

2007



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WesBank believes the customer comes first, we believe in our people as individuals, we believe in the quality in all that we do, and we believe in profitable growth.

INTRODUCTION

More than 25 years ago WesBank committed to 4 simple shared values that were entrenched in the organisation and to this day remain relevant and unchanged.

Remaining true to our shared values has resulted in WesBank being consistently rated in the top 10 of the "Deloitte's Best Company to work for" survey. We have participated in the survey since 2002, and given that we consider our staff to be the best in the business and our strongest asset, it is gratifying to know that they believe we genuinely live our shared values.

In addition our peers and competitors have voted us as the leader in vehicle finance for the past five years, in the PWC Annual Survey of SA Banks. In the past year, a new category, asset finance was added and once again we were again recognised as the leader, we consider this to be a fine achievement.

Based on the principle of longevity, all strategies at WesBank are aimed at long and medium term growth. Our partnership strategy has proven particularly successful since inception. Our partnerships are successful because we ensure that our needs and objectives are aligned to those of our partners in any new venture, as it is crucial for a mutually beneficial and fruitful relationship.

Last year we engaged in Kaizen, an old Japanese philosophy of gradual, continuous improvement. It makes sense to us as it involves everyone in the organisation working together to make improvements without large capital investments. Kaizen leans towards paying attention to small but significant details to improve efficiency. While Kaizen can be implemented throughout the organisation within a year this will not ensure its sustainability. We have chosen a long-term approach to instill a Kaizen culture in WesBank. Every business unit and department in WesBank has been given until the end of September 2007 to formulate their first Kaizen projects for implementation. We look forward to viewing these innovations to streamline efficiency in the organisation.

**WESBANK LEADS
THE MARKET IN
THE SA ASSET
FINANCE SECTOR.**

Organic growth is taking place in South Africa, and Gross Domestic Production (GDP) is between 4% and 5%. In order for us to achieve our targeted growth and identified return on investment, new markets have been identified. We have invested in opportunities in Africa, the United Kingdom and Australia while we are investigating business ventures in Brazil. We are collaborating with our Group partners as we venture into Mozambique and Zambia.

OUR FOCUS THIS YEAR

Sustainability is being viewed more holistically now than ever before in SA, due to social and environmental pressures. The range of issues that collectively define sustainability has grown. In our report this year we endeavour to explain our efforts in managing this diverse and increasing range of issues.

Last year we identified the importance of environmental management to our business. This year we report on the steps taken and strategic planning for the new year in managing our direct impact, and to a certain extent our indirect impact, on the environment.

Our people have always been a core component in our business. The Employee Value Proposition (EVP) is a familiar concept in organisations throughout the world. At WesBank we have changed the concept slightly and call it the Employer-Employee Value Proposition (EEVP). Our concept includes aligning WesBank's long term goals with those of our staff to achieve these goals simultaneously.

Adhering to legislation and good governance is a priority to us. The enormous changes required to comply with the National Credit Act were effected seamlessly. We monitor proposed legislation impacting on our industry and will implement changes required as responsible corporate citizens.

As a proudly South African company and a responsible corporate citizen we seek to empower and uplift communities by investing in their development. We began critically evaluating our approach to social investment and have made changes to the way we contribute to projects. We hope to make a greater longer-term contribution by following a programmatic approach to social investment.

REPORTING TO OUR STAKEHOLDERS

Ongoing discussion and interaction with stakeholders is crucial in building strong, mutually beneficial relationships and strengthening our brand. We believe in transparency in relationships at all levels. Methods of stakeholder engagement vary from formal to informal channels throughout WesBank.

The table below identifies some of WesBank's most important stakeholders.

Stakeholder	Face-To-Face	Electronic Communication (Email, telephony, intranet, internet)	Surveys, Forums, Roadshows, Conferences	Internal Communication (memo's, staff magazines)	Briefings and Press Releases	Annual Financial and Sustainability Reporting
Customers	•	•	•	•	•	
Employees	•	•	•		•	•
Suppliers	•	•	•		•	•
Society and Community	•	•			•	
Government and Regulators	•	•			•	•
Environment	•	•			•	•
Motor Manufacturers	•	•	•		•	•
Dealerships	•	•	•	•	•	•
Joint Venture Partners	•	•	•	•	•	•
Investors	•	•			•	•

THE SCOPE OF THIS REPORT

Our report for the 2007 financial year focuses on our South African operation. Our international operations namely, MotorOne – Australia, Carlyle Finance and WesBank Africa are fairly new operations in the process of being established and have not been featured in detail in this report. We are working towards providing more details about these operations in our next sustainability report.

MAKING PROGRESS

The areas critical to ensuring progress in our business form part of our key strategies and are communicated at all levels of our organisation. We are committed to:

- Continuous reviewing of our products and services to meet customer expectations and create new standards in service delivery;
- Transformation of our employee base to meet FSC targets, while simultaneously working towards being recognised as the Employer of First Choice;
- Understanding and managing our impact on the environment;
- Driving long term sustainability of community projects we are involved in; and
- Continual improvement of our procurement process, towards assisting in the development of enterprise in SA.

DATA

In keeping with reporting in previous years, the figures our People section of the report comply with the Employment Equity Act. Our targets and objectives met with regards to our environmental management system could not be quantified in some instances. For example we could not quantify the energy and water savings derived from our awareness campaigns and initiatives at the current premises we occupy as we pay fixed rental costs per employee at these sites. Controls required to measure savings on these resources at our new premises in Fairlands are being implemented.

INTERNAL AUDIT STATEMENT

Based on our work performed, in our opinion the WesBank Sustainability Report is a fair statement of the FirstRand corporate responsibility initiatives, and the quantitative data in the sustainability report is free from material misstatement.

our people



WHY OUR PEOPLE MATTER TO US

We firmly believe that our people are our greatest asset. We consider recruiting, developing and retaining the best people in the industry a long term advantage to remaining leaders in moveable asset finance. Our objective for this year is a continuation of our objective for 2006 "Growing our People to Greatness". This year, we are consciously striving to become the "Employer of First Choice".

WHO OUR PEOPLE ARE

As at June 2007 we employed 3 368 permanent employees. We continue to improve our diversity profile.

- 61% of staff are female;
- Black staff constitute 53% of our staff; and
- 0,4% of our staff are Differently-Abled.

Representation by black people and women at all levels, particularly at the higher levels continues to receive focus and attention, and is improving. To this end, black representation within managerial salary levels has grown by between 2% and 4% over the last year.

Due to a required change in reporting format, we cannot provide comparative trend data over the last two years. We therefore include separate graphs indicating our Employment Equity position over the last two years.

The data below indicates our staff profile for financial year 2006. Note that ACI refers to African, Coloured and Indian.

Total Bank	Actual					%	
	African	Coloured	Indian	White	Total	Black	White
Top Management	3			11	14	21	79
Senior Management	6		1	52	59	12	88
Middle management	20	3	15	206	244	16	84
Junior management	72	22	55	308	457	33	67
Total	101	25	71	577	774	25	75
Supervisory	288	159	176	760	1 383	45	55
Clerical	457	214	142	248	1 061	77	23
Non-clerical	40				40	100	0
Total permanent	886	398	389	1 585	3 258	51	49
Non-permanent	301	156	120	282	859	67	33
Total	1 187	554	509	1 867	4 117	55	45

The data below indicates our staff profile for financial year 2007.

Item South African Workforce	ACI		White		Total		Grand Total
	Male	Female	Male	Female	Male	Female	
Total Management	2	2	10	3	12	5	17
Senior Management	17	4	77	36	94	40	134
Professionally qualified and experienced specialists and mid-management	96	98	270	193	366	291	657
Skilled technical and academically qualified workers, junior management, supervisors	287	389	210	544	497	933	1 430
Semi-skilled and discretionary	284	602	53	178	337	780	1 117
Unskilled	1	12	0	0	1	12	13
Total	687	1 107	620	954	1 307	2 061	3368

WHAT MATTERS TO OUR PEOPLE

Our consistent rating in the Deloitte's survey shows that our people see us as an employer of choice. We work at maintaining our position by understanding what matters to our employees. Through a process of analysing the survey data, our Climate Survey data, exit interviews, performance reviews and feedback from employees, we identified the following issues of importance to our staff:

- Improved and transparent recruitment processes;
- Implementing consistent performance management procedures;
- Focus on competency-based training and development; and
- Expanding our staff communication channels.

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
Raise HIV/Aids awareness	✓	<ul style="list-style-type: none"> • Conducted HIV/Aids awareness workshops
Introduce Broadbanding to streamline HR processes, processes	⊘	<ul style="list-style-type: none"> • Introduced new and enhanced human resources policies, and improved improve retention and provide flexible remuneration

This Year

We focused on strategic HR initiatives that help address matters of importance to staff, drive our business imperatives, and address requirements in our macro operating environment.

Financial Sector Charter (FSC) Employment Equity (EE) Transformation

Transformation of our employee base remains a key focus area. We actively work towards and monitor our progress in this regard.

At the beginning of the year, new targets for employment equity representation at various managerial levels were set, incorporating 2008 targets as stretch targets for 2007. These are set out below.

Levels	Targets 2007 %
Black Top Managers	23
Top Managers (Black Women)	4
Black Senior Managers	25
Senior Managers (Black Women)	4
Black Middle Managers	30
Middle Managers (Black Women)	10
Black Junior Managers	45
Junior Managers (Black Women)	16,5
Black People with Disabilities	1

WE MAINTAINED A POSITION WITHIN THE "TOP 10 BEST COMPANIES TO WORK FOR" DELOITTE'S SURVEY FOR THE PAST FIVE YEARS.

In line with our transformation strategy we identify highly talented employees and ensure that they are assessed, to understand their development requirements. Appropriate learning interventions are then implemented. The selected employees are then coached and mentored to ensure that they achieve intended objectives.

Becoming an Employer of First Choice

Being an Employer of First Choice is crucial to us, as we want to employ and retain the best talent in the industry. It ensures that we maintain our competitive edge in our market. The key focus areas to drive our employer of first choice strategy include:

- Driving employee engagement;
- Driving employment equity; and
- Refining and communicating an enhanced employee value proposition.

We commenced research to understand the attributes necessary to build a strong employer brand, attract talented external candidates and retain internal talent. Lessons learnt from this process have already helped us launch some of the initiatives identified earlier, including Leadership Principles, The Women's Forum, Career Models, Electronic Self Help Services and improved Performance Management processes. We concentrated on ensuring the successful implementation of these programmes, policies and practices to achieve our goal.

Attract and Retain Talented Employees

To maintain a competitive edge in our industry attracting, selecting, managing and retaining talented employees is vital. We are currently revising the WesBank Recruitment policy and investigating the feasibility of training all WesBank managers conducting interviews on Targeted Selection Techniques. We have introduced candidate psychometric assessments and have launched electronic recruitment through WesBank Careers-on-line.

Leadership Development

Our approach to Leadership Development is focused. It is linked to our key people drivers as documented in our Flight Plan. Leadership development is achieved through a multi-faceted approach, which includes formal leadership programs, standalone modules, conferences, job rotation, special assignments and active coaching.

Improving Organisational Performance

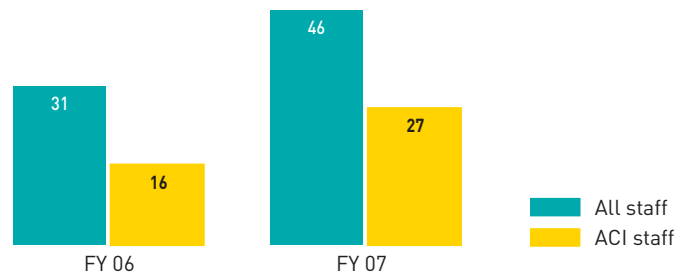
A clearly defined, fair and transparent performance management process has been implemented to drive our organisational performance. We focus on both performance and competencies in performance reviews, to ensure improved levels of organisational competence and performance. The enhanced performance management process also creates numerous opportunities for employee engagement, which has been identified as one of the major drivers of our Employer of First Choice strategy. Our performance management philosophy and process also form part of WesBank's EVP as these drive individual development and continuous improvement.

OUR LEADERSHIP
DEVELOPMENT IS
SUPPORTED BY
OUR LEADERSHIP
PRINCIPLES, SHARED
VALUES AND BRAND
MUSCLES.

Focusing on our Training Strategy

We increased our training spend per employee by 76% to R10,528.

Skills investment (R million)



We are focusing on competency-based development and training aligned to both Broadbanding (levels of work) and the National Qualifications Framework, aligned to our Employer of Choice strategy. All role profiles of competencies and are underpinned by outputs. We identified behavioural skills for all levels in the organisation. For example performance management, coaching and project management were identified as generic competencies for all managers. We will assist managers in developing their skills in these areas as required.

LEARNERSHIP SUCCESS CASE STUDY

Isabell Davids joined the CIDA City Campus Letsema Learnership Programme for matriculants in 2004 to study towards a qualification in Financial Services Advice (NQF 5). The Learnership was aimed at gearing the learners for careers in the financial sectors. Isabell was seconded to WesBank to obtain her practical work experience.

Graduating in the top ten of her class, Isabell's enthusiasm, diligence and perseverance immediately stood out. In recognition of her ability to succeed as a WesBanker, we offered her permanent employment when the Learnership ended. Isabell worked in our Corporate Administration Department for a year and a half before moving to join our Compliance Team as a Compliance Monitor. She is currently studying towards her degree in B.Comm Internal Auditing.

Investing in Learnerships

WesBank continues to focus on learnerships for unemployed graduates and matriculants. Learnerships comprised 4% of our total permanent staff at the beginning of the year. This included 113 unemployed matrics, 32 unemployed graduates, and 47 internal staff (January – June 2007).

Of the learners trained in 2006, 89% were employed by WesBank upon completion of their learnerships.

Ongoing Focus on Staff Wellness

We continued to drive usage of [Wellness@WesBank](#) through ongoing communication and staff awareness. [Wellness@WesBank](#) has a usage rate of between 8 – 10%.

With funds derived from the FirstRand BEE share allocation, WesBank has established a Staff Assistance Trust. Funds from the Trust are used to sponsor the education of children of qualifying staff. Qualifying criteria have been established for staff assistance and are followed. Funds may be used for school fees, school uniform, stationery and books.

UPDATES TO POLICIES AND PRACTICES

- Based on the our Employer of First Choice Strategy, a WesBank Leadership Philosophy was introduced to ensure all leaders had clarity on leadership principles and supporting behaviours expected of them;
- A new Leadership and Performance Management Principle and Resource Guide was introduced to guide and support leaders in their roles;
- A new recruitment policy and improved recruitment practices were introduced; and
- An electronic payslip system including self-help features was introduced. It also helps improve communication with staff.

OBJECTIVES FOR THE UPCOMING YEAR

- Research and design a competitive and compelling Employer-Employee Value Proposition (EEVP), in line with our Employer of Choice Strategy. Communicate EEVP through multiple channels;
- Review HIV/Aids policy (no major changes are expected). Integrate HIV/Aids initiatives into wellbeing service;
- Research, design and implement a proactive, integrated personalised wellbeing service which includes an organisational risk profile, personalised lifestyle support and manager coaching; and
- Achieve EE targets as previously indicated.

HIV/Aids GLOBAL REPORTING INITIATIVE

In 2005 our focus was to determine the impact of HIV/Aids on the business, refine our strategy, 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"> Our strategy is targeted at all bank employees and their families. Our intervention is through the education, training and support of management and staff. The WesBank Woman's Forum was used as a channel to create greater awareness of HIV/Aids, as well as provide a peer support forum. We are currently reviewing our strategic approach which is defined by educating people on how to identify, as well as proactively and reactively manage situations where one may be exposed to risk of infection of HIV/Aids. This will be followed through with how one plays a proactive role in one's family and community on how to prevent HIV/Aids as well as support those living with HIV/Aids.
HIV3	Preparedness and contingency planning in anticipation of expected HIV/Aids impacts	<ul style="list-style-type: none"> An actuarial analysis was recently completed. This will help us quantify the impact of HIV/Aids and assist our leadership in understanding prevalence by stages, financial impact of prevalence found and by skills profile. The results will guide the HR team in succession planning, leadership pipeline and training and development interventions. Training and development programmes, and our leadership succession, are designed with an understanding of prevalence.

Performance Indicators	Topic	Description
Good Governance		
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 identified as a risk in the FirstRand Banking Group Business Performance and Risk Management Framework.
HIV5	Stakeholder involvement in formulation of policy, strategy and implementation	<ul style="list-style-type: none"> The HR Executive Committee debates issues of staff wellbeing and the HIV/Aids issues fall within this parameter.
Measurement, monitoring and evaluation		
HIV6	Prevalence rates	<ul style="list-style-type: none"> According to an actuarial study conducted, the predicted current prevalence of HIV/Aids in WesBank is 5,8%. The average South African workforce rate is estimated at 19%.
HIV7	HIV/Aids-associated costs and losses	<ul style="list-style-type: none"> The actuarial study will help WesBank quantify associated costs up to 2015.
HIV8	Total assumed HIV/Aids associated costs/losses	<ul style="list-style-type: none"> As per HIV7
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 through the WesBank Women's Forum. Our Employee Assistance Programme (EAP) addressing staff wellbeing, which 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	Budget allocation	<ul style="list-style-type: none"> Financial resources have been made available as indicated in the strategy.

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 the opportunity of participating in VCCT process with FNB.
HIV12	Other support programmes	<ul style="list-style-type: none"> • See HIV 9 – Employee Assistance Programme
HIV13	HIV/Aids education and training programmes	<ul style="list-style-type: none"> • See HIV 9
HIV14	Condom and Femidoms 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

our customers

WHY OUR CUSTOMERS MATTER TO US

A satisfied customer is a potential brand ambassador. WesBank is a well-known and trusted brand in the financial services industry, and our success is linked to this positive reputation. Developing solutions to meet our customers' needs, and entrenching a service-orientated culture is a consistent and entrenched value within WesBank.

WHO OUR CUSTOMERS ARE

We offer asset finance to a diverse range of customers including individuals, corporate enterprises, motor dealers, motor manufacturers, industrial suppliers, employees of corporate companies and government. We are also involved in related services such as debt collection, sale of vehicle tracking products, car care products, as well as training solutions for the motor industry.

Our Motor Division provides vehicle finance at point of sale through our partnerships with motor dealers and manufacturers. WesBank Corporate Division provides finance to small, medium, large and listed organisations and provides finance for large fleets, assets and aviation through joint ventures with both industrial and aviation partners. Our Fleet Division provides fleet management services through our branded card "WesBank Auto" and administrative services for branded cards outside the FirstRand Group. Wholesale Finance Division provides stock finance to the motor industry.

Item	Motor & Fleet	Corporate & Commercial
Number of Customers June 2006	219 424	97 385
Number of Customers June 2007	263 731	110 883
% Change from Last Year	20,2%	13,9%

WHAT MATTERS TO OUR CUSTOMERS

The following issues are of importance to our customers.

- The implementation of Department of Transport's implementation of eNaTIS conversion on vehicle licence processing resulted in difficulties and delays due to system issues, affecting motorists, vehicle dealers and the motor industry. As WesBank could not easily obtain duplicate NaTIS documents from the Transport authority, we experienced a higher volume of customer complaints; and
- Prompt service delivery remained a critical area of importance to our customers.

Table 2 Formal Forums for Customer Engagement

Customer Satisfaction (CSI) Index	Dealer Satisfaction Index (DSI)	Written Correspondence	Telephonic and Face-to-Face Interaction
Surveys sent to all new customers	Bi-annual survey conducted	Ongoing	Ongoing

ALL STAFF SHARE THE WESBANK VALUE OF "THE CUSTOMER COMES FIRST."

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
Product Research and Development for the Graduate Market	✓	<ul style="list-style-type: none"> Research commissioned: indicated insufficient interest in product of this nature, and feasibility reduced by impact of National Credit Act. Did not warrant development
One Question Customer Satisfaction Survey for Private Individuals	✓	<ul style="list-style-type: none"> Reduced five question survey to a one question Implemented in Private Individual Market

This Year WesBank Economic Enabler Finance (WEEF)

WEEF is aimed at promoting Black Economic Empowerment (BEE) in the SA Auto Industry through individually-structured funding mechanisms. Our goal is to be recognised as the partner of choice in transforming the dealer network by allowing entrepreneurs to secure credit funding facilities based on their business model, diversification strategy and experience. Last year WEEF funded R209.7 million to BEE motor retail franchises in SA.

Taxi Finance

We continue to support the Taxi Recapitalisation Project in a bid to improve safety and empower the taxi industry. WesBank Taxi Finance was devised to provide finance to taxi owners from previously disadvantaged backgrounds and assist in establishing structure in the industry. We entered into a profit-sharing partnership with the South African National Taxi Council (SANTACO). Profits derived from Taxi Finance deals are shared equally between WesBank and the Taxi Council.

The Taxi Council uses funds derived from the profit-share to set up much-needed infrastructure necessary to introduce governance and controls to regulate the industry. We have also sponsored external audits at SANTACO by Deloitte and Touché, for the past two years. We revised our credit scoring model and risk mitigation process to cater specifically for lending in this industry. The Taxi Income Calculator was derived taking into account the industry's operating model (route viability, permit availability and number of trips per day, as well as number of customers).

Enhancing Customer Service

We revamped our finance application process and procedures in accordance with the requirements of the National Credit Act. Much focus was placed on ensuring clear and transparent communication with customers.

To help our customers overcome the frustrations caused by the eNaTIS implementation, we are working with the Gauteng Department of Transport to determine if a satellite office can be established to obtain access to duplicate documents (instead of queuing at the local Licensing Office).

Keeping abreast with technology is a critical element of service delivery. A few years ago we began developing a suitable platform to integrate the various management systems used by WesBank. Our CORE system has been tested and approved. We have migrated our Toyota Financial Services customer base onto CORE. We envisage that the remaining customers in our book will be migrated onto our new platform during the course of the new financial year.

We Continued Our Focus on Reducing Vehicle Fraud and Theft

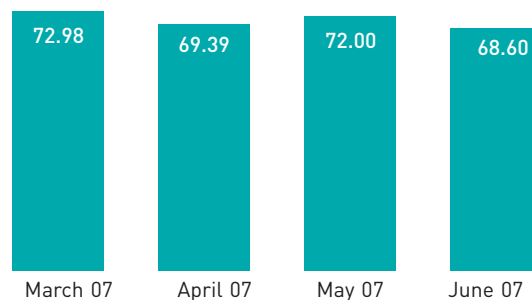
Crimes such as hijacking, theft and fraud impact on our customers and our business. Our Fraud Investigation team established that the modus operandi of crime syndicates is to steal the vehicles in South Africa and drive them through our border posts to neighbouring countries where they are sold. South African Police Services officials at border posts were previously not trained or equipped to identify and recover stolen vehicles.

We developed and implemented training for border posts officials. When stolen vehicles are identified officials contact our Fraud Investigation team, who are immediately available to recover the vehicle at the border. Since January 2007 alone 15 vehicles belonging to WesBank customers and 19 belonging to other parties have been recovered.

Measuring Customer and Dealer Satisfaction

We recently employed SMS and web-based technologies to replace our paper-based medium of survey. This ensured a more efficient, easier means for customers to feed back, and ensured that we are able to receive and promptly respond to any service breakdowns that may occur. This also increased response rates which were sitting at a low 8% (paper) to 12.7%. We are working on improving customer response rates to beyond 20%.

Customer satisfaction (net promoter)
March 07 – June 07

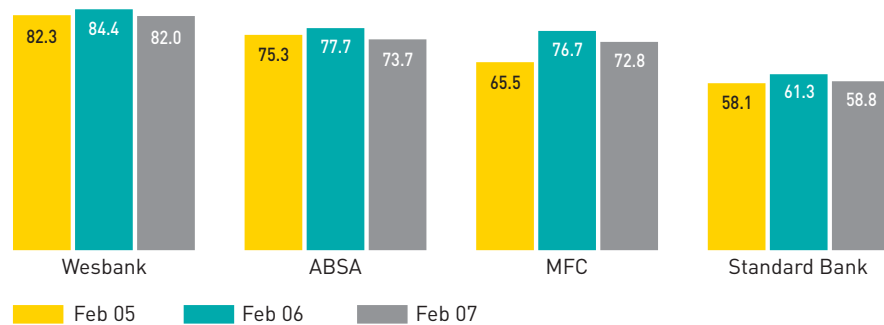


Results of customer satisfaction evaluation for a 4 month period show that on average over 68% of customers would recommend WesBank to family and friends.

All customer service survey results are reported on our respective Business Intelligence (BI) Portals. Trend and comparative analysis reports are created and available for viewing. We are also able to provide real-time results on BI dashboards on daily customer service survey feedback. The results indicate our Net Promoter score as indicated earlier. Our score of 68% score compares favourably when benchmarked against international companies such as Amazon, Google and General Electric, who average around the 70% Net Promoter Score.

We also recently included the Net Promoter score in our Dealer Satisfaction Index (DSi) questionnaire to benchmark ourselves against our competitors in terms of dealer loyalty. This DSi has been undertaken for the last 10 years by an independent researcher. Dealers are asked what the likelihood is that they would recommend each of the finance houses. The result received for the last two DSi surveys show a strong Net Promoter Score of 47.9% (up from 45.6% in 2006) for WesBank compared to our closest competitor at 7.2% (down from 12.5% in 2006).

Dealer satisfaction index Feb 05 – Feb 06



UPDATES TO POLICIES AND PRACTICES

- **Measuring our Customer Satisfaction Index (CSI):** Along with the One Question CSI, we introduced the Net Promoter Score which allows us a consistent measure of service levels across all business units within WesBank; and
- **Employee Innovation:** We implemented 5 changes recommended by employees during the year to improve efficiencies in processes and reduce customer frustration. For example numerous queries are generated by the charge “Interest on Additional Debits” reflected on monthly statements. An employee suggested that we specify what the additional debit is to provide clarity and reduce queries. This was implemented.

OBJECTIVES FOR THE UPCOMING YEAR

- Include additional fields to systems and communicate procedures to load and identify our Black Commercial and Individual customer base, in line with our FSC objective, Empowerment Finance;
- Focus on new product development to meet the needs of corporate and individual customers; and
- Migrate our remaining customer accounts for various platforms onto one integrated platform (CORE).

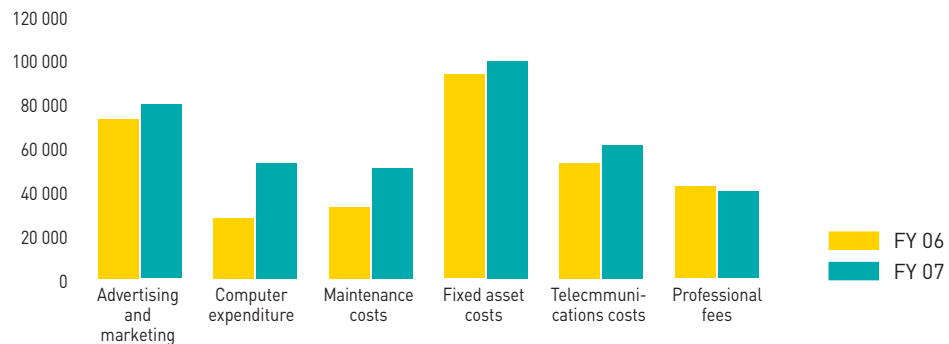
WHY OUR SUPPLIERS MATTER TO US

Our product development and service output is reliant on the quality of products and services rendered by our suppliers. Suppliers are imperative in achieving the highest degree of delivery and productivity for WesBank. Our quality, service and pricing are dependant on those very principles offered by our suppliers. In keeping with our commitment to transformation we support Small, Medium and Micro Enterprises (SMME) to a large extent thus enabling them to develop and grow. WesBank is Proudly South African and BEE compliant. We also assist our suppliers to become BEE compliant, thereby further contributing to broader macro-economic imperatives.

WHO OUR SUPPLIERS ARE

The table below indicates commodity type suppliers for spend over R500 000 per annum, for the past three financial years. 95% of the suppliers on our database are active. The diagram below indicates our top 6 categories of spend over the last 3 years (excluding general expenses).

Main procurement categories (R'000)



WHAT MATTERS TO OUR SUPPLIERS

Since the relationship with the suppliers in most instances lies with the business unit they interact with, the business unit endeavours to pay suppliers promptly and ensure that any concerns raised are addressed. We also use roadshows as a means of communicating with our suppliers. Our suppliers indicated the following issues of importance to them.

- Constant communication from a centralised point on performance and service delivery issues is important to our suppliers. This includes communication of WesBank's expectations regarding BEE;
- Suppliers also indicated that they wanted to be involved in the processes and developments within WesBank that may directly impact on the service rendered by them; and
- Suppliers requested a centralised point of payment and communication.

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
• Improve supplier management communication	X	• New procurement intranet site implemented with all supplier information readily available
• Measure levels of satisfaction of WesBank's suppliers	X	• We did not adopt the process – to be done in August 2007

This Year

Change to Reflect Broad Base and Narrow Based Accreditation Simultaneously

During the 2007 financial year, our BEE procurement process faced many challenges due to the change in Broad-Based Black Economic Empowerment Codes of Good Practice. In mid 2006, we adopted a pro-active stance, maintaining information about suppliers' transformation efforts on both a narrow basis (ownership and control information) and a broad basis (all seven pillars of BEE) simultaneously.

Our suppliers were advised to obtain broad-base accreditation by an external verification agency. The change was managed through road shows nationally with all regionally-located suppliers. One-on-one communication sessions to guide and advise suppliers and free advisory sessions with suppliers regarding BEE were held.

Of the 245 suppliers where spend is over R500 000 per annum, 84 suppliers are now broad-based accredited.

Promoting Growth of Small Business

The gazetted Codes of Good Practice have recognised Exempt Micro Enterprises (EME) as BEE-compliant. These companies need not go through a broad based accreditation process. Their requirements for accreditation are the completion of an Exempt Micro Enterprises (EME) affidavit which confirms their status as an EME.

We recognised that most entities are not aware of their BEE status and we advise them of the requirements and benefits thereof. The supplier is also able to use their status across all market sectors, improving their access to business opportunities.

Clear and Concise Service Level Requirements

To ensure good governance, high standards of delivery and quality in our procurement process, service level agreements (SLA) are signed as new suppliers are engaged. The process of incorporating SLA's with existing suppliers is also being undertaken.

Improving Supplier Communication and Satisfaction

We developed a supplier satisfaction survey which will be sent out bi-annually. These surveys will help us identify issues that need to be addressed and give suppliers a further opportunity to communicate with us.

We also centralised all payment queries with our Creditors department and implemented standard procedures for payments.

UPDATES TO POLICIES AND PRACTICES

We automated our purchase requisitions process. Quotes are obtained from three different suppliers in order to secure the best possible pricing before purchases are made.

OBJECTIVES FOR THE UPCOMING YEAR

- Digitally Automating Systems: The current order system for some commodities is manual. All order systems will be automated, eliminating manual intervention completely. All management information reports pertaining to the procurement process will also be automated;
- Implementation of New Procurement System: To facilitate an order process with order numbers relative to invoices, purchases are to be made from our list of preferred suppliers where feasible. The preferred supplier list will be compiled as a result of tenders awarded, thus ensuring the best price or alternatively scoring from best prices already obtained;
- Launch of the Procurement Section on WesBank's Internet Site: This will enable us to provide supplier forms, answers to frequently asked questions, and employee feedback online; and
- As part of our strategy to establish good relationships with all suppliers, meetings will be set up with as many suppliers as possible to establish a contact where a name can be put to a face and to develop relationships with suppliers. This process will also be used to communicate to suppliers their importance to WesBank.

our environmental impact

WHY THE ENVIRONMENT MATTERS TO US

Climate change and global warming have become accepted realities. Responsible organisations can either understand the impacts and adapt accordingly, or cease to operate. Understanding the impact, the consequences and the opportunities for our country and our organisation will ensure the sustainability of our organisation.

WHERE OUR DIRECT IMPACT IS

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

- WesBank Head Office – BankCity Johannesburg;
- WesBank Admin Centres – Constantia Office Park, Roodepoort; and
- WesBank Regional Offices – Western Cape and Durban.

Our direct impacts on the environment are water usage, vehicle emissions, energy consumption and waste disposal.

OUR SIGNIFICANT DIRECT IMPACTS AND WHAT WE ARE DOING ABOUT THEM

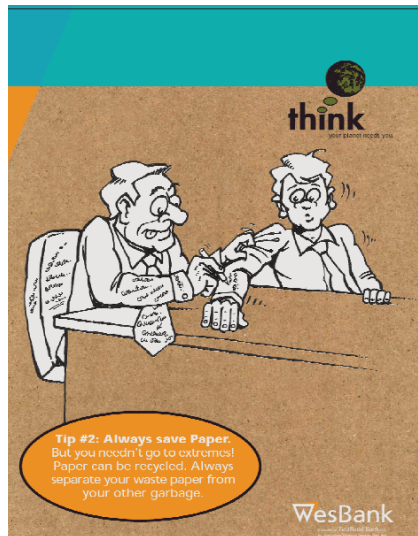
FY '06 report feedback

Last Year's Goals	Progress	Commentary/What We Did
Generate environmental awareness among employees and customers	✓	<ul style="list-style-type: none"> • Increased internal training and awareness of ISO 14001 requirements and direct environment
	Not started	<ul style="list-style-type: none"> • The drive to raise customer awareness not yet commenced
Increase ISO 14001 communication	✓	<ul style="list-style-type: none"> • Introduced environmental management campaign coupled with Motor sport sponsorship: planting trees and explaining nature conservation to previously disadvantaged communities
	✓	<ul style="list-style-type: none"> • Participated in the Mail and Guardian "Greening the Future" awards; nominated as one of three finalists
	✓	<ul style="list-style-type: none"> • Publications in newspaper media and internal communications • Environmental management policy accessible via www.wesbank.co.za

This Year

Achieved ISO 14001: 2004 Certification

We achieved ISO 14001:2004 certification for our Head Office operations at BankCity, Johannesburg and our Gauteng Administration Centres, based in Constantia Office Park in November 2006. Our Environmental Management System was audited and certified by PriceWaterhouseCoopers Incorporated.



Employee Training and Awareness

A training needs analysis was conducted to support and sustain the environmental management system. Workshops and presentations to raise environmental awareness have begun with senior management teams.

To achieve environmental awareness and the targets and objectives of the environmental management system a “General Awareness Training” programme for employees and contractors was introduced in 2006.

As part of the campaign, posters reminding staff of environmentally-friendly practices were introduced. An internal training module on Environmental Management and ISO 14001 requirements was also rolled out to all employees.

Reducing Water Consumption

Through our communication channels employees are often reminded of the importance of the thrifty use of water. Employees are encouraged to report leaky or dripping taps immediately. Facilities managers are encouraged to turn sprinkler systems on after sunset to reduce water wastage through evaporation.

We have not been able to establish our actual reduction in water and electricity consumption as these costs are fixed per head at the current premises we occupy. Procedures to monitor our consumption of water and electricity will be in place at our new premises in Fairlands.

Reducing Electricity Consumption

To raise awareness of the efficient use of energy amongst employees we ran an Energy Savings Initiative’s Campaign, offering prizes to employees for innovative and practical energy saving tips. We received 11 practical suggestions and are in the process of implementing the 3 winning ideas:

- **The Big Green Initiative:** Introducing motion detectors to avoid lights being left on for extended period;
- **SOS:** Switch Off Something; and
- **Introducing Time Switches:** Time delay switches which turn off electricity for the building during 23h00 and 04h00 to reduce consumption.

Waste Recycling

We continue to recycle paper and ink cartridges at our various premises. We encourage the reduction of paper consumption. Since the start of our paper recycling programme 6 months ago, at Constantia Office Park we recycled approximately 27,000 kg of paper.

Recycling of Computers

We continue to introduce computer literacy in rural areas by donating our old computers that are in good working condition to rural schools and learning centres. The donation includes basic software programmes sponsored by Microsoft SA. We donated 361 computers to schools last year.

Preparing Our New Premises to be More Environmentally Friendly

We will be moving our operations to a new building in Fairlands, Johannesburg, a predominantly residential suburb next year. Environmental management and our impact at our new building remains high priority and are closely monitored throughout the development. We will report further details on the environmentally friendly features of the building in next year's report.

Our operations will impact on the volume of traffic in the areas. To address employee and local residents' concerns we undertook a study of the traffic in the area during peak periods. To alleviate traffic congestion, alterations have been done to expand Beyers Naude Drive from the highway to the intersection that leads to our new building. Traffic lights in the surrounding area will also be synchronised once the building is completed to ensure the smoother flow of traffic. We are also investigating the feasibility of introducing staggered work hours for our employees to reduce our impact on the environment through vehicle emissions and to reduce employee stress caused by sitting in traffic for long periods.

Reducing Emissions from Our Vehicles

We continue to encourage staff to drive together where they attend the same meeting or events. We are investigating the feasibility of introducing more diesel vehicles as we replace our own fleet vehicles. We encourage regular maintenance and servicing of our fleet vehicles to reduce vehicle emissions.

UPDATES TO POLICIES AND PRACTICES

- WesBank's Safety, Health and Environmental Policy has been formalised and approved by the Chief Executive Officer. The policy is available on www.wesbank.co.za;
- We provide a facility to direct queries or complaints about our environmental management system to our Safety, Health and Environmental Compliance Manager (she@wesbank.co.za); and
- Targets and objectives to increase recycling and safe disposal of waste items were derived in line with WesBank's Safety, Health and Environmental Policy.

OBJECTIVES FOR THE UPCOMING YEAR

- Increase the scope of ISO 14001 certified buildings from which we operate;
- Ensure ISO 14001 compliance at the new WesBank premises at Fairlands;
- Increase understanding and awareness of the environment among employees, through constant communication;
- Develop and implement training and awareness programmes for external contractors working on WesBank premises;
- Introduce a waste recycling programme at current premises (BankCity) in August 2007; and
- Continue working towards targets for safe waste disposal in line Safety, Health and Environmental Policy.

WHY OUR INDIRECT ENVIRONMENTAL IMPACT MATTERS TO US

As a financier of moveable assets in South Africa, WesBank is aware of the consequences of vehicle emission on the environment.

OUR INDIRECT ENVIRONMENTAL IMPACT AND WHAT WE ARE DOING ABOUT IT

Understanding the Impact of our Finance

To fully understand our indirect impact on the environment we first need to understand the environmental impact of our financing to various segments. To achieve this mammoth task our first step is raising awareness and conducting training with our key personnel.

Researching How We Can Contribute to Reduced Carbon Emissions

Research is being conducted to identify meaningful and sustainable ways in which WesBank can contribute to reducing carbon emissions and encourage responsible environmental management.

Raising Community Environmental Awareness at Motor Sport Events

As a sponsor of motor sport, we are conscious of the carbon emitted during events. We launched a campaign to encourage environmental awareness in the sport. We aim to educate and empower youth and the community in general to take care of the environment. To kick off the campaign we donated 230 trees to the Ivory Park Community in Thembisa. We have committed to plant trees at all remaining WesBank Super Series events over 2007. Indigenous trees requiring minimal care are provided to previously disadvantaged schools and communities.

As a sponsor of motor sport, WesBank is conscious of the carbon emitted during race meetings, and launched a campaign to encourage environmental awareness.



OBJECTIVES FOR THE COMING YEAR

- Continue to raise environmental awareness at motor sport events; and
- Research and understand the impact of off-setting carbons emissions generated by motor sport events.



WHY THE COMMUNITY MATTERS TO US

The well-known adage – if you give a man a fish you feed him for a day, but if you teach him to fish you feed him for a lifetime – speaks of the importance of sustainability. Assisting organisations with projects is certainly necessary, but maintaining that support until the concern is able to stand independently is what WesBank believes is at the heart of meaningful upliftment.

We are a proudly South African company, and realise that we play a role in helping others as our burgeoning democracy evolves. We know that previously disadvantaged communities need assistance and support if we are to eradicate poverty and illiteracy. Education and sustainable livelihoods are the fuels that keep them moving and developing. We view our involvement in outreach initiatives as a vital investment in the future, not charity. We believe that meaningful upliftment is not only about assisting organisations with projects, but maintaining support until the concern is able to stand independently. This forms the basis for a sustainable community organisation.

THE COMMUNITY

We support the community through two means: the WesBank Fund and the WesBank Volunteers programme.

- Through the WesBank Fund we contribute 1% of our post-tax profits towards financial assistance in the areas of education, sustainable livelihoods, food gardens and community care.
- The WesBank Volunteers Programme (under the auspices of our holding company's FirstRand Volunteers Programme) matches employee efforts with a monetary contribution to the same value. Our employees also personally give of their time and money in support of the community.

While employees support any variety of reputable community projects, we attempt to remain aligned with the community sectors funded by the WesBank Fund or to organisations in line with our business. We did however include funding towards the disabled, the aged, orphans, health and environment.

WHAT MATTERS TO THE COMMUNITY

Through discussion with the communities and non-government organisations we have learnt that funding alone is not sufficient to help uplift communities. Many community members have expressed the need for sharing of skills and knowledge to help them gain long-term sustainability.

Communities that have achieved success because of funding we provided are also eager to show us the fruits of their labour and express their gratitude, and demonstrate their accomplishments. We received numerous correspondence and invitations to visit. Our Fund Committee will be going on more visits to these communities in the coming year.

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

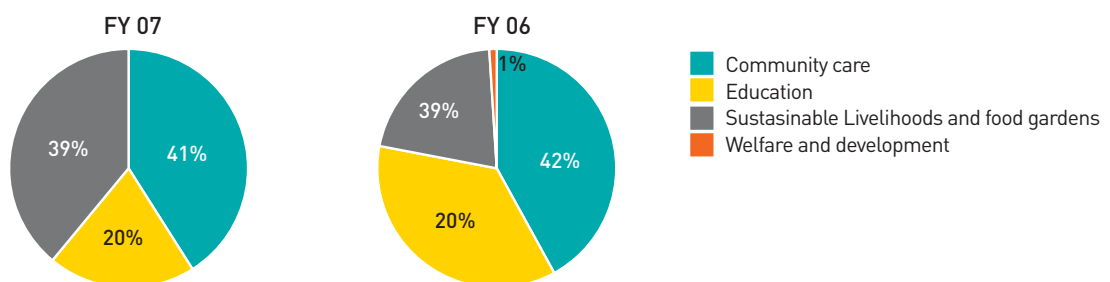
FY '06 report feedback

Last Year's Goals	Progress	Commentary/What We Did
WesBank Fund: align corporate social investment with core business	✓	<ul style="list-style-type: none"> Granted funds to Drive Alive road safety campaign.
	✓	<ul style="list-style-type: none"> Exited road safety as a focus area to align with our programmatic approach explained below
WesBank Fund: Identify	✓	<ul style="list-style-type: none"> Commissioned research on agricultural sustainable CSI projects livelihoods and food gardens as means of food security/ sustainable livelihoods. Results informed decision to fund agricultural livelihoods as a flagship programme
WesBank Volunteers: Improve Internal Communication	✓	<ul style="list-style-type: none"> Enhanced internal communication through provincial roadshows, induction video and WesBank Cares (our internal newsletters), and encouraged volunteering through regular email and intranet communication
WesBank Volunteers: Train Co-Ordinators	✓	<ul style="list-style-type: none"> Programme Audit undertaken in FY 2006 identified need for training of volunteer co-ordinators. Training Starter Pack including policies and procedures was developed and made available via website
WesBank Volunteers: Increase Management Support and Involvement	✓	<ul style="list-style-type: none"> Undertook regular newsletters and Exco presentations

This year WesBank Fund

Last year we donated R8,336,000 to 83 organisations. Our community support over the last 2 years indicated below.

Wesbank fund sector community investment



Historically our approach to community funding was not always programmatic, and we continued to support an array of community needs. To ensure sustainable upliftment, our CSI strategy is becoming more focused.

We developed a programmatic approach to funding. This approach will see WesBank accelerating multi-year grants, and will give us greater focus and provide opportunity for partnerships with our grant recipients. We will also support fewer organisations, with larger grants to facilitate their move along from mere survival to generating their own livelihood on an ongoing basis.

We focused predominantly on the following:

- **Education:** 20% of our funds were spent in this segment last year. In future our contribution to schools will be incorporated under the WesBank Volunteers Programme. We also donated 361 computers to schools during the year.
- **Sustainable Livelihoods and Food Gardens:** We conducted extensive research in this area. We found that it is imperative that the food security programme is well supported to move people along on the continuum from survival to subsistence and ultimately to sustainable livelihoods, and reduce dependency on funding handouts. We therefore introduced an Agricultural Livelihood Programme. We encouraged sustainable livelihoods through entrepreneurship. An example of our initiative is our partnership with Heifer Project SA to fund the Mzamomhla Village Project in the Eastern Cape. Through education, guidance and funding the project helped the community with crop and livestock farming for commercial and subsistence benefit.
- **Community Care:** we continue to support initiatives such as caring for the aged, and funding Operation Fudumeza, which supplies blankets to the underprivileged during winter.

In future we will focus on selected organisations, as well as supporting and mentoring the leaders of local communities to enable a self-help and pro-active mindset. By empowering leaders with this vision, we hope to enable them to pass their beliefs about changing their own futures on to those who perceive them as role-models.

WesBank Volunteers Programme

We increased our volunteer contributions from R113,382.92 in the previous year to R170,536 last year. This was met by matched funding by the FirstRand Volunteers Programme.

Our strategic key focus areas included:

- **NPO Relations (Rules of Engagement between Volunteers and communities):** partnering, engaging and identifying the needs of the organisation are very important. This allows us to work around employee time constraints and provide communities the assistance they require.
- **Measuring our Impact:** We measured our impact through feedback forms and questionnaires completed by volunteers after each initiative. With the results we improved processes where required.
- **Volunteer Acknowledgement and Recognition:** In November 2007 the FirstRand Volunteers Programme will host the Chairman's Volunteer Recognition Awards. Sizwe Nxasana, CEO of FirstRand Banking Group, will recognise the efforts of WesBank Volunteers who have achieved a certain level of "community giving" at a gala function. Since 2003, WesBank has also held the Paul Harris Social Responsibility Awards to recognise teams that have given valuable support to communities. Three awards are bestowed at the Management Conference each year. The winning teams receive prize money for their organisations of choice.



SUPPLEMENTARY DATA

A WESBANK VOLUNTEERS CASE STUDY: Classrooms and self-sustenance for a severely impoverished KZN Community

Karlyn Fisher, the volunteer leader of WesBank's Fleet Division, has long championed the impoverished rural community of Bergville. These predominantly child- or grandparent-headed families eke out an existence in an extremely remote rural area of KwaZulu Natal where there is no easily available water, no electricity, and no sanitation facilities. Karlyn's team makes monthly payroll-deduction contributions to an Orphan Fund set up by a church in the area to help the community.

Recently a teacher at a tiny school in Bergville asked for help in obtaining chairs and tables for her classroom. When the local minister saw the tiny proportions of the existing classroom, he suggested that more classrooms should rather be built using money supplied by Karlyn and her team. WesBank's CSI Manager, Mikie Kyony, donated R30,000 to supplement the money already contributed by Karlyn's team.



UPDATES TO POLICIES AND PRACTICES

We undertook a programmatic, longer term approach to our community investments, focusing on increasing sustainability of our efforts in both the WesBank Fund and the WesBank Volunteers' programme.

OBJECTIVES FOR THE UPCOMING YEAR

In line with our programmatic approach, we will direct our funding in the following manner:

- **Agricultural Livelihood:** 30% of funding;
- **Community Care:** 30% of funding. This will include spending on on therapeutic activities and nourishing meals for the aged. We also want to be able to respond to calls for emergency relief and assistance from the community;
- **Drug and Alcohol Abuse:** 30% of funding will be directed to assisting people (especially youth and school-going children) who suffer from substance abuse problems. We will partner with experts in this fields to channel our support; and
- **Sustainable Thinking:** 10% of funding will be allocated to motivating individuals to change their mindset from being "passive beneficiaries" to being active producers. This initiative will be incorporated into all programmes. This has started off as a pilot project in the Western Cape involving Abalimi Bezekhaya, using farming as a metaphor. We have already identified a cause champion, and the programme is currently being developed.

our regulatory environment

WHO OUR REGULATORS ARE

Our key regulatory authorities remain largely unchanged. The National Credit Regulator became effective in June last year, and joins our primary regulatory authorities. A number of secondary regulatory authorities that govern compliance with numerous pieces of legislation, directives and industry codes applicable on banking operations are indicated below.



WHY THE REGULATORY ENVIRONMENT MATTERS TO US

Our regulatory environment provides us with a framework in which we can conduct and grow our business. It plays a prominent role in any strategic decision. We are very aware of the risks associated with non-compliance, including the financial risk (severe fines and penalties), and most importantly, the reputational risk associated with non-compliance. We recognise our responsibility as a financial institution to conduct affairs with prudence and integrity, transparency, accountability, fairness and social responsibility, and in accordance with generally accepted accounting practices, to safeguard the interests of all stakeholders. Included in these values are the importance of being a good corporate citizen, and the desire to be a world-class organisation.

How We Meet Regulatory Requirements

We manage the regulatory environment through compliance monitoring across our business. A structured monitoring framework and plan are in place. Our approach to monitoring is to assist business segments in identifying gaps in processes and implementing corrective controls or procedures as required.

Risk management, central to risk governance, also helps define our ability to operate profitably and sustainably. We focus on ensuring that risks are managed through a structured risk management function with WesBank supported by various committees and boards dedicated to this function.

Our board of directors subscribes to the principles of sound corporate governance of the 2002 King Report on Corporate Governance (King II). The directors continually consider the implications of national and international corporate governance best practices to ensure that WesBank complies with the requirements of King II in all material respects.

UPDATES TO POLICIES AND PRACTICES

- The FirstRand Banking Group Competitions Policy has been adopted. The policy encompasses the legal requirements of the Competitions Act for transactions within SA, and includes adherence to competition laws of other countries with which we may transact. It specifies the procedures and guidelines which should be followed when competition laws are encountered to ensure we are complying with relevant legislation in all material respects;
- WesBank's Safety, Health and Environmental (SHE) policy was formalised during 2006. The policy highlights WesBank's approach to Occupational Health and Safety and Environments issues; and
- We updated our Regulatory Universe review practice. An annual review was introduced to ensure that we identify new or existing legislation that has or may impact the business. 30 Acts have been identified as high risk to the business. Monitoring plans are being developed to check control effectiveness and compliance.

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.

Financial Intelligence Centre Act (FICA)

- The risk rating of customers, in terms of internal Detailed Standards, has proven to be a challenge. As a Group we are investigating various software solutions to assist in risk rating our customer base; and
- Verification of customer information on our existing book is not completed. Due to the nature of WesBank's account, there is no incentive for customer to provide the verification documentation. When existing customers do contact us, for example to change account details we request outstanding Know Your Customer (KYC) verification documents.

Financial Advisory and Intermediary Services Act (FAIS)

- FAIS monitoring processes, to ensure compliance with Financial Services Board requirements, are in place; and
- We added a product category under our FSP license towards the end of 2006 resulting in Fit and Proper Requirements for our representatives changing to include an additional 30 credits. The FSB has extended deadline granted for FAIS training to December 2008. All WesBank Representatives are enrolled on a training programme to meet Fit and Proper Requirements.



Motor Vehicle Finance Under the National Credit Act (NCA)  Put us to the test

Good News for Consumers!

WesBank welcomes the NCA because it makes buying a motor vehicle much easier for you. We like to explain things in plain language - this has helped us to build excellent relationships with our clients and partners for over thirty years.

Will the NCA Apply to Me? 
The NCA was passed to protect all consumers, no matter who you are.

What about Responsible Lending? 
The NCA protects you from having more debt than you can afford: to avoid this situation, when you visit your motor dealer to buy a vehicle, you now have to give your dealer all the information you have about the money you earn and how you've spent it. Providing this information will help WesBank to make sure you don't borrow more than you can afford.

How will my Agreement be Structured? 
Thanks to the new Act, you may not even have to pay a deposit. You also have more choice about the length of your deal and balloon payments. Visit your local motor dealer for more information.

Is it Important to Keep a Good Credit Record? 
It is very important to you and your credit provider that you keep a good credit record. If you have financial problems, as a WesBank client you can use our debt rehabilitation services. The Act also provides you with access to a debt counsellor.

Can I Pay Off my Vehicle Early, and Buy Another One? 
The NCA allows you to pay off (i.e. settle) your motor vehicle loan early with no additional charges (i.e. penalty fees). You qualify for this benefit if the value of your loan was less than R249,999,99.

**Need to know more?
We can provide all the answers for you**

Visit our website www.wesbank.co.za
and click on the NCA button

or
Email us on ncainfo@wesbank.co.za

or
Contact us on 0861 111 577

NOTICE

A member of FirstRand Bank Ltd. An Authorized Financial Services Provider

As part of the campaign to promote the National Credit Act (NCA) and raise awareness of the changes, we held roadshows and workshops to assist dealers and marketers across the country. We also ran advertising campaigns to address frequently asked questions and allay customer concerns pertaining to the new legislation.

National Credit Act (NCA)

A working committees supported by senior management ensured the successful implementation of new procedures required by the Act.

The NCA will remain a major focal point in the upcoming year, with attention being giving to improving efficiencies. Due the nature of the Act, there are a vast number of issues and provisions open for legal interpretation. We will follow these developments and amend our policies and procedures where necessary.

MAJOR ISSUES TO BE ADDRESSED OVER THE COMING YEAR

Consumer Protection Bill

The Bill seeks to promote the social and economic welfare of consumers by establishing a framework for the achievement and maintenance of a fair consumer market by promoting fair business and protecting the consumer against unfair trade practices. The Bill is expected to be enacted in December 2007.

Companies Bill

The Bill represents a significant departure from the existing statute and sets out to modernise the Companies Act of 1973, aligning it with international jurisdictions and post-1994 South Africa. The Bill reduces the cost of registering and maintaining a company and the regulatory burden and compliance costs for small and medium-sized businesses, while enhancing corporate governance, transparency and accountability of large firms. It will also result in improved regulatory oversight and better redress for shareholders. The Bill is expected to be enacted in July 2008.



FIRSTRAND

FirstRand Limited

(Registration number 1966/010753/06)
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We welcome your comment and feedback. Please send your comments via the feedback section on www.firstrandsusrep.co.za