Standard Bank Group

MARCH 2023



AFRICA IS OUR HOME,
WE DRIVE HER GROWTH

Standard Bank
Also trading as Stanbic Bank



Who we are

We are Africa focused, client led and digitally enabled.

We provide comprehensive and integrated financial and related solutions to our clients.

We drive inclusive growth and sustainable development.

Africa is our home – we drive her growth

On-the-ground presence in **20 sub-Saharan African countries**

Africa Regions contributed **36% of group headline earnings**

INTERNATIONAL FINANCIAL SERVICES:

- Isle of Man
- Jersey
- Mauritius

PRESENCE IN INTERNATIONAL MARKETS:

- Beijing
- Dubai
- London
- New York

Market position in Africa

African Bank of the year (African Banker Awards 2022)

Most valuable bank brand (Brand Finance Banking 500 2022)

Largest bank (by assets)

Leading CIB franchise

#1 in mortgages, corporate deposits and deposits (in SA)

#3 asset manager (by AUM/AUA)

Key financial metrics

R2.9 trillion assets	R1.6 trillion lending
R1.9 trillion deposits	R1.4 trillion AUA/AUM
+31% CIB client revenues	>17 million active clients (CHNW & BCC)

Strategic priorities

TRANSFORM CLIENT EXPERIENCE | EXECUTE WITH EXCELLENCE | DRIVE SUSTAINABLE GROWTH AND VALUE

FY22 – strong performance across all businesses and all key metrics

Franchise strength underpinned by our enviable client franchise, an expanding solution set and exceptional people

Consumer & High Net Worth
- Continued client franchise growth
- Improved client activity
- Optimising distribution

Business & Commercial Clients
- Attractive proposition
- Improved business activity
- Focused on solving for enterprise business

Corporate & Investment Banking
- Record revenues
- Diversified businesses all delivering
- Leading franchise on the continent

1 Excludes R1 128m Centre segment costs
2 CHNW – Consumer and High Net Worth
3 BCC – Business and Commercial Clients
4 CIB – Corporate and Investment Banking
5 Regional split based on legal entity, South Africa is SBSA – The Standard Bank of South Africa
6 SBG share of Liberty's IFRS headline earnings
7 Impact of SBG shares held for the benefit of Liberty policyholders

Diversification drives our franchise strength and resilient earnings

Client segment



	Rbn	change %
CHNW[2]	8.9	27
BCC[3]	8.0	51
CIB[4]	14.8	11

Client solutions



	Rbn	change %
Banking	28.8	25
Insurance	2.2	22
Investment	0.7	(10)

Regional split[5]



	Rbn	change %
South Africa	16.3	26
Africa Regions	12.2	36
International	1.6	>100

Delivered record earnings, higher returns and increased dividends

Record Group NII, NIR and PPOP

Headline earnings of
R34.2 bn
+37% year-on-year

ROE improved to
16.4%
SB Activities ROE 16.3%

Record SBSA and Africa Regions revenue

Robust CET1 ratio
13.5%
CET1 target, >11%

Total dividend of 1 206 cps
58%
payout in FY22

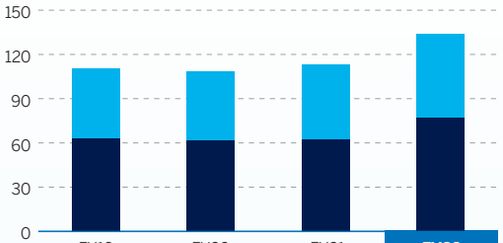
HEADLINE EARNINGS CONTRIBUTION

		Change %	2022	2021
Total headline earnings		37	**34 247**	25 021
Standard Bank activities	Rm	22	**30 542**	24 940
Banking	Rm	25	**28 768**	22 989
Insurance	Rm	22	**2 178**	1 784
Investments	Rm	(10)	**724**	800
Central and other	Rm	78	**(1 128)**	(633)
Liberty[6]	Rm	(>100)	**2 031**	(64)
Treasury share[7]	Rm	(32)	**(243)**	(355)
ICBCS	Rm	>100	**1 917**	500

FY22 – Record revenue and earnings driving higher ROE

Client-driven balance sheet growth, expanding revenues, positive jaws, and well managed credit risk

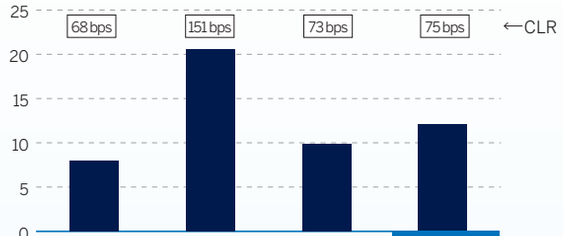
Total income (Rbn) (+18%)



	FY19	FY20	FY21	FY22
NII	62.9	61.4	62.4	**77.1**
NIR	47.5	47.2	50.9	**56.3**
Total	110.5	108.6	113.3	**133.4**

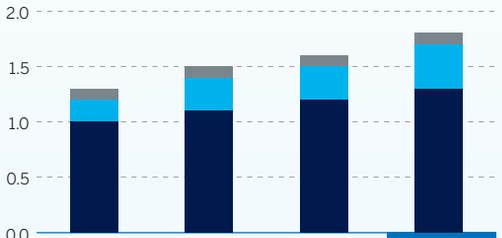
NII
NIR

Credit impairment charges (Rbn) (+22%)



	FY19	FY20	FY21	FY22
	8.0	20.6	9.9	**12.1**

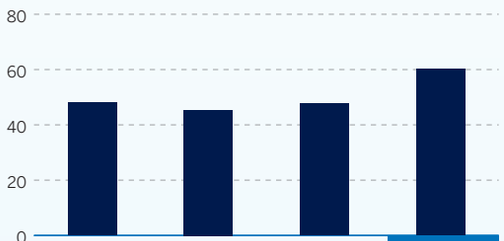
Customer deposits (Rtrn) (+8%)



	Dec19	Dec-20	Dec-21	Dec-22
SBSA	1.0	1.1	1.2	**1.3**
Africa Regions	0.2	0.3	0.3	**0.4**
International	0.1	0.1	0.1	**0.1**

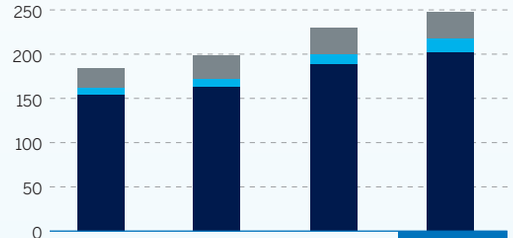
SBSA
Africa Regions
International

Pre-provision operating profit (Rbn) (+26%)



	FY19	FY20	FY21	FY22
	48.1	45.4	47.8	**60.0**

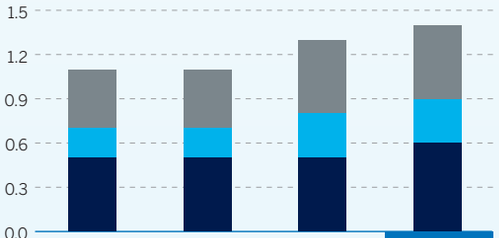
Capital (Rbn)



	Dec-19	Dec-20	Dec-21	Dec-22
CET 1	154	163	188	**202**
Tier 1	8	9	12	**15**
Tier 2	22	26	30	**31**

CET 1
Tier 1
Tier 2

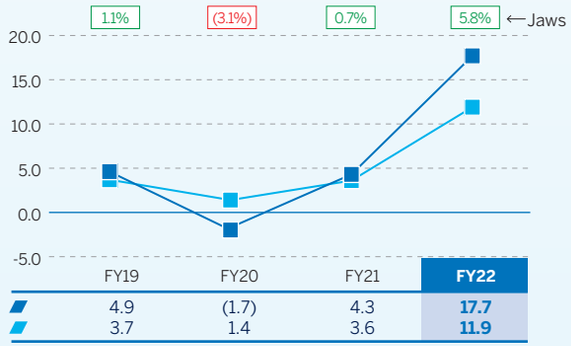
Gross customer loans (Rtrn) (+9%)



	Dec-19	Dec-20	Dec-21	Dec-22
Secured retail & business	0.5	0.5	0.5	**0.6**
Other retail & business	0.2	0.2	0.3	**0.3**
Corporate & sovereign	0.4	0.4	0.5	**0.5**

Secured retail & business
Other retail & business
Corporate & sovereign

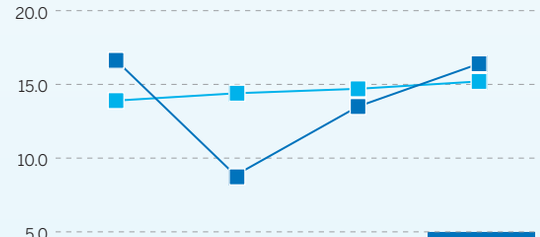
Income and cost growth (%)



	FY19	FY20	FY21	FY22
Revenue growth	4.9	(1.7)	4.3	**17.7**
Cost growth	3.7	1.4	3.6	**11.9**

Revenue growth
Cost growth

Return on equity and cost of equity (%)



	FY19	FY20	FY21	FY22
Group ROE	16.8	8.9	13.5	**16.4**
Cost of equity	13.9	14.4	14.7	**15.2**

Group ROE
Cost of equity

Driving sustainable growth and value

On track to deliver our 2025 targets, focused on continued delivery.

Delivering attractive shareholder returns

2025 targets

7% – 9%
Revenue growth CAGR

Approaching 50%
Cost-to-income ratio

17% – 20%
Return on equity

Key drivers	FY23 guidance	Key drivers
Net interest income	Low-teen growth	▪ Supported by balance sheet growth and continued endowment tailwinds[1]
Non-interest revenue	Mid-single digit growth	▪ Continued growth in active clients and transactional activity will support fees ▪ Focus on sustaining trading revenues
Efficiency	Positive jaws	▪ Focused on delivering below-inflation cost growth
Credit loss ratio	Above the mid-point of our TTC[2] range of 70 bps – 100 bps	▪ Difficult macroeconomic conditions will put pressure on clients
ROE	Continued progress into the 2025 target range of 17% – 20%	▪ Focus on optimisation of capital deployed
Dividend payout ratio	45% – 60%	▪ Supported by strong capital generation

1 SBSA, 100 bps increase equates to approximately R1.4 bn net interest income annualised.
2 Through-the-cycle.

Delivering a positive impact

Purposeful in our response

Support **Africa's sustainable development**

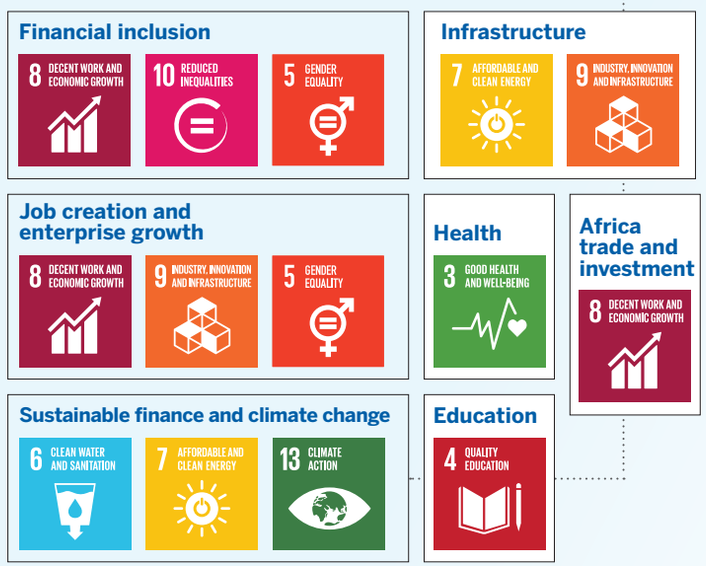
Seek **sustainable finance opportunities**

Manage risk posed by climate change

UNEP FINANCE INITIATIVE

SUSTAINABLE DEVELOPMENT GOALS

Standard Bank Group impact areas



Standard Bank Group Climate Policy

Net Zero by 2050

>R50bn renewables finance

>R250bn sustainable finance

- Net zero carbon emissions from its own operations by 2040 and its portfolio of financed emissions by 2050
- Includes progressive short, medium and long-term targets to reduce the group's contribution to carbon emissions and accelerate its sustainable finance commitments
- A focus on renewable energy projects across Africa

Market data

Geographic spread of shareholders (%)



	Dec-22
South Africa	49
China	19
United States	14
Europe	7
Other	11

Ten major shareholders

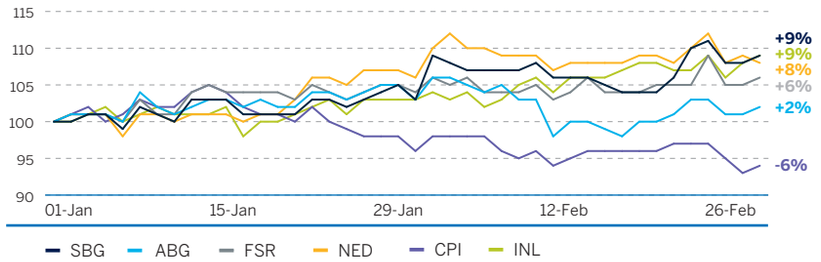
	2022		2021	
	Number of shares (million)	% holding	Number of shares (million)	% holding
Industrial and Commercial Bank of China	325.0	19.4	325.0	20.1
Government Employees Pension Fund (PIC)	243.9	14.5	234.9	14.5
Old Mutual Life Assurance Company	30.4	1.8	32.5	2.0
GIC Asset Management Pte Ltd	28.6	1.7	11.6	0.7
Alexander Forbes Investments	22.5	1.3	36.7	2.3
Coronation Balanced Plus Fund	19.2	1.1	3.2	0.2
Vanguard Total International Stock Index Fund	18.8	1.1	17.5	1.1
Vanguard Emerging Markets Stock Index Fund	18.3	1.1	17.5	1.1
Allan Gray Balanced Fund	17.8	1.1	27.9	1.7
M&G Equity Fund	17.3	1.0	19.1	1.2
	741.8	44.1	725.9	44.9

[1] Beneficial holdings determined from the share register (as at 31 December 2022) and investigations conducted on our behalf in terms of section 56 of the Companies Act, 71 of 2008

2023 YTD performance (ZAR)

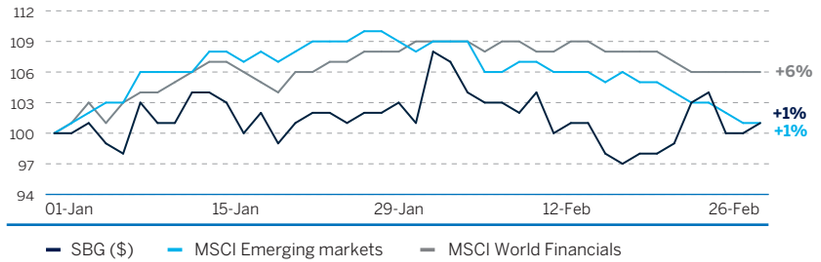
SBG vs SA peers* (SBG, +9%)

* Source: Refinitiv Eikon, as at 28 February 2023



2023 YTD performance (USD)

SBG vs MSCI* (SBG, +1%)



Credit ratings[2]

	Short term	Long term	Outlook
Standard Bank Group Limited			
Fitch Ratings			
Foreign currency issuer default rating	B	BB-	Stable
Local currency issuer default rating		BB-	Stable
National rating	F1+(zaf)	AA+(zaf)	Stable
Moody's Investor Services			
Foreign currency issuer rating		Ba3	Stable
Local currency issuer rating		Ba3	Stable
The Standard Bank of South Africa			
Fitch Ratings			
Foreign currency issuer default rating	B	BB-	Stable
Local currency issuer default rating		BB-	Stable
National rating	F1+(zaf)	AA+(zaf)	Stable
Moody's Investor Services			
Foreign currency deposit rating	NP	Ba2	Stable
Local currency deposit rating	NP	Ba2	Stable
National rating	P-1.za	Aa1.za	

[2] As at 8 March 2023

ESG scores

SAM Now a Part of S&P Global	FTSE Russell	MSCI
66	Included	AA
CDP Disclosure Insight Action	SUSTAINALYTICS	Bloomberg Gender-Equality Index 2022
C	25.6 med risk (298 out of 1011 banks)	67.87 (first year of participation)

Equity information

Listings: JSE (SBK); A2X (SBK); NSE (SNB)

Share price*: ZAR167.79 / USD9.89

Market cap*: ZAR 284bn / USD17bn

* As at 31 December 2022.

For more information

reporting.standardbank.com

Investor Relations

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