

MEDIA STATEMENT

FSTC Presents the 2023/24 State of Transformation Annual Report

Johannesburg, South Africa – 04 February 2026

The Financial Sector Transformation Council (FSTC) has presented the 2023/24 State of Transformation Annual Report (SoTAR), providing a comprehensive, evidence-based assessment of transformation performance across South Africa’s financial sector in accordance with the Amended Financial Sector Code (the Code).

The SoTAR constitutes the Council’s annual statutory account of progress made towards advancing broad-based Black economic empowerment, financial inclusion, and inclusive economic participation within the financial sector. The report is informed by verified data submitted by financial institutions and reflects consolidated performance across all elements of the Code.

Purpose and Scope of the Report

The State of Transformation Annual Report serves as a key instrument for monitoring transformation trends, identifying systemic challenges, and informing ongoing policy and stakeholder engagement. It provides insight into both achievements and areas requiring sustained attention in order to support meaningful and sustainable transformation outcomes.

The 2023/24 report assesses sector performance across the various elements of the Financial Sector Code: Ownership, Management Control (including Employment Equity), Skills Development, Procurement and Enterprise Development, Socio-Economic Development and Consumer Education, Empowerment Financing, and Access to Financial Services.

Overview of Findings

The findings of the 2023/24 SoTAR reflect mixed performance across the sector underscoring the difficulty of sustaining transformation momentum in a challenging socio-economic environment. While progress has been recorded in certain areas, the report also highlights aspects where outcomes have remained static or where further effort is required to realise the objectives of inclusive and equitable participation in the financial system.

Key observations include:

- Gradual progress in Ownership and Management Control scores.
- Sustained investment in Skills Development.
- Incremental improvements in Procurement and Enterprise Development.

COUNCIL MEMBERS

Mfundo Nkuhlu (Chairperson), Kaizer Moyane, Bongzi Kunene, Vivienne Pearson, Ronald King, Vuyo Lee **GOVERNMENT:** Njabulo Sithabe (Chairperson), Alvinah Thela, Jacob Maphutha. **COMMUNITY:** Mally Dhlamini, Tebello Radebe. **ABSIP:** Mark Davids, **LABOUR:** Moses Lekota, Jan Mahlangu. **TRADE ASSOCIATIONS:**

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Jan Mahlangu (Board Chairperson), Tebello Radebe, Vivienne Pearson, Lister Saungweme, Nontobeko Lubisi, Lizelle van der Merwe, Vuyo Lee, Khaya Sithole, Thabo Tlaba-Mokoena, Nobambo Mlandu (Ex Officio).

The Financial Sector Transformation Council Reg No 2006/006846/08

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- Ongoing contributions through Empowerment Financing and Access to Financial Services, supporting inclusive growth, though with uneven reach across segments and geographic areas.
- Socio-Economic Development and Consumer Education initiatives that would benefit from enhanced coordination and more consistent outcomes-based reporting in line with applicable guidance.

Focus Areas Going Forward

Drawing from the 2023/24 findings, the FSTC will continue to fulfil its mandate to engage stakeholders to drive and measure transformation in the financial sector and promote the Code as an enabler to a sustainable, inclusive and growing economy by:

- Enhancing the quality and impact of transformation outcomes, beyond expenditure-based measures to address the continued under-representation of Black people and Black women at senior and executive decision-making levels;
- Strengthening the relationship in respect of skills development expenditure, succession planning, and long-term transformation impact;
- Strengthening data quality, reporting consistency, and verification practices;
- Advancing gender-responsive and youth-focused participation, particularly within procurement, enterprise development, and access to finance; and
- Supporting initiatives that deepen financial inclusion and sustainable economic participation.

The insights contained in the SoTAR will inform ongoing stakeholder engagement, guidance refinement, and policy-related discussions. Mr Enoch Godongwana (2025) contends that “By embracing measurement as a tool of learning and accountability, we ensure that transformation is not left to chance, but guided by evidence. In this way, B-BBEE becomes not only a framework for economic reform but a lived reality for millions of South Africans”.

Availability of the Report

The 2023/24 State of Transformation Annual Report will be presented during stakeholder roundtable discussions convened by the FSTC on 23 February 2026.

The roundtable discussions will provide a structured platform for engagement on the findings of the report and key transformation trends, supporting informed dialogue among industry participants and other stakeholders.

Following the presentation and in accordance with applicable tabling processes, the report will be made publicly available on the FSTC website at: <https://fstc.org.za/>

Issued by:

Financial Sector Transformation Council (FSTC)

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