



Helping our people keep up with regulatory change

Over the past year, we've worked hard to encourage regulatory awareness and a culture of compliance among all our employees, using innovative technology to make compliance integral to how we think and work.

Since 2015, we've had a dedicated **compliance training unit** that focuses strongly on technology and innovation. Compliance training is compulsory, with consequences if training is not completed by all our people – including non-permanent employees, contractors and third party service providers.

Training and assessments are easy to access – everything is available online, and our system automatically sends individualised reminders of training requirements to our people, as well as user-friendly reports to enable line managers and business areas to track employee completion rates. We're currently in the process of refreshing all of our compliance training modules and these will be rolled out in the second quarter of 2017.

The **new training modules will be available on our people's smart devices**, enabling them to ensure that their training is up to date even if they're out of the office.



Know your customer (KYC)



New electronic document management



More efficient and less hassle for customers



Standard Bank's impact on combating crime

Know your customer (KYC) is a crucial compliance requirement for banks the world over. It's how we ensure that our services are not being used to process fraudulent, illegal or corrupt transactions, or used to channel funds to support terrorism or other illegal activities. But it's often the source of frustration for customers, who might be unable to proceed with a transaction, or might find their bank account frozen, because they have failed to comply with KYC requirements. The KYC process has been particularly challenging in countries that don't use a national identification system. In such cases, banks have relied on documents such as passports and drivers' licences to ascertain a client's identity. But these documents expire – creating challenges for the process. Over the past several years, we've been implementing electronic document management in all our countries of operation, to make the KYC process more efficient, and less of an inconvenience for our customers. The aim is to have only one digital record per client, and we've completed the scanning of all existing documents. We're now in the

process of implementing automatic document scanning in branches for all new clients.

One of the challenges faced by African financial markets in 2016 was the withdrawal of several international banks from some countries as a result of de-risking decisions. During the course of the year, a number of Standard Bank's clearing banks informed us that they could no longer act as our clearing bank for US dollars in certain African jurisdictions. **We tackled the challenge proactively, with the support of the South African Reserve Bank, and we believe we're well-placed to manage any further developments in this area in 2017.** We also believe that our stringent compliance with anti-money laundering requirements is a competitive advantage, as it positions us as a favoured correspondent bank.



Read more about why and how we close accounts in the Special Edition: Report to Society on **pages 30 – 31**. <http://sustainability.standardbank.com/downloads.php>



I SEE MY JOB DIFFERENTLY...

Lerato Moloi – Regulatory advocacy manager

As a member of the group policy, advocacy and sustainability (GPAS) team, the basis of my work, from day-to-day, is about SEEing things differently. The work we do includes scanning the socioeconomic, political and legislative landscape and providing analysis on developments of this nature. This allows the bank to remain ahead of the curve on any potential risks and opportunities. Our work requires the ability to SEE things differently by understanding the nuances and thus connecting dots where it may seem like there is no connection to be made. This ability is especially important in light of the bank's purpose – Africa is our home, we drive her growth – as it is critical to understand the different environments within which we operate so that we can do business effectively and provide shared growth and value for all our stakeholders the continent through.