RMB represents the FirstRand group in the corporate and investment banking segments in South Africa, the broader African continent and India. The business strategy is anchored on corporate and institutional clients, and uses a market-leading position to deliver an integrated corporate and investment banking value proposition. This strategy is underpinned by sound risk management, designed to effectively balance the interplay between profit growth, returns and earnings volatility.

RMB’s traditional values drive us to perform for all those we serve — and our innovative ideas are the result of several different skills sets and personalities united in common purpose. To add value.
The strength of RMB’s franchise is reflected in the number of awards received during the year:

AFRICAN BANKER AWARDS 2016
- Investment Bank of the Year (4th year running).
- Infrastructure Deal of the Year (Azuro-EDO IPP).

EUROMONEY AWARDS FOR EXCELLENCE 2016
- South Africa’s Best Investment Bank (4th year running).
- Africa’s Best Investment Bank.

FINANCIAL MAIL RANKING THE ANALYSTS 2016
- #1 Rated Desk Team: Equity Dealing, Equity Sales, Corporate Access, Administration.

AI AFRICAINVESTOR DEALS OF THE YEAR 2016
- Transport (Angola National Roads).
- Power (Azuro-EDO IPP).

THE BANKER INVESTMENT AWARDS 2016
- Most Innovative Investment Bank in Africa.

THE BANKER DEALS OF THE YEAR 2016
- Green Finance (Africa) – Xina Solar One.
- Infrastructure & Project Finance (Africa) – Azuro-EDO IPP.
- Corporate Bonds (Africa) – Petra Diamond.
- M&A (Middle East) – Al Noor/Mediclinic.

GLOBAL CUSTODIAN AWARDS FOR EXCELLENCE 2015/2016
- International: Best South African Custodian.
- Domestic: Domestic Market Outperformer.

JSE SPIRE AWARDS 2015
- Best Inflation Bonds Team.
- Best Repo Team.
- Best Debt Origination Team.
- Best On-screen Market Making Team.
- Best Fixed Income Research Team.
- Best Africa Research Team.
- Best Inflation/Credit/FX Structuring Team.
- Best Cash Settled Commodity Derivatives Market Maker.
Invested in our people
Transformation

Transforming South Africa means transforming ourselves

RMB’s approach to transformation aims to take our business beyond pure compliance towards internalising the principles of Broad-Based Black Economic Empowerment (B-BBEE) into the way our people conduct their business.
Employment equity

“ At RMB, diversity is not about how we differ. It’s about embracing each other’s uniqueness.”

RMB actively works towards building a workforce that matches South Africa’s diverse demographics.
CASE STUDY

Athena: shifting the gender conversation

A group of senior RMB women have begun a series of discussions designed to explore the realities associated with gender and gender equality.

- They agreed that although women start their careers with the same level of ambition and opportunity as men, something prevents them from reaching their full potential at work.

- They also realised that addressing this problem is not a women’s issue, instead, it demands a focused and formalised approach that also involves men.

- Result: Athena – a pioneering initiative with a very clear agenda: to focus men and women’s attention and energy on achieving gender equality in RMB and beyond.

- In September 2016, Athena won RMB the Women Empowerment in the Workplace Award at the Gender Mainstreaming Awards.

- Run by Business Engage, these awards encourage the private sector to achieve more meaningful representation of women in mainstream business.

- While celebrating this achievement, we know there is still some way to go before RMB achieves true gender equality.
Skills development

Building a learning culture where people thrive

**R29.4 million**
on skills development

**R4.5 million**
on bursaries and learnerships to support employees to achieve full qualifications

55% on training programmes for our ACI employees

49% on developing women
Leadership development

Developing leaders with the power to transform

"During the year, we expanded the work we do on leadership and culture with a clear focus on equipping our people to unlock their full potential to better serve our clients and shareholders while protecting and growing the RMB franchise."

- RMB maintains a strong focus on equipping our leaders to navigate their careers and unlock their full potential.

- We have developed a leadership growth and development framework comprising programmes that provide targeted training for leaders at all levels.

- There were a number of significant developments to this programme.

- Following the launch of the Athena programme (see page 6), for example, we launched Lotus, a programme aimed at helping women to take control of their careers and overcome their own unconscious biases.

- We also extended our senior leadership programme, LeadRMB, to include an alumni component – LeadRMB+. It aims to connect our senior leaders, offer them further support and development opportunities, and help them bring leadership and strategic philosophy closer to their teams.
Looking ahead, our leadership and culture themes will include client-centricity, diversity and transformation, gender and Africa.
CASE STUDY

Finding strength within

Our **18-month mentorship programme** taught us a great deal about what is required in our environment to ensure our transformation agenda succeeds.

- Since the programme concluded, we have extended RMB’s Coaching and Mentoring Centre to include sponsorship.

- As well as extending the centre’s mentorship offering, we are also exploring the option of launching a cultural exchange initiative in 2017.
Fostering lifelong learning

During the year, we held a number of learning and development initiatives. Among others, these included:

- **LearnX**: an open day for all RMB Corporate Banking employees to meet our leadership development providers.

- **Skills for the future**: which exposed our people to the possibilities of tech disruption using data visualisation technology in the business.

- **Enabling day**: which allowed various providers to showcase their tools and software to support leaners living with disabilities.
Invested in our clients
Harnessing the power of innovation

We aim to support our clients and our shareholders by equipping them with the financial resources to create sustainable value.

- This involves placing our clients at the centre of everything we do while using the power of innovation to unlock new opportunities for them to grow.

- In 2011, we launched the Nova innovation competition to drive the spirit of innovation across our business.

- To date, 184 fully implemented innovations have been scored with a combined NPV (over three years) representing both cost savings and business growth of R1.3 billion.

- In 2016, the prize money for Stellar was R265 000, while we made R1.75 million available to Avant-Garde innovations.

There are two Nova award categories:

**Stellar innovations** with a net present value (NPV) of less than R3 million over 3 years

**Avant-Garde innovations** with a net present value (NPV) of more than R3 million over 3 years

Between 2012 and 2016, 1,183 ideas were logged on Nova.
CASE STUDY

Financing a greener future

RMB’s track record for **financing major infrastructure projects** using innovative financing solutions goes from strength-to-strength – especially in the renewables sector.

**R12 billion financing transaction** that will jump-start the construction of the **100 MW Kathu Solar Park** in the Northern Cape expected to contribute **390 000 MWh** annually to the national grid **enough to power approximately 50 000 households**

- This transaction marks another milestone in RMB’s journey towards becoming a **leading financial player** in some of the world’s **largest renewable energy projects**.

- Kathu Solar Park is a concentrated solar power (CSP) thermal generating facility that uses commercially proven parabolic trough technology.

- This deal, among the biggest of its type ever signed in South Africa, exemplifies RMB’s **innovative approach to financing** major renewable energy initiatives.

- **It incorporates an inflation-linked debt facility**, funded predominantly by RMB, which is designed to provide a natural hedge by mirroring the inflation-linked revenue that the project will receive.
Environmental and social governance

Managing our environmental and social risks.

- In 2009, FirstRand adopted the Equator Principles, an international framework covering the management of environmental risks for deals with project capital costs exceeding USD10 million.
- The group also applies its own environmental and social risk assessment process – ESRA – to all business-related transactions across all FirstRand franchises.
- 92% of these deals were originated by FNB and RMB 5%.

## Project finance transactions

**Total number reaching financial close in the reporting period: 7**

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* Transactions listed under other related to the retail sector.
** Designated countries are those deemed to have robust environmental and social governance, legislation systems and institutional capacity.
RMB funds Nigeria’s future power supply

As joint mandated lead arranger, lender and hedging bank to the Azura-Edo power plant near Benin City, Edo State, Nigeria.

450 MW open cycle gas turbine power station marks the first phase of a 2 000 MW power plant facility

The project reached financial close on 28 December 2015 and construction started on 5 January 2016.
RMB partners IFC to raise a green bond in SA

RMB acted as chosen partner to the International Finance Corporation (IFC) in raising a ZAR-denominated, JSE inward listed bond. IFC, a member of the World Bank Group, will use the proceeds to support investments in renewable energy and energy efficiency projects and other initiatives that reduce greenhouse emissions in emerging markets.
Invested in our communities
RMB Fund

R43 million invested into RMB’s creative arts and environment programmes and ongoing partnerships in the FirstRand Foundation.

Streamlining our community investment for maximum impact. Significantly, we asked every organisation that applied for funding to provide a plan on how they aim to integrate people with disabilities and those without disabilities in their respective projects.
Creative arts programme

R17 million went towards the RMB Fund's creative arts programme, which supports 24 creative organisations.

Aim

• To promote access to quality arts in education, enabling more young people, regardless of physical or socio-economic disadvantages, to access learning opportunities offered through the creative arts.

• To promote excellence in music, dance, drama, visual art and heritage, enabling young artists to participate effectively in the creative economy.

Current partners

Volunteer programme

The spirit of giving

RMB volunteers joined volunteers from other FirstRand franchises

They registered

404 non-profit organisations and

620 schools on the FirstRand Volunteers intranet site

The volunteers donated

R4.9 million in time and money

The 2016 FirstRand Volunteers School Education Fund supported

95 schools across the country with a total donation of

R475 000
Invested in our environment
As a FirstRand franchise, we are governed by the group’s **stringent policies** when it comes to managing our **environmental impact** and the way we use **natural resources**. What’s more, we also take active measures to **integrate the principles of environmental and social risk management** into our decision-making processes.
Reducing our carbon footprint

In 2016, the group’s total carbon footprint for its South African operations decreased by 7%.

Factors behind this overall reduction included:

- 84% fall in fuel purchased for generators
- 50% cut in emissions from business travel by road

As well as the launch of a group-wide energy management programme.
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 the FirstRand group, RMB has participated in the CDP since 2008.

In 2016, FirstRand received CDP Gold Awards for appearing on the Carbon Disclosure Leadership Index and the Carbon Disclosure Performance Index for six years or more.
It is said that you are only as good as your last victory. To win can be a dangerous thing. Only if you consistently strive to improve does excellence become a habit. This story concludes with a principle and a promise. RMB will continue to offer multi-disciplinary solutions to complex problems, day after day.