



# United Nations Global Compact CEO Water Mandate Communication of Progress for 2012

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*Nedbank Group signed up to the CEO Water Mandate in March 2011. This is therefore the group's second Communication of Progress. It is intended to fulfill the annual reporting requirements of our commitment to the UN CEO Water Mandate and discloses the group's progress against the six principles contained therein. Much of the information contained in this report has also been disclosed in the Nedbank Group Integrated Report 2012. This report can be accessed on the Nedbank Group website [www.nedbankgroup.co.za](http://www.nedbankgroup.co.za).*

## 1. Commitment to the UN Global Compact & CEO Water Mandate

# Letter from Chief Executive

2nd April 2013

**Attention: United Nations Global Compact Office**

### **NEDBANK GROUP – CONTINUED COMMITMENT TO THE UNITED NATIONS GLOBAL COMPACT**

As Chief Executive of Nedbank Group, I reaffirm our commitment to the United Nations Global Compact and the 10 principles that underpin it.

In addition, as a Group, we remain a signatory to the Equator Principles and the CEO Water mandate and we continue to actively support the UNEP FI African Task Force. These commitments form an important part of our overall sustainability journey as we aspire to a better future for all.

We consider it a privilege to be a part of such a vital and valuable initiative.



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Company Secretary: TSB Jati 05.11.2012

A Member of the  **OLDMUTUAL** Group

## 2 Introduction to Nedbank Group

Nedbank Group Ltd is a bank holding company and one of the four largest banking groups in SA measured by assets, with a strong deposit franchise and over six million clients. Our principal banking subsidiary is Nedbank Ltd. Our ordinary shares have been listed on JSE Ltd since 1969 and on the Namibian Stock Exchange since 2007 and we have a market capitalisation of R95,4bn at 31 December 2012. Old Mutual plc is the majority shareholder, owning 52% of the group.

The group provides:

- Wholesale and retail banking services
- Insurance
- Asset management
- Wealth management

Business Clusters

- Nedbank Capital
  - Nedbank Corporate
  - Nedbank Business Banking
  - Nedbank Retail
  - Nedbank Wealth
- Central management functions in support of frontline business  
(Incorporating the Rest of Africa)

Focus:

- Southern Africa with a selected African expansion
- Positioned as a bank for all
- Top two wholesale bank and strong market positioning in commercial property finance, business banking, and vehicle finance, card acquiring deposit taking, asset management and high net worth banking services.
- Pan-African banking alliance with Ecobank Transnational Inc.
- Providing clients with access to 36 countries across Africa

Location:

- Headquarters in Sandown, Sandton, Johannesburg
- Large operational centres in Durban and Cape Town
- Regional branch network throughout SA – more than 750 staffed outlets
- Branches and representative offices in other Southern African countries and certain key global financial centres. These meet the international banking requirements of the group's SA-based multinational clients.

### 3 Overview of Water in South African Context

South Africa is a water scarce country where the demand for water is in excess of natural water availability in several river basins. Currently some 98% of South Africa's water supplies are allocated and it is conservatively estimated by the WWF-SA that the demand for water will exceed supply by 2025. The availability of water is one of the most crucial factors in terms of economic, social and environmental wellbeing of South Africa in the next decade.

The effects of variable rainfall patterns and different climatic regimes are compounded by high evaporation rates across the country. For example, the Cape Town region experiences a 'Mediterranean'-type climate with rainfall throughout the year and most precipitation during the winter. In contrast, the inland climate of Johannesburg has a rainy season in the summer months (October – April) but is dry throughout the rest of the year. As groundwater availability is limited by predominantly hard rock geology in South Africa, surface water is the more significant resource. In areas where groundwater is available, it is frequently over-exploited. Social and demographic factors also contribute to water scarcity; one of these factors is, for instance, the distribution of significant settlements and industry adjacent to mineral deposits rather than water resources. Strategies like the Water Catchment Management programmes have been put into place in order to manage the country's scarce water resources.

- The Minister of Water Affairs establishes nine Catchment Management Agencies

The Department of Water Affairs has displayed evidence of its commitment to ensuring the full implementation of the National Water Act, as well as the maintenance of the sustainable use of the nation's water resources in-line with the national development imperatives of the government.

In March 2012 the Minister of Water and Environmental Affairs, Mrs Edna Molelwa approved the establishment of nine Catchment Management Agencies (CMAs) in South Africa. The CMAs have a critical role to play in managing the country's scarce water resources, including the facilitation of stakeholder input into the management of water resources.

Since 1998 when the National water act was publicised nineteen CMAs were proposed, however the delegation of water management functions were only implemented partially. The Minister has decided to reduce the number of CMAs to nine and reasons attributed to this change were the technical capacity required to staff CMAs and the challenges that such a large number of institutions poses to the Department of Water Affairs (DWA) in regulating their performance.

The existing CMAs Inkomati and the Breede-Overberg water management areas received first priority and were realigned into the Inkomati-Usuthu and the Breede-Gouritz CMAs respectively. This was followed by the establishment of CMAs in Limpopo, and water management systems for the Vaal and Phongela/Umzimkhulu are currently under development.

#### 4. Responding to Environmental Risks and Opportunities

Nedbank Group acknowledges the risks posed by climate change and the interrelatedness of water, food and energy security. In line with group's philosophy of effectively managing risk and harnessing the opportunities it presents, climate change is approached from the dual perspective of limiting its impact on stakeholders, while unlocking any potential benefits.

Key risk	Impacts	Responses and opportunities
Energy security	<ul style="list-style-type: none"> <li>• Economic challenges</li> <li>• Political uncertainty</li> <li>• Resource instability</li> <li>• Price increases</li> </ul>	<ul style="list-style-type: none"> <li>• Our continued achievement with regard to energy efficiency within our operations tangibly contributes to addressing the country's energy challenges.</li> <li>• Through 'learning by doing' we are able to offer guidance to our clients and other stakeholders as they strive for more energy efficient operations.</li> <li>• We provide input into regulatory developments to ensure that legislation accommodates all stakeholder interests where possible.</li> <li>• Our renewable-energy investments are the fastest growing of all sectors in the investment bank arena, this is evidence of our commitment to helping transform SA's energy mix.</li> </ul>
Water security	<ul style="list-style-type: none"> <li>• Health risks</li> <li>• Reduced crop yields/food shortages</li> <li>• Economic stagnation and decline</li> <li>• Water restrictions</li> <li>• Price increases</li> </ul>	<ul style="list-style-type: none"> <li>• Our continued achievement with regards to energy efficiency within our operations tangibly contributes to addressing the country's energy challenges.</li> <li>• Through 'learning by doing' we are able to offer guidance to our clients and other stakeholders as they strive for more energy efficient operations.</li> <li>• We provide input into regulatory developments to ensure that legislation accommodates all stakeholder interests where possible.</li> <li>• Our renewable-energy investments are the fastest growing of all sectors in the investment bank arena, this is evidence of our commitment to helping transform SA's energy mix.</li> </ul>
Food security	<ul style="list-style-type: none"> <li>• Economic decline</li> <li>• Health risks</li> <li>• Food shortages</li> <li>• Price increases</li> <li>• Land use change</li> <li>• Social unrest</li> </ul>	<ul style="list-style-type: none"> <li>• Given the importance of sustainable agriculture for SA's future, we have partnered with the WWF in its Sustainable Agriculture Programme to gain a better understanding of the challenges it faces and to develop workable, sustainable solutions.</li> <li>• Nedbank Business Banking has a formal agriculture structure that offers financial solutions to agricultural clients. Supported by a team of agricultural specialists, we are able to offer customised solutions that not only cater for clients' specific financial requirements, but also help contribute towards longer-term sustainability. In 2012 a total of R35m of black agriculture financing was undertaken to 87 beneficiaries, of which 30 are new clients. While we would have liked to invest more in this sector, efforts were hampered by issues such as uncertainty around the regulatory environment and labour unrest.</li> <li>• Through The Green Trust, we have supported a number of innovative initiatives to help transform the SA agricultural marketplace while educating and assisting new farmers in Sustainable agricultural practices.</li> </ul>
<p>In addition to the specific responses and initiatives outlined above, a large percentage of the corporate social investment (CSI) activities undertaken by the Nedbank Foundation are focused on addressing the direct and indirect social and environmental impacts of food, water and energy security. Details of some of these projects are provided in the Supplementary Sustainable Development Information available on <a href="http://www.nedbankgroup.co.za">www.nedbankgroup.co.za</a>.</p>		

## 5 Meeting the Commitments to the CEO Water Mandate: Direct Operations

**Strategic Approach:** Following Nedbank Group's achievement of carbon neutrality, the group targeted water as a key focus of its sustainability efforts – with particular emphasis on access, quality and quantity as a three-pronged approach to effective water stewardship and the achievement of water security.

This approach is reflected in the bank's vision which encapsulates the balancing of all stakeholder's interests, including those of the communities within which we operate and the environment. The bank's vision is driven through 8 key strategic focus areas, one of which is to lead as a green and caring bank.

**Operational Targets:** Reduction targets have been set as a way to accurately measure and manage the group's carbon emissions as well as its impact on natural resources. Nedbank measures actual water consumption (in owned and managed buildings) against our water intensity reduction target and progress reports are given to the Environmental Impact Reduction Task Team and, where relevant, to the Group Transformation, Social and Ethics Committee, a sub-committee of the Nedbank Group Board. The water data and supporting information is reported annually in the Nedbank Group Integrated Report. The data is also externally and independently assured as part of the Deloitte and KPMG assurance of the report.

Our set water reduction target is 6% by the end of 2016 based on 2011 levels of consumption of 15,01 kℓ per FTE. In 2012 we added more campus sites to our water consumption assessments, while various other buildings were consolidated into many of those campus sites. The result is that the total water consumption on campus sites increased from 266 316 kl in 2011 to 292 325 kl in 2012. Non campus water usage, however, decreased because of the consolidation of facilities

Our water usage per FTE increased from 15,97 kl per FTE in 2011 to 16,52 kl per FTE in 2012 – as these campus sites are not fully occupied yet. However if we compare 2011 campus water usage with the same sites in 2012, an absolute reduction of 2,2% was achieved.

This achievement was driven primarily through continued staff awareness of our water stewardship responsibilities, the installation of more water-saving devices such as hydrotaps and aerators, and the collection and use of rainwater and recycled water for non-potable water requirements.

### Water-Saving initiatives

- Nedbank introduces eco wash car facilities

With more than 28 000 employees across the country, many of whom use their personal vehicles to get to work, Nedbank Group's onsite carwash facilities are well supported. Traditional car-cleaning processes are typically very water and chemical intensive. So as part of our greater focus on water stewardship and environmental sustainability, Nedbank Group introduced an innovative and water-wise carwash system at two of our buildings in 2012. The Eco Wash system combines innovative car washing and waxing technology with biodegradable cleaning products to deliver a worldclass vehicle-cleaning process that is environmentally friendly and uses less than one litre of water per wash. The pilot proved an instant hit with over 980 vehicles cleaned at just one site in just 6 months and a huge amount of water saved. Based on the popularity and success of the Eco Wash pilot, a tender process is currently under way for the introduction of similar water-wise vehicle-washing systems at other Nedbank offices across the country.

- Menlyn Maine: Nedbank's third green-star rated building

In July 2012, Nedbank officially opened its Menlyn Maine building, bringing to three the number of Nedbank occupied buildings that have received a 4-star Green Star rating from the Green Building Council of SA. The building, which serves as Nedbank's regional headoffice in Pretoria, forms part of the Menlyn Maine development – SA's first ever 'green' precinct and one of only 16 areas worldwide to be listed in the Clinton Climate Initiative as a green city development.

Measuring 16 400 square metres, Nedbank Menlyn Maine allowed the group to consolidate the 16 premises it previously occupied across the city of Tshwane, thereby significantly lowering the carbon impact of its operations in this region.

In keeping with Nedbank's aspiration to be a 'green' leader in SA, the bank was integrally involved in the design of the building to ensure that its construction and operation would have as little impact on the environment as possible. Green principles were diligently applied throughout in an effort to not only create a great place to work, but one in which a culture of living harmoniously with the environment could be fostered. As a result, the Nedbank Menlyn Maine building boasts a vast array of green design and construction features, ranging from intelligent, energy efficient lighting and automated air quality monitoring systems that deliver fresh air without the need for mechanical air-conditioning and in addition to our water-saving mission low-flow taps, dual flush toilets and various innovative water collection, storage, and distribution systems.

- Nedbank celebrated the one-year anniversary of the WWF Water Balance Programme

In 2011 we committed to a R9m investment, over five years, in support of the WWF Water Balance Programme. The initiative is aimed at clearing alien vegetation at key water catchment areas around the country, thereby ensuring maximum water flow into these vital resource collection areas. A successful 2012 saw the clearing of 131 ha of invasive alien plants, the release of 271 000 kℓ of water back into the ecosystem and the creation of 12 366 workdays.

It is an important investment that is key to improving water security in the country as approximately 3,300 million kilolitres of water is trapped by invasive alien species in South Africa – equating to around 7% of the country's water run-off

**Water Risks:** Nedbank is dependent on its clients being able to access banking services with ease. The physical impacts of climate change have the potential, in extreme circumstances, to affect our ability to service our clients. Our climate change strategic plans take account of this potential physical risk and provide for action plans (Business Continuity and Disaster Recovery) for the medium term (3-5 years). Nedbank has already experienced incidences of branch closures due to unstable energy supply/blackouts, water restrictions in certain areas and even extreme weather events such as flooding. Whilst it was a house keeping issue, one of these incidents which lead to a branch closure was experienced on the 19<sup>th</sup> October 2012 when the Moorreesburg branch was flooded due to a burst pipe. The Nedbank risk management processes and Business Continuity and Disaster Recovery Plans are designed to identify and address such potential physical impacts of climate change on our business processes and premises. The Nedbank business continuity management policy and programme addresses physical risks on a site specific as well as regional basis.

**Lending:** Nedbank Group continues to place increasing emphasis on consolidating its social and environmental risk policies and management processes, not only to deliver positive environmental and social impacts, but also to protect shareholder value and returns on capital investments by ensuring responsible, fair and honest business practices. Nedbank Group's Social and Environmental Management System (SEMS) is based on ISO 14001 and International Finance Corporation best-practice guidelines, and details the policy, procedures, responsible and accountable staff, and workflow required to identify and assess the environmental (including water) or social impacts of lending activities undertaken by Nedbank Group. Through the SEMS process Nedbank is able to deepen knowledge of and relationships with clients and it is through this relationship that opportunities are identified and can be leveraged.

## **6 Meeting the Commitments to the CEO Water Mandate: Greening the Supply Chain and Watershed Management**

In 2012 our various procurement functions across Nedbank Group continued to work closely with our suppliers to promote and enable greater environmental sustainability across our supply chain. The tendering and engagement sessions were also held where our representatives shared Nedbank's sustainability journey, learnings and benefits to encourage similar actions and behaviours among suppliers, at these forums Nedbank's sustainable supplier considerations are also explained. These sustainable considerations laid in 2011 which form part of our procurement decisions require that vendors demonstrate more than mere environmental sustainability awareness, but that they are able to show compliance with, or commitment to, the entrenchment of environmental considerations and practices in their business models.

In 2012 sustainability assessments of the top 300 Nedbank Group suppliers (representing approximately 85% of total group spend) showed that 15% have formal environmental policies in place and 31% are actively recycling. In 2013 we will be actively working with these suppliers to improve the commitment demonstrated by them to environmental sustainability.

The success in terms of sustainability partnering achieved with international information technology suppliers in past years was extended to local suppliers during 2011 and accelerated during 2012. We have concentrated on relationships with manufacturing and services vendors, and success has been achieved with vendors contracted for the construction and establishment of new branches and lobbies, as well as the upgrading of existing branches.

Each commodity specialist within the Group Procurement Division now has sustainability as an integral element of his or her performance scorecards, prompting careful consideration of environmental factors in all supplier engagements.

The 2012 Greening Our Supplier Chain initiatives included:

- Furniture and buildings – Energy, water and waste
  - All new desks purchased in 2012 were manufactured using Forestry Stewardship Council accredited wood. The majority of chairs and carpets acquired are made from recyclable materials. The newly introduced 'link chairs' are 98% recyclable, which is the highest recyclable product level achieved by any supplier to us thus far. All tenants in Nedbank Group-owned buildings are required to agree and adhere to our environmental approach in terms of water, electricity and waste management.
- Hotels – Energy and Water
  - We continue to partner with hotels used by our staff traveling for business in an effort to encourage sound environmental practices and policies, particularly water usage reduction initiatives. Another outcome of these partnerships has been a number of hotel sustainability initiatives such as the planting of organic gardens and greater use of local food suppliers.
- Car rental - Carbon
  - In 2012 we introduced a third preferred car rental supplier. All three suppliers are encouraged to introduce more efficient vehicles into their fleets. During the year under review a pilot initiative to introduce group G vehicles proved very successful, delivering cost savings through fuel economy and enabling us to cut carbon emissions by more than 40% when compared to group B vehicle use. Group G vehicles have now been included in the catalogue of vehicles that employees may hire for business travel and our staffmembers are encouraged to select these vehicles wherever possible.
- Air travel - Carbon
  - We continue to engage with the airlines we use in an effort to help them reduce their, and our, carbon footprint. Airlines provide us with regular progress reports on fuel reductions achieved and other improved processes that might deliver carbon reductions. Our booking process deliberately includes information on the environmental impact of employee travel to encourage more sustainable travel decisions.
- Computer consumables – Energy, water and waste
  - All our suppliers of computer consumables are ISO-accredited. The new management information



system introduced in 2011 continues to provide improved data on toner and printer usage, enabling effective management and cost savings for us.

- Paper – Energy and water
  - We continue to monitor the usage of paper across the organisation. In 2012 a decision was taken to limit our usage of recycled paper owing to incidents of poor supply reliability and the still high environmental impact of the production process – particularly concerning the importing of pulp. A decision to insource the shredding of confidential documents at our major campus sites has enabled us to partner with Nampak to recycle this paper into toilet rolls, which are now in use across the group. We have also implemented a print management solution for a better understanding of our paper usage in the printing of brochures, posters and forms. The outcomes of this initiative will inform future printing decisions.
- Couriers - Carbon
  - UTI Mounties and Skynet remain our preferred courier service suppliers thanks to their clear environmental and carbon reduction commitments. In 2012 we investigated the possible use of bicycle couriers for short deliveries in and around our headoffice building in Sandton. The findings of this investigation are still being discussed; however, there are a number of challenges that might prove limiting, not least of which are weather, security and safety considerations.
- Cleaning and hygiene services – Water quality
  - We use biodegradable cleaning liquids and processes at all our main campus sites and branches. A pilot project at our Killarney branch saw the introduction of new green chemicals and cleaning equipment supplied by SA Fine Industrial Chemicals (SAFIC), which has a strong focus on the environment, has ISO accreditation and has signed a public commitment to responsible care. Based on the success of this pilot, the products and services will be rolled out to other Nedbank campus sites in 2013.

**Whilst a number of the above initiatives read as carbon or energy efficiency initiatives, it should be noted that large amounts of water are used in South Africa's energy production so any energy savings that can be made have knock-on water savings too.**

## 7 Meeting the Commitments to the CEO Water Mandate: Collective Action

Nedbank Group plays an active role in facilitating, and contributing to, the policy and regulatory developments by feeding comments and suggestions into a variety of industry bodies or directly to the relevant government departments. There are also a number of policies and regulatory developments that the group monitors and contributes to, including the Integrated Energy Plan (IEP), the Integrated Resource Plan (IRP), the Carbon Tax Discussion Paper, the Renewable-energy Feed-in Tariff (REFIT) and the National Climate Response White Paper. All of these policies have an impact on water consumption.

The 2012 financial year saw Nedbank Group sharing learnings and experience with like-minded organisations in an effort to maximise its environmental sustainability effectiveness. These engagements and initiatives included the Nedbank Sustainability Outlook, South African National Standard Guidelines, Thought Leadership sessions, BANKSETA Sustainability Training, The Financial Mail Green Business Guide, WWF Earth Hour and the Nedbank BDFM initiative

- *Nedbank sustainability Outlook* is researched by the University of Cambridge Programme for Sustainability Leadership, this sustainability publication is distributed to more than 100 000 readers with the aim of debate around various sustainability issues.
- *110% Green* is an initiative of the Western Cape Government which is aimed at mobilising citizens and businesses in the province to commit to environmental sustainability and take practical action to have a positive impact on the Western Cape's environmental and economic growth. As part of our support of the initiative we committed to giving small and medium businesses in the Western Cape free access to our online Greening Your Business training, hosting sustainability workshops and erecting vegetable tunnels at a minimum of 10 Western Cape schools.
- *South African National Standard Guidelines* – is a vital component of the emerging green economy in the compliance of residential and commercial buildings with the revised South African National Building Regulations (South African National Standard) relating to energy usage. As a leader in the financing and development of green buildings, we developed a series of guidelines to simplify and explain these complex regulations for the benefit of homeowners, architects and property developers.
- *Thought Leadership sessions* held in 2012 were hosted quarterly by Nedbank Group, with presentations by various sustainability thought leaders. These sessions offered key staff and other stakeholders an opportunity to learn about the latest trends and thinking in sustainability, with topics covering everything from the green revolution and the role of cities in driving a low-carbon economy to the concept of breakthrough capitalism as a means of ensuring a more prosperous long-term outlook for all.
- *BANKSETA Sustainability Training* - In 2012 we partnered with The Banking Association SA and BANKSETA to develop social and environmental risk and sustainability training for the financial sector. The objective of this training is to provide material for banks on their sustainability policies, social and environmental risks and resource management.
- *The Financial Mail Green Business Guide* - We sponsor this popular guide, which recognises organisations that have a measureable commitment to environmental conservation.
- *WWF Earth Hour* - We again participated in the WWF Earth Hour campaign on 31 March 2012 between 20:30 and 21:30. Earth Hour is the world's biggest mass action initiative aimed at addressing climate change. In the spirit of green collaboration, in addition to our own efforts to switch off as many lights as possible in our buildings, we also dared the SA public to show their support for Earth Hour by opening or linking their banking to a Green Affinity account.
- *Nedbank BDFM Greening your Business course* - Initiatives in 2012 included offering the Nedbank BDFM Greening Your Business course to small and medium businesses. This online business training course provides comprehensive insights into and information on practical ways in which companies can undertake their own environmental sustainability journeys. It is offered free of charge to Nedbank Group clients and the general public

Under the umbrella of Nedbank's many sustainable initiatives we sponsor the SA water and Energy Forum (SAWEF)

- *SAWEF* was created to offer a platform on which key players from all sectors of the economy government, industry, commerce, civil society, science, architects, designers and the media – can come together, engage with each other, and focus their collective expertise and energy to find solutions to the various sustainability challenges facing the country.

Nedbank Group is part of the UNEP FI Biodiversity workstream and a member of the South African Banking Association's Sustainable Finance Forum which drives the banking industry's engagement with and lobbying of policy-makers. Nedbank Group is also represented on the National Business Initiative's Climate Change Advisory Committee.

## **8 Meeting the Commitments to the CEO Water Mandate: Community Engagement**

Nedbank's Green Affinity Programme links into a number of water-related projects within the community. The programme includes Fresh Water projects which address the wise use of water to ensure sustainable development in South Africa as well as marine projects that look at the health and welfare of our oceans and the welfare of the communities that derive their welfare from them. Nedbank Green Affinity donations to the WWF-Nedbank Green Trust increased by a 47% to more than R12,8m from R8.7m in 2011.

Through Nedbank's Local Hero Programme, staff or clients can apply for a R10 000 donation from the bank to support a cause of their choice. Nedbank has received requests to support water-related programmes or causes.

Nedbank's Caring for our Communities and Saving our World initiative is a comprehensive community education programme aiming to share the many sustainability lessons learned by Nedbank Group with learners and community members, thereby enabling them to harness the power of sustainable thinking and action for their own benefit. The programme follows a two-pronged approach, engaging with adult community members and educating grade 6 and 7 learners from the same community about the basics of sustainability by means of an interactive workshop. The knowledge imparted to both groups is brought to life at the end of the programme by involving all attendees in a project build day. Learners, educators and community members, together with Nedbank Group volunteers, work together to construct a vegetable tunnel, solar cooker, and rainwater harvesting tank or indigenous erosion control garden, depending on the identified community need. In 2012, 45 Caring for Communities workshops were held, teaching 2 580 learners and 615 adults the value of sustainability for a better future. This was complemented by 62 community sustainability projects involving 1 075 volunteer Nedbank staff.

From a water access point of view Nedbank Capital has played a major funding and advisory role in various high-profile water infrastructure projects in southern Africa, including the Komati Water Scheme Augmentation Project. As part of the Nedbank Water Stewardship Programme, we have distributed 3900 Hippo Water Rollers to rural communities in the Eastern Cape, Northern Cape, Mpumalanga, KwaZulu-Natal and Limpopo. These large reinforced drums have metal handles to allow them to easily be pulled or pushed over rough terrain. Nedbank staff members take part in handovers of the Hippo Rollers to communities. The total investment to date is over R5 million.

## 9 Meeting the Commitments to the CEO Water Mandate: Transparency

Nedbank Group reports on water as per the GRI 3.1 principles and King III Integrated Reporting requirements. Nedbank water usage is independently assured by Deloitte and KPMG as part of their assurance of Nedbank Group's Integrated Report. In addition Nedbank voluntarily disclosed its water use and performance in the CDP Water Disclosure Programme in 2010 and 2011. We are not participating in 2012 as we are a relatively small water user and we now have a good understanding of our water footprint. We don't believe that additional reporting is required and will instead focus on taking action.

### Nedbank Group Sustainability Credentials:

- **Carbon Neutral** – Africa's first carbon neutral financial organisation.
- **Euromoney Awards for Excellence 2012** – Best Bank in SA 2012
- **Financial Times and International Finance Corporation Awards 2012** – Sustainable Bank of the Year for Middle East and Africa 2011
- **African Business Awards 2012** – Environmental Sustainability in Africa 2011
- **Dow Jones World Sustainability Index** – This index is the world's premier performance benchmark for companies in terms of corporate sustainability.
- Nedbank is included for the eighth year and is one of only 25 banks worldwide and five companies with primary listings in SA to be included on the index 2012: 82% (2011: 80%)
- **The JSE Socially Responsible Index** – Included since 2004
- **The Global 1 000 Sustainable Performance Leaders Index** – Ranked 284th (third highest SA company);
- **The South African Carbon Disclosure Project**
- **The Nedbank Green Index.**

### Nedbank is represented on:

- The UNEP FI African Task Force;
- The UNEP FI Banking Commission;
- The UNEP FI Social Issues Advisory Group;
- The UNEP Biodiversity and Ecosystem Workstream;
- The United Nations Global Compact Advisory Committee
- The United Nations Global Compact – CEO Water Mandate
- The National Business Initiative Advisory Committee on Climate Change
- The National Energy Efficiency Accord
- Leadership Network Pledge
- The Banking Association SA: Sustainable Finance Committee
- The Equator Principles
- Association of Ethics Officers in Africa
- OECD Financial Sector Mapping Advisory Group

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