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FNB
2012 report
to society

“We believe that our success
and South Africa’s success
are two sides of the same coin.
**What’s good for our business
is good for our people, our
customers – and our country.”**



FNB
First National Bank

how can we help you?

1

message from ceo

how we help our people
how we help our customers
how we help our communities
how can we help more?

FNB REPORT TO SOCIETY | 2012



message from ceo

A big **thank you** for helping us, help you

Siyabonga,
siyathokoza,
re a leboha,
re a leboga
ha Nkhensa,
ro livhuha,
dankie,
enkosi,
naa goodee,
obrigado,
asante sana,
zikomo zikomo
kwambiri,
thank you...



Michael Jordaan,
CEO, First National Bank

2012 AT A GLANCE

38.7%

return on equity
(FNB SA)

29%

normalised earnings
(FNB SA)

19%

decrease in bad debts
(FNB SA)

Financial performance

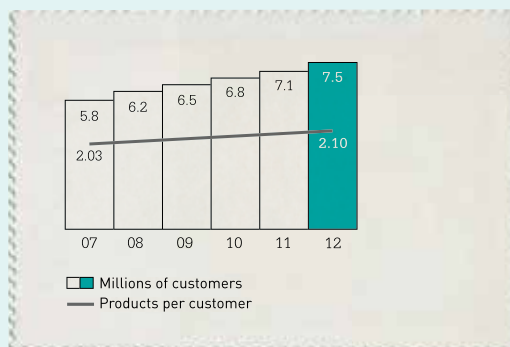
R million	FNB South Africa			FNB Africa		
	Year ended 30 June		% change	Year ended 30 June		% change
	2012	2011		2012	2011	
Net interest income	11 072	9 276	19	2 132	1 821	17
Non-interest revenue	14 742	12 889	14	1 476	1 340	10
Operating expenses	(14 429)	(12 963)	11	(2 061)	(1 719)	20
Income before indirect tax	8 675	6 876	26	1 432	1 385	3
Indirect tax	(382)	(347)	10	(47)	(35)	34
Income before direct tax	8 293	6 529	27	1 385	1 350	3
Normalised earnings	6 157	4 787	29	516	540	(4)
Advances	220 638	206 183	7	25 420	22 639	12
Total deposits	216 186	181 809	19	33 403	28 166	19
Assets under management	42 567	44 005	(3)	1 967	1 540	28
Assets under advice	28 297	14 521	95	–	–	
Assets under execution	35 864	30 546	17	–	–	
NPLs (%)	5.26	6.42		1.87	1.63	
ROE* (%)	38.7	34.9		16.2	19.6	

* Based on normalised earnings.

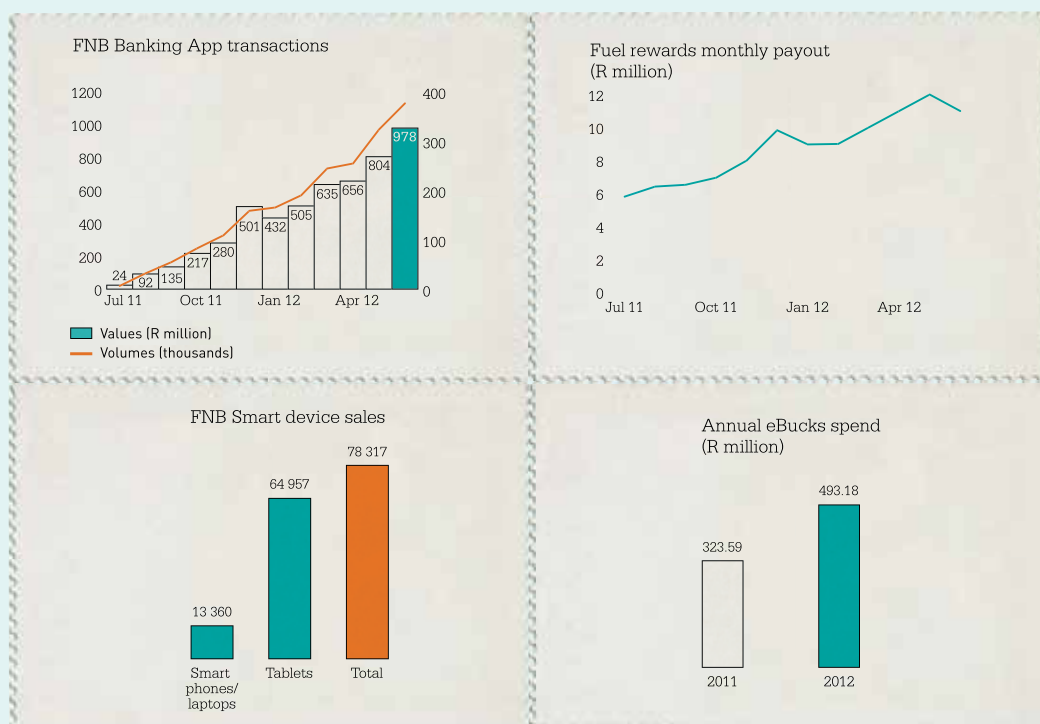
FINANCIAL AND OPERATIONAL HIGHLIGHTS

- SmartSpend loans (Mass segment) payout to June 2012 **grew 46% year-on-year to R3.1 billion**
- Smart Bond payout (affordable housing) to June 2012 **grew 15% year-on-year to R2.9 billion**
- cellphone banking prepaid sales **increased 33% year-on-year**
- HomeLoans achieved profits before tax of R528 million compared to **R62 million in the previous year**
- reduction in PIPs portfolio from 1 129 properties (June 2011) **to 594 properties (June 2012)**
- eBucks spend of R493 million **increased 53% year-on-year**
- personal loans (Consumer segment) payouts increased **>100% to R5.3 billion for the year**
- commercial deposits **grew 17% to R103.9 billion** attributable to year-on-year growth in the public sector banking book (R4.5 billion), and successes in the flexi-fixed deposit and 7-day interest investment product accounts
- **98% growth** in eWallet transactions
- **78 000 Smart Devices** sold to customers.

NUMBER OF CUSTOMERS AND PRODUCTS



INNOVATION CONTINUES TO ATTRACT AND RETAIN CUSTOMERS



“Ever since we opened our first branch in 1838, we have been driven by a single vision: to be a great business helping to create a better world by using the power of innovation to empower our customers, our people and their communities.”

We recognise that forging rewarding and enduring relationships with all our stakeholders is essential to turning our vision into tangible and sustainable benefits. With this in mind, we continue to engage closely with our colleagues, customers and their communities, the investment community, industry bodies, our peers, trade unions, the media and wider societies across South Africa and beyond.

Back in 1838, the global economy was on the verge of a steam-driven revolution that would radically change our world. From the start, we were determined that the people and communities associated with FNB would enjoy the benefits of this transformation. Almost 175 years later, a second revolution is underway. Driven by digital technology, it is reshaping every aspect of our lives at an accelerating speed that sometimes takes my breath away.



BANKING VALUE

Once again, we are determined that South Africans will reap the benefits of the innovations that continue to present new opportunities and options to every member of every community across our country.

“This report highlights the breakthroughs that are helping to build an inclusive banking system that gives people greater control over their finances – and their lives.”

Among other achievements, I am particularly proud of industry firsts such as the Banking App and our dotFNB shops. I am equally inspired by the financial services and products that are extending banking services to people who have been under-banked or even unbanked for too long. I believe it is essential that we continue to innovate in this critical area. After all, an inclusive and empowering national banking sector has an instrumental role to play in building a prosperous and stable South Africa.

RESPONSIBLE LENDING

“During this tenuous economic recovery, it is imperative that we remain true to the principles of sound banking practices and responsible lending.”

The fact that FNB is the largest seller of iPads and tablets in the country is a remarkable testament to our achievements as digital innovators. But we must never forget that, above all, we are bankers. As such, it is imperative that we remain true to the principles of sound banking practice and robust governance – especially when it comes to responsible lending and risk management. We only need to look as far as the euro zone to see what can go wrong nationally and regionally when these principles are compromised.

Here, I would like to draw attention to the pioneering work of the Vumela enterprise development fund. With the emphasis on robust corporate governance and proven investment expertise, Vumela was established to fund and support growth among South Africa’s small- to medium-sized enterprises (SMEs). By creating jobs and alleviating poverty, a vibrant and sustainable SME sector has the power to transform our country. To date, Vumela has committed over R63 million into high-growth SMEs struggling for capital while our non-financial support continues to cultivate a sustainable SME sector.

BUILDING HOPE

“Our efforts to create a stable, prosperous South Africa are not confined to delivering banking services. Last year, we invested over R35 million through the FNB Fund into grassroots initiatives that are designed to create opportunities and hope among local communities.”


With a particular focus on education and health, our community investment continues to deliver sustainable and measurable benefits to people nationwide, many from previously disadvantaged communities.

We also invest heavily in equipping our own people with the training, skills and experience they need to fulfil their personal and professional potential. After all, our customers are only as successful as the people working on their behalf. Our commitment to empowering FNB people to excel remains as strong as ever. That said, this report also notes that there is still work to do when it comes to ensuring that the demographics of our workforce match South Africa’s cultural diversity more accurately.

Last year was tough and economic recovery is still elusive. But amid the turbulence, we still increased our customer numbers, built stronger relationships at grassroots level and provided stronger support to our employees. Driven by our talent for innovation, we’re looking ahead to creating a better world for everyone associated with the FNB brand.

Thank you for your contribution to our proudly South African story... :)

michael



OUR PASSION FOR INNOVATION IS ROOTED DEEPLY IN OUR WORKING CULTURE. THROUGH PROGRAMMES SUCH AS FNB INNOVATORS, **WE ACTIVELY ENCOURAGE AND REWARD CREATIVITY AND FRESH THINKING.**

how we help our people

“THE KEY TO MAKING LIFE BETTER FOR OUR CUSTOMERS AND THEIR COMMUNITIES LIES IN GIVING OUR OWN PEOPLE THE FREEDOM AND SUPPORT TO EXCEL PERSONALLY AND PROFESSIONALLY.”

Did you know

- **R288 million**
 is the total we spent on skills development in 2012
- **R20 million**
 is how much we invested in learnerships for women
- **80%**
 of our people took part in our annual employee engagement survey, ahead of the national and sector averages, and is in line with the world's highest-performing companies
- **72%** of FNB employees are ACI
- **+/- 90%**
 of our skills development budget was invested in ACI employees
- **173 000**
 online skills assessments were carried out by our Banking Channels division
- **R25 000**
 is the average amount our Smart division spends on each of its 122+ learnerships
- **1 800**
 incentives worth R9 million were awarded to employees in our Banking Channels segment

DURING 2012 INVESTMENT IN OUR WORKFORCE FOCUSED ON THREE IMPORTANT AREAS: TRANSFORMATION, TRAINING AND DEVELOPING OUR FUTURE LEADERS.

RAINBOW NATION

We believe that transforming our business and our country are closely linked. During the year, we made encouraging progress towards employing a workforce that accurately reflects South Africa's cultural and racial diversity.

By the end of the 2011/12 financial year, our headcount was 25 454. Of this total, 72% of employees are African, Coloured or Indian (ACI); 64% of our ACI people are women. Significantly, 33% of our senior managers are now ACI.

At the same time, we recognise that we still have work to do when it comes to transforming our business. Among other concerns, we continue to lose a disproportionate number of African employees, particularly men where the attrition rate is 18.8%. Reversing this trend demands decisive action, including the high-impact acceleration of ACI talent into senior roles backed by improved leadership development and succession management.

LEARNING LEADERSHIP

During the year, we reinforced our efforts to nurture leaders with the skills and strengths to ensure our business delivers long-term benefits to all our stakeholders, external and internal.

Among other steps, this involved running a number of customised leadership programmes:

- **New Managers Development Programme (NMDP)** Running for almost two years, NMDP is delivering measurable benefits. To date, over 615 managers (70% ACI) have attended the programme. In 2012, 71% of the 234 people who attended were ACI, 56% of them female.
- **Middle Managers Development Programme (MMDP)** Launched in February 2012, this programme's first intake was 38% female and 51% ACI. Female participation remains relatively low and we will focus on raising it for the next intake.
- **Accelerated Development Programme (ADP)** Run over 18 months, ADP fast-tracks the FirstRand Group's most talented middle and senior managers, particularly women, towards executive and senior management positions. There are currently 14 FNB learners on the course, 43% of them ACI and 36% female.
- **Smart Women on the Move** aims to develop ACI female talent in our Smart segment. This year, eight women enrolled on the 12 – 18 month programme, which includes an academic qualification, leadership course, coaching/mentoring support and networking sessions with key business players.
- **Leadership in Corporate Development Programme (LIC)** is a Banking Channels initiative that aims to improve employment equity at middle and senior management levels, specifically among African women. To date, five LIC candidates have been promoted to middle and senior management positions.

DELIVERING VALUE

We continue to **invest extensively in equipping our people with the skills and learning** they need to deliver on behalf of our customers.

Last year, we spent **R288 million on skills development and learnerships**. Of this total, we invested 90% into training programmes for our ACI employees and 60% into developing women. **Over R1 million went towards people living with disabilities.**

Significantly, around 1 000 employees are set to qualify in their chosen areas of study through our learnership programmes.

Yes we can!

Creating opportunities for people living with disabilities is part of our commitment to empowering people from all backgrounds. At present, this sector makes up 1% of our workforce across a range of roles – from finance, IT, legal, human capital and credit to operations, support services and risk and compliance. Of these employees, 67% hold management positions.

Looking ahead, we are taking measures to encourage more employees to declare their disabilities, to build awareness among colleagues about creating a supportive environment and to establish FNB as the employer of choice among people living with disabilities.

FLYING HIGH

Our graduate recruitment programme is designed to ensure we attract a reliable inflow of high-calibre young people with the skills and commitment to sustain our business. It also gives talented youngsters a solid foundation for a rewarding career. Last year, 3 700 graduates applied to join the programmes. Of these, 124 applicants won places compared to 70 in 2010/11.

TOP OF CLASS

Our continuing campaign to attract the best graduates in the market continues to strike the right chord with our target audience. A recent South African Graduate Recruiters' Association (SAGRA) survey ranked us in the top 10 among 78 companies for our:

- graduate recruitment process
- recruitment brochure, website, integrated campaign, online media
- impressive company representatives

The survey also named us Top Graduate Employers by sector (commercial and retail banking) and Employer of Choice (commercial and retail sector). We also ranked ninth in the aspirational employer of choice category.

SHARED SUCCESS

We believe in great people delivering great results — all sharing the benefits with the people they serve. So, we're proud to report that for the past two years, our salary increase settlement was the highest in the banking sector and the 2012 deal is the most generous we have agreed to in recent years.

At FNB, we always link reward to performance. To date, we have implemented 23 output-based remuneration (OBR) schemes, eight of them during 2011. This means around 8 500 (35%) of our people are now rewarded according to their efforts.

Additionally, we offer our people a wide choice of value-added rewards and incentives. Among others, these range from discounted loans and tailor-made insurance packages to our in-house wellness programme. We also encourage our people along with their family members to further their education with scholarships, bursaries and study loans.

WINNING TALENT

“BANKING IS NOW PART OF THE KNOWLEDGE ECONOMY AND THE IRREVERSIBLE SHIFT TOWARDS VIRTUAL BANKING IS ACCELERATING. AS A RESULT, WE NEED PEOPLE WITH DIFFERENT SETS OF HIGHLY SOUGHT-AFTER SKILLS. THE PROBLEM IS: SO DO OUR COMPETITORS.”

The shortage of talented candidates in the banking sector poses a real risk to our business. The battle for high calibre people is particularly fierce in the IT sector.

As an IT-intensive business, we have taken specific measures to secure a pipeline of IT professionals capable of sustaining our reputation for technological innovation. These measures include launching in-house academies for Java and Linux specialists within the FNB Hogan Technology Academy.

We are also taking steps to attract, retain and nurture high potential, high performance people in other business-critical roles, notably quantitative analysts and risk specialists – as well as our future leaders.

With a particular focus on our transformation drive, we introduced a referral policy that rewards employees for referring candidates from our target ACI groups. We also established a headhunting function to identify and source hard-to-find leaders and specialist talent from the external market.



Innovation. Rewards. Value. Self-service.

We're happy to add **cool** to that.

SA's first Banking App. GeoPay. eWallet. InContact. Fuel Rewards. Airtime Rewards. Pay2Cell. eBucks. Airtime Contracts. Up to 3GB free ADSL data per month*; not to mention free SMSs, chat and calls to other Connect users with FNB Connect.

It's our innovations that have made FNB the coolest bank in the eyes of the coolest people, the youth.

If you're not with the MORE GIVE bank, you're probably getting less.

To switch to FNB go to www.fnb.co.za, use the FNB App, or visit your nearest branch.

Terms, conditions and rules apply.

*Available to Cheque Account holders.



how can we help you?

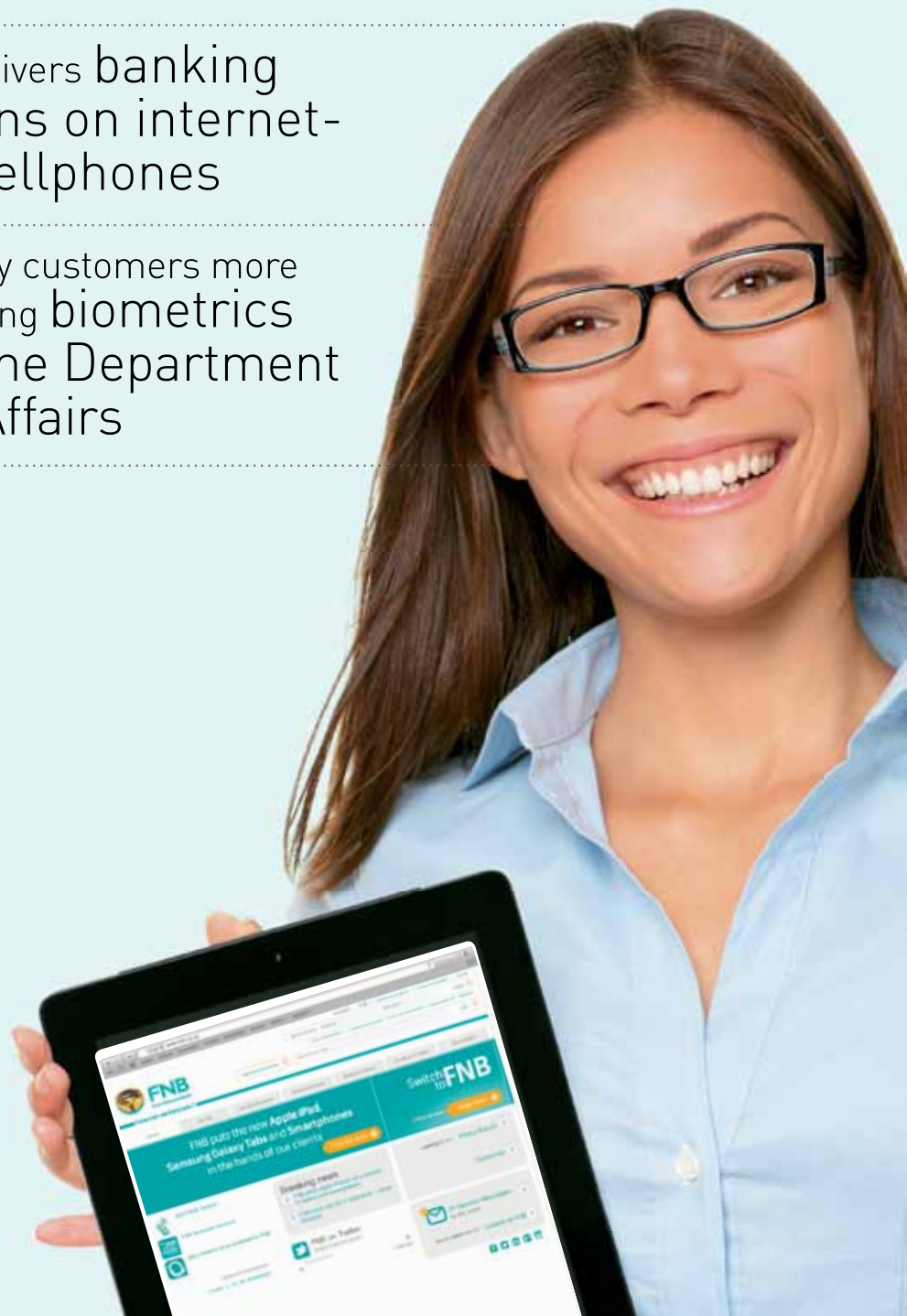
how we help our customers

Did you know

- 0 the number of banking apps in Africa before we launched ours
- 4 million + customers are registered for cellphone banking
- 263 million cellphone banking transactions were processed daily
- 10 000 customers signed up to cellphone banking every day
- R2 billion + has been sent to eWallets since launch in October 2009
- R100 million + paid in FNB Fuel Rewards
- 1 million personal FNB chip and PIN cards were issued in 2011/12
- ± R500 million in savings was added to balances through our Bank Your Change service
- 80 000 customers took up the FNB smartphones/tablet offer by mid-2012
- 5 gigabytes of free ADSL offered every month to qualifying FNB cheque account holders

Did you know

- FNB smartphones/tablets have made us the biggest iPad seller in the country
- FNB Customers can now use their cellphone to draw cash from FNB ATMs
- FNB.mobi delivers banking applications on internet-enabled cellphones
- we can identify customers more accurately using biometrics linked to the Department of Home Affairs



LIBERATING TECHNOLOGY

Serving people earning R100 000 per year and less, our Smart Solutions division continues to make banking and financial services accessible to a growing number of customers, many from previously unbanked and under-banked backgrounds.

We have responded to their specific circumstances and needs with a series of cellphone based services that give these customers the freedom and control to bank wherever they are, whenever it suits them. Without the need to visit a bank branch, Smart Solutions account holders can use their cellphone to buy airtime and pre-paid electricity, make payments and withdraw cash without their debit cards. They can even apply for loans and open accounts.

Our Smart Solutions customers often work long hours and commute long distances. With their needs in mind, we have opened over 150 EasyPlan branches in locations such as transport hubs and retail stores. In addition, these customers are naturally keen to get maximum value for money. In response, we launched EasyAccount, South Africa's cheapest full-service transactional bank account at a monthly fee of only R4.20.

VIVA, VUMELA!

“THE SOUTH AFRICAN GOVERNMENT BELIEVES THAT **A THRIVING, SUSTAINABLE SME SECTOR IS THE COUNTRY'S SINGLE MOST POWERFUL TOOL** IN THE BATTLE TO BUILD A PROSPEROUS AND STABLE ECONOMY...

We agree.”

In 2010, we established the Vumela enterprise development fund with one specific purpose: to fund and support emerging SMEs capable of creating jobs, driving exports, alleviating poverty, uplifting communities – and building a nation. To date, Vumela – another FNB first – has committed over R63 million to high-growth SMEs struggling for capital. Crucially, Vumela's support is not just financial. Its dedicated team of specialists also provide entrepreneurs with support in other business-critical areas such as strategy development.

The growing list of Vumela success stories includes Opti-Baby, a thriving SME providing specialised day care to children from the ages of 0 – 5. With seven centres in Gauteng, the business has created 190 jobs while providing young, unemployed women with intensive training in early childhood development through paid internships at its centres.

Ina van der Merwe, Opti-Baby's visionary CEO, was determined to grow her business but could not source additional capital from other banks. She approached Vumela with a plan to open another 20 day care centres. She now has access to the financial, technical and strategic support she needs to expand Opti-Baby by 300% over the next few years, creating 480 jobs along the way.

RIGHT APP, RIGHT TIME

Last year, we launched wave after wave of technology-based, benefit-rich innovations that are redefining banking for South Africans. In July, we unveiled Africa's first banking app for smartphones and tablets, an inspiring example of our innovative culture in action.

Built by our in-house app development team, this game-changing breakthrough made an immediate impact, quickly becoming one of the most popular apps in South Africa and the most popular Twitter topic across all South Africa on launch. By the end of the financial year, the app had amassed more than 200 000 active users.

Among other applications, customers can use the app to check balances, make payments and transfers, view foreign exchange rates and find their nearest FNB branch. What's more, customers can even make low-cost calls to FNB and other FNB customers.

TRULY INTERACTIVE

"MANY OF OUR CUSTOMERS ARE AS EXCITED ABOUT CUTTING EDGE DIGITAL TECHNOLOGY AS WE ARE. OTHERS PREFER TRADITIONAL FACE-TO-FACE BRANCH BANKING. WE TREAT ALL OF THEM WITH THE SAME COMMITMENT AND DEDICATION."

THE LAUNCH OF **dotFNB – SOUTH AFRICA'S FIRST iBank** – MARKED ANOTHER DEFINING MOMENT IN THE DEVELOPMENT OF THE COUNTRY'S BANKING SECTOR. TAKING VIRTUAL BANKING TO A NEW LEVEL, OUR PIONEERING dotFNB STORES INCORPORATE A RANGE OF HIGHLY ADVANCED DIGITAL BANKING SOLUTIONS. CUSTOMERS CAN VISIT A dotFNB SHOP, OPEN A CHEQUE ACCOUNT AND WALK OUT WITH AN IPAD, GALAXY TABLET OR SIMILAR DEVICE ON THE SAME DAY. THEY CAN ALSO TAKE ADVANTAGE OF OTHER INGENUOUS OPTIONS, SUCH AS VIDEOCONFERENCING WITH FINANCIAL EXPERTS. DEVELOPED IN-HOUSE, THE dotFNB CONCEPT CAUSED A STIR WHEN IT LAUNCHED AND HAS STRUCK A REAL CHORD AMONG CUSTOMERS.





CONNECTED TO REALITY

Like it or not, crime is a fact of life in South Africa and beyond. To help protect our customers and employees from violent crime such as bank robberies and non-violent crime such as fraud, we have joined forces with the South African Banking Risk Information Centre (SABRIC).

We're also collaborating with the Department of Home Affairs on using advanced biometric technology in the fight against banking crime. In future, for example, fingerprints rather than PIN codes will give our customers access to their accounts. In addition, we will replace signatures with a webcam photo linking each customer to their account holder's profile.

REWARDING INNOVATION

Our passion for innovation is deeply rooted in our working culture. Through programmes such as FNB Innovators, we actively encourage and reward creativity and fresh thinking. The programme aims to sustain our production of smart, simple, convenient innovations that benefit our customers.

In 2012, 1 416 implemented innovations were entered in the FNB Innovators competition, up from 688 in 2010. These innovations are typically large scale. To encourage less complex proposals, we launched the Minivation category for ideas that take up to three months to implement. The category was an immediate success and expansion plans are in hand.

FASTER, EASIER, BETTER

Our Banking Channels division is on the frontline of our drive to deliver the quickest and most convenient service to our customers.

Representation points

	FNB South Africa			FNB Africa		
	2012	2011	% change	2012	2011	% change
Banking channels						
Representation points (branches, agencies, EasyPlan)	775	722	7	108	101	7
ATMs	4 969	5 360	(7)	523	556	(6)
ADTs	959	546	75			

LIKE BANK!

Last year, Smart Solutions introduced the **eWallet game on Facebook** to give people the inside track on using this life-changing service.

Launched in 2010, eWallet exemplifies FNB's talent for developing technology-based solutions that are helping to drive economic development at grassroots level. To date, around a million eWallets have been created.

The service enables customers to send money to anyone with a valid cellphone number, even in the most remote areas. The receiver doesn't even need to hold an FNB account.



Did you know

- **R3.6 million**
was donated to good causes by FNB last year, half in time and money from our people, the other half in matched funding from the FirstRand Volunteers Programme
- **R35 million**
was invested in good causes by the FNB Fund during 2011/12
- **20%**
of our people are involved in the FNB Volunteers Programme
- **3 million**
people listen to our weekly financial literacy programmes on radio
- **400 000**
affordable homes have been financed to date by FNB

THROUGHOUT THE YEAR WE CONTINUED TO INVEST TIME, MONEY AND RESOURCES INTO CREATING A BETTER WORLD FOR ALL THE PEOPLE LIVING AND WORKING IN SOUTH AFRICA AND OUR REGION.

AS WELL AS SUPPORTING GOOD CAUSES AMONG COMMUNITIES, WE ALSO FOCUSED ON BUILDING ENDURING AND REWARDING RELATIONSHIPS ACROSS ALL THE GROUPS THAT MAKE UP OUR SOCIETY. AMONG OTHERS, THESE INCLUDE SUPPLIERS, REGULATORS, MEDIA, TRADE UNIONS, INDUSTRY BODIES, ACADEMIA AND OUR PEERS.

BUILDING FINANCIAL STABILITY

“We believe we have a responsibility to protect all our communities from the consequences of unsustainable debt created by excessive borrowing.”

South Africa’s banks have a vital leadership role to play when it comes to building a stable financial sector based on the principles of sound and sustainable banking practice. We only need to look at events across the euro zone to see what can happen when these principles are compromised.

TALKING NUMBERS

In parallel, we are taking active steps to raise the poor levels of financial literacy in South Africa. Our aim is to eliminate the reckless financial behaviour that also undermines the stability of our banking system. FNB’s financial literacy programme is the most comprehensive in the country. Among other elements, it includes:

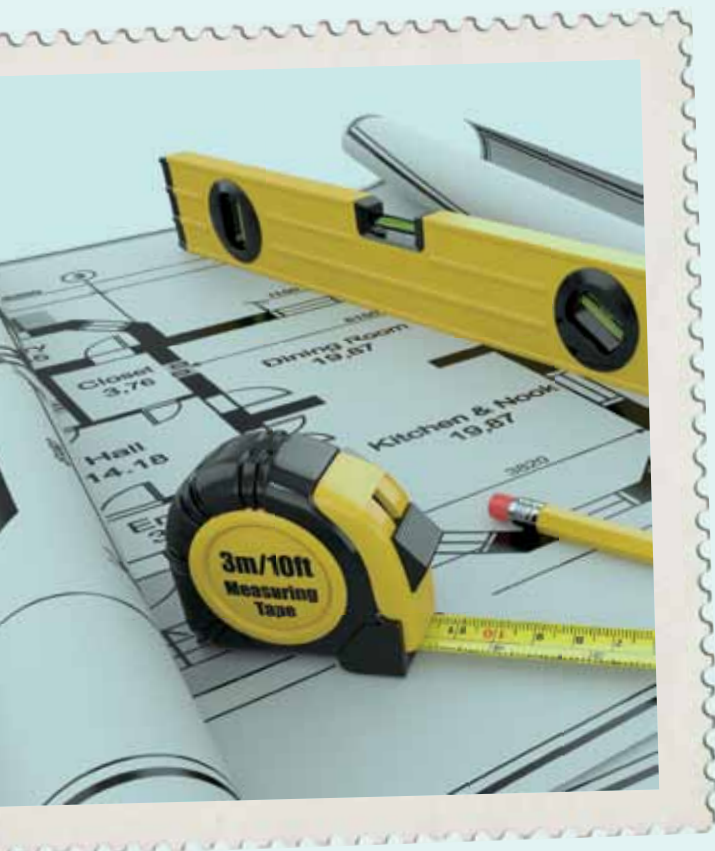
- face-to-face financial literacy education programme that has reached over 100 000 people in the last three years
- home ownership programme for first-time buyers that has reached over 29 000 people
- radio-based financial literacy programme that is broadcast to over three million listeners every week for 26 weeks annually
- SMS messaging system that detects inappropriate consumer behaviour and sends customers an automated message with relevant advice
- digital system that makes consumer education material available on YouTube.

Our efforts to educate people about the importance of financial discipline are reinforcing the measures we take to ensure the safety and security of our customers and their accounts.

LAND QUESTION, LAND ANSWERS

Resolving the land question is among the biggest challenges facing our region. We are actively involved in finding an equitable solution to land hunger in South Africa, working with selected non-government organisations (NGOs) in areas such as Ngwathe Municipality in the Free State. Here, we are helping 33 000 households secure proper title deeds to their homes.

We are equally proud of our contribution towards providing communities with quality, affordable housing. To date, our innovative use of alternative housing materials has already enabled us to deliver seven prototype houses built from recycled waste products. We plan to deliver another 30 of these homes in the near future. Costing less than R300 000 each, these dwellings will help to give more South Africans a place to call home. **To date, we have financed around 400 000 affordable homes.**





FUNDING FUTURES

In addition to our volunteers programme, FNB plays an active role in supporting corporate social responsibility (CSI) initiatives, notably through the FNB Fund.

Covering all nine provinces in South Africa, the fund focuses on four key pillars: **early childhood development, tertiary education, community care and health**. Plans are in hand to launch a primary education programme in 2013.

In total, our CSI is 1% of after-tax profits. During 2011-2012, the FNB Fund made a total contribution of around R35 million. Of this, R5.7 million went towards early childhood development initiatives: R10 million towards funding tertiary education bursaries, R5 million was invested in community care, and R7 million went into supporting hospices under the fund's health programme. The FNB Fund also invested an additional R750 000 into maths and science education initiatives that are now managed by RMB, also a FirstRand franchise.

VOLUNTEERING SPIRIT

“The benefits of our voluntary activities work both ways. Our stakeholders gain the resources, skills and support they need to improve their lives. Our volunteers gain invaluable leadership skills and a lasting sense of achievement.”

Under the slogan **‘Helping with a Heart’**, FNB's volunteers are on the forefront of fulfilling our mission and values by creating a better world for all. At year end, around 20% of our people had joined the FNB Volunteers Programme. Working hand-in-hand with communities nationwide, they aim to provide sustainable support to the most vulnerable members of our society.

FNB Volunteers are involved in projects that include having tea with the elderly, painting and carrying out general maintenance at various homes and schools, feeding the hungry, planting and maintaining vegetable tunnels and community gardens, assisting needy school children by supplying school uniforms and stationery, tutoring grade 10 – 12 learners in maths and science on Saturday, and assisting schools with maintenance and skills support.

EDUCATION MATTERS

We believe everyone is entitled to the education that is essential to achieving their potential and building a fulfilling life – whatever their background. Here is a snapshot of just a few of our volunteer initiatives involving schools and child welfare.

Rally to Read, North West Province

Literacy is very important. After all, without the ability to read, education is a distant dream. With this in mind, FNB Volunteers participate in the McCarthy Annual Rally to Read as part of the FirstRand Volunteers Programme. This initiative involves taking libraries of educational material to outlying rural schools. At present, the programme sponsors the North West Province.

The Homestead, Khayelitsha, Western Cape

In the Western Cape, FNB Volunteers are helping to build The Homestead's new home in Khayelitsha, which should be complete by the end of 2012. Undertaken in partnership with the Southern African Sustainable Development Initiative, this project will provide residential care, early intervention, reintegration and rehabilitation programmes for 75 former street children in the area.

The current Homestead facility is a rented building leased from the Child Welfare Society which is in a poor state. The dormitory-style accommodation is inadequate for the effective development of the young boys.

The new 2 500m² development includes three cottages, an early intervention centre, a counselling centre and a community hall that will also benefit the local community.



how can we help more...?

THE LONG RUN

We are proud of the achievements featured in this report. We believe that they provide tangible answers to the question that shapes everything we do: How can we help?

We are investing intensively into helping our people to fulfil their personal and professional talents. Our pioneering products and services are helping to bring accessible, affordable banking to millions of customers in South Africa and beyond. Our sense of corporate responsibility is helping to build hope and opportunities among some of our poorest communities.

Job done? Certainly not!

“While we take pride from last year’s achievements, we also know that South Africa’s long walk to social and economic equality has only just begun – and we’re here for the long haul.”

Given the fragile prospects for economic recovery at home and abroad, the question is: how can we help more? How can we help to attract and develop people with the talent to keep delivering the service and innovations that change customers’ lives? How can we help to bring even more South Africans into the mainstream economy? What more can we do to instil the financial prudence and enterprise support that is crucial to the health of our national economy?

The answers lie in reinforcing the rewarding and enduring relationships that have been the bedrock of our business ever since we opened our first branch in 1838. This will involve using the power of innovation to ensure that we continue to do even more to support our people, our customers – and their communities.

Our country has come a long way since we began our long walk to democracy and our story has inspired millions of people worldwide. That said, we still face many challenges. As one of South Africa’s defining brands, FNB is here for the long haul.

Did you know

During the last year we collected the following accolades:

- **South Africa’s coolest bank** (Sunday Times Generation Next Survey 2012)
- **South Africa’s leader in online banking** (AMPS 2011RB Data Release)
- **Winner of the M&G Top Companies Reputation Index Awards 2012** in the Bank and Financial Company categories
- **The largest financial Facebook community in South Africa** with more than 150 000 followers
- **SA’s most innovative bank** (2011 and 2012 Systemic Logic Banking Innovation Study, South Africa)
- **South Africa’s leader in cellphone banking** (AMPS 2011RB Data Release)
- **South Africa’s strongest brand** (Brand Finance 2012)