

A letter from our SBSA CE: Lungisa Fuzile

Standard Bank's purpose is 'Africa is our home, we drive her growth.' Driving growth means an economy in which every South African, regardless of their race or gender or the social context, can access basic necessities; and an economy in which success and prosperity are the result of hard work and talent, rather than inherited privilege or personal connections. As a corporate citizen with a social responsibility, we are committed to supporting economic growth.

The pace of transformation in the financial sector has been in sharp focus over the past two years. Standard Bank is committed to supporting social and economic transformation, and the expansion of economically sustainable businesses as the foundation for inclusive growth and profitability. With this, there is a deliberate focus on black and women-owned businesses. We recognise broad-based black economic empowerment (BBBEE) as a moral and commercial imperative, crucial to secure a more sustainable growth path for South Africa.

Standard Bank was recently certified as a Level 1 (BBBEE) Company, under the revised Financial Sector Code. Whilst the Financial Sector Code Scorecard is an important tool to measure our outcomes, it is not the primary way in which we drive transformation activities. We remain focused on ensuring that we play our role in contributing to the creation of a more just and equitable society.

Internally, we continuously work to identify opportunities within the Standard Bank ecosystem to accelerate transformation, leveraging our skills, expertise and access to various stakeholders in the economy. Progress is overseen by the political economy, transformation and BBBEE (PETBEE) committee, and by the group social and ethics committee of the board. Some of the measures that have been implemented include the following:

- Implementation of clearly defined employment equity (EE) targets, for all business units and corporate functions. Targets are monitored by the PETBEE committee, and by the group social and ethics committee. The heads of our business units and corporate functions account for progress against targets on a regular basis

- Targeted development of high potential and high performing black and women employees, to position them for senior roles
- Continual development of a company culture that accommodates and encourages diversity and inclusion. This includes transparent engagement across our business, from board members to general staff, on issues that impact on our ability to accelerate transformation. We have a diversity and inclusion forum, whose mandate includes monitoring EE targets and holding executive and senior management to account on all diversity and inclusion matters
- Ensuring that our core business makes a substantial contribution to enabling economic activity and driving economic transformation
- Partnering with third parties to develop black-owned businesses, some of whom are suppliers to Standard Bank.

As a corporate citizen who is responsible for contributing to economic growth, Standard Bank has a moral and social obligation to participate in industry initiatives to accelerate transformation.

Representatives from business, government, the Department of Labour and other stakeholders have been engaging through the National Economic Development and Labour Council (Nedlac) to identify mechanisms to accelerate transformation in the financial sector. Standard Bank has dedicated considerable time to participating in this important dialogue. We are also participating in the Banking Association South Africa (BASA) engagement to develop sector-level commitments, and coordinate detailed action plans for collaborative initiatives, while individual institutions are also developing internal plans.

Standard Bank is committed to engaging with our stakeholders about your expectations of our role in relation to transformation. We welcome your feedback in this regard.

Lungisa Fuzile,
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The Standard Bank of South Africa*

