



The Standard Bank of South Africa

TRANSFORMATION REPORT 2021



Standard Bank **IT CAN BE™**

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to <https://acrobat.adobe.com/za/en/acrobat/pdf-reader.html>

How to navigate our reports

The following icons refer readers to information across our suite of reports:



Refers readers to information elsewhere
in this report.



Refers readers to information in our
other reports, which are available online.

Our reporting suite

We produce a full suite of reports to cater for the diverse needs of our stakeholders.



[Annual integrated report](#)

Provides an outline of our ability to create and preserve value, and guard against value erosion in the short, medium and long term.

[Report to society](#)

An assessment of our social and environmental impacts in the seven areas in which we believe we have the greatest impact and opportunity.



[Environmental, social and governance \(ESG\) report](#)

Overview of the processes and governance structures the group has in place to support our commitment to doing the right business, in the right way.



[Climate-related financial disclosures report](#)

Discusses how the group is managing the risks and responding to the opportunities presented by climate change, aligned to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).



THIS REPORT

Standard Bank South Africa (SBSA) transformation report

Update on our transformation journey and performance against the pillars of the Financial Sector Code.



[Governance and remuneration report](#)

Discusses the group's governance approach and priorities, as well as the remuneration policy and implementation report. Includes information on how the group applies the principles of the King IV™ Report on Corporate Governance for South Africa.



[Risk and capital management report](#)

Sets out the group's approach to risk management.



[Annual financial statements](#)

Sets out the group's full audited annual financial statements, including the report of the group audit committee.



Assurance statement

We have a series of internal policies, procedures and controls in place to ensure that accurate data is provided. Our group social and ethics committee provides oversight of this report.

PricewaterhouseCoopers Inc. (PwC) provided limited external assurance on selected performance data in this report, indicated by a ✓ in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised).

PwC's limited assurance report can be found in our [Report to society](#).

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Introduction



The purpose of this report

Standard Bank South Africa's (SBSA) transformation report provides an overview of our commitment to driving sustainable and inclusive economic growth through economic inclusion and transformation in South Africa.

The report is structured according to the elements of the Financial Sector Code (FSC) and covers the initiatives, projects, and strategies we've put in place to drive transformation within the bank and the economy.



A message from Lungisa Fuzile, SBSA Chief Executive Officer

Last year was a challenging year, yet there is a lot that felt better in 2021 than 2020. While Covid-19 lingered, vaccinations were rolled out at pace. The lockdowns were eased with large parts of the economy remaining open most of the time, nevertheless operating conditions for South African (SA) businesses, and for small enterprises, in particular, remained tough.

Some businesses had to close, in some cases permanently. Even though the SA economy rebounded strongly growing at 4.9%, unemployment rose to 34.4%, as per the narrow definition. We witnessed some of the most devastating riots and destruction of economic infrastructure in parts of KwaZulu-Natal and Gauteng in July. Sadly, fellow human beings lost lives in those incidents. It warms one's heart, though, that in the face of all of this our resilient nation soldiered on.

As I look back on 2021, I am filled with a sense of gratitude and admiration – toward my colleagues at Standard Bank South Africa, our customers and clients, and individual South Africans. We have once again proven our resilience. We have come together to find ways to support businesses and communities to recover, and to lay the foundations of a better tomorrow. We've collaborated to rise to new challenges. We've found ways to harness the opportunities created by technological progress, while remaining connected as humans who care about our people and our planet.

I'm proud of the support Standard Bank has provided to our people during this difficult time, which is reflected in the response to aid our colleagues and clients during the July unrests. We worked with government, big business and many of our colleagues to provide humanitarian support to those impacted by the protest actions. We also reached out and stayed close to our colleagues and clients to understand their needs during this difficult period and thereafter supported customers by managing SASRIA-related claims on their behalf. Our spirit of Ubuntu truly came through in this period.

Our teams have stepped up to find ways to support our clients. We've found innovative ways to enable individuals, entrepreneurs and small enterprises to access relevant and affordable financial products and services – including placing in-store banking kiosks in Pick n Pay stores, increasing the number of Instant Money contact points from 15 000 to 50 000 across the country, and making it cheaper and easier for our customers to draw cash. We continue to lead the market in the provision of affordable home loans, and we continue to work closely with our customers to ensure we do all we can to keep them in their homes when times are tough.

We continue to support small business development and entrepreneurship. We invested R41.9 million in enterprise development initiatives in 2021, enabling 496 black-owned small businesses to create over 1 300 jobs.

We continue to support students to access tertiary education through innovative no-collateral finance arrangements such as our Feenix crowd funding platform. Since 2017, we've raised R112.5 million through Feenix, funding more than 2 300 students. We also contributed R72.4 million in CSI funding in 2021 in support of increased access to quality education. We continue to partner

with North West University's Little African Scientist programme, the University of Johannesburg Foundation Phase Robotics Programme and EduFundi, amongst others, to improve access to quality learning and teaching.

As part of our commitment to deliver better health outcomes to our employees and communities, we partnered with the Dis-Chem Foundation to establish 32 public vaccination sites across the country. We also donated to the Pink Drive Foundation for mobile medical teams, employing previously unemployed nurses and drivers, and reaching over 37 000 people.

We continue to engage our diverse stakeholders as we evolve our business to respond to the demands of a rapidly changing world. Social, economic and environmental (SEE) considerations are embedded in our business strategy, and inform our decision making at all levels. We remain committed to driving inclusive and sustainable economic growth, and supporting the transformation of our country into a more equitable, just and prosperous society, now and in the future. 'It Can Be'.

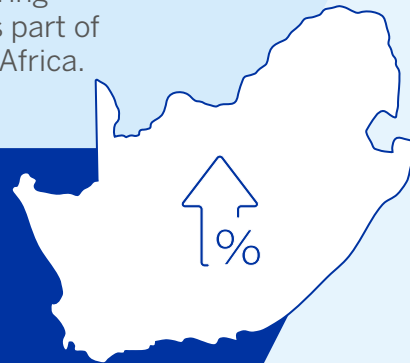
Regards,
Lungisa

Standard Bank's contribution in South Africa

Our strategy aims to deliver inclusive and sustainable growth, and recognises that transformation is not all about numbers, it is about positively impacting livelihoods. We are committed to upholding the commitments of broad-based black economic empowerment (BBBEE) as it is a crucial part of ensuring socioeconomic transformation in our society and it is part of our legitimacy and social licence to operate in South Africa.

Transformation as a **moral obligation**

South Africa needs an economy in which every South African, regardless of social class, race or gender, can access the basic necessities to navigate life with dignity, and an economy in which success and prosperity are the result of hard work and talent, rather than inherited privilege or personal connections.



Transformation as a **commercial imperative**

As part of our strategy, driving financial inclusion through job creation, enterprise development and economic growth is at the core of our business. We are committed to helping people build long term wealth through saving and investing, ensuring that we finance productive economic activity. This is the basis of our profitability and sustainability as a bank.

Value created for stakeholders during 2021

We take pride in our purpose of 'Africa is our home, we drive her growth'. We strive to create and distribute wealth by investing responsibly and sustainably in ways that create value for all our stakeholders, including employees, suppliers, governments, the community and shareholders.



Employees

We paid **R24.8 billion** to our employees in salaries and other incentives.



Suppliers

We paid **R21 billion** to our suppliers and service providers.



Governments

We paid **R5 billion** in tax.



Community

We contributed **R158.9 million** through our CSI programmes.



Shareholders

We paid **R4.4 billion** to shareholders as dividends.



Reinvested

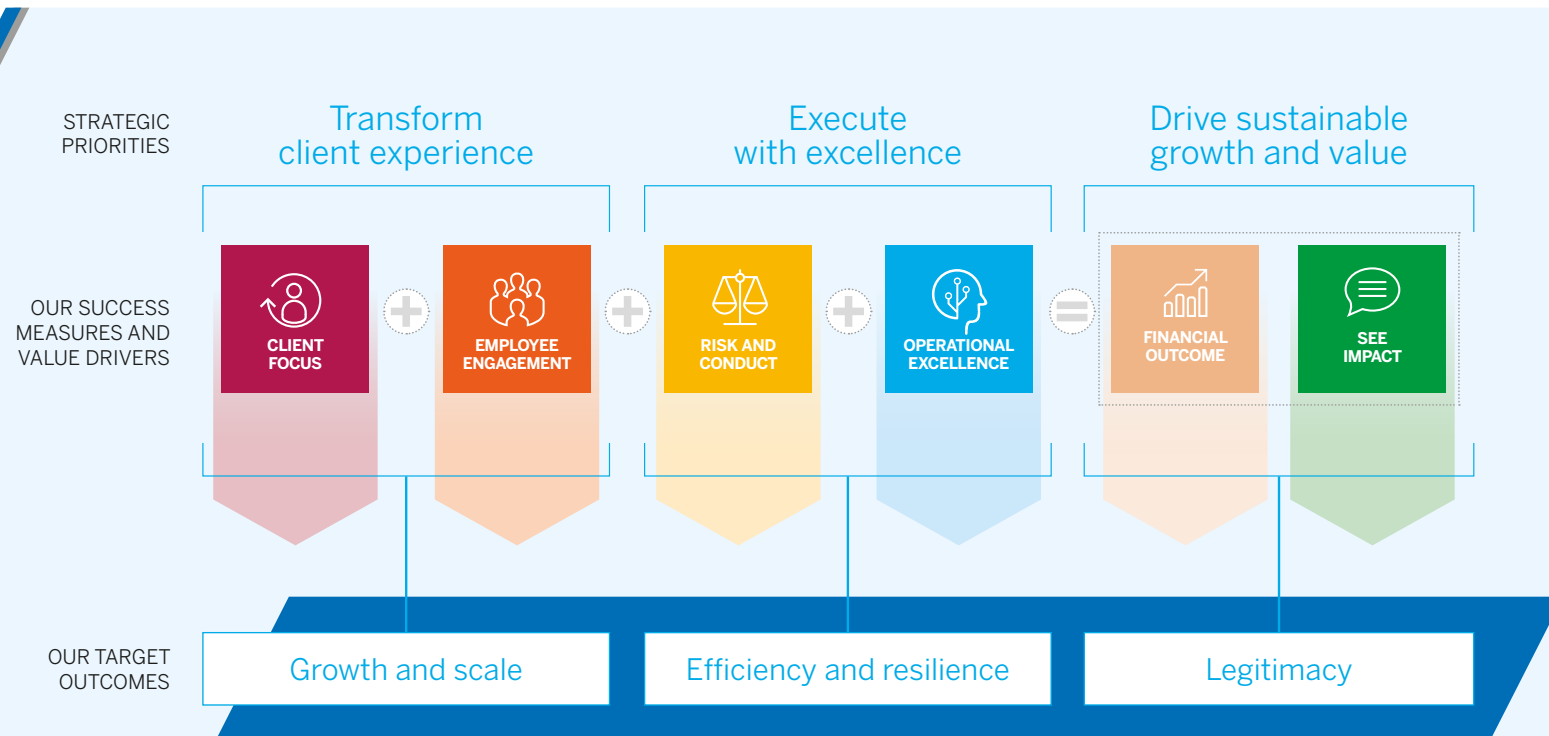
We reinvested **R8.4 billion**.

Standard Bank's SEE Impacts

The key challenges in our society include low levels of financial inclusion; high levels of unemployment; slow transformation of key sectors in the economy and the lack of critical public infrastructure. Standard Bank has defined seven impact areas in which we seek to address these challenges and capitalise on the opportunities they present.

These areas are **job creation and enterprise growth**, which are in turn driven by **infrastructure development, support for African trade and investment**, and **greater financial inclusion**; the **health and education** of our own people, and of society more broadly, and **climate change and sustainable finance**.

To guide our decisions and activities in each of these areas, we engage closely with our clients, regulators, and other stakeholders to ensure we understand their priorities, expectations and challenges and can create and deliver solutions to address these. Positive impacts in each of these areas support the social and economic transformation of South Africa and the attainment of the UN Sustainable Development Goals (SDGs).



SBSA is committed to driving **socioeconomic transformation** in line with the SDGs and our group SEE value driver. We continuously work to identify opportunities to accelerate transformation, leveraging our skills, expertise, and stakeholder relationships to enable us to achieve transformation internally and be a catalyst for societal transformation through our core business activities.



IMPACT AREA	STANDARD BANK'S IMPACT	TRANSFORMATION PRIORITY	
<p>Financial inclusion</p>	<p>We enable more people to access financial products and services, supporting economic development and reducing inequality.</p>	<ul style="list-style-type: none"> • Ownership • Management control including employment equity • Socioeconomic development • Consumer education 	
<p>Job creation and enterprise growth</p>	<p>We work with our clients to understand their challenges and priorities, provide them with appropriate financial solutions to support their growth and expansion and deliver digital solutions to meet their unique needs. This includes targeted support to enable small, micro and medium enterprises (SMMEs) to develop and grow their businesses.</p>	<ul style="list-style-type: none"> • Ownership (SMMEs) • Empowerment financing • Preferential procurement • Supplier development • Enterprise development 	
<p>Education</p>	<p>We support access to inclusive, quality education and the promotion of lifelong learning opportunities, and help Africa harness the opportunities of the 4th industrial revolution.</p>	<ul style="list-style-type: none"> • Skills development • Ownership (Tutuwa Community Foundation) 	
<p>Health</p>	<p>We support better health outcomes for Africa's people by financing healthcare providers, financing health infrastructure and equipment, providing business development support to healthcare practitioners, investing in our people's health, safety and wellbeing and investing in health-focused CSI programmes.</p>	<ul style="list-style-type: none"> • Socioeconomic development 	

Standard Bank's BEE scorecard

The FSC requires participants to actively promote transformation in the financial services sector to allow for equality in the economy. The financial services sector has a crucial role to play in ensuring that all have access to financial services.

With this understanding, Standard Bank has implemented a range of new products and services, especially in affordable housing, empowerment finance, and inclusive banking in pursuit of a more equitable economy.

STANDARD BANK'S BEE SCORECARD 2021

Scorecard element	Element weighting (+ bonus points)	SBSA score 2021	SBSA score 2020	SBSA score 2019	SBSA score 2018	SBSA score 2017
Ownership	23 + 3	26.00	26.00	23.82	23.81	23.78
Management control	20	15.93	15.80	15.85	14.88	12.77
Skill development	20	17.10	16.00	16.28	17.62	18.31
Preferential procurement	15	18.36	18.56	18.97	18.83	17.49
Socioeconomic development and consumer education	5	8.00	4.95	7	7.11	5.18
Empowerment financing and enterprise and suppliers development	25 + 4	28.64	22.42	22.92	20.88	24.51
Access to financial services	12	10.17	9.55	11.3	11.42	11.64
Total score	120	124.20	113.28	116.14	114.55	113.68



We have maintained a Level 1 rating since 2017

Element weighting

Broad-based BEE status

Level 1

Black women ownership percentage

10.54%

BEE procurement recognition percentage

135%

51% black-designated group

No

Black ownership percentage

25.51%

Empowering supplier

Yes

"The unprecedented times in which we find ourselves, show more clearly the socioeconomic gaps that exist in our society. This requires that we become even more intentional about the manner in which we drive transformation through all our products and service offerings. We continue to be committed to contributing positively towards social and economic transformation."

– Moses Mochine, Head, Transformation and BBBEE

Standard Bank's BEE Scorecard

Ownership

For South Africa to become fairer and more equitable, more of our people need to have a stake in the economy, including through direct shareholding in the country's corporations. SBSA scored 23 + 3 out of 28 points against the ownership element of the revised FSC scorecard.



The Standard Bank Group (SBG) is the largest African banking group by assets, with a market capitalisation of approximately R229 billion at 31 December 2021, offering a range of banking and related financial services across sub-Saharan Africa. We have a 159-year history in South Africa. Over the past 30 years, we have been building our franchises across sub-Saharan Africa, and extending into key international markets. We operate in 20 sub-Saharan African countries and are headquartered in Johannesburg. Our primary listing is on the Johannesburg Stock Exchange (JSE) in South Africa. We have a secondary listing in Namibia. Subsidiary banks are listed on exchanges in Kenya, Malawi, Namibia, Nigeria and Uganda. We also have operations in Beijing, Dubai, London, New York and Sao Paulo, and offer international financial services from our offices in The Isle of Man, Jersey and Mauritius.

The ownership of Standard Bank shares is distributed among global and institutional entities. Our shares are publicly traded on the JSE. Many of our shareholders are ordinary South Africans who own a stake in Standard Bank through their pension funds and unit trusts. Many of our employees are also shareholders. We allocate shares to senior employees as part of their remuneration package, helping to ensure that they have a vested interest in the long-term success of the company.

As at 31 December 2021, Standard Bank Group is 50.2% owned by South Africans and 49.8% by international investors, with China (20.1%), the United States of America (12.1%) and the United Kingdom (1.5%) comprising the top three. Industrial and Commercial Bank of China Limited (ICBC), the world's largest bank by assets, is a 20.1% shareholder. This strategic relationship enables us to work with ICBC to facilitate investment flows and commercial relationships between China and Africa, to the benefit of African countries. Our second largest shareholder is the Government Employees Pension Fund of South Africa, which holds 14.5% of shares.

We met the FSC targets in terms of voting rights of black women and slightly below target on voting rights of black people

We scored bonus points for direct/indirect ownership in excess of 15%

We met the FSC target for net equity value and new entrants

We met the FSC target on economic interest of black people, black women and black designated groups.

TEN MAJOR SHAREHOLDERS*

	2021		2020	
	Number of shares (million)	% holding	Number of shares (million)	% holding
Industrial and Commercial Bank of China	325.0	20.1	325.0	20.1
Government Employees Pension Fund (PIC)	234.9	14.5	229.5	14.2
Alexander Forbes Investments	36.7	2.3	34.2	2.1
Old Mutual Life Assurance Company	32.5	2.0	29.5	1.8
Allan Gray Balanced Fund	27.9	1.7	30.2	1.9
M&G Equity Fund	19.1	1.2	14.2	0.9
Vanguard Emerging Markets Stock Index Fund	17.5	1.1	16.2	1.0
Vanguard Total International Stock Index Fund	17.5	1.1	19.1	1.2
Government Institutions Pensions Fund	15.7	1.0	16.6	1.0
Government of Norway	15.6	1.0	16.9	1.0
	742.4	46.0	731.4	45.2

* Beneficial holdings determined from the share register and investigations conducted on our behalf in terms of section 56 of the Companies Act.

GEOGRAPHIC SPREAD OF SHAREHOLDERS

	2021		2020	
	Number of shares (million)	% holding	Number of shares (million)	% holding
South Africa	813.8	50.2	833.7	51.5
Foreign shareholders	806.2	49.8	786.2	48.5
China	325.9	20.1	329.8	20.4
United States of America	195.3	12.1	207.7	12.8
United Kingdom	24.2	1.5	23.5	1.5
Namibia	22.1	1.4	24.2	1.5
Ireland	16.4	1.0	14.1	0.9
Norway	15.9	1.0	17.2	1.1
United Arab Emirates	14.6	0.9	19.9	1.2
Luxembourg	14.2	0.9	13.4	0.8
Hong Kong	14.0	0.9	9.9	0.6
Singapore	13.2	0.8	21.5	1.3
Japan	12.8	0.8	12.7	0.8
Netherlands	11.3	0.7	14.0	0.9
Saudi Arabia	7.4	0.5	5.7	0.4
Switzerland	7.1	0.4	9.1	0.6
Sweden	6.9	0.4	5.0	0.3
Kuwait	6.2	0.4	0.0	0.0
Other	98.7	6.0	58.5	3.4
	1 620.0	100.0	1 619.9	100.0



Tutuwa

The Standard Bank Group black ownership initiative, Tutuwa, delivered significant value for various groups of stakeholders, including current and former black employees, small business owners and government. Almost 6 500 individuals and businesses benefitted from the transfer of real assets. Since the end of the lock-in period in 2014, Tutuwa beneficiaries have been free to retain their shares or to sell on the market, giving them the flexibility to decide how best to use the financial benefits created by the scheme according to their particular needs and preferences.

Communities have also benefitted directly from the scheme, particularly since 2016, through the **Standard Bank Tutuwa Community Foundation**. This non-profit foundation aims to ensure that we help our young people achieve their full potential, by supporting education and skills development and the transition from school or tertiary education to the world of work, by creating innovative partnerships in these domains.

Management Control

As part of our commitment to empowering our people, establishing a diverse workforce, and creating a culture of inclusion, we actively promote transformation of the demography of our workforce at all levels. Standard Bank scored 15.80 out of 20 for this element of the FSC scorecard in 2020 and scored 15.93 in 2021.

Our score is calculated based on the membership of the SBG board and the group leadership council. The score also measures representation of black people, black women and African people, in senior, middle and junior management levels, as well as the overall representation of black people with disabilities in the organisation, as defined in the Employment Equity Act.



We met the FSC target for
black executive directors



Achieved
50%



Target
50%

We did not meet the FSC target
for **black board members**



Achieved
42.86%



Target
50%

We exceeded the FSC target for
black women board members

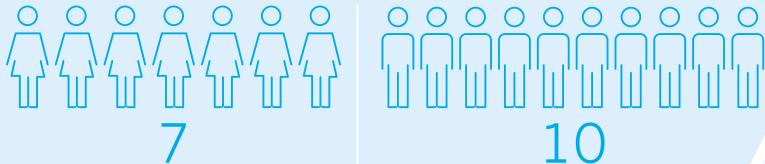


Achieved
28.57%



Target
25%

SA executive committee*



Lungisa Fuzile
Chief executive officer,
SBSA



Steven Barker
Head, client solutions
everyday banking, cash &
lending, SA



Simone Cooper
Head, business clients SA



Ayesha Hansa
Head, legal SA



David Hodnett
Chief risk and corporate affairs
officer, SBG



Nolwandle Mgoqi
Head, Insurance SA,
client solutions



Kabelo Makeke
Head, consumer & high
net worth clients, SA



Augustine Makhoni
Chief finance and value
management officer,
SBSA



Zaid Moola
Head, corporate &
investment banking SA



Myen Moodley
Head, people and culture,
SA



Khomotso Molabe
Head, Engineering SA



Simphiwe Nghona
Head, client solutions
vehicle & asset finance, SA



Thandi Ngwane
Head, investments, SA



Craig Polkinghorne
Head, commercial clients,
SA



Shimoné Pretorius
Chief compliance officer,
SBSA



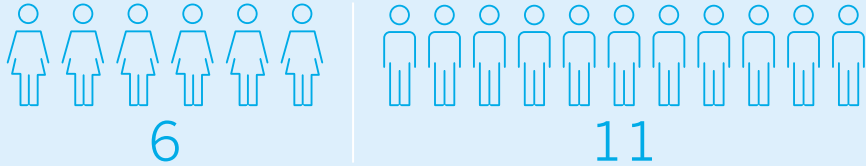
Thulani Sibeko
Chief brand and
marketing officer, SBG



Nelisa Zulu
Head, client solutions,
card and payments, SA

* As at 31 December 2021.

The SBG board



COMMITTEES:

Executive directors Non-executive directors



Sim Tshabalala
Chief executive officer, Standard Bank Group

Arno Daehnke
Group finance and value management officer, Standard Bank Group

Thulani Gcabashe
Chairman and independent non-executive director



Maureen Erasmus*
Independent non-executive director



Geraldine Fraser-Moleketi
Independent non-executive director



Trix Kennealy
Independent non-executive director



Nonkululeko Nyembezi
Independent non-executive director



Jacko Maree
Non-executive director



Nomgando Matyumza
Independent non-executive director



Kgomotso Moroka
Non-executive director



Xueqing Guan
Independent non-executive director



Martin Oduor-Otieno
Independent non-executive director



Paul Cook
Independent non-executive director



Atedo Peterside
Independent non-executive director



Myles Ruck
Independent non-executive director



John Vice
Independent non-executive director



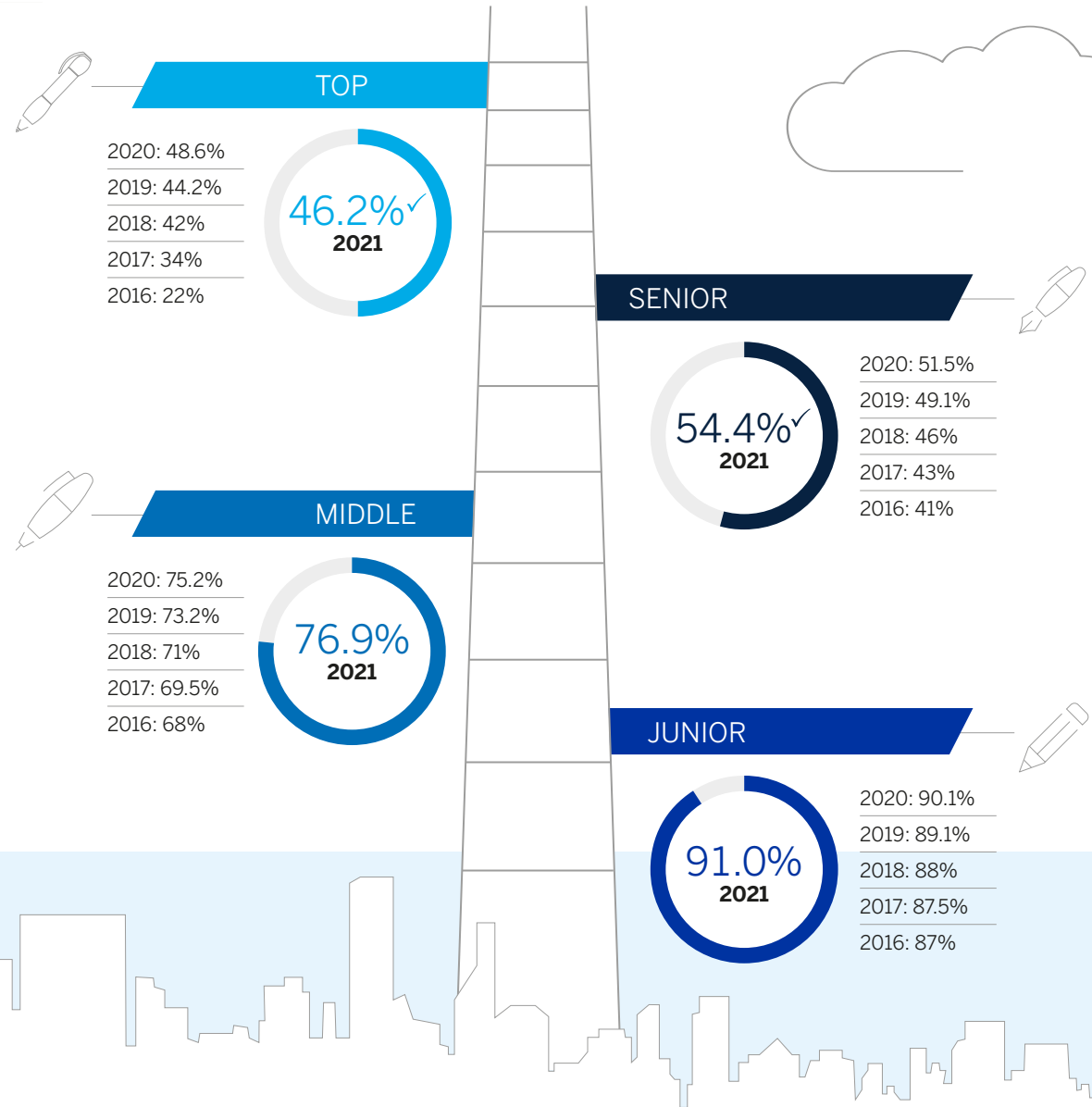
Li Li
Non-executive director

SBG Board as at 31 December 2021
* Resigned 16 February 2022.

MANAGEMENT (% OF BLACK EMPLOYEES IN MANAGEMENT)

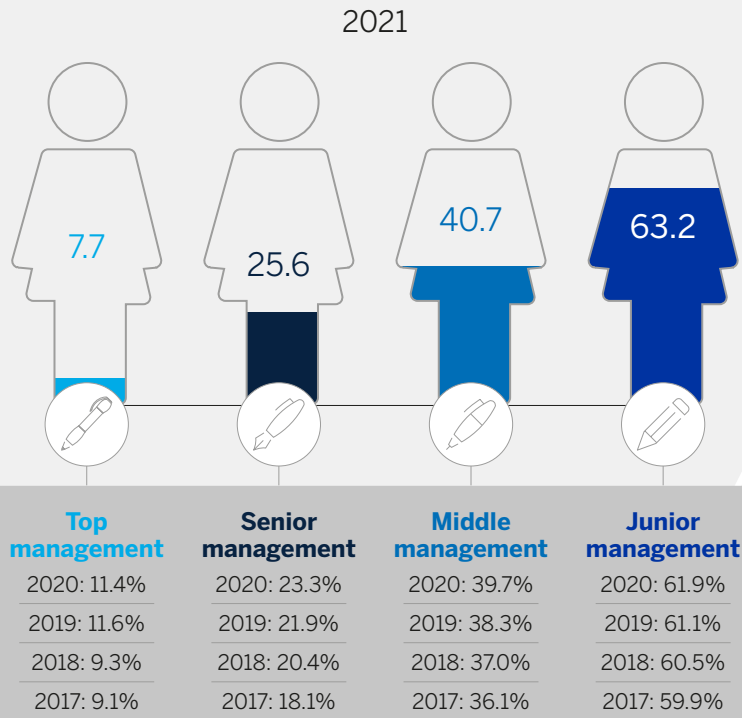
Employment equity

In line with our own employment equity (EE) targets, we improved the representation of black people (particularly black African people) and black women, at middle and senior management levels. We did not meet our target for the representation of African men in junior management. African men are significantly under-represented at this level, whilst African women are significantly over-represented. Representation of black people in the total South African workforce is 83.1%. We set ambitious EE targets for December 2021. Whilst we met some of these, low turnover constrained our capacity to reach all our targets. The representation of black people with disabilities has remained constant at 0.5%.



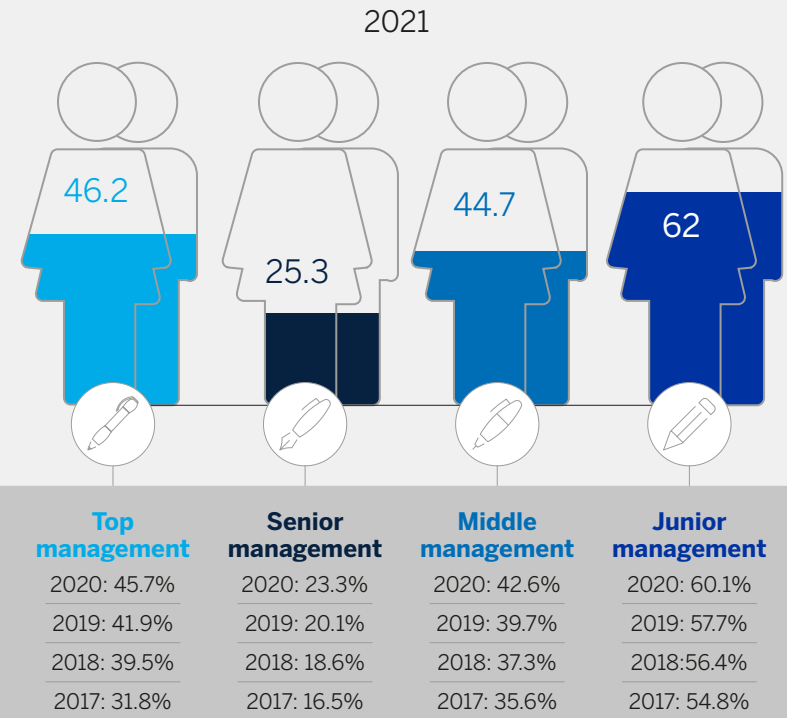
SBSA – black female employees per EE occupational level (%)

South African citizens (December 2021)



SBSA – African employees per EE occupational level (%)

South African citizens



We continue to take advantage of the full people value chain to support our employment equity efforts. This includes attraction, appointment, development, advancement and retention. Over the last three years we have seen positive trends in this regard. In 2021, we developed a new EE Plan for the period 2022 to 2024.

In setting 2024 targets, we have considered the targets that have been agreed between the Financial Sector and the Department of Employment and Labour, which will come into force once the amendments to the EE Act are promulgated.



Gender equity

10 970

Number of **men** in SBSA

2020: 11187
2019: 11 427
2018: 12 111
2017: 12 377



17 986

Number of **women** in SBSA

2020: 18394
2019: 18 675
2018: 20 051
2017: 20 499



SBSA Percentage of women in management positions

58.1%

Junior

2020: 57.5%
2019: 56.8%
2018: 55.1%
2017: 55.3%



46.7%

Middle

2020: 46.7%
2019: 46.1%
2018: 46.4%
2017: 46.2%



42.8%

Senior

2020: 41.5%
2019: 41.3%
2018: 40.4%
2017: 39.0%

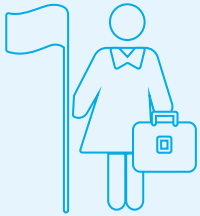


36.4%

Executive

2020: 36.3%
2019: 35.0%
2018: 34.5%
2017: 33.5%





We are committed to increasing the representation of women in executive positions* in SBSA from 35% in 2018 to 40% by 2024, and women on the board from 22% to 40% by 2025. We have exceeded the board target, and women now constitute 33.3% of board members. While we have improved the representation of women in executive positions to 36.4%, we have not reached the 40% target.

In 2021, we focused deliberately on the inclusion of men in the conversation and the gender equity endeavour, by continuing our Band of Brothers initiative in which 15 of our male colleagues

(from South Africa and Africa Regions) were upskilled to facilitate *Barbershop Conversations* with other groups of men in the bank. The volunteers went through a challenging and deeply personal journey which engaged them on the role of men in preventing gender-based violence, the role of men as fathers and similar topics.

We also conducted several webinars on gender-based violence, with a particular focus during the 16 Days of Activism against Gender Based Violence.



* These are Standard Bank Group levels linked to levels of job complexity and not EE/BEE management levels.

Skills development

Education is one of our seven SEE impact areas, including internal employee development and external efforts to improve access to education and to support skills development opportunities in the broader economy.

To support all our employees to reach their full potential and transform our workforce at all levels, we make significant investments in skills development. SBSA scored 16.00 out of 20 in 2020, and 17.10 in 2021 (including 1.52 bonus points) on the skills development element of the scorecard.

In 2021, we spent approximately 86% of our total skills development budget on the development of black employees across all levels of the organisation. Approximately 12% of the total budget was spent at black senior and executive management levels.

- Skills development spending on black executives and senior managers were below the FSC targets, as was the case with African spend at middle management level.
- We exceeded the FSC targets for skills development spending at middle, junior and general staff levels.
- Our training spend on unemployed black people was well below the FSC target. This is an annual occurrence as the target set in the scorecard, based on payroll, is well beyond the available budget.
- The number of black people on learnerships and internships significantly exceeded the FSC target.



SBSA invests in improved educational outcomes and skills development in multiple ways. In 2021 we:



Invested R622 million in **employee skills development.**



Provided 1 711 bursaries and scholarships to the value of **R50.6 million** to students.



17% of all employees attended management and leadership development programmes.



712 new enrolments in our **learnership and graduate programmes.**



We actively support our employees to ensure their skills remain relevant in a rapidly changing world of work. We have developed a future skills framework which has informed the development of our suite of learning programmes. Our partnership with Salesforce gives our employees access to the Trailhead online learning platform, which provides a wide variety of content and enables users to develop skills which are marketable within and outside the financial services industry. 22 018 employees enrolled as Trailblazers on Salesforce in 2021 of which 12 447 have attained the 100 badges and 50 000 points necessary to achieve Ranger status.

Training and development

Our integrated Youth Development and Employment strategy provides for bursaries, learnerships, internships and our flagship graduate programme. We are also part of the YES Campaign, initiated by government. Specific emphasis was placed on building a strong pipeline of new and emerging skills such as data science, behavioural economics and cloud computing, together with strong capability in core banking and financial services roles.

Training and Development	2021	2020	2019	2018	2017
SBSA graduate programmes: % of Black attendees	86%	87%	92%	91%	89%
SBSA graduate programmes: % of Black African attendees	70%	71%	77%	75%	40%
SBSA Learnership/graduate programmes: total	712	432	983	1009	924
% of learnership students absorbed into employment	54%	55%	47%	64%	83%
SBSA leadership training: total employees	5 244	4 246	2 708	4 920	3 543
SBSA leadership training: % of Black attendees	74.6% ✓	75%	71%	75%	68%
SBSA leadership training: % of Black Female attendees	45%	45%	43%	46%	35%



Graduate Programme

Our award-winning graduate programme saw 130 graduates join the bank in 2021 across 11 programmes. Recruitment reflects the bank's commitment to progressing transformation. 86% of the graduates who joined us are black and 61% female. Programmes offer individualised learning journeys, action learning projects, executive sponsorship and accelerated work experience, enabling the bank to build a strong succession pipeline for core, critical and scarce roles. We include a strong focus on future-fit skills including data science, actuarial science, behavioural economics and relationship banking.



Internships and learnerships for unemployed young people

Internships and learnership programmes for unemployed young people provide an opportunity for graduates and matriculants to enter the world of work while enabling the group to develop core and emerging skills. 582 young people participated in learnerships and internships in 2021, of whom 99% were black and 60% female. 508 young people completed their learnerships or internships, and 54% were offered further employment opportunities in the bank.



Bursaries

Our bursary beneficiaries have become a vital pool of candidates for our graduate, learnership and internship programmes. In 2021, 71 students were fully sponsored by Standard Bank. Our bursaries cover tuition, textbooks, accommodation, and stipends for the students, together with the costs of a laptops and data to ensure minimal disruption to our beneficiaries' studies despite periods of remote learning owing to the pandemic.



Employed Learnerships

We offer employees the opportunity to participate in employed learnership opportunities to build key skills: 1 323 employees registered for learnerships in 2021.



Youth Employment Scheme

We continued our participation in the government's Youth Employment Scheme in 2021, an initiative to address the challenge of youth unemployment.

Businesses create 12-month paid work experiences for youth aged between 18 and 35. **Our participation was guided by the following principles:**

Quality of work experience:

We are deliberate about finding opportunities which provide a combination of work experience and training to empower the youth with the right skills for their career paths.

Sustainable employment

We create opportunities that enhance young people's ability to attain further employment or self-employment after the 12-month period.

The pandemic had a significant impact on the start of projects. We provided 393 youth with employment opportunities across various programmes. We partnered with Desteia in the Free State to create employment for 63 young people within SMMEs.

"The World Economic Forum estimates that by 2030, Africa will be home to more than a quarter of the world's population under 25, who will make up 60% of the continent's total population." Currently for every 10 young people that enter the formal job market we are only able to create 3 to 3.5 formal job opportunities. As an organisation we are committed to being the source of support, education and assistance to the progression of Africa's young talent. It is in this spirit that we have been looking at supporting youth entrepreneurship opportunities, virtual internships and linking our unemployed youth to international opportunities over and above the traditional offerings in the bank. We hope through our efforts to draw attention to the limitless potential on our continent. We can truly drive Africa's growth because with us "It Can Be™".

Maymoona Ismail
Head, youth development



Empowerment financing and enterprise and supplier development

There is a need to grow the black business sector to promote job creation and enterprise growth. Standard Bank has well-established programmes to support empowerment financing and enterprise development. Our enterprise development team works closely with our procurement team to ensure we make the most of opportunities to incorporate small enterprises into our supply chain and help them grow into larger businesses.

In 2021, we scored 28.64 for the empowerment financing and enterprise development element.

Empowerment financing

We scored 9.6 for empowerment financing – targeted investments. This category includes targeted investment in transformational infrastructure, black agriculture and affordable housing.

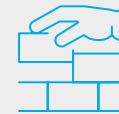
From 1 January 2018, we've made targeted investments of R12.7 billion, including but not limited to:



R6.5 million
in **transformational infrastructure**



R86.5 million
in **black agriculture**



R6.1 million
in **affordable housing**
(total value of registrations)



R12.7 billion
B-BBEE Transaction
financing and black
business growth funding



Transformational infrastructure

Improvements to energy, water, transport and telecommunications infrastructure facilitate economic growth and create opportunities for job creation and human development. Crucial public infrastructure, like schools and housing, helps people improve their standards of living and future prospects. Standard Bank works with governments, development finance institutions and other commercial banks to structure and provide appropriate financial solutions to address Africa's infrastructure gaps.

Black agriculture Training programme with the University of the Free State

Standard Bank's Agribusiness Transformation Programme's main objective is to develop black commercial farmers and black-owned agribusinesses to contribute to the transformation and economic viability of the agricultural sector in the Free State.

The programme was launched in 2019 with the objective of developing black commercial farmers and black-owned agribusinesses in the agricultural sector in the Free State. The programme has been running for three years. The third cohort started in March 2021 and finished in February 2022. The total number of farmers that have gone through the programme is 78 from all three cohorts. Due to more relaxed Covid regulations, the training sessions in 2021 were classroom based with on-farm practical training. The training sessions are intense with farmers given assignments and homework to complete. The last session of each cohort ends with business plan presentations by each farmer which they have worked on during the year. The composition of the farmers on the programme has also seen more participation by the youth and female farmers.

Grain SA Under our Wing

The **SA Under our Wing** programme by Grain SA aims to support potential commercial and smallholder farmers to gain access to production credit on their journey to becoming sustainable commercial farmers. A need was identified amongst these farmers to facilitate access to finance or credit to expand their grain production. Access to timely and adequate financing is critical to fast track their development to becoming sustainable commercial farmers. Currently, these farmers are not eligible for mainstream finance. Their need for a unique financing model led to the creation of the Under our Wing programme.

Jobs created under the Grain SA:



37
Permanent Jobs

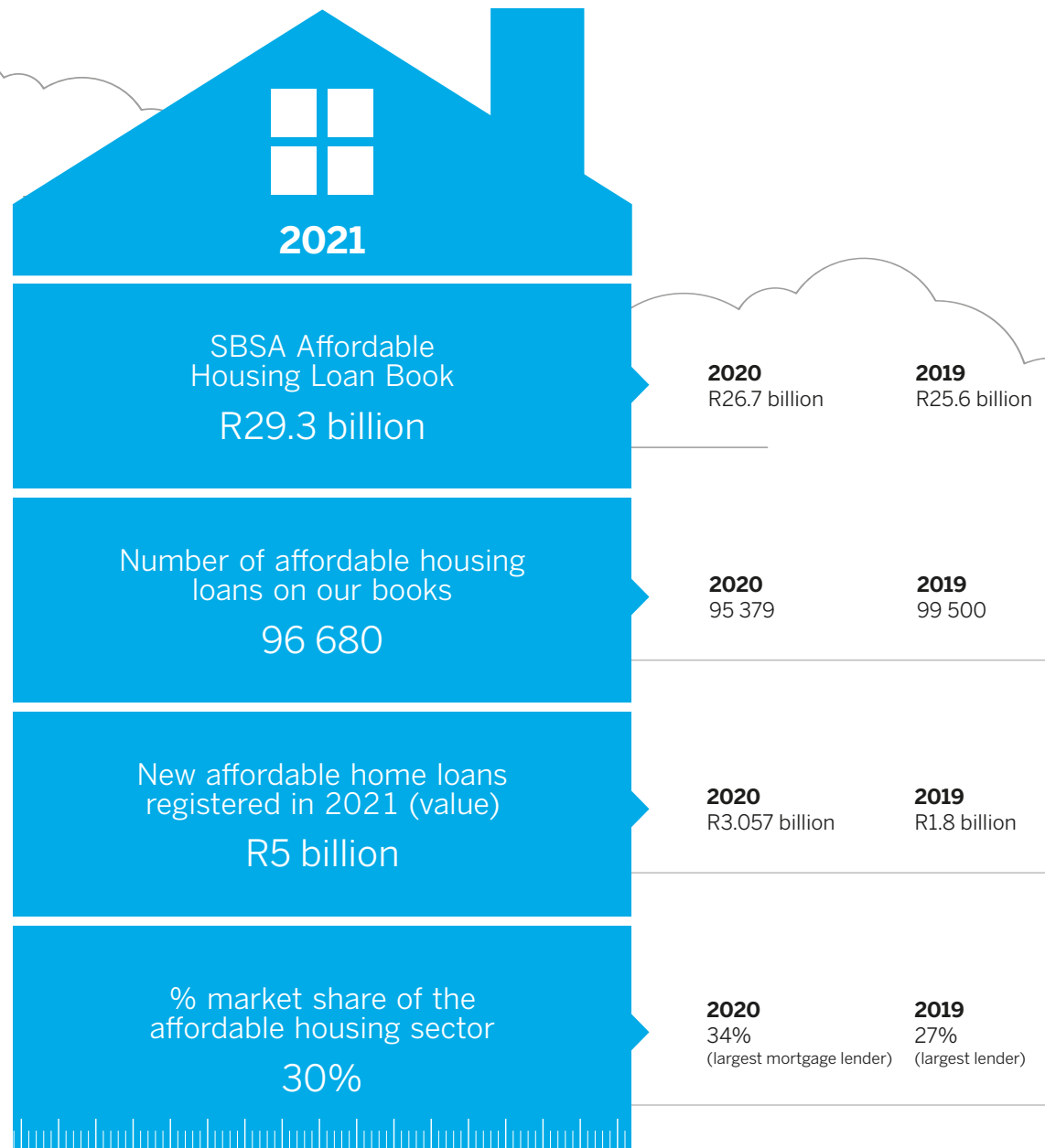


108
Seasonal Jobs

Grain SA Farmer Development	2019–2020	2020–2021
Number of farmers considered	19	23
Number of facilities approved	13	13
Number of facilities taken up	5	12
Amount approved	R5 142 345	R13 255 000
Amount taken up	R1 520 144	R13 102 643
Amount not repaid	R84 499	–
Probability of default	6%	–

Affordable housing

The FSC requires banks to provide affordable housing for consumers that earn a gross income between R3 500 and R26 100.





We work closely with the National Department of Human Settlements, National Housing Finance Corporation and the provincial housing departments to help our customers access the Finance Linked Individual Subsidy Programme (FLISP) offered by the government. The programme targets the 'gap market' – households earning more than R3 501 but less than R22 000. These families find it hard to qualify for housing finance, as their income is regarded as too low for traditional mortgage finance from banks, but too high to qualify for the government free basic housing subsidy

scheme. Qualifying households can access a FLISP subsidy, ranging between R27 960 and R121 626, depending on the applicant's monthly income. Standard Bank offers our affordable housing mortgage customers training to help manage their home ownership obligations. Training is provided by the external service providers and funded by the bank. While training is usually offered online or in-classroom, 1 000 clients participated in online training in 2020. In 2021 all training was held online and 1 285 clients participated.

Keeping people in their homes:

We actively engage with our customers to try to identify and support those requiring assistance. We also have multiple channels for customers to request assistance, including via the Standard Bank app, and via internet banking. We communicate with and encourage distressed customers to make use of rehabilitation options.

Distressed customers have the option of entering debt review. We work closely with these customers' nominated debt counsellors to reach a payment arrangement that is workable for the individual customer. We may offer various measures to assist the customer, including rate concessions, reduced instalments and term extensions. Where the customer has taken additional strain once entering debt review, an industry process has been established to try to assist the customer. This includes solving for short term distress in the form of payment holidays. If these options are not successful, we offer our customers assisted sales.



If neither debt review nor an assisted sale is successful, and the loan is in default, we enter into legal proceedings toward a sale in execution (SIE). This is always a last resort for the bank. The SIE process typically takes around 29 months.

Affordable housing customers accessing loan restructuring/payment holidays:

5 411✓

Customers who defaulted:

8.4% in 2021



Enterprise and supplier development

Enterprise development

We aim to make funding more accessible to small black-owned businesses. We scored 3 out of 3 on the scorecard for enterprise development. Our focus is on sustainable business growth. We spent **R140 million** on Enterprise Development initiatives in 2021, creating **1 357** jobs and benefitting **496** black-owned small and medium enterprises



Job preservation

Sebenza Mbokodo: Standard Bank's Enterprise Development team partnered with the Midvaal Local Municipality in Gauteng, to create the **Sebenza Mbokodo Women's Fund**. The fund provides funding for local women in the informal trading sector, to a maximum of R10 000 per business. The fund beneficiaries can also access business development support where needed. Standard Bank and Midvaal Municipality have each made R500 000 available to the Fund, allowing up to 100 women to benefit. 154 businesses have been funded and 260 jobs have been created. Out of 154 businesses, 90 have been registered as part of development.

Agribusiness: We are supporting small-scale black farmers in partnership with Timbali Technology Incubator. The initial targeted enterprises are in the flower and fresh produce market. Support includes loan financing and development support. We assisted 20 farmers in 2021, with loans of R2 million. 122 jobs were created.

Non-financial support (Advisory and Mentorship)

Through bespoke development interventions, the Enterprise Development team, with our business development service specialists, provide black-owned businesses with the necessary development support through various programmes. We start with identifying the gaps, and offer support to businesses where most needed, including accounting or financial management support, business skills, assistance with compliance and strategic mentorship. In 2021, we supported 268 businesses, of which 207 are women-owned. Where groups of businesses are identified, we offer specific, fit-for-purpose development programmes with clear outcomes and measured deliverables, ensuring that the businesses involved get the necessary support to enable sustainable growth.

- **Basali (women) Development Programme:** 12-month programme to provide business skills development support to 100 women-owned businesses. The programme was virtually launched in August 2021, with 74 women. By the end of 2021, 115 women-owned businesses had enrolled.
- Our partnership with the **National Mentorship Movement** provides a business mentorship platform to our small business customers. The platform also offers business content, toolkits and business templates. The first phase of the partnership involved a six-week pilot, during which 20 Standard Bank senior managers acted as mentors to 30 of our enterprise development customers.



Credit solutions

- **Public sector solution:** Our enterprise development team has established funding agreements with provincial governments in Mpumalanga, Limpopo and Northern Cape to enable small black-owned businesses with **government related purchase orders and/or small contracts** to access the finance needed to get these jobs done. In 2021, we disbursed R18 million to 125 small businesses, which would not have met traditional bank criteria for loan finance. As a result, 240 jobs were created.
- **Corporate Solution:** In partnership with Tusk and Builders Warehouse, we enable black-owned businesses with government and corporate related contracts in the construction sector, to access the finance and material needed to get these jobs done. We disbursed R79.3 million to 24 construction projects in 2021. 292 employment opportunities were created.

Supplier development

Our supplier development (SD) programme aims to increase the participation of black-owned SMEs within the bank's supply chain and in the broader South African economy, with the strong focus on technological transfer.

We continue to increase participation of black-owned SMEs in the bank's value chain, guided by our preferential procurement policy. We use preferential procurement to advance the economic inclusion of the historically disadvantaged businesses into our supply and value chain. We identify preferential procurement opportunities in every annual planning cycle, for appropriate black-owned small businesses. We also actively identify additional preferential procurement opportunities through our second-tier supplier relationships with strategic suppliers, including our tech partners.

We couple the provision of credit to our supplier development participants with business development support. This includes capacity building through our Business Development Support Partners (BDSPs), supporting our suppliers to build

the necessary business competencies, skills, and technology to operate at a commercially viable level. Our business development services include technical support, coaching and training for SMMEs in various operational areas within their businesses.

Covid-19 continues to present challenges to SMEs, requiring an agile response from all stakeholders. Tools of the trade and ways of doing business have changed and we in turn have adjusted the support we provide and the way we provide it, helping our suppliers to transform to meet current and emerging business conditions.

We continue to provide technical support, coaching and training for SMEs in various operational areas within their businesses. We scored 2.89 in 2020 and achieved the full 7 out of 7 points, and an additional 2 out of 4 bonus points in 2021 for supplier development.

The support provided for SD participants included:



236 suppliers who participated in the SD Programme, of which **206** received procurement opportunities amounting to approximately **R1.1 billion**. The apparent year-on-year reduction from 2020 to 2021 in the value of procurement opportunities awarded to beneficiaries was affected by low supplier participation due to the inability to continue trading as a result of the impact of Covid-19.



R1.49 billion on early payment terms, paid within **15 days** to qualifying SMMEs.



R674 million in set aside opportunities and initiatives reserved for qualifying SMMEs, an increase of **24%** from **2020**



89 of the suppliers in the SD programme had credit facilities (given at preferential rates) as part of the access to finance and funding pillar of the bank's SD strategy, to the value of **R153.8 million** (a **4.48%** increase from **2020**)



We have leveraged other activities and initiatives across the bank in order to enhance our support strategy, this includes payment holidays where relevant to support SMMEs on the SD programme.



Support for clients during difficult times

Our 343 000 active SME clients have had to contend not only with a second year of the pandemic, but also with social unrest, which created widespread disruption to supply chains and impacted businesses across the country. As Standard Bank, we supported our clients in the following ways:

- We reduced insurance premiums to all our SIL small business and agriculture customers by 30% for the period August to October, without impacting insurance cover, enabling client savings of over R2 million. We also supported customers affected by the unrest by managing SASRIA-related claims on their behalf. We have assisted over 100 clients in this way.
- We engaged with the SMEs in our supplier development programme to support their access to relief programmes made available by the bank and others. We implemented early payment terms for certain suppliers and instituted a loan repayment moratorium for up six months.
- We launched a crowdfunding initiative with Thundafund, which allowed four businesses impacted by the social unrest to create campaigns and receive contributions from members of the public. The campaigns ran for three months and raised R43 000 for the businesses, including a matched donation from Standard Bank.
- Our SME Business Recovery Fund provided support for businesses adversely affected by the July unrest, in the form of interest free loans to a limit of R150 000 per SMME. Almost R680 000 was disbursed to five SMEs helping to sustain 50 jobs.

The Standard Insurance Limited (SIL) team which provides a wide range of short-term insurance solutions, is committed to using locally based, black-owned enterprises to service customer claims. We onboarded several new qualifying black-owned service providers to service SIL claims. In 2020, as part of SIL's Supply Chain commitment to ensuring economic transformation, SIL prioritised B-BBEE levels and Black ownership as part of the main criteria when onboarding service providers. In cases where B-BBEE levels are below level 4, improvement plans are required, and execution monitored. This is in keeping with the bank's overall transformation strategy. This remains the same for 2021 and ongoing into 2022.

- SIL onboarded 129 new black-owned suppliers of which 32 were motor* service providers and 97 were non-motor* service providers.
- Online roadshows which allowed for interacting with service providers, including training sessions, were held with the non-motor service providers in the latter part of 2021. They were exposed to industry representatives who provided needed insight into regulations, including the installation of geysers.
- The sessions were well attended and much was learnt from the interaction with different contractors in the sessions.
- Regular sessions are held with industry associations, both motor and non-motor, to support the development of their black-owned member companies.
- SIL supports the only black-owned geyser manufacturer in South Africa through directing a significant portion of the geyser spend through the company.
- SIL is a signatory to the SAIA Interim Measures Agreement, which aims to increase participation of black-owned panel beaters.

SIL complied with the Competition Commission

requirements to provide minimum standards for the onboarding of motor body repairers, specifically focused on allowing BBBEE candidates into the application process.

Only 1% of current spend is allocated to non-compliant BBBEE suppliers.

This is due to the specific customer demands in outlying areas where qualifying candidates may not be available.

95% of our spending (amounting to R867.8 million) was on Level 1 – 4 service providers,

65% were black-owned businesses (R590 million), 42% of the 51% black-owned were black-women-owned businesses (R246 million).



* Refers to monies spent on repairing insured motor vehicles (motor space) and spend on repairing damage to buildings and/or the replacement of lost or damaged personal items insured on the policy (non-motor space).

Preferential procurement

To promote enterprise growth and job creation across the economy, South Africa's big businesses need to ensure that their value chains provide accessible opportunities for black-owned businesses.

SBSA supports job creation and economic transformation by providing opportunities in our supply chain to black-owned suppliers. We support local businesses to grow sustainably and create jobs. We enable preferential procurement through our SD programme.

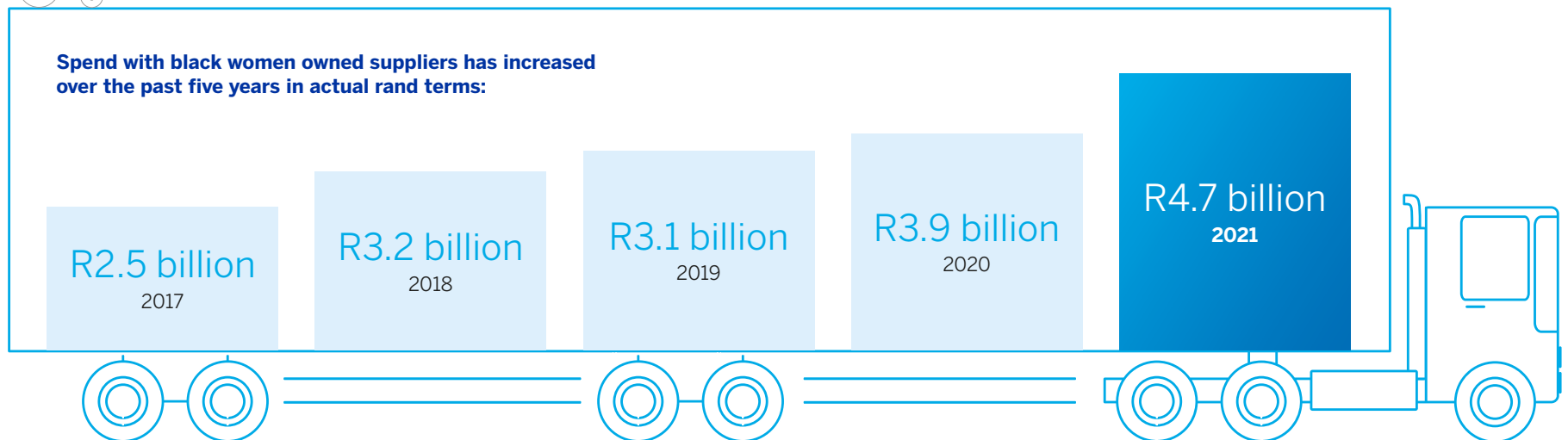
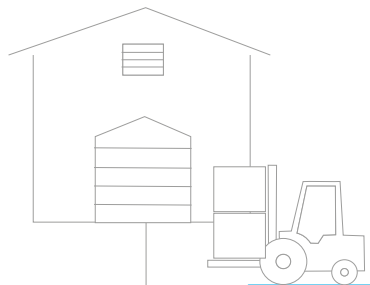
We scored 18.36 for preferential procurement. The bank procured services and goods from black-owned suppliers to the value of **R7.9 billion, 33%** of the total spend of **R24 billion**.

Since 2017, there has been a steady increase in spend with black-owned suppliers from R4.1 billion to R7.9 billion in 2021. Spend on black women-owned suppliers increased by 26% to R4.7 billion since 2020.

During 2020 and 2021, the South African economy was drastically impacted by the Covid-19 pandemic. Despite the difficult conditions, our procurement spend with QSE and EME suppliers grew by 18% from R3.7 billion in 2020 to R4.47 billion in 2021. Procurement spend with black-owned SMEs (QSEs and EMEs that are

more than 51% black-owned) was R2.9 billion, up by 23% from 2020. Total measured procurable spend increased by 24% in 2021 from 2020.

We procured goods and services from 1 228 black-owned SME suppliers (QSEs and EMEs that are more than 51% black-owned) in 2021, up by 31% compared to 2020.





"Our SEE value driver is at the heart of our supplier development and preferential procurement strategy and approach. This is further premised on our group's purpose statement that "Africa is our home; we drive her growth". We've adopted an enhanced robust strategy and approach that seeks to ensure that there is a sustainable development roadmap for all SMEs that partner with us across Africa, in terms of skills, capacity and capability building, ability to scale, technical support and

funding for growth and scaling up where applicable and required. We continue to focus on creating a platform for viable ecosystem development and growth for SMEs. We partner with global leaders of industries, contributing to accelerating innovation, and ensuring that sustainable local skills are developed and transferred to SMEs, so they can access the mainstream economy and compete at a global level."

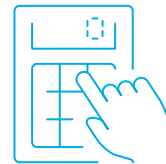
Kholofelo Shaai
Head, Supplier Development, SBSA



Black advocate representation and spending

As at December YTD 2021 the total spend allocation in respect of black-owned attorney firms marginally decreased from **74%** to **72%** year on year. However there has been a substantial increase when compared to FY 2018 (48%) and FY 2019 (65%).

83% of our advocate representation was by black advocates, who comprised **74%** of our spend on advocates. Representation includes physical representation of advocates in court and non-representation activities, including drafting, opinions and ad hoc requests.



CHNW Credit SA Collections

In the CHNW Credit SA Collections value chain, procurement from black-owned suppliers has increased from **44%** of total spend in **2017**, to **72%** in 2021.

We have commenced the six-year panel review plan, as agreed with the Competition Commission. The plan aligns with the group procurement policy and SBSA's transformation policy. Suppliers who approach the credit collections area for potential onboarding are loaded onto a database and shared with group procurement. This gives both existing suppliers and potential suppliers fair opportunity to participate in the selection process.

In 2021, **12** black-owned and **4** black women-owned suppliers were successfully onboarded.

Socioeconomic development and consumer education

Effective financial inclusion requires relevant products and services for diverse customer needs, and engagement and communication with customers to ensure they are well-informed about options available to them and able to make choices that best suit their requirements. We provide consumer education to help equip people to effectively manage their finances and to assist small business owners and entrepreneurs to manage their cashflows and grow their businesses.

More broadly, we support education and skills development through our corporate social investment (CSI) programme, and through the provision of financial products that enable students to access finance. We also provide CSI funding for arts and culture, and health-related programmes.

We scored 8 for socio economic development and consumer education. This element measures the annual value of the bank's qualifying socioeconomic development contributions as a percentage of net profit after

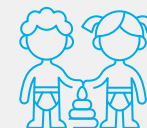
tax (NPAT), together with the annual value of all qualifying consumer education contributions as a percentage of NPAT of our retail business. The FSC requires that we spend 0.6% of NPAT on socioeconomic development, and 0.4% of retail (Personal and Business Banking) NPAT on consumer education. In 2021, SBSA's total spend on socioeconomic development of R122.7 million constituted 0.77% of 2020 NPAT and spend on consumer education was 0.42% of 2020 retail NPAT.



Education

We focus our socioeconomic development investment on education. We aim to contribute to social and economic transformation by supporting the development of future-fit children who will be able to thrive in a new world of work. We know that achieving this requires building a strong foundation right from the start. With this in mind, our focus is on early childhood development and foundation phase education. As in 2020, our CSI team worked closely with our partner organisations and relevant government departments, to ensure we were able to provide appropriate and relevant support, and enable our partners to achieve maximum impact, in the context of ongoing disruptions to schooling and face to face engagement owing to the pandemic.

In 2021, we invested CSI funding of R72.4 million in educational programmes.



This included:

Early childhood development

Our ongoing partnership with **Fundisani Thuto** improves access to quality learning and teaching in pre-schools. The programme also supports unqualified or under-qualified ECD practitioners to achieve competence on ETDP SETA accredited ECD training programmes. We invested R3.5 million in 2021.

Responding to school closures

We worked with our partner NGOs to improve access to learning resources. This included partnering with NGOs that provided additional support to cover learning gaps, especially for the matric class of 2021. The programmes focused on rural schools, providing curriculum catch up initiatives in a hybrid (digital and in classroom) format to reach a wide reach of learners.

Recognising the additional challenges faced by learners in rural areas, SBSA also made a further R500 000 donation toward Youth Start Foundation's and Primestar's **#Standingwiththeclassof2021** programme.

We support the Professional Development Programme at **Uplands Outreach**, which boosts teacher effectiveness by forming vibrant professional learning communities (PLCs) of Foundation Phase and Intermediate Phase teachers in Mpumalanga. As pandemic conditions continued, the programme also addressed mental health strategies and learning loss strategies for educators. We contributed R2.5 million in this programme in 2021.

Our CSI partner, **Edufundi**, promotes quality education in primary schools through teacher mentorship and support. In 2021, Edufundi was able to deliver most of their programme activities in-person while adapting to Covid protocols. As a result of this flexibility, they reached new highs in terms of mentoring and workshop delivery, even compared to pre-pandemic times. Edufundi also continued development and piloting of their online Learning Management System (LMS). They also continue to create and deliver Edufundi technique videos. In 2021, we invested R4.75 million in this programme.

Seriti Institute is a developmental agency that is passionate about community development and creating a social impact. Standard Bank partners with Seriti Institute to deliver an ECD programme called aRE Bapaleng (Sotho for Let's play). The programme supports the development of caregivers of children up to the age of six years. It is delivered through active learning workshops in marginalised communities. In 2021, we invested R5 million.

Covid-19 has created huge challenges for the NPO sector, and many smaller organisations face closure owing to lack of funds. SBSA supported the **Tekki Tax**, through the "Better Together" campaign, which aimed to assist NGOs to raise much needed funds. We contributed R1 million, benefitting 300 NPOs across the country.

Capacitating children for a rapidly changing world

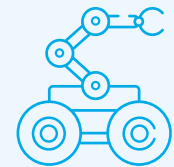
We invested R5.4 million in 2021 as part of the drive to improve on the creation of a future-fit public education system. We provide support to the National Education Collaboration Trust (NECT) **21st Century Sandbox Schools initiative**, which nurtures the skills on which future jobs will depend, such as adaptability, innovation, collaboration, digital literacy, critical thinking, communication and problem-solving

We also partner with:



North West University's Little African Scientist programme

is part of the teacher development programme of the Faculty of Education at North West University. The focus is on improving learner outcomes in maths and literacy and providing teachers with in-service professional development. We invested R1 million in 2021, benefitting ten schools in the Kenneth Kaunda district.



The University of Johannesburg Foundation Phase Robotics Programme

to which we contributed R3 million in 2021.



Access to student finance

Feenix crowd-funding

Standard Bank South Africa launched **Feenix** Trust, a PBO, in June 2017 to make tertiary education more accessible for economically disadvantaged students.

Feenix enables individuals and businesses to take meaningful action to improve access to tertiary education. Funders can donate directly to a student registered on the platform or to the Feenix pool fund. Funding in the pool is divided to ensure at least 75% goes toward black, coloured and Indian students; 50% goes toward female students and preference is given to students who are active and involved on the Feenix platform. Feenix also assists corporates and businesses in receiving recognition for BBBEE points in two categories: skills development and socioeconomic development (SED).

Partnership with the Discovery Foundation

In South Africa, the National Student Financial Aid Scheme provides assistance to poor students, where the parents' annual income is less than R350 000. However, students who fall outside this threshold struggle to access conventional bank loans because they cannot provide surety against the loan.

Standard Bank drives several initiatives to fund students from low-middle income households. One such initiative is the **Medical Student Loan Guarantee Fund**, which we have been managing on behalf of The Discovery Foundation since 2016. Discovery Foundation capitalised the fund with R20 million (through interest this has now grown to over R25 million). The fund provides surety against which Standard Bank can issue student loans to students who would not otherwise be able to access such loans. The fund runs in partnership with the University of Pretoria and University of the Witwatersrand medical schools, and loans are for medical students at these universities. Qualifying students can apply annually to receive loans of up to R120 000 per student, which is repaid upon completion of their studies. We run a similar initiative with the **University of Stellenbosch**. Standard Bank holds R2.5 million in collateral directly from the university.

We are also piloting another student loan (launched in 2021) that does not require students to have surety, for students studying science, technology, engineering and mathematics (STEM subjects) as well as commerce and medicine at several universities.



Impact since launch in 2017

Funding raised:
R112.5 million

Number of students who have successfully raised funding via the platform:
2 331 since 2017 and 587✓ in 2021

Students who have registered on the platform:
5 532

- 58% female, 42% male
- 90% black, 5.2% coloured, 2.8% white, 1.9% Indian, 0.1% Asian
- 30.7% commerce, 4.5% education, 13.6% engineering, 19.1% humanities, 8% medicine, 6.6% law, 19% science



Number of universities represented:
26

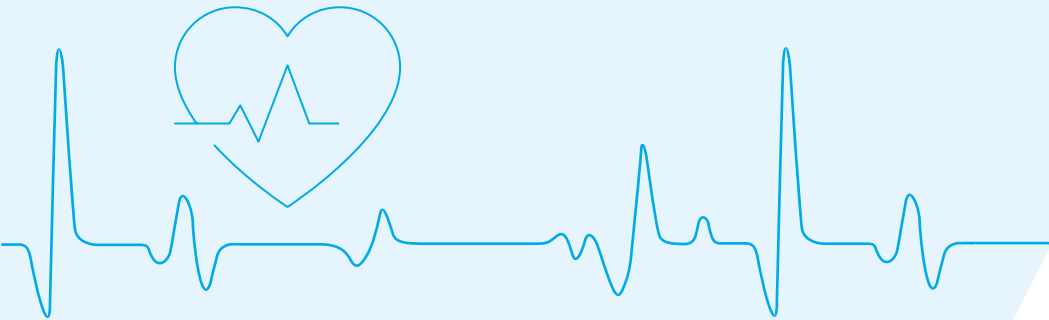
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Money disbursed in 2021:
R21 million
(over R75 million since inception)



2021

Provided over R24.4 million in loans to 237 students



Health

While SBSA's primary CSI focus is on education, we also support several health-related programmes, with a focus on improving access to vaccinations against Covid-19. In 2021, we partnered with the Dis-Chem Foundation to establish 32 vaccination sites across the country. The funding enabled medical personnel to be hired and for appropriate furniture, fittings, technological infrastructure, medical equipment, personal protective equipment and other consumables to be purchased. Bookings were managed through the government's Electronic Vaccination Data System. We also donated to the Pink Drive Foundation for mobile medical teams, employing previously unemployed nurses and drivers, and reaching over 37 000 people. In addition, we provided emergency humanitarian support through partnerships with organisations such as Gift of the Givers and OneFarm, in response to the social unrest experienced in Gauteng and KwaZulu Natal in July and natural disasters, including wildfires in Cape Town.

CSI South Africa funds spent on health programmes in 2021

Vaccination programmes

Organisation

Dis-Chem
R6 million

Pink Drive
R2 million

Disaster relief

Organisation

OneFarm Share
R26 million

Gift of the Givers
R19.5 million

Others
R11.4 million

UNICEF
R6 million

SABRI crowdfunding
SME support
R5 million

Total health and disaster spending **R75.9 million**

Employee volunteering

We encourage our employees to get involved in CSI volunteering programmes, with a focus on enabling meaningful, sustainable volunteer work in the communities in which we operate:



- Over 1 980 employees registered their profiles on the **Forgood** platform in 2021 with 850 employee connections being achieved through volunteering time, skills and monetary donations. Over R128 000 was donated through this platform.



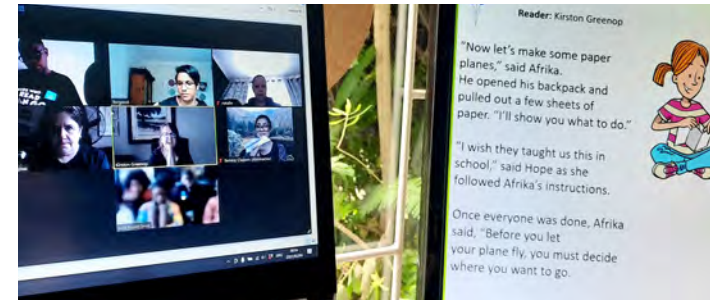
- During the KwaZulu-Natal/Gauteng unrest, **288 employees donated over R500 000 to three organisations** providing humanitarian assistance and food to affected communities.



- The **bank matched R1.9 million in donations by 748 employees** to various registered causes.



- Through our partnership with **Nal'ibali**, 32 employees signed up for **ReadAloud training** and 21 completed the training as part of celebrating World Read Aloud campaign. Employees were able to download the story in 11 languages. Over 30 employees pledged to read to approximately 98 children. The Literacy month in September storytelling campaign had 44 employees signing up for training and 41 people completing the training. The trained employees participated in the Forgood platform reading to preselected organisations.



"Since we initiated virtual volunteering in July 2020, we have seen positive growth in participation. I believe that much of the success and high adoption in volunteering numbers is due to the buy-in and championing by our executives. Employees are thrilled to be making a lasting social impact on the organisations. Virtual volunteering is making strides in influencing our value of active employee engagement, contributing to the culture of volunteering in the bank and providing volunteers with a sense of purpose. We are looking forward to seeing more employees volunteering their time and skills."

Pearl Phoolo

Senior manager, CSI Projects, SBSA

Arts and culture

SBSA supports a wide range of initiatives to nurture young talent and showcase the rich diversity of Africa's creative arts. Our commitment to investing in the arts represents a 40-year legacy and we are proud to provide ongoing support for a variety of projects which have become highlights on Africa's cultural calendar. In 2021 the pandemic continued to impact the arts industry. We found new ways to support our artists and help them connect with audiences. We invested over R10.7 million in arts projects and programmes and provided the Wits Art Museum with funding of R1 million in support of our ongoing co-ownership of the Standard Bank African Art Collection.



National Arts Festival

With lockdown restrictions having eased by the start of 2021, the NAF planned a hybrid festival experience for its 2021 edition. The planning included small Covid-compliant live shows in Makhanda and in festival hubs in cities across South Africa, as well as an online offering. However, just 10 days before the festival was due to start, South Africa entered a strict lockdown that did not allow live audiences. The entire festival moved online, with recorded and live-streamed performances. The change in format (which began in 2020) necessitated a huge investment in skills and a steep learning curve for managers, artistic directors and creatives. The NAF took on a collaborative role, supporting artists in their production of online content by providing access to recording studios, workshops and webinars. As with almost all South African festivals that moved to an online format, monetisation of content was a challenge, and the festival relied on public and private sponsors to continue. Standard Bank played a critical role.

- The NAF 2021 hosted 250 curated and fringe productions creating income opportunities for an estimated 1 500 artists and crew.
- At least four productions have since been selected by other festivals for digital or live presentation.
- The NAF site recorded 56 385 users who viewed 289 166 pages.
- 66% of visitors were South African, largely based in urban centers.
- The NAF 2021 generated R64.7 million in media coverage; R30.5 million in print broadcast and online media and R34.1 million in social media.
- Our Bank of Dreams campaign was able to reach over 15 million people. Over 1 700 messages of encouragement were generated and shared, unlocking over R230 000. Standard Bank's final message unlocked the total amount of R500 000, which was distributed amongst the artists who participated in the Fringe at the National Arts Festival

The Standard Bank Young Artist Awards campaign

We helped our young artists, half of whom were women and, all of whom were black, to reach an audience of over 27 million people.



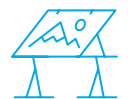
Standard Bank Jazz Festival, Makhanda

This is SA's oldest festival and where Standard Bank's support for jazz began. It contributes towards South Africa's jazz heritage, is a National platform, drawing from all around the country and offers some of the latest trends in the genre. It also incorporates the Standard Bank National Youth Jazz Festival (SBNYJF) one of the most significant jazz development programmes in SA where young musicians audition as part of the selection process to form one of two jazz bands. 77% of all musicians who participated in the festival were black and 14% female.



Gallery Schools outreach programme

In 2021 we wanted to find a way to continue our outreach programme, so we took the gallery to schools around Gauteng, reaching over 34 schools and over 1300 students. This programme also included a 'teach the teacher' component. Free wifi and education supplements were made available allowing the students and teachers to easily navigate the newly launched Standard Bank Virtual Reality Gallery platform. The beneficiaries of this programme were 100% black.



Consumer education

WalletWise

In South Africa, all financial institutions have a regulatory obligation to provide financial literacy training. Standard Bank's programme, WalletWise, aims to help people use financial services effectively and affordably by providing information about financial products and services and raising awareness of digital platforms and how to use them. The programme targets those with a household income of less than R15 000 per month, and includes content tailored for young people, small enterprises and people without formal bank accounts, with a focus on rural and non-metro areas. WalletWise raises awareness through edutainment, using print and digital media, social media, radio and television, community outreach, and in-branch training in selected communities. Content is provided in nine of South Africa's official languages.

Approximate size of audience reached in 2021:

63 million people
via **television** campaign

20.5 million
via **radio** campaigns

48 million
via **social media** (Facebook, Twitter, Instagram)

Unique visits to Wallet Wise **website**:
200 000

Information packs distributed:
190 000 financial education survival kits

WalletWise for business

WalletWise includes financial literacy and basic business skills training for startups and small businesses. We aim to educate and empower small businesses in low-income areas through online training and mentoring. We run two Consumer Education for Business programmes: the Start-up programme and the Business Growth programme.

Start-up programme

- 80 small businesses from previously disadvantaged communities in four provinces participated in 2021.



"The WalletWise sessions and webinars are a crucial part of us executing our promise of ensuring the financial inclusion of the unbanked and underbanked people in our society. As part of our corporate responsibility and transformation strategy, we believe that there is more that can be done to improve the effectiveness of our consumer education initiatives as our economy depends on it."

Thopi Mhloli

Owner, Client Solutions, Individuals, SBSA

Access to financial services

We are committed to improving access to and the affordability of financial services, including through digital products and services that are accessible even without a bank account. We partner with Fin Tech companies to provide safe and secure digital solutions.

Our digital wallets and apps enable our customers to transact efficiently, safely and conveniently, while Business Online provides convenient digital banking for small businesses.

Our offering is aligned with the banking behaviour of the majority of South Africans, who increasingly choose digital channels over face-to-face options

to conduct their financial transactions. 99% of transactions by SBSA customers are conducted digitally. However, SBSA scored only 14.28% against a target of 35% for electronic access for people earning up to R7 398 per month, owing to the specific parameters against which the indicator is assessed.

The pillar assesses the reach of our services, including:



Product access,
where we exceed
target

3.24 million
active accounts
against a target
of 2.64 million
accounts



**Transaction
points** against
which we **met the
FSC target**

Scored 82.61%
against 85%
target



**Sales points and
service access,**
where we exceed
the targets

Scored 180.55%
against 75%
target



**Banking
densification***

99.11%
(measured across
the industry)

* Availability of cash withdrawal facilities per number of qualifying customers based on population density in the agreed measured area.

We scored 10.17 out of 12 for this
element of the scorecard.



Digital solutions to improve access and affordability

MyMoBiz and BizConnect

MyMoBiz provides simple, affordable, pay-as-you-transact banking for small businesses from **R5** a month. It enables small businesses to receive payments from their customers, pay their suppliers and staff, and keep track of their business finances in a simple and affordable way. It includes an optional PocketBiz point-of-sale device at a reduced fee. **52 940** clients have opened a MyMoBiz account, with **91%** of clients registered for Internet banking. Many of these clients are new to Standard Bank. We also offer MyMoBiz account holders a free MarketLink savings account to enable them to save toward their business goals. **12 000** SME clients used these free MarketLink accounts in 2021.

The **BizConnect** site offers a wide range of guides, resources, templates and information to equip and empower business owners to start, manage and grow their businesses.

In 2021, **BizConnect** received **413 630** visits, **630 777** page views and **3 271** templates were downloaded, a third of which were business plan templates.



For more information please visit our [Report to society](#)

Accessible and affordable mobile solutions

We are committed to improving access to and the affordability of financial services to unbanked and underbanked individuals. We do this through digital products and services that are accessible without a bank account or a smart phone.

Instant Money

Standard Bank's Instant Money transfer service enables customers to send cash to anyone in South Africa with a cellphone number. Beneficiaries can redeem money transfers at over **50 000** locations at major retailers and selected spaza shops around the country, or at any of the bank's ATMs. Average charges are between **R8** and **R12.50** per transaction, with no fee to the beneficiary.



Total value of send transactions processed per annum: Over **R21 billion** in 2020 and **R26 billion** in 2021

Number of Access points: **15 000** in 2020 and **50 000** in 2021. Customer base is growing at 16% year-on-year. Average number of monthly users: **20 000**



MyMo

MyMo is a **low-cost transactional account** which can be opened online. It was launched in 2019.

659 000 clients with a total client balance of **R1.3 billion** at the end of 2020 grew to **1.6 million clients** with a total client balance of **R3.8 billion** by the end of 2021.



**Standard
Bank**

Where to find more information

For more information about the ways in which Standard Bank is impacting on the economies and societies in which we operate, please visit our Report to Society. For detailed information on our material issues, and our performance against our six value drivers, please refer to the Standard Bank Group's Annual Integrated Report and our ESG report.

[standardbank.com](https://www.standardbank.com)