



The Standard Bank of South Africa

TRANSFORMATION REPORT 2020

Standard Bank **IT CAN BE™**

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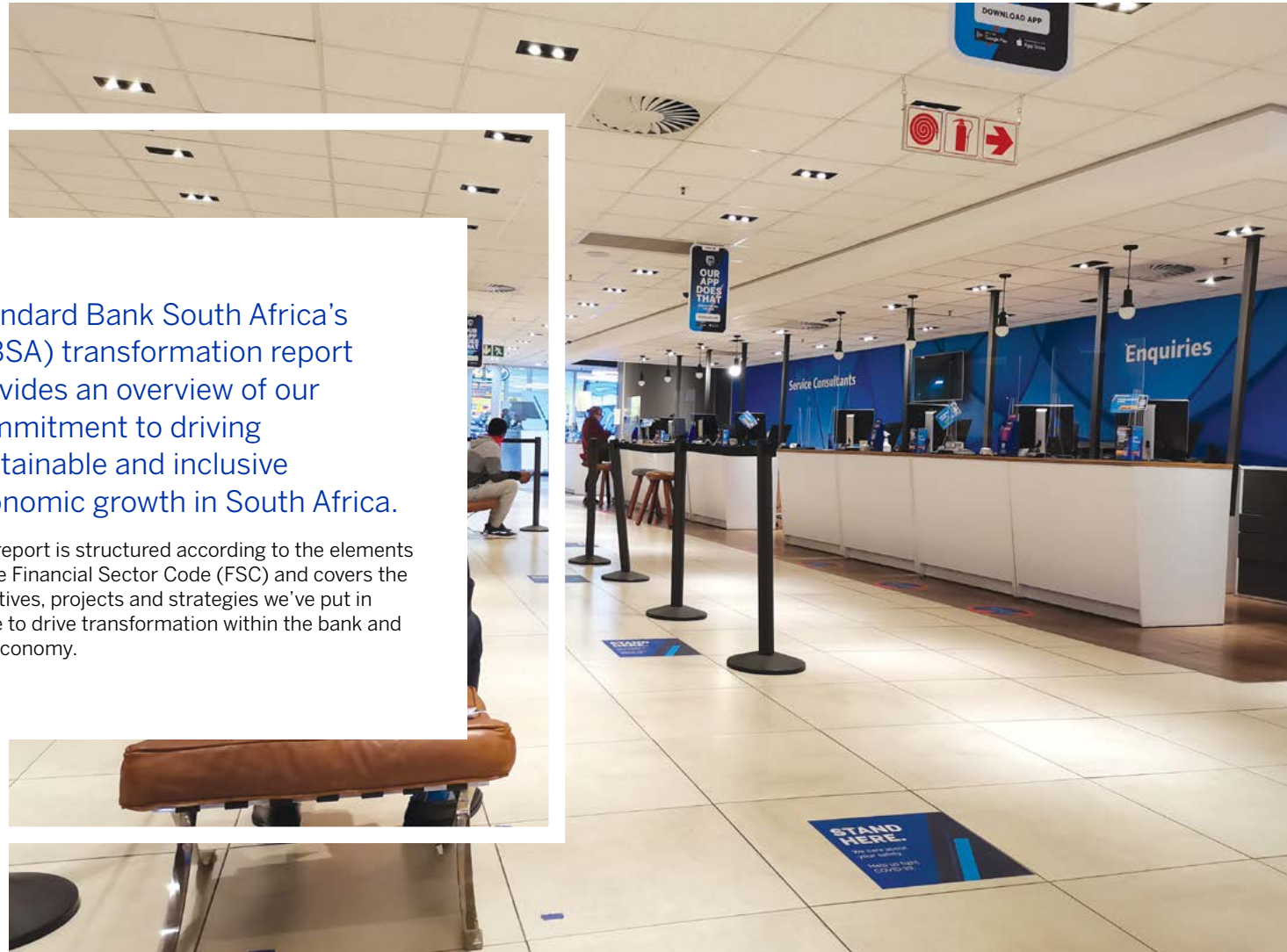
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The purpose of this report

Standard Bank South Africa's (SBSA) transformation report provides an overview of our commitment to driving sustainable and inclusive economic growth 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, Standard Bank South Africa Chief Executive Officer

The Covid-19 pandemic shone the spotlight on the inequalities in society. These disparities are evident across various 'lines' including racial and income. The World Economic Forum highlights five main areas in which the pandemic highlighted inequality¹: health access and outcomes, the digital divide, jobs in a virtual world, accessibility and disability and access to green spaces.



South Africa has been battling with a number of these for a while, and Covid-19 further exposed these fault lines, highlighting the urgent need to address these inequalities. The effects of this pandemic on the socioeconomic fabric of South Africa are likely to persist for some time to come.

We, as Standard Bank, have always been intentional about 'driving Africa's growth'. We reflect our commitment to improving societies in the Social, Economic and Environmental (SEE) value driver which is a component of our strategy and one of the important measures of our success. A key component of this is transformation. The pandemic challenged us to consider how we tailor our support to communities so that it is responsive to the socioeconomic needs occasioned by the outbreak of Covid-19. Nobody knew how long the crisis would continue for or how severe it would be, and our approach evolved as the crisis did. Our efforts were focused on three components of our SEE strategy, namely: health, education and jobs and enterprises.

Some examples of how we contributed to these areas include:

- We supported our existing early childhood development (ECD) partners to adapt their support to lockdown circumstances, especially ensuring the entire ECD ecosystem is functioning and educational materials and child nutritional support is available.
- We participated in disbursing the funds which were made available to small businesses through the SA Future Trust. Standard Bank supported over 3 500 of our small businesses with wage support for their employees during lockdown, supporting over 22 000 individuals in the country.
- We participated in the Covid-19 Loan Guarantee Scheme which provided funding to small businesses and disbursed over R17 billion, together with other banks.
- We adjusted our learnership and internship programmes (99.5% of the participants are black) to enable the participants to gain the full value of the work experience. For example, we extended the duration and enabled the participants to gain their work experience through digital means.
- We launched a Targeted Enterprise Development Fund in April 2020 to support small and medium enterprise (SME) job preservation. The fund, available across eight provinces, disbursed loans to the value of R1.3 million, at 0% interest and 0% initiation fee, to qualifying SMEs, with an average loan size of R30 000.
- We facilitated payments of SASSA grants, reducing ATM fees, supporting the payment of special Covid-19 grants through the ITS Instant Money solution, and reducing cash and acquiring fees.

In 2020, we approved our inaugural Transformation Policy which provides a framework for our activities related to transformation. The group established a metrics framework which includes metrics relating to impact measurement of some transformation related activity. These metrics will enable a more methodical and consistent approach to measuring and reporting impact.

Whilst we managed to retain our Level 1 BEE rating, the Covid-19 pandemic put pressure on our ability to improve or maintain scores on the various elements, and the plans we set out to achieve at the beginning of 2020; the decline in economic activity impacted our business significantly. Despite these challenges, we remained committed about making a positive contribution to inclusive growth.

We have all lost someone to the scourge of Covid-19 – family, friends, a friend of a friend and what were once statistics are now lives of those we know. I would like to pay tribute to the lives which have been lost as a result of the Covid-19 pandemic. There is an isiXhosa saying which goes 'ithemba liyaphilisa', meaning 'hope causes one to live'. As we traverse through the Covid-19 pandemic, the need for hope is pertinent and real; it is the antidote to the negative shadow which the pandemic has cast over the world.

I encourage us all to continue the fight against this pandemic by playing your individual role to keep yourself and other people safe; collectively we can overcome.

**At Standard Bank we say,
'It Can Be'.**

Regards, Lungisa



Standard Bank's contribution in South Africa

The transformation of South Africa's economy is a multi-faceted and long-term undertaking. We are committed to playing our role in supporting this transformation.

We recognise that broad-based black economic empowerment (BBBEE) is a moral, legal and commercial imperative, crucial to securing a more sustainable growth path for South Africa, and central to our legitimacy and social licence to operate in South Africa.



Social and economic transformation is a **moral requirement**:

South Africa needs an economy in which every South African, regardless of their race or gender or the situation into which they were born, can access the basic necessities of life and dignity, and an economy in which success and prosperity are the result of hard work and talent.



Social and economic transformation is a **commercial necessity**:

As a financial services company, it is our core business to support economic growth, enterprise development and job creation. We exist to help people to save and build wealth; to keep depositors' money safe and ensure that it is available to them when they need it; to lend depositors' funds responsibly and finance productive economic activity; and to partner with the first-time home buyer and the young entrepreneur. This is the basis of our profitability and sustainability as a bank.

The role of a bank in growing the economy

Where does the money we make in South Africa actually go?

Financial results for year ended 31 December 2020

Total income
R66.5 billion

Impairments – loss provision
R17.1 billion

Remaining income
R49.4 billion

Salaries
R22.1 billion
to 32 805 employees

Suppliers and operational charges
R20.1 billion
to ~9 300 businesses

Taxation
R0.4 billion
one of South Africa's largest taxpayers

Dividends
R5.2 billion
to ~60 000 shareholders

Reinvested
R1.6 billion
for growth in South Africa

Standard Bank's BEE scorecard 2020

The financial sector has a crucial role in enabling economic transformation given its position within the economy. It was the understanding of this role that led to the negotiation of the Financial Sector Summit Agreement in Nedlac in 2002, and the introduction of the Financial Sector Charter in January 2004. Standard Bank played a leading role in these processes and embraced the objectives of the charter with the implementation of a range of new products and services, especially in affordable housing, empowerment finance and inclusive banking. In 2012, the Financial Sector Charter became the Financial Sector Code, fully aligned to the requirements of the Broad-Based Black Economic Empowerment Act.

STANDARD BANK'S BEE SCORECARD 2020

Scorecard element	Element weighting (+ bonus points)	SBSA score 2020	SBSA score 2019	SBSA score 2018	SBSA score 2017
Ownership	23 + 5	26.00	25.79	23.81	23.78
Management control	20	15.80	16.18	14.88	12.77
Skills development	20 + 3	16.00	16.69	17.62	18.31
Preferential procurement	15 + 4	18.56	18.97	18.83	17.49
Socioeconomic development and consumer education	5 + 3	4.95	6.09	7.11	5.18
Empowerment financing and enterprise and supplier development	25 + 4	22.42	23.65	20.88	24.51
Access to financial services	12	9.55	9.95	11.42	11.64
Total points	120 + 19	113.28	117.33	114.55	113.68

We maintained a Level 1 rating since 2017. Regrettably our score decreased from 117.33 in 2019 to 113.28 in 2020. This drop was due to not receiving bonus points on projects disrupted by Covid-19 as well as the reconstitution of the Group Executive Committee (Exco) to the Group Leadership Council.

LEVEL 1 BEE STATUS IN 2020

Element	Element weighting
Broad-based BEE status	Level 1
BEE procurement recognition percentage	135%
Black ownership percentage	25.51%
Black women ownership percentage	10.54%
51% black-designated group	No
Empowering supplier	Yes

'It is in difficult times like these (Covid-19 pandemic) that our resolve to be transformative in the way that we do business gets more pronounced. The real impact of our efforts to contribute towards an inclusive economy lies in how we set ourselves up to continue to be relevant to our current and future clients – it is about having a transformative mindset.'

– Moses Mochine, Head Transformation and BBBEE

Standard Bank's SEE Impacts

Standard Bank is committed to driving sustainable and inclusive economic growth, as reflected in our purpose – Africa is our home, we drive her growth.

As Africa's largest banking group by assets, we recognise the impact of our business activities on the societies, economies and environments in which we operate. We have embedded social, economic and environmental (SEE) considerations into our corporate strategy and day-to-day decisions and have identified seven core business areas in which we believe we can make a SEE impact. 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**. 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).

Our value creation

The execution of our strategy aims to deliver inclusive and sustainable growth, which creates value all of our stakeholders.







Our value creation continued

SBSA has made a specific commitment to **socioeconomic transformation** which aligns with several SDGs and our group SEE value driver. We therefore continuously work to identify opportunities to accelerate transformation, leveraging our skills, expertise and access to various stakeholders in the economy 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

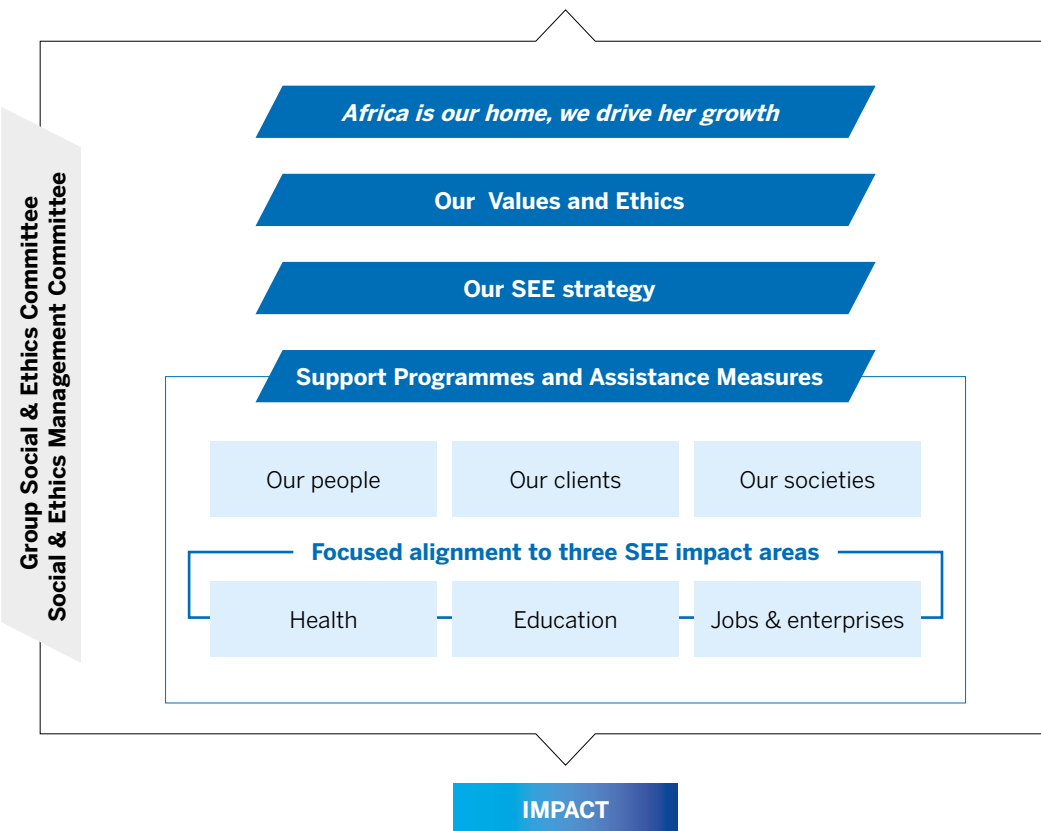
 Financial inclusion	<p>We enable more people to access financial products and services, supporting economic development and reducing inequality.</p>	<ul style="list-style-type: none"> • Ownership • Management control including employment equity • Socioeconomic development • Consumer education
 Job creation and enterprise growth	<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 SMEs develop and grow their businesses.</p>	<ul style="list-style-type: none"> • Ownership (SMEs) • Empowerment financing • Preferential procurement • Supplier development • Enterprise development
 Education	<p>We support access to inclusive, quality education and the promotion of lifelong learning opportunities, and help Africa harness the opportunities of the fourth industrial revolution.</p>	<ul style="list-style-type: none"> • Skills development • Ownership (Tutuwa Community Foundation)
 Health	<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 corporate social investment (CSI) programmes.</p>	<ul style="list-style-type: none"> • Socioeconomic development

SUSTAINABLE
DEVELOPMENT
GOALS



Our response to the Covid-19 pandemic

The framework for our response to Covid-19 as a responsible corporate citizen



Our people

From the onset of the pandemic, we took steps to prioritise the safety and wellbeing of our people while being mindful of our responsibilities to our clients and customers.

Under the business resilience framework, we leveraged the group executive team to act as the Crisis Management Team (CMT) supported by the Covid-19 Steerco.

We relied on expert guidance from the WHO, the South African Department of Health and the National Institution of Communicable Diseases (NICD).

Our efforts included a strong focus on employee wellbeing, and the provision of tools and information to assist our employees to manage the stress associated with these uncertain times.

We introduced special leave and benefit provisions (including parental leave for school closures and leave for self-quarantine purposes), arranged special transport for essential services employees during the hard phases of lockdown, provided extensive personal protective equipment and granted a special National Service Appreciation Award for all employees who worked outside the safety of their homes to ensure continued essential services.

Click here for more information on our we are keeping our employees safe during the pandemic [Standard Bank Group's Report to Society](#)

Our clients

Branches and ATMs continued to operate, with social distancing and hygiene protocols in place.

We provided client relief to personal and SME clients and assisted corporate clients with Covid-19-related risk exposure with restructurings.

We used our customer channels to share public health information.

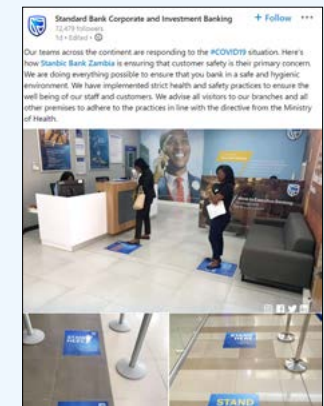
We supported clients to access relevant credit insurance benefits, including retrenchment and loss of income claims, and provided service providers in our insurance supply chain with support.

We provided premium deferments or reductions on certain insurance products for qualifying clients, together with relief for student-loan customers.

We helped importers and exporters navigate the challenges created by the pandemic with our trade finance solutions.

R235 million assigned to Standard Bank by the SA Future Trust (SAFT) was allocated to employees of qualifying SMEs within six weeks of administering the fund. The bank supported more than 3 500 small businesses and 22 000 employees with SAFT loans.

Standard Bank South Africa signed a **Covid-19 Relief Loan** with the IFC in June 2020, for USD185 million. We used the proceeds of this 3-year loan facility to provide immediate relief and ongoing support for eligible SMEs and corporates in South Africa, assisting them with the purchase and production of goods and services needed to cope with the crisis, and measures to stimulate long-term investments in affected industries. The transaction enabled us to increase the availability of finance for sectors heavily impacted by the Covid-19 crisis, including the healthcare industry, and in turn helped the private sector contribute to economic recovery.



COVID-19 Update



As part of Standard Bank's digital enablement efforts to facilitate social distancing, digital working platforms have become essential and their usage continues to grow. Find out more about the various tools and resources available to keep you informed and stay productive while you work remotely, as well as the latest updates on COVID-19. [Read more](#)

For more information please visit our **Voices of Resilience**

Our societies

Health

Our initial CSI response was focused on 'flattening the curve', ramping-up testing capacity, provision of personal protective equipment (PPE) and other medical equipment. We provided funding to NGOs and government agencies to support their work to provide humanitarian support, access to food and medical care, PPE, medical equipment and sanitisers, and public health information to vulnerable communities. We also set-up a coordination mechanism.



Education

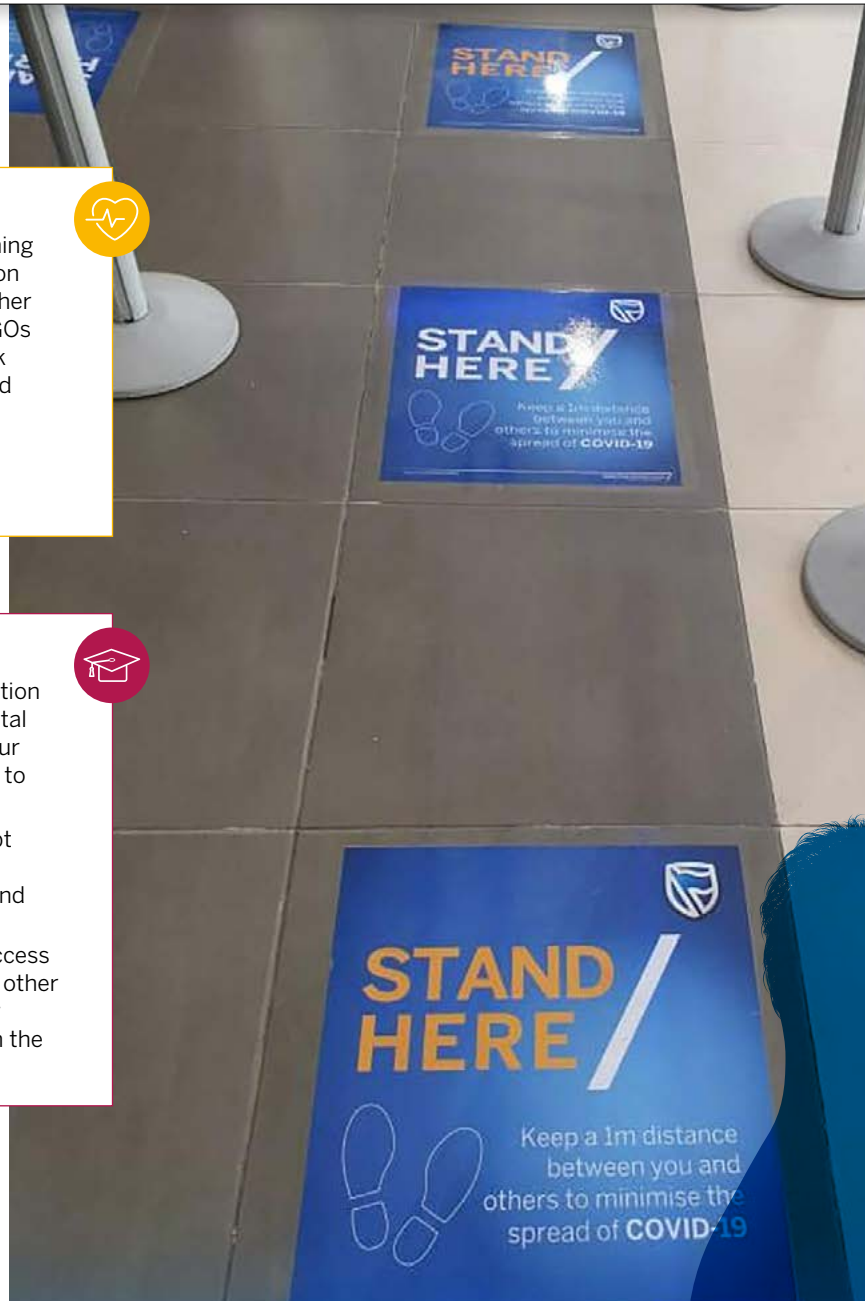
Lockdowns have negatively impacted on education as many households do not have access to digital learning channels. There is also an impact on our own bursary scholars and students. In addition to the existing CSI Education programme we:

- Supported our existing ECD partners to adapt their support to lockdown circumstances, including funding for educational materials and child nutritional support.
- Worked with our partner NGOs to improve access to learning resources, including working with other banks to collate online learning resources for school children, focusing on matrics, through the Banking Association South Africa.



Jobs & enterprises

We worked with our clients to help them manage uncertainty and protect jobs, through initiatives such as payment holidays, waiving of electronic transaction fees; short-term moratoriums on principle and interest payments for specific schemes; loan restructuring and reduced banking fees. We were the largest lender under the Covid-19 Loan Guarantee Scheme. We assisted clients in fields such as logistics and equipment manufacturing to register with the Business for South Africa supplier portal.



Ownership

For South Africa to become fairer, more equitable and sustainably diverse, more South Africans need to have a stake in the economy, including through direct shareholding in the country's corporations. This is supported by financial inclusion and economic empowerment. SBSA scored 26 out of 28 points (including three bonus points) against the ownership element of the revised Financial Sector Code (FSC) scorecard. This is an improvement on our 2019 score of 25.79.

The ownership of Standard Bank shares is distributed among global and institutional entities. Our shares are publicly traded on the Johannesburg Stock Exchange. 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.

Standard Bank Group is 52% owned by South Africans and 48% by international investors, with China (20%), the USA (13%) and Namibia (1.5%) comprising the top three. Industrial and Commercial Bank of China Limited (ICBC), the world's largest bank by assets, is a 20% 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% of shares.

The Standard Bank Group (SBG) is the largest African banking group by assets, with a market capitalisation of approximately **R208 billion (USD14 billion)** at 31 December 2020, offering a range of banking and related financial services across sub-Saharan Africa. We have a 158-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.



We exceeded the FSC targets in terms of **voting rights of black people and of black women.**



We scored the full available bonus points for **direct/indirect ownership in excess of 15%.**



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



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

TEN MAJOR SHAREHOLDERS²

Indicator description	2020 number of shares (million)	% holding	2019 number of shares (million)	% holding
Industrial and Commercial Bank of China	325.0	20.1	325.0	20.1
Government Employees Pension Fund (PIC)	229.5	14.2	215.0	13.3
Alexander Forbes Investments	34.2	2.1	24.3	1.5
Allan Gray Balanced Fund	30.2	1.9	26.2	1.6
Old Mutual Life Assurance Company	29.5	1.8	20.6	1.3
Vanguard Total International Stock Index Fund	19.1	1.2	21.4	1.3
Abu Dhabi Investment Authority (AE)	19.1	1.2	13.2	0.8
GIC Asset Management	17.9	1.1	31.3	1.9
Government of Norway	16.9	1.0	14.4	0.9
Government Institutions Pensions Fund	16.6	1.0	12.2	0.8
	738.0	45.6	703.6	43.5

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

Indicator description	2020 number of shares (million)	% holding	2019 number of shares (million)	% holding
South Africa	833.7	51.5	769.9	47.5
Foreign shareholders	786.2	48.5	849.8	52.5
China	329.8	20.4	327.0	20.2
United States of America	207.7	12.8	232.8	14.4
Namibia	24.2	1.5	19.4	1.2
United Kingdom	23.5	1.5	24.7	1.5
Singapore	21.5	1.3	34.9	2.2
United Arab Emirates	19.9	1.2	19.9	1.2
Norway	17.2	1.1	15.7	1.0
Ireland	14.1	0.9	13.8	0.9
Netherlands	14.0	0.9	15.3	0.9
Luxembourg	13.4	0.8	15.3	0.9
Japan	12.7	0.8	14.9	0.9
Hong Kong	9.9	0.6	12.5	0.8
Switzerland	9.1	0.6	8.1	0.5
Saudi Arabia	5.7	0.4	7.7	0.5
Other	63.5	3.7	87.8	5.4
	1619.9	100.0	1 619.7	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.

'Every initiative towards assisting the growth of small business has far reaching implication in our communities as attested by a research conducted on beneficiaries of the legacy Tutuwa Community Trust. The research was to assess the impact of the empowerment scheme on SMEs, which revealed that the funds provided the necessary ingredient for the survival and sustainability of the businesses, by enabling expansion of their business and creating jobs in their communities.' – Lois Lampthey, on the findings of her MBA dissertation *The Impact of Empowerment Schemes on Small and Medium-sized Enterprises (SMEs) in South Africa: The Case of The Tutuwa Community Trust*

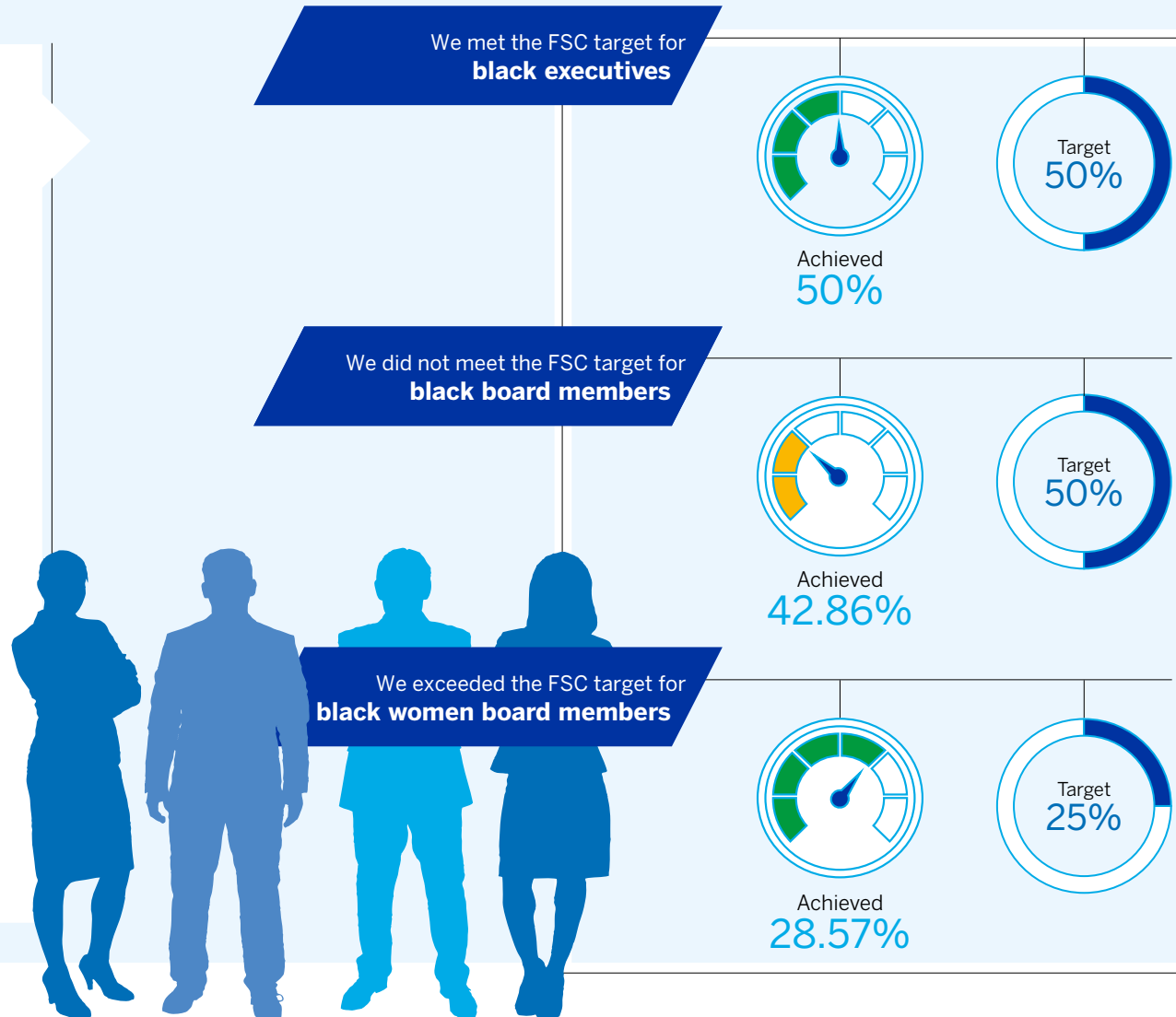
Communities have also benefitted directly from the scheme, particularly since 2016, through the Standard Bank Tutuwa Community Foundation. This non-profit foundation aims to ensure that we help our young people achieve their full potential, by supporting education and skills development and the transition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

Read more in the RTS about how the Foundation helped Retshidisitswe Kotane, a medical graduate through the Feenix crowd-funding platform.

Management control

Black South Africans remain under-represented at senior and executive levels of management across the business sector. As part of our commitment to empowering our people, establishing a diverse workforce and creating a culture of inclusion, SBSA actively promotes 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. This represents a slight decline in comparison to 2019 (16.18) which is attributed to a change in the way 'Other Executive Management' is defined, the reconstitution of Group Exco to the Group Leadership Council and the use of SBG Board membership instead of SBSA for measurement.

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.



SA executive committee³



5 | 7

Lungisa Fuzile
Chief Executive Officer,
Standard Bank
South Africa



Augustine Makhoni
Chief Financial Officer,
South Africa



Jörg Fischer
Group Head of Shared
Services and Real
Estate Services



Ayesha Hansa
Head of Legal,
South Africa



David Hodnett
Group Chief Risk
Officer and Group
Ethics Office



Peggy-Sue Khumalo
Chief Executive Officer,
Wealth, South Africa



Milton Kotze
Chief Compliance
Officer, South Africa



Disebo Moephuli
Chief Executive Officer,
CIB South Africa



Funeka Montjane
Chief Executive Officer,
PBB South Africa



Myen Moodley
Head of Human
Capital, South Africa



Khomotso Molabe
Chief Information
Officer, South Africa



Thulani Sibeko
Group Head Marketing
and Communication



³ As at 31 December 2020. Effective 1 January 2021, the group reorganised the business resulting in structural changes to the composition of the executive committee which will be reflected in the 2021 report.

The SBG board



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Sim Tshabalala
Chief Executive
Officer, Standard
Bank Group



Arno Daehnke
Group Financial
Director, Standard
Bank Group



COMMITTEES:

Executive directors Non-executive directors

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



André Parker
Independent
non-executive
director



Atedo Peterside
Independent
non-executive
director



Myles Ruck
Independent
non-executive
director



John Vice
Independent
non-executive
director

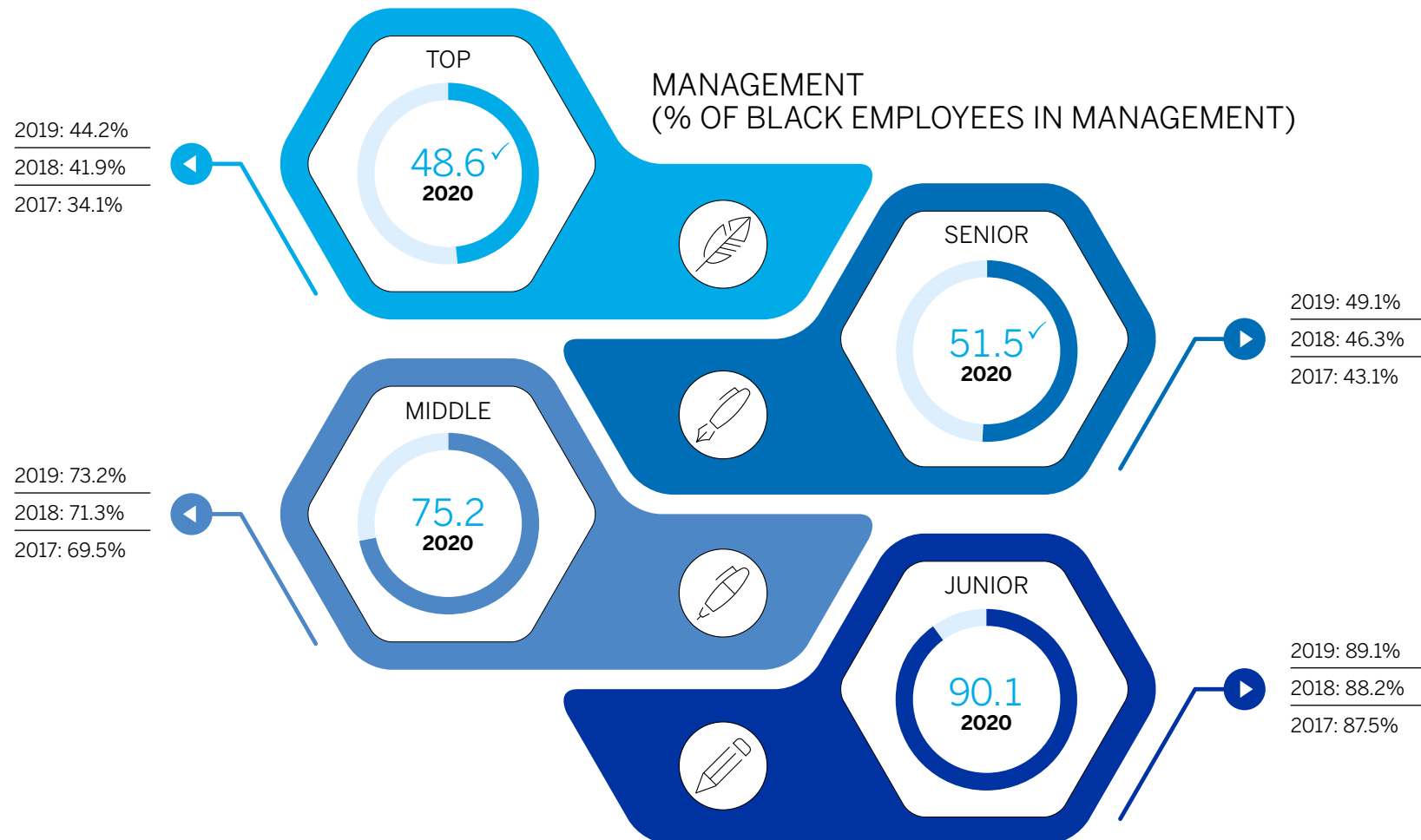


Lubin Wang
Non-executive
Director



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 all management levels. Representation of black people in the total South African workforce is 82.6%. We set ambitious EE targets for December 2020, prior to the onset of the Covid-19 pandemic. With the onset of the pandemic, employee turnover dropped, as did recruitment, so our ability to meet these targets was inhibited. However, we did increase the representation of black people, black women and African people across all occupational levels. The representation of people with disabilities at 0.8% has dropped by 0.1%.

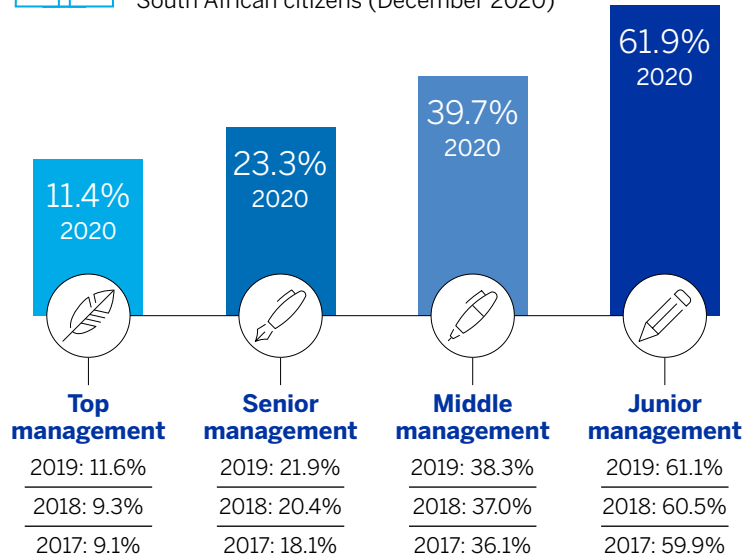


Employment equity continued



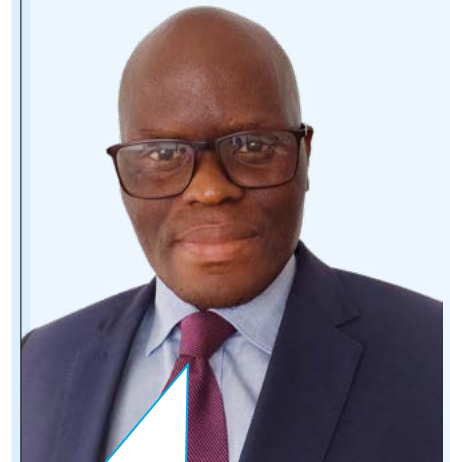
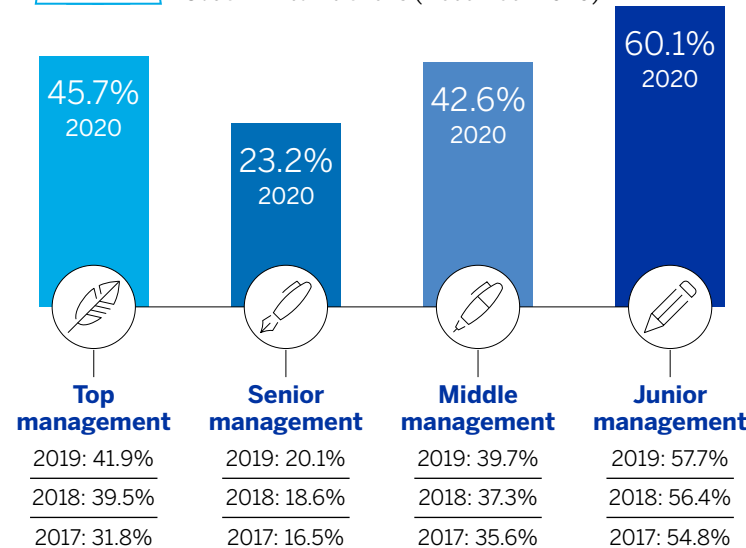
SBSA – black female employees per EE occupational level

South African citizens (December 2020)



SBSA – African employees per EE occupational level

South African citizens (December 2020)



We continue to take advantage of the full human capital value chain to support our employment equity efforts. This includes attraction, appointment, development, advancement and retention. Over the last three years we have been seeing positive trends in this regard.

‘The bank recognises that having a diverse workforce, and an inclusive work environment, makes business sense. In South Africa there is also the moral, ethical and legislative imperative of addressing the legacy of apartheid, guided by the Employment Equity Act. Through our employment equity efforts, we promote equity of opportunity and seek to establish a workforce that is representative of the population of South Africa at all occupational levels. Employment equity is therefore a strategic imperative to drive growth. When we reflect the demographics of our country, we position ourselves to better serve our clients and customers as an ethical organisation, and as a responsible corporate citizen.’

– Richard Khumalo, Head Diversity and Inclusion SBSA



GENDER INEQUALITY

It's not a women's issue, it's a human rights issue.
Join me and set gender equity in motion this
[#InternationalWomensDay](#)

I support #HeForShe. Are you with me?

In support of
HeForShe
UN Women Solidarity Movement
for Gender Equality

'Standard Bank is committed to reaching parity in executive positions across our operations. We will achieve this through fair and unbiased hiring practices, continuing to develop and implement enabling workplace policies, and ensuring that women have access to appropriate development and leadership opportunities.'

– Sim Tshabalala, Chief Executive Officer, Standard Bank Group

Our HeForShe targets include a commitment to increase the representation of women in executive positions⁴ in SBSA from 35% in 2018 to 40% by 2021.

⁴ These are Standard Bank Group levels linked to levels of job complexity and not EE/BEE management levels.

Gender equity

In line with our group wide efforts to promote gender equity, our group CEO, Sim Tshabalala, is a Thematic Champion of UN Women HeForShe, a global initiative for the advancement of gender equality. HeForShe is rooted in the understanding that gender equality will only be achieved with the involvement of men.

In 2020, we focused deliberately on the inclusion of men in the conversation and the gender equity endeavour. Our plans had to be re-engineered as South Africa went into lockdown, but through virtual engagements we upskilled a group of 18 of our male employees to facilitate 'Barbershop Conversations' with other groups of men in the bank. The original 18 volunteers went through a challenging and deeply personal journey which engaged them on what masculinity is, toxic masculinity, the role of men in preventing gender-based violence, the role of men as fathers and similar topics. The feedback from the participants is that this was a profound and, for many, a life-changing experience. What is particularly encouraging about the initiative is that most of the participants have reported that they are taking these conversations into the external environment, including their families, social circles, religious communities and cycling clubs. A further group of men will be trained as facilitators in 2021.

Gender equity continued

SBSA Gender equity

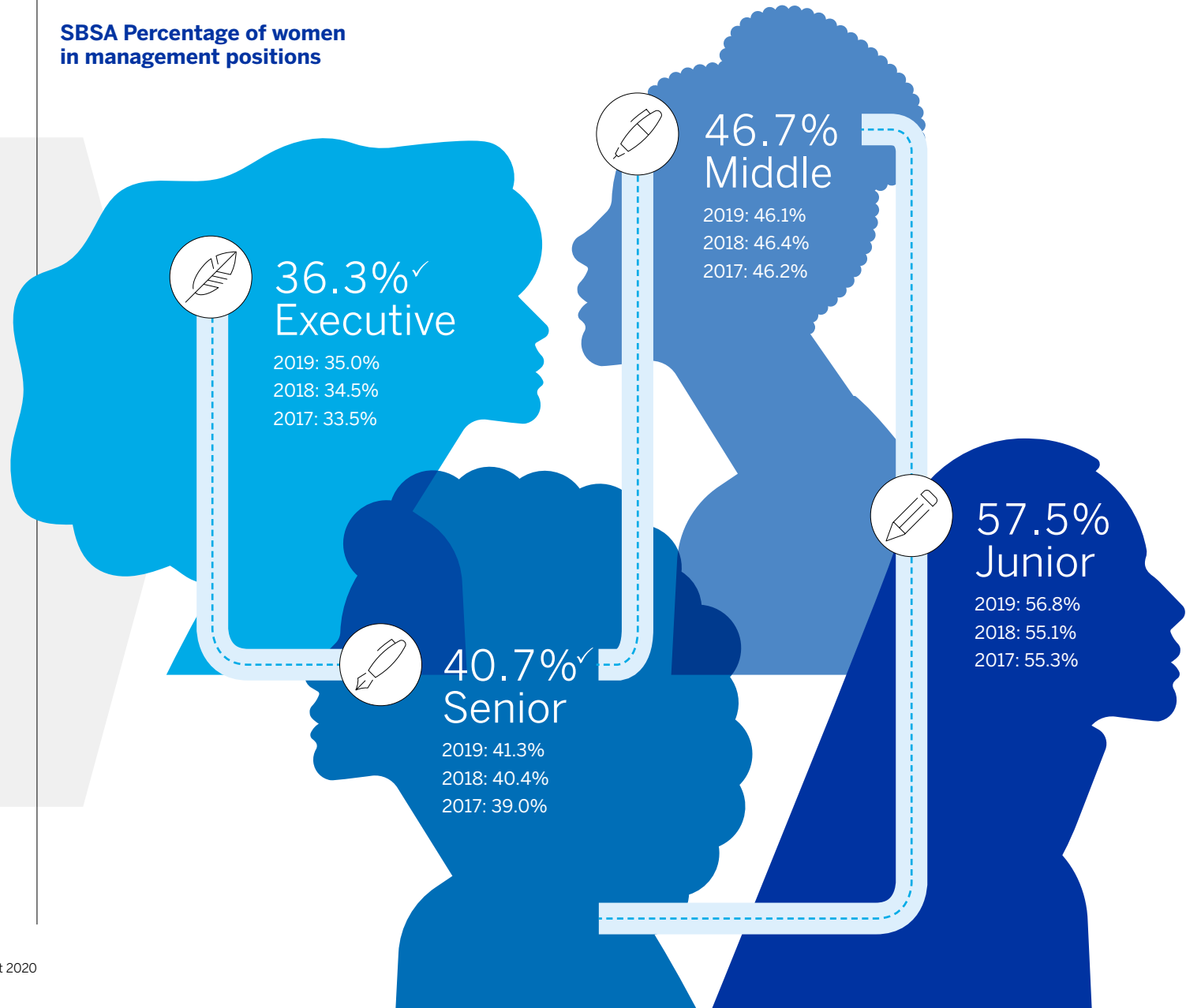


18 394
Number of
women
in SBSA
2019: 18 675
2018: 20 051
2017: 20 499



11 187
Number of
men
in SBSA
2019: 11 427
2018: 12 111
2017: 12 377

SBSA Percentage of women
in management positions



Skills development

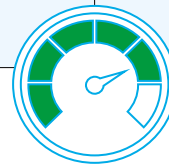
As part of our efforts to enable all our employees to reach their full potential and transform our workforce at all levels, we invest in skills development.

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. SBSA scored 16 out of 23 (including 3 bonus points) on the skills development element of the scorecard. This is slightly lower than the score of 16.69 in 2019, which can be attributed to the unique challenges faced in 2020 as a result of the Covid-19 pandemic.

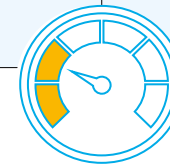
In 2020, we spent approximately 81% of our total skills development budget on the development of black employees across all levels of the organisation. Approximately 15% of the total budget was spent at black senior and executive management levels.



Skills development spending on **black executives and senior managers** was below the FSC targets, as was the case with African females at middle management level and black general staff.



We exceeded the FSC targets for **skills development spending on black junior managers.**



Our spending on **unemployed black people** was well below the FSC target.



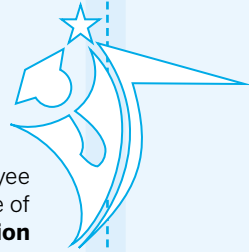
The number of **black people on learnerships and internships** significantly exceeded the FSC target.

SBSA invests in improved **educational outcomes and skills development** in multiple ways. In 2020 we:



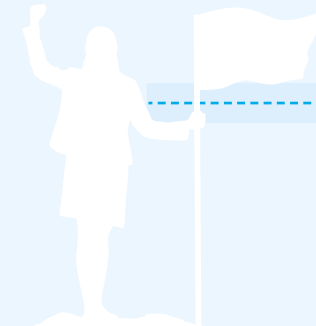
Invested
R582.6 million
in employee skills
development

1 632 employee
bursaries at a value of
R44 million



432
**new enrolments in our learnership and
graduate programmes** bringing the total
number of active learners to 1 163.

14.4%
of all employees **attended
management and leadership
development programmes**



Understandably, many of our employees are worried about their future employability in a rapidly changing world of work. Providing them with guidance on how they can equip themselves to remain relevant is crucial. A number of initiatives are underway to help people on this journey. For example, CIB introduced a Future of Work speaker series which is focused on exploring global and local developments on the nature of our fast-changing work environment and what skills will be required. Our online learning platforms provide a wide variety of content and enable users to win badges and points.

Training and development

During 2020, we further refined our integrated Youth Development and Employment strategy that encompasses bursaries, learnerships, internships and our flagship graduate programme. The strategy also includes our commitment to the YES Campaign, initiated by government.

Our investment in youth development programmes continued despite the lockdown restrictions. Specific emphasis was placed on building a strong pipeline of new and emerging skills such as data science, behavioural economics and cloud computing whilst still ensuring a strong capability build in core banking and financial services roles.

Training and development	2020	2019	2018	2017
SBSA graduate programmes: % of black attendees	87	92	91	89
SBSA graduate programmes: % of black African attendees	71	77	75	40
SBSA Learnership/graduate programmes: total	432	983	1 009	924
% of learnership students absorbed into permanent employment	55	47	64	83
SBSA leadership training: total employees	4 246	2 708	4 920	3 543
SBSA leadership training: % of black attendees	75✓	71	75	68
SBSA leadership training: % of black female attendees	45.4	43	46	35

Graduate programme

We strive to attract and retain talented individuals to the banking sector.

Our award-winning graduate programme saw 150 graduates join the bank in 2020 across 11 programmes. We have remained true to the bank's diversity and inclusion agenda in the recruitment of our graduates. 87% of the graduates who joined us are black and 58% female. Individualised learning journeys, action learning projects, executive sponsorship, accelerated work experience characterise this programme that ensures that we build a strong succession pipeline for core, critical and scarce roles in our bank. Our signature programmes have a strong focus on future-fit skills including data science, actuarial science, behavioural economics and relationship banking.

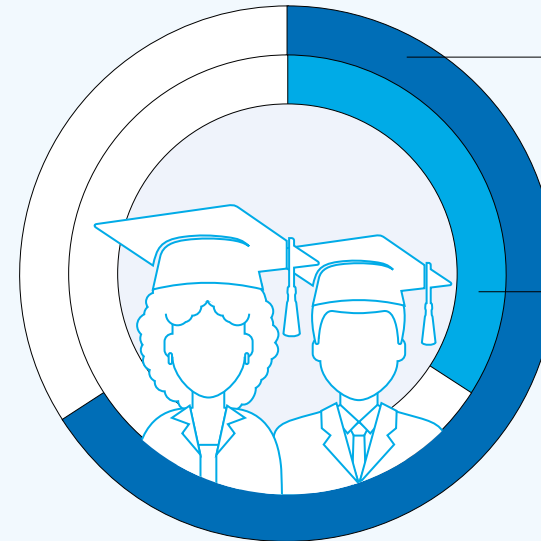
In 2020, we were awarded
**SA Graduate Employers
 Association, Employer of Choice
 in Retail Banking** for the 11th year.

We were also first runners up in the
 Gradstar Student Choice Awards

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 whilst enabling the group to develop core and emerging skills. We enrolled 432 people in our learnership and internship programmes bringing the total number of active learners to 1 163. We also extended many of our existing programmes to cater for the impact of Covid-19 on the learning and workplace experience of our learners. This year, the pandemic had an impact on our learnership and internship programmes. Of concern to us was the effect of the pandemic on our youth. It prompted the introduction of a medical aid for all our learners, a benefit we will continue to offer.

As it became clear that the pandemic will continue for the foreseeable future in mid-year 2020, we explored the option of restructuring our programmes where our learners and interns completed the academic component of their programmes for 12 months and then join us for their workplace experience thereafter. Each of the youth have been provided with a device and data to enable their learning on digital/virtual platforms.



480
youth completed either a learnership or an internship at Standard Bank in 2020.

262
of these youth have been offered further opportunities in the bank.

Bursaries

Our bursary beneficiaries have become a vital pool of candidates for or graduate, learnership and internship programmes. This year 36 students have been fully sponsored by Standard Bank. Our bursaries cover tuition, textbooks, accommodation and stipends for the students. This year we extended the benefit to include the costs of a laptop and data to ensure minimal disruption to our beneficiaries' studies.

Employed Learnerships

We also offer employees the opportunity to participate in employed learnership opportunities to build key skills. We suspended the rolling out of new employed learnerships for three months when we went into lockdown, so we could finalise a virtual solution for our employees. 987 employees registered for virtual learnerships in 2020.

Youth Employment Scheme

We continued our participation in the government's Youth Employment Scheme in 2020. The initiative was started 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 were deliberate about finding opportunities which provided a combination of work experience and training, to empower the youth with the right skills for their career paths.

Sustainable employment:

We wanted to 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 130 youth with employment opportunities in Thembisa, Port Shepstone and Port Elizabeth. These youth have been focused on doing the last-mile delivery in the townships. 90% of the youth we employed as part of this programme are female.



'Sub-Saharan Africa faces a huge challenge with job growth: it has simply not kept pace with population growth. The result is that we have fewer opportunities in the formal labour market for the increasing numbers of our young school and university graduates. In South Africa alone, just over six million youth are unemployed, 60% of whom have a sub-minimum matric.

As one of the most pressing socioeconomic problems on our continent, we have come to realise that we would not be able to effectively drive Africa's growth if we do not invest in the development and employment of our youth. We are committed to being a source of support, education and assistance to the progression of Africa's Young Talent (whether they work for us or not). Our broad range of programmes, including bursaries, learnerships, internships, graduate and entrepreneurship programmes, across the African continent is testimony to that. Whilst the Covid-19 pandemic may have allayed many of plans in 2020, we remain committed to our youth development and employment agenda into 2021 and beyond.'

– Maymoona Ismail, Head Youth Development

Empowerment financing and enterprise and supplier development

To promote job creation and enterprise growth, there is a need to grow the black business sector, from entrepreneurs and small business owners to large businesses. 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 2020, we scored 22.42 out of 29 for the empowerment financing and enterprise development element (including 2.53 of 4 bonus points).

Empowerment financing

We scored 9.6 out of 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 R7.68 billion, including but not limited to:



R3.8 million
in **transformational infrastructure**



R90.4 million
in **black agriculture**



R3.8 billion
in **affordable housing**
(total value of registrations).



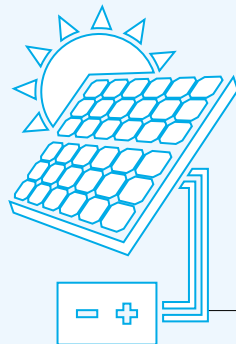
R1.7 billion
in **black SME financing.**

We also invested R23.29 billion in BBBEE transactions and black business growth over the same period. We scored **2.4** out of 2.4 for black SME financing, and 3 out of 3 for BBBEE transaction financing and black business growth/SME 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 develops black commercial farmers and black-owned agribusinesses to contribute to the transformation and economic viability of the agricultural sector in the Free State, support job creation and improve food security. Objectives include developing black sustainable commercial farmers, developing sustainable secondary agribusinesses, cultivating mutually beneficial relationships among stakeholders, strengthening agricultural training and development networks in Africa, improving academic programme and graduate employability. Due to the Covid-19 lockdown regulations in South Africa, the second year of the programme for cohort 2 only started in June 2020 and will finish in March 2021. In 2020, we ran 18 training sessions in conjunction with the University of the Free State, in Bloemfontein, QwaQwa and Kroonstad. Cohort 2 includes 25 farmers, ten of whom are women. The farmers are often accompanied by their successor to the sessions, this extends the reach of the programme.



Grain SA Under our Wing

The **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 a sustainable commercial farmer. A need was identified amongst these farmers to facilitate access to finance or credit in order to expand their grain production. Access to timely and adequate financing is critical components to fast track their development towards sustainable commercial farmers. Currently, these farmers are not eligible for finance through the mainstream and need a unique financing model which led to the birth of project Under our Wing. The project will figuratively speaking take these farmers under its wing and guide them step-by-step to grow into full-fledged commercial farmers. Standard Bank has made available R2.1 million in terms of support towards the mentorship programme to assist producers. It is anticipated that R350 per hectare could be utilised for mentorship to the benefit of 14 producers. So far eight producers from Ladybrand, Lichtenburg and Kokstad and have benefitted from the programme.



Affordable housing

The Financial Services Code requires banks to provide affordable housing for consumers that earn a gross income between R3 500 and R24 400 monthly income.



2020

SBSA Affordable Housing Loan Book

R29.9 billion

Number of affordable housing loans on our books

95 379

New affordable home loans registered in 2020 (number)

5 730 loans

New affordable home loans registered in 2020 (value)

R3.1 billion

% market share of the affordable housing mortgage sector

29%

South Africa's deeds offices were closed during the second quarter of 2020 as a result of the national lockdown. Improved registrations in the second half of the year saw the performing affordable housing book balance increase by nearly 1% when compared to 2019. The total value of registrations for 2020 increased by 16% compared to 2019 registrations and the total number of registrations increased by 1% compared to 2019.

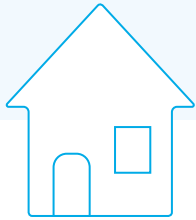
Due to the Covid pandemic, SBSA extended financial relief to its clients across all its personal banking products. The number of affordable housing clients where the bank restructured accounts within the period incorporates all affordable home loans restructured, including Covid-related restructures, non-performing loans and the home loans where clients could not make the minimum outstanding payment.

Affordable housing continued



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.

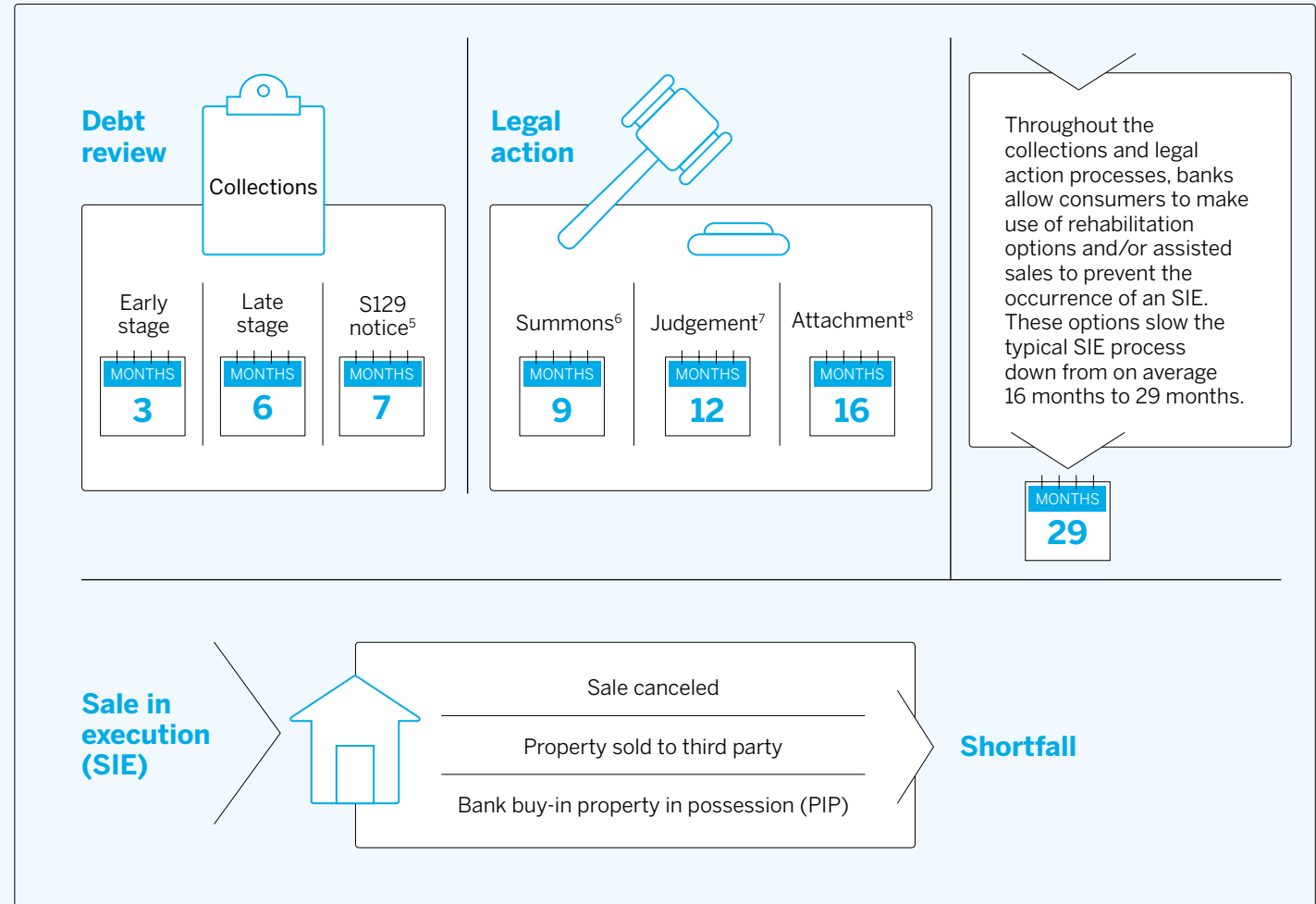
Standard Bank offers all our affordable housing mortgage customers training to help manage their home ownership obligations. Training is provided by the external service providers and funded by the bank. While training is usually offered online or in-classroom, Covid-19 restrictions required all training to be online during most of 2020. **1 000** clients participated in online training, slightly down from 1 037 customers in 2019.



Keeping people in their homes: the legal process we follow when clients fall behind on their mortgages

Given the very tough economic conditions created by Covid-19, we actively engaged with customers to try identify those requiring assistance in the form of payment holidays. In 2020, we assisted 23% of our affordable housing customers (16 928 ✓ customers) with loan restructuring. 8.3% of customers (7 560) went into default. We are working with them to try to help keep them in their homes.

Keeping people in their homes: the legal process we follow when clients fall behind on their mortgages

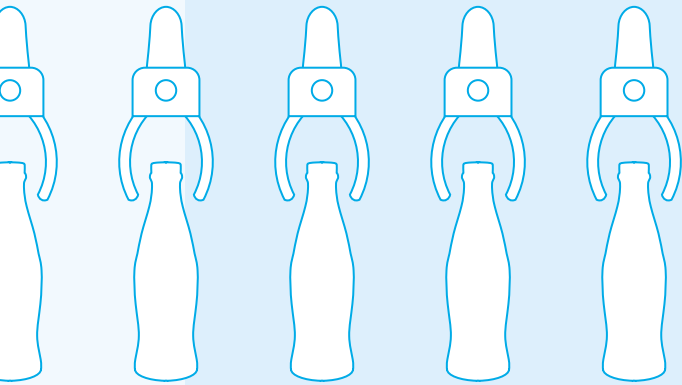


⁵ Section 129 notice is the first step in the legal process when one has defaulted on a loan repayment. It is the notice issued in terms of Section 129 of the National Credit Act (NCA), advising a consumer that they are in arrears of a certain amount in unpaid instalment(s) at a given date. A credit provider, or an attorney appointed by the credit provider, may issue a notice according to Section 129 of the NCA at any time after the client has been in arrears for more than 20 business days. The credit provider may not proceed with any legal action without having fully complied with NCA requirements as contemplated in Sections 129 and 130.

⁶ An order to appear before a judge or magistrate.

⁷ Decision by the court.

⁸ The transfer of the property to the creditor or the sale of such property to recover outstanding debt.

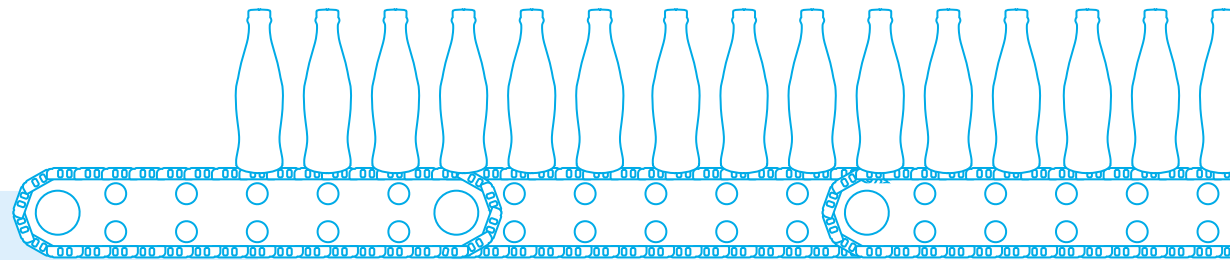


BBBEE transaction financing and black business growth

The first BBBEE performance incentive linked loan globally.

In March 2020, Isanti Glass 1 completed the acquisition of Nampak Glass. Standard Bank acted as the financial advisor, mandated lead arranger and sustainability agent to Isanti Glass. The funding package included a BBBEE performance incentive linked loan, which is the first of its kind, structured under the group's sustainable finance framework.

The margin of the loan is linked to the achievement of pre-agreed BBBEE targets. Isanti Glass is 60% owned by Kwande Capital (Pty) Ltd, a black-owned investment company, and 35% owned by SABSA Holdings Limited, a wholly owned subsidiary of AB InBev. Isanti Glass's purchase of Nampak Glass creates the first and only black-owned and controlled major glass container manufacturer in South Africa.



Enterprise and supplier development

Supplier development

Our supplier development (SD) programme aims to increase the participation of black-owned SMEs within both the bank's supply chain and in the broader economy through an innovative approach where the SD participants get access to market, bespoke financial solutions and fit for purpose business development support services.

Due to the impact of Covid-19, spend on business development support in 2020 decreased significantly. We nonetheless continued to provide technical support, coaching and training for SMEs in various operational areas within their businesses. We scored 2.89 out of 7 points for SD, and an additional 1 out of 4 bonus points.

Supplier development played a critical role in extending both financial and non-financial support to mitigate against the impact of Covid-19 and the national lockdown which led to slowed economic activities. SMEs faced significant pressures including a decrease new projects and workload as well as cashflow and liquidity constraints. The support provided included:



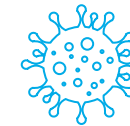
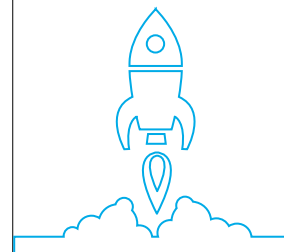
287 suppliers who participated in the SD Programme, of which **228** received procurement opportunities amounting to circa **R1.3 billion**. The value of procurement opportunities awarded to SD beneficiaries slightly increased by **8% from 2019**



R1.6 billion in Early Payment terms revised from 15 days to immediate payments to qualifying SMEs.

R6.5 million business development support services on supplier development programmes.

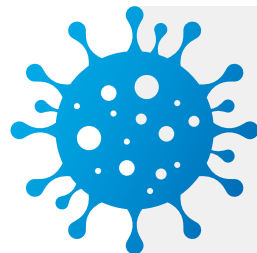
R545 million in Set Aside opportunities and initiatives reserved for qualifying SMEs, an increase of 3% from 2019.



Covid-19-related loans and repayment moratorium extended to qualifying SMEs. **Five SD participants** received **R19.7million** Covid-19 loans.



85 of the suppliers in the SD programme had credit facilities (given at preferential rates) as part of access to finance and funding lever of the bank's SD strategy to the value of circa **R147.2 million**; this was an increase of 6% from 2019. The increase is attributable to various reasons including an increase in Business Lending loans and repayment loan moratorium granted to SD participants.



Due to the impact of Covid-19, our business development support strategy is less impactful than initially planned for all the SMEs in the programme. There were ongoing and continuous efforts to leverage other activities and initiatives across the bank, for example, Covid Loan guarantee scheme, SAFT initiative, payment holiday, with all SMEs on the SD programme supported by obtaining access to the information and encouraged to participate and/or apply for these Covid-19 relief options.

Cash flow critical for SME survival



Approximately **509 suppliers** had their invoices settled and honoured with immediate (or up to 15 days) payment terms to the value of over **R980 million**.

Standard Bank, along with more than 50 large companies, has formally committed to SME suppliers in 30 days. The initiative, called #PayIn30, is spearheaded by Business for South Africa (B4SA), the SA SME Fund, and Business Leadership South Africa (BLSA), and supported by, amongst others, Business Unity South Africa (BUSA), the Small Business Institute (SBI) and the Black Business Council (BBC).



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:

- The after-hour services for short-term insurance customers was moved to a different platform. This initiative brought about the need for the onboarding of a huge number of additional service providers and skills. As part of SIL's supply chain commitment to ensuring economic transformation, SIL prioritised BBBEE levels and black ownership as part of the main criteria when onboarding service providers. In cases where BBBEE levels are above level 4, improvement plans are required, and execution monitored. This is in keeping with the bank's overall Transformation strategy.
- SIL onboarded **207** new black-owned suppliers of which **72** were motor⁹ service providers and **135** were non-motor service providers.
- Regular sessions are held with industry associations 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. The supply chain team continues to work with the enterprise and supplier development teams to identify and address specific developmental areas within newly onboarded businesses, to help improve operational efficiencies and grow their businesses. 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.
- **98%** of our spending (amounting to over R680 million) was on Level 1–4 service providers, R447.2 million went to black-owned businesses and R171.6 million to black women-owned businesses.

⁹ 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).

Enterprise and supplier development continued



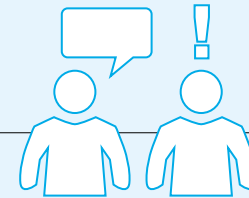
Enterprise development

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 R37.3 million on Enterprise Development initiatives in 2020, creating 1 561 (116 permanent and 1 445 temporary jobs) jobs and benefitted 611 entrepreneurs and small business owners. 72 of these businesses were black-women owned businesses. R134.8 million in enterprise development lending to black-owned SMEs.

Mentoring and coaching



Over the past three years, Standard Bank South Africa has been partnering with the Black Management Forum on their **Innovators and Inventors** programme. The programme aimed to grow and support black-owned businesses that offer novel and efficiency-improving products, services, processes and ways of working. **40** small businesses participated during 2020, receiving business development and coaching. Five were selected to take part in a competitive pitch, with the winner securing prize funding to expand their operations. The programme's focus on sustainability aimed to ensure that participating businesses are able to grow and create jobs and stimulate the economy. We invested R460 000 into the programme in 2020.

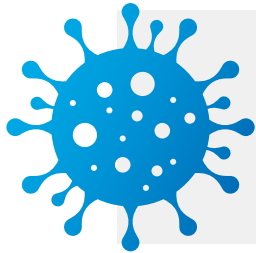


Our partnership with the **National Mentorship Movement** provides a business mentorship platform to our small business customers. The platform also offers business content, toolkits, and business templates. The first phase of the partnership involved a six-week pilot, during which 20 Standard Bank senior managers acted as mentors to 20 of our enterprise development customers. The programme was successful and will be offered to more of our clients going forward.

Enterprise and supplier development continued



Standard Bank is partnering with **Aurik Investment Holdings** to help develop and grow small businesses through three custom pilot programmes in Gauteng. Standard Bank agreed to subsidise up to 30% of the cost of each programme for our business clients. The programmes were scheduled to start at the beginning of 2020. However, the impact of the Covid-19 pandemic saw many businesses that were initially interested in the programme dropping off due to challenges in business operations and cash flow. Several businesses indicated that they would delay their participation until they get back on their feet. Six businesses participated. Of these



The pandemic has made it difficult to measure progress and impact of the programmes on the success of the participating businesses. All participating businesses reported a decrease in turnover by more than 80% in Q2, 2020, leading to programme cancellations and delays. We will monitor the remaining businesses closely in 2021.

Standard Bank developed the **2nd Life Fund** to cater for individuals impacted by early retirement or retrenchment, who have the passion and commitment to start their own businesses. The programme offers access to information and business development support which prospective entrepreneurs can make use of, prior to making the financial commitment of launching a new business. To date, three of the participants who have been through the programme have decided to make the leap and have accessed finance from Standard Bank. Their businesses are up and running and in sound financial health.

MONTHS
3

The 3-month Traction programme:

- One business successfully completed the three-month *Traction* programme, which focuses on improving marketing systems and strategies. A final bootcamp session and close out interview took place in November, to assess whether the business had implemented learnings from the programme and achieved growth in sales.

MONTHS
12

The 12-month Builder programme:

- Three businesses started the 12-month *Builder* programme. The pandemic and lockdown saw one of these businesses close. Another opted to delay continuation of the programme until 2021. The third businesses is progressing well, and has completed goal setting and diagnostic assessment of sales and marketing systems.

MONTHS
24

The 24-month Accelerator programme:

- Two businesses signed up for the two-year *Accelerator* programme. One started the programme in April and has completed their goal setting, business strategy, financial analysis and diagnostic assessment sessions. The other started the programme in quarter four, 2020.

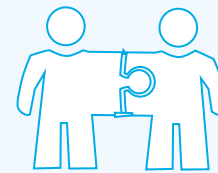
Credit solutions

Our enterprise development team has established funding agreements with various government entities, 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. The agreements have seen the bank disburse R18.1 million to assist 49 small businesses, who would not have met traditional bank criteria for loan finance. As a result, 392 jobs have been created.

The enterprise development team partners with the **Northern Cape provincial government** to provide small black-owned business, who have secured contracts with the provincial government, with collateral-free bridging finance and business development support services. We have allocated a R20 million facility for this purpose. These businesses would struggle to raise a bank loan under normal conditions, and lack the working capital needed to see them through until the job is completed and payment received. Our solution offers short-term purchase order or contract financing to enable these suppliers to fulfil their contracts successfully.



At a local level, 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.



We created a **rehabilitation fund** to provide finance to SMEs with impaired credit history records, including judgements against them. We use the fund to assist SMEs to settle bad debt and clear their names. We disbursed over R12 million to 127 SMEs, resulting in their rehabilitation and the creation of 944 jobs.



Standard Bank has partnered with the Small Enterprise Finance Agency (Sefa) to help **spaza shops purchase stock through government funding** from Sefa-approved wholesalers at discounted prices.



Job preservation

We launched a **Targeted Enterprise Development Fund** in April 2020 to support SME job preservation. The fund targeted small and micro businesses, which were heavily impacted by lockdown restrictions and had difficulty accessing financial support, as some of the businesses are informal, and many lacked the necessary paperwork to access other schemes. The fund is available across eight provinces, disbursing loans to a maximum value of R1.3 million, at 0% interest and 0% initiation fee, to qualifying SMEs, with an average loan size of R30 000. The fund has provided both loans and non-financial support where needed, including assistance with CIPC, tax, PAYE and SARS compliance. By December, 84 SMEs had benefitted from the fund and R5.8 million had been disbursed.

Value chains to support business growth

Standard Bank is committed to supporting the growth and sustainability of all businesses, from micro-enterprises to large corporations. We work with our clients to understand their value chains and find innovative ways to grow and develop the suppliers, service providers and distributors that support the business ecosystem.

We collaborated with **Glencore Operations South Africa** (GOSA) to offer an enterprise and supplier development (ESD) solution to enable small businesses afforded an opportunity by GOSA to access funding at a favourable rate of Prime -2% up to R10 million, subject to both Standard Bank and GOSA's assessment of the business and ask. GOSA and Standard Bank work collectively to share the associated credit risk, support the business with developmental support, and look at ways in which these customers are best enabled for future growth. One of the companies to benefit from this solution is TauSadi Mining and Engineering, a 100% wholly owned and managed female, black-owned mining services company based in Mpumalanga. Its key areas of operation include consulting, materials handling, mineral processing, process engineering, opencast and underground mining operations. During the first half of 2020, TauSadi was able to purchase over R50 million in assets thanks to this tailored solution, including a grader, bulldozer and excavator, trucks and delivery vehicles. As a result, the company is not only delivering on its existing contract but has also secured another significant contract on the basis of its enhanced capacity.



'At Standard Bank Enterprise Development, we aim to make funding more accessible and affordable for qualifying businesses. 2020, as a year, has tested our ability and resolve to operate and think differently, without losing sight of our dreams and vision – both as a bank and as business owners. We believe that our focused efforts, appreciation of the circumstances, and quick and agile response to customers has assisted in keeping many business doors open and helped maintain jobs. Being pushed to the limit has shown us what we are capable of collectively as a nation, and is the start of building new propositions and initiatives that aim to help businesses stay in business and grow.'

– Jenine Zachar, Head of Enterprise Development SBSA¹⁰

¹⁰ Head, Enterprise and Direct Banking, Standard Bank South Africa, since October 2020

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.

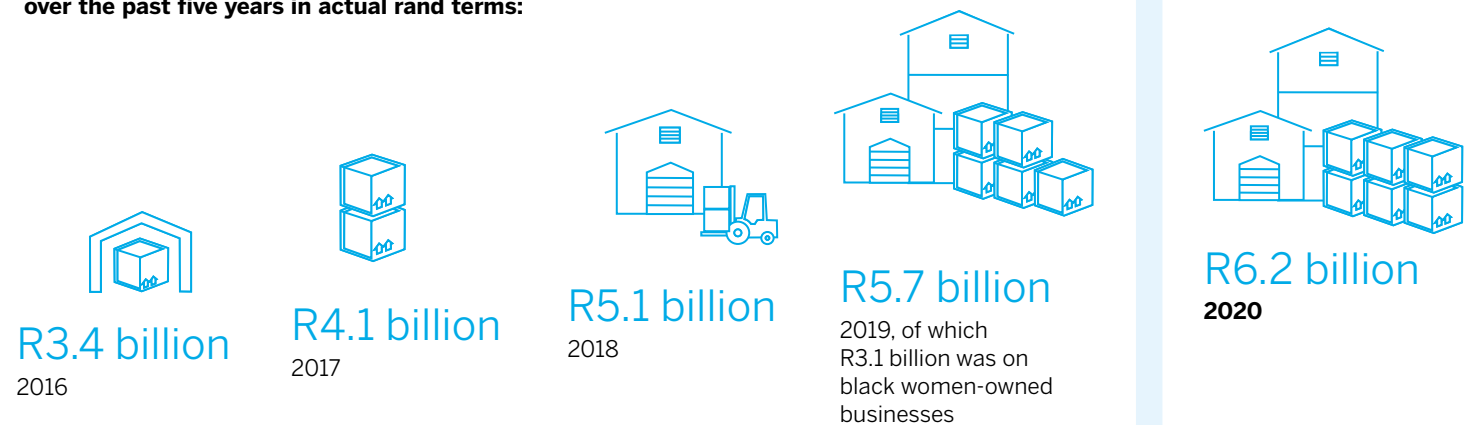
SBSA is committed to advancing job creation and economic transformation by providing opportunities in our supply chain to black-owned suppliers and small enterprises and has well-established policies and processes to do so. We are transforming our supply chain by supporting local businesses, in order to boost the sustainable growth and development of these businesses and the economy. Preferential procurement is therefore effectively enabled by the bank's SD programme and vice versa.

We scored 18.56 for preferential procurement (including 4 bonus points). The bank procured from black-owned suppliers to the value of **R6.2 billion**, which is **27%** of the total spend of **R23.7 billion**.

We work with potential and current suppliers to identify appropriate opportunities, and we provide successful candidates with business development support. We also provide suppliers who meet specific criteria with access to finance where needed.

Despite the difficult conditions of 2020, procurement spend with Qualifying Small Enterprises (QSEs) and Exempt Micro Enterprises (EMEs), suppliers has increased slightly **from R3.6 billion in 2019 to R3.7 billion** an increase of 3%. Spend with black-owned SME suppliers (QSE & EME) was **R2.3 billion (6% increase)** which accounted for **938 suppliers (12.6% increase)** in total. These small increases are attributable to the efforts to set aside some of the procurement opportunities specifically for black-owned EMEs and QSEs.

Spend with black-owned suppliers has increased over the past five years in actual rand terms:



Black advocate representation and spending

- Year-on-year the total spend allocation in respect of black-owned attorney firms increased **from 66% in 2019 to 74% in 2020**.
- Achieved **53%** black advocate representation and **38%** spend with the black advocates. Representation includes physical representation of advocates in court as well as non-representation activities (i.e. drafting, opinions and any other ad hoc requests)

PBB SA Credit Collections

In the credit risk PBB SA Collections (former credit rehabilitation and recoveries/CRR)) value chain, procurement from black-owned suppliers increased over the years from **44%** of total spend in **2017** to **85%** in **2020**. This is a sterling effort considering the challenges faced by suppliers as a result of Covid-19 and lockdown regulations, especially with regards to litigious collections. Whilst in previous years the team proactively identified non-performing suppliers as part of its standard supplier performance process, the year 2020 resulted in the inability to place any supplier under probation or poor performance management as a result of the Covid-19 related challenges which included:

- the closure of courts
- the inability to conduct live auctions in the harder lockdown period
- suppliers not being able to meet with debtors and collection agents due to setting up work from home capabilities.

Many debtors were unable to make their repayment obligations due to partial or complete loss of household income which placed tremendous financial pressure on debtors. In response to assisting them, payment holidays were duly offered by the bank which created a relief for customers who were up to date at the beginning of lockdown thereby reducing an unnatural flow of accounts in the arrear status. During previous years, several black-owned suppliers were assisted through the SD programme, which yielded positive results. The SD team, together with PBB SA Collections are in the process of partnering with a specialised business development service provider that will focus specifically on collections related capacity development and growth.



'We are committed to enabling participation of suppliers within the bank's value chain, from the regions and geographies in which we operate, through a deliberate and intentional plan to execute and implement a local or regional procurement strategy and plan, which seeks to boost local economic development. Our supplier development story and journey highlights the bank's commitment to transforming the supplier base, whilst enabling economic growth and inclusion. This is achieved by affording eligible suppliers to grow their businesses, through provision of business development support services, access to broader markets and/or procurement opportunities, and access innovative financial solutions.'

– Kholofelo Shaai, Head Supplier Development

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.

Consumer education covers a broad range of activities, from helping individuals identify and access cheaper and more convenient transaction channels, to helping entrepreneurs and small business owners manage their cash flows and grow their businesses. More broadly, SBSA supports 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 sports development, arts and culture and health-related and agricultural support programmes.



We scored 4.95 out of 8 points (including 3 available bonus points) – scored full points on Socioeconomic Development and 1.87 points out of 2 points for 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 (PBB SA). The FSC requires that we spend 0.6% of NPAT on socioeconomic development, and 0.4% of retail (PBB) NPAT on consumer education. In 2020, SBSA's total spend on socioeconomic development constituted 0.68% of 2020 NPAT, and spend on consumer education was 0.37% of 2020 retail NPAT.

The 2020 CSI budget included:



R97.2 million
for direct projects, of which R79.5 million was allocated to education projects



An additional **R27 million**
for SBSA's Covid-19 response programme



Education

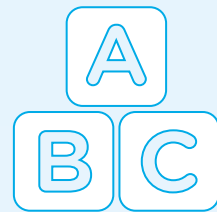
We focus our socioeconomic development investment on education, with the objective of contributing to social and economic transformation in South Africa through supporting the development of future-fit children who are ready for a new world of work.

We know that a future-fit population able to contribute to the growth and development of our country needs a strong foundation right from the start. For this reason, we have chosen to specifically focus on early childhood development (ECD) and foundation phase education. Projects were unavoidably impacted by the Covid-19 pandemic, lockdown measures and school closures. Our CSI team worked closely with our partner organisations and relevant government departments, to identify how best we could assist in these unprecedented conditions.

In 2020, we invested CSI funding of R80 million in educational programmes.

This included:

Early childhood development



We support **Ntataise Lowveld Trust**, which operates in the Ehlanzeni district of Mpumalanga and provides support and care for young children. We invest in a project which provides training and support for community ECD practitioners. We invested R4 million in 2020.



We have partnered with **Fundisani Thuto** to improve access to quality learning and teaching in pre-schools. The programme also aims to give opportunities for unqualified and/or under-qualified ECD practitioners to achieve competence on ETDPSETA accredited ECD training programmes. We invested R4 million in 2020.



Other investments in 2020 included:

Seriti, training of ECD practitioners, including radio outreach project R5 million; Early Learning Resource Unit, R3 million; Singakwenza, R800 000; Sebofon Training ECD practitioners, R2 million; ECD support ECD centres that are high risk and face closure in Saldana Bay Municipality, R500 000.

Education continued

Responding to school closures

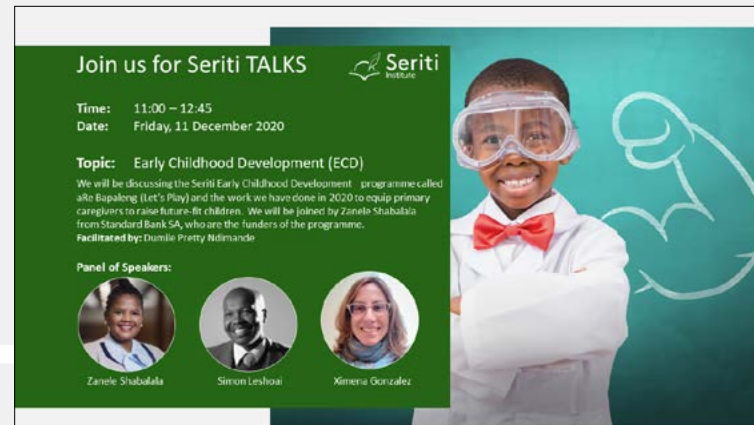
The 2020 school year suffered extreme disruption. Standard Bank South Africa worked with our partner NGOs to improve access to learning resources where possible. This included working with other banks to collate **online learning resources** for school children, through the Banking Association South Africa. Nineteen member banks put together a consolidated Covid-19 education response plan, focused on matric learners.



SBSA also made a further R1 million donation toward Youth Start Foundation's and Primetech's **#Savingtheclassof2020** programme.

Our CSI partner, **Edufundi** promotes quality education in primary schools through teacher mentorship and support. In 2020, they pivoted to support parents through the challenges of home-schooling with the #EdufundiAtHome Teach like a Champion video series, providing educational material for parents, caregivers and teachers. Each video was made available in English, isiXhosa and isiZulu, and aimed to make home-schooling more fun, engaging and successful.

Standard Bank and Seriti secured a 25-minute weekly radio show on Moretele Community Radio, to talk about the **aRe Bapaleng** programme and raise awareness of key messages. The show is hosted every Tuesday morning. The Seriti Institute also stepped up to provide immediate food relief for the most vulnerable households, through its C19 Community Response.



Our partner NGOs had to rapidly adopt online learning tools to re-imagine their programmes for online delivery. We partnered also with **Microsoft Philanthropies** to support them with training. Seventeen NGOs benefitted from this training, which included how to use Microsoft 365, Teams, and how to provide teaching and training online. The NGOs were also provided with Microsoft software free of charge to help them to successfully transition to online platforms. The training was exceptionally well received, and additional training has been set up.



Capacitating children for a rapidly changing world

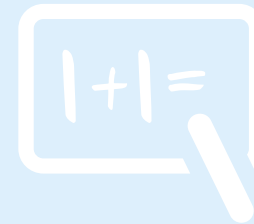
The pandemic brought home the reality that sub-Saharan Africa is nowhere near ready to make a just and inclusive transition through the Fourth Industrial Revolution.

Governments, business, educational institutions and communities need to come together to address this challenge, and improve access to high quality, relevant education.

We provide support to the National Education Collaboration Trust (NECT) 21st Century Sandbox Schools initiative. This ambitious multi-year initiative supports the creation of a future-fit public education system. It recognises that the skills on which the jobs of the future will depend, such as adaptability, innovation,



collaboration, digital literacy, critical thinking, communication and problem-solving. Teaching for a new era needs to draw on advances in cognitive science and adaptive teaching methodologies. By piloting teaching and learning practices within the context of a 'typical' public school, taking into account existing resource constraints and challenges, the initiative aims to understand which practices and models are best suited for South Africa. The evidence gathered through pilots is being shared with the Department of Basic Education and other sector stakeholders, toward informing evidence-based shifts in policy and practice. We invested R6 million in 2020.



We also partner with:

- **North West University's Little African Scientist programme,** part of the teacher development programme of the Faculty of Education. The focus is on improving learner outcomes in maths and providing teachers within-service professional development. We invested R2 million in 2020, benefitting ten schools from the Kenneth Kaunda district.
- **The University of Johannesburg Foundation Phase Robotics Programme** provides an opportunity for learners to become acquainted with robotics and develop the competencies that they need for a life in the fourth industrial revolution. We contributed R3 million in 2020. Due to school closures the programme was moved online.

'The need to develop and adopt technologies to help our children thrive in the fourth industrial revolution is more urgent than ever. We need to accelerate efforts to digitise teaching and learning and adopt pedagogies that will enable skills of the future to be developed today. This is crucial to enable our country's children to reach their full potential, lead dignified lives and become active participants in the economy. Standard Bank is working with our CSI partners to address these challenges, while simultaneously helping them to adapt to the 'new normal' created by the pandemic.'

– Pearl Phoolo, CSI Education Projects Manager



Access to student finance

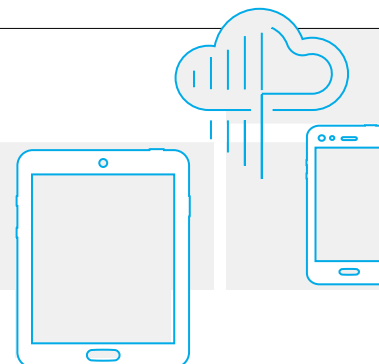
Feenix crowd-funding

Standard Bank South Africa launched **Feenix** Trust, a PBO, in June 2017 to make tertiary education more accessible for economically disadvantaged students. Since then, Feenix has raised over **R47 million**, providing support for over 1 300 students. Following the announcement of lockdown and the closure of campuses in March 2020, we engaged with Feenix to assess the needs of the beneficiaries for additional support. We donated an additional **R2 million to FEENIX #CaptheGap programme** to provide holistic support to tertiary students. This included funds for data, food and technology as well as fees. This intervention helped to secure students' ability to access remote learning so they could end the academic year safely and successfully.



South Africa's Minister of Higher Education made an urgent call to corporates and civil society to assist universities that were particularly at risk as a result of closures and loss on income.

Through Universities South Africa, Standard Bank donated R3 million to six high risk universities, each of which received R500 000 to purchase digital devices, data and food vouchers for first year students.



Health

Standard Bank South Africa's CSI budget is committed primarily to education programmes. CSI spending on health-related projects was over and above our annual CSI budget, which is calculated as part of the socioeconomic development spend of 1% of NPAT.

The additional spending was approved by the SBSA Exco in light of the urgent medical and humanitarian support required to tackle the pandemic in South Africa's vulnerable communities.

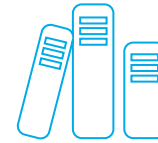
We partnered with local and international organisations to deliver crucial healthcare services, medical equipment and humanitarian assistance to vulnerable communities.

We provided **R2 million** to the **South African Medical and Educational Foundation (SAME)**, which works with the Department of Health to assist facilities and healthcare workers with urgent funding and equipment needs.

We provided **R2 million** to **PinkDrive NPC** to bring Covid-19 testing and screening to targeted hot spots.

We provided **R1.7 million** to the **South African Red Cross Society**, for volunteers to support vulnerable communities and PPE.

We also provided:



R4.7 million to provinces for support to **non-profit organisations and schools**



R2 million to **TEARS** to assist people impacted by gender-based violence through support and referral mechanisms

R1 million to **Doctors without Borders**, to provide PPE for medical examinations, temporary isolation structures, and health promotion material



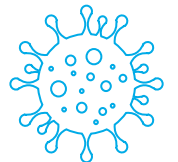
R500 000 to **Rotary International** for its Public Transport Sanitation Initiative, which provided hand sanitiser to transport hubs, especially taxi ranks, and educated transport users on the importance of hand washing as a preventative measure

R740 000 to **Gift of the Givers** for their campaign to support high-risk frontline medical professionals and patients with PPE, ventilators and other essential supplies



R500 000 to the **Treatment Action Campaign for outreach programmes** to assist people living with HIV/AIDs and TB

R1 million to **UNICEF** to monitor the spread of the virus, undertake outbreak control, provide risk communication in difficult to reach communities and mitigate the social impacts of the virus



We also supported the **Giving for Hope Foundation**, making R1 million available for loans to SMES operating in South Africa that were economically impacted by the Covid-19 lockdown.

R1 million to **Save the Children Fund** to ensure access to basic rights and services, such as food and healthcare. They also assisted women and children experiencing gender-based violence.

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:



- We renovated nine primary school libraries around the country prior to the national lockdown and invested in R2 million in the schools.
- To celebrate Mandela Week in mid-July, with the lockdown still in full force, we launched a partnership with **Forgood**, an online platform that connects volunteers with organisations in need of assistance. Over 500 employees have registered profiles on Forgood, volunteering their time, skills and money to assist registered charities and NGOs, with a primary focus on children and young people.
- **Our Rand for Rand** matching scheme means that, when our employees donate to a registered charitable organisation of their choice, CSI matches every rand of the donation, thus doubling the funds received by the beneficiary organisation. In 2020, SBSA matched R1.9 million in employee donations to 79 organisations. The majority of these donations (R1.5 million) were to five NGOs for specific Covid-19 initiatives.



- We also partnered with **Nal'ibali**, a project aimed at changing the attitudes and behaviour towards reading in 26 schools in Gauteng and Limpopo provinces by establishing reading clubs, assisting educators to run reading activities and helping to sustain an effective library book lending system in schools in which we've undertaken library renovations. The partnership encourages employees to volunteer their time to support reading activities. During 2020, 23 employees undertook virtual training on effective storytelling. The partnership forms part of a long-term strategy aimed at reducing illiteracy, a first step in helping young South Africans achieve their dreams.

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. 2020 has been a very different year for sponsorships. We have had to work with our sponsored artists to re-imagine how to present their work. We adapted our programme to make the most of online opportunities. We focused on innovation allowing artists a space to still showcase their craft and earn an income:

In 2020, we invested over R11 million in arts projects and programmes, including:

Sponsorship Rights Fees (R):	Total (ex VAT)
Standard Bank Young Artist Awards	4 367 211
Creativate	1 089 450
Village Green	483 120
Standard Bank Ovation Awards	120 000
Standard Bank Jazz Festival, Makhanda	4 898 880

Standard Bank's leverage support budget was R2.7 million focusing mainly on the jazz and Standard Bank Young Artist programmes.

Virtual National Arts Festival

The National Arts Festival, Makhanda (NAF) is SA's oldest and premiere multi-arts festival and features 600 productions across 45 different stages '11 Days of Amazing'. Standard Bank has been a sponsor since 1984, initially as the headline sponsor and since 2002 has been one of four presenting sponsors. The Covid-19 pandemic impacted the cultural sector, and almost overnight hundreds of local and international events, festivals and activities were cancelled or postponed. This is an industry that employs well over 1 million people, many in the youth segment and contributes an estimated R63 billion (1.5%) to the South African GDP¹¹. With this crisis in mind the NAF took the bold step not to cancel the event but to continue and present the festival in a virtual format. This was biggest virtual multi-arts festival in the world:



270 productions in the curated programme, 260 crafters, vendors, makers and designers joined the **Village Green** of which 100 were from the Eastern Cape



The **Virtual Fringe Platform** hosted **144 productions** and **46 exhibitions** in the virtual galleries



The virtual National Arts Festival vFringe continues to be hosted, even after the festival period



Over **83 000 users** visited the **online platform** (the cumulative number is considerably higher as several people may have watched from a single device).



The **live shows, workshops and webinars** were attended by **3 231 participants** and watched by countless more in recorded formats.



It is clear that there is significant local and international interest in an online offering and as such, the National Arts Festival and Virtual National Arts Festival will be presented going forward, reaching out to new audiences, breaking new ground with regard to work in the online space and expanding the message and reach of the South African arts community locally, regionally and internationally. The Virtual Fringe Platform remains ongoing, allowing artists to have an outlet for their work no matter the circumstances.

Standard Bank Gallery

In 2020, the Standard Bank Gallery celebrated its 30-year anniversary. The Gallery, located in central Johannesburg, serves as an educational tool and research resource. The programme of four exhibitions annually was disrupted by the outbreak of Covid-19 and the ensuing lockdown. Prior to the lockdown, the gallery hosted 241 events with over 2 000 attendees. iBeacon Technology was installed allowing for a self-guided interactive walkabout of our first virtual exhibition. This virtual exhibition extended the reach of the gallery with 7 963 visitors, a total of 5 909 unique visitors in 114 days, and ensured we were still able to connect the public to their passion for the visual arts. It also allowed us to focus on the bank's digitisation efforts.

Many primary school children have never been exposed to art as a subject or an interest and have never visited an art gallery. SBSA actively engages with schools to encourage visits to the gallery and provides an educational supplement to support educators to ensure children derive maximum benefit from their visit. This includes the option of booking guided tours with our education officer, and workshops and walkabouts by guest curators. We also provide material and information that may not be readily available to educators and learners in the prescribed curriculum, for each of our exhibits. While the content is targeted at learners at primary school and secondary school levels, it can also be useful for tertiary students enrolled in arts programmes. In 2020, the gallery hosted educational programmes and walkabouts for 493 schools prior to the lockdown.

As part of our commitment to supporting the arts, we encourage university departments to engage with our arts collections to encourage research output. Our collections comprise the Standard Bank Corporate Art Collection, and the Standard Bank African Art Collection which is co-owned with Wits University.

The Standard Bank Corporate Art Collection consists of almost 1 200 artworks by over 250 contemporary artists. The African Art Collection consists of approximately 6 000 objects comprising classical, indigenous and contemporary African art pieces.



Tour the virtual Lumières d'Afriques exhibition

The Standard Bank Gallery together with African Artists for Development (AAD), hosted [Lumières d'Afriques](#), the first Pan-African travelling exhibition comprising of 54 artists from across the African continent. Through a variety of mediums, be they photographs, paintings, sculptures or performances, 54 world-renowned artists from across the continent have committed to creating a single work of art, inspired by a single theme: 'The Illuminated Africa'. The exhibition illustrates the importance of access to energy, and is driven by the conviction that African development and climate protection can be linked.

The Standard Bank Gallery collaborates with various post-graduate study programmes from institutions across the country. We encourage the use of the Standard Bank African Art Collection as a resource for research output for exhibitions, publications and other projects. We have a close partnership with the Wits History of Art and Heritage Management unit, which offers a post-graduate programme focused on curatorial studies. This programme includes an annual exhibition proposed by post-graduate students.

Development programmes

Standard Bank has partnered with the UN Women Climate Smart Agriculture (CSA) Flagship Programme Initiative. The focus is on bean and vegetable farmers in Limpopo province and Free State province. We're investing USD600 000 (R9.2 million).

During 2020, the project delivered agricultural inputs to 2 753 women farmers, including drought resistant seed varieties, fertiliser and manure, farming equipment (tools and tractors) and training on climate smart agriculture. A total of 8 185 beneficiaries have been reached to date, out of a target of 10 000. Standard Bank has provided project participants with financial literacy skills development and training, to assist them to effectively manage their business finances. Vodacom is providing digital and technology literacy skills.





Consumer education

WalletWise

Consumer education and financial literacy initiatives aim to enable people to manage their finances responsibly and effectively, encourage saving and future planning, and raise awareness of cost-effective transactional channels. Our WalletWise programme 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. Radio content is provided in nine of South Africa's official languages.

Given the restrictions on in-person contact in 2020, we implemented alternative ways to reach people, including new television formats, distribution of printed information which would usually have been delivered via in-classroom training, new forms of social media engagement, webinars with live Q&A, a microsite, a WalletWise newspaper and street art.

- We reached **18.5 million people through television campaigns** and 21.5 million through radio and received 375 000 unique visits to the website.



- We made an impressive impact on social media, achieving over **32 million Facebook impressions**, over 105 million Google Display impressions and almost three million YouTube impressions.

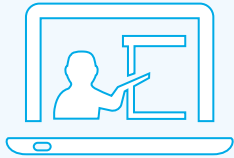


- We reached over **four million individual users on Facebook, Twitter and Instagram**, and recorded over 500 000 engagements (up from about 35 000 engagements in 2019).

- We also distributed **279 000 WalletWise Blitz Packs** – financial education survival kits providing printed reading material packaged together with sanitiser, earphones and a face mask.



- **The WalletWise Radio Drama is running for its eighth year.** It is based on the Iketsile Zenzele community. Each of the 18 episodes focuses on everyday financial stories in the lives of the people living in the community.



WalletWise for Business

The programme includes financial literacy and basic business skills training for **start-ups and small businesses**. We aim to educate and empower small businesses in low-income areas through online-based classroom training and mentoring sessions. We run two Consumer Education for Business programmes: The Start-up programme and Business Growth programme. In 2020, Mudzi Business Consulting was appointed to facilitate both programmes, which ran from August to November.

Start-up programme

- **57 participants**, in Mpumalanga, Eastern Cape and Free State provinces
- **Targets businesses generating up to R10 000 per month** in profit
- Focuses on **developing business ideas and goals, designing business plans, and effective pricing of products and services**.

Business Growth programme

- **44 participants**, in Northern Cape and Free State provinces
- **Targets businesses generating R1 000 to R15 000 per month** in profit
- Focuses on **growing the business**, including developing growth goals and strategies and financial management skills

All participants received tablets and data to enable them to participate in the online classroom sessions.

Participants used the skills they learned to pitch their businesses in a competitive process. The winners received a share in enterprise development funding to the value of R1.5 million, to be used to assist the business to acquire additional skills (e.g. Microsoft training) or equipment to grow the business. The graduation ceremony took place in November 2020. Standard Bank provided R3 million to finance the programmes, in addition to the R1.5 million in enterprise development funding.

‘The Standard Bank Consumer Financial Education (CFE) initiative, better known as WalletWise, had an interesting year in 2020 mostly driven by the impact of Covid-19. Despite this, WalletWise thrived and found new and dynamic ways to engage its audience. The key highlights were how rapidly we set up our WhatsApp bot to bring financial education to the fingertips of all South Africans, swapping out activations with a first time ever WalletWise newspaper. We coined ‘WalletWise Blitz’ which proved to be highly engaging and was distributed across all provinces as part of a Covid-19 care pack. Using our creative mindset, we dressed wall murals around many communities with relevant CFE content. And to celebrate all the alternative routes to market, we significantly exceeded most of our targets amidst the challenging times and inability to connect face-to-face with our consumers. We are proud that we were able to exceed our targets because CFE is a significant contributor to SEE in the transformation of our people and ensuring financial inclusion for all South Africans.’

– Nozishada Mkhize, Senior Manager Retail Marketing

Access to financial service

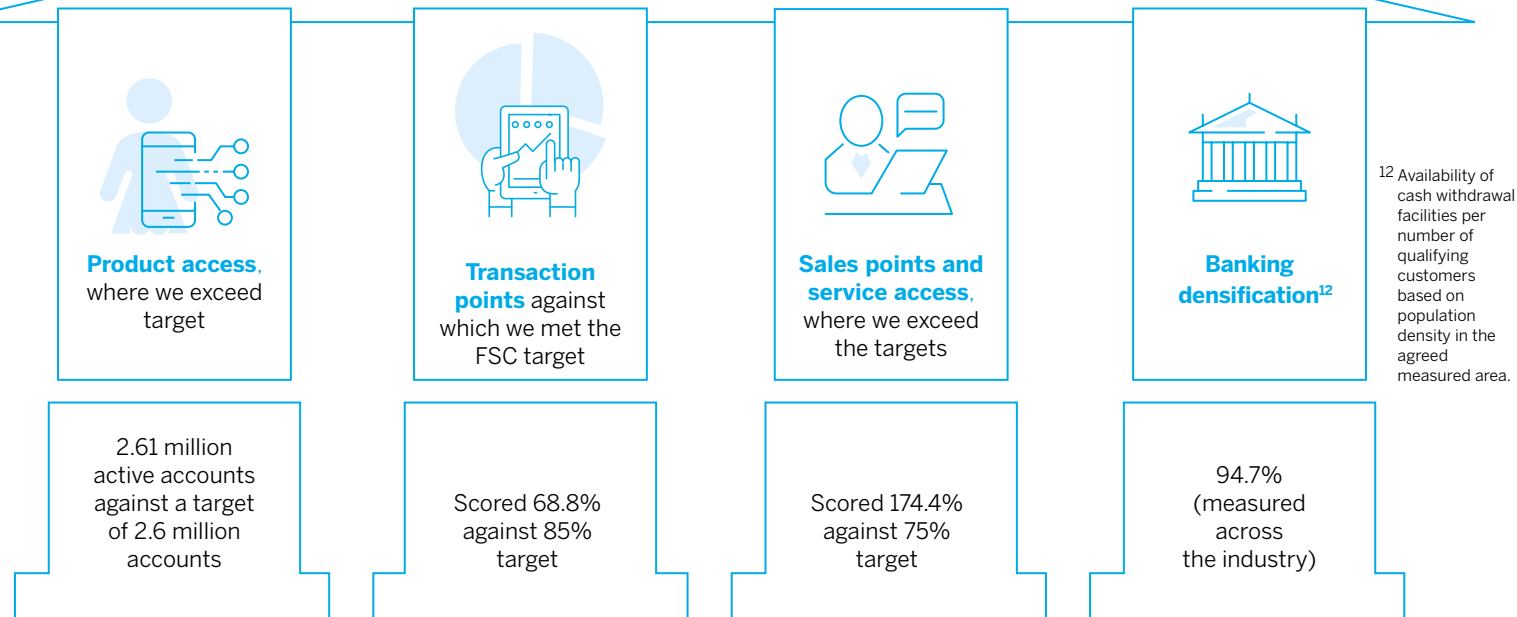
We are committed to improving access to and the affordability of financial services, including through digital products and services that are accessible even without a bank account.

We partner with fintech companies to provide safe and secure digital solutions.

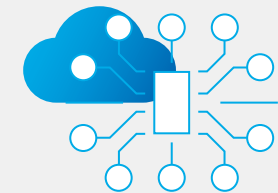
Our digital wallets and apps enable our customers to transact efficiently, safely and conveniently, while Business Online provides convenient digital banking for small businesses.

The pillar assesses the reach of our services, including:

We scored 9.55 out of 12 for this element of the scorecard, lower than our score in 2019 of 9.95.



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. In 2020, 99% of transactions by SBSA customers were conducted digitally. However, SBSA scored only 19.5% against a target of 35% for electronic access for people earning up to R7 162 per month, owing to the specific parameters against which the indicator is assessed.




Digital solutions to improve access and affordability


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



**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** website.

For detailed information on our material issues, and our performance against our five value drivers, please refer to the  **Standard Bank Group's Annual Integrated Report** and our  **ESG report**.

standardbank.com