



THE BANKING  
ASSOCIATION  
SOUTH AFRICA

BASA  
TRANSFORMATION  
**REPORT**  
2025



## ABOUT THIS REPORT

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Krutham was commissioned by the Banking Association South Africa (BASA) to produce this report from data supplied from member banks.

The report reflects transformation in the banking industry and its progress towards achieving the targets set out in the Amended Financial Sector Code (2017).

The publication serves as a report to society on the contribution of the banking industry to the development of the country, and as a platform for thought leadership on transformation.

It aims to serve as an authoritative annual reference of data on banks and empowerment, complemented by a narrative that analyses and explains trends in the statistics.

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## CONTENT

<b>1. Foreword</b>	<b>3</b>
<b>2. Methodology</b>	<b>5</b>
<b>3. Highlights</b>	<b>7</b>
<b>4. Findings</b>	<b>9</b>
Ownership	9
Management control: directors	10
Management control: directors (weighted)	11
Management control: head count	12
Management control: levels	12
Management control: women	13
Management control: levels women	13
Detailed breakdown of management	14
Detailed breakdown of women in management	16
Skills development	18
Skills development by management level	18
Preferential procurement	19
Socioeconomic development	20
Consumer education	21
Empowerment financing	22
Supplier development contribution	24
Enterprise development spend	24
Access to financial services – geographic access	25
Access to financial services – product access	26
<b>How the banking sector fares</b>	<b>27</b>
<b>How banks help build a more equitable and prosperous society</b>	<b>28</b>

## FOREWORD



## BETTER, FASTER TRANSFORMATION

*South African banks still exceed many of their empowerment targets and are confident of improving in areas where they still fall short. For banks, the debate is not about scrapping broad-based black economic empowerment, but how to make it more effective. This can best be done by shifting from measuring inputs to assessing whether the targeted outcomes are being achieved, says BASA Managing Director Bongwiwe Kunene.*

The pace and scale of economic transformation and black empowerment in South Africa falls short of what is required to overcome the unemployment and inequality rates that are an ever present threat to the social and political stability of the country.

South Africa's broad-based black economic empowerment (B-BBEE) framework must be critically and honestly reviewed to build on its past successes and accelerate its vital contribution to the stability, sustainability and growth of the South African economy. Such a discussion, which will include criticism of unintended outcomes, is not anti-empowerment, but rather an effort to better facilitate more meaningful and sustainable transformation.

The need to review B-BEE legislation is widely acknowledged. The Minister of Trade, Industry and Competition, Parks Tau, has announced ongoing reviews of the legislation, aimed at "refining" regulations, codes of good practice and guidelines. The reviews – and related proposals that include a Transformation Fund – will go on to identify more "substantive amendments" aiming to make B-BEE more efficient in terms of achieving its goals.

BASA and its members will work together with the Department of Trade, Industry and Competition and trade and business associations to help ensure that transformation and economic empowerment in South Africa is sustainable and successful.

BASA agrees with the minister's statement that "we cannot afford a compliance-driven approach that measures inputs but fails to interrogate outcomes". BASA is in favour of shifting the emphasis in transformation from measuring inputs

– predetermined spending targets – to measuring actual outcomes: the number of black employees, entrepreneurs and business who are able to take advantage of opportunities for advancement. This approach measures what matters: the actual improvements in the lives of beneficiaries. B-BBEE Commissioner Tshesido Matona acknowledges that the B-BBEE legislation lacks monitoring and measurement mechanisms "to help us determine if intended outcomes and impact are being achieved or otherwise".

An outcomes-based approach will have to be negotiated with all stakeholders in the Financial Sector Code (FSC). A review of the FSC needs to be completed so that there is better alignment between the code, the needs of the country and the financial services sector.

For the purposes of this report, banks continue to account for their performance against targets set out in the Financial Sector Code (FSC). In 2024:

**Nine banks have already achieved Level I empowerment status,** including the top six banks which held total assets of R7.82 trillion as at 1 July 2025, and account for 92,6% of total banking assets.

## FOREWORD

- All ownership targets were exceeded, including voting rights for black people at 37%, well ahead of the 25% target. Black economic interest was at 29% against the 25% target.
- While 90% of junior managers are black, ahead of target; only 44% of board directors are black, short of the 50% target. However, the strong pipeline of junior and middle management makes the transformation of senior management ranks inevitable.
- Nine banks have already achieved Level 1 empowerment status, including the top six banks which held total assets of R7.82 trillion as at 1 July 2025, and account for 92,6% of total banking assets.
- Banks had 27 million qualifying product accounts that facilitate economic inclusion in 2024. While many of these accounts may not be fully utilised to the best effect, they are an important access point to the banking system for many South Africans.

These figures are hard evidence that banks clearly understand that economic transformation and financial inclusion are imperative for the country; and they are committed to these objectives in word and deed. In fact, banks often do more than is required of them. In 2024 alone, banks provided R136 billion of the R150 billion they are meant to provide in empowerment funding over five years.

The year-on-year improvements in the banking industry are often in smaller increments than what is desirable. The primary reason why transformation in South Africa is slower than ideal is the lack of real economic growth. The economy expanded

only 0,6% in 2024 and 2023. This lack of expansion reduces opportunities for inclusive economic growth, employment, promotion and ultimately opportunities for empowerment.

Many of the factors that severely constrict economic growth – the collapse of power and logistical infrastructure, local government maladministration and inefficient bureaucracy, among others – are beyond the control of business. Improvements in the operating environment for banks and other businesses, due in part to successful partnerships between business and government to remove blockages to economic growth, have improved prospects for inclusive growth and transformation.

Ongoing efforts to strengthen the ability of the criminal justice system to investigate and successfully prosecute crime and corruption should reduce room for the abuse of empowerment and procurement opportunities to enrich individuals, in the public and private sectors. Widespread allegations and instances of the abuse of empowerment legislation by individuals has done much to undermine the credibility of empowerment policies.

South Africa's economic growth is expected to improve to about 1,6% in 2026, but this is at risk from global events. It is also far less than what the country needs. However, even this small increase will further improve the ability of banks – and businesses – to contribute to transformation and empowerment. The most important thing that can be done to significantly accelerate economic transformation and empowerment in South Africa is ensuring a sustained increased rate of inclusive economic growth.

**BASA believes** work on an impact framework needs to begin urgently because this approach measures what matters: **the actual changes delivered for beneficiaries.**



## METHODOLOGY

- This year's BASA Transformation Report covers 2024 and three years of historical data, 2021-2023, for each indicator.
- The majority of banks have a December year-end except Capitec and Finbond (February); Investec (March); and Bidvest, FirstRand and Sasfin (June).
- All data were drawn from questionnaires completed by participating banks except for the "access to financial services" categories, where information was drawn from the AfriGIS geoscience densification research conducted for BASA.
- Data supplied by the banks are based on the Amended Financial Sector Code (FSC) scorecard methodology, as are targets for each category, unless otherwise specified.
- Ownership data and, where relevant, management data were weighted by each bank's total assets to determine industry aggregates. Weightings give a more accurate indication of what proportion of the sector is managed by black people. Weightings are based on each bank's proportion of total assets across all banks.
- This year's report incorporates data from 15 banks, down from 20 in 2023. Albaraka Bank, Citi Bank and HSBC did not have verified data available for 2024. Bank of China and Bank of Taiwan South Africa did not submit data this year. Additionally, HSBC did not provide data due to an acquisition process. The figures are therefore not like for like with the historical data.
- The banks that participated in this report account for about 95% of the total of all bank assets. While the number and composition of participants may change slightly each year, this report remains a credible reflection of the banking sector's progress in meeting the transformation targets.

Bank name	2021	2022-2023	2024
1 Absa	✓	✓	✓
2 Access Bank	✗	✓	✓
3 African Bank	✓	✓	✓
4 Al Baraka Bank South Africa	✓	✓	✗
5 Bank of Taiwan South Africa	✓	✓	✗
6 Bidvest Bank	✓	✓	✓
7 Capitec Bank	✓	✓	✓
8 China Bank	✓	✓	✗
9 China Construction Bank South Africa	✓	✓	✓
10 Citi South Africa	✓	✓	✗
11 Discovery Bank	✗	✓	✓
12 Finbond Mutual Bank	✓	✓	✓
13 FirstRand	✓	✓	✓
14 Grindrod Bank	✓	✗	✗
15 Habib Bank AG Zurich (HBZ)	✓	✓	
16 HSBC South Africa	✓	✓	✗
17 Investec	✓	✓	✓
18 Ithala*	✓	✗	✗
19 Nedbank	✓	✓	✓
20 Sasfin Bank	✓	✓	✓
21 Standard Bank	✓	✓	✓
22 TymeBank	✓	✓	✓

\*Grindrod, now part of African Bank, and Ithala, subject to a liquidation process by the Prudential Authority, will no longer be incorporated in BASA's coverage.

## METHODOLOGY

### ECONOMIC CONTEXT

#### ECONOMIC ENVIRONMENT

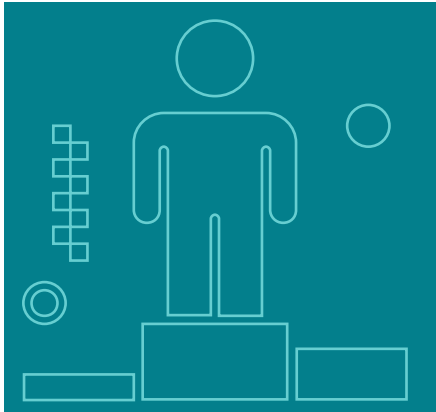
- The figures in this report cover 2024, when South Africa's GDP grew only 0.6%, expanding slower than 2023's 0.7%.
- The end of regular load shedding and the formation of the government of national unity failed to trigger meaningful economic growth, though the latter boosted equity markets. Unemployment, at 31.9% at end-2024, remains a challenge.
- The year began with the repo rate at 8.25%, a 15-year high, where it remained until the cutting cycle began in September, constraining demand for credit.
- The sluggish economic conditions have a detrimental effect on transformation initiatives in banking and across all sectors.



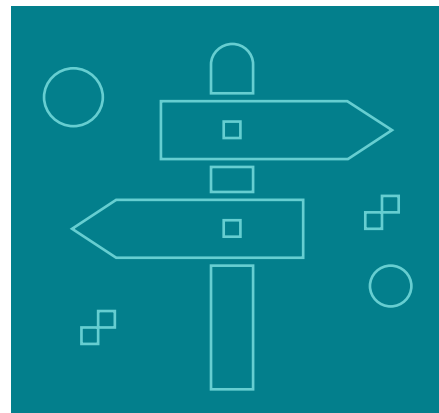
#### IMPACT ON BANKING SECTOR

- Employment in the banking sector continued to come under pressure as digitisation accelerated. Several institutions reduced headcount through automation and restructuring, raising concerns about the pipeline for management and skills transformation.
- The reduced headcount is reflected in the total number of managers, across all management levels, falling from 127,041 in 2023 to 120,707 in 2024.
- The easing of interest rates from September reduced pressure on impairments and stabilised household and SME credit demand, but credit appetite remained constrained outside of infrastructure and renewable energy projects.
- Digitisation deepened rapidly, with 21 million digitally active clients across the major banks by year-end (nearly one-third of South Africans). While this has improved access and efficiency, it has also accelerated shifts in staffing profiles away from traditional branch and operations roles.

## HIGHLIGHTS



Ownership levels held relatively steady on all indicators and exceeded all targets,  
with voting rights at **37%** against the target of **25%**;  
women voting rights (**17%**, target **10%**);  
economic interest (**29%**, **25%**);  
women economic interest (**13%**, **10%**);  
and economic interest of designated groups (**6%**, **3%**).



Although the total number of directors increased from **142 in 2023** to **148 in 2024**, representation of black board members declined marginally, resulting in a decrease in black board members as a **percentage of all directors to 45% in 2024 from 48% in 2023** (target: 50%). However, the number of male and female black executive directors has increased marginally.

There were improvements at every level of management, except for **junior management level where banks remained steady at 90%** black representation, exceeding the 88% target. **Middle management at 74%** is close to the 75% target while **senior management is at 55%** (target: 60%) and **top senior is at 49%** (target: 60%).



**Banks increased overall skills development** expenditure across all management levels in 2024 but **declined in black women** and African spend.

## HIGHLIGHTS



There has been **consistent growth in socio-economic development expenditure** over the past four years.



**Banks are 30% ahead of target** on enterprise development but **supplier development declined in 2024 to 7% behind target.**



Procurement from **BEE-compliant suppliers is two percentage points behind the target of 80%**, with procurement from QSEs and EMEs behind target but **ahead of target for 51% black-owned companies** and for **30% black women-owned entities.**



**Banks have made a strong start** to the new five-year empowerment **financing target of R150bn**, reaching **R136bn in 2024.**

## FINDINGS

### OWNERSHIP

- Banks remain above targets for ownership in all categories.
- Voting rights are 48% above target; women voting rights are 70% above target, economic interest 16%, women economic interest 30% and economic interest of designated black groups 100%.
- Ownership performance is determined by a combination of ordinary B-BBEE deals, equity equivalents in the form of the sale of assets to black-owned companies, analysis of the shareholder base by competent persons, and the ongoing effects of previous B-BBEE transactions.



#### Black ownership measurement in banks (weighted)

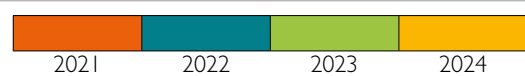
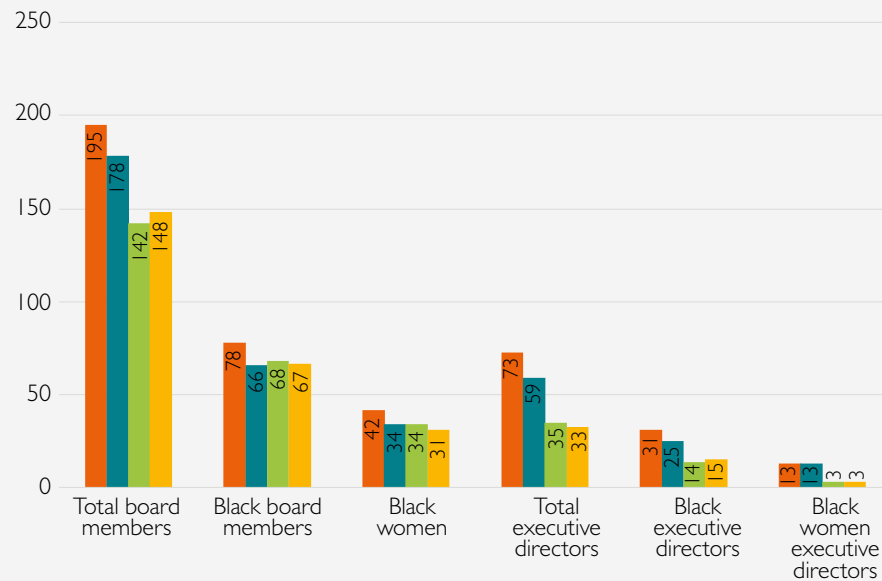


<< Weightings are based on each bank's proportion of total assets across all banks. >>

# FINDINGS

## MANAGEMENT CONTROL: DIRECTORS continued

Number of directors



- The total number of board members fell from 195 in 2021 to 142 in 2023, then increased to 148 in 2024. However, there was one fewer black board member in 2024 and three fewer black women.
- The number of executive directors dropped by two in 2024, with black executive directors increasing by one and black women executives remaining level.

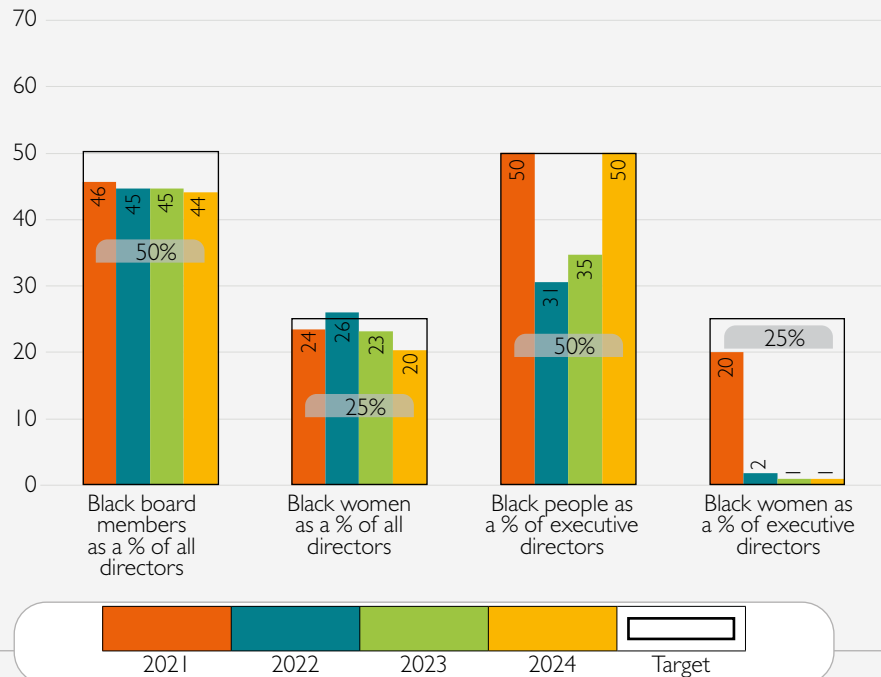
	2021	2022	2023	2024
Banks with more than 50% black board members as a percentage of all directors	6	6	6	6
Banks with more than 25% black women	1	1	1	1
Banks with more than 50% black executive directors	9	7	6	7
Banks with more than 25% black women executive directors	2	2	1	2



# FINDINGS

## MANAGEMENT CONTROL: DIRECTORS (WEIGHTED)

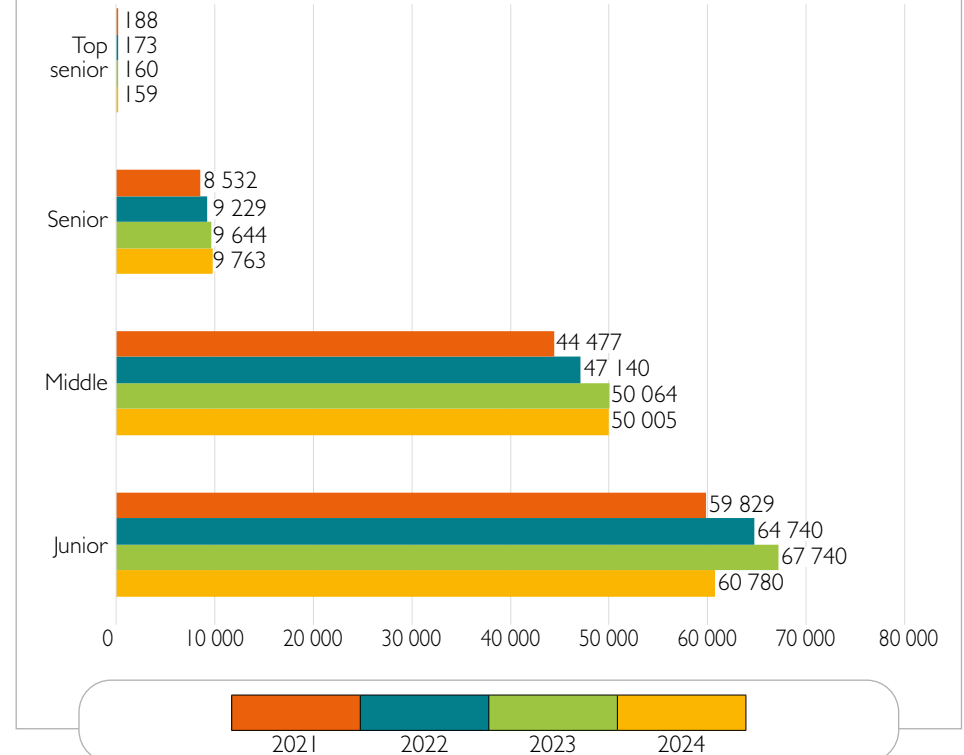
Average percentage of directors who are black



- On a weighted basis, the percentage of black women directors as well as black women executive directors has declined since 2021.
- The weighted percentage of black executive directors increased by 15 percentage points in 2024 to reach the 50% target.
- Black women executive directors remained at 1% in 2024.

## MANAGEMENT CONTROL

Total numbers by management level

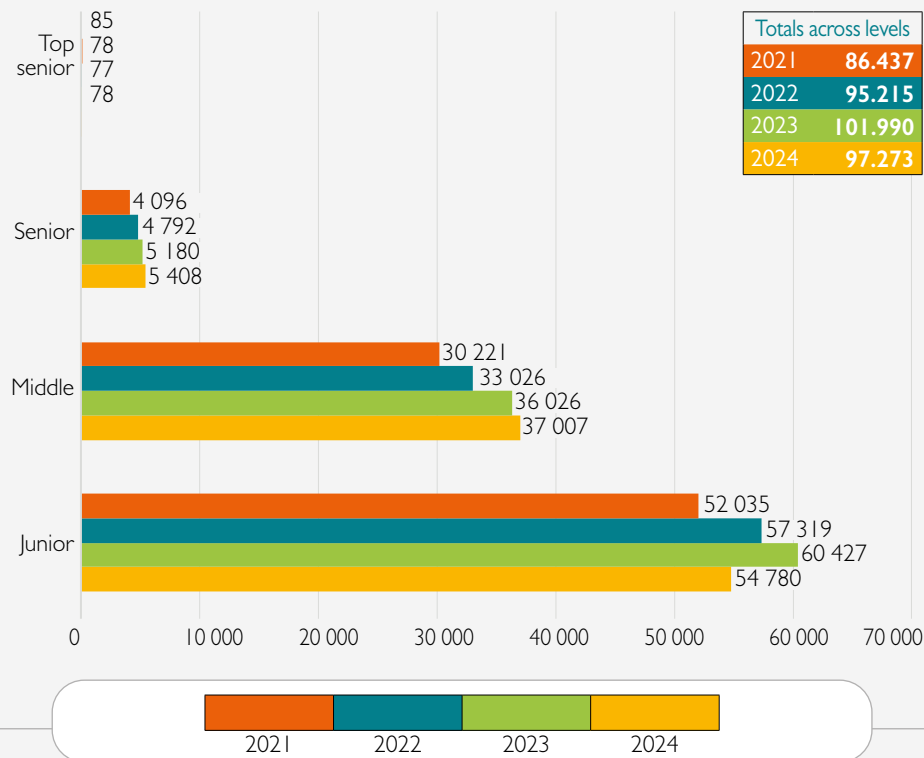


- The total number of junior managers dropped by just over 6,300 in 2024.

FINDINGS

### MANAGEMENT CONTROL: HEAD COUNT

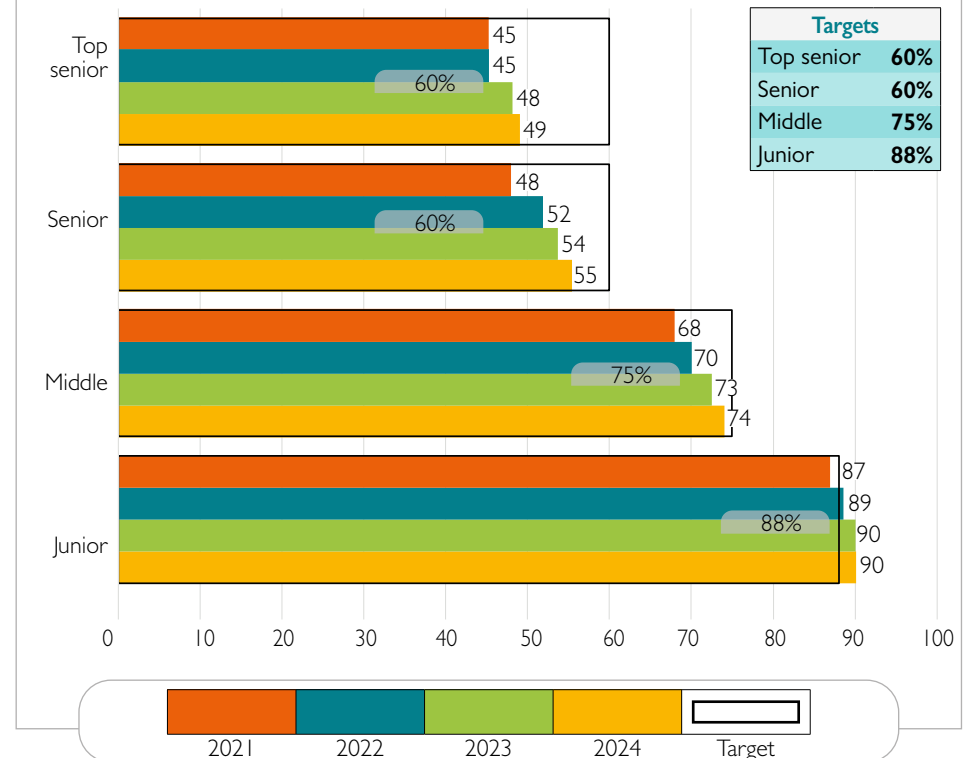
Black representation in management (total number)



- Black representation increased in 2024 across top senior, senior and middle management levels.
- The number of black junior managers dropped from over 60,000 in 2023 to under 55,000 in 2024.

### MANAGEMENT CONTROL: LEVELS

Proportion of managers who are black (%)

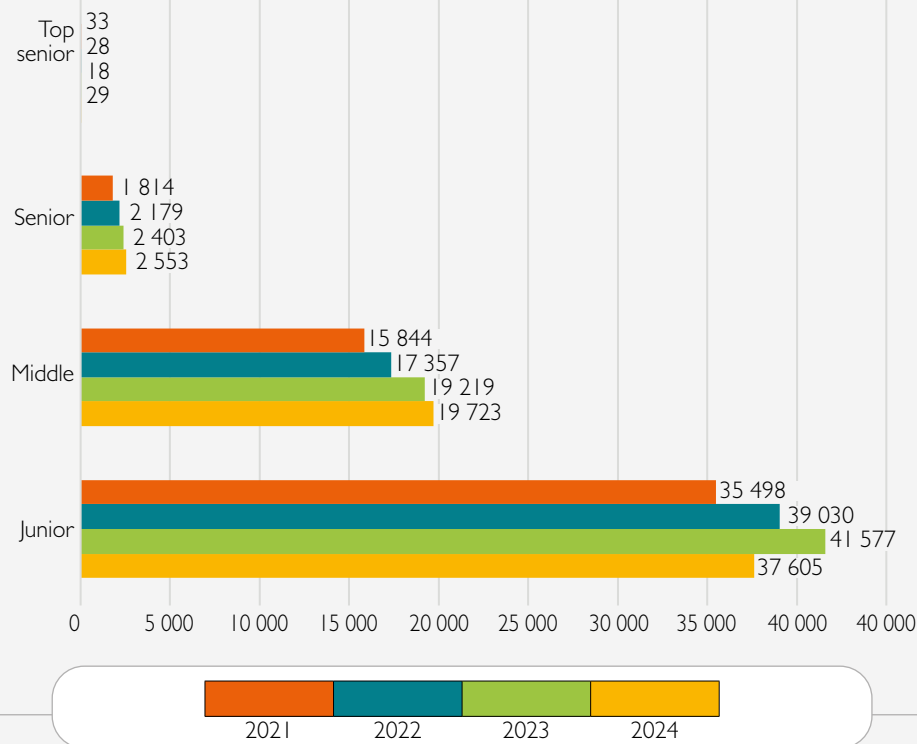


- Banks improved at top senior, senior and middle management levels in 2024.
- Middle management at 74% is close to the 75% target.
- Banks again exceeded the 88% target at junior management level, with 90% black representation in 2024.

# FINDINGS

## MANAGEMENT CONTROL: WOMEN

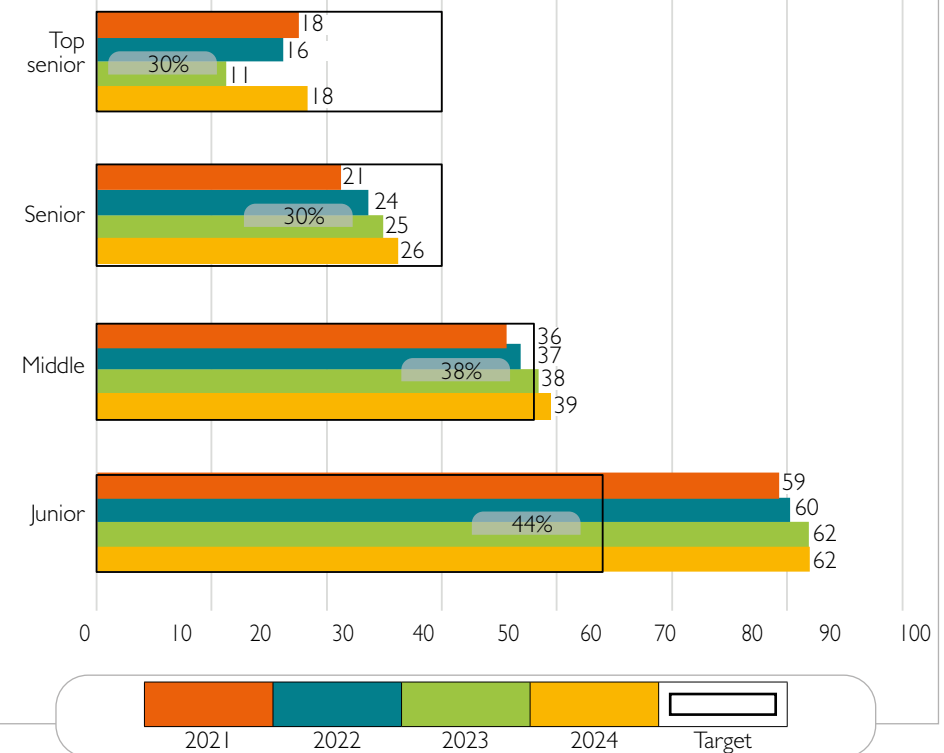
Black women representation in management (total number)



- The number of black women at top senior level increased to 29 after falling to 18 in 2023.
- Senior and middle management continue their year-on-year increases but black women representation in junior management decreased significantly in 2024, in line with the overall numbers.

## MANAGEMENT CONTROL: LEVELS (WOMEN)

Proportion of managers who are black women (%)

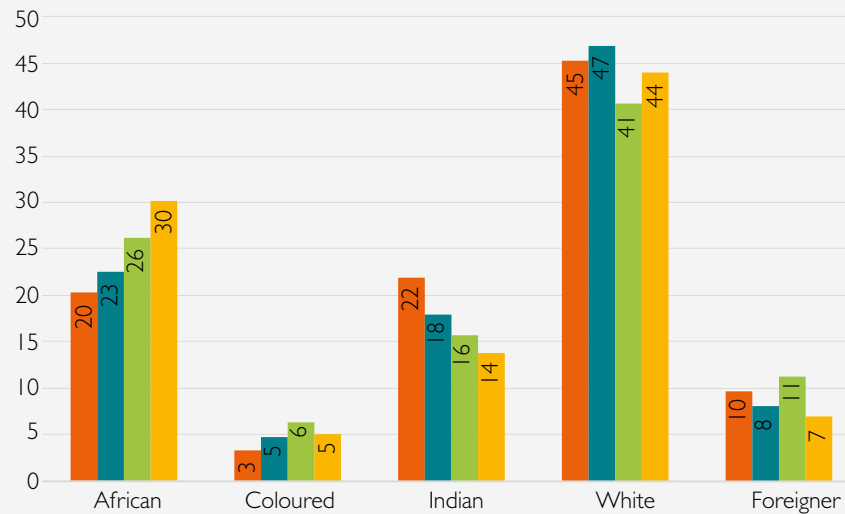


- In 2024, proportions of black women increased in top senior, senior and middle management levels and remained static in junior management.
- Banks are ahead of target at middle management level and close to target at senior level, with improvements of one percentage point at each level.
- Banks held steady at 41% ahead of target at junior management level, despite the large decline in the number of black women in junior management roles.

## FINDINGS

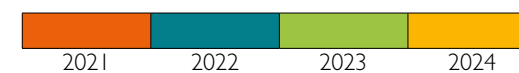
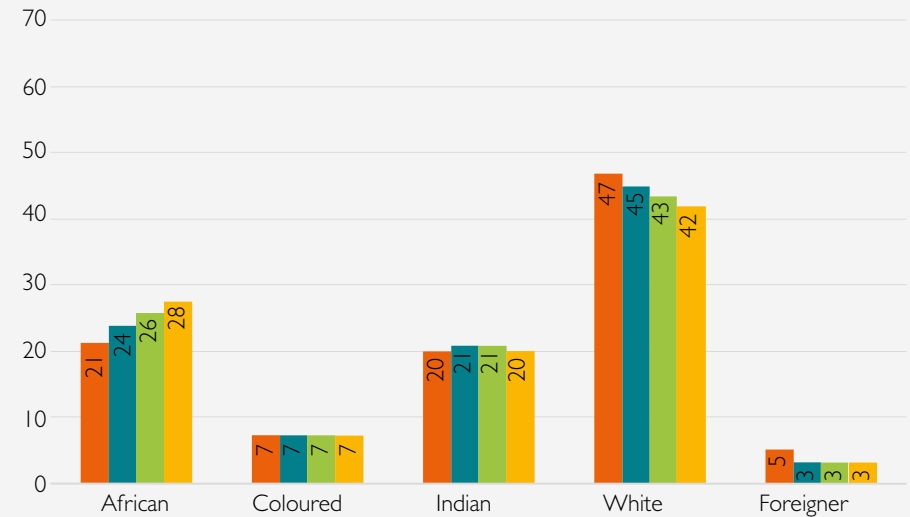
## DETAILED BREAKDOWN OF MANAGEMENT

Top senior management (%)



- Top senior: The upward trajectory continues for African top senior managers. There were decreases in Coloured and Indian managers in 2024, as well as in foreigners, and an increase in white managers, with the latter still dominating the top senior level.

Senior management (%)

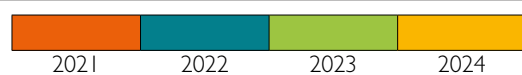
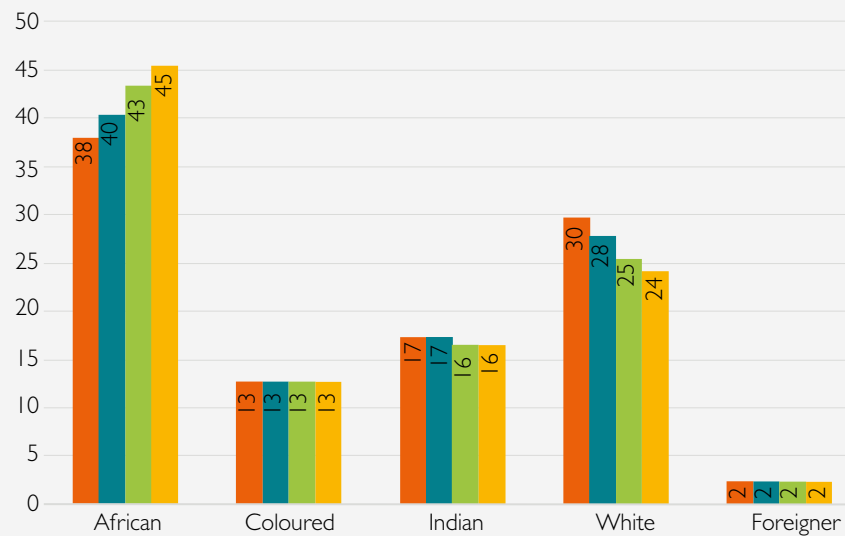


- Senior: African managers have increased for the past three years with white managers declining consistently. The other groups remained largely static.

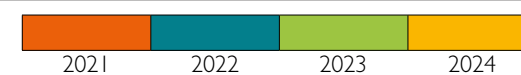
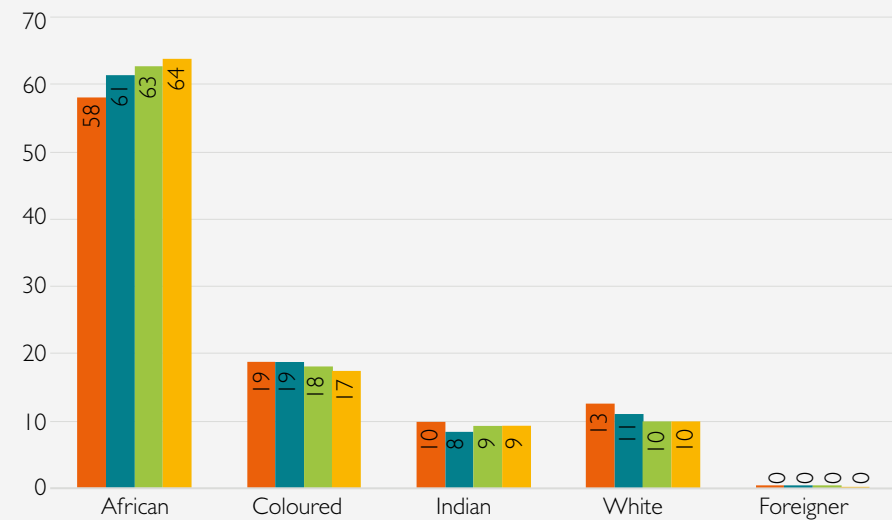
## FINDINGS

## DETAILED BREAKDOWN OF MANAGEMENT

Middle management (%)



Junior management (%)



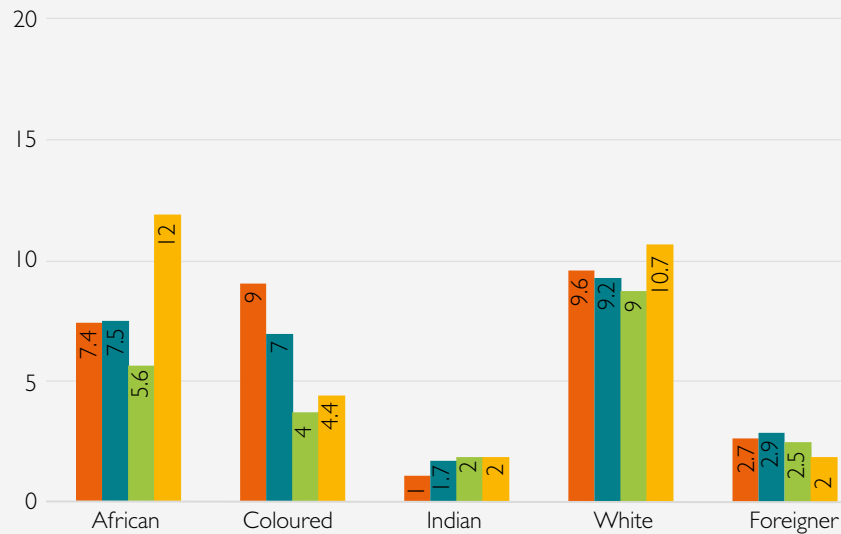
- African managers continue their year-on-year increases in both middle and junior management levels and make up the overwhelming majority at both levels.

- In middle management, whites outnumber Indian and Coloured managers but in junior management, Coloured managers outnumber whites and Indians.

## FINDINGS

## DETAILED BREAKDOWN OF WOMEN IN MANAGEMENT

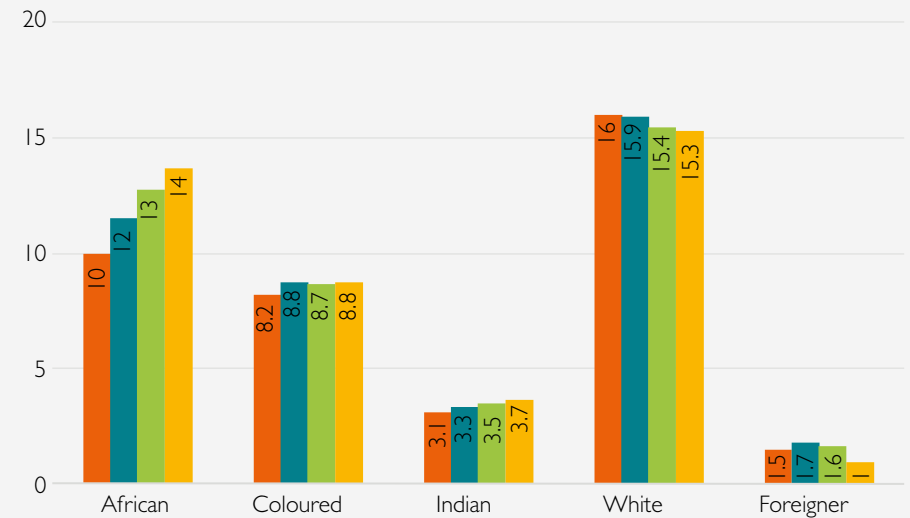
Top senior management (%)



2021 2022 2023 2024

- **Top senior:** African women at the top senior level climbed from 6% in 2023 to 12%. They are one percentage point ahead of white women (11%), with Coloured women the next highest, rebounding to 4.4% after two years of declines.

Senior management (%)



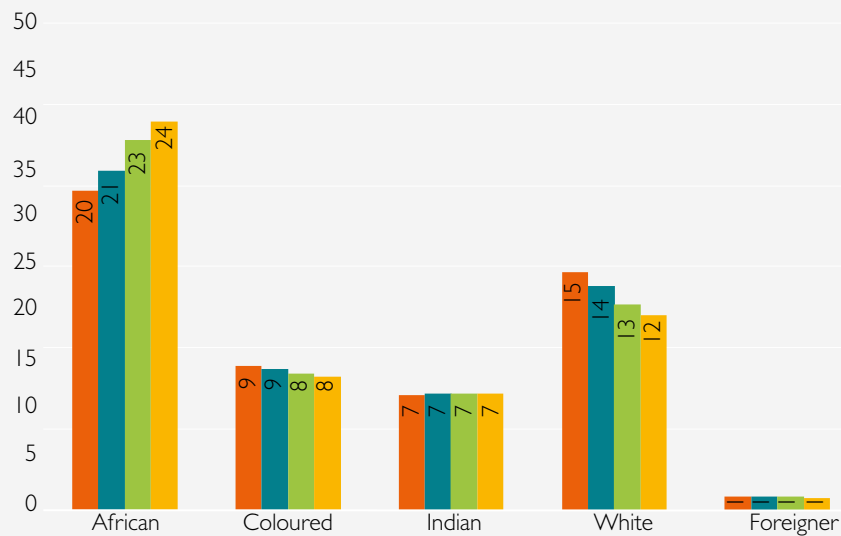
2021 2022 2023 2024

- **Senior:** African, Coloured and Indian women managers reflect an upward trajectory over the four-year period while whites and foreigners have declined.

## FINDINGS

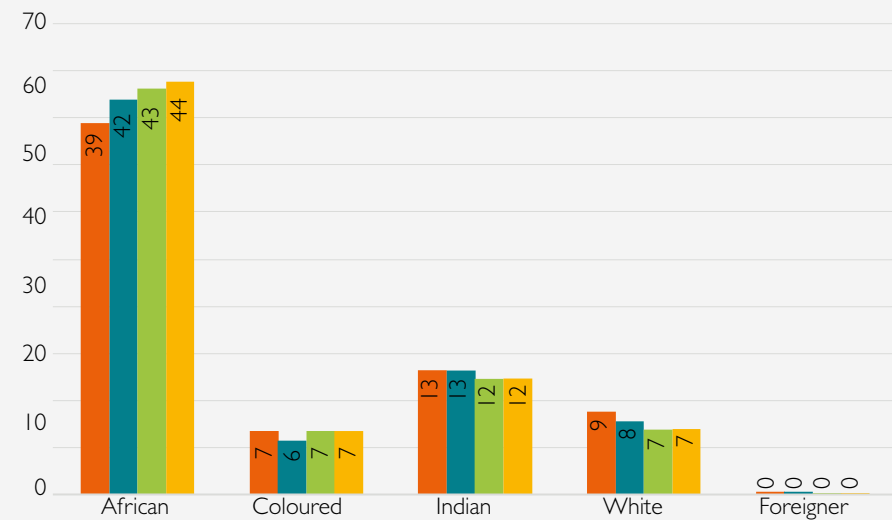
## DETAILED BREAKDOWN OF WOMEN IN MANAGEMENT (% of total managers)

Middle management (%)



2021 2022 2023 2024

Junior management (%)



2021 2022 2023 2024

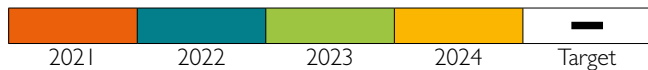
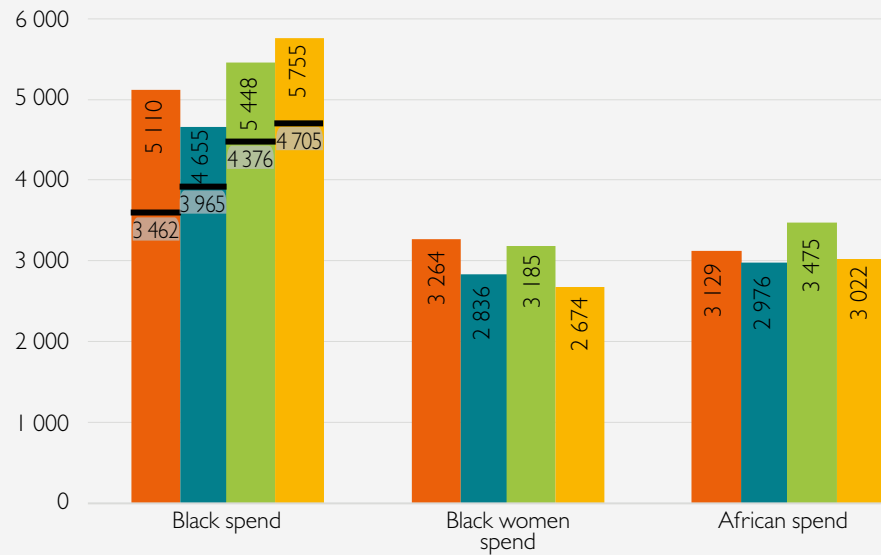
- **Middle management:** Black African women have the highest representation in middle management and are the only group to experience a steady year-on-year increase from 2021. The other groups declined or remained static.

- **Junior management:** African women dominate junior management with Indian women next highest.

# FINDINGS

## SKILLS DEVELOPMENT

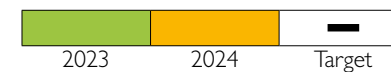
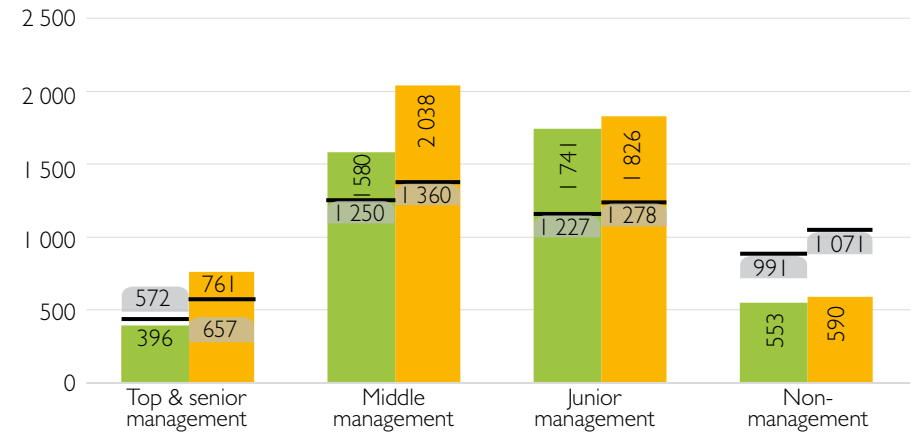
Skill development (Rm)



- Banks increased skills development spend for black people but declined in the two target categories.

## SKILLS DEVELOPMENT BY MANAGEMENT LEVEL

Skills development by management level (Rm)

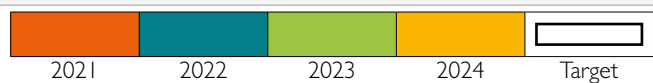
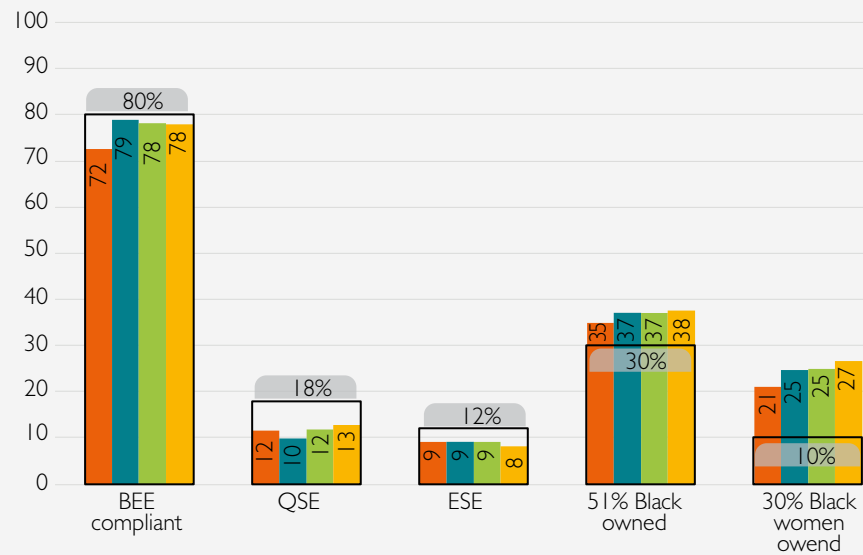


- Banks increased skills development spend for black people across all management levels in 2024.
- The sector is now ahead of target in all management levels, including at top and senior levels where banks were behind target in 2023.
- Non-management skills training expenditure is still below target despite increasing by 6.7%.
- According to the amended FSC guidelines, targets were calculated based on each bank's payroll for each occupational level:
  - Top & Senior management – **2%**
  - Junior management – **5%**
  - Unemployed – **1,5%** (total payroll)
  - Middle management – **3%**
  - Non-management – **8%**

## FINDINGS

## PREFERENTIAL PROCUREMENT

## Preferential procurement (Rbn)



- BEE compliant spend has been at 78% for the past two years, just short of the 80% target.
- Procurement from QSEs was at 72% of target and EMEs at 66.7%.
- Procurement is 27% above target for 51% black-owned companies and 170% above target for 30% black women-owned businesses.

R bn	2021	2022	2023	2024	Target
Total measured procurement spend (TMPS)	R96	R117	R133	R133	
BEE-compliant	R70	R 92	R104	R104	R107
QSE	R11	R 12	R 16	R 17	R 24
EME	R 8	R 11	R 12	R 11	R 16
51% black-owned	R34	R 43	R 49	R 50	R 40
30% black women-owned	R20	R 29	R 33	R 35	R 13

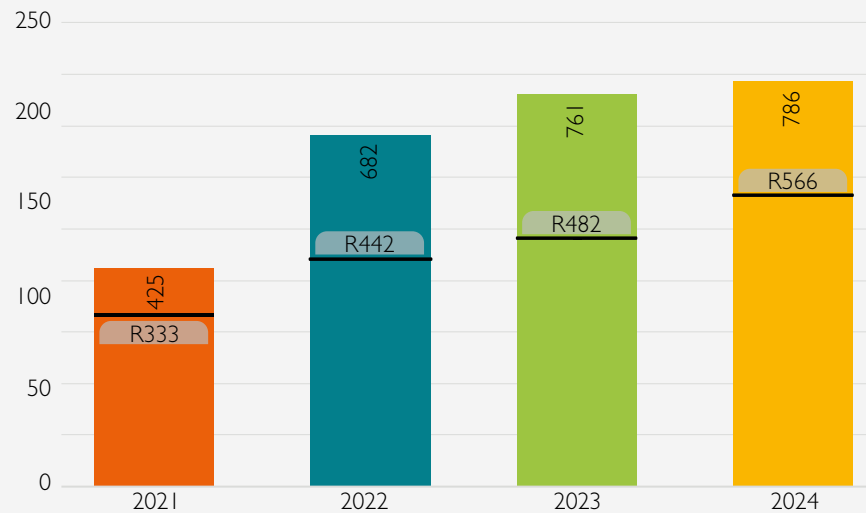
- Banks' total measured procurement spend held steady at R133bn in 2024, after increasing by R16bn in 2023.



## FINDINGS

## SOCIOECONOMIC DEVELOPMENT

Socioeconomic development spend (Rm)



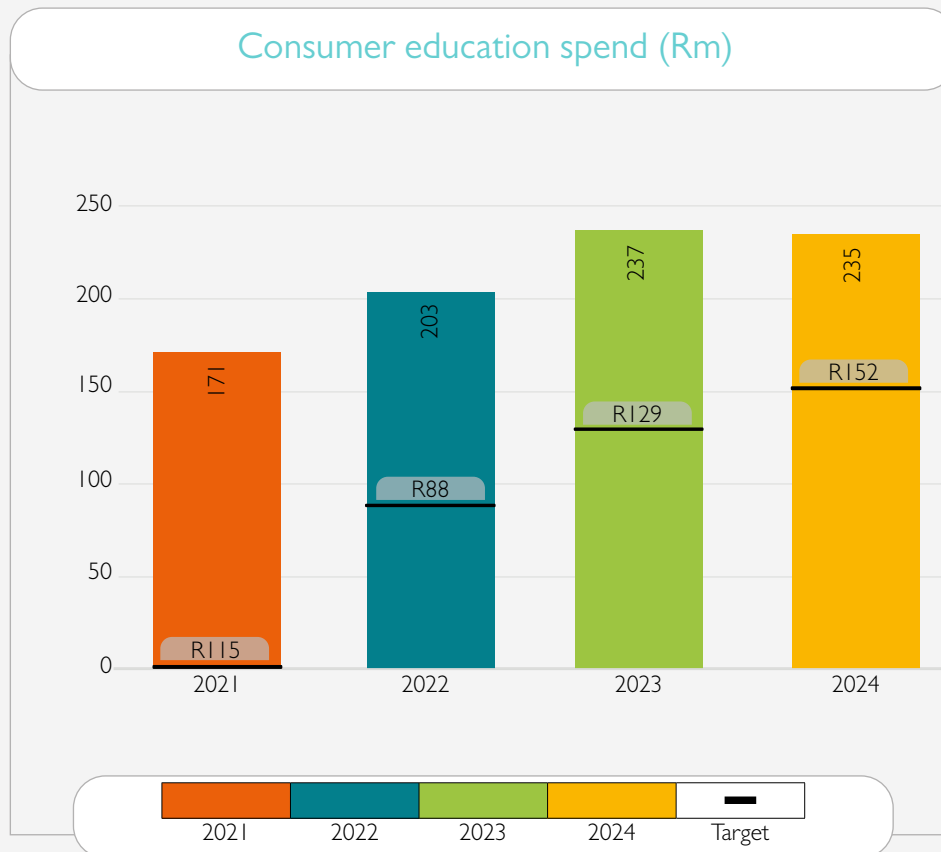
- An increase in socioeconomic spending this year continues the upward trend that began in 2021.
- Spending in 2024 is nearly 39% above the target of 0.6% of banks' 2023 NPAT.



## FINDINGS

## CONSUMER EDUCATION

Consumer education spend (Rm)



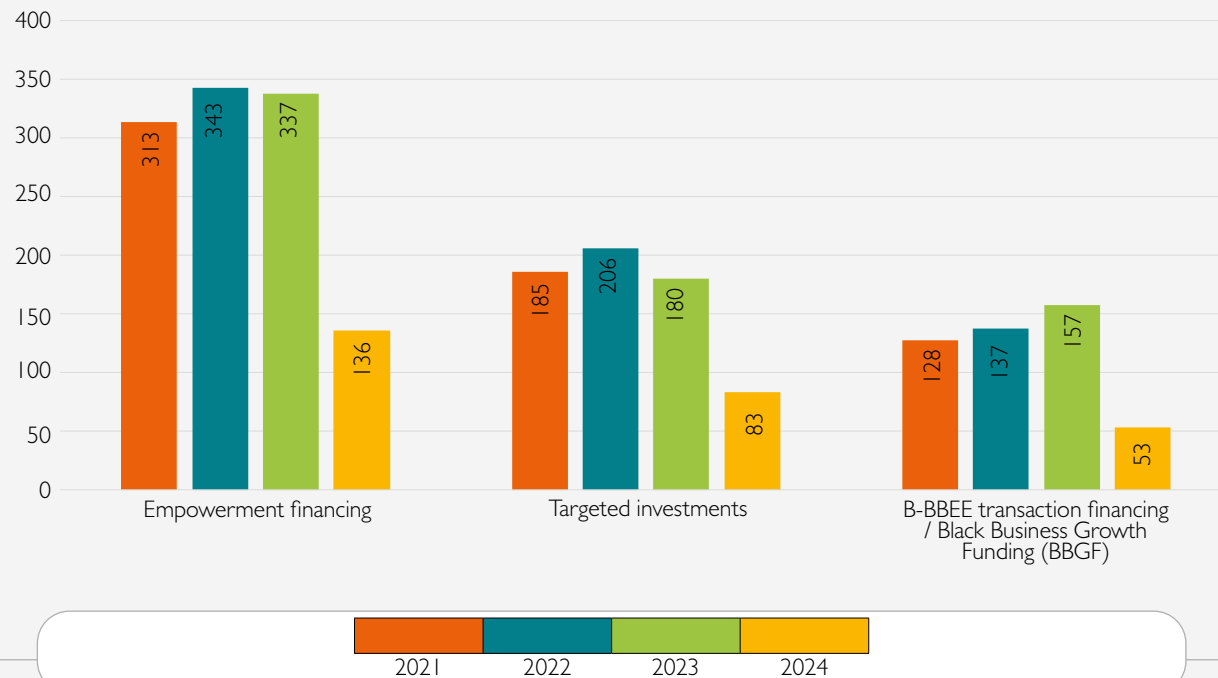
- Spending on consumer education is 55% above target, despite a small decline in 2024.
- The targets are 0.4% of banks' retail NPAT for the previous year.



## FINDINGS

## EMPOWERMENT FINANCING

Empowerment financing (Rbn)



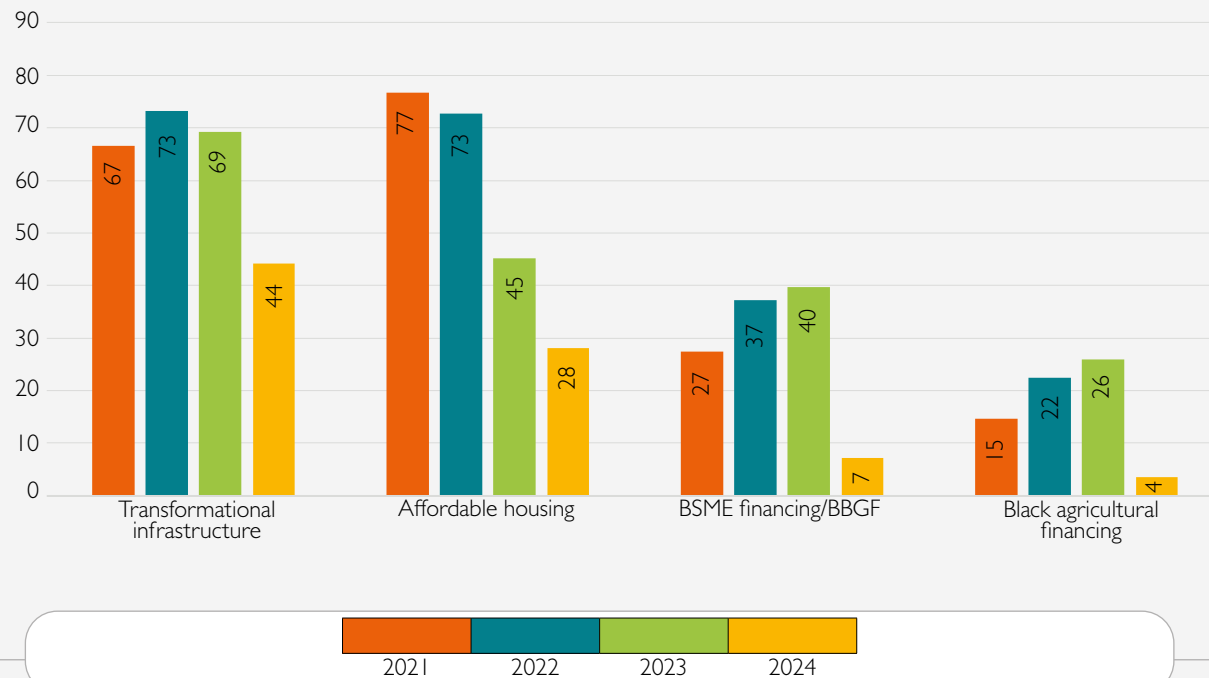
- The industry target for empowerment financing is set over five-year periods. The new period runs from 2024 to 2028 with the industry target set at R150bn. 2024 figures are thus not comparable to previous years.
- Banks have made a strong start, already reaching R136bn of the five-year target of R150bn for empowerment financing.
- The empowerment financing value is divided between B-BBEE transactions financing and black business growth/SME funding and targeted investments on a 4:6 ratio, after allocating 4% of the target towards black business growth and SME funding.



## FINDINGS

## EMPOWERMENT FINANCING

## Targeted investments (Rbn)



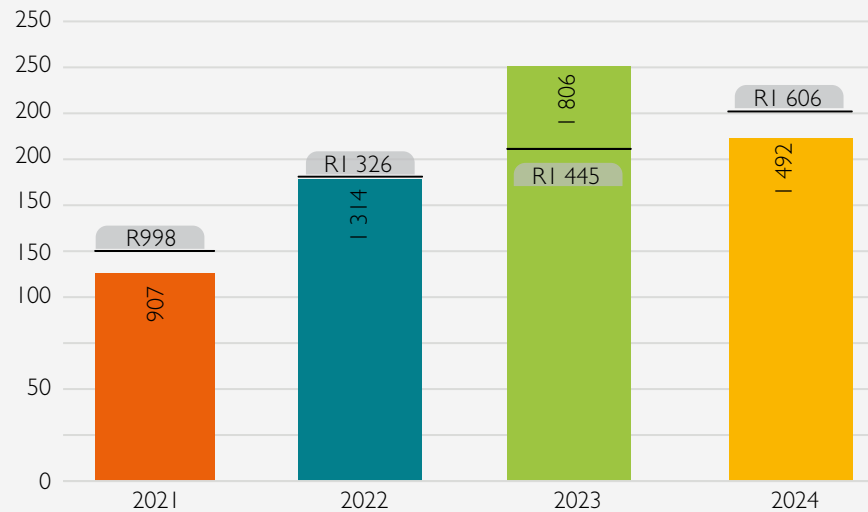
- The bulk of empowerment financing went towards transformation infrastructure (R44bn), followed by affordable housing (28bn).
- Black SME/black business growth funding was at R7bn and black agricultural financing received R4bn.



## FINDINGS

## SUPPLIER DEVELOPMENT CONTRIBUTIONS

Supplier development contributions (Rm)

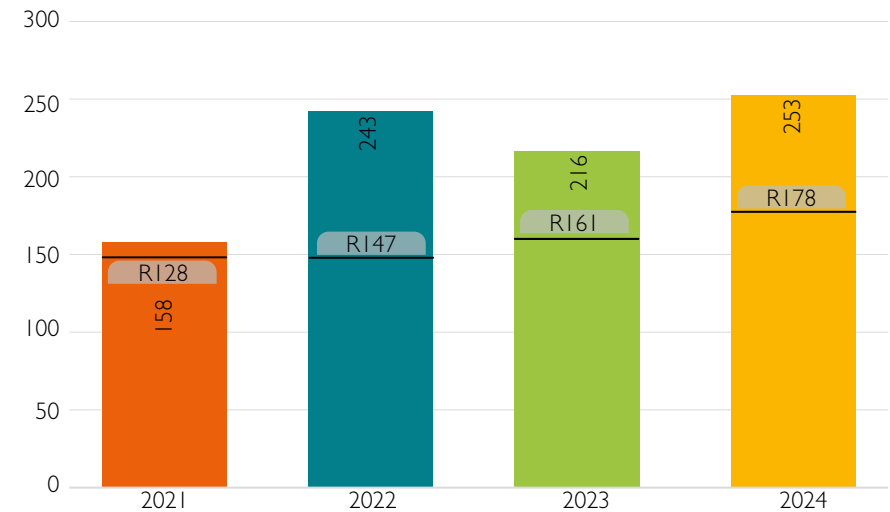


2021 2022 2023 2024 Target

- Supplier development contributions fell from 14% ahead of target in 2023 to 7% behind target in 2024.
- Four out of 10 banks that submitted data dropped in spending.
- Target: 1.8% of previous year's NPAT.
- Banks with no history of supplier development spend as well as banks that did not submit data for 2024 are excluded from each year's NPAT target calculations.

## ENTERPRISE DEVELOPMENT SPEND

Enterprise development spend (Rm)



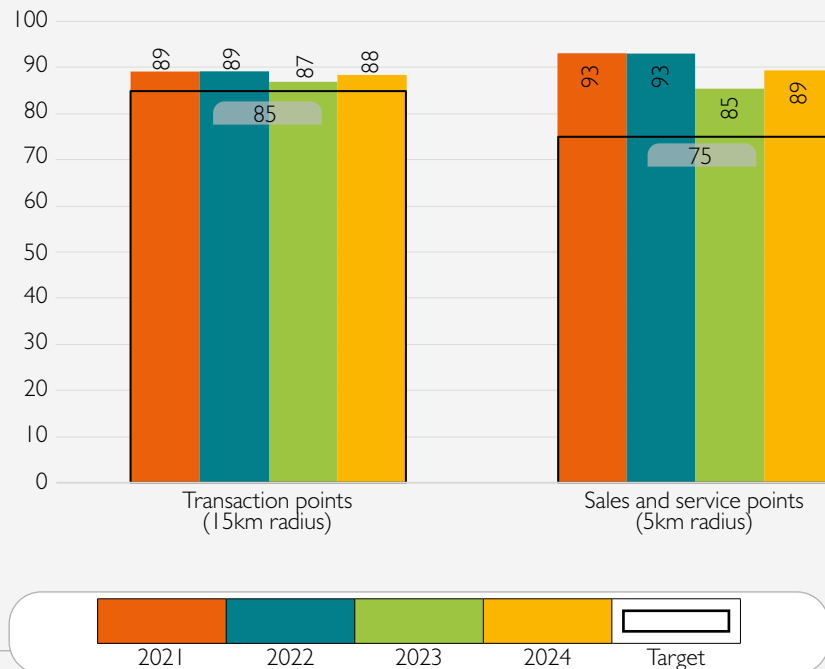
2021 2022 2023 2024 Target

- Enterprise development spend increased in 2024 after a decline in 2023.
- Banks' spend is now 30% ahead of target, from 34% in 2023.
- Target: 0.2% of previous year's NPAT.
- Banks with no history of enterprise development spend as well as banks that did not submit data for 2024 are excluded from each year's NPAT target calculations.

## FINDINGS

ACCESS TO FINANCIAL SERVICES:  
GEOGRAPHIC ACCESS

## Transaction and sales/service points



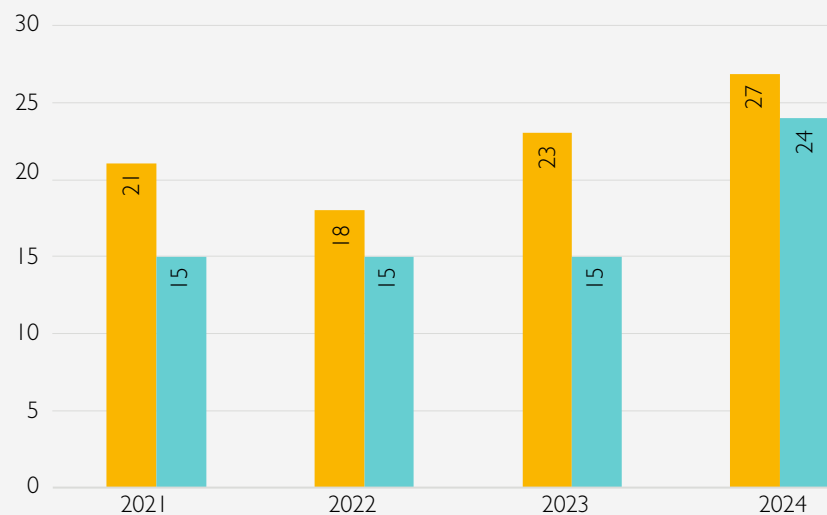
- Banks remain ahead of targets in both categories.
- Transaction points scores have remained relatively flat despite many banks having closed numerous branches over the four-year period.
- Sales and service points climbed in 2024 to 18.6% above target.



## FINDINGS

ACCESS TO FINANCIAL SERVICES:  
PRODUCT ACCESS

Number of active accounts for qualifying products (millions)



Actual accounts Target accounts

- The number of active accounts has increased every year since 2022.
- With an increase of 17.4% from 2023 to 2024, banks remain ahead of target despite the target increasing from 15 million to 24 million active accounts.



## HOW THE BANKING SECTOR FARES

- There are no direct comparisons for transformation in the banking sector for the year under review. Latest reports that do measure transformation in the banking sector – the 2023 Sanlam Transformation Gauge and the 2022 FSTC State of Transformation Report – cover 2021 and 2022.
- Banks perform well in comparison with national statistics measured by the **Department of Employment and Labour's 25th Commission for Employment Equity Annual Report 2024/25**, which measures management across all sectors, in relation to the economically active population (EAP) of each race group. Its figures are based on 29,269 Employment Equity reports submitted to the department “for the 2024 reporting season”. It does not clarify how it classifies “top management” and “senior management”.
- It found that **“top management level”** has 61.1% white representation, approximately eight times their EAP representation, with African representation at 18% – more than four times below their EAP. Indian representation was at 11.9%, more than four times their EAP, with Coloured representation at 6.2%, below their EAP of 8.6%.
- At **“senior management level”**, it found that the white population group, with an EAP of 7.5%, accounted for 47.3% of senior management, while the African population group with an EAP of 81.0% accounted for 28.8%. The Indian population group, with an EAP of 2.7%, accounted for 12.3% representation, while Coloured people had 8.6% representation, close to their EAP of 8.8%.
- The BASA Transformation Report shows that in 2024, 30% of top senior managers in the banking sector were black Africans; 5% were Coloured; 44% white and 14% Indian. Overall, 49% of top senior managers and 55% of senior managers in the banking sector are black people. At board level, 44% of bank directors are black people.





## HOW BANKS HELP BUILD A MORE EQUITABLE SOCIETY

*Through targeted initiatives ranging from early childhood development programmes to enabling a local credit card supplier to integrate into the supplier chain, the role of banks in uplifting the historically disadvantaged extends far beyond specific B-BBEE requirements, writes **Janice Roberts.***

In South Africa's fragile economy, the banking sector is playing an increasingly important role in uplifting disadvantaged communities by tackling the country's deep-rooted historical inequality and structural barriers, emerging as a significant driver of inclusive growth and transformation. Through targeted support for marginalised groups like women and young people, and alongside initiatives focused on early childhood development, maths and science education, as well as enterprise and supplier development, banks are contributing significantly to building a fairer and more prosperous society.

Education is a critical national priority for South Africa as the country faces deep systemic challenges, including unequal access, under-resourced schools and poor academic outcomes. As research shows that the early years of a child's life lay the foundation for future success in school and beyond, several banks have, in response, focused their education programmes on standardising the early childhood development (ECD) curriculum across South Africa. This has led to partnerships with non-profit organisations to deliver teacher training and supply teaching resources. Initiatives also include the construction and upgrading of ECD centres, many of which lack classrooms and proper sanitation facilities. A case in point is the Luvhone Community Centre in Ha-Masia, Limpopo, which acts as a lifeline for early childhood care and education, but which until recently, had only two small classrooms, pit toilets and no kitchen, meaning that it faced significant challenges in providing a healthy environment for small children. Thanks to assistance from one of the country's banks, the centre has been developed into a state-of-the-art facility with flushable toilets, water tanks and a sickbay.

Banks' education programmes are also aimed at strengthening the country's education system by nurturing students who are proficient in maths and science, subjects both vital for the country's economic growth. Working closely with the Department of Basic Education, one of the banks has rolled out fully equipped technology hubs across several schools in two provinces. These are renovated rooms which have been converted into safe places for independent learning. Each hub has a qualified maths teacher, accommodates up to 60 learners and is fitted with high-speed wi-fi, laptops and headsets.

Another bank supports a programme that recruits and trains health science students from three rural districts in KwaZulu-Natal, helping them complete their higher education. By doing so, the initiative aims to address critical staff shortages in rural hospitals. The students receive mentoring and financial support to help them overcome challenges they may face at university. As part of the programme, they also gain practical experience by working for four weeks each year in their local rural hospitals.

Several banks have focused their education programmes on standardising the early childhood development curriculum across South Africa.

Other banks' programmes support access to postgraduate studies in critical fields, such as engineering, actuarial science and chartered accountancy to address the country's skills shortages. Beneficiaries receive support in the form of career guidance, mentorship, mental health resources, skills development and networking opportunities, to promote their academic success and career readiness.

Management upskilling programmes are also prevalent, with one bank partnering with numerous higher education organisations to conduct management development programmes for various levels of management, including grooming executives for leadership roles and programmes designed to prepare employees for general management roles. Most banks also have an array of bursaries and grants that facilitate upward mobility.

South African banks view both enterprise and supplier development as vital strategies to foster inclusive economic growth, empower small and medium-sized enterprises, and build a more diverse supplier base in line with the country's transformation objectives. While enterprise development focuses on the development of entrepreneurs and SMEs, supplier development takes it a step further, encompassing the preferential procurement of goods and services from businesses that banks are developing within their supply chains.

Enterprise development programmes often focus on women, who are a driving force of the country's informal economy. These programmes recognise the unique challenges that women often face in business and are carefully crafted to address them through tools such as mentorship and guidance, where experienced entrepreneurs and industry experts provide advice to programme participants. Women are also given access to resources, including funding opportunities and through seminars and forums, banks encourage women entrepreneurs to connect and share experiences. Banks also organise workshops to cover a wide range of topics such as financial management, marketing and negotiation skills, which are essential for entrepreneurial success.

One such success story involves a bank's partnership with a 100% black woman and youth-owned automotive company which provides ad hoc fleet-related services, including vehicle towing and shuttle services. The company was founded by a young woman who felt compelled to do something about the country's chronically high youth unemployment rate by starting her own business. The bank has supported the business by providing it with flyers, graphic design and branding and enabling better market access by sponsoring the company's vehicle exhibition and services at Naamsa Auto Week last year.



**One such success**  
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**company**



Another success story is the creation and development of a 100% black woman-owned biodiesel company, which contributes towards the achievement of SA's renewable energy goals such as energy security by manufacturing and supplying diesel – made from cooking oil purchased from hotels and hospitals – to construction sites and industrial businesses. The company's vision is to become one of the top suppliers of biodiesel in the country to create more sustainable jobs and to protect the environment.

There are other banking sector initiatives that are aimed at addressing environmental challenges. One bank has launched a purpose-built platform designed to empower and scale the next generation of green economy entrepreneurs in SA. The initiative combines grant funding, coaching and capacity-building to equip early-stage ventures with the resources and support they need to achieve long-term impact in energy, water, and waste – sectors that are critical to creating a green and climate-resilient future for SA. Over 12 months, 19 high-potential entrepreneurs will receive funding alongside tailored coaching and technical development. Participants will also gain access to leading green economy experts, as well as receive strategic support from the bank, which includes specialised expertise in finance, governance, tax, human resources and marketing – critical areas that strengthen business foundations and ensure scalability.

Several banks' enterprise development programmes are within the agricultural sector. One such programme has enabled participating farmers by teaching them how to cultivate produce effectively and how to understand their target markets, and then how to supply major retailers. Many of the emerging farmers in this programme started with limited agricultural experience. However, after 12 months, they were able to launch their own farming businesses with support from the bank, using the programme's infrastructure as a foundation. This backing empowered them to create jobs and drive economic growth within their communities. A similar programme involving the Department of Agriculture and Rural Development has led to a former teacher growing her poultry business, with the aim of expanding her farm until she has successfully bred 10,000 chickens and established herself as a commercial farmer with a sustainable business.

Banks regularly partner with non-profit organisations in order to meaningfully participate in enterprise development programmes, an example being a bank's partnership with an entity that matches skilled tradesmen from low-income areas with homeowners and businesses undertaking renovation and construction projects in four of the country's provinces. Over the past seven years, the bank's enterprise development grant funding has benefited 596 SMEs, which have gone on to create



more than 1,000 jobs. These business owners have collectively received more than 160 hours of training from the bank, augmented with 5,635 hours of mentorship.

While enterprise development aims to nurture entrepreneurs to drive economic growth, supplier development takes this further by prioritising the procurement of goods and services from businesses that banks have developed within their supply chains, thereby redirecting procurement opportunities from larger companies to smaller, qualifying suppliers. When one of the country's banks noticed that in the local market, plastic card manufacturing and personalisation were largely in the hands of a few large multinational companies, it was determined to act, because the dominance of these companies meant that local businesses faced higher barriers to entry, including access to technology and the infrastructure required to locally produce cards. The bank issued a tender to find a local black-owned card personalisation supplier and was able to appoint a 100% black-owned Level 1 start-up as a new supplier for plastic cards – the first fully black-owned and South African-managed entity in South Africa to enter the card personalisation market. With the bank's support, the company was able to achieve the required VISA and Mastercard certifications for card personalisation. In addition, the company invested in advanced card printing technology, including embossing and laser equipment, and it now has the potential to expand beyond South Africa's borders.

Banks open access to their internal markets in different ways, one of which is the creation of a digital marketplace for suppliers – a user-friendly online portal for small, micro and medium enterprises to register their company profiles. The portal enables prospective suppliers to access information relating to services and/or products that the bank procures, add their details to the bank's database and easily identify the procurement categories and services that the bank is looking for.

South Africa's banking sector is making a profound impact on the country's socioeconomic landscape through targeted interventions – from improving early childhood education to empowering black-owned businesses and fostering inclusive procurement practices – driving sustainable economic growth and social transformation, while also promoting environmental sustainability and green entrepreneurship.