



FIRSTRAND

Carbon Footprint

Report to Management

Final report

22 May 2009

Prepared by

PRICEWATERHOUSECOOPERS 

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Executive Summary

FirstRand Ltd contracted the services of PricewaterhouseCoopers to calculate their carbon footprint and report to management, highlighting challenges and opportunities of the calculated footprint. The final scope of the carbon footprint was discussed and agreed with representatives of FirstRand during a workshop held on 21 August 2008. As per the requirements of ISO14064-1 and the Greenhouse Gas Protocol, the purpose of the scoping workshops was to define the organisational boundary, the operational boundary and the base year of FirstRand Ltd's inventory. The organisational boundary includes the following companies under FirstRand Ltd's control, namely:

- FirstRand Bank,
- First National Bank,
- Rand Merchant Bank,
- Momentum,
- Wesbank, and
- Ebucks

The following emissions, as agreed with FirstRand Ltd, are accounted for in the inventory:

Scope 1 direct emissions:

- Emissions from the amount of diesel used in generators; and
- Emissions from fuel used or kilometres travelled from business travel in vehicles owned by FirstRand, e.g. a fleet of vehicles.

Scope 2 indirect emissions:

- Emissions from electricity used in buildings owned or controlled by FirstRand.

Scope 3 indirect emissions:

- Emissions from electricity used in buildings leased by FirstRand;
- Emissions from the amount of paper consumed;
- Emissions from air miles travelled by employees of FirstRand; and
- Emissions from business kilometres travelled in motor vehicles, where available.

Table 1 below provides the total greenhouse gas emissions as determined for the FirstRand Group in metric tonnes of carbon dioxide equivalents (CO₂e) per business unit for the year July 2007 to June 2008.

Table 1 Total greenhouse gas emissions per business unit in metric tonnes of CO₂e

Description	CO ₂ e (Metric Tonnes)
Rand Merchant Bank	16,883
FirstRand	13,622
First National Bank	310,473
Wesbank	42,352
eBucks	2,012
Momentum	18,384
Total	403,725

The carbon footprint figure of 403,725 metric tonnes of CO₂e represents a more accurate reflection of FirstRand Ltd's greenhouse gas emissions for the year July 2007 to June 2008. This can largely be attributed to the first time inclusion of data on air travel, the inclusion of eBucks in the calculation, and the provision of more complete data on the electricity use in the First National Bank buildings. Of the business units, First National Bank was the largest contributor with a contribution of 77% of Group emissions.

The table below provides the total greenhouse gas emissions for the FirstRand Ltd Group in metric tonnes of CO₂e per source for the year July 2007 to June 2008.

Table 2. Total Group greenhouse gas emissions associated with business operations per source in metric tonnes of CO₂e.

Description	CO ₂ e(Metric Tonnes)
Fuel Use (Scope 1)	485
Business Fleet Travel (Scope 1)	25,063
Electricity (Owned Buildings) (Scope2)	197,586
Electricity (Leased Buildings) (Scope 3)	173,631
Paper Use (Scope 3)	1,758
Business Road Travel (Scope 3)	302
Business Air Travel (Scope 3)	4,899
Total	403,725

Electricity use from both owned and leased facilities, at 92%, was the biggest contributor to FirstRand Ltd's total carbon footprint.

Improvements to the carbon footprint calculation can be made in the following areas that will incrementally help in improving the accuracy and completeness of the carbon footprint over time:

- Ensure that kWh data for First National Bank and Wesbank buildings is collected and submitted with the relevant cost data.
- Ensure that flight data from First National Bank and FirstRand Bank is collected and submitted for the carbon footprint calculation.
- Continue to increase the scope of the boundary of the carbon footprint. This will ensure that operations such as Outsurance, as well as the First National Bank operations in Botswana, Namibia and Lesotho are included in the calculation.
- Continue to ensure that data for the current identified emission sources is generated for all business units.
- Continue to identify and include all remaining buildings under FirstRand Bank's control in the calculation.

1 Introduction

1.1 Background

The validity of the science supporting climate change is no longer debated. The atmosphere is warming, and human activity is the primary cause. FirstRand Ltd recognises this as well as the importance of responding to this global issue. FirstRand Ltd is also a signatory member of the Carbon Disclosure Project and as such is required to submit, on an annual basis, its inventory of greenhouse gas emissions, also referred to as a “carbon footprint”.

FirstRand Ltd wishes to continue to develop its carbon footprint reporting practices in order to ensure alignment with best practice, and consequently provide assurance to management on the accuracy and reliability of the submitted information. To this end FirstRand Ltd contracted the services of PricewaterhouseCoopers to calculate a carbon footprint and report to management.

1.2 Objectives

The objectives of the engagement are:

- The refinement of the carbon footprint calculation completed by PricewaterhouseCoopers for the year January to December 2007, for the period 1 July 2007 to 30 June 2008;
- An associated management report, highlighting strengths and weaknesses of the calculated footprint.

1.3 Scope

The final scope of the carbon footprint assessment was discussed and agreed with representatives of FirstRand Ltd during a workshop held on 21 August 2008. As per the requirements of ISO14064-1 and the Greenhouse Gas Protocol, the purpose of the scoping workshops was to define the organisational boundary, the operational boundary and the base year of FirstRand Ltd’s inventory.

1.3.1 Timing

It was agreed that the time period for the calculation would be July 2007 to June 2008.

1.3.2 Organisational Boundary

The organisational boundary defines which of the company’s business units are included in the inventory.

For the purposes of the first round of the carbon footprint calculation the organisational boundary includes the following companies under FirstRand Ltd's control:

- FirstRand Bank,
- First National Bank,
- Rand Merchant Bank,
- Momentum,
- Wesbank, and
- Ebucks.

Outsurance, a division of FirstRand Ltd, has been excluded for this calculation.

For the first round of calculations, only those operations within each business unit that FirstRand Ltd has 100% operational and financial control over, were included.

It was agreed that a sample of the major buildings, based on their significant contribution to each division within FirstRand, would be assessed. Where information could be obtained for other buildings, these would be included in the scope of calculation.

1.3.3 Operational Boundary

The operational boundary is set by categorizing emission-causing activities into Scope 1 direct emissions, Scope 2 indirect emissions and Scope 3 indirect emissions as per the requirements of the Greenhouse Gas Protocol and ISO14064-1.

Direct emissions are emissions from sources owned or controlled by FirstRand Ltd. Indirect emissions are emissions that are a consequence of the activities of FirstRand Ltd, but occur from sources owned or controlled by another company.

The following emissions, as agreed with FirstRand Ltd, are accounted for in the inventory:

Scope 1 direct emissions:

- Emissions from the amount of diesel used in generators; and
- Emissions from fuel used or kilometres travelled from business travel in vehicles owned by FirstRand, e.g. a fleet of vehicles.

Scope 2 indirect emissions:

- Emissions from electricity used in buildings owned or controlled by FirstRand.

Scope 3 indirect emissions:

- Emissions from electricity used in buildings leased by FirstRand; and
- Emissions from the amount of paper consumed.
- Emissions from air miles travelled by employees of FirstRand.
- Emissions from business kilometres travelled in motor vehicles, where available.

2 Work Performed

2.1 Project Team

Our core team was composed as follows:

Role	Team
Engagement Director	Alison Ramsden
Engagement Manager	Simon Clarke
Consultant	Robert Ashdown
Consultant	Thomas Zingel
Review Manager	Mandy Momberg

2.2 Approach

The establishment of the carbon footprint was done in line with principles of good carbon reporting practice as contained in The Greenhouse Gas Reporting Protocol and ISO14064-1.

A phased approach was followed, as detailed below.

The first phase of the engagement involved conducting workshops with all of the relevant FirstRand Ltd stakeholders. The main purpose of the workshops was to explain the rationale and methodology of the carbon footprint development, and discuss and agree on issues such as:

- Defining the scope and organizational boundary of the greenhouse gas inventory,
- Defining the operational boundary of the greenhouse gas inventory through identification of relevant emissions sources, and
- Data collection responsibilities.

Questionnaires were developed and distributed to FirstRand Ltd representatives in order to gather the required information. The information was then collated and consolidated and the carbon footprint calculated.

3 Assessment Results

Section 3.1 provides a summary of the total FirstRand Ltd Group carbon footprint, split per emission source. The emissions sources are then presented in individual sections, 3.2 to 3.7, and show the proportional contribution of each business unit. Sections 3.8 – 3.13 present the individual carbon footprints of each of the FirstRand Ltd's business units. Data tables for the respective graphs are provided in section 5.4 of the Appendix.

Where applicable, both the previous calculation's figures (January to December 2007), and the present calculation's figures (July 2007 to June 2008) are included, and are hereto referred to as the 2007 and the 2008 figures respectively.

Estimated data is used in cases where accurate or measured data is not available, and is documented below as such.

3.1 FirstRand Ltd Group Summary

3.1.1 Results

The graphic below (Figure 1) provides an indication of the total greenhouse gas emissions associated with business operations of the FirstRand Ltd Group, split per source. It is evident that electricity use is still the most significant contributor to FirstRand Ltd's total carbon footprint at 92%, followed by business fleet travel at 6%.

In comparison to the base year calculation (January to December 2007), the FirstRand Ltd Group carbon footprint has increased by 16%¹ to 403,725 metric tonnes of CO₂e. This can be attributed to an improvement in the provision of electricity use data as well as vehicle fleet use data from Wesbank and First National Bank, the inclusion of business travel data from airlines, as well as the inclusion of data from eBucks.

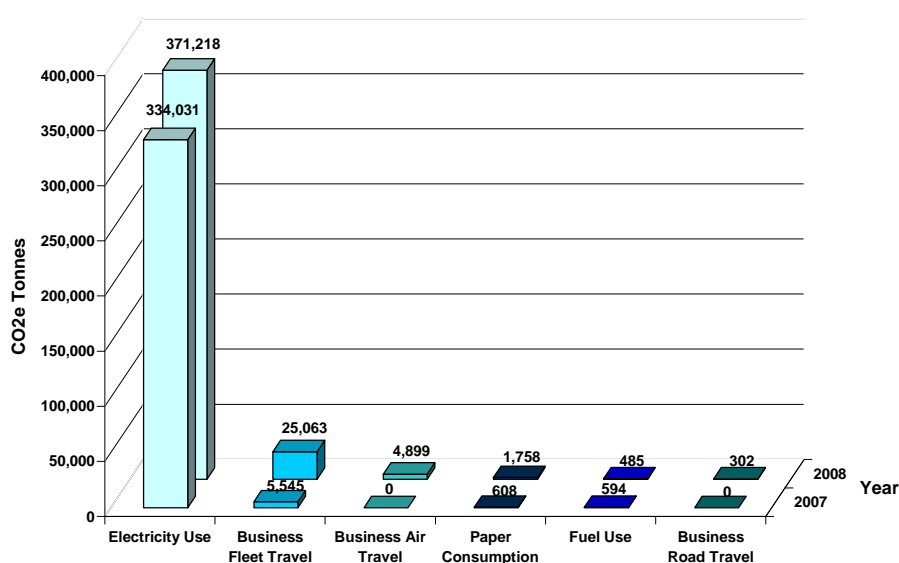
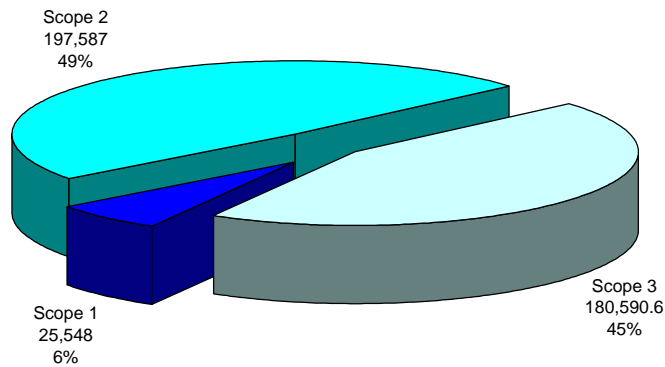


Figure 1 Total FirstRand Ltd Group greenhouse gas emissions in metric tonnes of CO₂e, split per emission source for the reporting years 2007 and 2008.

Figure 2 overleaf provides an indication of the Total FirstRand Ltd Group greenhouse gas emissions in metric tonnes of CO₂e, split per scope for the 2008 reporting year. Due to the fact that electricity dominates the total carbon footprint, the majority of emissions are categorised as scope 2 and scope 3.

¹ The 2007 FirstRand Ltd Group carbon footprint has been restated from 344,138MT to 340,778MT, after a refinement of the CO₂e calculation process for Wesbank electricity use, and also the removal of duplicate electricity and fuel data for 1 Merchant Place, which was reported by both FirstRand Bank and Rand Merchant Bank. This data is now reported under Rand Merchant Bank (which occupies the building).



Scope 1 Emission Sources: Fuel Use, Business Fleet Travel
Scope 2 Emission Sources: Electricity used in buildings owned.
Scope 3 Emission Sources: Electricity used in leased buildings, Paper Consumption, Business Air Travel, Business Road Travel

Figure 2 Total FirstRand Ltd Group greenhouse gas emissions in metric tonnes of CO₂e, split per scope for the 2008 reporting year

Figure 3 below provides an indication of the FirstRand Ltd Group carbon footprint, broken down per business unit. First National Bank, at 77%, is the most significant contributor, followed by Wesbank (10%) and Momentum (5%).

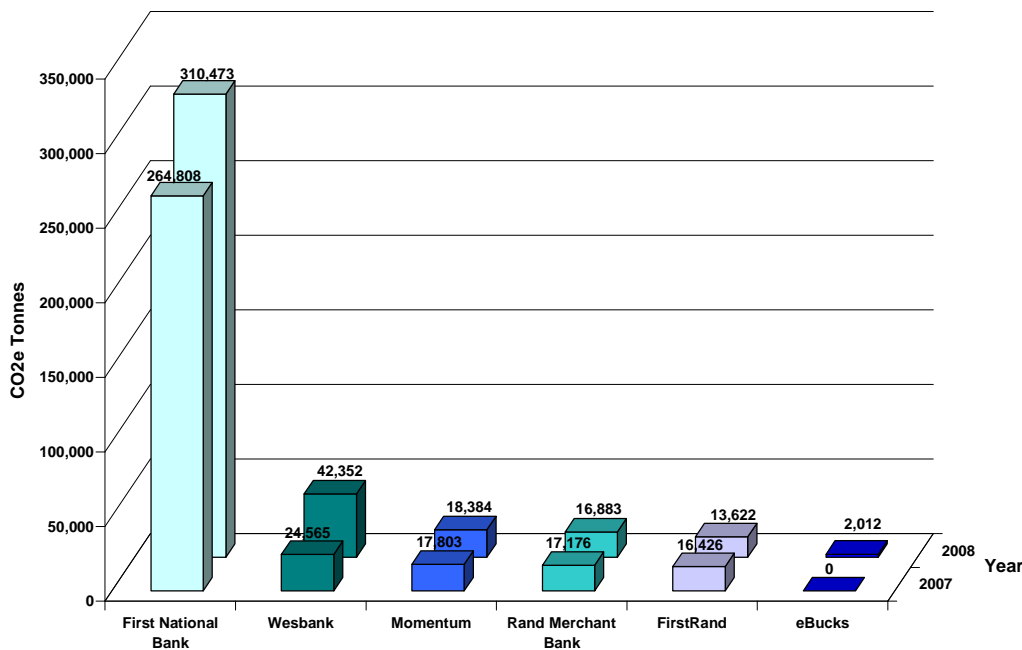
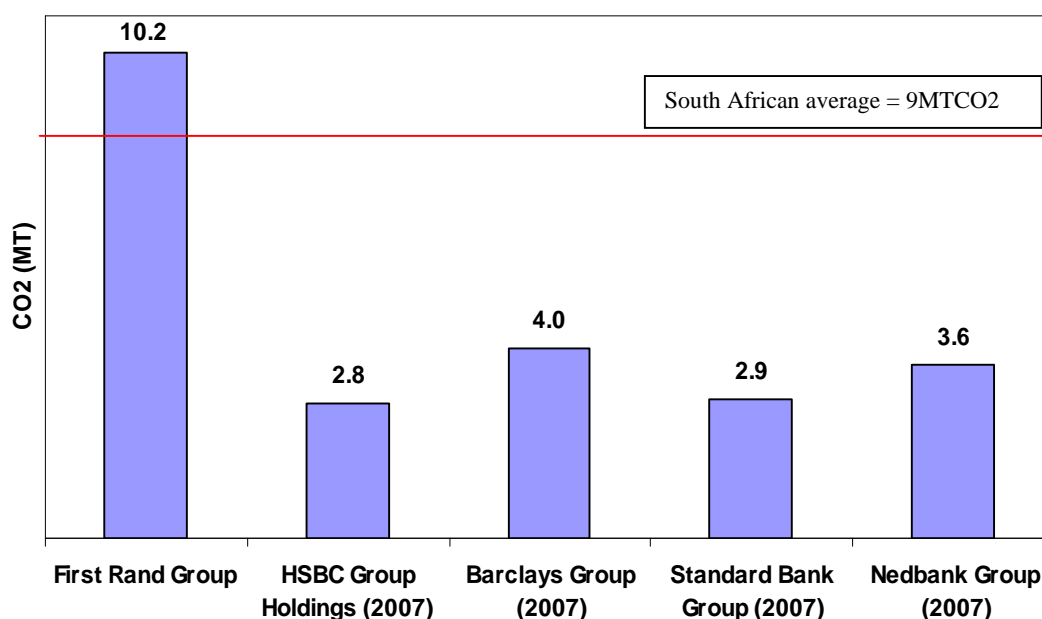


Figure 3 Total FirstRand Ltd Group greenhouse gas emissions in metric tonnes CO₂e, split per business unit for the reporting years 2007 and 2008.

The total carbon footprint of 403,725 metric tonnes of CO₂e for the FirstRand Ltd Group was assigned a monetary value based on the February 2009 average CDM Certified Emission Reduction (CER) carbon credit trading price of €15/tonne. This equates to a monetary value of roughly R70,248,170, and represents the total amount of money required to offset the whole of FirstRand Ltd's carbon footprint, purchasing CERs².

For comparative purposes, FirstRand Ltd's Group's CO₂e emissions were compared against two international and two local banks, on a per capita employee number basis, as shown in the figure below. The results indicate that FirstRand Group's emissions are significantly higher than the other banks compared, but are in line with the South African per capita average of 9 Metric Tonnes of CO₂e. The completeness of electricity information provided by First National Bank may be the contributing factor to the FirstRand Group figure being higher than the other banks in the comparison.

Emissions Comparison: Metric Tonnes CO₂ per Staff Member



Note: The financial, employee and carbon emission information used in this figure represents the best data available from public information sources including the Carbon Disclosure Project Reports archive and most recent group annual/sustainability reports.

Figure 4 Greenhouse gas emission intensity figures on a per capita employee basis.

² The Rand value was derived from the Euro EU ETS CER €15.00 as of May 2009 and converted at R11.60 = €1.

3.2 Business Fleet Travel (Scope 1)

3.2.1 Definition and assumptions

Scope 1 business travel emissions include emissions from vehicles such as company cars (fleets) that are owned or controlled by FirstRand Ltd.

3.2.2 Data Calculation

Two different calculation approaches are used to calculate emissions from travel:

- The first approach calculates emissions based on the amount of fuel consumed (litres of diesel/petrol) and provides the most accurate emission information.
- The second approach calculates emissions based on distance travelled, i.e. vehicle kilometres travelled.

Emission factors used for the calculation of emissions from fuel consumed data were derived from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Emission factors used for the calculation of emissions from distance travelled data were obtained from fuel consumption by engine size and current international best practice, where national best practice guidelines were not available. Appendix 5.1 provides the consolidated data and emission factors used in the calculation of the Scope 1 business travel data.

3.2.3 Data Collected

The table below indicates which FirstRand Ltd divisions provided fuel consumed data or distance travelled data.

Table 3 FirstRand Group Scope 1 fuel consumption use and distance travelled data provided for the year June 2007 to July 2008.

Division	Data Collected		
	Petrol consumed (ℓ)	Diesel consumed (ℓ)	Distance travelled (km)
FirstRand	Data not provided	Data not provided	Data not provided
Rand Merchant Bank	17,030	10,110	243,563
Momentum	N/A (distance data provided)	N/A (distance data provided)	1,024,313
First National Bank	2,006,712	96,172	23,938,900
Wesbank	2,583,601	144,773	31,319,805
Ebucks	N/A – no fleet cars	N/A – no fleet cars	N/A – no fleet cars
Total	4,607,343	251,055	56,526,581

3.2.4 Results

The graphic below provides an indication of the total Scope 1 greenhouse gas emissions associated with business fleet travel, split per business unit for the reporting years 2007 and 2008. It is evident from the results that the large vehicle fleet maintained by Wesbank and First National Bank is responsible for the majority of the emissions. There has been an increase in the fuel consumption use for the FirstRand Group between 2007 and 2008, which can largely be attributed to an improvement in the quality of data provided by Wesbank and First National Bank.

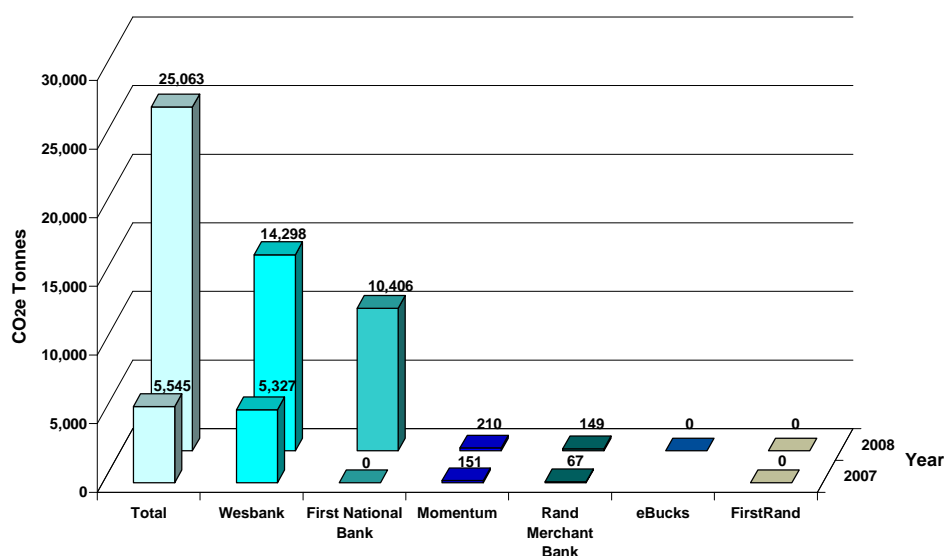


Figure 5 Total Group Scope 1 greenhouse gas emissions associated with business fleet travel in metric tonnes of CO₂e for the reporting years 2007 and 2008.

3.2.5 Interpretation and Recommendations

The increased accuracy in data for this reporting period provides a fairer reflection of the greenhouse gas emissions associated with FirstRand Ltd's vehicle fleet.

3.3 Fuel Use (Scope 1)

3.3.1 Definition and assumptions

Scope 1 emissions include emissions from the use of fuel in generators that are owned or controlled by FirstRand.

3.3.2 Data Calculation

The calculation of the emissions was done based on the total amount of fuel used in litres (e.g. diesel burned in a generator) in facilities owned or controlled by FirstRand Ltd.

The calculation of the total amount of greenhouse gas emissions from fuel use was done on a sample basis, i.e. direct fuel values were collected for a sample of buildings. In order to estimate the total fuel use for the group, fuel values were extrapolated across to all buildings, based on the existence of generators at other buildings.

Emission factors used for the calculation of emissions from fuel consumed data were derived from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Appendix 5.2 provides the consolidated data and emission factors used in the calculation of the Scope 1 fuel use data.

3.3.3 Data Collected

From the building data collected, direct fuel use data was obtained from only 3 buildings. Consequently, an average value of diesel consumption for generators were calculated as 0.457 l/m² of building space and extrapolated across to the other buildings, which did contain generators and did not provide data.

3.3.4 Results

Figure 6 below provides an indication of the total Scope 1 greenhouse gas emissions associated with fuel use, split per business unit. There has been a marginal decrease in the emissions from fuel use between 2007 and 2008.

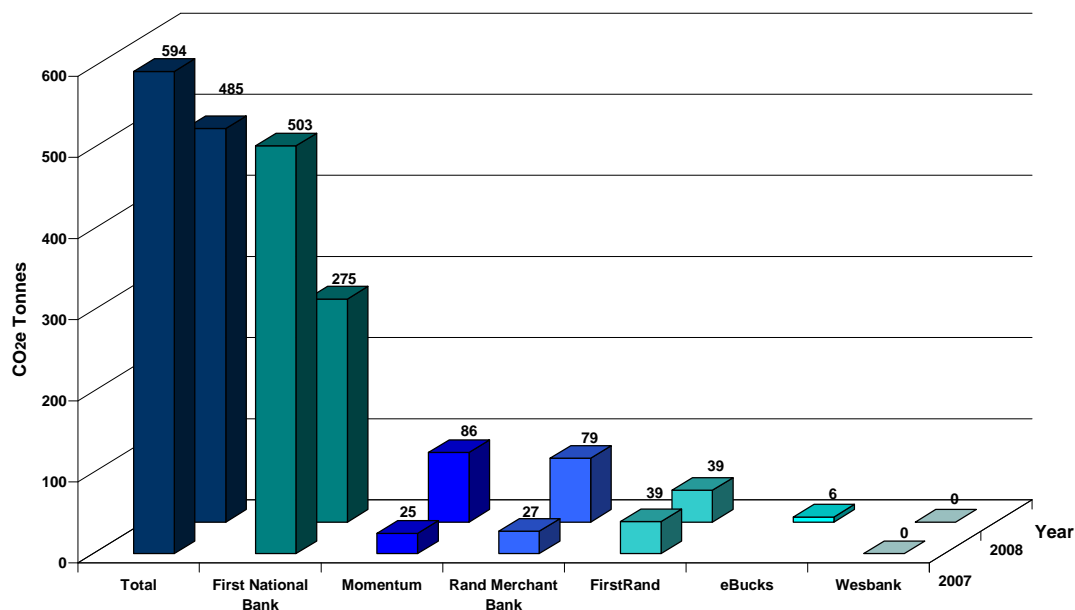


Figure 6 Total Group Scope 1 greenhouse gas emissions associated with fuel use in metric tonnes of CO₂e for the reporting years 2007 and 2008.

3.3.5 Interpretation and Recommendations

The accuracy of the data collected from fuel used in generators is low as a result of the small sample size of buildings for which accurate data was supplied.

It is recommended that the relevant reporting systems are developed to ensure the fuel used in generators data is made available.

3.4 Electricity Use (Scope 2 and 3)

3.4.1 Definition and assumptions

Scope 2 emissions include emissions from purchased electricity in buildings owned or controlled by FirstRand.

Scope 3 emissions include emissions from purchased electricity in buildings leased by FirstRand.

3.4.2 Data Calculation

The calculation of the total amount of greenhouse gas emissions was done on a sample of buildings extrapolated across to other buildings provided by FirstRand, based on the Rand value of the electricity and the amount of space in the building in m².

Where only the Rand value of electricity consumed was supplied for certain buildings, the average yearly electricity consumption was calculated. This was done by calculating the c/kWh from buildings that supplied both kWh and Rand data, which was available for 21 buildings, and which was calculated at 0.27c/kWh. This value was then extrapolated to those buildings where only the Rand value was supplied. A potential overstatement of CO₂e emissions (kg/kWh) exists as the kWh consumption figures for building was calculated using the total electricity account (Rand value) which potentially include tariffs such as DSM levies, maximum demand rates, service charges, etc.

In addition, a two cent reduction in the rate has been calculated for the July 2007 to June 2008 reporting year, as a result of more comprehensive consumption data submitted. The rate calculated in the previous assessment period (January to December 2007) was 0.29 c/kWh based on data submitted for that assessment period.

The emission factor used for the calculation of emissions from electricity was derived from the Eskom grid factor and is 1.0 kg/kWh³.

³ Statistical tables of the Eskom Annual Report 2008, "Environmental Implications of using/saving on kilowatt-hour of electricity"

3.4.3 Data Collected

Table 4 List of number of buildings for which electricity data was received for the year July 2007 to June 2008

Business Unit	Number of buildings for which electricity data was received (kWh)		Number of buildings for which electricity data was received in Rand Value only	
	Leased	Owned	Leased	Owned
Rand Merchant Bank		1		
FirstRand		5		
First National Bank	13	1	545	269
Wesbank				18
Momentum		1		
Ebucks	1			
Total	14	8	545	287

3.4.4 Results

Figure 7 provides an indication of the total greenhouse gas emissions associated with electricity use, split per business unit.

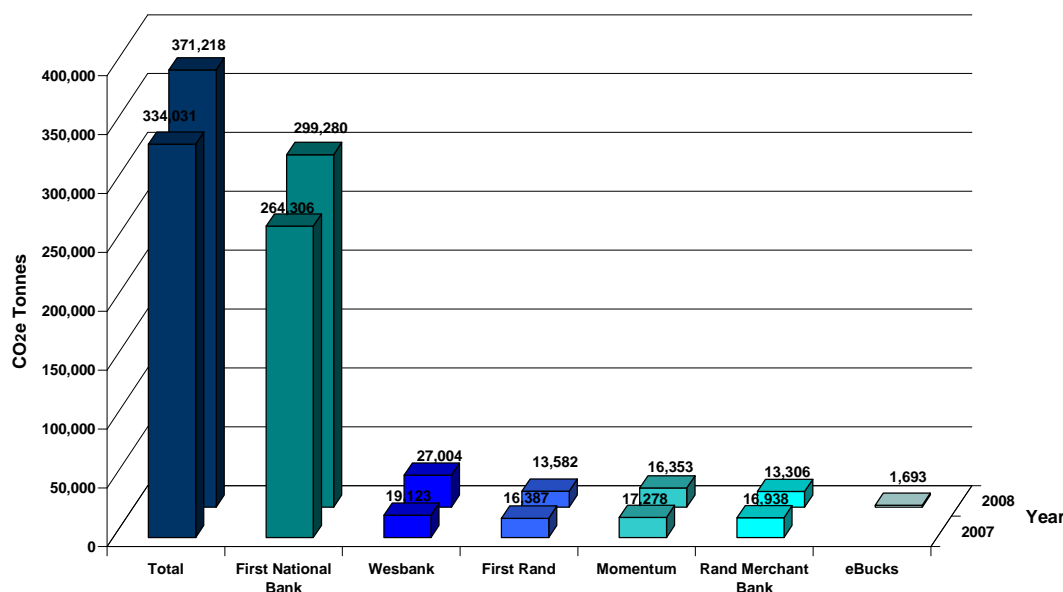


Figure 7 Total group greenhouse gas emissions associated with electricity consumption in metric tonnes of CO₂e for the reporting years 2007 and 2008

Electricity generation is one of the most significant contributors to greenhouse gas emissions on a national scale because coal plays a major part in the energy mix of South Africa's national grid. As a result South Africa is ranked in the top 15 polluters in the world. The figure above shows that First National Bank is the most significant contributor to greenhouse gas emissions from electricity consumption. The results also show that it is not always the largest buildings that are the most significant

contributors to greenhouse gases, but a collective effect of the large number of ATM's. ATM electricity consumption and resultant emissions constitute 11% of the total FNB electricity emissions, with buildings constituting 89% of emissions.

Table 5 Total electricity cost for owned and leased buildings per business unit where cost data was available.

Business Unit	Owned Buildings	Leased Buildings	Total Cost
Rand Merchant Bank	R2,183,156		
FirstRand	R5,718,890		
First National Bank	R32,533,695	R49,497,453	R82,031,148
Wesbank		R7,328,821	
Momentum	R4,835,870		
Ebucks	R355,635		
Total	R45,627,426	R56,826,274	R104,453,700

3.4.5 Interpretation and Recommendations

Electricity use data in kWh was not available from all the buildings sampled. It is evident that out of the 848 buildings included in the footprint calculation, kWh data was available from only 21. This reduces the accuracy of the calculation as a c/kWh value needs to be extrapolated across to a building where only the Rand value is provided. It is recommended that a system is formalised at each business unit, and in particular at First National Bank and Wesbank, that records the kWh value of the electricity when the electricity account is paid and recorded at the buildings that FirstRand has direct control over.

Furthermore, not all buildings under FirstRand Ltd's control were included in the calculation. It is recommended that other buildings, for example, under Momentum's control are included in the next round of calculations.

3.5 Paper (Scope 3)

3.5.1 Definition and assumptions

Scope 3 emissions include emissions from the use of paper by FirstRand Ltd. No extrapolation was done and all results are based on direct amounts of paper supplied by FirstRand Ltd.

3.5.2 Data Calculation

The calculation of the emissions is done based on the total amount of paper consumed (e.g. total mass of paper) by the business unit.

Emission factors used for the calculation of emissions from paper consumption were derived from the environmental impact estimates using the Environmental Defence Fund Paper Calculator⁴. Appendix 5.3 provides the consolidated data and emission factors used in the calculation of the Scope 3 paper use.

3.5.3 Data Collected

The scope of the footprint with regards to paper use for 2008, in comparison to 2007, was improved as not only copy paper was included in the calculation, but high-end magazines, newsprint, standard magazines and newsprint inserts.

3.5.4 Results

The graphic below (Figure 8) provides an indication of the total Scope 3 greenhouse gas emissions associated with paper use, split per business unit for the 2007 and 2008 reporting years.

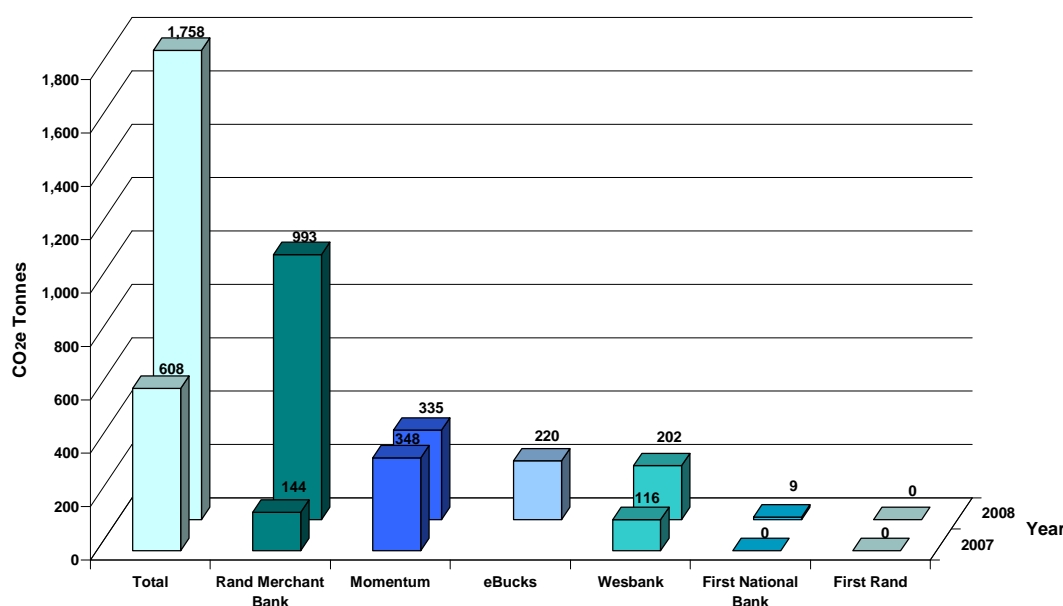


Figure 8 Total Group Scope 3 greenhouse gas emissions associated with paper consumption in metric tonnes of CO₂e for the reporting years 2007 and 2008.

At first glance it may appear that Rand Merchant Bank is the major contributor to the FirstRand Ltd Group’s paper consumption related greenhouse gas emissions. However, First National Bank and FirstRand Bank paper consumption data were not included in this year’s overall calculation. Despite this, there has been a significant increase in the amount of emissions from paper use, which can be attributed to the

⁴ <http://www.papercalculator.org>

increase in scope of the paper use calculation, as well as an improvement in the collection of data from the operations.

3.5.5 Interpretation and Recommendations

Banks and corporate operations are generally paper intensive. However, paper's contribution to greenhouse gases is only approximately 0.4% of the total carbon footprint for FirstRand Ltd.

The overall accuracy of this information can be regarded as low as both FirstRand Bank and First National Bank did not provide paper consumption data. In order to improve the accuracy of the carbon footprint it is recommended that all business units provide data on paper consumption.

3.6 Business Travel by Air (Scope 3)

3.6.1 Definition and assumptions

Scope 3 emissions include emissions from air travel by FirstRand. No extrapolation was done and all results are based on flight data provided by FirstRand Ltd.

3.6.2 Data Calculation

The calculation of FirstRand Ltd's emissions from air travel was done through the development of an air flight model. The model was developed using the International Civil Aviation Organisation (ICAO) Carbon Emissions Calculator⁵, which is based on the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. The ICAO methodology employs a distance-based approach to estimate an individual's aviation emissions using data currently available on a range of aircraft types. In order to implement this methodology, ICAO uses the best publicly available data regarding fuel consumption.

3.6.3 Data Collected

There was inconsistency in the availability of air line data throughout the Group. Limited data was provided by First National Bank, and is reflected in the results below. This can be attributed to the fact that this was the first year of inclusion of air travel data for the carbon footprint.

3.6.4 Results

The graphic overleaf (Figure 9) provides an indication of the Scope 3 greenhouse gas emissions associated with air travel, split per business unit. The results indicate that Rand Merchant Bank is the largest contributor to airline related emissions,

⁵ ICAO Carbon Emissions Calculator, April 2008

followed by Momentum. However, the results are not indicative of the large number of employees found in First National Bank and FirstRand Bank.

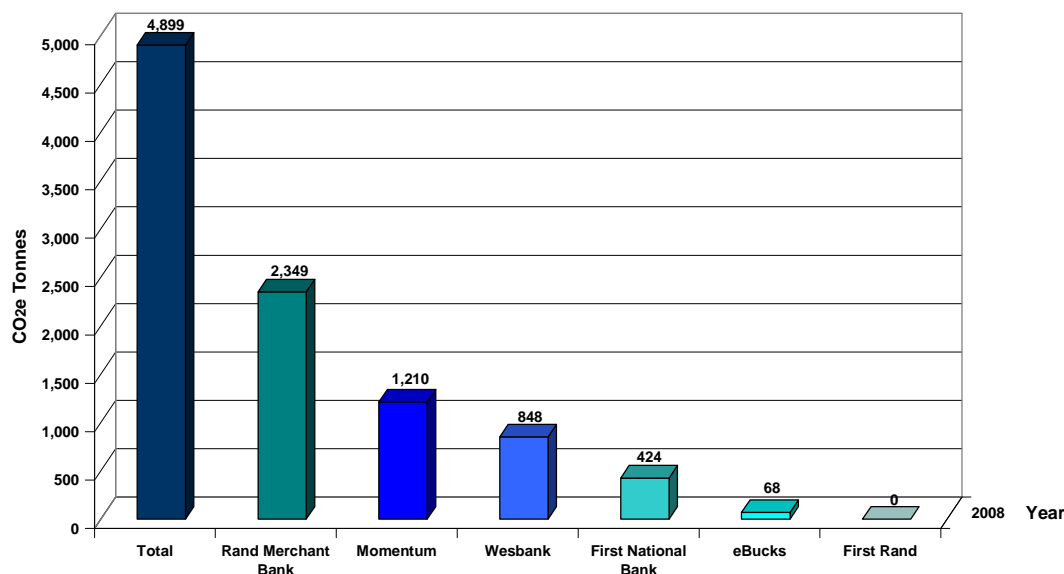


Figure 9 Total group greenhouse gas emissions associated with air travel in metric tonnes of CO₂e for the reporting year 2008.

3.6.5 Interpretation and Recommendations

In order to ensure consistency in the next round of calculations it is recommended that more accurate flight data is obtained from FirstRand Bank and First National Bank.

3.7 Business Travel by Road (Scope 3)

3.7.1 Definition and assumptions

Scope 3 travel emissions include emissions from business travel in vehicles which are not directly controlled by FirstRand Ltd. Vehicles such as hired cars, or personal cars for which a FirstRand Ltd employee is performing a business-related task are included under scope 3 business travel emissions. No extrapolation was done and all results are based on direct data supplied by FirstRand Ltd.

3.7.2 Data Calculation

Emissions were calculated based on distance travelled, i.e. vehicle kilometres travelled.

Emission factors used for the calculation of emissions from fuel consumed data were derived from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Emission factors used for the calculation of emissions from distance travelled data were obtained from fuel consumption by engine size and current international best

practice, where national best practice guidelines were not available. Appendix 5.2 provides the consolidated data and emission factors used in the calculation of the Scope 1 business travel data.

3.7.3 Data Collected

The quality of the data received for Scope 3 business travel in vehicles can be regarded as low, as data was not provided by Wesbank and FirstRand Bank. The data provided is also only from mileage that is claimed by FirstRand Ltd staff, or from employees travelling in car rentals, and does not account for the mileage where FirstRand Ltd employees have a car allowance, and do not claim back from the company based on the mileage driven per month.

3.7.4 Results

Figure 10 provides an indication of the total Scope 3 greenhouse gas emissions associated with business road travel, split per business unit.

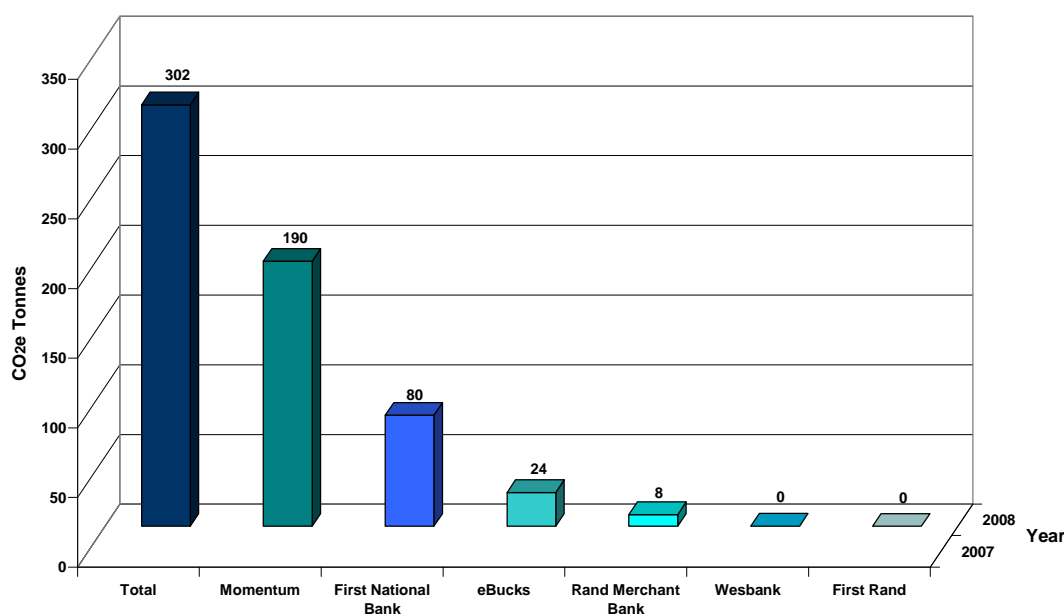


Figure 10 Total group greenhouse gas emissions associated with business road travel in metric tonnes of CO₂e for the reporting year 2008.

3.7.5 Interpretation and Recommendations

In order to ensure consistency in reporting of emissions from business road travel, it is important that all business units record and report business mileage. Where business units' employees are on car allowances, and do not record mileage, then it is important that a reasonable business mileage figure is calculated for these employees, and included in the carbon footprint calculation.

3.8 FirstRand Bank

3.8.1 Results

The graphic below provides a breakdown of FirstRand Bank’s emissions profile split per source. In Figure 11 it can be seen that FirstRand Bank’s electricity consumption⁶ is still the major contributor to its total greenhouse gas profile. No data was available for analysis for paper consumption or business travel and hence was not included in this analysis.

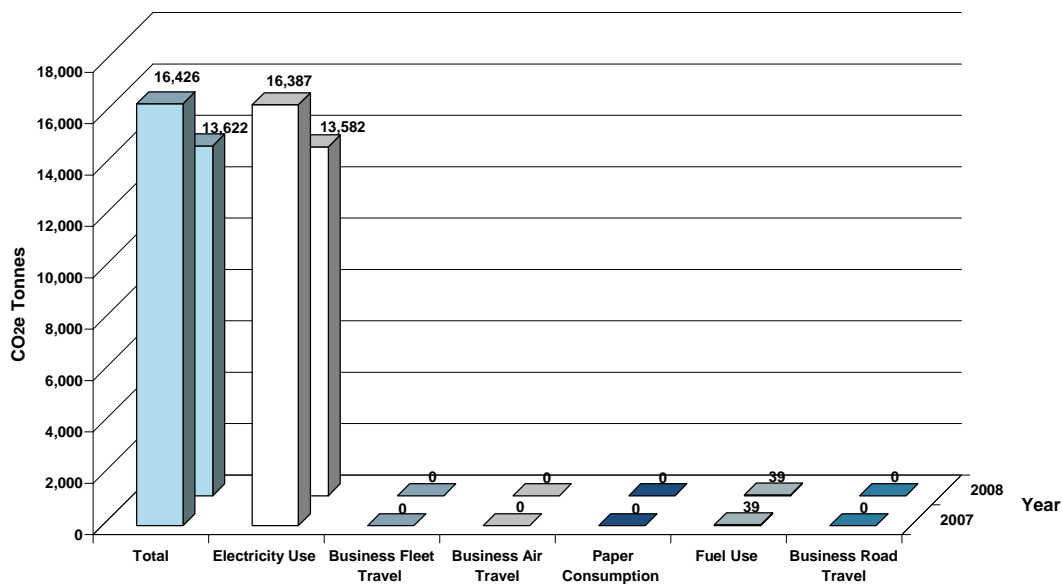


Figure 11 Total FirstRand Bank greenhouse gas emissions profile in metric tonnes of CO₂e for the reporting years 2007 and 2008

⁶The electricity consumption for FirstRand Bank has been restated from 26,888MT to 13,582MT, as the electricity consumption for 1 Merchant Place was removed and is reported under Rand Merchant Bank (who occupies the building).

3.9 Rand Merchant Bank

3.9.1 Results

The graphic below provides a breakdown of Rand Merchant Bank’s emissions profile split per source. In Figure 9 it can be seen that Rand Merchant Bank’s electricity consumption is still the major contributor to its total greenhouse gas profile. Emissions from electricity use have decreased in 2008 compared to 2007, which can be attributed to the reduction in the Eskom grid emission factor. The inclusion of air travel, however, has offset this decrease.

Data has been provided for all required greenhouse gas sources, indicating an improvement in data collection, and overall carbon footprint quality.

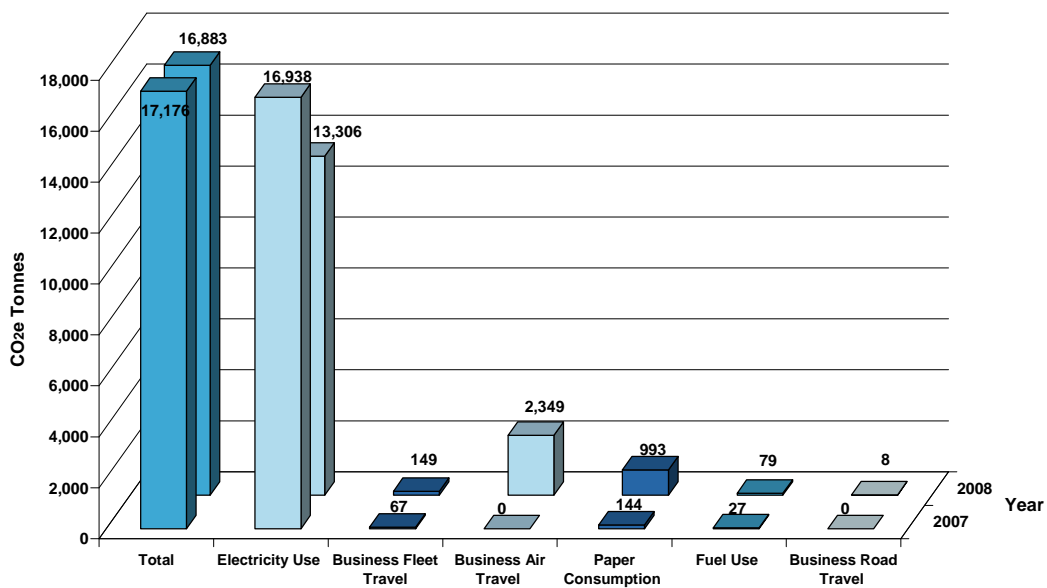


Figure 12 Total Rand Merchant Bank greenhouse gas emissions profile in metric tonnes of CO₂e for the reporting years 2007 and 2008

3.10 First National Bank

3.10.1 Results

The figure below provides a breakdown of First National Bank’s emissions profile split per source. Electricity consumption is still the major contributor to the total greenhouse gas emissions in 2008, and in fact has increased by 12% from 2007. This may indicate an improvement in data collection. Business fleet travel for 2008 has now been included, and is the second most significant contributor to First National Bank’s carbon footprint. The business air travel and business road travel CO₂e figures are low considering the total number of employees at First National Bank, and represents an area of improvement with regards to data collection going forward.

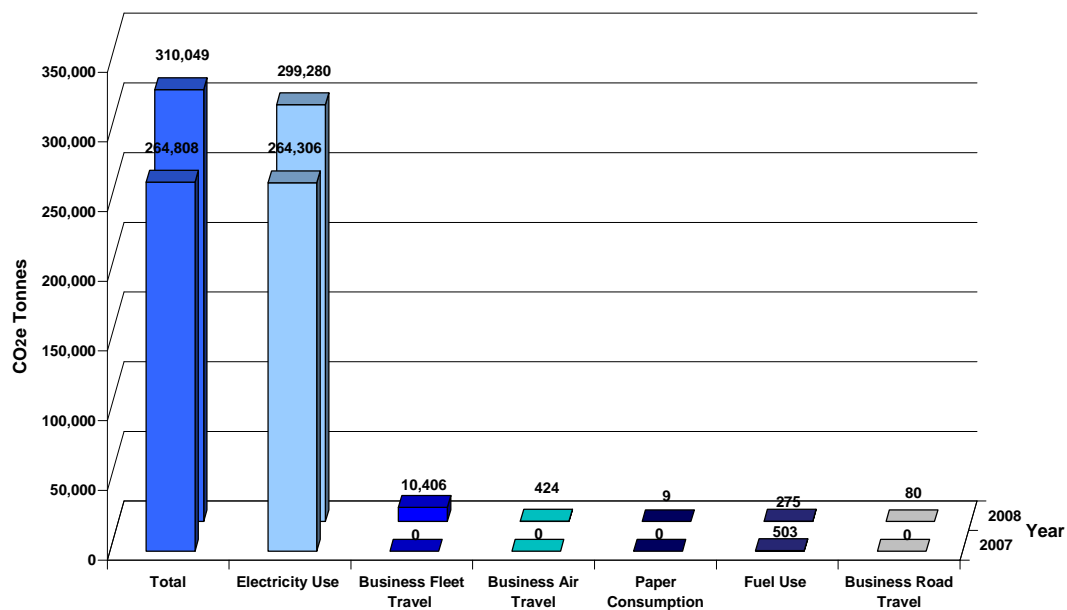


Figure 13 Total First National Bank greenhouse gas emissions profile in metric tonnes of CO₂e for the reporting years 2007 and 2008

3.11 Wesbank

3.11.1 Results

The figure below provides a breakdown of Wesbank's emissions profile split per source. Electricity use makes up the majority of the emissions, closely followed by business fleet travel. In comparison to the previous assessment, there has been a significant increase in the carbon footprint of Wesbank. This can be attributed to the inclusion of the electricity use of the new Fairlands building, and the improvement in data quality submitted for business fleet travel. It must, however, be noted that the accuracy of the electricity use figure from Fairlands must be regarded as low. Electricity use or cost data was not provided, as the electricity meters had not been installed at the Fairlands site. The electricity use figure was subsequently extrapolated, by calculating the electricity use per m² for the FNB buildings (103kWh/m²), and multiplying by the total area of the Fairlands building. Please note that the electricity use figure and subsequent total Wesbank carbon footprint figure for 2007 has been restated, after a refinement of the CO₂e calculation process for Wesbank electricity use.

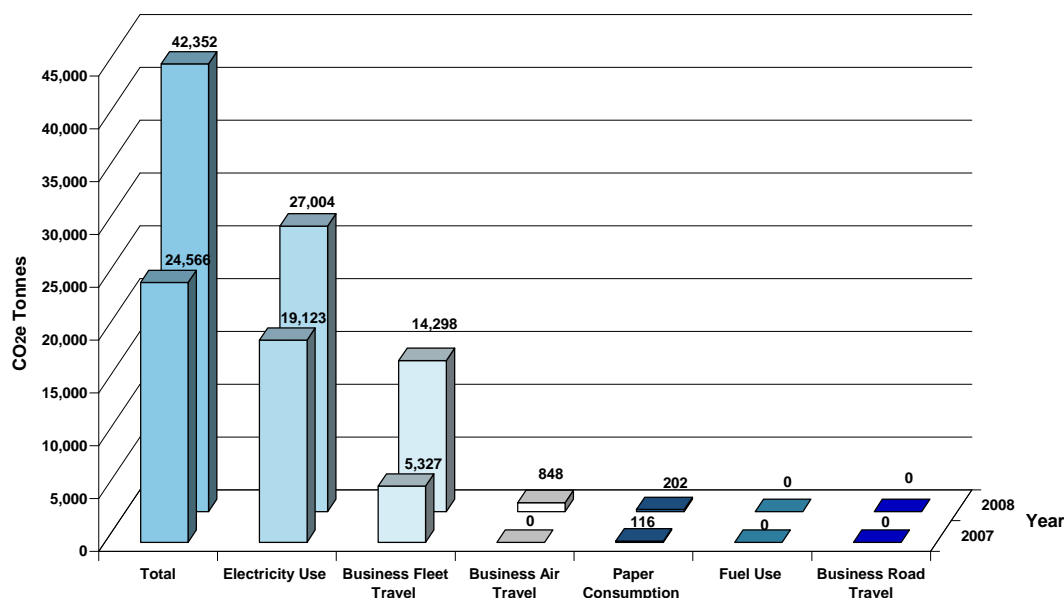


Figure 14 Total Wesbank greenhouse gas emissions profile in metric tonnes of CO₂e for the reporting years 2007 and 2008

3.12 Momentum

3.12.1 Results

The figure below provides a breakdown of Momentum’s emissions profile split per source. Once again, electricity use is the most significant contributor to the Momentum emissions profile, followed by business air travel. The increase in scope of the carbon footprint, has resulted in a minor increase in the Momentum carbon footprint. In order to ensure completeness of the Momentum carbon footprint going forward, it is recommended that all buildings under Momentum’s control are included.

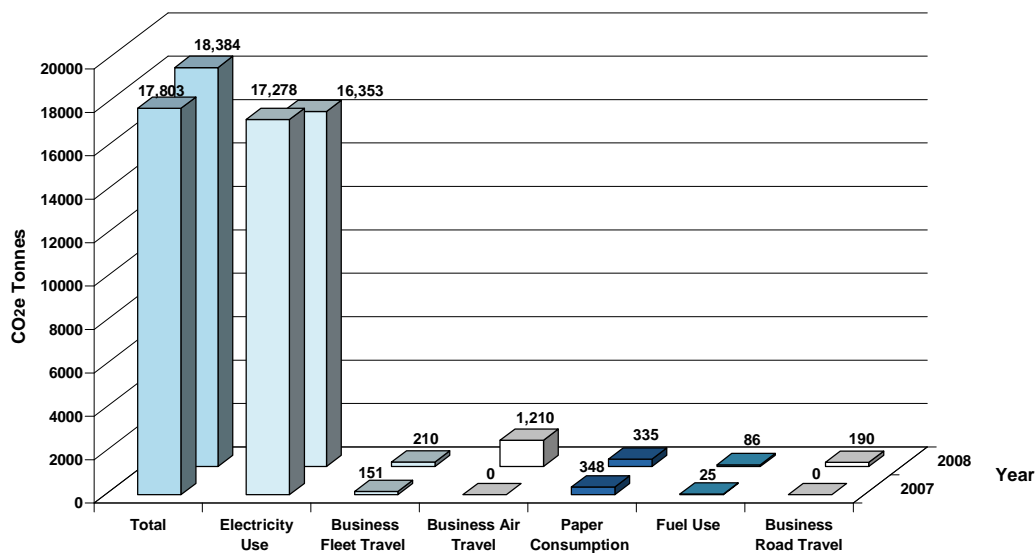


Figure 15 Total Momentum greenhouse gas emissions profile in metric tonnes of CO₂e for the reporting years 2007 and 2008.

3.13 Ebucks

3.13.1 Results

The figure below provides a breakdown of Ebucks' emissions profile split per source. As this is the first year of Ebucks' inclusion in the carbon footprint, no comparative 2007 figure has been provided. Similar to the other business units, electricity use is the most significant contributor to the Ebucks emissions profile, followed by paper consumption.

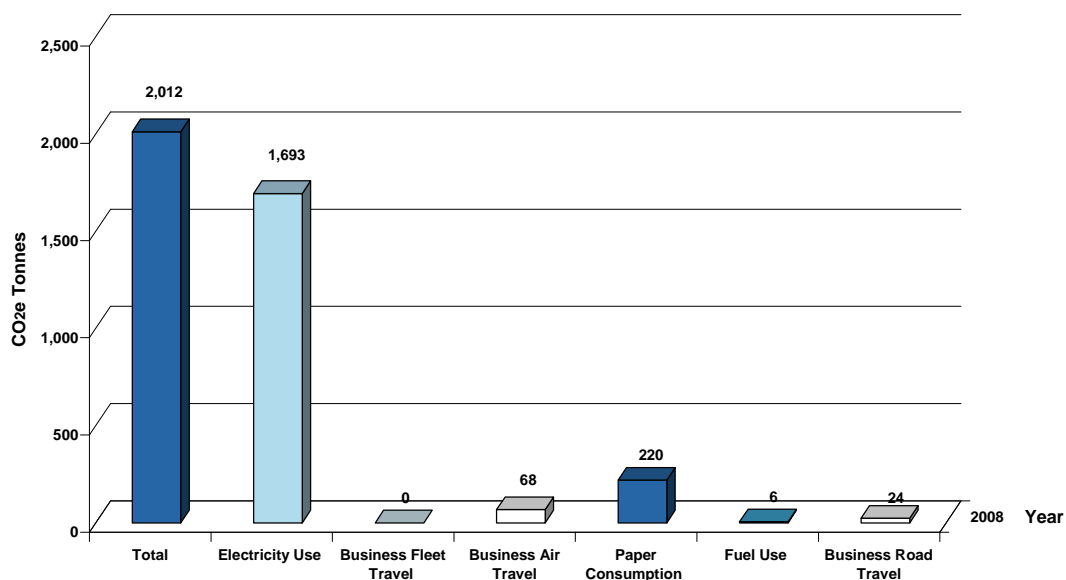


Figure 16 Total Ebucks greenhouse gas emissions profile in metric tonnes of CO₂e for the reporting 2008.

4 Conclusion

We consider the carbon footprint figure of 403,725 metric tonnes of CO₂e to be a fair reflection of FirstRand Ltd's greenhouse gas emissions for the year July 2007 to June 2008. The inclusion of air travel data, and limited business travel data, has contributed to increasing the scope and overall carbon footprint quality. The provision of good coverage in terms of electricity use data for the First National Bank buildings has also ensured that there has not been a significant change in the carbon footprint figure from 2007, as electricity use makes up 92% of the carbon footprint calculation.

However, improvements can be made in the following areas that will incrementally help in improving the accuracy and completeness of the carbon footprint over time:

- Ensure that kWh data for First National Bank and Wesbank buildings is provided, and not only cost data.
- Ensure that flight data from First National Bank and FirstRand Bank is collected and provided.
- Continue to increase the scope of the boundary of the carbon footprint. This will ensure that operations such as Outsurance, as well as the FNB operations in Botswana, Namibia and Lesotho are included in the calculation.
- Continue to ensure that data for the current identified emission sources is generated for all business units.
- Continue to identify and include all remaining buildings under FirstRand Ltd's control in the calculation.

The improvement of the carbon footprint should also be done in the context of a robust carbon management strategy. This will ensure that the recording and collection of data is done efficiently, roles and responsibilities for data collection and collation are defined, targets for effective mitigation strategies are set, and emission reduction projects are managed.

5 Appendix

5.1 Business Travel - Emissions Factors

Table 6 Business Travel Emission Factors by fuel type and vehicle type

Transport description	General (l/100km)	CO2e (g/km)	CO2 kg/l
Small Petrol Car (Max 1.4 litre engine)	7.99	185.92	2.36
Medium Petrol Car (From 1.4-2.1 litres)	8.80	205.04	2.36
Large Petrol Car (Above 2.1 litres)	13.87	323.12	2.36
Small Diesel Car (2.0 litres or under)	6.11	160.08	2.61
Large Diesel Car (over 2.0 litres)	7.46	195.50	2.61
Small Truck (<10 tonnes)	17.00	401.79	2.36
Diesel Truck (>10 tonnes)	35.00	913.50	2.61
Light motorcycle	4.55	107.30	2.36
Other	12.60	311.53	2.61

5.2 Fuel Use - Emission Factors

Table 7 Emission Factors for Fuel Use by Fuel Type

Emission Source	IPCC Emission Factor (kg/l)
Diesel	2.607
Petrol	2.363
LPG	1.610
Paraffin	2.267

5.3 Paper Use - Emission Factors

Table 8 Emission Factor by Paper type, including other environmental impacts (0% Recycled Content)

Calculated per kg of paper						
Paper Type	Product (e.g.)	Wood Use (kg)	Total Energy Use (kwh)	Emissions - CO2e (kg)	Waste Water (ℓ)	Solid Waste (kg)
Uncoated Freesheet	copy paper	3.63	12.31	2.84	75.79	1.14
Coated Freesheet	high-end magazine	2.72	11.72	2.74	70.83	1.10
Uncoated Groundwood	newsprint	2.72	11.14	3.48	64.37	1.21
Coated Groundwood	Standard Magazine	1.81	10.26	3.16	61.79	1.14

5.4 Data Tables

Table 9 Total Group greenhouse gas emissions associated with business operations per source in metric tonnes of CO₂e.

Description	CO2 (Metric Tonnes)
Fuel Use (Scope 1)	485
Business Fleet Travel (Scope 1)	25,063
Electricity (Owned Buildings) (Scope 2)	197,587
Electricity (Leased Buildings) (Scope 3)	173,631
Paper Use (Scope 3)	1,758
Business Road Travel (Scope 3)	302
Business Air Travel (Scope 3)	4,899
Total	403,725

Table 10 Total Group greenhouse gas emissions per business unit in metric tonnes of CO₂e.

Description	CO2 (Metric Tonnes)
Rand Merchant Bank	16,883
FirstRand Bank	13,622
First National Bank	310,473
Wesbank	42,352
eBucks	2,012
Momentum	18,384
Total	403,725

Table 11 Total Group Scope 1 greenhouse gas emissions associated with business fleet travel in metric tonnes of CO₂e.

Description	CO2 (Metric Tonnes)
Rand Merchant Bank	149
FirstRand Bank	0
First National Bank	10,406
Wesbank	14,298
eBucks	0
Momentum	210
Total	25,063

Table 12 Total Group Scope 1 greenhouse gas emissions associated with fuel use in metric tonnes of CO₂e.

Description	CO2 (Metric Tonnes)
Rand Merchant Bank	79
FirstRand Bank	39
First National Bank	275
Wesbank	0
eBucks	6
Momentum	86
Total	485

Table 13 Total Group Scope 2 and 3 greenhouse gas emissions associated with electricity consumption in metric tonnes of CO₂e

Description	CO2 (Metric Tonnes)
Rand Merchant Bank	13,306
FirstRand Bank	13,582
First National Bank	299,280
Wesbank	27,004
eBucks	1,693
Momentum	16,353
Total	371,218

Table 14 Total Group Scope 3 greenhouse gas emissions associated with air travel in metric tonnes of CO₂e

Description	CO2 (Metric Tonnes)
Rand Merchant Bank	2,349
FirstRand Bank	0
First National Bank	424
Wesbank	848
eBucks	68
Momentum	1,210
Total	4,899

Table 15 Total Group Scope 3 greenhouse gas emissions associated with business road travel in metric tonnes of CO₂e

Description	CO2 (Metric Tonnes)
Rand Merchant Bank	8
FirstRand	0
First National Bank	80
Wesbank	0
eBucks	24
Momentum	190
Total	302

Table 16 Total Group Scope 3 greenhouse gas emissions associated with paper consumption in metric tonnes of CO₂e

Description	CO2 (Metric Tonnes)
Rand Merchant Bank	993
FirstRand	0
First National Bank	9
Wesbank	202
eBucks	220
Momentum	335
Total	1,759

Table 17 Total FirstRand Bank Scope 1, 2 and 3 associated emissions in metric tonnes of CO₂e.

Description	CO ₂ e (Metric Tonnes)
Electricity Use (Scope 2&3)	13,582
Business Fleet Travel (Scope 1)	0
Business Air Travel (Scope 3)	0
Paper Consumption (Scope 3)	0
Fuel Use (Scope 1)	39
Business Road Travel (Scope 3)	0
Total	13,582

Table 18 Total First National Bank Scope 1, 2 and 3 associated emissions in metric tonnes of CO₂e.

Description	CO ₂ e (Metric Tonnes)
Electricity Use (Scope 2&3)	299,280
Business Fleet Travel (Scope 1)	10,406
Business Air Travel (Scope 3)	424
Paper Consumption (Scope 3)	9
Fuel Use (Scope 1)	275
Business Road Travel (Scope 3)	80
Total	310,473

Table 19 Total Wesbank Scope 1, 2 and 3 associated emissions in metric tonnes of CO₂e.

Description	CO ₂ e (Metric Tonnes)
Electricity Use (Scope 2&3)	27,004
Business Fleet Travel (Scope 1)	14,298
Business Air Travel (Scope 3)	848
Paper Consumption (Scope 3)	202
Fuel Use (Scope 1)	0
Business Road Travel (Scope 3)	0
Total	42,352

Table 20 Total Momentum Scope 1, 2 and 3 associated emissions in metric tonnes of CO₂e

Description	CO ₂ e (Metric Tonnes)
Electricity Use (Scope 2&3)	16,353
Business Fleet Travel (Scope 1)	210
Business Air Travel (Scope 3)	1,210
Paper Consumption (Scope 3)	335
Fuel Use (Scope 1)	86
Business Road Travel (Scope 3)	190
Total	18,384

Table 21 Total Rand Merchant Bank Scope 1, 2 and 3 associated emissions in metric tonnes of CO₂e

Description	CO ₂ e (Metric Tonnes)
Electricity Use (Scope 2&3)	13,306
Business Fleet Travel (Scope 1)	149
Business Air Travel (Scope 3)	2,349
Paper Consumption (Scope 3)	993
Fuel Use (Scope 1)	79
Business Road Travel (Scope 3)	8
Total	16,883

Table 22 Total Ebucks Scope 1, 2 and 3 associated emissions in metric tonnes of CO₂e

Description	CO ₂ e (Metric Tonnes)
Electricity Use (Scope 2&3)	1,693
Business Fleet Travel (Scope 1)	0
Business Air Travel (Scope 3)	68
Paper Consumption (Scope 3)	220
Fuel Use (Scope 1)	6
Business Road Travel (Scope 3)	24
Total	2,012