



LEVERAGING OUR INVESTMENTS IN IT

Through our significant strategic investments we have established the foundation to enable us to become a first-class universal and digital bank in Africa. The investments we've made in our core platforms provide a significant competitive advantage enabling us to rapidly respond to customer needs and continue to leverage the investments to deliver leading digital banking solutions, driving benefits for client centricity, agility, integration of operations and risk optimisation.

We've replaced ageing systems with modern, integrated, agile and secure solutions. We've greatly enhanced our capacity to offer digital solutions across our products and services. We've strengthened our capacity for data analytics, enabling us to improve and personalise the service we provide to our customers; we've strengthened our resilience against cybercrime; and we've improved integration across our business units and countries of operation. Our IT modernisation programmes are on track for completion by the end of 2017, with our aim to have more than 95% of our customers on the platform. Our focus going forward is to derive maximum value from our investments.

CREATING SHARED VALUE THROUGH IT

The creation of shared value is achieved through the **four key pillars** of our IT strategy:

- 1 Quality of service through brilliant basics:**
Achieving continuous improvements in the quality of service to customers in terms of availability, reliability and security
- 2 Responsiveness to market:**
Leveraging innovative technology and new ways of working to achieve higher levels of agility, flexibility and responsiveness
- 3 Affordability:**
Managing costs by driving a lean IT operation and by embedding commercial pragmatism
- 4 Sustainability as the foundation of client excellence:**
Making Standard Bank IT an aspirational destination for IT professionals and embracing our diversity, social and ethical responsibility.



IT PLATFORM MODERNISATION

Fully digitising platforms across the group paves the way for a great customer experience across countries and products. Our strategic investments in IT are driving benefits for client centricity, agility, integration of operations and risk reduction. The investments have realised significant benefits to date and ongoing investments from 2017 will enable further improvements to customer service. The customer is at the heart of everything we do and we will continue to use our investments to further drive digitisation, make greater use of data analytics, and continue to strengthen cybersecurity to protect our customers and our assets.

A major component of our modernisation has been the implementation of our SAP core banking platform in South Africa. It currently comprises close to 6.5 million customers and over R30 billion in customer balances, and processes almost 60 million customer transactions a month. It provides us with a single source of customer data, giving us a holistic view of each customer's various products and relationships with different parts of the group. We're able to open new customer accounts more quickly, to serve

existing customers more efficiently, and to undertake more accurate credit scoring. We've also strengthened our anti-money laundering controls.

Our SAP platform has enabled us to reduce product development costs and speed up the process of product development. During 2016, we've delivered several new products using the platform, including Shariah banking; a Lottery Solution; a tax-free fixed deposit; Money Market Select; and Flexi Deposit.

The Finacle Core Banking system is fully operational in Botswana, Ghana, Nigeria, Namibia, Swaziland, Tanzania, Uganda, Zimbabwe and Zambia. It currently comprises over two million transacting customers. Like SAP, Finacle offers a single view of each customer, quicker processing and turn-around times, quicker time to market for new products, the elimination of manual interfaces and the automation of bulk processes, which reduces room for error. The balance of our African operations will be migrated to the new platform by the end of 2017, with the exception of South Africa, which uses SAP, and Angola, Kenya and Mozambique, which use T24 Temenos.

Platform modernisation

SAP single view of customer

