on these issues as part of the tendering process. Contracts will also be updated accordingly. Our Purchasing and Supply Management Department is starting to embed sustainability practice into operations, with specific opportunities being identified in various areas in partnership with our suppliers.

What we are doing about our Customers' Impact

There is a huge need for finance in implementing international environmental agreements such as the Kyoto Protocol, the Carbon Disclosure Project and Global Compact, to which we are signatories. There is an equally important need to understand what the new needs of consumers and businesses are in the era of an increasingly unsustainable global environment. We analyse the strategic developments in the environmental arena for both potential business opportunity and areas of risk that require consideration. The development of environmentally-orientated financial products is receiving greater attention in areas such as our Housing Finance operations. The use of technical advisors and partners, for example, in our responsible lending processes and environmental liability insurance has also been increased.

Furthermore, we also consider the various risk implications of our lending practices through the FRBG Environmental Risk Policy, which governs our activities with respect to responsible lending and business development. Our responsibility to positively influence the environmental behaviour of our clients is exercised through dialogue, application of the Environmental Risk Policy and ensuring Environmental Impact Assessments are undertaken.

OBJECTIVES FOR THE COMING YEAR

- Update supplier tendering information request process and supplier contracts; and
- The Environmental Forum will review the Environmental Risk Policy and consider how to improve our application of EIAs.

WHY THE COMMUNITY MATTERS TO US

For FNB, Corporate Social Investment (CSI) is about helping people in less fortunate circumstances to lead more productive lives. This forms part of our vision that, to be a great business, we must help to create a better world. We believe that we can contribute towards greater economic participation in South Africa by supporting communities both financially, and through the time, skills and expertise volunteered by our employees.

Our staff members are encouraged to participate and play an active role in community initiatives. The aim is to create a more empathetic workforce who will, through participation, better understand the daily challenges faced by our customers and the communities that they come from.

We report on our community support through two vehicles: the FNB Foundation (or the Fund) and the FNB Volunteers' Programme.

THE COMMUNITY

The community that we interact with is defined by the two vehicles we use:

- The FNB Foundation: an FNB-funded community support programme that focuses on providing finance. It is also referred to as the FNB Fund within this document. Here we set aside 1% of our post-tax profits to support community care (emphasising women, youth and children), tertiary commerce bursaries, and HIV/Aids. We are increasing our emphasis on primary school mathematics education and Early Childhood Development (ECD), and are gradually and responsibly reducing our financial support to skills development and job creation programmes to accommodate our change in focus; and
- The FNB Volunteers Programme: a staff-driven initiative jointly supported and funded by FNB and the staff. The programme focuses on donations of time, materials and expertise. Employee volunteer initiatives have focused on community care, orphanages, rural schools and crèches, the disabled, the establishment of veggie-tunnels and sustainable livelihoods. Over time, integration via volunteering to organisations supported by the FNB Foundation is also slowly taking place.

Having both a "financial giving" mechanism and a "helping hand" process enables us to provide a complete, holistic solution to meaningful and sustainable community support.

WHAT MATTERS TO THE COMMUNITY

FNB Foundation

Our first Impact and Measurement Study at the end of the previous year, NPO/NGO organisations communicated their need for more sharing of "knowledge and skills", as complementary to the financial support the FNB Foundation already provided. Considering the benefits to both the sustainable position of the organisations we fund, and to meeting our desire for longer-term community partnerships, we have integrated this into our FNB Volunteer programme.

FNB Volunteers

Information received as feedback during the Charities Aid Foundation of South Africa (CAFSA) Employee Volunteer week indicated organisations wanted closer engagement with our volunteers. Incentives were offered by the Volunteers Programme during the 2006/7 financial year to encourage volunteers to partner with NGOs to develop two to three-year work plans.

While staff also partner with organisations supported by the FNB Fund, they often wish to maintain long-term engagements with registered community organisations of their own choice – this choice is retained, as it remains important to our volunteers.

OUR STRATEGIC KEY FOCUS AREAS & WHAT WE ARE DOING ABOUT THEM

FY '06 Report Feedback

Last Year's Goals	Progress	Commentary/What We Did
FNB Fund		
Increase engagement community in a sustainable manner	✓	<ul style="list-style-type: none"> We are increasing focus on longer-term community partnerships, as indicated below. We continued to gather information on the impact and progress of the community organisations that we support through our Monitoring & Evaluation programme
Volunteers' Programme		
Enhance internal communication	✓	<ul style="list-style-type: none"> Enhanced internal communication through provincial road shows, induction video, intranet site, etc.
Implement Audit Recommendations	✓	<ul style="list-style-type: none"> Revised policies and procedures following internal audit, including a Training Starter Pack for Volunteer Co-ordinators, were implemented by FirstRand Volunteers Programme
Increasing time giving (skills and knowledge)	✓	<ul style="list-style-type: none"> Incentives were provided to encourage staff to give more of their time and skills (compared to predominantly fund-raising volunteering activity)

This Year FNB Foundation

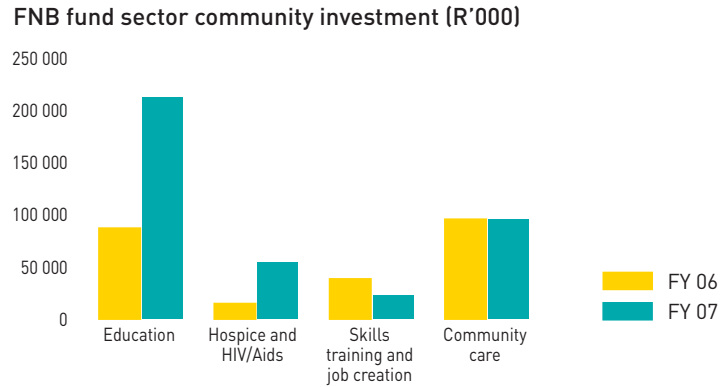
We supported 174 (167 in FY 06) community partners, to the value of R38,5 million (R23,3 million in FY 06).

Our key focus last year was on ensuring longer-term community partnerships. We increased focus on flagship projects within the areas of community care (needs of the homeless, orphaned, and youth and families at risk), our bursary programme (merit-based, without any obligation to payback or work for FNB), a teacher training development programme, and the Hospice SA programme, which deals with the challenges posed by HIV/Aids (here we allocated a national spend of R16 million over three-years).

We extended financial support from project-specific or annual grants to three-year programmes where possible, thus improving our beneficiaries' ability to plan and enhancing the sustainability of programmes.

We also ensured greater alignment between the focus areas of the FNB Fund and the FNB Volunteers Programme wherever possible, ensuring that beneficiary organisations accessed both Foundation support and the time and expertise of our volunteer staff.

Our community support by sector over the last 2 years is indicated below:



We will conduct our next Impact and Measurement Study at the end of 2007/8, to review progress. Systems and regular and random site visits for projects funded by the FNB Fund, will also help us gather information on the impact and progress of the community organisations that we support.

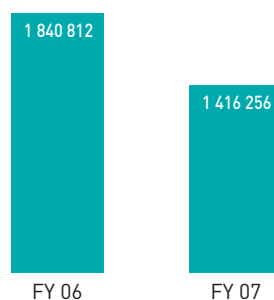
FNB Volunteers

Our strategic key focus areas relating to the Volunteers Programme included:

- Helping Volunteers and the Community interact more effectively: we compiled structured guidelines to assist with the process of engaging with the NPO sector.
- Knowledge Capture and Sharing: we focused on capturing and sharing of knowledge and skills by volunteers
- Measuring our impact: we measure our impact both internally through feedback forms and questionnaires to volunteers and externally through a field study every two years.
- Volunteer acknowledgement and recognition: in November 2007 the FirstRand Volunteers Programme will host the inaugural Chairman’s Volunteer Recognition Awards. Sizwe Nxasana, CEO of the FirstRand Banking Group, will recognise the efforts of FNB Volunteers who have achieved a certain level of “community giving” at a gala function.

The diagram below indicates our total contribution by FNB Volunteers’, including matched funding provided by the company. There was a slight decrease as a result of the extraordinary provision of staff volunteering incentives in the previous year, which were no longer provided in the current year.

FNB volunteer programme investment (including matched funding)



UPDATES TO POLICIES AND PRACTICES

The FNB Fund has introduced additional focus areas of Hospice, Early Childhood Development and primary school maths education over the year.

The Volunteers Programme focused on improving internal training and introducing policies and practices to ensure good governance.

OBJECTIVES FOR THE UPCOMING YEAR

- Increase our long-term engagement through multi-year grants by the FNB Foundation, and aligned to our renewed focus areas;
- Undertake another Impact and Measurement study to assess the application and community impact of our funding; and
- Increase internal communication and awareness of the Volunteer Programme through regular provincial visits and support.

SUPPLEMENTARY DATA

CASE STUDY: JUNIOR ACHIEVEMENT SOUTH AFRICA (JASA) /FNB COMMERCIAL JUNIOR BOARD

Last year Tshego Kgasago of McAuley House School participated in a project aimed at sharing our knowledge and expertise with young people. Under the auspices of JASA, FNB Commercial supported 36 students, who set up a mini enterprise called “Splash Jamz”, a mini company that made and sold party packs. The company made a net profit of R5,930.00 and earned dividends of R7.50 per share invested.

For Tshego, participating in the programme has been “a great learning experience for me; it has given me insight into the business world and I have acquired business skills and broadened my business perspective”.

WHO OUR REGULATORS ARE

Our key regulatory authorities remain unchanged. Our primary authority is the South African Reserve Bank's Supervision Department. Other key authorities include the Financial Advisory and Intermediary Services (FAIS) Ombudsman, the Financial Intelligence Centre (FIC) authority and the National Credit Regulator.

There are approximately 227 acts of regulation, legal and voluntary codes of compliance that directly govern banking operations in South Africa. The number of acts with which banks comply has doubled in thirteen years, prompting a need for government to consider streamlining regulation, to improve efficiency and customer experience without hampering the growth of business in South Africa. A detailed list of our regulatory authorities and the pertinent acts of regulation is available at First Rand Banking Group (FRBG) Compliance.

WHY THE REGULATORY ENVIRONMENT MATTERS TO US

A sound legal and regulatory environment is a fundamental requirement for a stable financial market. As one of South Africa's major banks, we are also aware of the reputational impact of any potential regulatory breach. While we remain concerned about the impact of ever-increasing regulation on costs, management time and business complexity, as well as innovation, we actively help inform regulation, implement regulation and compliance, including monitoring and reporting, with the ultimate aim of improving banking services for our customers.

HOW WE MEET REGULATORY REQUIREMENTS

The regulatory environment is a key feature that governs FNB's operations. In line with the Banks Act and the FRBG Compliance Risk Management Framework, we study the regulatory environment on an ongoing basis, analysing the pertinent acts, codes, etc. A risk and impact assessment is undertaken for each feature of the regulatory environment and key activities for the business are prioritised.

Our Compliance Management approach is decentralised, ensuring that business units implement, manage and monitor regulation within their particular environments, with overall guidance, synchronisation, and monitoring at the FNB Divisional level, and ultimately at the FirstRand Banking Group level. Induction training on compliance is provided, followed by in-depth training sessions on the relevant compliance requirements.

UPDATES TO POLICIES AND PRACTICES

Our policies and systems have been updated to cater for the requirements of the National Credit Act.

MAJOR REGULATORY ISSUES FOR US TO ADDRESS

New regulations and legislation often take years to formulate and implement. As a result, our reporting on regulatory issues may span several years and is not strictly based on information relevant only to the year under review.

Feedback on Acts

Financial Intelligence Centre Act (FICA) Act 38 of 2001

As a financial services provider, we are required to know our customer. It is our duty to constantly verify customer information. In accordance with this, accounts of customers who had not provided the required information by the deadline for compliance have been frozen in accordance with the regulation. We developed a monitoring system to pick up suspicious

and/or unusual transactions on customer accounts for purposes of reporting to the FIC. We also purchased a system to filter all customers and beneficiaries to determine if they are on any sanctions lists. Phase I of this project was tested during May 2007 and will be launched in phases.

Advisory and Intermediary Services Act (FAIS) Act 37 of 2002

We completed the conditional requirements training for all FAIS representatives, put in place staff accreditation and continue to provide compulsory general awareness training for all affected staff. We obtained eight FAIS licences governed by the FAIS Act with compliance now well-established and maintained. Customer needs assessments are also conducted.

The National Credit Act (NCA) of 2005

The NCA was developed to promote a fair and non-discriminatory marketplace for access to consumer credit. Over the last year, we focused on preparing our business to become NCA-compliant by effecting changes to our systems, processes and documentation, and undertaking staff training. We registered as a credit provider with the National Credit Regulator and were ready for implementation when the NCA came into effect on 1 June 2007. About 85% of our staff (of which 95% was at branch banking level) underwent mandatory general awareness training on the NCA as a minimum. For staff directly impacted by the NCA, e.g. debt collections functions, detailed training continues to take place.

More information about FNB's role as a responsible lender of credit can be located in the Customer section of this report.

Financial Sector Charter Implementation (FSC)

Information about progress in transforming our business in line with the Financial Sector Charter (FSC) is located in the People, Supplier, and Customer sections of the FNB Sustainability Report.

Feedback on Inquiries

The Competition Commission Inquiry into the National Payments System

The inquiry focuses on the efficiency of the National Payments System and will help determine opportunities to reduce industry bank charges. FirstRand Bank's formal submissions and public presentations to the Commission are complete. We continue working with the Commission to explore the issues and potential solutions that enable us to provide the best banking value to our customers whilst ensuring that any resultant risks are adequately managed. The Commission is expected to make its draft report available before the end of 2007. At that stage, all banks are likely to have an opportunity to comment on the contents and recommendations raised in the report.

The Customer section of the Sustainability Report provides more information about some of our proposals to the Competition Commission.

Feedback on Bills Banks Amendment Bill

The draft Bill aims to create a sufficiently robust regulatory environment to enable the Registrar to properly discharge his duties on a consolidated basis in line with the Basel II requirements. FRBG provided commentary on the bill during the public commentary process in February 2007. The Bill is expected to come into operation in January 2008.

Co-Operative Banks Bill

The Dedicated Banks Bill and the Co-Operative Banks Bills were combined to form the Co-Operative Banks Bill in July 2006, and this Bill was issued by the Minister of Finance for comment. The Bill aims to broaden access to financial services. It poses both competitive risk issues and potential opportunities for our business, which are currently being explored.

The National Occupational Health & Safety Bill

This Bill seeks to replace the existing Occupational Health and Safety Act of 1993. We have participated in the public commentary process. We continue to monitor the approval process to ensure we implement measures to meet new requirements.

MAJOR ISSUES TO BE ADDRESSED OVER THE COMING YEAR

The Consumer Protection Bill (CPB)

This Bill relates to non-credit lending issues and will govern all interaction between consumers and suppliers. Through the establishment of a National Consumer Commission, the bill aims to promote an equitable, accessible marketplace with proper disclosure governing transactions. We have provided commentary and are monitoring the process as it unfolds. The bill is expected to be enacted by December 2007.



FIRSTRAND

FirstRand Limited

(Registration number 1966/010753/06)
Share Code: FSR
ISIN Code ZAE 0000 66304

Company secretary

AH Arnott, BCom, CA(SA)
Registered office
4th Floor, 4 Merchant Place
Corner of Fredman Drive and
Rivonia Road
Sandton 2196

Postal address

PO Box 786273, Sandton 2146
Telephone: +27 11 282 1808
Telefax: +27 11 282 8088
Web address: www.firststrand.co.za

Sponsor

(In terms of JSE requirements)

Transfer secretaries – South Africa

Computershare Investor Services 2004
(Pty) Limited
70 Marshall Street,
Johannesburg 2001

Postal address

PO Box 61051, Marshalltown 2107
Telephone: +27 11 370 5000
Telefax: +27 11 688 5221

Transfer secretaries – Namibia

Transfer Secretaries (Pty) Limited
Shop No 12, Kaiserkrone Centre
Post Street Mall, Windhoek

Postal address

PO Box 2401, Windhoek, Namibia
Telephone: +264 61227647
Telefax: +264 61248531

Auditors

PricewaterhouseCoopers Inc
2 Eglin Road
Sunninghill

Postal address

Private Bag X36, Sunninghill 2157
Telephone: +27 11 797 4000
Telefax: +27 11 797 5800

We welcome your comment and feedback. Please send your comments via the feedback section on www.firststrandsusrep.co.za