

Stakeholder review – Stakeholder engagement

Overview

We recognise that our ultimate objective of creating and protecting shareholder value over the long-term is contingent on harmonising the interests of all our stakeholders.

To respond appropriately to the needs of all stakeholders we need to ensure ongoing engagement. We are continually working to improve our stakeholder engagement processes to ensure a proper understanding of stakeholder needs and perceptions, as they evolve.

An indication of our interaction points with stakeholders is set out on page 32. We include below a study of a stakeholder engagement exercise undertaken in 2005 as part of the repositioning of the StandardBank brand.

The separate stakeholder sections that follow provide further detail on specific stakeholder engagement activities.

In order to align with the group vision, a revised brand positioning and pay-off line was required that would more correctly align to the group vision of 'striving to make a difference'.

Research was conducted amongst our customers, employees and stakeholders. Using the feedback as the foundation, the evolution to the new brand proposition, embodied in the pay-off line – *Inspired. Motivated. Involved.* – will be unveiled to all employees and the public in April 2006.

Simpler. Better. Faster. served us well for many years and its base is still embedded in the brand. Internally, we have not changed the business direction of getting operational efficiencies right. However, customer, employee and stakeholder needs have changed, and therefore we needed to build on this promise to take the brand to the next level, which is also more internationally focused. *Inspired. Motivated. Involved.* encapsulates the essence of what we stand for and what we would like to deliver. Standard Bank is striving to make a real difference.

Positioning the Standard Bank brand

Standard Bank favours a unitary brand strategy, which helps to eliminate confusion in the marketplace and allows the bank to strengthen relationships with all stakeholders across all operations and interactions. This approach allows us to consolidate and focus our brand management activities and overall spend to build long-term brand value.

In-depth research projects have been undertaken, firstly to understand what drives customer needs and behaviour and secondly to understand Standard Bank employees' attitudes and beliefs about the brand.

For the first time, research was undertaken to determine the perceptions and attitudes of other external stakeholders. Thirty in-depth interviews were conducted among the following stakeholder groups: analysts with investment banks, government and public sector officials, community and social interest groups, and other organisations.

The main objective of the research was to determine the attributes and brand perceptions needed in order for stakeholders to influence

positive behaviour changes in Standard Bank.

A number of important challenges emerged from the feedback:

- To achieve diversity at all levels throughout the organisation, particularly at the top levels.
- To implement BEE at a faster rate.
- To actively communicate Standard Bank's BEE implementation status to ensure awareness of the bank's initiatives amongst stakeholders.
- To raise awareness around Corporate Social Investment initiatives.
- To differentiate Standard Bank from its competitors in the minds of stakeholders and customers.
- To inject further energy and vigour into Standard Bank's image.
- To expose a greater depth of senior management to stakeholders.

Stakeholder review – Stakeholder engagement continued

Points of interaction

Customers

Our customers are key to ensuring that we remain a profitable and sustainable organisation.

Methods of engagement

- ATMs
- Branches
- Customer call centres
- Customer forums, focus groups, research and surveys
- Customer relation service and solutions strategy
- Customer seminars
- Customer service centres
- Dedicated sales and structuring teams
- Electronic, mobile and telefax communication
- Marketing and advertising
- Relationship managers
- The Internal Ombudsman and the Ombudsman for Banking Service

Shareholders

Shareholders are our providers of capital and our primary goal is to ensure that we provide them with a fair rate of return on their investment.

Methods of engagement

- Analyst briefings, including results presentations
- Conferences
- Conference calls
- Corporate website: www.standardbank.co.za
- Media releases
- Roadshows
- Summit TV
- The annual general meeting
- The Annual Report
- The Stock Exchange News Service (SENS)

Government, non-governmental organisations (NGOs) and society

We believe that an open, democratic and market-friendly environment offers the best prospects for the social upliftment of all communities. As such, we are committed to the strengthening of civil society and democracy.

Methods of engagement

- Economic briefings
- Forums with government and NGOs
- Public-Private Partnerships

Suppliers

We view our suppliers as business partners and are committed to partnering with reputable suppliers and assisting with supplier transformation.

Methods of engagement

- Supplier forums
- Supplier summits

Employees

Our employees are our ambassadors, linking our business with our customers. Our success depends on their commitment, motivation and productivity.

Methods of engagement

- Blue Wave (an internal television broadcast)
- Employee satisfaction surveys
- Interaction with Sasbo, the Finance Union
- The Alternate Dispute Resolution mechanism, an alternate remedial resource to the Commission for Conciliation, Mediation and Arbitration (CCMA)
- The Independent Counselling and Advisory Service (ICAS)
- The Intranet
- The Standard (the in-house newspaper)

Standard Bank was rated South Africa's most valuable brand (at a value of R10,2 billion) in the South Africa's Most Valuable Brands survey, conducted by Interbrand Sampson.