

Standard Bank South Africa  
BEE total score

94.56



**Inclusive growth and economic transformation**

**South Africa**

Black Economic Empowerment (BEE) is a moral and commercial imperative for South Africa's long-term future and the bank's sustainability. Independent, accredited external auditors conduct independent assessments of our BEE performance against the Financial Services Sector Codes for Broad-based Black Economic Empowerment (FS Codes). We continuously strive to ensure that we exceed the targets set down in the codes in order to be significant roleplayers in the transformation of our country. We achieved a BEE score of \*94.56 in 2016, and improvement of 1.14 over our 2015 score of 93.42.

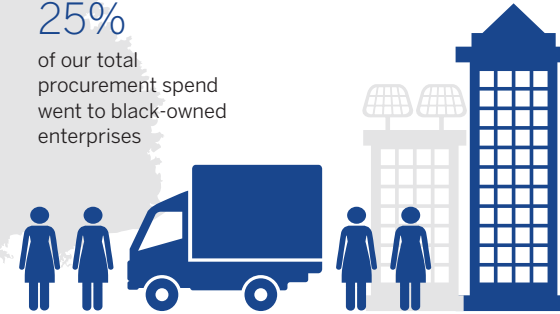
**Africa Regions**

Many African countries are increasingly putting processes in place to transform their economies, by promoting indigenisation (local ownership). We engage constructively in debates on these developments in an effort to balance the legitimate expectations of economic transformation with the reasonable rights of investors. We take a multi-faceted approach to localisation and our relevance in the market, taking into account what we do for our people, our contribution to socioeconomic development, industry development and job creation. Ownership is an important element of this, and we comply fully with legislation that requires local shareholders to hold a percentage of shares.

In Nigeria, we support the Central Bank's Financial Inclusion Strategy, as well as the Nigerian sustainability banking principles. In Uganda, we focus on aligning with the local government's transformation priorities as set out in the country's National Development Plan. In Namibia, we have transferred an initial 10% shareholding to our employees and a community trust, in line with regulatory requirements to increase local participation in the financial sector. The Zimbabwean Government is also embarking on policy implementation that will focus on the broad-based empowerment of its citizens.

Achieved maximum of  
**16 points**  
for preferential  
procurement on our  
B-BBEE scorecard

**25%**  
of our total  
procurement spend  
went to black-owned  
enterprises



**Promoting enterprise development (ED) through the supply chain**

At Standard Bank, we promote enterprise development (ED) through our supply chain. In South Africa, our preferential procurement and supplier development initiatives focus on small black-owned and black women-owned suppliers in our supply chain. We work with potential suppliers to identify appropriate opportunities, and provide successful candidates with business development support. We also give qualifying suppliers access finance where needed. **We've approved a R250 million fund, from which credit will be provided to support the development of small businesses within our supply chain**, over a three- to five-year period. In 2016, we achieved the maximum of 16 points for preferential procurement on our B-BBEE scorecard. 25% of our total procurement spend went to black-owned enterprises, and 27% to Qualifying Small Enterprises (QSEs) and Exempt Micro Enterprises (EMEs). 14% of total procurement spend went to black women-owned suppliers. In 2016, we reduced our foreign procurement suppliers by 13% in our efforts to shift from foreign suppliers to local suppliers where possible, and where appropriate, redirected in favour of black-owned and black women-owned suppliers.

\* A business with an annual turnover more than R10 million but less than R50 million qualifies as a Qualifying Smaller Enterprise (QSE).  
\*\* Start-up companies qualify as an Exempted Micro Enterprise (EME) and are exempt from being measured on a BEE scorecard.



**The Siyakha Programme – CSI means business**

Every year in South Africa, young people exit the schooling system and begin their journey towards finding a career. Those who have come from middle class and privileged backgrounds may make the transition from school to higher education – and on to employment – relatively seamlessly. Most, however, are caught in a struggle to access post-secondary education or training, or to get their first job. This creates a barrier where these youth feel locked out of the labour market and ultimately locked out of inclusion into the economy. The Siyakha Programme is a partnership between The Centre for Social Development in Africa at the University of Johannesburg and Standard Bank. **It is aimed to better understand the barriers that young people face when seeking work, and to assess how programmes offering workplace training affect outcomes for youth.** In addition, the programme developed a plan that will improve transformation and financial inclusion in South Africa.

The programme studied various aspects that impact on young people's ability to access work. One of the main barriers they face is the high costs of work seeking. The programme required a bank to partner with, who could provide the youth participating in the study with savings accounts. Globally, evidence suggests that savings helps young people to see a future for themselves and better transition to work. The programme tests whether having a savings account helps youth to transition to work. **We were the only bank to offer our services, providing the youth with savings accounts where we waived the opening account bank fees.** Although this request came from our CSI department, it was collaboration with our business that enabled us to provide the accounts needed.

Early results suggest that participants that received an account and the financial literacy training had a higher sense of employability than those who did not. The savings intervention was also associated with young people feeling more positive about their future prospects.

The study is ongoing and will contribute to a dialogue between the financial institutions, looking at how we structure our products, and government, informing their interventions of youth unemployment and financial inclusion. We are proud to have played a role in this research, seeing the youth in the project not only as participants in the study, but Standard Bank long-standing customers that we hope to see grow in their careers.



\* For more information on our BEE performance and our full scorecard, please download our Special Edition: Report to Society <http://sustainability.standardbank.com/downloads.php>