



Our focus

Our impact in 2021

Accessible and affordable mobile phone-based solutions

Reducing transaction fees

Digital solutions for entrepreneurs and small businesses

Improving financial inclusion among women

Home services

Insurance products for individuals and business owners

Consumer education and financial literacy

FINANCIAL INCLUSION

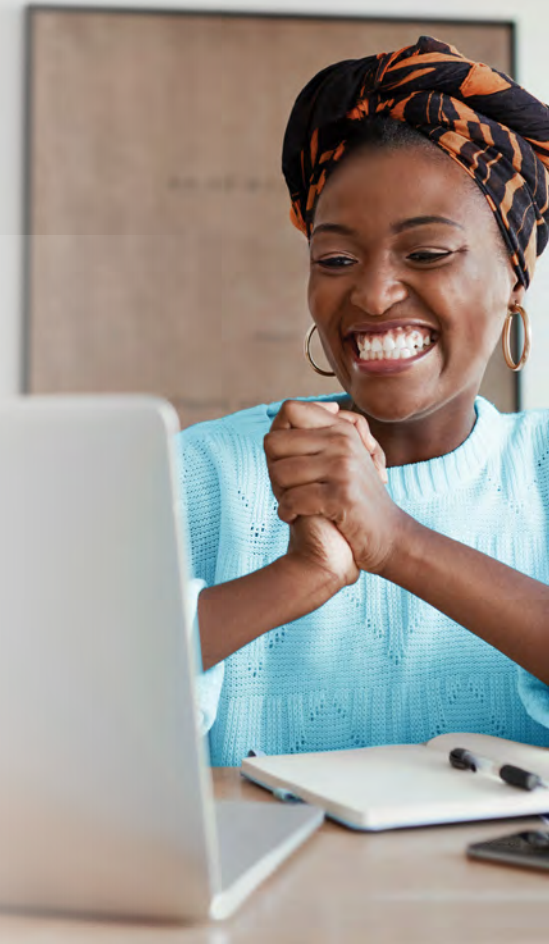
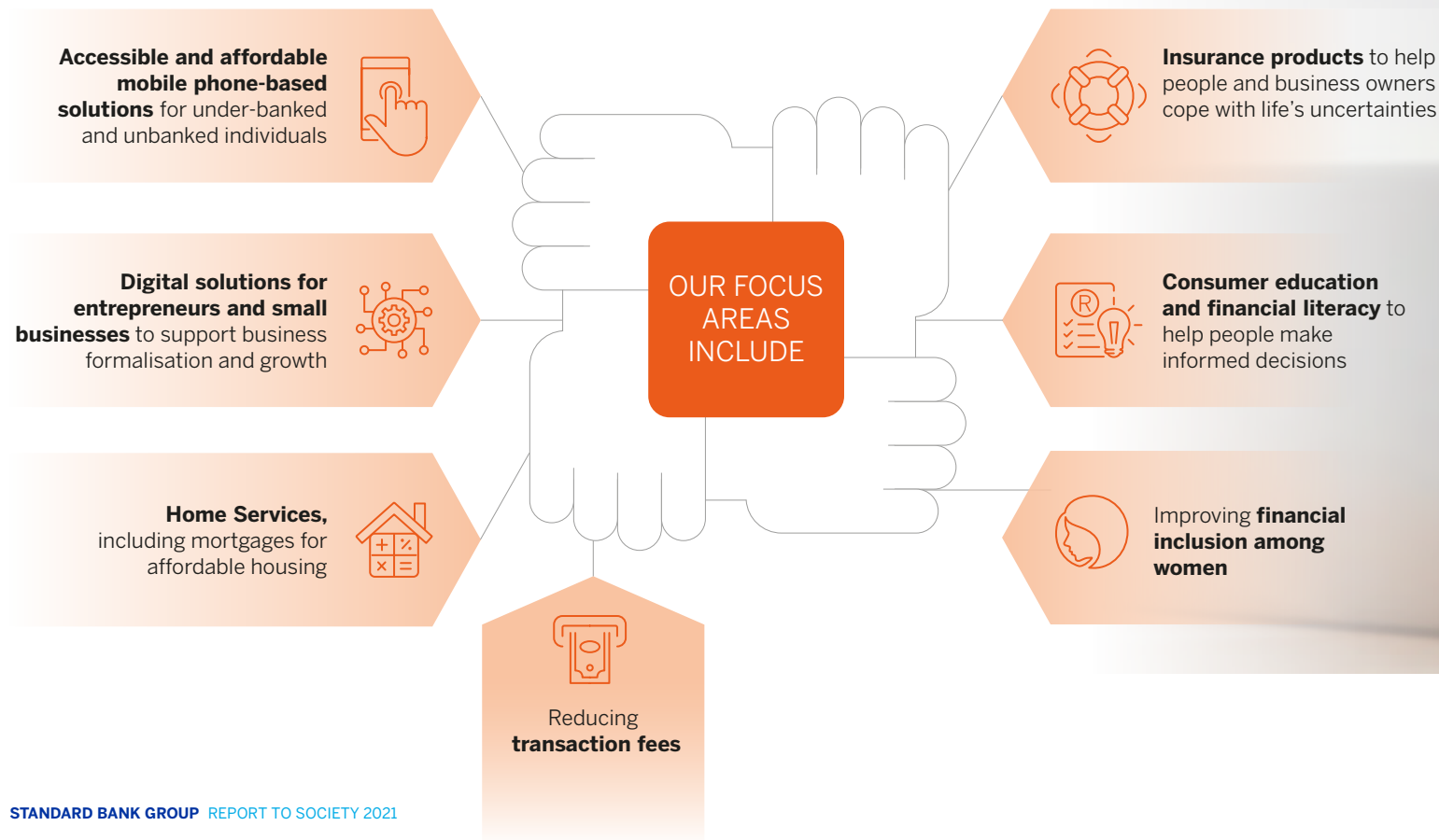




Financial inclusion



Financial inclusion supports economic and human development and reduces inequality. Standard Bank enables individuals, entrepreneurs and small enterprises to access relevant and affordable financial products and services, including payments, savings, credit and insurance, enabling them to transact conveniently and cost-effectively, save and plan for the future, and deal with unexpected emergencies.





Our impact in 2021

92% of sales and services to the enterprise segment were enabled remotely



40% increase in digital lending in South Africa, 200% increase in Africa Regions



Over 100 million individuals reached through WalletWise financial literacy programme in South Africa



New affordable home loans registered in South Africa to the value of almost R5 billion



Over 11 000 people participated in Financial Fitness webinars and over 4 000 people participated in Leadership Academies



Over 100 000 people are using an Unayo digital account



Over 8 000 small-scale traders used Trader Direct



We increased Instant Money access points from 15 000 in 2020 to 50 000 in 2021, growing our customer base by 16%.





Accessible and affordable mobile phone-based solutions

Barriers to financial services access include access to branch services, access to smart phone technology, and the cost of transactions. We are committed to improving access to and the affordability of financial services, including through digital products and services that are accessible without a bank account or a smart phone.

Our mobile phone-based solutions enable our customers to transact efficiently, safely and conveniently.

Examples include:

INSTANT MONEY™

in South Africa



MYMO

in South Africa



unayo®

in Botswana, Eswatini, Kenya, Malawi





INSTANT MONEY™

Instant Money, South Africa



In **South Africa**, Standard Bank's **Instant Money** transfer service enables customers to send cash to anyone in South Africa with a cellphone number. Beneficiaries can redeem money transfers at over 50 000 locations at major retailers and selected spaza shops around the country, or at any of the bank's ATMs. Our partnership with OTT Collect, offers shop owners the opportunity to increase their revenue by selling Instant Money voucher redemptions, substantially increasing the number of Instant Money access points.

Customers can store their vouchers, at no charge, and only cash the money they need in the Instant Money Wallet. This pay-as-you-transact solution includes prepaid services like airtime, data and electricity, and free wallet to wallet transactions.

Total value of send transactions processed per annum:
R26 billion
(up from R21 billion in 2020)

Number of Access points:
50 000
(up from 15 000 in 2020)

Customer base
growing at 16% year-on-year

Average number of new Instant Money wallet monthly users:
20 000

The **Instant Money Bulk Payments** solution allows businesses of any size to disburse funds through the Instant Money platform to employees and suppliers in real time. Recipients don't need a bank account and can collect their funds at their convenience. Clients can make multiple payments to several recipients in one go and set future-dated payments to process automatically.

Growth in user transactions:
>100% year-on-year



"Our Instant Money platform is a powerful way to widen access to the financial system as it allows cash to be transferred more efficiently, securely and economically than ever before. Whether in rural areas or city centres, money can be sent or received."

Ethel Nyembe

Head Card and Payments, Standard Bank



Unayo®



Standard Bank is committed to empowering unbanked communities and emerging economies across Africa. We've launched **Unayo** as a global platform for all of Africa's people, designed to drive financial inclusion. Unayo, or 'you have it', combines the simplicity of mobile money with the sophistication of a bank account, using technology to disrupt both ecosystems. Customers can create a profile, sign up in minutes, and start banking in seconds on USSD or via the Unayo App.

103 511 registered users

8 669 registered merchants

Available in four countries
– **Botswana, Eswatini, Kenya, Malawi**

Over R25 million in aid disbursed to beneficiaries across the four countries

Almost R12 million paid to interns on behalf of one of Botswana's government departments

Integration of Unayo with the local Stanbic ATM network available in Eswatini and Botswana

Value-Added Services (VAS) launched in Malawi (airtime and electricity) and Botswana (airtime)

Local language option (Chichewa) deployed in Malawi, others to follow soon

Key features of Unayo

- Users can transact anywhere, securely, swiftly and simply, from their mobile phone
- No geographical restrictions and no need to present documentation or undergo a paper-bound KYC process
- Caters for salaried individuals, cross border payments, traders and donor organisations
- Primarily supported by USSD (accessible without a smartphone)
- Enhanced features available for smartphone users, via the app (e.g. facial recognition)
- Transactions are free or attract nominal charges
- Users can scan-to-pay, send money and make payments across borders. They can also create payment vouchers, receive disbursements from donor organisations, and do day-to-day banking including cash-ins and cash-outs.
- Anyone can become an Unayo merchant, as a business or an individual, providing an opportunity to earn income
- The Assisted Services capability allows Unayo users to on-board other members in their communities and earn a commission for doing so
- Receivers and holders of funds can create society and shared savings schemes – supporting the development of a savings and investing culture
- Enables management of funds and participants of collective funding in one place, from one profile, in a simple and understandable manner and without data restrictions.

“Unayo connects traders, small businesses, communities, entrepreneurs, buyers, sellers, you and me. It has unlimited capacity to add features and services to the solution that are not determined by us as Standard Bank, but by the users of the platform themselves. This underlying technology means that users can be the custodians of their preferences and tailor the platform for their unique needs.”

Wally Fisher

Head, Unayo, Standard Bank Group



MyMo

MyMo is a low-cost transactional account which can be opened online. It was launched in 2019.

Over 1.6 million clients with a total client balance of R3.8 billion by the end of 2021

up from 659 000 clients with a balance of R1.3 billion in 2020

GET A MYMO ACCOUNT FOR JUST R4.95 PER MONTH

FREE UNLIMITED CARD SWIPES.
NO DOCUMENTS REQUIRED.
BANK IMMEDIATELY.

OPEN A MYMO ACCOUNT ON OUR APP

Standard Bank *IT CAN BE.*

Khonde Savings Account, Malawi

Stanbic Bank Malawi's **Khonde Savings Account** is tailored for registered village banks, to support secure and convenient saving and lending. It includes the option of a life insurance pay-out of K200 000 (R3 920) in the event of death or permanent disability for every village bank member with a maximum of 20 members.



Life insurance is optional to registered village banks at a monthly premium of K8 000 (R157). Alternatively, clients can opt for a basic offering without life assurance, and benefit from having no monthly service fee.



Group members can **use digital channels to view transactions** on the account.



The account provides village banks with **free access to Stanbic Bank's online platform**, enabling 24/7 online transactions.



Interest is paid monthly and is calculated at the annual rate of 5% of the account balance at the end of each month.



Reducing transaction fees

We have taken a range of measures to make it easier and cheaper for our customers to access banking services.

1

In South Africa, **we reduced ATM cash withdrawal fees and reduced the Saswitech fee** (a fee for drawing money from other banks' ATMs). This enables our clients to access a much wider range of ATM cash points, where they can withdraw cash for a flat fee of R10 per R1 000 drawn. We estimate that our clients saved R101 million in cash withdrawal fees in 2021.



2

We made banking more affordable for businesses in 2021 by reducing our electronic account payment fee and card purchase fee. We removed the minimum monthly service fee on our business current account and removed the fee for inter-account transfers on digital channels.



3

We partnered with Pick n Pay to provide in-store bank branches at selected Pick n Pay stores, improving access and convenience for our clients.



4

We are expanding our reach by partnering with retailers, bringing our services to where our customers shop. **Our customers can make use of the bank's wide retail partner network to make withdrawals** from Pick n Pay, Builders, Cambridge Food, Checkers and Spar.





Digital solutions for entrepreneurs and small businesses

We aim to support the growth of small enterprises and small-scale traders, including those in the informal sector, with convenient and affordable financial services that suit their needs.

Solutions for small-scale traders

nomanini

Nomanini is a FinTech dedicated to empowering small-scale traders in the informal sector, by connecting them to financial service providers and fast-moving consumer goods companies. Standard Bank's strategic partnership with Nomanini enables us to provide banking and non-banking services to these small traders, without requiring them to open a traditional bank account or visit a bank branch. Our solution, **Trader Direct**, operates on the Nomanini platform. It

enables the sale of virtual stock, reporting of virtual stock sales and application for and provision of stock advance loans on both physical and virtual stock.

Trader Direct improves access to working capital for small traders and enables traders whose businesses are mainly cash-based to build up credit profiles and qualify for advances to support the growth of their businesses. It further supports them by reducing some of the challenges they face, such as having to close their

stores to top-up their digital product wallets; or use micro-lenders at high interest rates when they experience cash flow constraints. As their credit profiles improve, they can access an increased level of stock advances and further broaden their stock holding.

Over 8 000 small-scale traders using Trader Direct in Lesotho, Zambia, Kenya and Côte d'Ivoire

Enabled over 21.4 million consumer-facing transactions worth USD9.2 million, comprising sales of airtime, electricity and pay TV

Provided 42 000 stock advances valued at USD2 million, without the need of a bank account

"Trader Direct has really helped in terms of much better commission and faster services for printing airtime and electricity. I get loans very easily and I'm looking forward to more products from Trader Direct."

Leisanyane Motsoene

Owner, Kasi Shop, Trader Direct Customer, Lesotho.

In 2020, Nomanini, Standard Bank and Nestlé (Eastern and Southern Africa Region) came together to implement a digital stock financing solution, advancing payments from traders to the fast moving consumer goods sector and their distributors.

This enables traders whose businesses are mainly cash-based to build up credit profiles and qualify for stock advances at fixed rates.

The solution lowers financing costs and improves business efficiencies for both traders and FMCG suppliers. In addition, it automates sales transactions, invoice tracking and payment, from initiation to completion.

Traders can buy stock directly from Nestlé under competitive transaction terms offered by Standard Bank.



Behavioural scoring to improve access to funding

Small businesses often struggle to provide the documentation required by traditional lending appraisal processes (such as audited financial reports, for example), and tend to have limited assets to pledge for collateral. Standard Bank is using technological solutions to solve these challenges, with the introduction of behavioural scoring methodologies in many of our countries of operation. **For example**



In **Lesotho, Zambia and Côte d'Ivoire**, our **Trader Direct solution** enables informal sector retail traders to apply for stock advances in the form of virtual stock (for example, airtime) and physical stock (such as consumer packaged goods). Traders receive Android devices through which they can sell airtime, pre-paid electricity and pay TV services. We analyse 30 days of transactional and behavioural trading data, derived from the way in which the traders sell these products to their customers and how they utilise the Android device. This provides us with appropriate information to make stock advance decisions. These advances are provided in near real-time and digitally, helping traders to minimise the adverse impact to their business created by stock shortfalls and the need to close their shop to restock.



In **Uganda**, we score approximately 3 000 SMEs monthly using our behavioural scoring model. We inform the SMEs of the availability of a pre-approved Smart Loan offer, for loans of UGX350 000 to UGX100 million (R1 500 to R450 000), making it easier for them to access finance without extensive documentation.



In **Kenya**, **Mjeki** supply chain finance enables agents and distributors to get short-term credit to meet their working capital cycles. In 2021, we disbursed 402 loans worth KES 767 million (R103 million).



In **South Africa**, we are piloting the **SME Health Score** scoring model, which incorporates data sources such as movement and sentiment data, together with bank data, into a credit score for SMEs, allowing us to expand our lending offering. We have granted over 1 000 loans to more than 800 small businesses that would not typically have qualified under traditional credit scoring.



“Curating this ecosystem means that our traders generate additional revenue and new revenue streams through the partnerships we create and nurture. These traders make up the bulk of economic activity on the continent and supporting them is crucial in driving Africa’s economic growth. Providing working capital and stock advances by using non-traditional banking data and leveraging our FMCG and FinTech partnerships are just some of the many ways we are supporting these traders in growing, managing and connecting their businesses.”

Sameer Jooma
Executive, Trader Ecosystem Lead,
Standard Bank Group



“Small businesses feed communities and educate families across Africa. We are making a significant and growing contribution to supporting these businesses. Traders are amazing entrepreneurs and we’re working with them to grow their businesses in innovative ways.”

Brett Matthew
Trader Direct Platform Lead,
Standard Bank Group



SimplyBlu

Our **SimplyBlu** offering enables small businesses to create a digital presence and access online customers. It includes no-code website building features, allowing business owners to customise their online store with built-in themes and templates, as well as e-invoicing services, and various online payment options powered by MasterCard Payment Gateway Services. It also offers free Google Ads to the value of R500 for first-time signups, helping businesses to attract more customers and drive traffic to their online stores. Since the outbreak of the Covid-19 pandemic in March 2020, the SimplyBlu platform has seen over 100% growth.

KYC on the Go

Standard Bank won Celent's Model Risk Manager 2021 Award for our **KYC on the Go App**, which is enabled by the Microsoft Power Apps platform. The award recognises the use of technology and innovation to address risk and create business benefits. The app enables small business clients to upload documents digitally using a smartphone, tablet or computer. The app assigns these documents to the client's file and digitally stores them in the bank's database. It is available in eight of our Africa Regions markets, where it was used in 50% of new account openings across 500 branches in 2021. It can be downloaded from the Google Play Store and the App Store.

Enterprise Direct in South Africa

Enterprise Direct Banking centres offer our clients direct digital access to a team of business bankers and specialists, without the need to visit a branch. We also cater for clients who prefer to use the branch network, by providing Enterprise Direct Banking personnel at key locations, to support clients face-to-face for clients who prefer this option. All Enterprise Direct Banking employees have the relevant virtual capability and can access a range of specialists, enabling them to provide a one-stop service for clients through a single point of interaction. 90% of all client needs can be met virtually, including virtual onboarding, virtual authentication and virtual signing arrangements.





Improving financial inclusion among women

Empowering women in the economy and closing gender gaps in the world of work are key to achieving the 2030 Agenda for Sustainable Development and reducing inequality. As a signatory to the UN [Women Empowerment Principles](#), Standard Bank commits to advancing gender equality and women empowerment in the workplace, marketplace and community.

One of the ways we do this is through products and services tailored to meet the needs of women business owners. Another is through the African Women Impact Fund, which aims to improve representation of women in the fields of finance and investment.

Accounts tailored for women business owners



Stanbic Bank Zambia launched **Anakazi Banking** in 2017 to empower women entrepreneurs.

The solution aims to reduce gender equality by giving women increased access to capital and capacity building through education and business mentorship. Options include accounts linked to children's savings products, health and education, as well as life cover policies.



Nigeria's **Blue Blossom** account caters for women in business with a special focus on small- and medium-scale businesses that are at least 50% women-owned.

By making it easier for women-owned businesses to access finance, we aim to support women's economic empowerment, in line with the Central Bank of Nigeria's Sustainable Banking Principles. The account offers a zero current account maintenance fee, access to loan facilities at highly competitive rates, and business clinic sessions, through which account holders can access informative programs and training to help them grow their businesses.



In Kenya, **DADA by Stanbic Bank** aims to provide customised financial solutions and support to enable women to learn,

connect and grow in all aspects of life. Services include transactional banking; loans for individuals, chamas and businesses; insurance; and savings, investment and retirement solutions. Non-financial services include access to information sessions, financial literacy training, networking opportunities, mentorship sessions and wellness clinics.

Women with no banking history are able to use Mpesa and SACCO statements as documentation to apply for loans. DADA is accessible on the bank's digital and mobile channels, and accounts can be opened online.

Over 2 000 women entrepreneurs have participated in training programmes and webinars since 2017.

Over 2.2 million women have participated in Anakazi Online conversations, launched to provide support for the bank's clients during the Covid-19 pandemic.



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Consumer education and financial literacy



African Women Impact Fund

The **African Women Impact Fund (AWIF)**, an initiative of the UN Economic Commission for Africa (UNECA) and its partners, was established in collaboration with Standard Bank in 2020. The AWIF aims to accelerate the financial inclusion of women in Africa and address the significant under-representation of women in the fields of finance and investment. The African Women Impact Fund Foundation, established by Standard Bank Offshore Trust Company, Jersey Limited, secures donations from international donors, and provides support to the AWIF

initiative by providing capital technical assistance and operational support to the female fund managers through structured development programmes. The AWIF aims to raise up to USD1 billion over ten years for women fund managers who, in turn, will invest in high-impact businesses and projects across Africa. Fund managers are selected to be part of AWIF through a rigorous investment and operations due diligence process overseen by Stanlib Multi-Manager.

In 2021, Standard Bank launched a Gender Lens Investing webinar series, to mobilise fundraising for the AWIF. The webinar series is curated alongside Goldman Sachs, our shortlisted fund manager, and African Business Magazine. Our target audience includes pension funds, asset managers, development finance institutions and banks.

AWIF is anchored on the following pillars:



Create opportunities for capable women

asset managers focused on investing in Africa



Provide capital to develop track records

accelerate fundraising and increase scale



Provide technical assistance

to accelerate the fund management learning curve, and to support growth and expansion



Focus on sustainability and scalability of the platform.



Home services

Affordable housing, South Africa



In South Africa, the Financial Services Code requires banks to provide **affordable housing** for consumers who earn a gross income between R3 500 and R26 100. Standard Bank works closely with the National Department of Human Settlements, National Housing Finance Corporation and the provincial housing departments to help our customers access the Finance Linked Individual Subsidy Programme (FLISP) offered by the government. The programme targets the 'gap market', households earning between R3 501 and R22 000. These families find it hard to qualify for housing finance, as their income is regarded as too low for traditional mortgage finance from banks, but too high to qualify for the government free basic housing subsidy scheme. Qualifying households can access a FLISP subsidy, ranging between R27 960 and R121 626, depending on the applicant's monthly income.

Standard Bank offers our affordable housing mortgage customers **training** to help manage their home ownership obligations. Training is provided by external service providers and funded by the bank. While training is usually offered via e-learning, online or in-classroom, Covid-19 restrictions required all training to be online or on the e-learning platform during most of 2020/2021.

SBSA Affordable Housing Loan Book:
R29.3 billion

Number of affordable housing loans on our books:
96 680

R5 billion lent to new affordable housing mortgage customers in 2021

30% market share of the affordable housing mortgage sector

1 285 customers participated in training sessions

Affordable home loans customers accessing loan restructuring/payment holidays:

5 411✓

Customers who defaulted:
8.4%

Keeping people in their homes

We actively engage with our customers to try to identify and support those requiring assistance. We also have multiple channels for customers to request assistance, including via the Standard Bank app, and via internet banking. We communicate with and encourage distressed customers to make use of rehabilitation options.

Distressed customers have the option of entering debt review. We work closely with these customers' nominated debt counsellors to reach a payment arrangement that is workable for the individual customer. We may offer various measures to assist the customer, including rate concessions, reduced instalments and term extensions. Where the customer has taken additional strain once entering debt review, an industry process has been established to try to assist the customer. This includes solving for short term distress in the form of payment holidays. If these options are not successful, we offer our customers assisted sales.

If neither debt review nor an assisted sale is successful, and the loan is in default, we enter into legal proceedings toward a sale in execution (SIE). This is always a last resort for the bank. The SIE process typically takes around 29 months.



Insurance products for individuals and business owners

Standard Insurance Limited provides bespoke services for targeted client groups. In line with our commitment to support financial inclusion and make insurance more relevant and accessible to a wider market, we aim to ensure that our offerings are affordable and easy to understand.

Examples include



Business insurance tailored for SME clients. Customers can select the level of cover they can afford, without worrying about being penalised in the event of a claim. Customers are also rewarded with cashback after two claim-free years.



Legal insurance to ensure customers can access legal resources and advice, access to justice and remedy in law when the need arises.



A motor vehicle insurance app, which allows new customers to purchase motor insurance digitally, and existing customers to register motor and building claims using the app. The app enables customers to take a driving test and earn preferential discounts on their premiums on passing the test. Over 21 000 customers have downloaded the app, and almost 1 000 clients have used the drivers' test capability.



Standard Bank's Flexible Funeral Plan allows clients to choose the type and level of cover they require. Individuals can choose their level of benefits, and can cover up to 20 family and extended family members. They can also opt for additional benefits for the main insured and spouse at an additional premium. By the end of 2021, over 1 million customers were using the plan.



Consumer education and financial literacy

Consumer education and financial literacy initiatives help equip people to manage their finances by supporting careful budgeting, debt management, saving and planning for the future. Standard Bank participates in consumer education initiatives and financial literacy initiatives in all the countries in which we operate.



Financial Fitness Academy

Standard Bank's Financial Fitness Academy, established in 2017, offers seminars and webinars by financial experts, teaching individuals how to best manage their finances and navigate their financial journey. We aim to create awareness of holistic financial principles encompassing concepts from debt management through to wealth creation for individuals. By sharing relevant financial insights, we aim to create an engaging platform where individuals are provided with an opportunity to consider their personal financial goals and to identify gaps in their financial journey. Each seminar is an opportunity for individuals to identify their personal financial needs and to partner with Standard Bank Group to achieve them.

We offer three modules, each of which is designed to meet specific needs:

- **Financial fitness sessions** – the foundational academy suitable for all adults, focusing on spending, saving, insuring, investing and leaving a legacy
- **Financial fitness master class** – panel discussion and Q&A on specific topics including managing debt, investing, insurance, retirement planning, wills and trusts, and international diversification
- **Financial fitness for kids** – four fun and interactive modules of 25–30 minutes each for children aged six to ten years. These online engagements introduce the basic financial principles to children in a fun, informative and memorable way.

134 Financial Fitness webinars for employees and clients across

14 countries, with over 11 000 participants

- **Financial Fitness sessions:** 92 interactive webinars, 8 654 participants
- **Masterclasses:** 18 webinars, 981 participants
- **Financial fitness for kids:** 24 webinars, 1 480 families

Leadership Academies

Standard Bank's Leadership Academies, established in 2014, aim to empower the families of our Wealth and Investment clients with information on the principles of leadership, social entrepreneurship, investing and financial planning. Previously hosted live, these sessions are now delivered via video format housed on the Standard Bank YouTube page. The sessions target specific age groups with the following academies available:

- **Junior Leaders (10–12 years):** starting the conversation around money, challenges of making money, the importance of starting to save and invest early and what it means to spend wisely
- **Young Leaders (13–17 years):** basics of financial management and exposure to the fundamentals of investing.
- **Future Leaders (18–24 years):** deepening understanding of the principles and practical applications of creating, managing and growing wealth.
- **Women's Wealth Academy (25+ years):** insights into the global macroeconomic environment, investing 101, demystifying financial jargon and defining your personal financial roadmap.

3 Leadership Academies

Over 4 000 views on YouTube



WalletWise, South Africa



In **South Africa**, all financial institutions have a regulatory obligation to provide financial literacy training. Standard Bank's programme, WalletWise, aims to help people use financial services effectively and affordably by providing information about financial products and services and raising awareness of digital platforms and how to use them. The programme targets those with a household income of less than R15 000 per month, and

includes content tailored for young people, small enterprises and people without formal bank accounts, with a focus on rural and non-metro areas. WalletWise raises awareness through edutainment, using print and digital media, social media, radio and television, community outreach, and in-branch training in selected communities. Content is provided in nine of South Africa's official languages.

WalletWise includes financial literacy and basic business skills training for **startups and small businesses**. We aim to educate and empower small businesses in low-income areas through online training and mentoring. We run two Consumer Education for Business programmes: the Start-up programme, and the Business Growth programme. **80** small businesses from previously disadvantaged communities in four provinces participated in 2021.



63 million people reached via **television campaigns**

20.5 million people reached via **radio campaigns**

200 000 unique visits to **WalletWise website**

48 million individual **users reached through social media (FaceBook, Twitter, Instagram)**

190 000 information packs **distributed**