



**19th Annual UBS
South African Financial
Services Conference**



Peter Schlebusch
Chief Executive Personal & Business Banking

Standard Bank Moving Forward™



**Proud sponsors
of the Proteas**
Moving cricket forward.

Discover more



Customer Behaviours And Instincts Are Changing



Anywhere, anytime,
always on **24/7**



Customer banking
trend toward **mobile**



90% services and
transactions
mobile & online



Customers want **superior**
omni-channel delivery



Instant
Gratification



Seamless payments
and money transfers



New social norms



Peer-2-peer business
models & co-creation



Our Design Principles



Deliver what matters
to customers



Make decisions
based on **data**



Design for mobile.
Always



Continuous
improvement and
innovation



Work hard to make
things simple



Safety and Security



Choose innovative
partners



Iterate. Then
iterate again

Our Delivery Themes



The bank that knows me

Understanding the intimate needs of our customers and rewarding them for the behaviours we encourage

The bank that empowers me

Connecting our customers to a world-leading platform, putting every financial solution at their fingertips

The bank that delivers for me

Being there for our customers by providing a bank that is reliable, connected and convenient

Our Intentional Enterprise Architecture



	DEFINITION	EXAMPLES
Systems of engagement	<ul style="list-style-type: none"> Applications and technologies that form the interaction with customers and staff 	
Systems of differentiation	<ul style="list-style-type: none"> Applications and technologies that enables unique company processes or industry-specific capabilities 	
Systems of integration	<ul style="list-style-type: none"> Applications and technologies that integrate systems of record with systems of differentiation and systems of engagement 	
Systems of record	<ul style="list-style-type: none"> Applications that process and store core customer account, product and transactional data 	
Data layer	<ul style="list-style-type: none"> Databases and file systems 	
Platform & infrastructure layer	<ul style="list-style-type: none"> Compute, storage, networking incl. private, hybrid and public cloud 	

Our Strategic IT Investments



SA Core Banking
on the SAP Platform



Business Online
Across Africa



Converged digital platform



Africa Core Banking
on the Finacle Platform



eMarket Trader



Group Functions

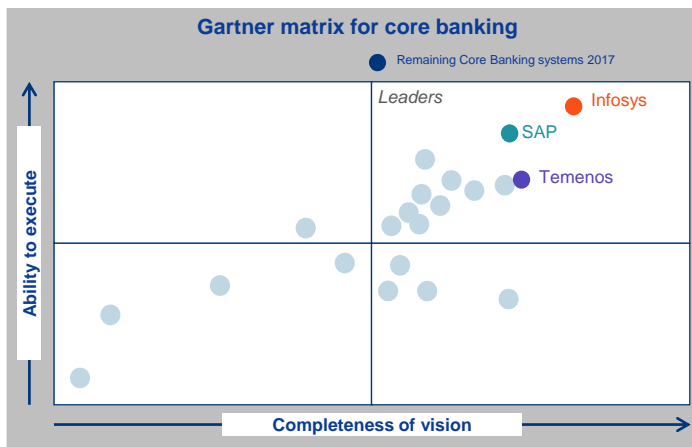


Human Capital



Finance

Our Strategic Core Banking Partners



- Highly configurable
- Service orientated
- Deep data MI and insights
- Supports multiple customer demands
- Large foot-print in Africa (Finacle)

Part of Global Innovation Ecosystem



197+ Million accounts are enabled for digital banking on SAP



A solution entrusted by leading banks across 84 countries...



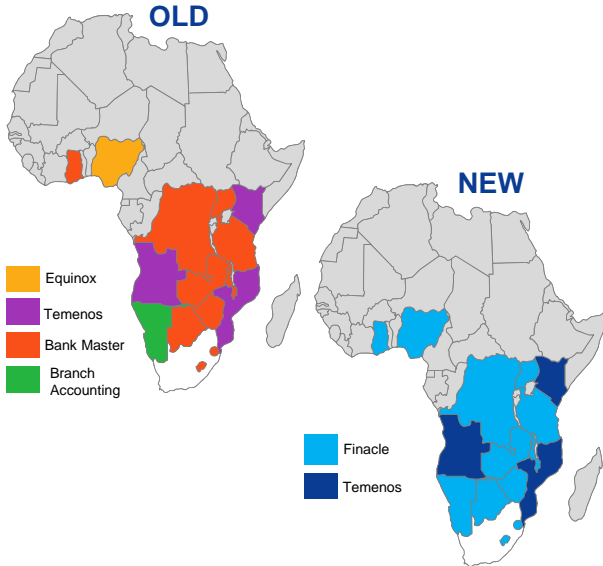
SA Core Banking



Customer centricity	Improved brand appeal through customer-centric experience along customer journeys
Agility	Reduced product deployment life-cycle Faster origination of new accounts Improved and simplified back-end processes
Integration of operations	Real-time banking Single view of customer Product rationalisation from legacy platforms
Risk reduction	Timely compliance with new regulatory requirements Robust anti-money laundering system New stand-in capability and improved stability

- >6.5 million customers already on the new SAP platform
- 35 million customer profiles on CRM – Single database
- >R30 billion of balances on the new SAP platform
- ~60 million transactions processed per month
- Remain on track for Program closure by the end of 2017

Africa Core Banking



Customer centricity	360°view of the customer Quicker processing turnaround times
Agility	Accelerated time to market for new , innovative products Agility to timeously comply with new regulatory requirements
Integration of operations	Elimination of manual interfaces Automation of bulk processes
Risk reduction	Reduced errors as a consequence of straight through processing Reduced revenue leakage

- >2million customers currently on Finacle
- Fully operational system in **Botswana, Ghana, Nigeria, Namibia, Tanzania ,Uganda , Zimbabwe , Zambia and Swaziland**
- Enabled **SBG mobile app** in **Botswana, Ghana , Namibia and Uganda**

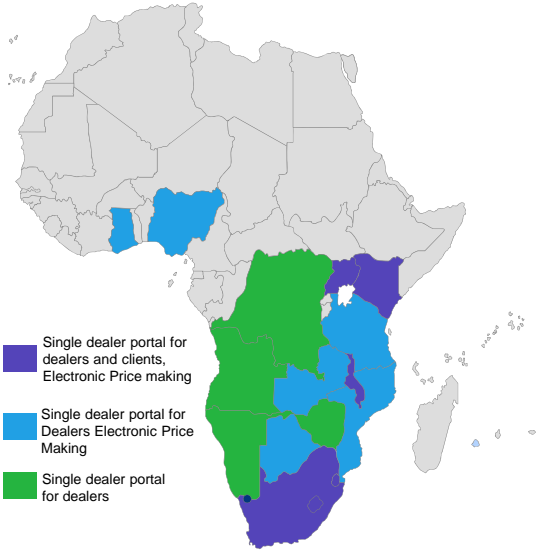
Business Online across Africa



Customer centricity	Single Sign-on capability Clients have power to choose functionality they require (Self Service , Bank-delivered administration or both) Single View of all activities on a one screen Improved navigation with Breadcrumbs and user friendly search
Agility	Single Online portal Instant access to entire Standard Bank/Stanbic portfolio anytime Trading in real time for multiple currencies
Integration of operations	Platform channel spanning across African continent Integrate through Corporate Swift and H2H
Risk reduction	Factor Authentication – Users provide two passwords

- >20,000 customers on BOL
- **Avg. monthly value of R1.6 trillion**
- > 70% of **JSE top 40** use BOL
- Full rollout to all countries by the end of 2017

eMarket Trader



Customer centricity	Immediate , secure and user friendly FX trading solution Single global operating model for eMarkets
Agility	24/7 Platform available to all markets , functionality enabled based on requirements Set of channels customisable to different user types
Integration of operations	Integration to obtain forex through Internet Banking & Mobile Integrated African and International capability
Risk reduction	Electronic pricing and risk management capabilities Electronically manage risk through algorithmic hedging Route FX risk to Centre of Excellence to manage

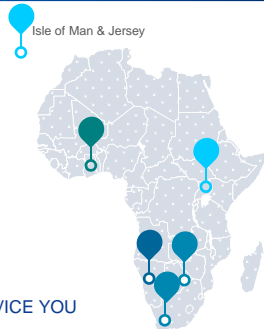
- Single Dealer Platform at various levels of evolution live in **16** African **countries** across **70** global **currencies**
- **19%** annual compound growth rate in number of clients
- **\$18 billion** FX turnover in 12 months to H1 2016

Our Mobile Platforms



SINGLE DIGITAL ID REGARDLESS OF

- GEOGRAPHY
- SEGMENT
- PRODUCT
- WHICHEVER DIGITAL DEVICE YOU PREFER



Customer centricity	Mobile uptake ~2 out 3 customers using the application 4+ times per week Excellent customer ratings of digital banking experience Ability to manage and switch on/off cards online
Agility	SBG Digital Design -unify design and simplify delivery Expanded digital skills - to respond to growing digital customer demands (22 feature teams)
Integration of operations	Robust and extendable digital platform Single digital ID Enabled "One SBG" view of our customers Unified banking experience across platforms
Risk reduction	Quickly adapt to changes in regulations

- ~**600,000** active SBG mobile users on the latest app
- ~**R51 billion** in transactional value for 6 months to H1 2016
- ~**80 million** transactions processed per month on mobile
- >**R7,5billion** in money transfer and remittances on Instant Money

Human Capital

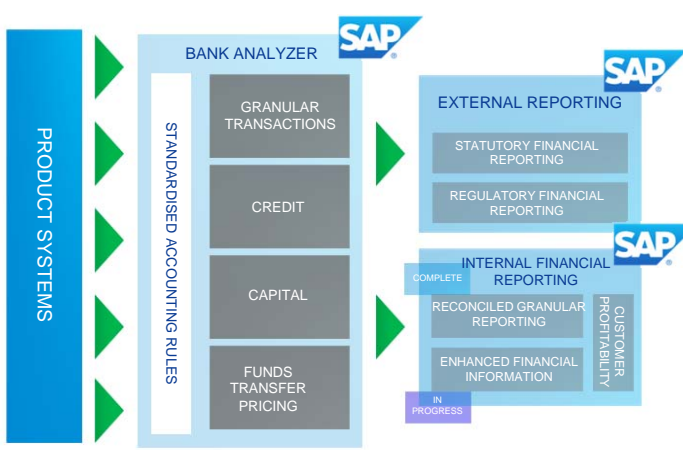


Customer centricity	Improved employee experience – leverage digitisation
Agility	Improved payroll process efficiency due to leveraging Employee Self Service capabilities
Integration of operations	Automation of on-boarding process and document storage Improved accessibility due to consolidation of Human Capital portal content Increased flexibility and efficiency due to automation in payroll system
Risk reduction	Compliance with regulations through TCM data Integration hub and RDARR



Standardisation through global template SAP HC "Best payroll in the world" Enhanced employee experience

Finance

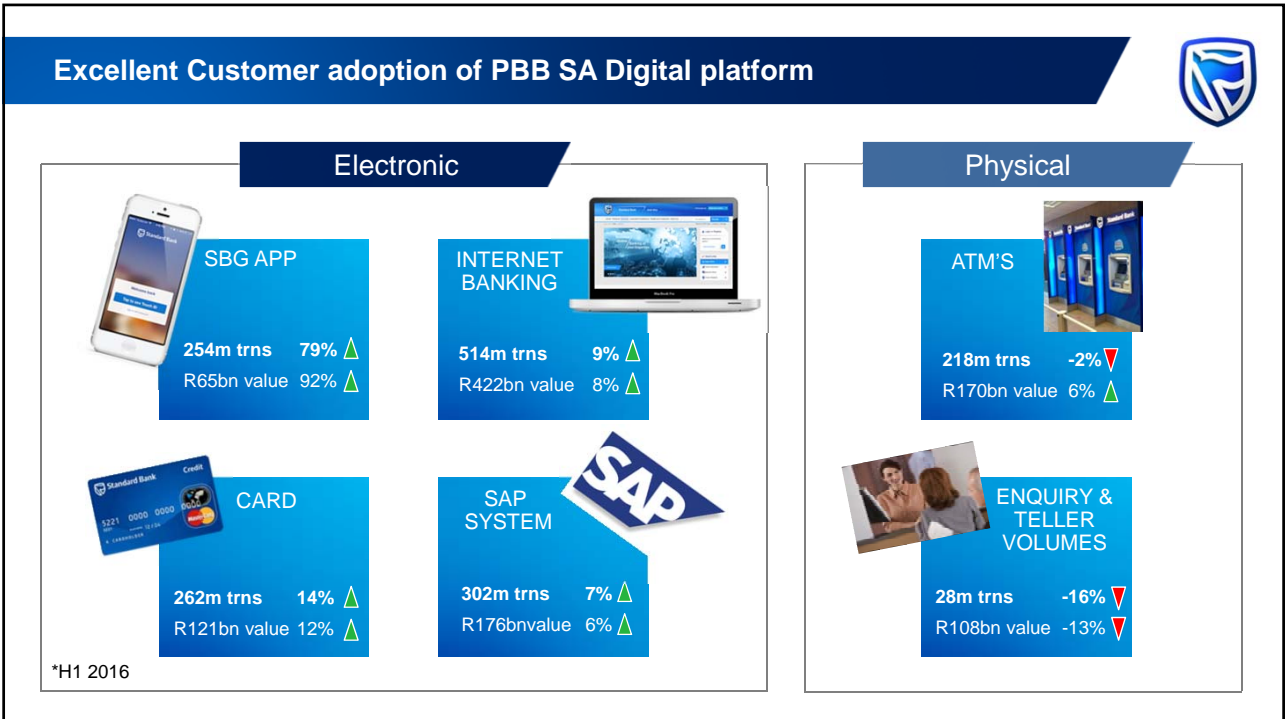


Customer centricity	Enabling customer level profitability and analytics Integrated Management Reporting – in line with BU requirements
Agility	Rapid deployment new products Near Real Time reporting Standardised accounting treatment across PBB
Integration of operations	Integration with SAP reporting capabilities
Risk reduction	Reduced operational risk through a standardised control and reporting framework Automation of previously manual Finance processes

- Serves as a standardised accounting rules engine and sub ledger
- Contains granular financial transactional/client level data
- Enabling Single View of Customer
- Supports internal and external reporting



Excellent Customer adoption of PBB SA Digital Platform



Steady and encouraging digital progress made in ROA



SBG APP

Live in Botswana,
Ghana, Namibia and
Uganda



INTERNET BANKING

30%



ACQUIRING

>100%



USSD / WAP / Smart App

120%



ATM'S

9%

Established Mobile Capabilities



UNIVERSAL DIGITAL ID



SNAPSCAN



BIOMETRIC AUTHENTICATION



MASTERPASS



CARD CONSOLE



OST WATCH APP

Established Mobile Capabilities



ALWAYS ON - 24/7 Banking



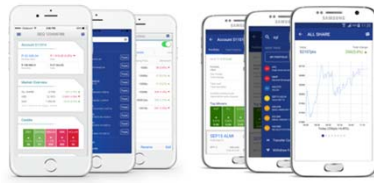
Insurance Online



Web trader



BALANCE PEEK

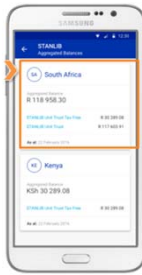


Online Share Trading



UCount Rewards

Recent Mobile Releases



STANLIB UNIT TRUSTS



ATM LIMIT MANAGEMENT



VAF TRAVEL ASSIST



CROSS BORDER PAYMENTS



KIDZ BANKING APP



WECHAT WALLET



PAN AFRICAN BANKING APP

BLOCKCHAIN POC's



CROSS BORDER REMITTANCE



TRADE FARM

Data Analytics



Hadoop Data Lake



Anticipated reduction in modelling & analysis time of >40%



Targeted in branch campaigns showing >60% improvement in conversion rate

Next Best Action



Holistic Customer Focus

Single View of Customer

Internal profitability analysis for customers allowing for tailored pricing. Next move is "Customer Lifetime profitability analysis"



Ultimate target of "Segment of 1". Initial results yielded >2,000 clusters allowing better insights & analysis



Segment of 1

Security: Built into everything we do



More than **R500m** invested in protecting our customers every year

More than **250 dedicated persons** responsible for planning, monitoring and protecting the bank and our customers



- fra holding til handling



Recognition, Awards & Nominations 2016



Global Innovator of the year
Out of 60 Banks globally



International Payments on Smartphone
Best new product or service



Cross Border Letter Request
Customer Experience



WeChat Wallet
Best Innovation Payments & Wallets (1 Of 6 finalists)



Business Flexi Advantage
Customer Experience



S#ift
Salesforce Change Management



Shyft
Most disruptive Innovation



Bank of the year Nomination



SAP Quality Gold Awards for Best Large Implementation and Innovation



Most Innovative Bank



Standard Online Share Trading and Stockbroking named SA's top stockbroker



Client Innovation Award for "Smart App"
Celent Model Bank Award for Omni Channel Banking



Best Super Regional Bank Single Dealer Platform for eMarketTrader.

Benefits

Standard Bank Moving Forward™

Strategic Benefits



**CUSTOMER
CENTRICITY**



AGILITY



**RISK & REGULATORY
COMPLIANCE**

Strategic Benefits



**HIGHER
EMPLOYER
ATTRACTIVENESS**



**IMPROVED
EFFICIENCY**



FINANCIAL BENEFITS

Competing to win in a digital world

- Our future is digital
- Data analytics critical
- Internet based business
- Seamless integrated omnichannels
- Customer access will be mobile
- Radically improve customer experiences
- 95% of our customers on the new platforms by 2017
- Becoming more like a Fintech company ourselves
- Leveraging existing investments in technology

Standard Bank Moving Forward™



THANK YOU

Standard Bank Moving Forward™