

CORPORATE SOCIAL RESPONSIBILITY

Giving back to communities in which we serve is important to our business. As a socially responsible organization, we explored a number of initiatives that would help improve the quality of lives of not only our customers but the Zambian public at large. We settled to be of service to the communities in which we serve in matters that we best understand and are experts at. We implemented a Financial Literacy Campaign under the theme Financial Fitness. Financial Fitness is defined as 'The ability to make informed judgments and to take effective actions regarding the current and future use of money'. 'Zanaco's CSR Strategy is focused on continuing the commitment to behave ethically and contribute to economic development while improving the quality of life of our staff, their families and the community at large.

We are proud to say that our Financial Fitness program has been well recognized by the Government and other stake holders. We were consulted by Bank of Zambia in discussing the development, implementation and roll-out of the Country's Financial Fitness Strategy. We are also proud that we have in the recent past included farmers to the list of the customer segments we want to reach.

Objective

The objective of the Financial Fitness Programme is to make tangible contribution to the increase in financial literacy levels in Zambia. We believe that a financially fit community has a better life.

Why Financial Fitness?

- It is in line with our vision and mission.
- It is one of the avenues for financial inclusion.
- Low financial literacy levels in Zambia.
- Large unbanked population.
- Response to liaison with stakeholders such as the Financial Sector Development Plan (FSDP)
- Existing information (Fin Scope surveys) shows a great need for Financial Fitness

- Large part of the Zambian population is over indebted
- High default rates on loans –People view loans as income and use it for consumption not investment
- Limited knowledge on use of bank products
- There is a shift in responsibility for pension planning from employers to employees
- It is a systematic programme with long lasting impact
- Linked to Zanaco's business
- Available human resource on financial issue
- Corporate good will
- This is a moral issue for Zanaco
- Financial Fitness is not used to coerce beneficiaries to bank with Zanaco

Implementation strategy

The Financial Fitness strategy is focused on providing financial education and information and reaching all segments of the Zambian public.

OUR TARGET AUDIENCE

In line with our mission, we endeavor to reach all segments of the Zambian population which include:

- Children
- Youth
- Adults
- SMEs

HOW WE REACH CHILDREN/ YOUTH

As Zanaco we believe in laying the seed by teaching children how to manage money. Just as children need to be educated about topics such as healthy eating and the value of school, Zanaco says “lessons about money should be added to the list”.

Schools programme (Initiated in June2009)

- Financial education training materials were developed and approved by the Ministry of Education
- Over 100 basic schools were adopted across the country through our branches
- Over 5,000 children were reached in one year of implementation with more to be reached as we roll out
- Zanaco Branch staff are involved in providing mentorship The programme provides children an opportunity to interface with Zanaco Branches for them to get used to the banking environment.
- Financial Fitness newspaper publications were placed in the *Education Post* of *The Post* Newspaper every Saturday from May 2010 to December 2010
- Young people’s Financial Fitness activities during the Agriculture and Commercial Show held in Lusaka and the Trade Fair on the Copperbelt

Topics covered for young people

Money

- Wasting money
- Banking
- Saving
- Budgeting
- Interest

- Using ATMs
- Using Cheques
- Borrowing
- Managing debt
- Financial Fitness Plan

“I thank you Zanaco for Financial Fitness. I used to waste a lot of money before but now I can budget for my allowance and save some money.” Pupil from Libala Basic School in Livingstone.

It is better to acknowledge such mistakes whilst young when there's little damage.

HOW WE REACH OUT TO ADULTS

Zanaco provides Financial Fitness information and awareness among members of staff and the general adult population through provision of educative literature, print media publication, TV/radio programmes and general training..

Topics covered

- Financial Planning
- Borrowing
- Credit awareness
- Saving
- Investment

- Banking
- Insurance
- Wealth building
- Planning for retirement
- Estate management

HOW WE REACH OUT TO SMEs

Zanaco provides Financial Literacy and business management training to Small and Medium Entrepreneurs (SMEs) across the country. This activity is implemented in conjunction with the Small Business Banking Department that is mandated to take care of SMEs clients

- Over 500 SMEs trained so far
- Business Management skill imparted
- Business Management Toolkits provided to trained SMEs through collaboration with other business organizations who share our passion of developing the SME sector such as COMESA

OUTCOMES

Both children and adults have a better understanding of money matters. Children have reported practicing budgeting and saving from allowances they receive from their parents. Some beneficiaries have reported positive change in spending habits

FEEDBACK

- There is increased interest in financial education
- There is general appreciation from all target groups
- There is increased demand from other schools
- There is demand for longer TV/Radio series
- There is demand for materials from NGOs working with youths
- There is recognition and appreciation of the programme from key stakeholders such as the Bank of Zambia

RECOMMENDATIONS

We recommend that:

- The Financial Fitness programme be extended to all young people i.e through Zambian Government considering main-streaming Financial Education in the school curriculum.
- Zanaco partners with Civil Society in rolling out Financial Fitness in Zambia
- Specific Financial Fitness interventions by gender, age, economic level etc be developed

At Zanaco, we remain committed to Financial Fitness and we are appreciative of the support from Ministry of Education and other stakeholders. We welcome the development of the National Financial Strategy for Zambia and we are proud to have been consulted by Bank of Zambia, the implementers of the program on how best the strategy can be developed, implemented and rolled out. We strongly believe that *Financial Fitness has to begin with you and me in order for our country to succeed.*