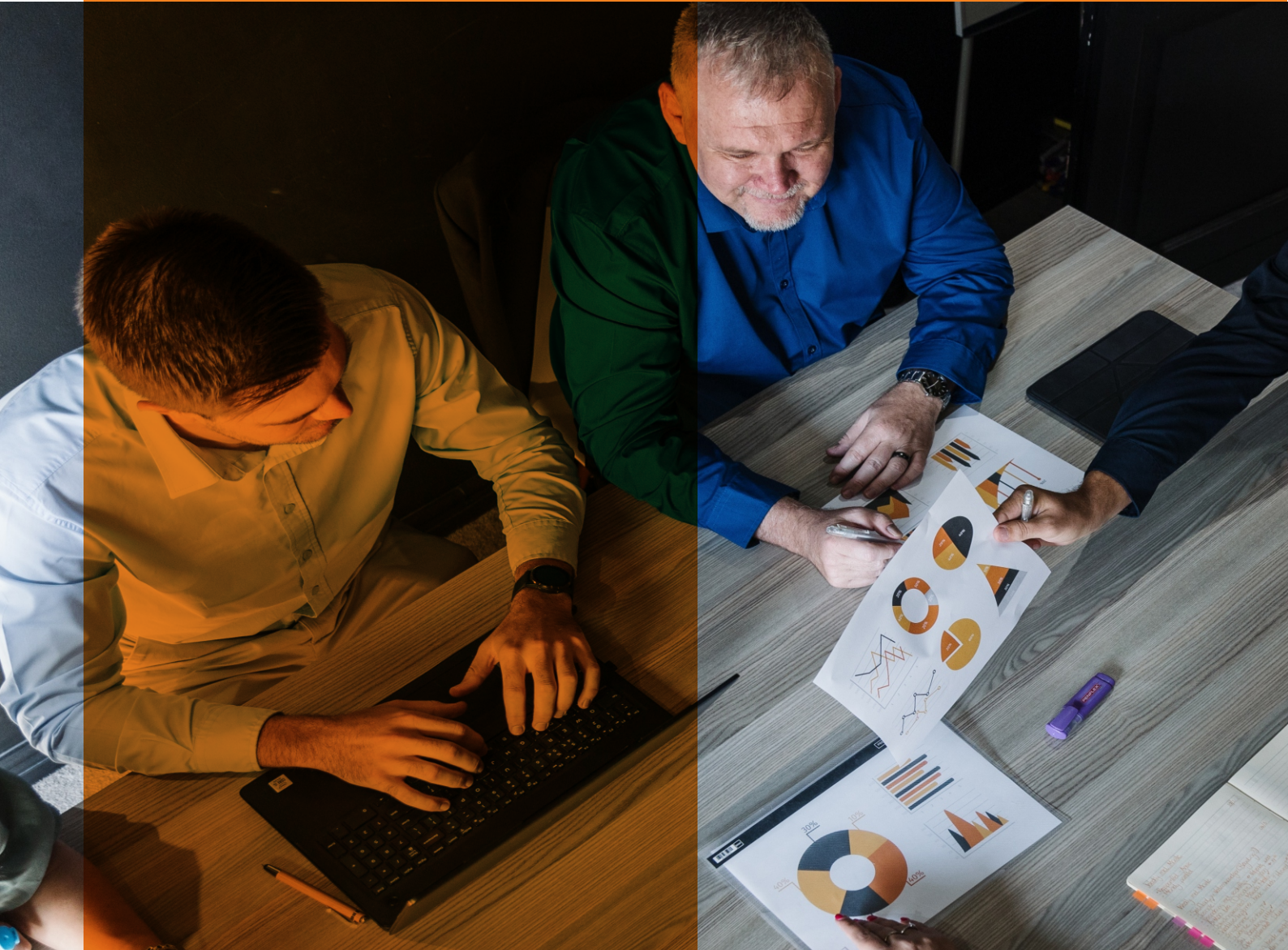


2025

BANK CHARGES REPORT



A comparative analysis of the costs of personal transaction accounts at five South African banks

DISCLAIMER

No part of this report is intended as official financial advice to any individual or group. Solidarity and/or related organisations or institutions accept no responsibility for the way in which any part of this report is used.

Although everything possible has been done to accurately convey information provided by banks in their pricing literature, errors may have crept in during the transcription and/or interpretation of the data. In addition, banks regularly update their cost structures. Solidarity and/or related organisations or institutions do not guarantee the accuracy of the data and accept no responsibility for any consequences that inaccurate data may have.

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Introduction

During the compilation of the 2025 Solidarity Bank Charges Report the impact of previous reports was very clearly visible in the current fee structures of banks. Banks are now much cheaper and prices much closer together than a decade ago. Last year, mention was also made of the layout of fees brochures and this year all the banks have simplified their brochures considerably. It is now, with a few challenges, easy for the average consumer to determine exactly what they will pay for the transactions they do each month.

Because the bundle accounts in particular, as discussed in the 25 and 30 transaction profiles, are becoming increasingly competitive, the list of linked benefits and reward programmes is growing annually. In many cases, a consumer can be sure that the monthly administration fee will cover all their needs. Therefore, exceptional costs such as Saswitch fees and immediate payments are discussed separately again this year. A special section this year is also included of what the most cost-effective way is to make an immediate payment.

The purpose of this report is not to comment on South African banks or to criticise bank charges. Rather, the aim is to give users a glimpse into the transaction account options that the largest banks in South Africa offer them. It is also important to consider that each consumer's needs differ and that specific transactions can quickly change an individual's experience with a bank's cost structure. For that reason, an attempt has been made to include only the most common transactions in the transaction baskets.

The five banks that form the core of the banking costs report are traditionally Absa, FNB, Standard Bank, Nedbank and Capitec. One could actually say that seven banks are now being analysed, as Bank Zero and TymeBank are also included in the online banking section each year. Similarly, other banks that target specific needs or specific cultural groups are also not included in the report.

Discovery Bank was not included in this year's report because their focus appears to be on their extensive rewards programme. This can therefore put them in a bad light, as many of their fees are undone by these rewards. Unfortunately, our report's methodology does not allow for such a balancing act.

Because some other banks also offer interest on their transaction accounts, and all banks offer linked interest-bearing savings accounts on almost all their products, interest earned is no longer taken into account.

Something that is not directly reflected in the report but is still an important consideration is that most banks have launched new accounts over the past few years. The old accounts still exist in many cases, often with higher costs. Consumers should therefore make sure that they are on the new accounts, or on the best account for their needs.

1

Method and comparison of transaction profiles

Solidarity's annual bank charges report only analyses ordinary transaction profiles – accounts that are available to any member of the public. This means that accounts for youth, students, the elderly and specific faith groups and private bank accounts are not covered. It also does not include, unless it is the only one in the category offered by a specific bank, accounts where a minimum or maximum monthly income is specified. Some accounts that do not cover full banking services, such as those that do not allow debit orders, are excluded from this. The cost of credit facilities – in the form of credit cards, overdraft facilities, vehicle financing, home loans and personal loans – is consequently also not covered by the report. Some of the bundled accounts aimed at the higher income groups include such services, or discounts thereon, in the package. An increasing number of bundled accounts also include benefits that were

previously only available to credit card holders, such as life insurance and discounts on certain products and services, as well as access to banks' reward programmes. This added value is also not discussed in the report. Consumers should therefore make sure they know what they are paying for and try to get as much value from their packages as possible.

The transaction profiles are identical to the 2024 profiles. In order to provide the cheapest possible transaction options, messages to beneficiaries have been adjusted to display email notifications rather than SMS, where available, as the former are usually free or at least cheaper. SMS notifications have also been changed to transaction notifications, as all banks now offer the option to receive notifications for free through the bank's mobile application.

	12 transactions	17 transactions	14 online transactions	25 transactions	30 transactions
Monthly administration fees	1	1	1	1	1
Send money under R500	1	1	2	2	3
Withdraw cash at point of sale	2	2	0	2	2
Withdraw from own ATM (R500)	0	1	0	1	1
Withdraw from own ATM (R1 000)	0	0	0	1	2
Withdraw from own ATM (R1 500)	0	0	0	1	1
Buy prepaid electricity (R1 000)	1	1	1	1	1
Balance inquiry at own ATM	0	0	0	1	1
Buy prepaid airtime	1	2	2	2	2
Internet banking payment	2	3	5	5	6
Scheduled payment (internal)	1	1	0	1	1
Scheduled payment (external)	1	1	0	1	1
Debit order (internal)	1	2	0	3	4
Debit order (external)	2	3	4	4	5

Although some banks prescribe income levels for different accounts, the user profiles are not compiled by income level, but rather by the number of transactions for each profile. The number of transactions each user makes in a given month should correspond to income levels – cheaper bank accounts are therefore used for low transaction profiles and more expensive bank accounts for higher profiles. Although this is estimated to be the most cost-effective account for the proposed category, each consumer's needs are unique and there may be exceptions to this guideline.

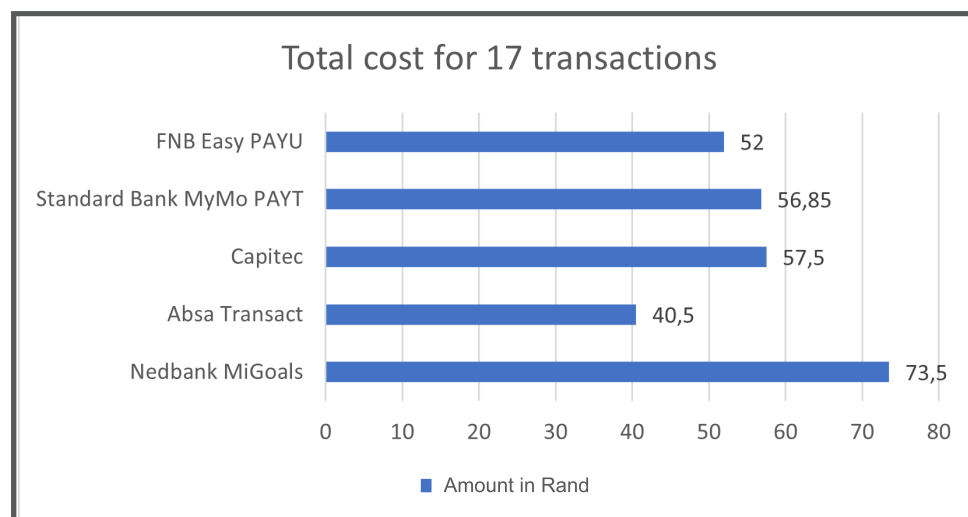
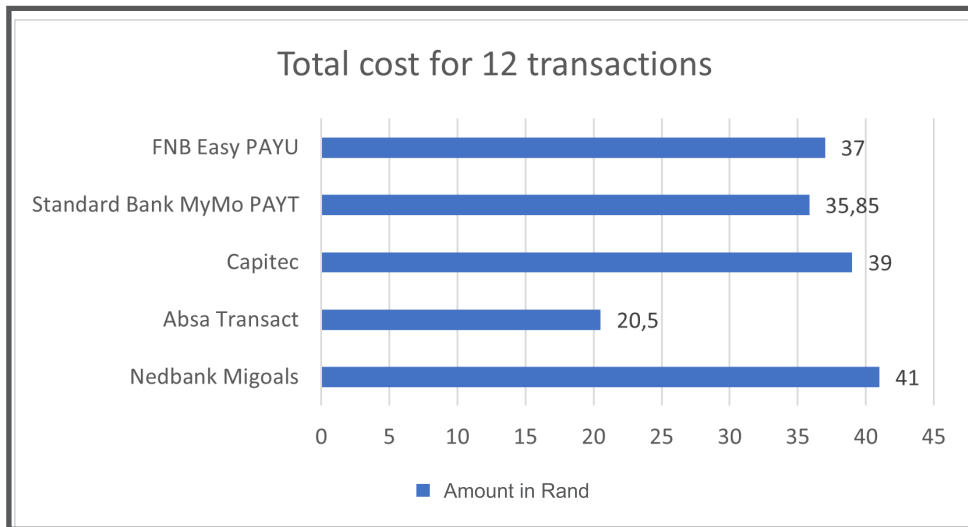
As in the past, the transaction accounts were compiled using guidelines that are consistent with the savings tips that banks provide on their websites and in promotional material. These guidelines include:

- few cash withdrawals and no cash deposits;
- little or no cash at ATMs, rather at store counters;
- no physical visits to a branch – use internet banking instead, especially through the bank's app;
- when purchases such as airtime and electricity purchases are made, they are made via online platforms such as the bank's mobile application;
- using mobile app notifications rather than SMS notifications, as well as email rather than SMS notifications when sending proof of payments to beneficiaries.

Below is a comparison of the monthly banking costs of users with different user profiles, at different banks and with a transaction account that is most suitable for the profile. The accounts and options covered in the report are divided into the following four categories. These four categories are the same as the categories in previous years' reports, with the addition of purely online banking services that have been included from 2023.

1. Accounts marketed to people with low incomes and fairly basic banking needs (profiles with 12 and 17 transactions per month).
2. Accounts that, regardless of how they are marketed, are used only for online transactions (14 cashless and contactless transactions).
3. Accounts marketed to people with a middle-class income and sophisticated banking needs (profiles with 25 transactions per month).
4. Accounts marketed to people with a higher middle-class income and sophisticated banking needs (profiles with 30 transactions per month).

A graphic summary of the different categories along with a more detailed analysis of the options in the different categories is given below.



Since last year, Absa has stopped migrating customers on their Transact accounts to their Flexi accounts once they earn more than R3 000 per month. For this reason, we can without any reservation state that Absa is the cheapest bank in the low-income or basic needs category this year.

Absa is significantly cheaper than its closest competitors in both the 12- and 17-transaction profiles. This is especially because they offer transactions such as

scheduled payments and internal debit orders for free. They also offer free withdrawals at store counters, which is unusual for this type of account. However, Standard Bank now also offers free withdrawals at stores on all their accounts analysed in this report.

As transaction volume increases, FNB also becomes more competitive in this category.

1.2

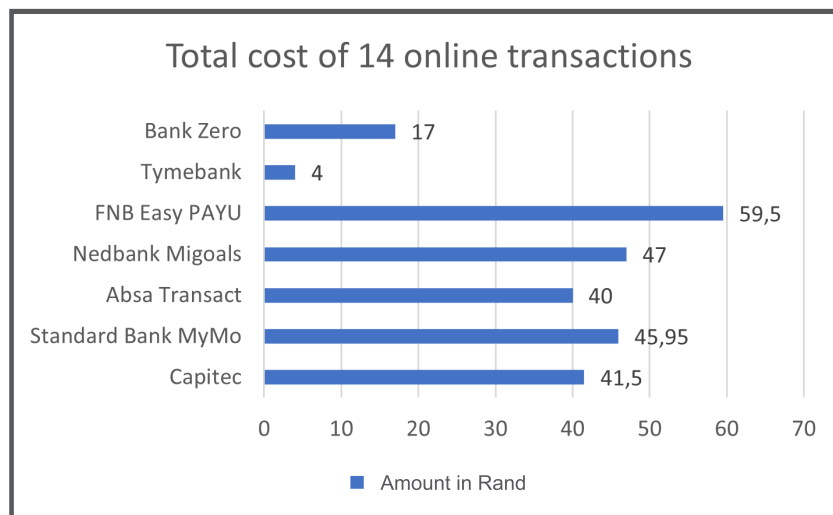
Purely online banking needs

In this section, it is assumed that no cash transactions are made. The transactions include only digital transactions and the monthly administration fees, and it is assumed that all debit orders and internet banking payments are external, to put the new banks on an equal footing with traditional banks.

The main factor determining the winner is the number of transactions that carry no fees. In this case, TymeBank is the clear winner. PayShap transactions are completely free on TymeBank and have taken over their function of sending money to a cellphone number.

The only costs incurred at TymeBank are for purchasing electricity and airtime, while even these are free at Bank Zero. Bank Zero's only cost-bearing transaction on our list is sending money to a cellphone number.

For clients who have no need for physical branches, online banks are ideal. The cost difference is self-explanatory.



1.3

Middle-class income and sophisticated banking needs

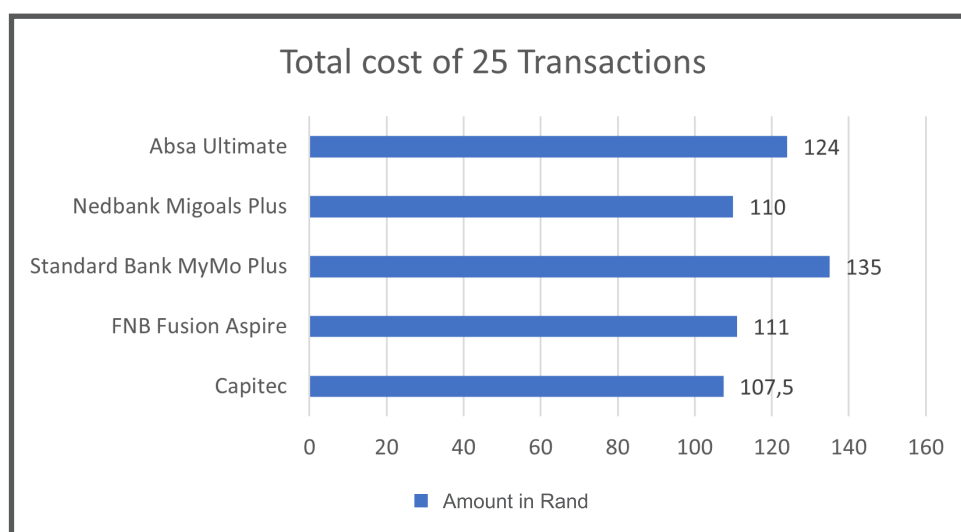
The transaction profile with 25 transactions per month is used for this comparison.

This category contains banks' flagship accounts – the accounts that are marketed to the core customer base. Accounts in this category all qualify for the banks' respective loyalty programmes, although Capitec's programme is not nearly as extensive as those of the other banks. It also includes other forms of added value, such as linked credit cards, discounted insurance, access to airport lounges and other packages that vary greatly from bank to bank. Although Capitec does not have such an extensive loyalty programme, they are included because they have a significant number of customers in this consumer segment. Banks' reward programmes also vary greatly, and looking purely at cost is therefore not necessarily the best indicator of what is best for individual consumers.

As can be seen in the graph below, this market is extremely competitive. Capitec is the cheapest, with a total of R107,50.

For only R2,50 more, the same transactions can be done with Nedbank's Migoals Plus account. This account obviously offers significantly more added value than Capitec's offering and is therefore the most cost-effective account in this segment.

Apart from sending money to a cellphone number, all transactions on our list are included in the monthly fee of R99. You can also send money for free once a month. For just R1 more, FNB's Fusion Aspire account also offers also excellent value. However, one should note that the monthly rate of R105 is advertised on their website, while in their fee sheet it is quoted as R115.



1.4

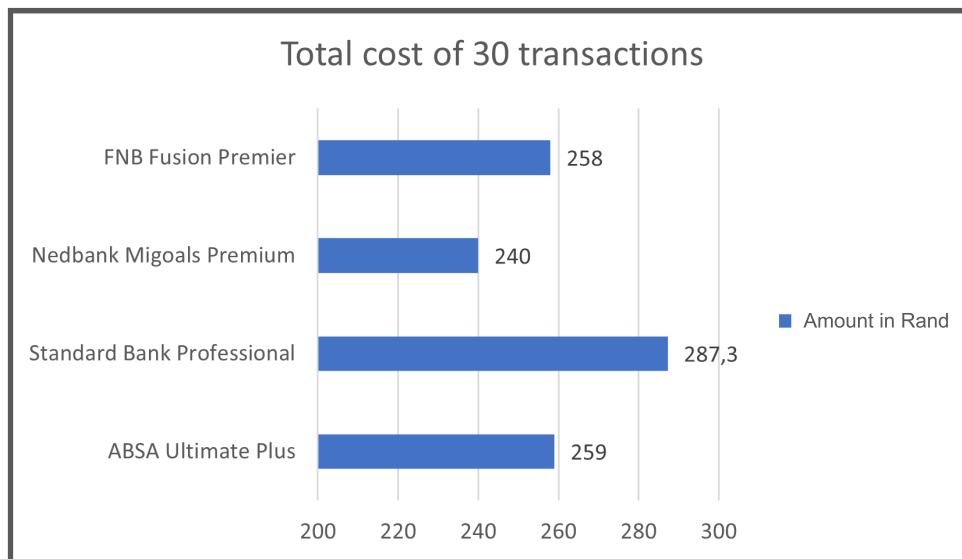
Higher middle-class income and sophisticated banking needs

The user profile with 30 transactions per month is used for this comparison. Accounts in this category are much more focused on added value and reward programmes than purely on cost. However, the purpose of our report is to compare costs, and consumers are therefore encouraged to consider whether the added value justifies the extra cost.

While cost is probably not the biggest factor for users in this category, it is still useful to consider it before taking other factors into account. Other factors include things like how busy the bank is if you have to visit branches frequently, services like 24-hour access to bankers and the reward programme, as well as access to airport lounges, linked credit cards and home loans, as well as discounts for married couples.

Nedbank's Migoals Premium account this year is again the most cost-effective account in this category, with a total cost of R240. The R240 is also the monthly administration fee, which includes all the transactions on our list.

Besides Nedbank, FNB's Fusion Premier (R258) and Absa Ultimate Plus (R259) also offer good value. This market segment has also become much more competitive, with no clear outliers that are clearly much more expensive than the norm. Because added value is crucial here, it is important that costs are relatively uniform, so that these perks can be compared on an equal footing by consumers.



2

Saswitch costs

For this comparison, the accounts marketed to banks' core client base were used. This can vary from account to account. Because these are transactions that are not done regularly by everyone but do show significant differences between banks, it was decided to include them in a separate section of the report. However, this is a cost that varies greatly from one bank to another, and it is therefore still included.

A general rule is to withdraw money at store counters rather than at other banks' ATMs to avoid the costs listed below. Standard Bank and ABSA made withdrawals at store counters free for all accounts in our report. At other banks, it is also always cheaper and sometimes even cheaper than withdrawing money at one's own bank's ATM.

Saswitch fees	R 500	R 1000	R 2000
Capitec	10	10	20
Absa	10	10	10
Nedbank	22	22	33
Standard Bank	13,25	26,5	53
FNB	25	38	64
TymeBank	10	10	20
Bank Zero	10	10	20

3

Costs and discussion of PayShap transfers

PayShap is a new instant payment channel that was launched in 2023. In addition to being generally significantly cheaper than the usual instant payment channels, it also promises to always be instant, even when consumers are doing business with each other for the first time.

PayShap's limit was raised from R3 000 to R50 000 in November last year, making it the most cost-effective way to make instant transfers. This makes PayShap in most cases the most cost-effective method to make instant transfers to accounts at other banks. The table below shows the difference between payments to a ShapID, PayShap payments to account numbers and instant transfers as was the norm in the past.

The process of setting up a ShapID is relatively simple for most banks. It is a one-time process, whereby your cellphone number is linked to your bank account. Other people can then make payments to your cellphone number, which in most cases is free for payments under R100 and cheaper than alternatives. What is more, the money transferred to a cellphone number is immediately deposited into your account.

Bank Zero only offers instant transfers at R6,50 or R12 for transactions above R3 000 to certain banks.

At Absa, payments to a ShapID are 50c per R100 up to a maximum of R7,50. This is something to keep in mind, as costs can easily add up when larger payments are made.

	Amount	ShapID	PayShap to Account Number	Immediate transfer
Nedbank	<R100	0	10	10
	R500	1	10	10
	R30 000	1	10	10
Absa	<R100	0	7,5	7,5
	R500	2,5	7,5	7,5
	R30 000	7,5	7,5	40
Capitec	<R100	2	2	6
	R500	2	2	6
	R30 000	2	2	6
TymeBank	<R100	0	0	7
	R500	0	0	7
	R30 000	0	0	210
Bank Zero	<R100	6,5	6,5	6,5
	R500	6,5	6,5	6,5
	R30 000	12	12	12
FNB	<R100	0	0	8
	R500	3,25	3,25	8
	R30 000	195	195	8
Standard Bank	<R100	1	1	1
	R500	7	7	7
	R30 000	50	50	50

Appendix A – Additional information on method and approach

This is the final and correct version of the Solidarity Bank Charges Report 2025.

The purpose of this study is not to comment on or criticise the fact that South African banks charge fees. Bank fees as a direct mechanism to recover the costs of transaction banking services are not necessarily worse than indirect mechanisms such as using the cost of credit to cross-subsidise transaction banking services. This report is merely a comparison of the different options available to South African transaction account holders.

The source of information for this comparison between different bank accounts is the banks' own websites.

The use of the banks' websites was a way of treating all banks equally with regard to the accuracy and clarity of their websites and the accuracy and consistency of the information provided to the public. The information used in the comparison is therefore the same information that is available to the general public.

Throughout the report, every effort has been made to use the latest information and to convey it accurately. The information was obtained from the electronic brochures on the banks' websites when each bank announced its charges for 2025 at the end of 2024, and it was further checked to ensure that any subsequent changes have been taken into account. Minor inaccuracies may have crept in when conveying information, although every effort has been made to ensure accuracy. For these reasons, the information in this report cannot necessarily be considered an exact reflection of what will appear on the statement of a bank customer with any of the various accounts. Changes may have occurred after the report was completed, the websites and electronic brochures may contain incorrect information, and errors may have crept in when transcribing and/or interpreting correct data.

The five largest banks in South Africa that offer transaction accounts, as well as online banks that target the general public as customers, are included in this report. There are several other commercial banks, cooperative banks and non-bank financial service providers that compete with the seven banks compared here. However, most of these institutions have a small geographic footprint, offer only limited services or focus only on limited market segments. For these reasons, only the above-mentioned seven institutions are included in this analysis.

Only the costs of transaction accounts were compared. Products such as investment accounts, home loans, vehicle financing or business accounts were not studied because the rates and fees associated with such services depend to a greater extent on personal circumstances and characteristics and are not as standardised as the costs of transaction accounts. Another reason why credit facilities were not used in the comparison is that it is not feasible to make a static comparison of the large number of different options, combinations, interest-free periods and interest rates available.

Exceptional fees such as for replacing lost cards are not included in the analysis. Including such fees, which most customers rarely encounter, would distort the monthly cost profiles.

The report does not include accounts for children, students, the elderly, pensioners or specific religious groups. Most banks have accounts that are only available to these groups and which are usually cheaper. Younger and older people should therefore take the trouble to inquire with banks about products that are specifically designed for them. These products are often almost free of charge.



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