

Message from the **CEO**

With major changes bedded down in 2018, including the launch of our new strategy and implementing our new operating model, the framework for our business has been reset.



2018 was almost unprecedented for Absa in the number and scale of changes that the Group went through. While there is more to do, I am encouraged by the pace at which we are advancing our key priorities.

2019 is pivotal and will determine how far we will go towards achieving our medium-term strategic ambitions and the targets we communicated in late 2018 (page 23). Fundamentally, it is about re-engineering our business, encouraging and maintaining the energy for change and achieving our goals.

As a member of the Board, I was, and still am, a strong supporter and believer in the new strategy that former CEO, Maria Ramos, defined together with the executive and broader leadership team.

Over 10 years, Maria guided the Group through several momentous and important milestones. Her stewardship has set us on a path where we can build a financial services group that Africa can be proud of.

The Executive Committee is fully empowered and fully accountable for the delivery of the strategy across

the different businesses and support functions. Following Yasmin Masithela's move to Managing Executive Transactional Banking in CIB, Roze Phillips joins the Executive Committee to lead our people and culture change. Strategy execution moves to Group Finance under the leadership of Jason Quinn while Paul O'Flaherty assumes responsibility for digital within Engineering Services. We have a strong leadership team and they have my full backing and support. I am confident that this team will deliver against an ambitious growth agenda and lead the culture reset within our business.

Simply, the focus is regaining lost market share, retaining the trust and confidence of the customers we currently serve, and delighting them with new propositions. We will compete and win in all our chosen markets to achieve our ambition of growing revenue faster than our South African peers in the medium term. We are also focused on building momentum behind our digitisation initiatives. This is important not just for customer experience, but also for resetting our cost base and colleague experience. We have all the building blocks to deliver upon this – we have a strong balance sheet, a presence across 12 countries on a fast-growing continent and dedicated and passionate colleagues.

Having undergone a year of significant change, I am pleased that our employees understand our strategy, embrace it and are energised by it. 2019 is a critical year for the Group and I am personally committed to enabling both my executive team and all my colleagues across the continent as we work to meet our 2019 goals. The leadership team is committed to giving space to their entrepreneurial spirit, drive a relentless focus on our customers and to build capabilities that enable Absa to win well into the future.

René van Wyk
CEO

2019 priorities

To achieve sustained above-market growth, our immediate and highest priorities are to:

- 1 Regain franchise health in Retail and Business Banking South Africa and better serve customers across their life stages to retain them.
- 2 Deliver the Separation successfully in Absa Regional Operations and Corporate and Investment Bank Africa through the right prioritisation of the 2019 change project delivery.
- 3 Deepen our core Corporate and Investment Bank capabilities, coverage model and integrated transaction banking solutions across Africa.
- 4 Enhance digital customer enablement (full end-to-end self-service).
- 5 Drive an integrated bank assurance delivery model between WIMI and RBB to leverage the capabilities and resources of the Bank to deliver efficiencies.
- 6 Embed a new target culture focused on strategy execution.