



# Transformation in the Financial Sector

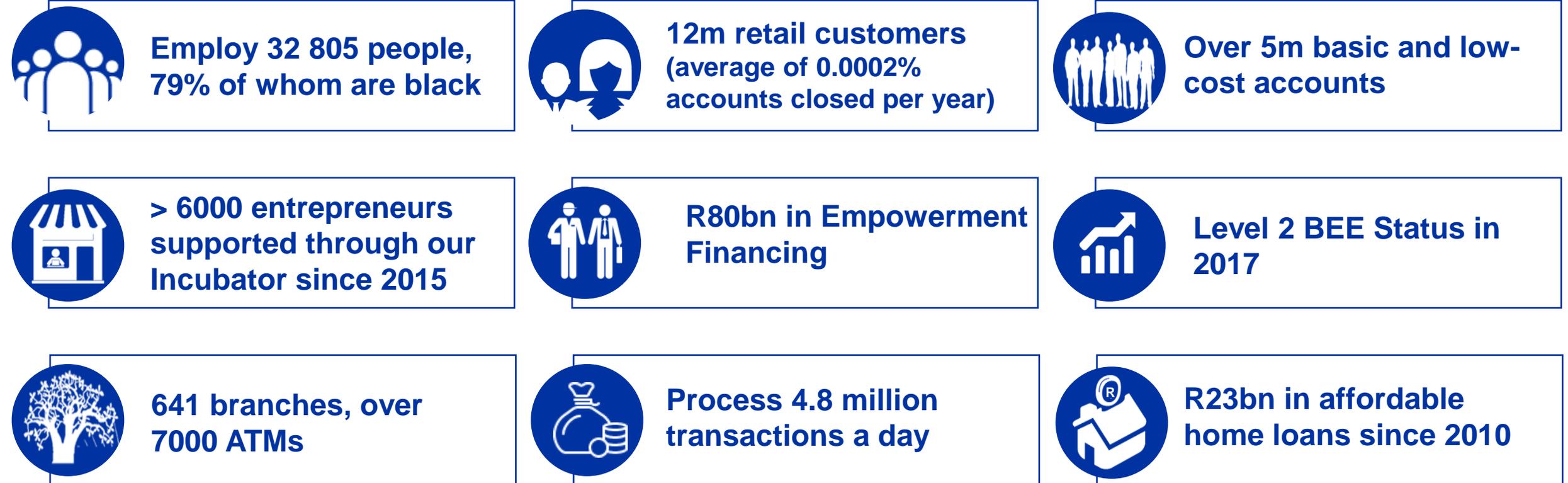
*Presentation to Standing Committee on Finance and  
Portfolio Committee on Trade and Industry*

14 March 2017

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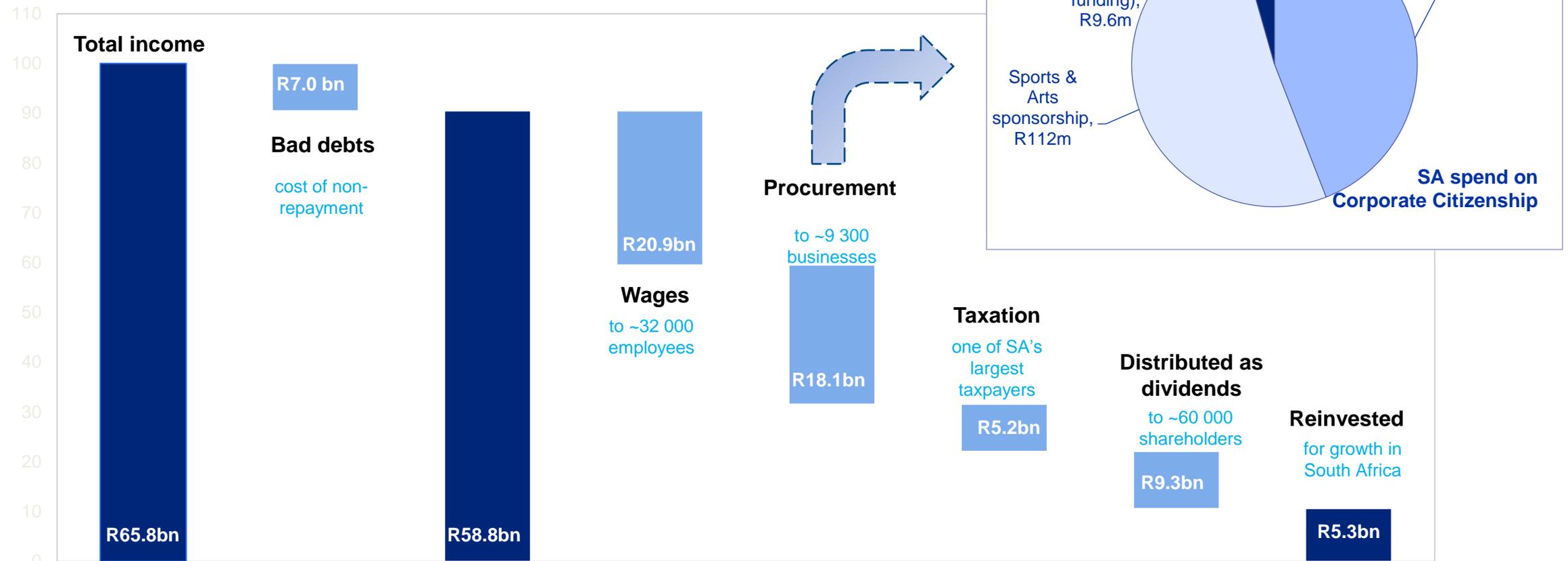
## Snapshot of our role in South Africa



# Who does the money the bank makes actually go to?



## Standard Bank South Africa



# We want what you want - a more equitable society, a growing economy



“Economic transformation is about broadening opportunities for all South Africans, but particularly for the historically disadvantaged. It is about raising employment, reducing poverty and inequality, and raising standards of living and education. It includes broadening ownership and control of capital accumulation. In addition, it is about broadening access to services such banking services, mortgage loans ... This includes equity in ownership of assets, income distribution and access to management, professions and skilled jobs.”



**IMF research shows that lifting the share of income that goes to the poor and middle class by 1%, increases a country’s economic growth by 0.38% over five years.**

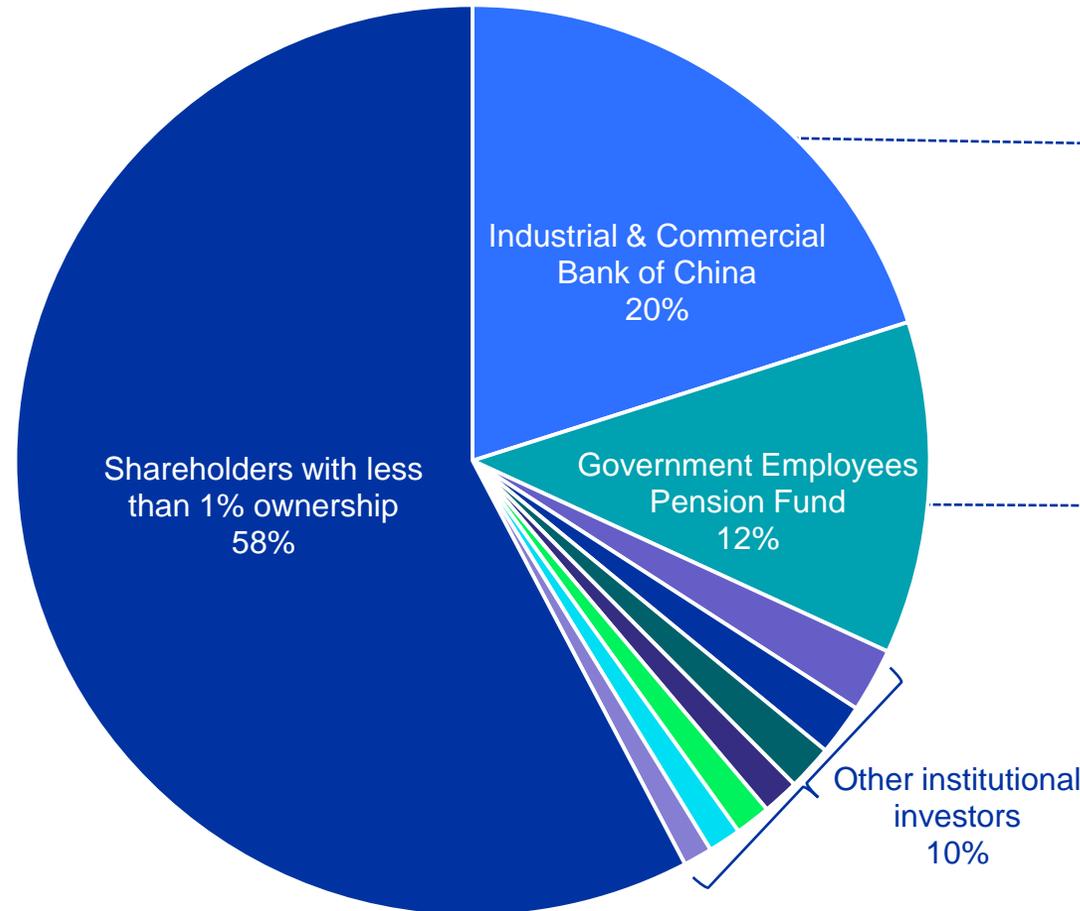
**While progress has been made, we recognise that we can, and must, do more.**

SBSA BEE Score 20 Feb 2017		
BEE Element	Total points available	Audited SBSA score 2016
Ownership	14 (+3)	16.61
Management Control	8 (+1)	5.55
Employment equity	15 (+3)	11.95
Skills development	10	9.05
Preferential procurement	16	16
Enterprise development	5	4.8
Empowerment finance	15	15
Socio-economic development	3	3
Access to financial services	14	12.6
<b>Total</b>	<b>100 (+7)</b>	<b>94.56</b>

# Who owns Standard Bank?



We have more than 60 000 shareholders – mostly institutional investors representing millions of savers and pensioners saving and investing for their retirements

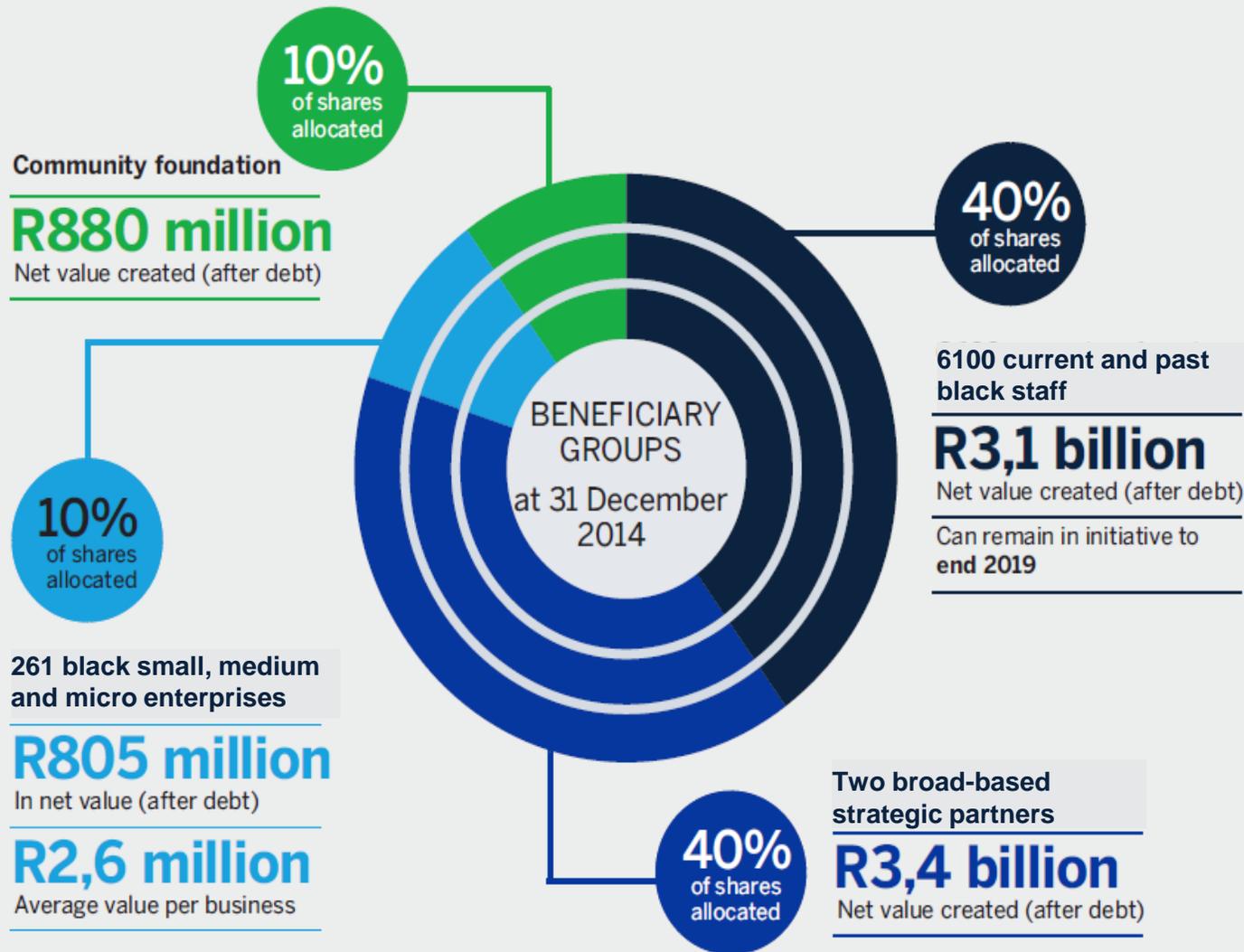


Our largest shareholder is ICBC – the world’s largest bank

Our largest South African shareholder is the GEPF – its stake is worth R28bn

47% of Standard Bank is South-African owned

South Africa is a small, open economy and investment in our bank by global investment funds has many benefits and is a strong sign of confidence in our country



## R10.7 billion

Net value created between 2004 and 2014 for all beneficiaries

Value has been created for

- 6 100 black staff
- 261 small black businesses
- Two strategic BEE partners
- South Africa - more than R1 billion in tax paid

In 2016 the scheme established the Tutuwa Community Foundation to support early childhood development, a more effective schooling system and work-readiness initiatives for youth.

# Employment Equity



## EE Data SBSA

### Black Employees



### We are working to fix this

#### Black staff comprise:

- 67% of participants in our leadership development programmes
- +90% of promotions into junior and middle management
- +50% of promotions into senior and executive management



Board of Directors



Group Executive Committee

# In developing countries, the financial sector enables economic growth



Is our financial sector too large?

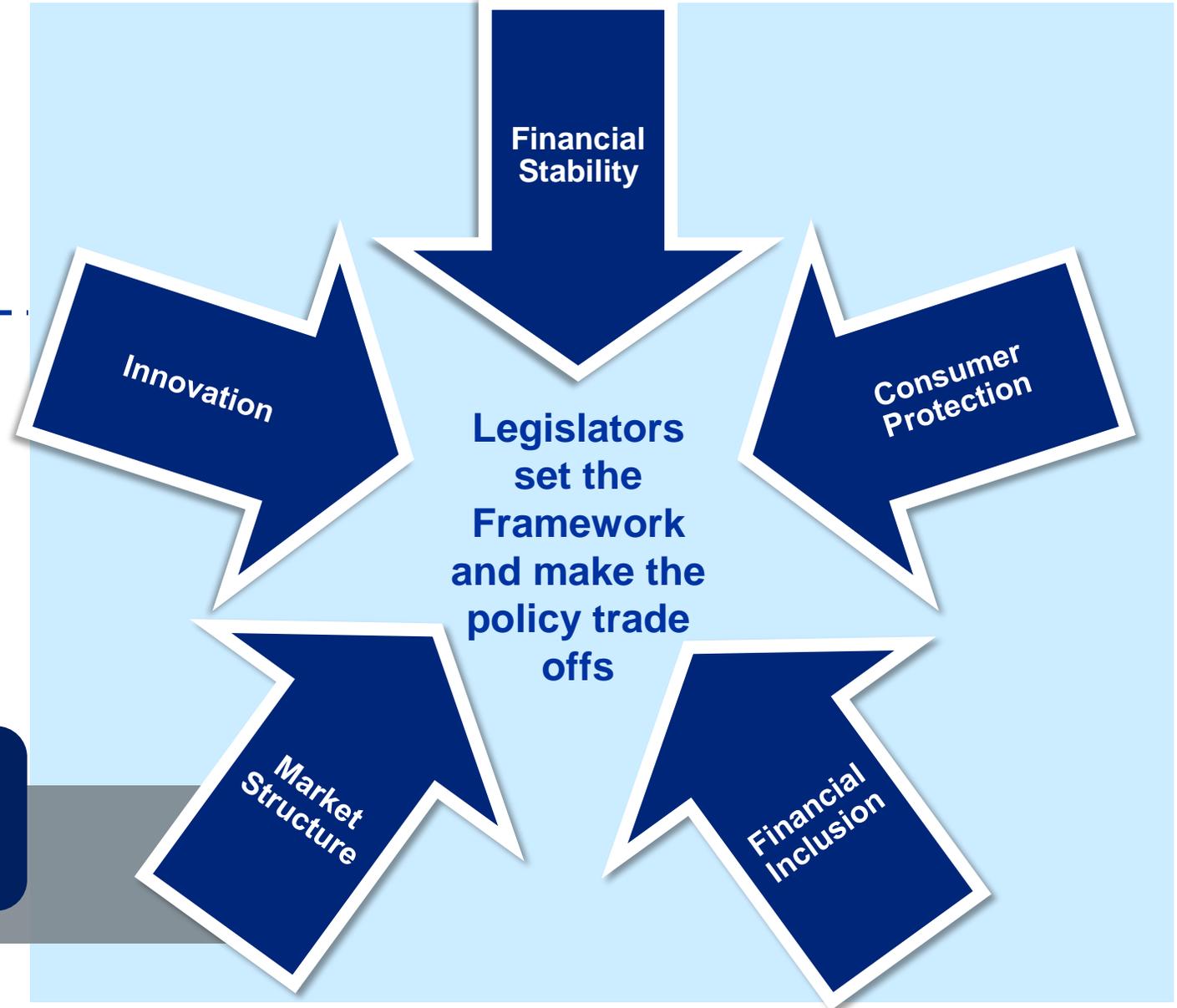
South Africa is within the acceptable range of the IMF Financial Development Index

Standard Bank banks the “real economy” and funds productive economic activity:

- Home loans
- Infrastructure
- Businesses and Corporations

The right policy and regulatory framework is crucial for the financial system to meet the needs of South Africans

South Africans can choose from more than 35 banks including the Post Bank and more than 5000 registered credit providers





## ***Standard Bank's commitment***

**“We are committed to transformation by our group Purpose and Values. We cannot honestly claim that ‘*Africa is our home, we drive her growth*’ unless we are committed to transformation in South Africa. A South Africa crippled by unfairness and inequality cannot take its rightful place in the family of nations.**

**All of us at Standard Bank – and indeed, all South Africans – must continue to work hard to transform our economy and our society. Our Constitution binds us to do this; our South African patriotism and our commitment to Africa demand it; and our interest in the profitability of our group and in the well-being of our fellow South Africans, our friends and families compels it.”**

**Chief Executive, Sim Tshabalala  
Letter to Staff, January 2016**



Thank  
You

5 Simmonds Street Johannesburg 2001 / P O Box 7725 Johannesburg 2000  
Tel +27 (0)11 636 9112 / Fax +27 (0)11 636 6299 / Mobile +27 (0)00 000 000  
[standardbank.com](http://standardbank.com)

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