

Sustainability reporting – highlights

This summary sets out the group's sustainability highlights in 2005 and what we aim to achieve looking ahead. A complete Sustainability and Black Economic Empowerment Report has been included in electronic format with this report. It can also be accessed on our corporate website www.standardbank.co.za. Printed copies of the report can be requested from the group secretary (see inside back cover for contact details).

Highlights

Corporate governance

- The successful launch of the bank's revised vision and values focused on aligning high standards of governance and ethics with daily operational realities.
- The bank kept pace with the implementation of new regulatory frameworks, including Financial Intelligence Centre Act (FICA), Financial Advisory and Intermediary Services Act (FAIS) and the Protection of Constitutional Democracy Against Terrorist and Related Activities Act.
- The bank was included on the JSE SRI Index (JSE Limited Socially Responsible Investment Index) and the Dow Jones Sustainability Index.

Economic performance and contribution

- Group financial performance was in line with stated targets.
- Wealth created by the group increased by 11% to R23 billion, with 43% allocated to employees; 14% to governments; 18% to shareholders; and 25% retained to fund future growth.
- Good progress was made towards meeting charter targets. In 2005 we achieved an audited score of 80,73% and an A rating (still to be confirmed by the governing body of the charter).
- The value attributable to staff participating in the Tutuwa initiative amounted to R1,5 billion at year end.
- The bank was involved in empowerment financing deals worth R8,6 billion in 2005.
- Standard Bank was rated South Africa's most valuable brand (worth R10,2 billion) in South Africa's Most Valuable Brands survey, conducted by Interbrand Sampson.
- Five supplier summits that focused on improving supply chain management and supplier transformation were held across the country.

Social performance

- The bank extended its financial services reach in South Africa through various products including MTN Banking and the Mzansi Blue Account.
- Employment equity targets in 2005 for gender and racial representation were reached. The percentage of black managers in South Africa has increased from 19% in 2000 to 37% in 2005.
- A health risk management programme was adopted by the bank to assist in guiding employees toward a healthier lifestyle.
- The bank spent R60 million on social responsibility initiatives.
- Liberty Life spent R18 million on social responsibility initiatives.

Environmental performance

- The bank formalised an environmental policy and compiled an environmental legislation register.
- The bank was involved in the financing, development and successful inauguration of a Geothermal Power Project in Nicaragua.
- A new Occupational Health and Safety learning programme was developed.

Looking ahead we will:

- Continue to embed sustainability thinking and practice across all operations.
- Continue the process of reaching our charter targets.
- Continue to improve people management to make Standard Bank an employer of choice.
- Encourage employees to live the values.
- Continue making our values a definitive part of the Standard Bank brand experience for all stakeholders.
- Finalise a revised code of ethics to align with our values.



We will ensure long-term sustainability by harmonising the needs of our customers, our people and our shareholders and by being relevant to the societies in which we operate.