LAUNCH PRESENTATION

FinScope Consumer South Africa 2025

30 July 2026

SPEAKER

Welcome and Opening Remarks

OPENING REMARKS

Dr Kingstone Mutsonziwa

Executive: Data and Analytics

FinMark Trust

FMT | FinScope Consumer

Agenda

10h00 – 10h05	**Welcome and Opening Remarks**		**Dr Kingstone Mutsonziwa** Executive: Data and Analytics, FinMark Trust
10h05 – 10h15	**The State of Financial Inclusion in South Africa: Policy Perspectives and Future Priorities**		**Nontobeko Lubisi** Director for Financial Inclusion, National Treasury
10h20 – 10h55	**FinScope Consumer South Africa 2025 Results Presentation**		**Jabulani Khumalo** Senior Information and Research Specialist, FinMark Trust
10h55 – 11h00	**Closing Remarks and 2026 Outlook**		**Dr Kingstone Mutsonziwa** Executive: Data and Analytics, FinMark Trust

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House Rules

01

Microphones

All participants will be muted by default for the duration of the webinar.

02

Questions

Please post your questions in the Q&A and chat box. These will be addressed by the FinMark Trust team.

03

Materials

The recording and presentations will be shared with all registered participants after the event.

KEYNOTE

The State of Financial Inclusion in South Africa: Policy Perspectives and Future Priorities

Financial Inclusion Policy in South Africa

Nontobeko Lubisi

Director for Financial Inclusion

National Treasury

SPEAKER

FinScope Consumer South Africa 2025 Results Presentation

2025 Results Presentation

Jabulani Khumalo

Senior Information and Research Specialist

FinMark Trust

AGENDA

Content

01

Research Objectives and Methodology

OBJECTIVES

FinScope South Africa – Survey Objectives

Map Inclusion & Usage Drivers

Measure access across formal and informal financial sectors while diagnosing real-world consumer needs, behaviours and structural constraints.

Identify Market Barriers & Segments

Pinpoint specific friction points preventing the effective use of products, and segment the South African population into meaningful, actionable vulnerability risk groups.

Inform Regulation & Policy

Track long-term financial trends to provide a robust, empirical data baseline that directly informs national market conduct policy, regulatory frameworks and consumer-centric product design.

WHY IT MATTERS

Impact of FinScope Consumer South Africa 2025 Survey

Regulators & Policymakers

Empowers regulatory and policymaking bodies with an empirical baseline to benchmark market conduct, track consumer protection and design national financial inclusion strategies.

Broader Sector Impact

Provides development partners and policymakers with the metrics required to design, track and scale targeted financial inclusion programmes

FSPs

Delivers deep insights into actual consumer needs, behaviours and financial realities to drive inclusive, compliant product innovation.

METHODOLOGY

Research Methodology and Sample Integrity

5,600

In-person interviews

National

Representative sample at national and provincial levels

2025

Results weighted to the South African population 2025 estimates

02

Socio-economic Context

Structural economic weakness

Sizing the Market: South Africa's 46-Million Adult Consumer Base

63M

South African resident population

46.1M

Adult population (16+)

52%

Female majority across the demographic landscape

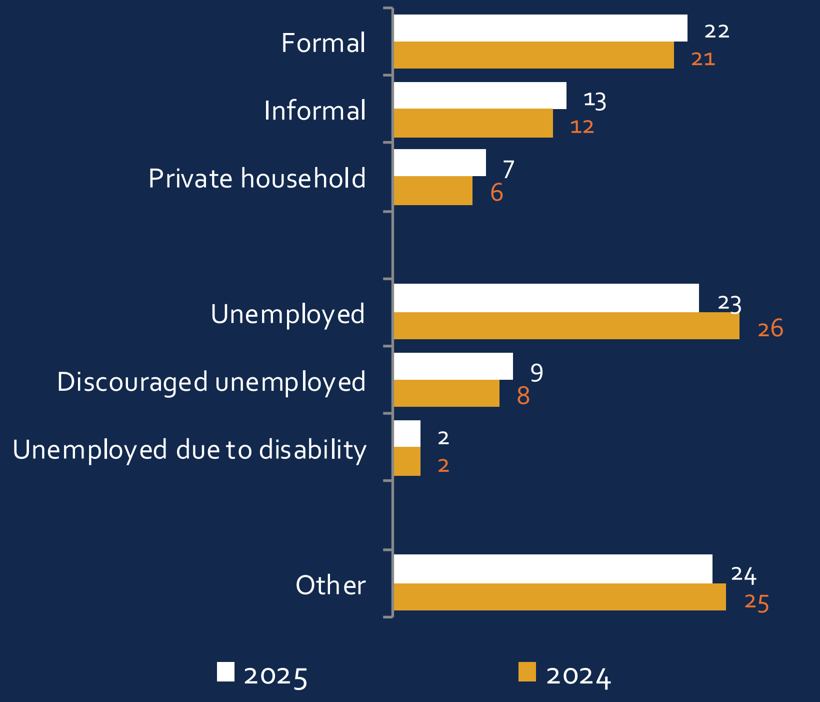
3.7M

Foreign nationals

South Africa's Labour Market: 32% Unemployed

32%

of adults are unemployed



Unemployed profile

62%
Females

54%
Youth

46%
Do not have matric

70%
Grant recipients

Beyond Formal Jobs: The 9.5-Million Informal Survival Engine

Size

2025:
9.5 Million

➔

2024:
8 million

The informal sector nationality split

1.4 million foreign nationals

vs

8.1 million South Africans

Earnings and income streams

Average PMI: R3,910

+

Multiple sources of income
54% with 2 or more

INFORMAL SECTOR OCCUPATION

The Four Pillars of South Africa's Informal Economy

PILLAR 1
Residential maintenance and property services

38.4% 35.7%

	2025	2024
Gardeners, handymen	**21.7%**	20.3%
Building/grounds cleaners	**11.8%**	9.3%
Construction and extraction	**4.9%**	6.4%

PILLAR 2
Domestic and care economy

26.0% 23.2%

	2025	2024
Domestic workers	**19.1%**	19.2%
Caregivers	**5.9%**	4.0%
Home services	**1.0%**	–

PILLAR 3
Retail and hospitality street grid (spaza & hawking)

16.3% 15.7%

	2025	2024
Sales and related	**7.3%**	7.1%
Food preparation	**5.3%**	4.3%
Hawkers, street-vending	**2.5%**	2.3%
Attendants/waiters	**1.2%**	2.0%

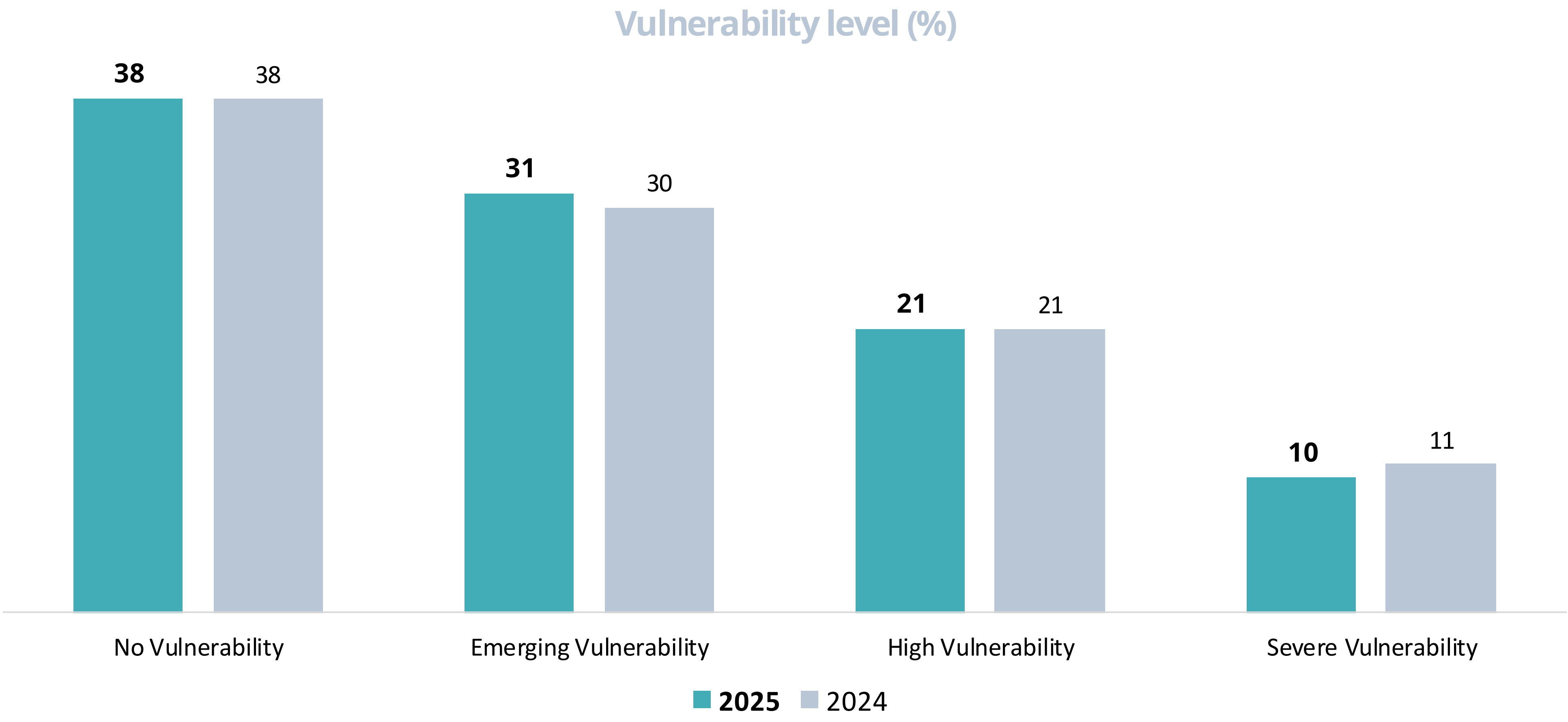
PILLAR 4
Artisanal, technical and creative fields

11.4% 9.6%

	2025	2024
Installation, maintenance and repair	**4.1%**	3.7%
Transportation (e.g. taxi/delivery)	**3.0%**	1.9%
Farming, fishing and forestry	**2.6%**	2.1%
Arts, design and entertainment	**1.7%**	1.3%

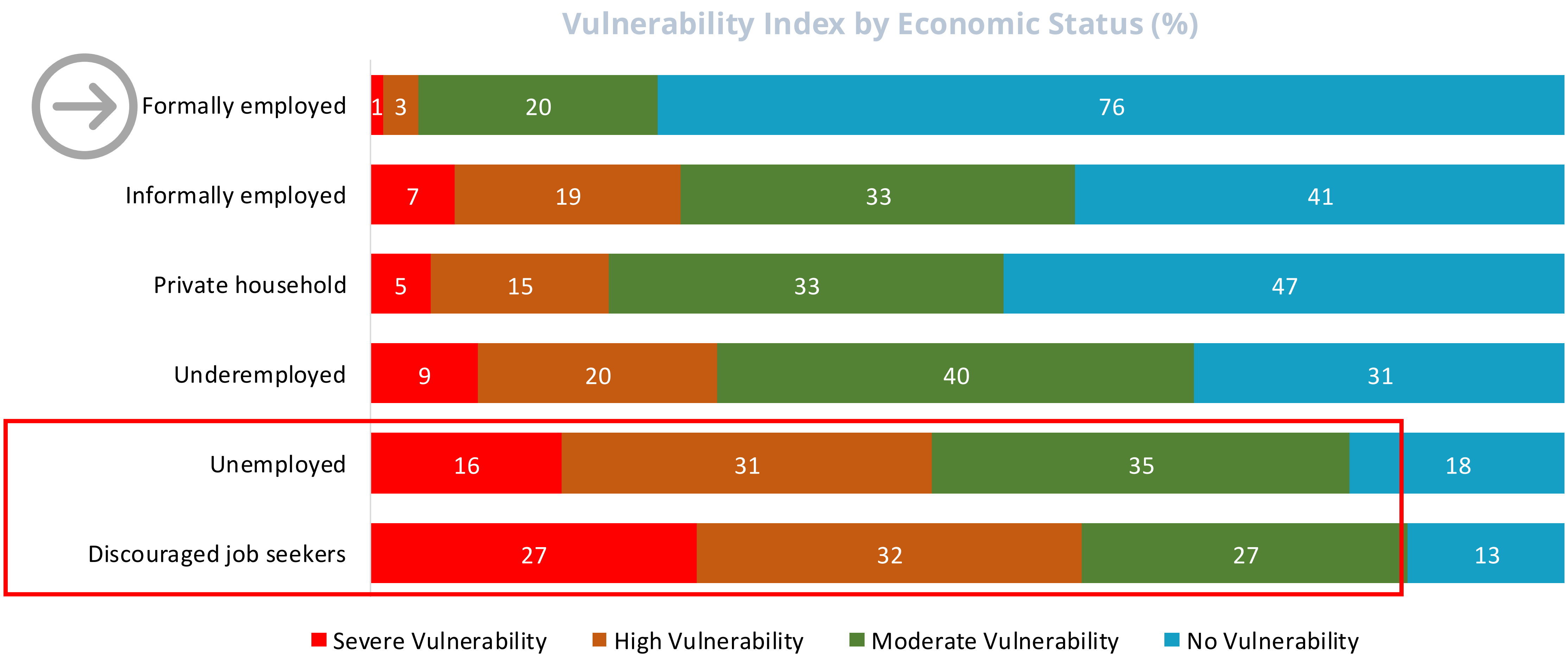
Other: 7.9% (2025) · 14.0% (2024)

The Vulnerability Split: 62% of Adults Living on the Edge

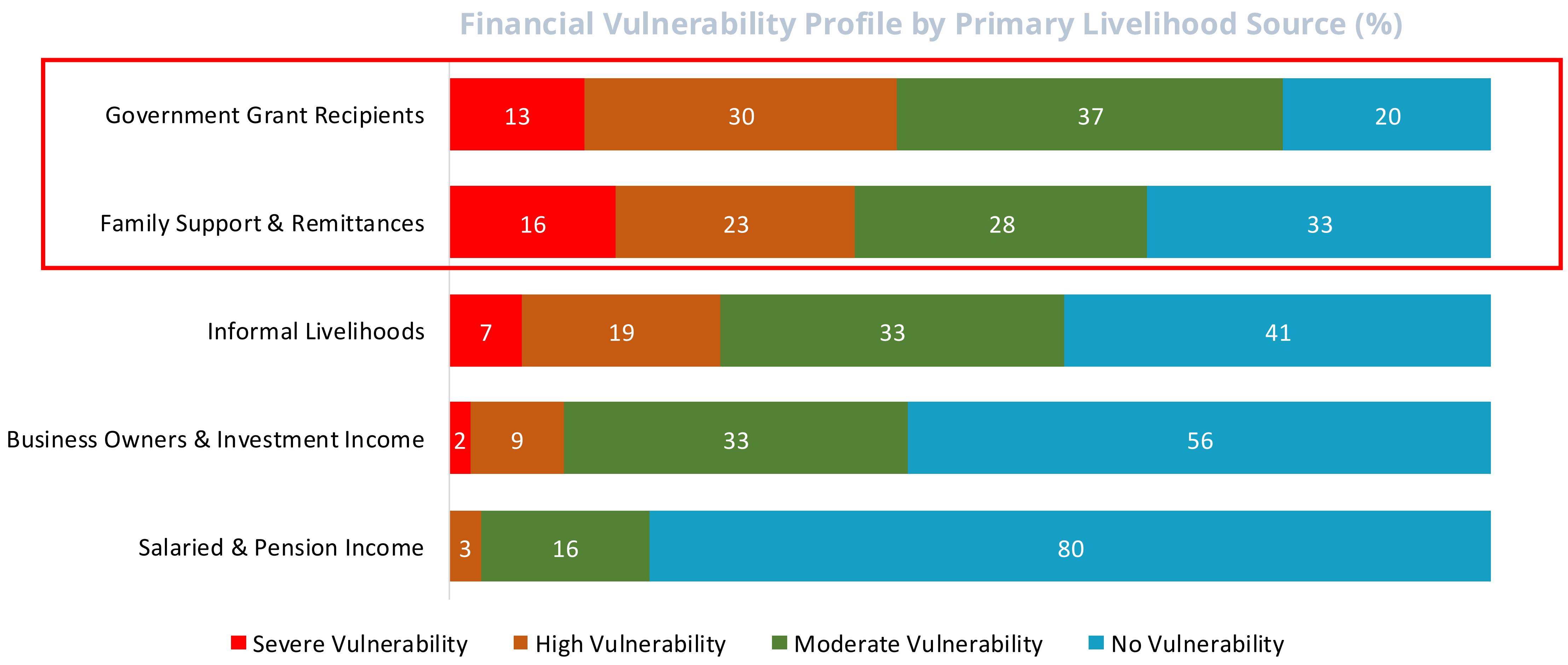


VULNERABILITY INDEX BY ECONOMIC STATUS (%)

Employment vs Stability: The Realities of Consumer Vulnerability

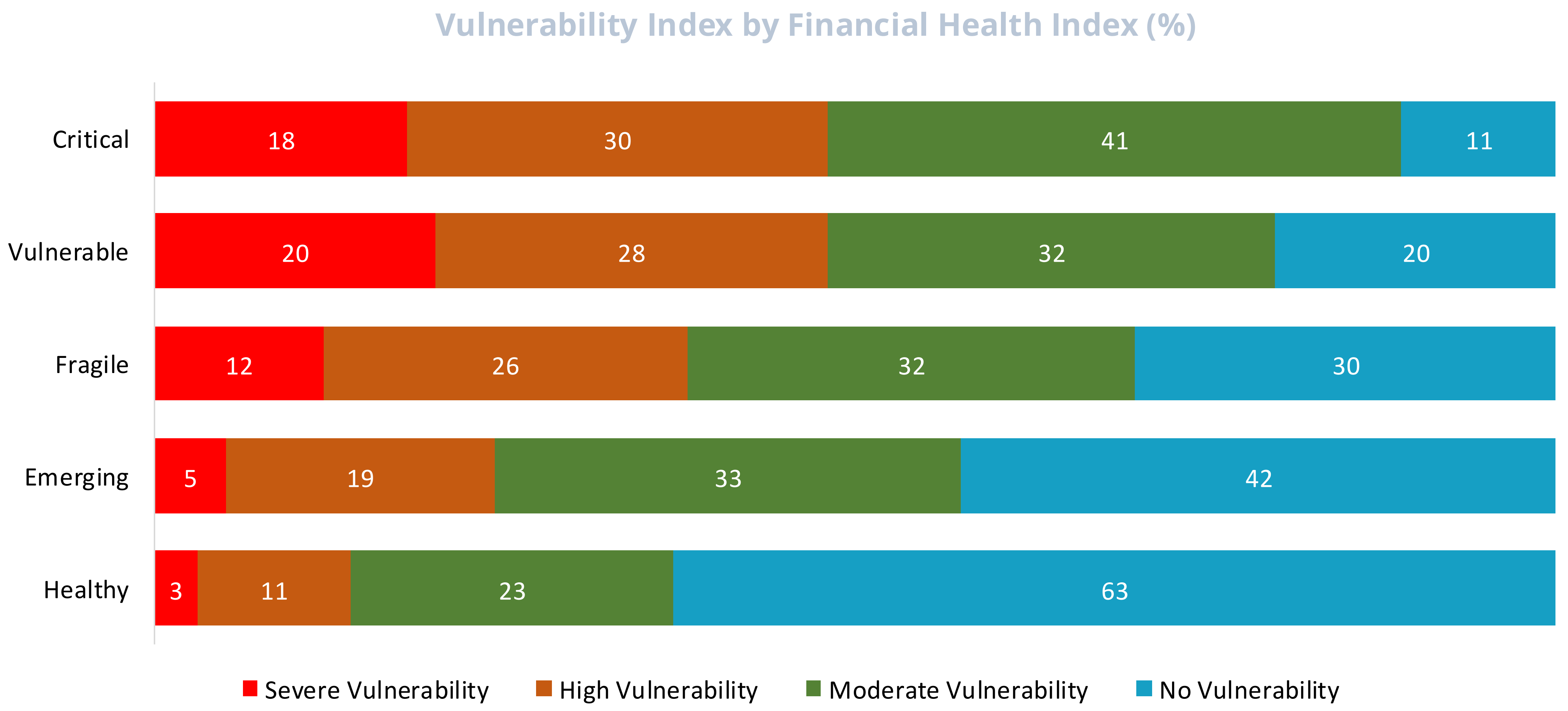


Not All Income Sources Provide the Same Financial Security



VULNERABILITY INDEX BY FINANCIAL HEALTH PROFILE (%)

Financial Vulnerability and Financial Health Move Together



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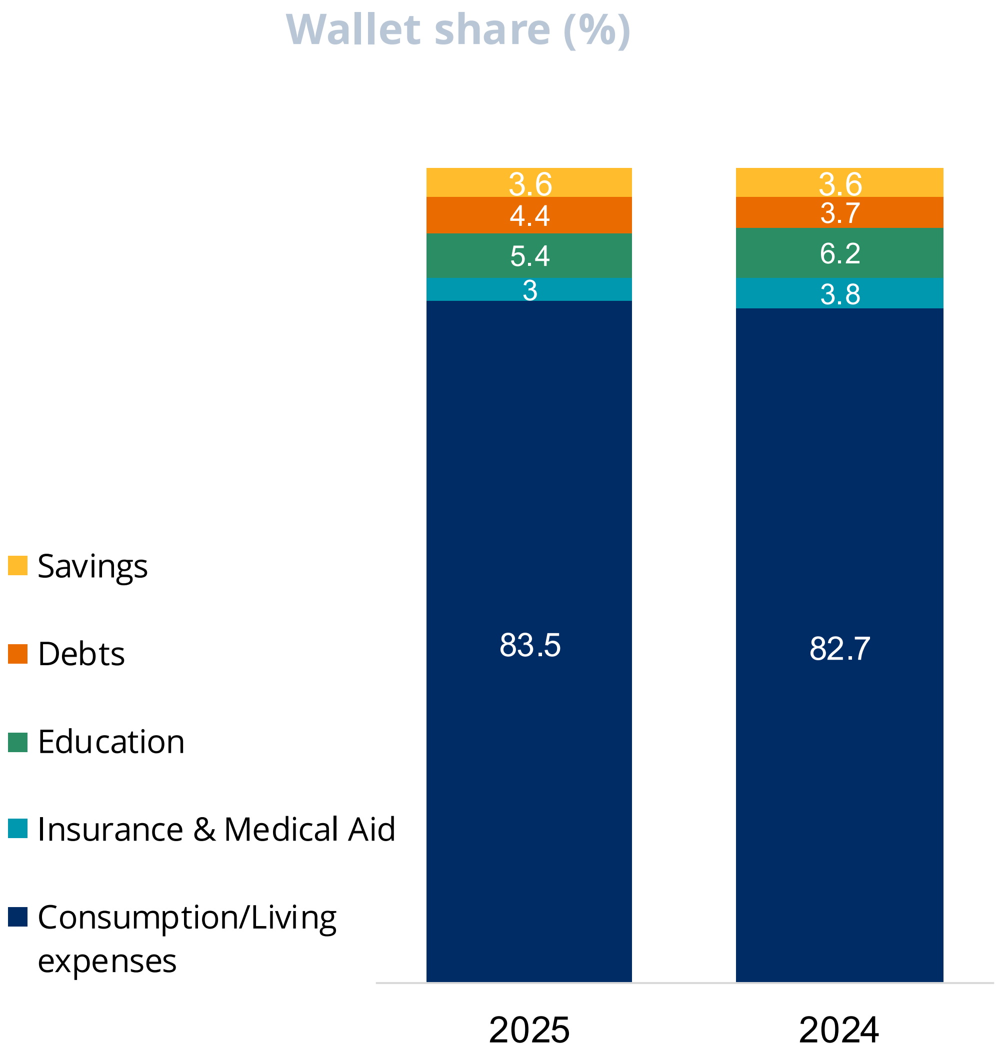
03

The Macroeconomic Impact Angle

TOP LIVING EXPENSES — WALLET SHARE (%)

South Africans Are Spending More of Their Income on Food



Top four living expenses (%)

	Food	Energy sources	Transport	Communication
2025	36.3%	9.7%	8.0%	8.4%
2024	27.9%	10.8%	8.1%	8.7%

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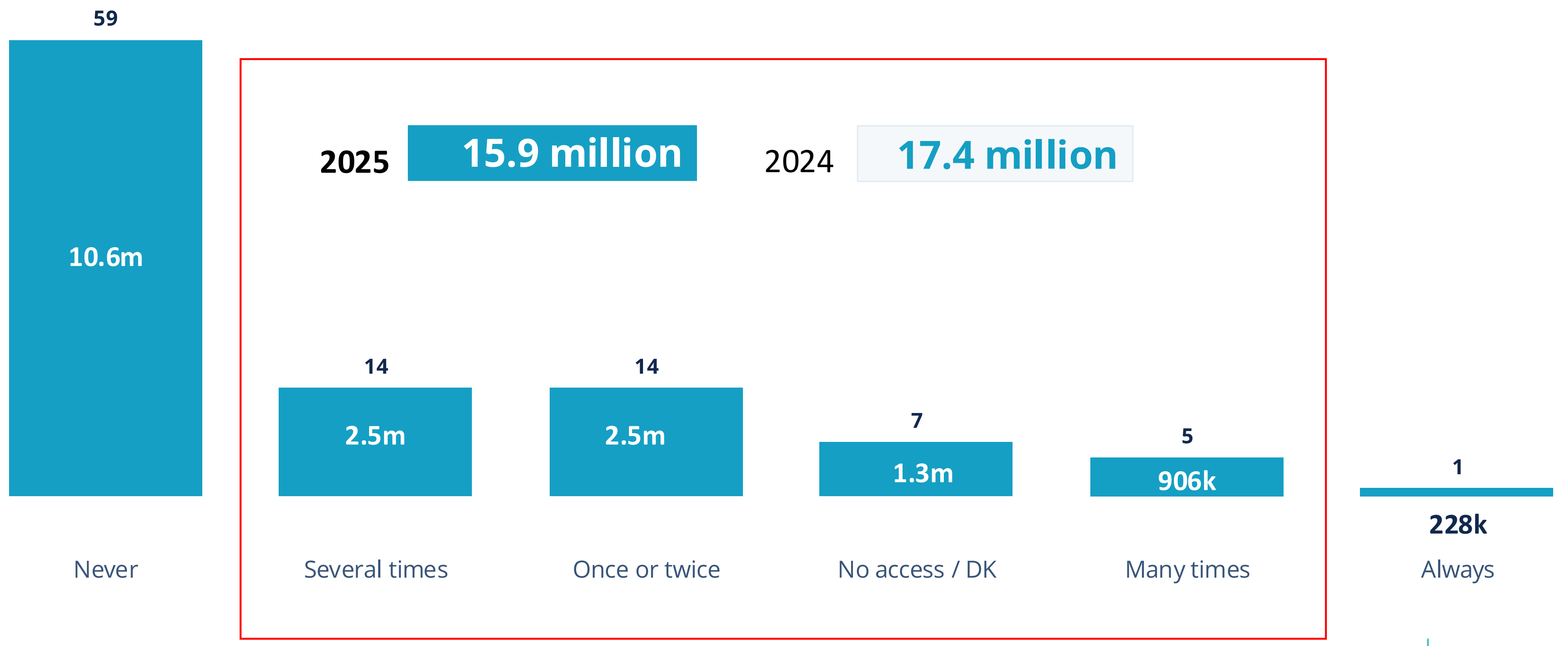
15.9 Million South Africans Continue to Live in Affected Households



Credit for Survival: More Than Half of Borrowers Use Credit to Buy Food

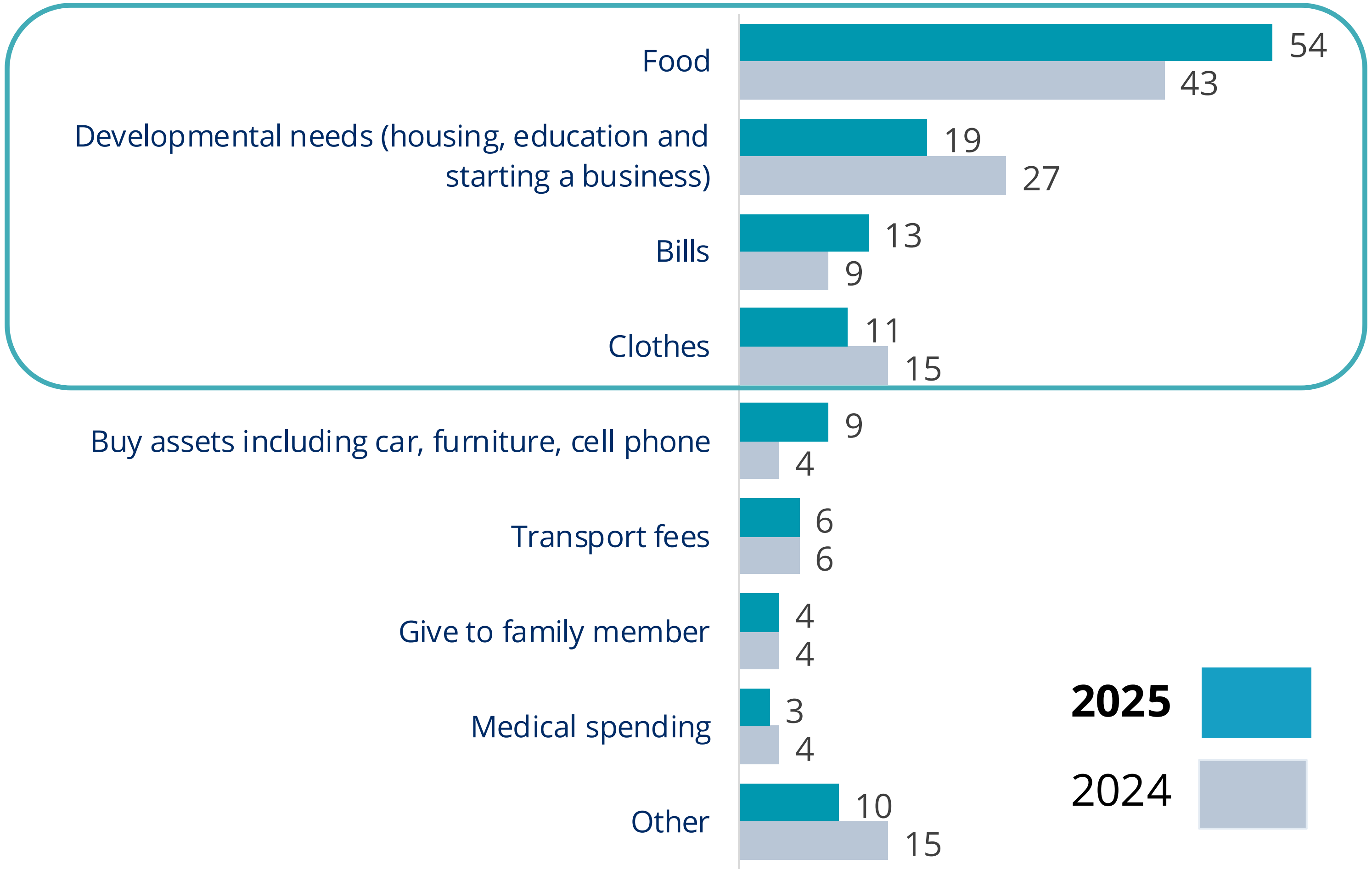
2025 - Over-indebtedness

38%

struggling with over-indebtedness (11.6 million)

62% show no signs of over-indebtedness

Reason for taking credit (%)



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Financial Inclusion

DRIVERS OF FORMAL FINANCIAL INCLUSION (%)

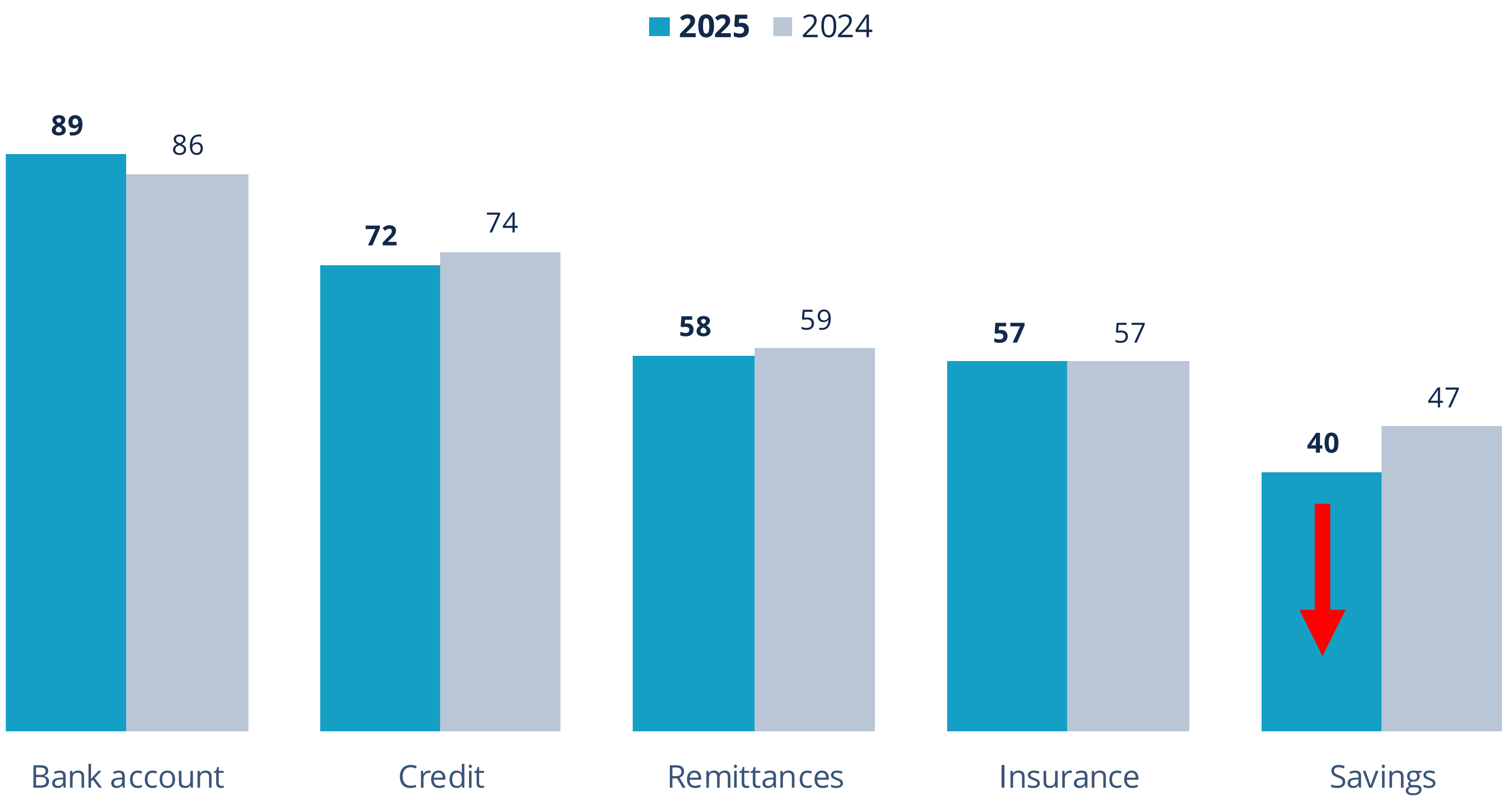
Near-universal Financial Inclusion, Uneven Financial Progress

99%

Formally served

68%

Use a combination of formal & informal products



4.1

Banking

More South Africans Are Banking, but Transactional Depth Remains Uneven

89%

Banked population

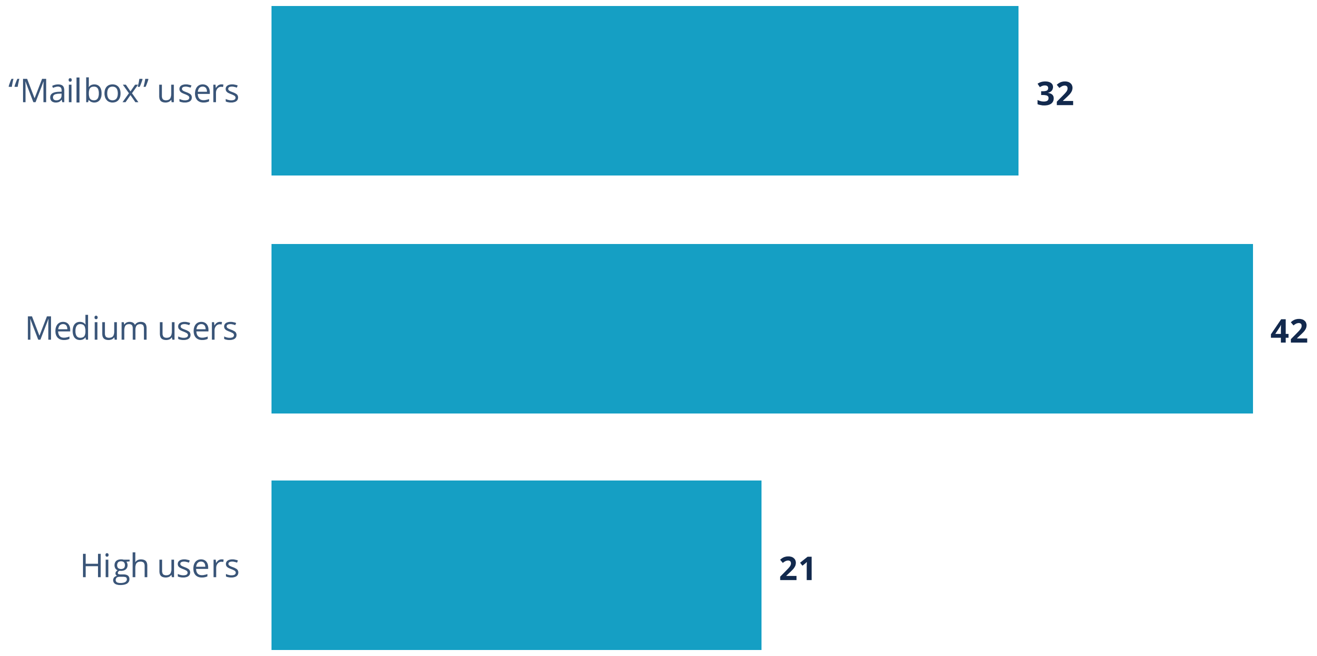
40.8M

Banked adults in 2025 (up from 38.4M)

73%

Mailbox users are social grant recipients

Depth of usage



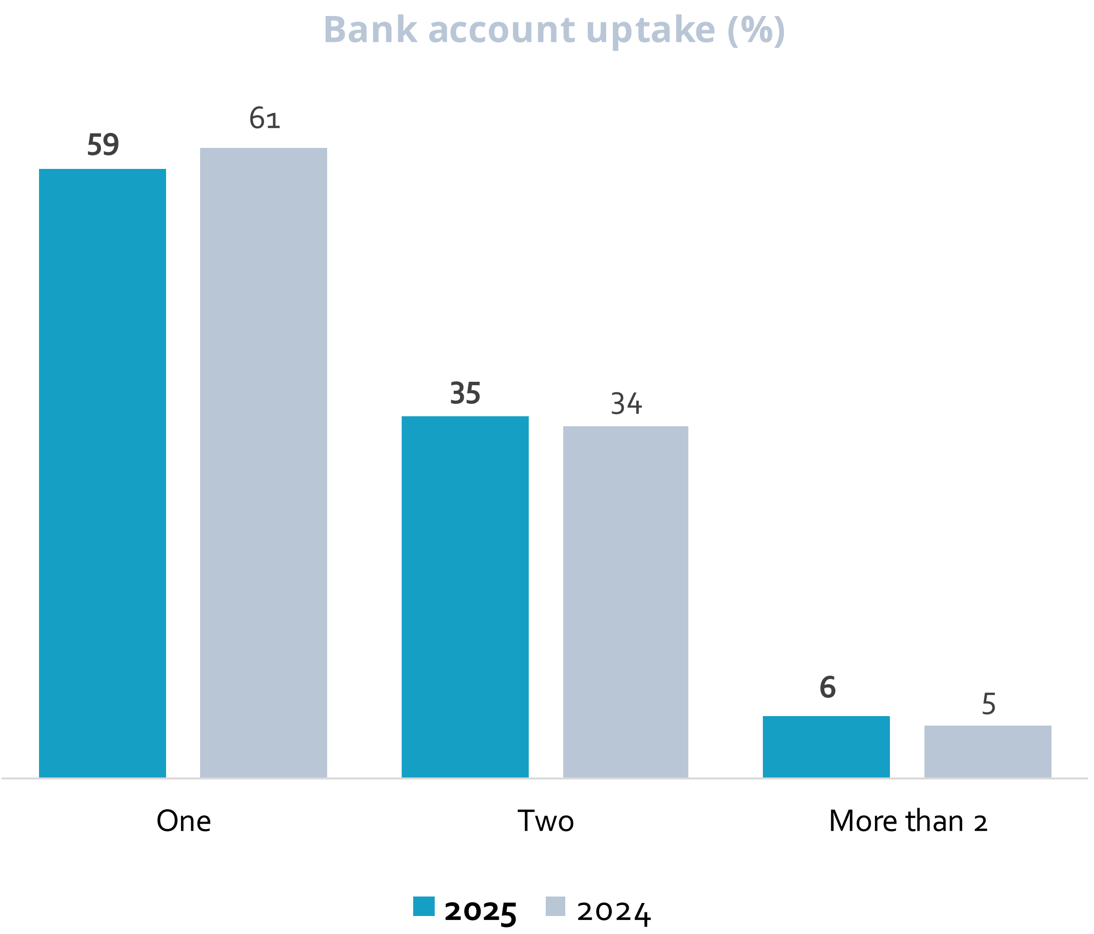
2024

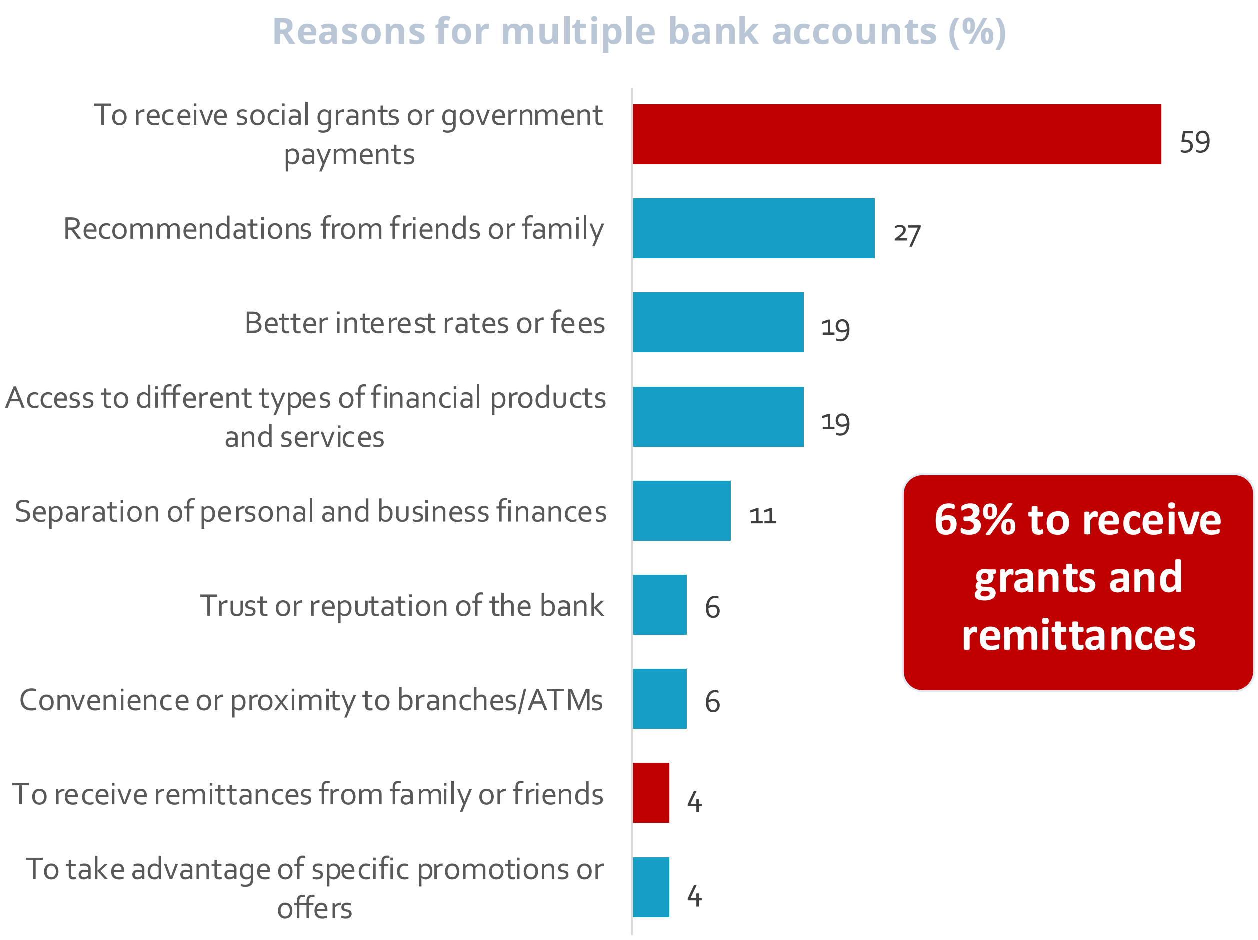
38%

36%

24%

The Rise of -banking: 41% of Banked Adults Now Hold Multiple Accounts





Trust Under Pressure: 3.4 Million South Africans Experience Banking Fraud or Illegal Transactions

The TCF Baseline	Top 5 Systemic Grievances (by impact volume)	The Market Conduct Threat
46% face bank problems	• **19% Unexpected Fees** (transparency failure) • **7% IT System Crashes** (operational risk) • **7% Illegal Debit Orders** (security risk) • **5% Complex Fees** (clarity failure) • **5% Poor Customer Service** (support failure)	**7.3% Experience Fraud** (Illegal debit orders, fraud, and phishing)
Nearly half of all South African consumers encounter friction or failures with their bank accounts.	These five core grievances directly violate the Treating Customers Fairly (TCF) mandate.	7.3% of all South Africans have experienced illegal debit orders, fraud or phishing on their accounts.

The Complaint Gap: Most Consumers Stop at the Bank

The Redress Channel	The Industry Ombuds & Regulators	The Silence Red Flag
65% report to their bank	Minimal escalation (<2%)	32% do not report
Most aggrieved users complain directly to their bank, though this dropped from 68% in 2024.	Escalations to SAPS (4%), the Ombuds (1%), or the FSCA (1%) remain critically low.	Nearly one-third of aggrieved consumers choose to do absolutely nothing, indicating severe consumer fatigue, a lack of trust in redress pathways, or an awareness gap regarding how to claim recourse.

4.2

Credit and Savings

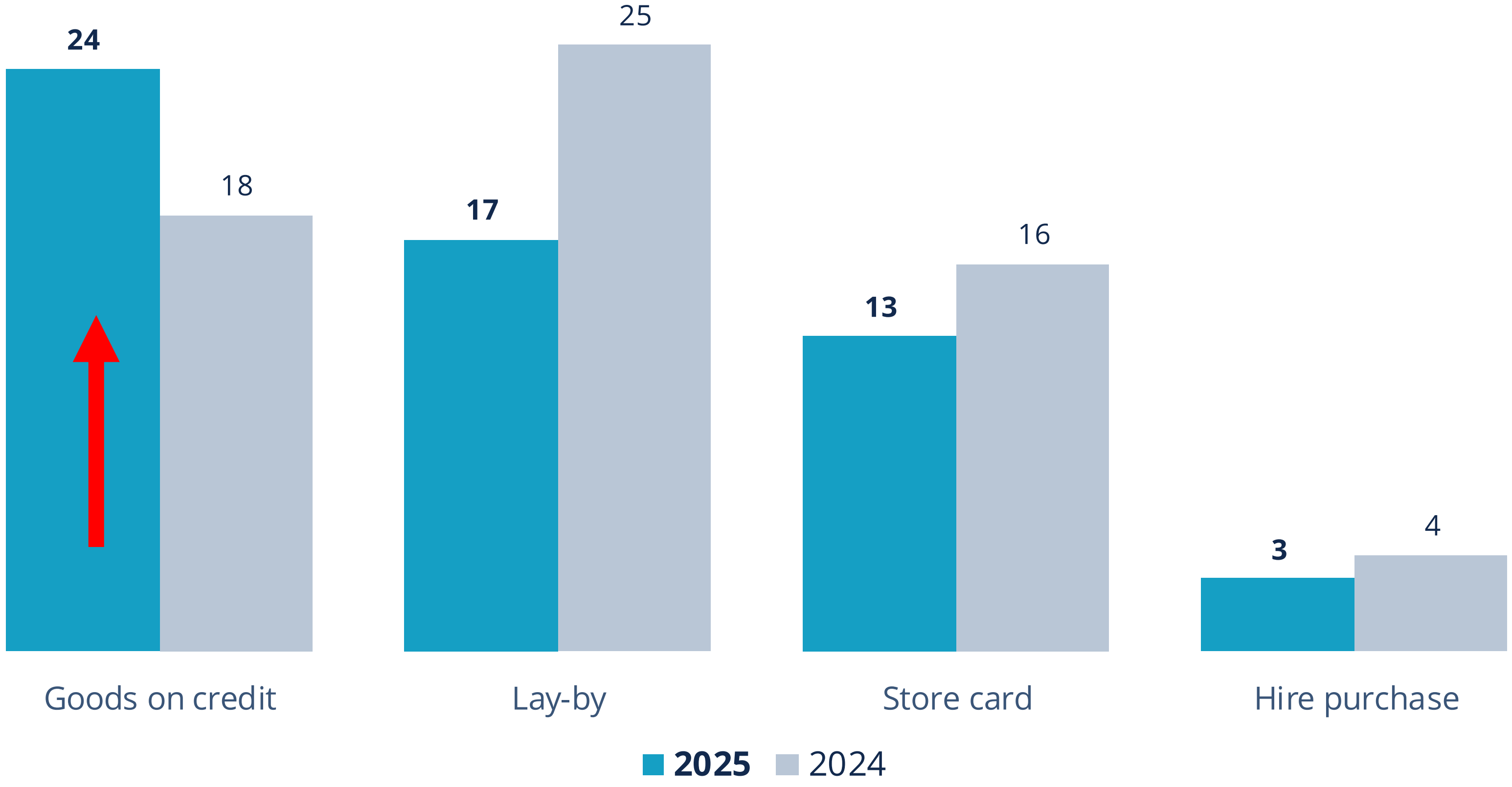
Buying Now Instead of Saving First: The Rise of Goods on Credit

30.7M

Credit-active consumers in 2025 (up from 29.4M)

66%

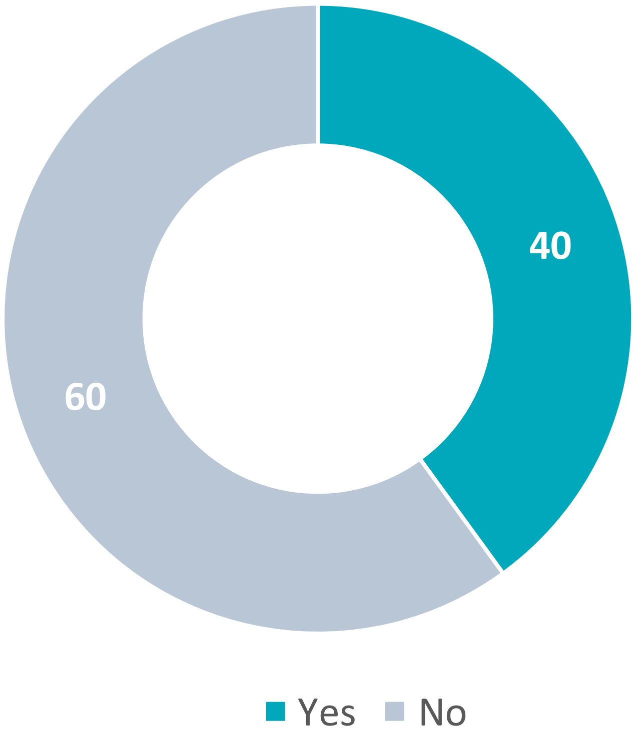
Credit-active consumers



NCR figures for Q2 2025: 29.2 million credit-active and 10.5 million impaired. FinScope 2025 annual survey reported 30.7 million credit-active consumers.

The Vanishing Saver: Rising Living Costs Are Eroding Financial Resilience

% of South African Adults Saving Money



2024

47%

Short-term Savings

2025 10%

2024 15%

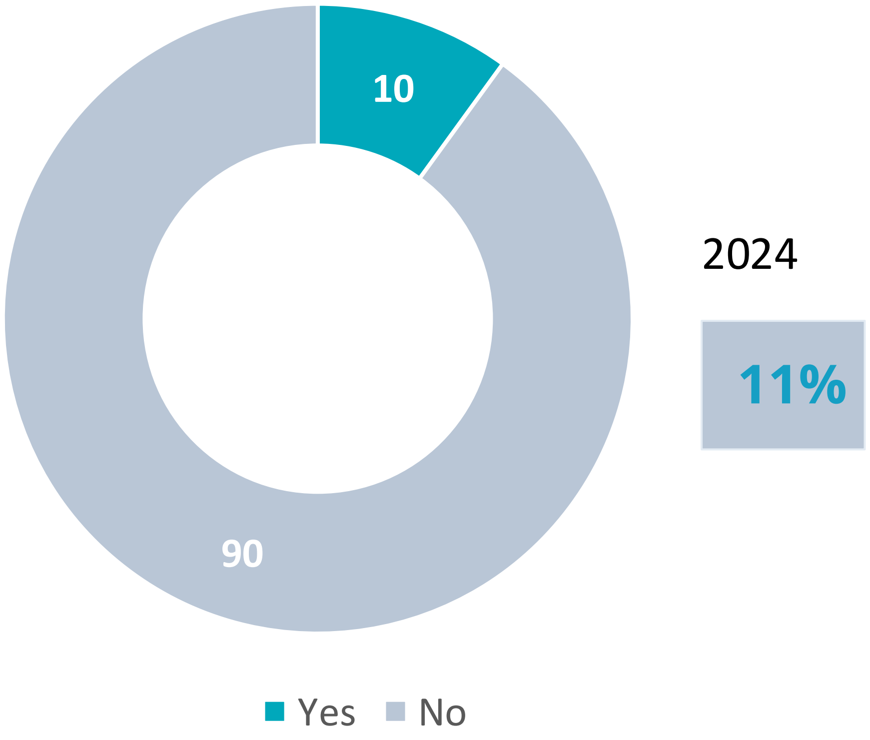
Medium-term Savings

2025 9%

2024 12%

Retirement is Still Out of Reach for Most South Africans

% of South African who have retirement products



86%

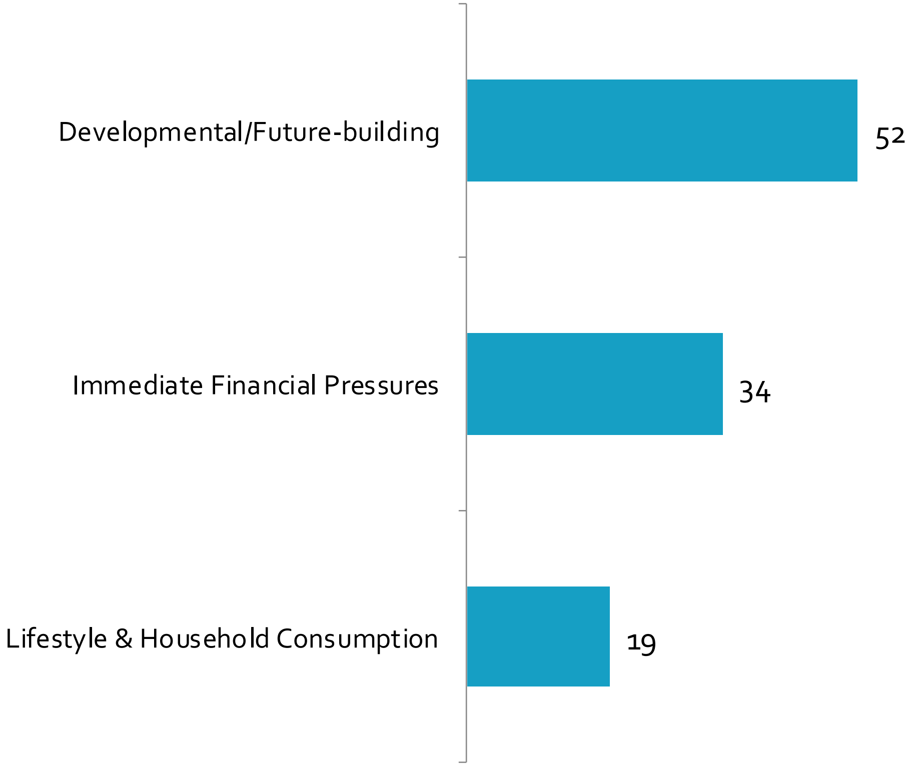
of economically active adult South Africans (25.2 million) do not have a retirement plan.

63%

of those earning R10 000–R19 999 have no retirement products

Over Half of Withdrawals Support Future Investment

20% accessed their two-pot savings
Main Reasons for Withdrawal (%)



Education (18.7%), home improvements (12.5%), rental property (7.4%), buy/build own home, land (6.7%), move to a better house (5.0%), start/expand business (1.6%)

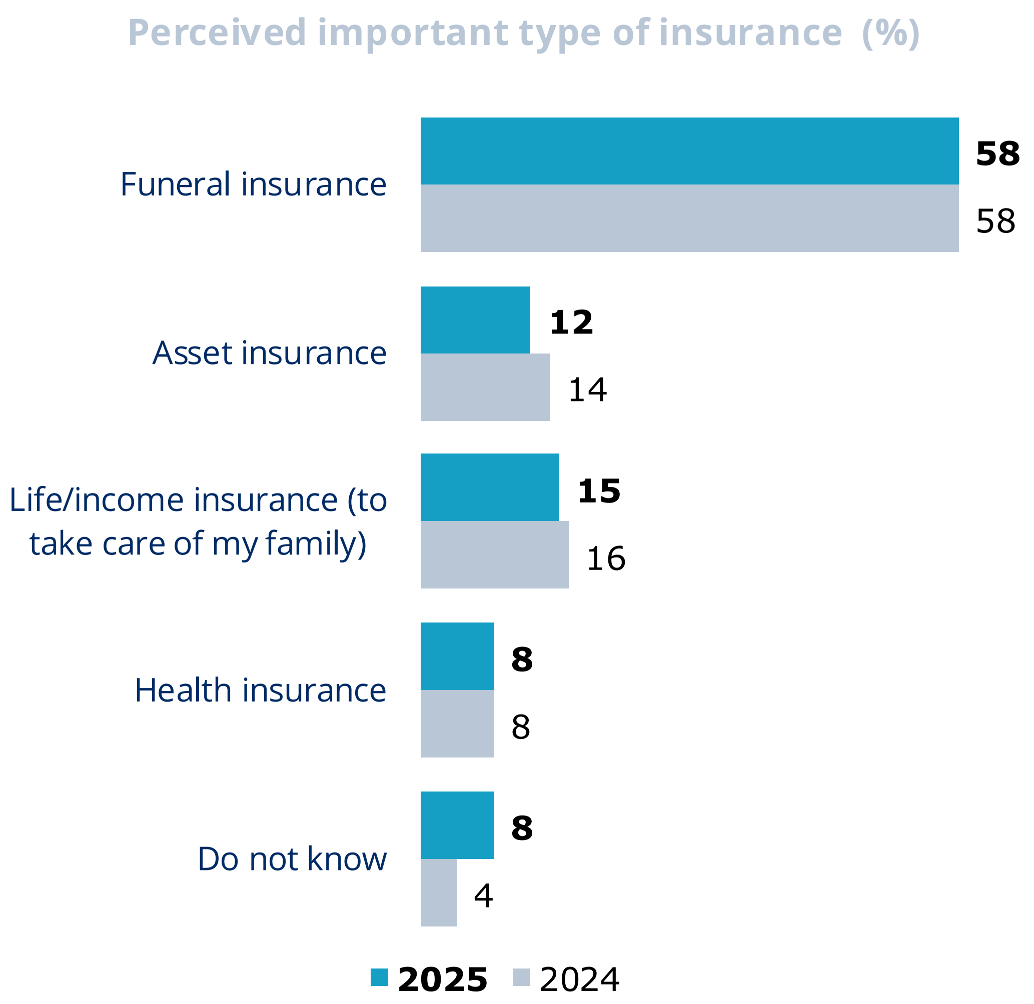
Debt repayment (10.4%), health & medical (2.8%), other (mainly personal use, unforeseen expenses, fixing things, supporting children) (20.9%)

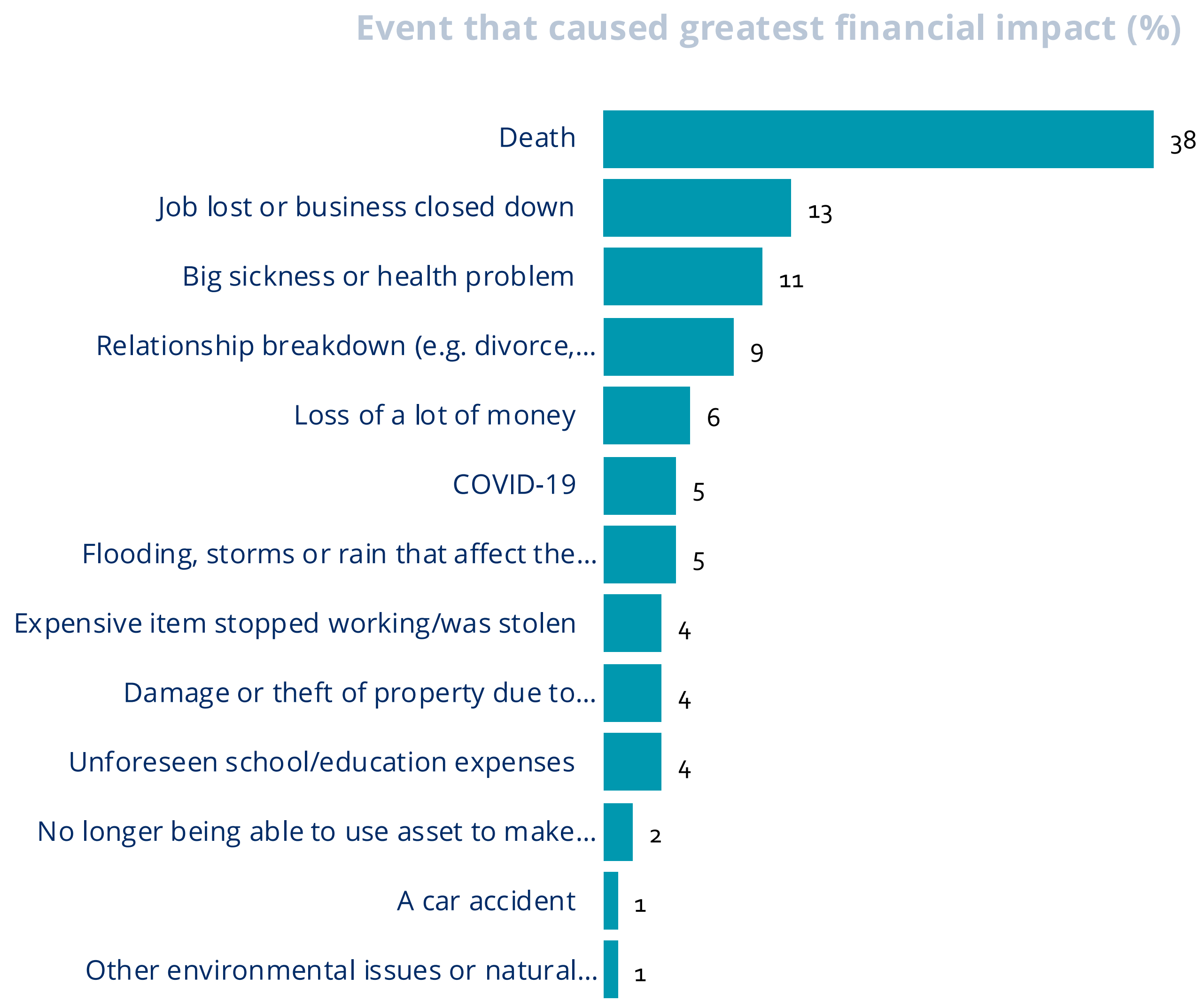
Wedding/birth (6.7%), holiday/travel (4.5%), vehicle (3.8%), furniture/TV/phone (2.8%)

4.3

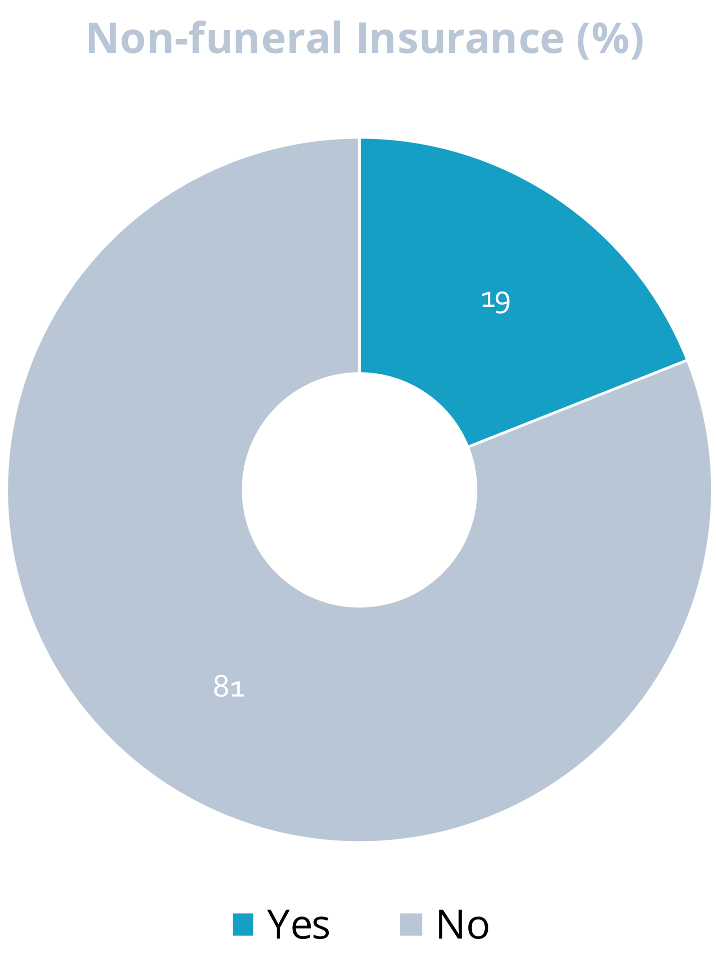
Insurance and Risk Management

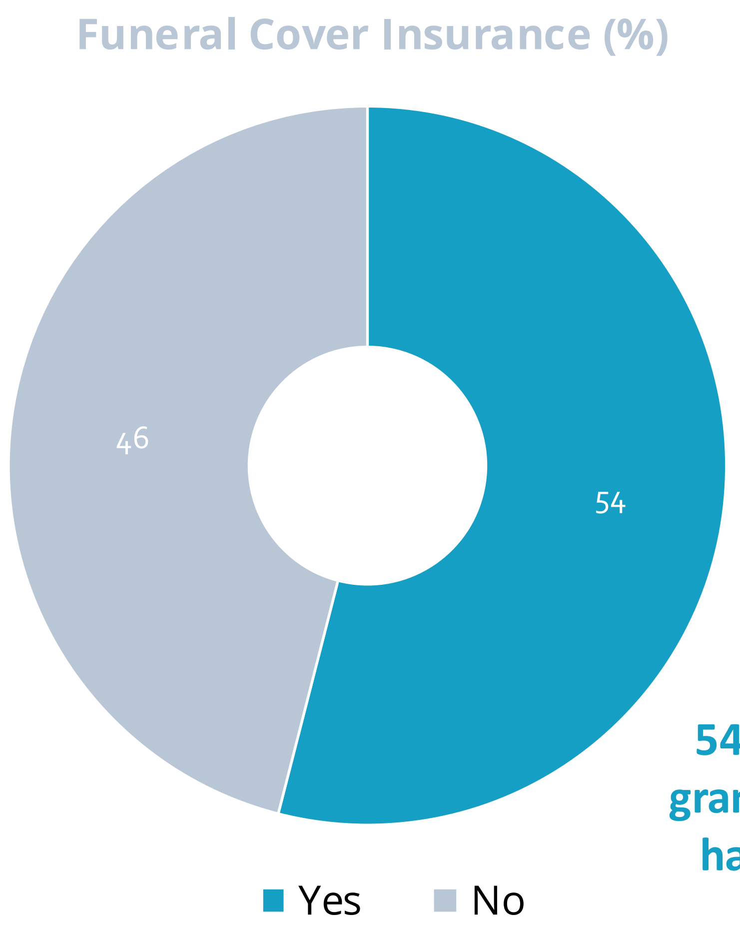
Why Funeral Cover Comes First: Protecting Against South Africa's Biggest Financial Shock





Protected for Funerals, Exposed to Everything Else





54% of social grant recipients have funeral cover

05

The Forward Mandate: From Insights to Action

RECOMMENDATIONS

Priority Areas for Policymakers and Regulators

1. Unlock the Informal Economy as South Africa's Next Growth Engine

- Enable informal businesses through regulation, market access and digital infrastructure.
- Leverage the informal sector to create youth jobs and reduce grant dependency.

2. Restore South Africans' Financial Resilience

- Prioritise policies that strengthen savings, reduce over-indebtedness and improve retirement readiness.
- Address cost-of-living pressures driving food borrowing and undermining long-term financial security.

3. Build a Trusted Consumer Protection Framework

- Strengthen market conduct, fraud prevention and consumer redress.
- Improve transparency on fees and increase awareness of complaints and dispute resolution mechanisms.

RECOMMENDATIONS

Priority Areas for Financial Service Providers

1. **Design Products for the Informal Economy**	• Develop products for irregular incomes, including micro-pensions, flexible savings and affordable insurance. • Build on the success of funeral cover to extend protection into retirement, health and asset insurance.
2. **Help Customers Build Financial Resilience**	• Shift from selling products to improving financial outcomes. Support customers with savings, debt management and credit solutions that reduce financial stress rather than deepen it.
3. **Use Digital Innovation to Build Trust**	• Strengthen fraud prevention, cybersecurity and transparent pricing. • Use behavioural insights and customer data to deliver simpler, more relevant products and better customer support.

RECOMMENDATIONS

Securing the Future of FinScope South Africa

A call for sector collaboration to sustain South Africa's financial inclusion evidence.

1. Secure Sustainable Sector Support

- Expand participation across regulators, financial institutions and development partners.
- Build a sustainable funding model for FinScope 2026 and beyond.

2. Ensure FinScope Evolves with the Market

- Review emerging priorities including migration, the informal economy, digital finance, fraud and financial resilience.
- Ensure the survey remains agile and responsive to changing market needs.

3. Convene a FinScope Sector Roundtable

- Bring current and prospective partners together to review priorities, funding and future direction.
- Agree a shared roadmap for implementing FinScope South Africa 2026.

SPEAKER

Closing Remarks and 2026 Outlook

CLOSING REMARKS

Dr Kingstone Mutsonziwa

Executive: Data and Analytics

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For queries, please contact:

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