

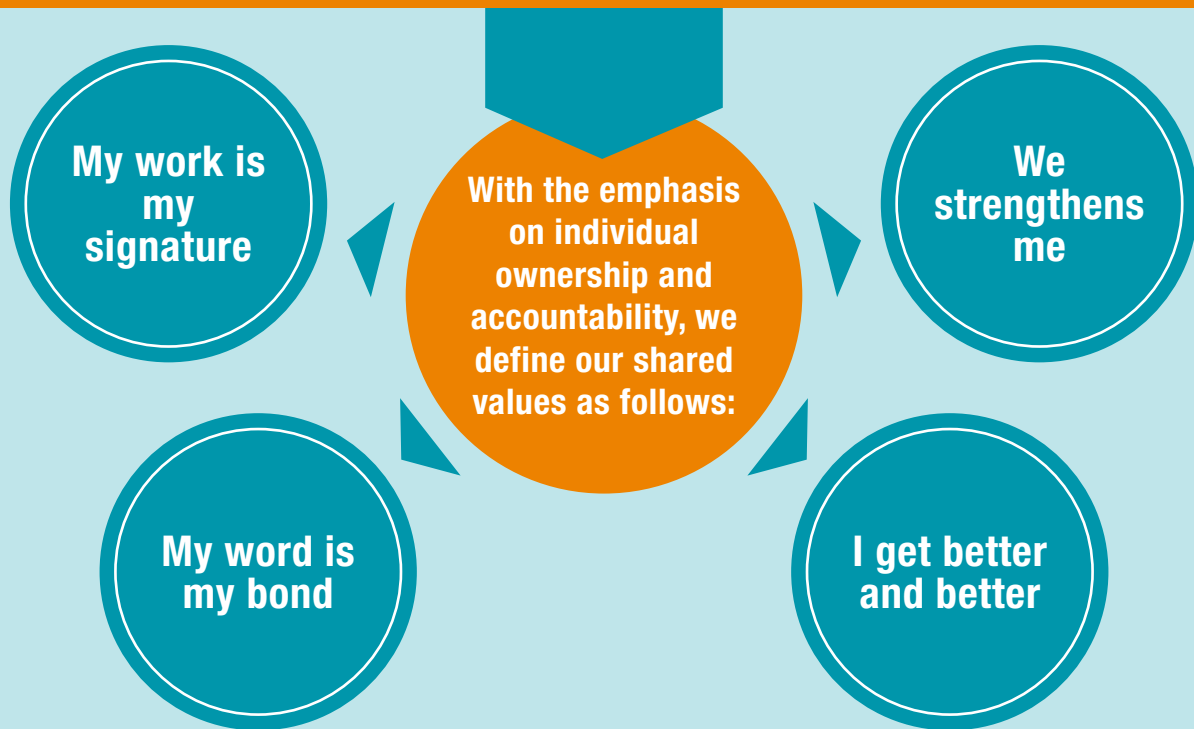
**report to
society**
—
2016

For decades, we have used the power of innovation to help build a better South Africa. This report highlights some of the ways in which we continue to invest our experience, expertise and talent for innovation into empowering our people, our customers and their communities in South Africa and beyond.



About us

Introducing our shared values



During the year, we wrote our shared values into our employees' performance contracts.

As a result, they now actively shape the way we do our work. What's more, it means we now measure our employees according to how fully they embrace and live our shared values.



**Invested in
our people**

Our people in numbers

Headcount
2 759
up 1.84%

1%
year-on-year
increase in ACI
representation
at middle
management
level

Disability
declarations
increased by
4
from 56 to 60

488
internal
talent moves

42%
were internal
appointments

6%
were lateral
transfers

52%
were
promotions

313
external
appointments

73%
were ACI
(African,
Coloured and
Indian)
appointments

141
were
management
level
appointments



Transforming South Africa starts here

We are taking active steps towards recruiting a **workforce that reflects South Africa's demographics** – and recognise we still have work to do in key areas.



2016 ACI targets exceeded

at top management by

15%

at senior management by

7%

non-managerial by

2%

By the end of the prior financial year, it had become clear that our ACI target at middle management was unrealistic given our business environment. **However, we did increase ACI representation 1%**

2015
45%
ACI representation

2016
46%
ACI representation

CASE STUDY

Focusing on African advancement

In 2016, we focused specifically on **increasing African representation** at all management levels – and we succeeded.



Top management increased 7% from 33% last year to 40%

Senior management increased 3% from 13% last year to 16%

Middle management increased 2% from 21% last year to 23%

Junior management increased 1% from 31% last year to 32%

Transforming the future

In 2016, we launched a **three-year employment equity plan** to focus on further **transforming our workforce**. In line with this plan, our priorities until 2019 are to:

- **Increase African and Coloured representation** at all occupational levels.
- **Increase women's representation** at senior and middle management levels, as well as in core/revenue generating roles.
- **Increase knowledge of disabilities** and create an environment that encourages and supports employees to declare their disabilities.



We have set out plans to ensure we achieve these objectives:



Women

- We launched a **Women in Leadership initiative** to understand and address barriers to women's progression into senior leadership and core roles.
- To further support women's development, we are monitoring and focusing on other areas including **succession planning, sponsorship, mentoring and coaching, and having meaningful conversations on performance.**
- We will also create **networking opportunities** for women in the industry.

People with disabilities

- We have committed to researching and implementing ways to **create a supportive environment for people with disabilities** while raising awareness around the challenges they – and their managers – face.
- We will also take **active steps to support their managers and educate leaders** on how to provide reasonable accommodation in the workplace for people with disabilities.
- We will review channels through which we can **proactively source applicants with disabilities** for external appointments, learnerships and internship programmes.



Women at work



60%
of our
employees
are women

50%
of our
managers
are women

**At management level,
women are represented
as follows:**

Senior
management
37%

Middle
management
46%

Junior
management
57%

Learning and development

Equipping our people to excel

Training spend was
R95.1 million

59%
on ACI employees

51%
on all women

35%
on ACI women

To achieve our strategic objectives, **we continue to invest significant time and resources into developing our people's capabilities** across all areas.

With the focus on transformation, we place a particular emphasis on developing our ACI employees.



Developing our skill base

Learnerships

We take a **strategic approach to learnerships**. To meet critical skills requirements, we have aligned our **learnership qualifications to business role requirements** with a particular focus on meeting critical skills requirements.

- One of the key learnerships is the Bachelor of Commerce: Business Management (SAQA 84767 – NQF Level 7), which addresses the need for our senior management to have a formal tertiary qualification to fulfil roles in the rest of Africa.
- As a strategic intervention, this learnership has a rigorous selection process, managed by business Talent Review Forums (TRF).
- Subject to TRF approval, we offer our current employees a wide range of other learnerships, which run for 14 months and involve two to three contact sessions every month. These include:

- Further Education and Training Certificate: Banking (SAQA 20185 – NQF Level 4)
- National Certificate: Banking (SAQA 61589 SP20186 – NQF Level 5)
- Further Education Training Certificate: Debt Recovery (SAQA 49021 – NQF Level 4)
- National Certificate: Occupationally-Directed Education, Training and Development Practices (SAQA 50334 – NQF Level 5)
- National Certificate: Occupationally-Directed Education, Training and Development Practices (SAQA 50331 – NQF Level 6)
- National Certificate: Paralegal Practice (SAQA ID 97228 LP: 97229 – NQF Level 5)





Developing our skills base

Bursaries

We make bursaries available to our top talents. **Currently we have 56 bursary students studying** towards undergraduate and postgraduate qualifications.

We award bursaries according to strictly defined criteria that include **talent segmentation and succession planning**. We also award bursaries for qualifications required in **critical roles** and to address **scarce skills requirements**.



Equipping leaders to lead

Leadership development

271

staff took part in our various leadership development programmes, including

69%

ACI representation, of which

38%

were ACI female

In March 2016, **we launched a middle management programme** and feedback to date has been very positive. Learners presented their final business assignments in September 2016.

We also completed a three-year strategic leadership development, **the Leadership Landscape Project**, which helped the business to identify common leadership competency gaps and shape measures to close these gaps.

CASE STUDY

Investing in our tactical leaders

During the year, we launched a **pilot middle management programme** specifically designed to reinforce the operational performance of the most tactically important layer in our HR structure.



- The programme places a **strong emphasis on competencies critical to executing our overall strategy**. These include: planning and organisation, communicating and leading, and monitoring and measuring.
- **16 middle managers enrolled**. On the strength of their positive feedback, the programme will now be rolled out further across the organisation.

Toward a high- performance culture

86%
of permanent
WesBank staff now
have a current
performance contract
on the system

0.56%
of the remaining
14%
are on
maternity leave

While
the balance
of employees
have manual
performance
contracts
in place

The success of our business **depends on how well our people do in their jobs.**

Accordingly, we have comprehensive systems in place to manage their performance.

Our ultimate aim? To recognise high performers, manage poor performers and retain and reward the strongest performers.

We review employees' performance twice a year, in April and October. **By the end of June 2016, 100% of WesBank employees had been awarded a final performance rating,** ensuring a smooth and efficient annual salary review process.

Health and wellbeing

A healthy outlook

- As a FirstRand franchise, we share the group's **commitment to the health and wellbeing** of our employees.
- We prepared to **implement FirstRand's employee wellbeing model**, which went live across WesBank in June 2016.
- Among numerous other benefits, this model will help to **reduce healthcare costs, cut sick leave – and boost productivity** at work.





**Invested
in our
customers**
—

Innovation is in our blood and our innovative mindset stretches back to the early 70s.

A circular graphic with a black border and an orange segment on the right side. The text '70s' is written in white inside the circle.

70s

During the 70s if a customer wanted to buy a new car, he had to go to his bank and apply for either an extension on his home loan or a personal loan. The credit decision took up to 14 days and it was another week before the customer could drive away in his brand new car or second hand car.

A circular graphic with a black border and an orange segment on the right side. The text '80s' is written in white inside the circle.

80s

With the emergence of a secured vehicle finance product in the 80s and the introduction of WesBank's manual credit scorecard, the credit decision was reduced to only 2 days and the time from application to finalising the contract reduced from nearly 20 to 6 days.

A circular graphic with a black border and an orange segment on the right side. The text '90s' is written in white inside the circle.

90s

The 90s saw WesBank pioneering the concept of finance consultants on large dealer floors and computerised scoring. The credit decision took only 15 minutes and the time from application to finalising a contract was a mere 4/5 days.

A circular graphic with a black border and an orange segment on the right side. The text '00s' is written in white inside the circle.

00s

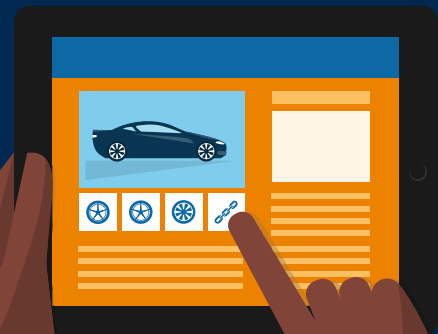
The introduction of fax technology and credit scoring linked to credit bureaux, meant a credit decision in just 5 minutes and application to contract taking only 3 days. WesBank's digital application and fully electronic and integrated credit scoring, reduced the credit decision even further to 1 second. Today with the introduction of iContract, a customer can walk into a dealership, apply for finance and sign his finance agreement, and drive away with a brand new vehicle in just 10 hours.

Financial education

Turning South Africans into car-buying fundis

The **low levels of financial literacy** in South Africa remain a concern, especially when it comes to the **complexities and challenges of vehicle finance**.

- In response, we launched a pioneering customer education campaign designed to turn radio listeners into car buying experts.
- The #WesBankHowTo car-buying journey campaign was broadcast on Umhlobo Wenene (in Xhosa) and Metro FM (in English) during 34 radio slots between June and November 2016.
- The campaign took listeners on a highly interactive road trip with various pit stops, all designed to give them a clear idea of what to look out for when purchasing a vehicle.



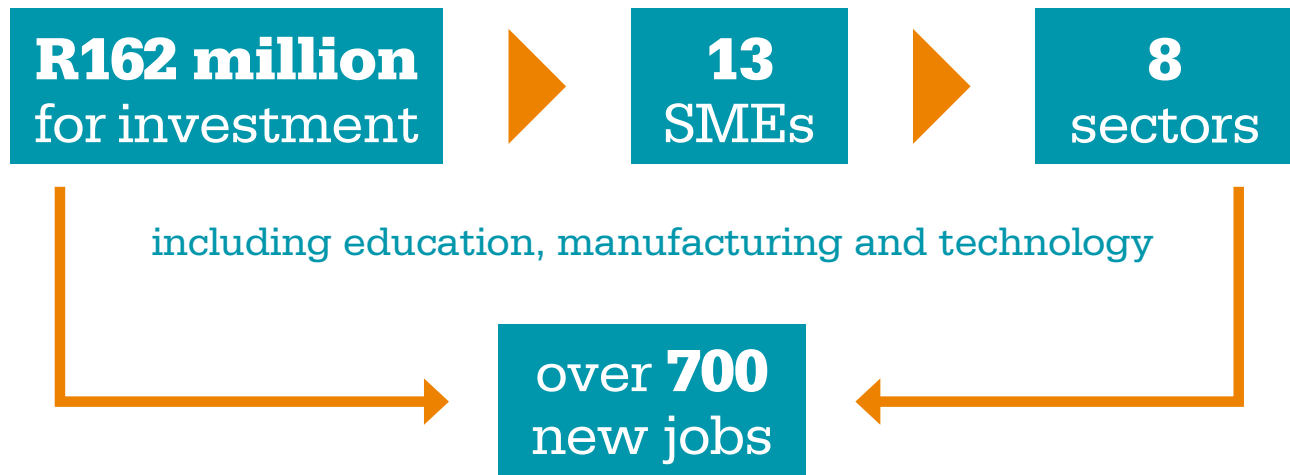


VUMELA

Enterprise Development Fund

nurturing business success

Launched in 2009, **FirstRand's Vumela** enterprise development fund supports **South Africa's development** by investing in **high-potential SMEs**.



CASE STUDY

Driving empowerment

In 2016, Vumela joined forces with two FirstRand franchises, **WesBank and FNB**, to launch a pioneering initiative with Uber that aims to empower drivers who do not own vehicles but drive at reduced rates for vehicle owners on the Uber platform in South Africa.

Most drivers who wish to operate on the Uber platform with their own vehicle either have no access to a vehicle, or their credit history to qualify for vehicle finance is limited, which means they are unable to obtain traditional vehicle financing.

Now, the WesBank-Uber Full Maintenance Lease Scheme provides previously unemployed drivers with the opportunity to **increase their average earnings**.

Additionally, it gives drivers with limited credit histories an opportunity to build a history with a reputable financial service provider – such as WesBank. And as FNB customers, they can enjoy a wide range of value-added benefits, including eBucks on fuel purchases.

**R5 200
per month**

**increase
their
average
earnings**

**approximately
R8 000
to
R12 000
per month**





**Invested
in our
communities**
—

Towards a more equitable society

Every year, **1% of our after-tax profit goes to CSI initiatives** through the WesBank Fund.

R25.2 million in 2016

4 378

individual lives benefited directly from our CSI investment during the current three-year funding cycle

4 248

new food gardens were established following the training provided

4 526

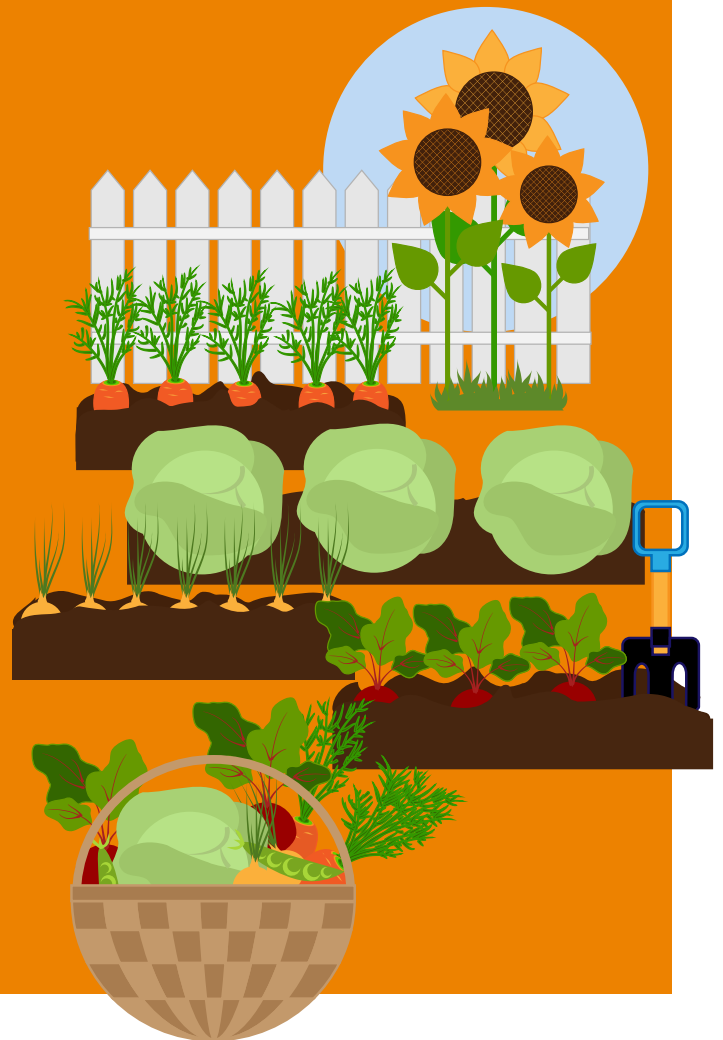
are now active food gardens

CASE STUDY

Mrs Nhlongo inspires her community's gardeners

Mrs Grace Nhlongo is just one of many **micro-gardeners** in South Africa to benefit from WesBank's support. **With training and support from WesBank's facilitator**, Lima, Mrs Nhlongo helped another seven members of her community to access land and water at her home.

Today, these community members are **successfully producing vegetable crops** on Mrs Nhlongo's plot, **helping to improve** their families' levels of **nutrition and wellbeing** by keeping them supplied with fresh vegetables.



Keeping the volunteer spirit alive

“Our **volunteering programme** allows our staff to have a **positive impact** on the lives of **thousands of fellow South Africans** by living and breathing one of WesBank’s core values: **‘We strengthens me’**.”



- Our volunteer programme gives staff a platform on which they can **engage and create partnerships with charities** and good causes that matter to them personally.
- Our **staff volunteers are in a wide spectrum of charitable activities** – from supporting the elderly and people with disabilities to animal welfare, adult mentoring and community feeding schemes.
- At group level, WesBank volunteers joined volunteers from other FirstRand franchises to **register 404 non-profit organisations and 620 schools** on the FirstRand Volunteers intranet site, launched in March 2015.
- Together, the group’s **volunteers donated R4.9 million in time and money** to a wide range of non-profit organisations and schools of their choice.

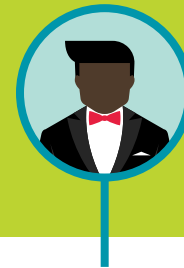
CASE STUDY

Ordinary heroes

Launched in 2016, **the FirstRand Unsung Heroes Programme** supports individual employees who, in turn, support non-profit organisations of their choice in their personal capacity and in their own time.



**The 1st
pilot
programme
donated
R558 000
to
26
non-profit
organisations**



**Invested
in our
environment**
—



We take active measures to **integrate the principles of environmental and social risk management** into our decision-making processes.

During 2016, we recorded the following achievements:

- The Green Building Council of South Africa (GBCSA) awarded its four-star rating to the existing buildings on our Fairland Campus, making it the biggest office park in South Africa to achieve this rating.
- We also appointed a contractor to fit photovoltaic panels to generate electricity, a project scheduled to take 12 months.

We reached our

15%

energy saving
target and set
ourselves a

90%

target for recycling
waste and water



Reducing our carbon footprint

In 2016,
the group's total carbon
footprint for its South
African operations
decreased

7%

Factors behind
this overall
reduction included

84%

fall in fuel used in
generators

Factors behind
this overall
reduction included

50%

cut in emissions from
business travel by
road



Supporting the Carbon Disclosure Project

The UK-based **Carbon Disclosure Project (CDP)** works with 3 000 of the world's largest corporations to make carbon emission reduction integral to their business.

As part of FirstRand Group, WesBank has participated in the CDP since 2008.

This year, FirstRand received CDP Gold Awards for appearing on the Carbon Disclosure Leadership Index and the Carbon Disclosure Performance Index for six years or more.



Looking ahead

We remain as determined as ever to **keep exceeding our customers' expectations** through innovation.

