Standard Bank Group 1H26 Results presentation

13 August 2026

Sim Tshabalala – Chief Executive Officer

[Opening slide]

Good morning.

On behalf of the board and management of the Standard Bank Group, thank you for joining us for the presentation of our financial results for the first half of 2026.

[Divider – Contents]

[Divider – 1.0 SBG 1H26]

I will begin with a brief discussion of the good and steady progress we have made during the first half towards our financial and strategic targets.

[Standard Bank Group: Unlocking Africa's growth]

Starting with our overall investment case. As the graph on the left of this slide shows, Sub-Saharan Africa is now, consistently, the fastest-growing major region in the world.

Africa's growth rate is expected to dip far less than that of other emerging markets in response to the war in the Middle East. It is also expected to recover far more quickly and strongly than other regions.

The map in the middle of the slide illustrates our geographic footprint across Africa. We have on-the-ground businesses in all the major African economies. 80% of sub-Saharan's Africa's GDP is generated in the countries where we operate.

We remain, consistently, the largest and most capable financial services business in the region. We have 20 million active clients. Based on assets, we are the largest financial services group in Africa.

We also have businesses in all the major global financial centres, linking Africa's economies to the wider world.

On the right-hand side of the slide are the four structural themes which create our opportunities, as we highlighted at our Capital Markets Day this past March.

As we said then, we see our medium-term opportunities as shaped by:

- Africa's rapid and steady economic growth, and highly favourable demographics.
- Africa's large infrastructure needs.
- The continent's growing and diversified trade and capital flows.
- And global developments in financial services markets, largely driven by rapid technological change.

[Standard Bank Group – unlocking Africa's growth]

In the first half, our well-diversified African portfolio continued to provide steady growth in an otherwise unsteady world.

Starting on the left of the slide, we show that for the first half, 51% of our headline earnings were generated in South Africa, 40% were generated in Africa beyond South Africa, and 9% in our offshore businesses as well as ICBCS.

As illustrated in the middle panel, this well-diversified portfolio has enabled us to grow our earnings consistently over the last six periods, despite volatile macroeconomic conditions. At 19.8%, our Group return on equity is now in a structurally higher range than five years ago.

Since the beginning of 2021, Standard Bank Group has delivered total shareholder return of 17% per year, better than our peers by two percentage points. Over this half, we added another R8.4 billion in shareholder value.

[1H26 strategic update – focused execution on strategic priorities]

The growth in our SVA reflected in the previous slide is the outcome of the systematic execution of our strategy.

Starting on the left, we focussed on serving our clients as one Standard Bank Group – providing a comprehensive range of financial services with minimum friction.This client-led approach to growth was reflected in a larger and more active client base, and good growth in capital-light revenue – including very pleasing growth in revenue from Value-added services such as instant money and online vouchers, which grew by 50%.

We originated loans in support of our corporate clients, and provided foreign exchange, fixed income, risk management and financing solutions to assist clients in managing the increased market volatility observed over the half. We remain committed to supporting our clients in achieving their sustainability goals. In the first half of 2026, the group mobilised R51 billion in sustainable finance. We have cumulatively mobilised over R328 billion in sustainable finance against our target of R450 billion by 2028.

Our cost control remained highly effective over the half, and we have now achieved ten consecutive halves of positive jaws. We continued to invest both in people and in digital technology. One of the main themes in the global conversation over the half was, of course, artificial intelligence. Our approach is to invest where AI can improve client experience or internal efficiency. I will say more about this on the next slide. Risks were well managed, with our credit loss ratio improving to the bottom of our through-the-cycle range.

Lastly, on the right, our capital allocation approach over the half: first and most importantly, we allocated more capital to support our clients, and we declared R15 billion in dividends while maintaining our very strong balance sheet and delivering our highest ROE of the post-Basel III era.

We continue to increase our holdings in Africa Regions whenever appropriate, and we remain on the lookout for attractive and well-priced opportunities. It is worth saying, however, that as the largest African financial services network, we can afford to be patient, careful and highly selective.

[1H26 – Technology, AI and payments]

You may recall from our Capital Markets Day that technology, AI and payments are key pillars of our growth.

First our technology platform. This is the foundation which enables us to scale artificial intelligence and payments. For every Rand we spend on technology, we now generate 7.3 times that in revenue. 78% of our migratable compute is now in the cloud.

Turning to artificial intelligence itself. During the first half, we continued to scale the deployment of AI. In addition to the productivity tools that are available to our employees, we have also built our Groupwide AI platform on Amazon Bedrock, to scale our client-facing use cases. This provides a shared secure foundation to scale AI right across the Group. Using this platform, we are accelerating delivery of AI use cases in four areas – relationship management; servicing; payments; and lending. More than 39 000 of our employees are active users of generative AI tools, and our AI maturity was recently recognised by the inaugural Evident AI Index for banks, which ranked us first in Africa.

AI is transforming our world and our industry. However, we are aware that we need to avoid overpromising or investing in unnecessary expensive technology. We believe that our decision to scale AI is the right one, but we are doing so in a thoughtful and disciplined manner.

And finally, payments, where we have a scale advantage. The payments franchise continued to deliver capital-light revenue growth while supporting a growing deposit base. In the first half, the group processed R88 trillion in payments, reinforcing Standard Bank's position as the largest transactional franchise on the continent by payment value. We continue to invest in payment rails that we know clients want. We made good progress against the three priorities we set out in March.

- First, domestic payments. Electronic payment values grew 11% on the same period last year.
- Second, cross-border payments. Our market share across our footprint has grown to 19%, from 17% in 2025.
- Third, digital assets. We continue to make good progress across stablecoins, tokenised deposits and custody.

These three pillars underpinned the good performance in the first half.

[Divider – 2.0]

In summary, we have made very good strategic progress in the first six months of the year.

Our focus on developing and delivering client-led growth, supported by robust risk management and disciplined capital allocation, combined with continued investment in people, systems and capabilities, gives us a great deal of confidence for the rest of the 2026.

I will now hand you over to Arno to take you through the results in detail.

<u>Arno Daehnke – Chief Financial Officer</u>

[1H26 financial performance and FY26 guidance]

Thank you, Sim.

The group's first half results for 2026 demonstrate the resilience of our diversified portfolio and show good progress against the 2028 commitments we set out at our Capital Markets Day in March.

[Performance highlights, record earnings and higher returns]

Standard Bank Group delivered another record performance in the first half of 2026.

Group headline earnings increased by 10% to R26.1 billion. Headline earnings per share and dividends per share also increased by 10%. In this set of results the Rand was stronger than we had anticipated, and this has had a dilutive impact on earnings translated into Rands. In constant currency terms, group earnings growth was 3% stronger than our recorded 10% rand growth.

Return on equity improved to 19.8%, from 19.1% in the prior period. The group's CET1 ratio strengthened to 13.6%, providing resilience and flexibility to support growth and distributions.

Within banking, the cost-to-income ratio improved to 49.3%, supported by positive jaws of 44 basis points. The credit loss ratio improved to 73 basis points, from 93 basis points last year.

Overall, we have delivered good top line growth, improved credit performance, higher earnings and returns, and maintained a strong capital position, all while continuing to invest for sustainable growth.

[Income statement, strong performance underpinned by balance sheet growth and sustained momentum in fees and trading]

Running through the group's income statement on slide 10, we see Net interest income increased by 4% and non-interest revenue increased by 7%.

This resulted in a 5% increase at a total income level. Operating expenses increased by a similar 5%, resulting in pre-provision profit growth of 5% for banking activities.

Credit impairment charges decreased by 12%, reflecting improved credit performance across all banking portfolios. Banking headline earnings increased by 9% to R23.0 billion.

Insurance and Asset Management headline earnings increased by a strong 15%, supported by favourable persistency and risk experience and revenue growth in asset management. The contribution from our investment in ICBCS increased to R1.0 billion, driven by strong client activity in precious metals.

Taken together, group headline earnings increased by 10% to R26.1 billion.

[Banking]

I will now turn to our analysis of the banking businesses, starting with the balance sheet.

[Gross loans and advances to customers, growth led by corporate lending and targeted VAF lending]

Gross loans and advances to customers at period end increased by 5% to R1.6 trillion.

Corporate lending increased by 8%, supported by good origination across Energy, Diversified Industries, Telecommunications and Media sectors. Retail and business lending have shown good origination momentum in South Africa in the last six months, but loan growth has been slower than we had anticipated. Home services sustained 1% growth where strong registrations have translated into modest net book growth due to repayments on this large book.

We are encouraged by 13% loan growth in Africa Regions in constant currency.

[Disbursements, growth reflecting positive outcomes linked to targeted strategies]

This slide provides further evidence of positive origination momentum in targeted portfolios.

Corporate and investment banking origination across the continent increased by 21% to R146 billion.

In South Africa, business lending origination increased by 27% to R21 billion.

Home services new registrations increased by 17% to almost R27 billion reflecting our continued market leading position where we finance 1 in 3 homes in South Africa. Personal unsecured loan disbursements declined by 8%, indicating our continued disciplined approach to risk and affordability. Vehicle and asset finance in BCB increased payouts by 8% and PPB vehicle and asset finance in South Africa increased by 20%, reflecting targeted growth aligned to our primary client strategy.

Overall, our targeted growth strategies are delivering within our risk and return criteria.

[Deposits, strong client-led growth in low-cost transactional balances, particularly in South Africa]

Deposits increased by 11% to R2.5 trillion, and 14% in constant currency.

Growth was broad-based. Call deposits increased by 13%, current and savings accounts by 12%, term deposits by 7% and cash management deposits by 5%. CIB deposits grew strongly in support of lending activity. Regionally, SBSA deposits increased by 13%, while Africa Regions increased by 22% in constant currency. Strong growth in low-cost transactional balances reflects the depth of our client relationships and supports both funding resilience and sustainable revenue growth.

Although not reflected in deposit balances, it is worth noting that the group issued First-loss-after-capital instruments to the value R16.5 billion. This new class of unsecured subordinated debt is an important step forward in systemically important banks protecting public funds during a crisis.

[Net interest income, increase supported by growth in average interest-earning assets]

Net interest income increased by 4% to R53.2 billion.

Average interest-earning assets increased by 7%, which contributed an incremental R3.7 billion to NII. Net interest margin declined by 17 basis points to 472 basis points. The benefit of stronger growth in higher-margin Africa Regions was offset by tighter corporate lending spreads and ongoing competition for wholesale deposits.The gross negative endowment impact across our markets was R2.9 billion for the six months, or 26 basis points. This was partly offset by a 13 basis point benefit from hedge strategies. The net endowment impact of R1.4bn is largely skewed towards Africa Regions in this period with an impact of over R1 billion for this region, and Ghana comprising over half of the impact. This is evident in the large Africa Regions margin squeeze of 64bps to 7.2% now.

[Non-interest revenue, growth supported by continued fee and trading income momentum]

Non-interest revenue increased by 7% to R33.4 billion, and has delivered a five-year compound annual growth rate of 10%.

Within this, net fee and commission revenue increased by 7%, trading revenue by 8%, insurance attribution by 1% and other revenue by 4%.

Before unpacking fees and trading in more detail, it is worth noting that the 1% growth in attributed revenue from insurance was dampened by higher claims. Gross written premiums from funeral and simple life sales grew by a strong 13%.

Good NIR growth demonstrates that the group continues to generate capital-light revenue from higher client activity, payments, market trading activities and other financial services.

[Net fee and commission revenue, growth supported by higher client activity across our markets]

As shown on the previous slide, net fee and commission revenue increased by 7% to R18.4 billion.

The largest component of transactional fees increased by 1%. Continued higher activity and client engagement in South Africa was offset in this period by fee pricing adjustments in Africa Regions. Card fees increased by 7%, supported by higher interchange volumes from retail and corporate clients. Arrangement, guarantee and knowledge-based fees increased by 8%, reflecting increased structured product activity in Global Markets and stronger deal origination in Energy, Infrastructure and Real Estate sectors.

Pleasingly, net fee income growth in PPB South Africa was a strong 11%, supported, in part, by a 50% growth in value added services revenues.

[Trading revenue, growth underpinned by client-led activity, market fluctuations and positive sentiment]

Trading revenue increased by 8% to R12.8 billion, or a strong 12% in constant currency, and has delivered a five-year compound annual growth rate of 13%.

Fixed income and currencies revenue increased as stronger client activity, market fluctuations and positive investor sentiment created trading opportunities and increased demand for foreign exchange solutions.

In line with prior periods, approximately 80% of Global Markets revenue is client franchise related. It is worth noting that, in the second quarter of 2026, no loss days were noted in Global Markets. This reinforces the quality and client-led nature of the revenue base.

[Credit provisions, coverage moderated but remained robust]

Turning to credit provisions, starting with the balance sheet.

Gross loans and advances increased by 7%, while provisions decreased by 6%. This resulted in a lower, but robust total coverage ratio of 3.6%. Stage 3 loans (or NPLs) decreased in both Rand value and as a % of the book, to 5.6% and coverage ratios were maintained at 50% on the non performing-loan book.

[Credit impairment charges, decline in charges recorded across all loan portfolios

The income statement charge for credit impairments decreased by 12% to R7.1 billion, and the group credit loss ratio improved to 73 basis points from 93 basis points this time last year.

BCB charges decreased by 30%, driven by a significant decline in Africa Regions and Offshore, linked to strengthened non-performing loan management and enhanced collections. PPB charges decreased by 2%, supported by improved collections and early intervention strategies. CIB charges decreased by 52%, due to lower NPLs and post write off recoveries.

The improvement across all major loan portfolios reflects effective risk management, improved collections and a generally supportive macroeconomic environment.

Credit loss ratios accordingly improved across the board.

[SBSA credit performance]

On slide 21 we provide an analysis of credit trends in SBSA across 4 products.

Our South African retail clients are, of course, negatively impacted by recent higher inflation and interest rates, but so far, their income and employment have been resilient. Debt-to-income ratios have decreased relative to historical levels and repayment behaviours have strengthened.

In our assessment, consumer health overall is trending towards gradual improvement and resilience; supported by an easing rate cycle and a housing recovery. Across the portfolios shown on this slide, the credit loss ratio has improved. Effective NPL management strategies are bearing fruit with flows into NPLs slowing.

A change in NPL management in Card has reduced debt sales. This has been effective from a recovery perspective, but has resulted in NPLs remaining on our books for longer and hence a higher NPL ratio as you can see on this slide.

[Operating expenses, growth well contained while investing in talent, digital capabilities and strategic initiatives]

Operating expenses increased by 5% to R42.7 billion, or 6% in constant currency.

Within this, staff costs increased by 6%, following annual salary adjustments, continued investment in specialist capabilities and the expansion of client-facing teams. Software, cloud and technology-related costs increased by 6%, reflecting the continued modernisation of our banking platforms and the expansion of artificial intelligence capabilities to improve client experience, cybersecurity and operating efficiency. Other expenses increased by 3%, driven by brand investment, targeted client campaigns, strategic sponsorships as well as higher professional fees.

[IT spend, well contained with increased investment in modernising client platforms]

A total view of IT spend, which includes IT staff costs, totals R11.8 billion, and shows a 2% increase in the period and a 5% annual increase over 5 years.

Increased expenditure on IT staff and software, cloud and technology were largely offset by the lower amortisation charge. Over the 5-year period, amortisation expenses decreased by

8% per annum as previously capitalised projects roll off and systems and platforms move to the cloud.

[Operating expenses, 10 consecutive periods of positive jaws]

This slide illustrates the 10 consecutive reporting periods of positive jaws referred to by Sim earlier. In the first six months of 2026, revenue growth again exceeded cost growth, resulting in positive jaws of 44 basis points.

The banking cost-to-income ratio improved to 49.3%. This sustained improvement in the cost-to-income ratio demonstrates the benefits of scale, digital adoption and productivity initiatives. Over this period, we have continued to strategically invest in the franchise while preserving positive operating leverage.

[Insurance and Asset Management

That concludes the banking review. I will now turn to Insurance and Asset Management.

[Insurance and Asset Management, key highlights]

Our Insurance and Asset Management business continues to build momentum.

In South Africa, short-term insurance sales increased by 17%, and underwriting margins were maintained well above our 10% target levels. Open-market indexed premiums, related to products sold outside of bank channels, increased by 15%, and Funeral and Flexi-life gross written premium increased by 13%.

Assets under management and administration increased to R1.8 trillion. South Africa increased by 13%, while Africa Regions and Offshore increased by a strong 23%.

[IAM 1H26 performance, strong headline earnings growth and returns]

On the back of these strong business outcomes, Insurance and Asset Management headline earnings increased by 15% to R2.1 billion, and ROE improved to 21.1%.

Insurance operations increased earnings by 10% with South Africa up 7%, primarily driven by favourable persistency and risk experience in the retail and corporate life businesses. Asset Management operations earnings increased by 35% to R660 million. South Africa increased by 18%, benefitting from a higher asset base linked to favourable markets. Africa Regions and Offshore increased by 47%, driven by strong performance in our Nigeria pension fund business. Total operating earnings increased by 18% to R3.4 billion. The shareholder portfolio recorded a loss of R104 million, compared with a profit of R120 million in the prior period.

Overall, IAM delivered strong earnings growth and improved returns, reinforcing the strategic value of the group's integrated financial services model.

[Capital and returns]

I will now turn to the group's capital position, capital allocation as well as shareholder returns.

[Capital, active capital and risk management supports growth and distributions]

At the end of June, the group’s CET1 capital increased to R264 billion, and the CET1 ratio increased to 13.6%.

We continue to think about capital in three broad components.

First, R185 billion represents capital backing risk-weighted asset growth and supports organic client growth. This represents a CET1 ratio of 9.5%.
Second, a further R58 billion of tier 1 capital provides a buffer for macroeconomic uncertainty and protects the group against downside risks, and this takes the ratio to 12.5%.

Third, we currently have R21 billion available for investments in acquisitions and partnerships, dividends, and share buybacks – providing optionality and supporting distributions to shareholders.
We continue to see significant opportunities to expand and deepen our position across Africa and will selectively invest where we have clear competitive advantages and strong prospects for value creation. We invested $80 million of additional capital in Tanzania in July 2026 and we remain on track to increase our shareholding in Angola during the second half of 2026, further strengthening the group's presence in two of Africa's most attractive growth markets.

This framework links capital strength directly to growth, resilience and shareholder returns.

[Returns, an improving portfolio outlook, combined with higher returns, drove higher shareholder value and dividends]

On slide 30 we show shareholder returns.

For the period under review, we calculate a declining cost of equity for the group of 13.4%. The group’s return on equity improved to 19.8%. The spread between ROE and cost of equity widened further which generated increased shareholder value add of R8.4 billion, 55% higher than this time last year.

The interim dividend increased by 10% to R9.02 per share, representing a payout ratio of 56%.

The combination of stronger returns, a robust capital position and a disciplined allocation framework supports sustainable growth in shareholder value and distributions.

[Business units and regional performance overview]

I will now provide a brief overview of performance across the group's businesses, products and regions.

[SBG portfolio, resilience driven by a diversified portfolio of businesses, products and regions]

Slide 32 provides a portfolio view illustrating our diversified franchise by business unit, product and region.

By business unit, CIB remains the largest contributor to the group’s headline earnings. CIB and IAM both delivered excellent growth.

By product, the drag of endowment on our large transactional product base is evident, despite good client and balance growth. Lending products (at an aggregate level) benefitted from lower credit losses. Global Markets continues to grow strongly off a large base.

By legal entity, SBSA increased by 14%, Africa Regions by 11% in constant currency and Liberty by 6%, while Offshore declined by 18%.

Not every portfolio moved in the same direction, but the breadth of the group across businesses, products and regions supported resilient earnings growth at group level.

[Business units, strong growth in CIB, PPB South Africa and IAM]

This slide builds the group’s headline earnings by business unit.

CIB had a standout performance and delivered earnings of R13.8 billion, up 15%, with an ROE of 24.8%.

BCB overall delivered earnings of R4.4 billion. While down 2% on the prior period, a strong ROE of 36.3% was sustained. Within this result, the South Africa business achieved a robust result with earnings up 5%.

PPB overall earnings declined by 1% to R4.6 billion. Again, within this result, the South Africa performance was excellent, achieving 12% growth. ROE was 18.6%.

The endowment impact of declining interest rates in Africa Regions and Offshore materially impacted both BCB and PPB results in these regions.

[SBSA, robust performance driven by balance sheet growth and higher client activity]

Slide 34 shows the performance of our large and growing banking franchise in South Africa. Headline earnings for this legal entity increased by 14% to R11.0 billion.

The result was achieved through good balance sheet growth, a more entrenched client base, higher client activity and improved credit performance. Despite a volatile and competitive operating environment, SBSA continues to deliver consistent revenues and returns for the group.

[Africa Regions, strong growth in West Africa supported portfolio performance]

Africa Regions collectively delivered headline earnings of R10.4 billion, up 7% in rand and 11% in constant currency, and contributed 40% of group headline earnings.

East Africa earnings were broadly flat in rand and increased by 11% in constant currency. South and Central Africa increased by 6% in rand and 9% in constant currency. West Africa grew earnings by a robust 13% in rand and 12% in constant currency.

Africa Regions return on equity remained strong at 24.8%, well above the 16.1% cost of equity we calculate for our diverse portfolio of Africa Regions countries.

As our Africa Regions businesses achieve scale they are increasingly funding their own growth and paying dividends. For 2025, Africa Regions achieved a payout ratio of approximately 50%, with most dividends settled to date.

[Africa Regions, a resilient and growing portfolio]

Slide 36 uses headline earnings to 2025 to illustrate the strength of our Africa Regions portfolio. On the left are our eight largest earnings contributors outside South Africa, individually volatile. In the middle, countries are grouped by sub-region, evidencing regional diversity. On the right, the aggregated portfolio is collectively resilient. This diversification underpins a resilient and steadily growing sub-Saharan franchise. Africa Regions earnings have, on average, grown by 14% per annum since 2015.

[FY26 outlook]

I will now conclude with the macroeconomic outlook and our guidance for the full year.

[FY26 macroeconomic outlook, expectations moderated slightly but still reflect an improvement on 2025]

Our weighted macroeconomic expectations for 2026 have moderated slightly since March but still reflect an improvement on 2025.

Weighted real GDP growth for 2026 is now expected at 2.3%, inflation at 5.3%, and interest rates at 7.9%. Higher for longer inflation and interest rates have, and will continue to, impact loan growth but protect margins.

The stronger than anticipated Rand has moved the expected currency translation impact from negative 1% to negative 2%. This implies that Rand earnings growth is now anticipated to be around 2% slower than constant currency earnings growth.

While near-term expectations have shifted, the broader portfolio fundamentals remain supportive of growth and returns.

[SBG FY26 - guidance provided in March 2026 remains unchanged]

Our full-year 2026 guidance is unchanged.

The group's diversified and well-positioned franchise is expected to benefit from resilient macroeconomic conditions and increased economic activity across our markets.

We continue to expect Banking revenue growth for 2026 to be in the mid-to-high single digits, supported by continued business momentum across our franchise.

Within this expectation, we do acknowledge that a stronger rand will impact growth rates
NII is expected to grow by mid single digits
NIR is now expected to grow by high single digits
The Cost-to-income ratio is expected to decline slightly as we apply our 'save to invest' approach to fund targeted strategic investments. Our cost growth will be positively assisted by currency impacts.

The Credit loss ratio for the year is anticipated to remain within the bottom half of the through-the-cycle target range of 70 to 100 basis points.

Our return on equity for 2026 is expected to be higher than in 2025.

Our guidance remains subject to uncertainty in global sentiment, trade flows, inflation and economic growth.

To conclude, our first-half results demonstrate strong progress against our 2028 commitments, with record earnings, higher returns, positive operating leverage, improved credit performance and a stronger capital position.

We grew our client base and deepened client activity, while continuing to invest in talent, technology, digital capabilities and artificial intelligence.

The external environment remains uncertain, but within our portfolio of diverse businesses, products and regions, we have maintained our guidance for the full year.

We remain confident in the strength of the franchise; the discipline embedded in our execution and our ability to deliver against our targets.

With that, I will hand back to Sim.

[Divider – 3.0 SBG 2028]

Thank you, Arno.

As you have heard, Arno has confirmed our guidance for this financial year. I will conclude our presentation this morning with some thoughts on the medium term.

I remind you that we expect Africa to continue to be the fastest-growing major region in the world. Despite the war in the Middle East, the macroeconomic fundamentals in Africa remain highly supportive, and have been only modestly impacted in the short-term since the war broke out in February.

[SBG 2028 – strategy is clear and effective]

Our purpose has not changed, and our strategy remains quite simple: to compete and win in our chosen markets and segments.

We are led by our four business units, enabled by our strong brand, excellent people, modern and secure technology and wide range of partnerships – all underpinned by diligent capital allocation and effective risk management.

We remain entirely confident that executing this strategy will maximise the value of our portfolio and deliver our growth and returns targets – on which I will be speaking more shortly.

[SBG 2028 – focused execution by business units]

This slide shows a summary of the BUs' strategic focus areas and financial targets to 2028. Again, these plans and targets were discussed in detail at our Capital Markets Day.

In each business unit, growth will be achieved by focussing intensely on meeting our clients' needs, supporting their growth and providing excellent client experience. Each business unit is investing in the appropriate technologies to improve efficiency.And each business unit is being encouraged and incentivised to find more opportunities for cross-BU collaboration.

[SBG 2028 – ambitious and credible targets]

Returning to our medium-term financial targets, this slide makes two main points.

First, it illustrates our history of steady progress since 2020 – we did what we said we were going to do over that period. We will do the same in this new period to the end of 2028.

Despite global turbulence, and as our record shows, we will navigate through volatility and uncertainty to achieve the targets for 2028.

Just to restate them for the record:

- We will increase our banking revenue by 7 to 10% each year on average to 2028.
- We will continue to focus on generating operational leverage to ensure that our cost-to-income ratio trends down from 50%.
- We will increase our headline earnings per share by 8 to 12% on average from 2025 to 2028.
- We will achieve an ROE well within our target range of 18 and 22%.

[SBG 2028 – Key takeaways]

I'll conclude with five key points that we would like you to take away from our presentation today.

Africa's macroeconomic prospects are bright

Our strategy is clear and consistent.

Our business units are executing our strategy systematically and successfully, as our results show.

We are highly confident that we will reach our 2028 targets. Standard Bank Group continues to do what we say we will do.

Finally, we believe that Standard Bank is very well positioned to help investors capture the opportunities arising from Africa's strong and steady growth.

[Conclusion]

Thank you for your attention. That concludes our presentation.

As always, our sincere gratitude to our policy makers and regulators for the world class regulatory environments they create for us and for our sector. Thank you to our shareholders for your continued support. We would like to say thank you to our 20 million clients for their continued trust in us. And last but not least, we thank our 50 000 employees for their professionalism and hard work.

We'll now take your questions.