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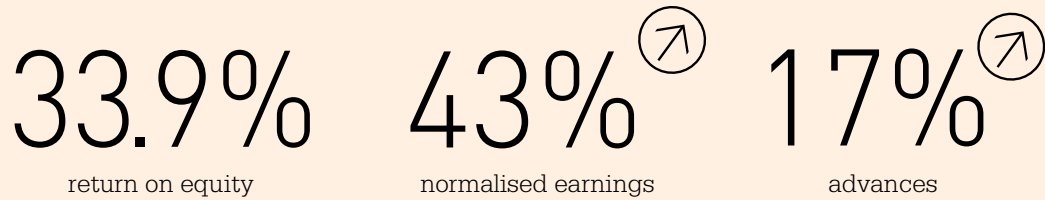
WesBank
2012 report
to society

At WesBank **we acknowledge the change in our customers' needs**, the increasing pressure on their time and the need for alternative customer engagement methods.

The logo features a stylized 'W' icon composed of two overlapping triangles, one blue and one orange, followed by the text 'WesBank' in a blue sans-serif font.

A division of FirstRand Bank Ltd.

2012 AT A GLANCE



Financial performance

R million	2012	2011	% change
Net interest income	5 849	4 868	20
Impairments	(1 100)	(1 291)	(15)
Non-interest revenue	2 806	2 212	27
Operating expenses	(3 938)	(3 393)	16
Associate income	239	318	(25)
Income before indirect tax	3 856	2 714	42
Indirect tax	(206)	(166)	24
Normalised income before tax	3 650	2 548	43

Customer satisfaction

	June 2012	June 2011	June 2010	June 2009	June 2008
Net promoter score	68.2	65.7	61.2	52.1	51.5



Brian Riley,
WesBank's chief executive

At the start of this financial year we launched the Embedded value campaign where everyone in the company was asked to do something differently to ultimately increase revenue, reduce costs, improve service levels or add value to our Employer Employee Value Proposition. The Campaign was a huge success and the benefits of the changes will be felt well into the future.

This kind of commitment from WesBankers breathes life and substance to our mission statement which is to be the **ACKNOWLEDGED LEADER in INSTALMENT CREDIT and RELATED SERVICES in terms of CUSTOMER SERVICE, PROFITABILITY and SIZE.**

I am pleased to report that the tactics implemented throughout the year along with some fundamental adjustments to the business model over the past five years has resulted in another very pleasing financial performance. This performance is underscored by solid non-financial performance in the areas that we consider to be key to the sustainability of our business.

The positive relationship between WesBank's financial and non-financial or stakeholder performance is crystalised in the correlation between our growth in normalised earnings and growth in customer satisfaction. **During the year WesBank posted a normalised earnings increase of 43% to R3.65 billion with customer satisfaction increasing from 65.7% in 2011 to 68.2%.**

There are many layers to the relationship between financial performance and stakeholder value creation. In this report we provide a snapshot of some of the key areas where we emphasise the synergies between financial returns and non-financial performance.

I trust that our report to society will provide sufficient details of the initiatives across our business to illustrate that "We Know How" to create an ever improving contribution to all of our stakeholders and by association to a better South Africa.

Brian

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WesBank
We know how

Blood, sweat and call centres.



Or manage your account online.



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WesBank
We know how

ONE OF WESBANK'S BUSINESS OBJECTIVES IS TO BE THE BEST COMPANY OF CHOICE TO WORK FOR IN OUR INDUSTRY. DURING THE PAST FINANCIAL YEAR WESBANK'S INVESTMENT IN OUR STAFF FOCUSED ON **LEADERSHIP, DIVERSITY AND SKILLS DEVELOPMENT AND TRAINING.**

LEADERSHIP

We continuously strive to meet our employees' expectations around leadership, remuneration, a stimulating work environment, fair employment practices and wellness support in ensuring our long-term sustainability.

With our leadership programmes embedded within WesBank, our focus has shifted towards creating smart managers through talent mobility, collaborative projects, knowledge transfer and night schools. During the past two years, 218 top talent leaders have attended the WesBank Leadership Programme with a 56% ACI representation.

11% of attendees that completed the programme in 2010 and 2011 have been promoted into junior, middle and senior management roles of which 53% are ACI, 37% African and 37% are female.

DIVERSITY

Understanding and celebrating the uniqueness of our workforce remains a priority for us. These can be along the dimensions of race, ethnicity, gender, sexual orientation, socioeconomic status, age, physical abilities and religious beliefs.

We are getting better at understanding the drivers of employment equity (EE) and as a result we have performance well against a number of targets:

Specifically, WesBank has met or exceeded the following targets:

- overall ACI (African Coloured Indian) **target of 66%**
- overall ACI women **target of 40%**
- junior management **target of 57%**
- discretionary decision making **target of 75%**
- disability awareness campaign held since May 2012 has been a success with **24 new declarations, of which 13 are ACI**

SKILLS DEVELOPMENT AND TRAINING

To deliver on our brand promise "We Know How" we continue to invest in training and skills development initiatives.

→ **51%**
was allocated to compliance and regulatory risk

→ **28%**
to role specific technical/functional training

→ **21%**
includes brand/culture identity, management/leadership,
generic technical/functional and behavioural training

→ **61%**
of all attendees are ACI of which 32% are African

→ **57%**
of the 154 learners who completed their learnerships is ACI

NIGHT SCHOOL INITIATIVE

During the past financial year we had three different night school initiatives across our Motor and corporate division as well as our credit department. The night schools programmes were designed to give the delegates an insight into the day-to-day operations of some of our business units through both practical and theoretical examples with the aim to potentially employ them.

Since its inception in March this year, 94 employees have attended the programme and three have already moved into a new position. 82% of the employees are ACI, of which 66% are African.

BENEFITS OF ATTENDING NIGHT SCHOOL: TOM KUBHEKA

After spending five years in the WesBank Marketing Dept, I moved into the Corporate Division, as an accomplishment of my career growth path. This was through the first corporate night school initiative, held in 2012.

With my lack of previous experience in the corporate business, everything was foreign to me but with hard work I soon gained in confidence and expertise, which put my career on a new course.

The night school opportunity has enhanced my knowledge of the business, which creates wider opportunities across the company and puts an employee at a massive advantage whenever vacancies avail. This starts with you as an individual. There is no manager that can prepare a roadmap for your development, but managers are there to create resources for your future endeavours.

DISABILITY MANAGEMENT

The number of staff living with some kind of disability is on the increase and it forced us to relook at the accessibility of our facilities as well as career opportunities available for staff. We recently implemented a disability awareness campaign in order to get a more accurate understanding of the number of staff members living with a disability.

All the declarations received are confidential and are handled sensitively. We are confident that in time we will improve our company and management to better support and assist these individuals. There is no stigma to any form of disability and to that end we will be asking agencies to identify and send to us more disabled applicants for consideration for employment with WesBank in the future.

KERRY AND HER GUIDE DOG FUDGE ARE WELL KNOWN IN THE CORRIDORS OF OUR HEAD OFFICE IN FAIRLAND. THIS IS THEIR AMAZING STORY.

Kerry Teunen was diagnosed with bilateral retina blastoma and by the age of four was totally blind. She attended the Pioneer School for blind children in Worcester and matriculated in 1989.

"I had a great youth and climbed Mount aux Sources (the highest peak in SA), swam for Western Province at the SA Championships for the Disabled and won two gold medals, was head girl in 1989, received a young dynamic woman award and was an all rounder participating in academics, sports and culture with numerous achievements. I even participated in show jumping against able-bodied riders and got a first place." says Kerry.

She started her studies at the University of Natal (Pietermaritzburg campus) in 1990 and obtained her B Social Science degree in 1992. Kerry managed by moving around campus with her guide dog Muffin and used tape recordings to read study material. In 1994 she finished her Honours degree in sociology from the University of Johannesburg.

Kerry and her dog joined WesBank in 1994 as a call centre agent, subsequently moved to being a quality assessor and more recently a technical and behavioural trainer. Kerry trains both new and existing staff within the bank. Training and motivating others is one of her passions.

Kerry's story is an inspiration for all WesBankers to grab life and make the most of it as well as to never give up. Her motto is to accept, acknowledge and to embrace.

Kerry's favourite saying is by Oprah Winfrey: "We are built not to shrink down to less, but to blossom into more."



putting customers first

At WesBank we acknowledge the change in our customers' needs, the increasing pressure on their time and the need for alternative customer engagement methods. In order to improve service levels to our customers we looked at various solutions that would improve the application process and help take the "schlep" out of vehicle finance. As people's lives become busier, they don't have time to deal with reams of paperwork or be placed on hold by call centres. As a result, we introduced two innovative online solutions: iContract and WesBank Self Service.

iCONTRACT

iContract is a secure web-based system allowing our customers to sign their finance agreement documentation online. This is a first of its kind in South Africa and saves our customers from paperwork and allows them to sign contracts when and where it suits them. Today 55% of all finance contracts are signed online via iContract.

WESBANK SELF SERVICE

The WesBank online account self-service functionality enables our existing customers access to their accounts within minutes, hence saving them time and alleviating pressure on the call centres. The functionality is divided into two components: real-time access as well as service and update requests, which are actioned by our Customer Service Centre.

168 224

customers requested their settlement letter online

34 680

customers signed up for email statements

11 254

customers requested tax certificates online

5 300

customers went online to change their address

We have **grown our customer base across our motor, corporate and fleet divisions to more than 680 000, during which time we have seen an increase in our Expertise Indicator (customer satisfaction score) from 63% to 68%.**

Great service delivery to all our customers is critical to WesBank and is one of the key non-financial performance indicators. The WesBank Expertise Indicator measures how well our staff live up to our brand promise.



OUR IMPROVED RESULTS HAVE THE PLEASING CONSEQUENCE OF INCREASING OUR SPEND ON CSI INITIATIVES.

EMPOWERMENT THROUGH INNOVATION

The **Business Against Crime unit in conjunction with WesBank launched a special purpose vehicle called Mambo.** The vehicle's sophisticated registration number identification system identifies stolen vehicles as well as absconded vehicles for WesBank. This is not just a great example of innovation but also of WesBank responding to the government's plea for business to join hands with the government in the fight against crime. **Since the launch in April Mambo recovered 198 vehicles.**

WESBANK FUND

The WesBank Fund's main objective is **to create food security at the micro level through sustainable household and community food gardens.**

According to the General Household Survey (2011) by Stats SA less than a quarter of SA households are involved in agricultural production. Most crop production takes place in backyard gardens. Households in Limpopo, Eastern Cape and Mpumalanga are most likely to get involved.

The main objectives of the WesBank Fund are to:

- activate and sustain 30 000 new food gardens
- facilitate the establishment of new self-sustaining support service centres in each province
- ensure at least 10% of food gardeners reach livelihood level.

During the past financial year we paid out R 8 365 000 in grants to our 11 beneficiaries and R500 000 for our A re Lemeng activation days. The A re Lemeng activation days continue to play a vital role in the sustainability of the existing food gardens. Since the launch, the WesBank Fund facilitated more than 20 activation days.

The interaction with the community-based farmers during the activation days has resulted in the WesBank Fund understanding the importance of farmers having access to community-based service centres.

The main role of these centres is to provide ongoing support to the home food gardeners in terms of training, farming equipment and seedlings. It is a physical go to point where novices and expert micro-farmers alike can access advice. The WesBank Fund currently supports the Rocklands Urban Abundance Centre and the Umngazi Nursery and Farmer Support Centre.

Unfortunately there is a lack of skills and expertise (expert farmers) in this sector especially amongst the youth; the WesBank Fund therefore decided to pilot a bursary programme. We currently fund 75 students from Unisa doing the short learning Programme in Household Food Security (PHFS) in 2012.

Under the slogan "WesBank Cares: Heads, Hearts and Hands" our employee Volunteers programme focuses on helping to improve the lives of underprivileged South Africans through initiatives focusing on skills transfer, knowledge sharing and acts of love.

The WesBank Employee Volunteers programme continues to gain momentum and we have seen a 50% year-on-year increase in the matched funding claims paid to various NPO/NGO's as a result of volunteer initiatives.



OUR DAILY BREAD

In South Africa some children **do not eat at all during school because they simply cannot afford food and school fees or transport costs.**

One particular school principal pointed out that many children lose concentration during the classes, especially after first break i.e. 10h30 onwards, which leads to poor performance resulting in failure at school level which perpetuates the problem of unskilled and unemployable adults and thus the poverty cycle continues.

The Operations division of WesBank engaged with the 1in1out Foundation to establish a bakery at the 1in1out Breakthrough Centre in Naturena near the Lindelani informal settlement in Gauteng.

Since its inception, the Operations Bakery has raised a staggering R228 787.12 by the end of July 2012. This was achieved through the monthly contributions by WesBank operations staff as well as the fundraising done by the Operation Bakery Volunteers Committee.

Foundations are being laid to accommodate the existing as well as an additional two containers and renovations are set to be completed by September 2012. The Bakery will look at employing two permanent staff from the local community.