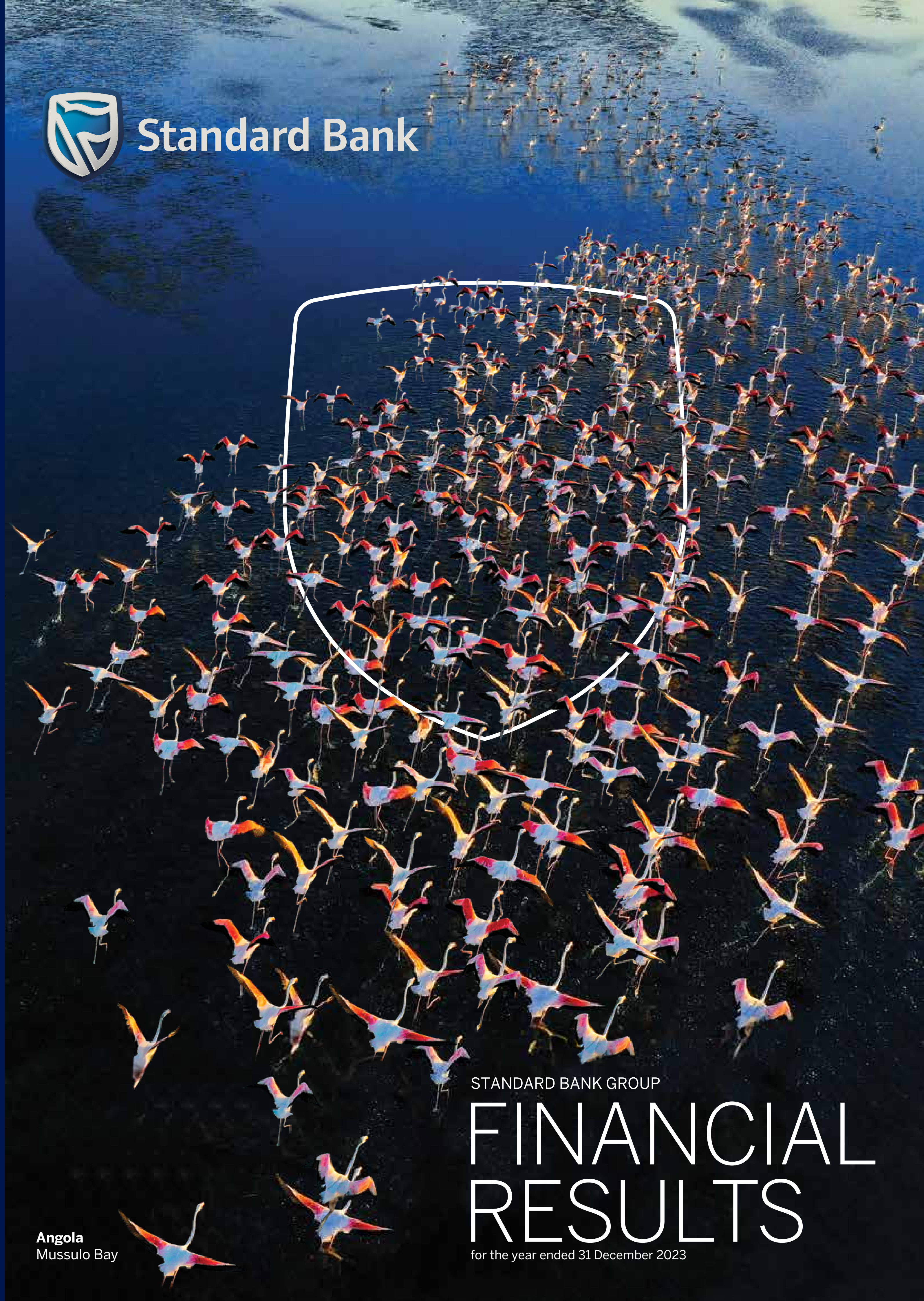
standardbank.com



STANDARD BANK GROUP

FINANCIAL RESULTS

for the year ended 31 December 2023

Angola
Mussulo Bay

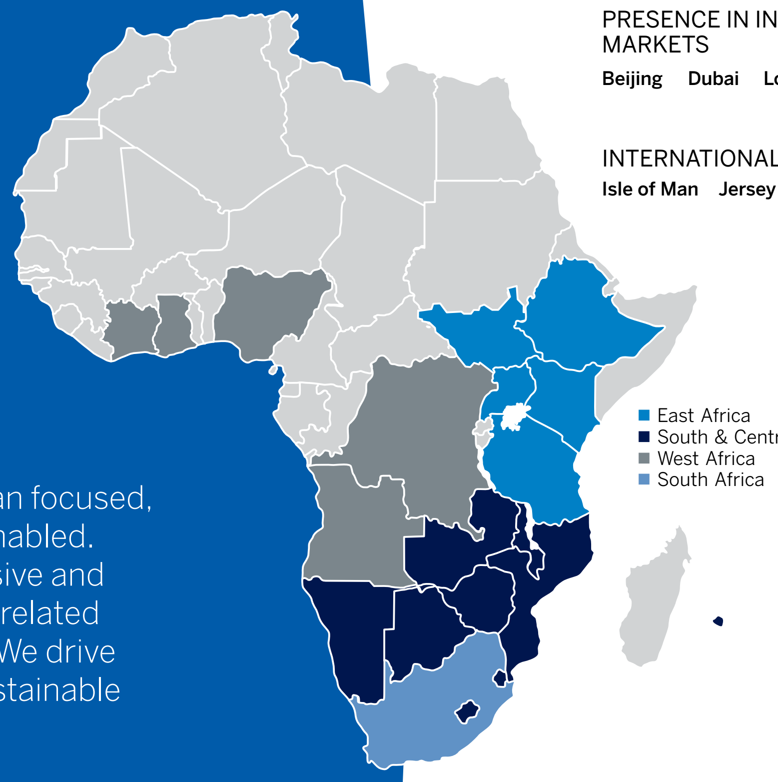
Standard Bank

STANDARD BANK GROUP

ANALYSIS OF FINANCIAL RESULTS

for the year ended 31 December 2023

ANALYSIS OF FINANCIAL RESULTS for the year ended 31 December 2023



PRESENCE IN INTERNATIONAL MARKETS

Beijing Dubai London New York

INTERNATIONAL FINANCIAL SERVICES

Isle of Man Jersey Mauritius

Standard Bank Group is purpose-driven, African 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.

Listed on the JSE Limited (JSE) since **1970**

>160 years of operation

Operating in **20 countries** in Africa

Business units

Banking

- Personal & Private Banking
- Business & Commercial Banking
- Corporate & Investment Banking

Insurance & Asset Management

Standard Bank Group's (SBG or the group) analysis of financial results for the year ended 31 December 2023 have not been audited or independently reviewed. The preparation of the financial results was supervised by the Chief Finance & Value Management Officer, Arno Daehnke BSc, MSc, PhD, MBA, AMP.

Highlights

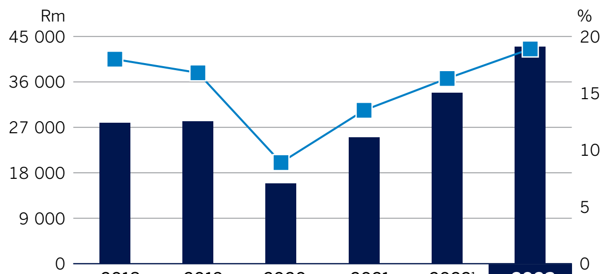
STANDARD BANK GROUP[1]

Headline earnings (Rm)	Headline earnings per share (HEPS) (c)	Profit attributable to ordinary shareholders (Rm)
42 948 ▲ 27%	2 590 ▲ 26%	44 211 ▲ 29%
2022: R33 853 million	2022: 2 050 cents	2022: R34 243 million

Return on equity (ROE) (%)	Net asset value per share (c)	Common equity tier 1 ratio (%)	Dividend per share (c)
18.8 ▲	14 269 ▲ 8%	13.7 ▲	1 423 ▲ 18%
2022: 16.3%	2022: 13 172 cents	2022: 13.4%	2022: 1 206 cents

Headline earnings and return on equity

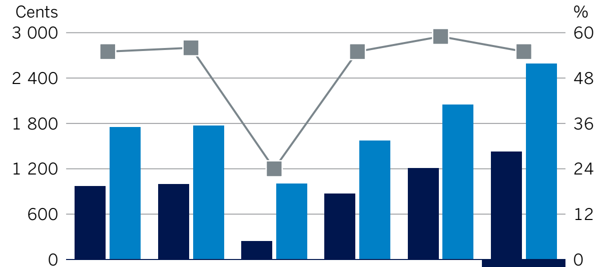
CAGR[2] (2018 – 2023): 9%



	2018	2019	2020	2021	2022[1]	2023
Headline earnings	27 865	28 207	15 945	25 021	33 853	**42 948**
Return on equity	18.0	16.8	8.9	13.5	16.3	**18.8**

Headline earnings and dividend per share

CAGR (2018 – 2023): Dividend per share: 8%
Headline earnings per share: 8%



	2018	2019	2020	2021	2022[1]	2023
Dividend per share	970	994	240	871	1 206	**1 423**
Headline earnings per share	1 748	1 767	1 003	1 573	2 050	**2 590**
Dividend payout ratio	55	56	24	55	59	**55**

BUSINESS UNITS[3]

Banking

Return on equity (%)	Cost-to-income ratio (%)[1]	Jaws (%)[1]	Credit loss ratio[1] (CLR) (bps)
19.5 ▲	51.4 ▼	+5.7	98 ▲
2022: 16.4%	2022: 53.9%	2022: +9.0%	2022: 83 bps

Insurance & Asset Management

Return on equity (%)	Assets under management (Rbn)	Long-term insurance indexed new business (Rm)	Insurance operations new business value (Rm)
13.1 ▲	1 480 ▲ 7%	12 128 ▲ 8%	3 000 ▲ 13%
2022: 10.5%	2022: R1 382 billion	2022: R11 226 million	2022: R2 656 million

1 Restated, refer to page 111 – 114 for further detail.
2 Compound annual growth rate.
3 Refer to pages 22 – 23 for more information.

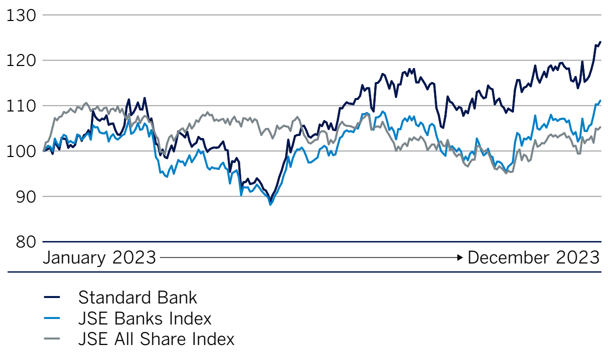
FINANCIAL RESULTS, RATIOS AND STATISTICS

		Change %	2023	2022
Standard Bank Group (SBG)				
Headline earnings contribution by business unit[1]				
Total headline earnings	Rm	27	**42 948**	33 853
SBG Franchise[2]	Rm	30	**41 662**	31 936
Banking	Rm	31	**38 842**	29 616
Insurance & Asset Management	Rm	22	**2 820**	2 320
ICBCS	Rm	(33)	**1 286**	1 917
Ordinary shareholders' interest				
Profit attributable to ordinary shareholders	Rm	29	**44 211**	34 243
Ordinary shareholders' equity	Rm	8	**236 445**	218 197
Share statistics				
Headline earnings per ordinary share (HEPS)	cents	26	**2 590.4**	2 050.4
Diluted HEPS	cents	26	**2 559.7**	2 035.6
Basic earnings per share (EPS)	cents	29	**2 666.6**	2 074.1
Diluted EPS	cents	28	**2 635.0**	2 059.0
Dividend per share	cents	18	**1 423**	1 206
Net asset value per share	cents	8	**14 269**	13 172
Tangible net asset value per share	cents	10	**13 501**	12 259
Dividend payout ratio	%		**55**	59
Number of ordinary shares in issue	thousands	0	**1 657 075**	1 656 553
Return ratios				
Return on equity (ROE)	%		**18.8**	16.3
Return on risk-weighted assets (RoRWA)	%		**2.9**	2.6
Capital adequacy				
Common equity tier 1 capital adequacy ratio	%		**13.7**	13.4
Tier 1 capital adequacy ratio	%		**15.0**	14.4
Total capital adequacy ratio	%		**17.0**	16.5
Number of clients				
Active client base	thousands	6	**18 847**	17 710
Taxation				
Effective direct taxation rate	%		**24.2**	23.1
Employee statistics				
Number of employees	number	2	**50 451**	49 325
Banking				
ROE	%		**19.5**	16.4
Loan-to-deposit ratio	%		**78.9**	78.6
Net interest margin (NIM)[3]	bps		**494**	432
Non-interest revenue to operating expenses	%		**72.4**	73.0
Credit loss ratio (CLR)[3]	bps		**98**	83
Jaws[3]	%		**5.7**	9.0
Cost-to-income ratio[3]	%		**51.4**	53.9
Insurance & Asset Management				
ROE	%		**13.1**	10.5
Assets under management	Rbn	7	**1 480**	1 382
Long-term insurance indexed new business	Rm	8	**12 128**	11 226
Insurance operations new business value[4]	Rm	13	**3 000**	2 656
Short-term insurance gross written premiums	Rm	9	**5 155**	4 728
Solvency capital requirement cover of Liberty Group Limited	times covered		**1.81**	1.76

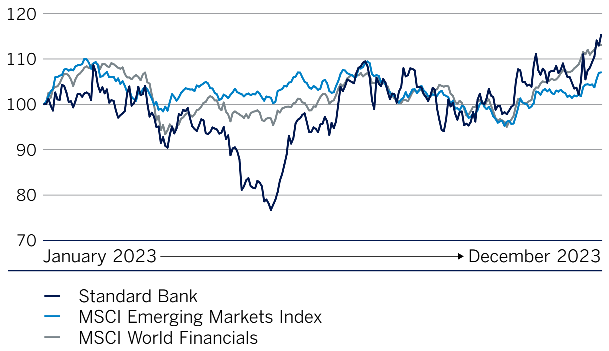
1 Refer to pages 22 – 23 for more information.
2 Standard Bank Group Franchise represents the group's core business activities which consists of Personal & Private Banking, Business & Commercial Banking, Corporate & Investment Banking, and Insurance & Asset Management.
3 Restated, refer to page 111 – 114 for further detail.
4 Represents the expected economic value of new business generated, in that specific reporting period, over its lifetime.

MARKET AND ECONOMIC INDICATORS

SBK versus JSE Banks and All Share Index (ZAR)



SBK versus Emerging Markets and World Financials (USD)



		Average			Closing		
		Change %	2023	2022	Change %	2023	2022
Market indicators							
South Africa (SA) prime overdraft rate	%		**11.42**	8.61		**11.75**	10.50
SA SARB repo rate	%		**7.92**	5.11		**8.25**	7.00
SA Consumer Price Index	%		**5.9**	6.9		**5.1**	7.2
Weighted average Group inflation[1]	%		**8.8**	9.2		**8.0**	10.2
Weighted average Africa Regions inflation[1]	%		**14.4**	13.5		**14.6**	15.8
UK Consumer Price Index	%		**7.4**	9.1		**4.0**	10.5
JSE All Share Index		7	**75 902**	70 665	5	**76 893**	73 049
JSE Banks Index		2	**9 967**	9 725	11	**10 948**	9 854
SBK share price		11	**180.26**	161.75	24	**208.10**	167.79
Key exchange rates							
USD/ZAR		13	**18.45**	16.30	9	**18.52**	16.97
GBP/ZAR		14	**22.95**	20.19	15	**23.53**	20.42
ZAR/AOA		32	**37.42**	28.37	51	**45.24**	29.99
ZAR/GHS		17	**0.63**	0.54	8	**0.65**	0.60
ZAR/NGN		34	**34.97**	26.08	88	**51.05**	27.14
ZAR/KES		5	**7.59**	7.22	16	**8.44**	7.27
ZAR/UGX		(11)	**202.08**	225.80	(7)	**204.09**	218.89
ZAR/MZN		(12)	**3.46**	3.92	(8)	**3.45**	3.76
ZAR/ZMW		6	**1.10**	1.04	30	**1.38**	1.06
ZAR/ZWL		>100	**101.52**	22.05	>100	**329.66**	40.32

1 Excludes Zimbabwe.

OVERVIEW OF FINANCIAL RESULTS

In 2023, Standard Bank Group delivered earnings growth of 27% and a return on equity of 18.8%. This strong performance is underpinned by our robust and growing franchise and is reflective of the positive momentum in all our businesses.

Group results

In the twelve months to 31 December 2023 (FY23), the group recorded headline earnings of R42.9 billion, up 27% relative to the twelve months to 31 December 2022 (FY22) and delivered a return on equity (ROE) of 18.8% (FY22: 16.3%). This strong performance is underpinned by our robust and growing franchise and reflective of the good momentum in our business. Our Africa Regions franchise contributed 42% to group headline earnings. The top eight contributors to Africa Regions' headline earnings were Ghana, Kenya, Mauritius, Mozambique, Nigeria, Uganda, Zambia and Zimbabwe.

In FY23, the group effectively defended and grew its banking franchise and improved banking earnings and returns. Client franchise health showed improvements across a number of metrics. Active customers grew by 6% to 18.8 million, with growth recorded in both South Africa and Africa Regions. In addition, digital retail clients in South Africa increased by 8% as more clients transitioned to our convenient digital channels. In the year, the group recorded over 2.8 billion digital transactions for retail clients, up 30% year on year, and distributed over R41.1 billion on behalf of our South African clients via our digital wallet platform. Client satisfaction scores improved across various channels, particularly digital in South Africa.

The Insurance & Asset Management franchise recorded an improved insurance performance and growth in its assets under management year on year. Since the announcement of the Liberty minority buyout, the group has received over R5.7 billion in distributions related primarily to capital optimisation. In FY23, the group successfully bought out the minorities of Liberty2Degrees (L2D). L2D holds an attractive portfolio of commercial properties.

The group ended the year with a common equity tier 1 ratio of 13.7% (31 December 2022: 13.4%). This positions the group well to reward shareholders and continue to grow. The SBG board approved a final dividend of 733 cents per share which, when combined with the interim dividend, equates to a dividend payout ratio of 55% for FY23.

In 2023, the group mobilised over R50 billion of sustainable finance for corporate clients and provided over R2 billion in loans to SMEs to help business owners access affordable and reliable alternative energy products. In addition, the group disbursed over R145 million to homeowners and over R840 million to businesses for solar installations in South Africa.

Operating environment

In 2023, uncertainty remained elevated globally. The year was one of two halves. In the six months to 30 June 2023 (1H23), inflation remained elevated and interest rates continued to rise. In the second six months to 31 December 2023 (2H23), central banks paused whilst monitoring inflation trends and developing geopolitical risks. Across most markets, inflation was stickier than forecast and interest rate cuts were delayed. The International Monetary Fund (IMF) forecast global real gross domestic product (GDP) growth of 3.1% in 2023.

Sub-Saharan Africa also experienced inflationary pressures and monetary policy tightening. Higher debt costs increased fiscal pressures and sovereign risks in certain countries, which in turn, drove currency weakness. There was progress on Ghana's debt restructure, Kenya's funding outlook improved, and Nigeria took steps to liberalise the Naira. While currency movements were mixed across the group's portfolio of countries, they were weaker on average by the end of the year.

In South Africa, inflation peaked in March 2023 at 7.1%, and then declined to end the year at 5.1% in December 2023. The South African Reserve Bank increased interest rates by a cumulative 125 basis points by the end of May 2023 and then paused. The repo rate closed the year at 8.25%. While electricity disruptions and logistics constraints placed pressure on businesses and corporates, and in turn on the economy, progress was made during the year, particularly in the last quarter, towards delivering sustained improvements on both fronts. South Africa's real GDP grew at 0.6% in 2023.

Overview of performance

The group's products and services are grouped into i) Banking and ii) Insurance & Asset Management.

HEADLINE EARNINGS BY BUSINESS UNIT

	CCY %	Change %	2023 Rm	2022[1] Rm
SBG Franchise	39	30	**41 662**	31 936
Banking	40	31	**38 842**	29 616
Insurance & Asset Management	29	22	**2 820**	2 320
ICBCS (40% stake)	(40)	(33)	**1 286**	1 917
Standard Bank Group	34	27	**42 948**	33 853

[1] Restated, refer to page 111 – 114 for further detail.

Banking

Banking headline earnings reflected a strong performance, up 31% period on period. Banking ROE increased from 16.4% to 19.5%.

Loans and advances

Gross loans and advances grew by 7% year on year to R1.7 trillion. Subdued growth across the retail portfolios together with a decline in business lending was more than offset by strong growth in the Corporate and Sovereign lending portfolio. Higher interest rates negatively impacted demand and affordability and resulted in a slowdown across mortgages, card and personal unsecured lending in 2H23. In South Africa, personal unsecured loan applications increased but approvals declined. The business lending portfolio declined by 5% due to lower client demand linked to elevated rates, reduced appetite to invest, and higher early repayments. Renewable-energy deals and higher demand for trade facilities supported the corporate portfolio. The Africa Regions' loans and advances to customers grew by 20% in constant currency but was broadly flat in ZAR.

Total provisions increased by 15% to R64.0 billion. Total coverage increased from 3.6% at 31 December 2022 to 3.8% at 31 December 2023 driven by an increase in Stage 3 loans and related provisions. Stage 3 coverage decreased marginally from 50% at 31 December 2022 to 47% at 31 December 2023 driven by the increase in the proportion of early stage non-performing (Stage 3) loans which attract lower coverage.

Deposits and funding

Deposits from customers increased by 7% year on year to R1.9 trillion, driven by ongoing underlying client franchise growth. Wholesale-priced deposits grew by 7% and retail-priced deposits grew by 4%. Deposits from banks decreased by 4% year on year. Current and savings balances growth slowed as clients increased spending and/or moved their funds to term products to take advantage of more attractive interest rates. Term deposits grew by 12%.

Revenue

Revenue grew by 21%, driven by net interest income growth of 25% and non-interest revenue growth of 14%.

The group has amended the methodology for recognising interest on Stage 3 loans. This change resulted in an increase in net interest income and an equal and opposite increase in credit impairment charges. The change also resulted in a 7 basis point increase in the group's FY22 net interest margin to 432 basis points and a 8 basis point increase in the group's FY22 credit loss ratio to 83 basis points.

Net interest income growth was driven by strong average balance sheet growth (average gross loans to customers grew by 11%) and higher margins. The net interest margin increased by 62 basis points to 494 basis points. Strong margin expansion, driven by higher average interest rates across South Africa, Africa Regions and International (i.e. positive endowment), was moderated by pricing pressure in South Africa linked to increased competition in home loans, vehicle and asset finance, and corporate lending. Positive endowment contributed the equivalent of R10.8 billion uplift in net interest income in FY23 compared to FY22 (55 basis points).

A larger, increasingly engaged client base and annual price increases, combined with higher client trade and transactional activity resulted in 10% growth in net fee and commissions. Increased client card spend and travel supported healthy growth in card and foreign exchange related fees.

Trading revenue increased by 20% to R20.5 billion, driven by increased client-backed trades as well as market-specific opportunities linked to market dislocations which occurred during the year.

Growth in other gains on financial instruments was driven by an increase in the fair value financial investment portfolio and higher mark-to-market gains.

Credit impairment charges

Credit impairment charges increased by 22% to R16.3 billion. The increase in charges was driven by new loan origination, client strain driving partial payments, negative sovereign risk migration, and new defaults in the Industrial sector and legacy exposures in the Consumer sector. In South Africa, credit impairment charges increased across all portfolios, compounded by the non-recurrence of credit recoveries on the payment holiday portfolio in FY22 (R500 million). In Africa Regions, balance sheet growth, client-specific provisions, and risk migrations led to higher credit charges. The group's credit loss ratio increased from 83 basis points in FY22 to 98 basis points in FY23, at the top of the group's through-the-cycle credit loss ratio target range of 70 to 100 basis points.

Operating expenses

In FY23, we invested in our franchise and our client propositions. We hired over 1 000 people, increased our points of representation in South Africa, launched several new products (including our solar loan) and expanded our digital offerings and functionality. Operating expenses increased by 15% to R79.7 billion, impacted by inflationary pressures, particularly in Africa Regions. Staff costs grew by 17% driven by a larger staff complement, annual increases, and higher performance-linked incentives. Other operating costs grew by 12% driven by higher business activity-related spend.

Software, cloud, and technology-related costs increased by 14% due to higher spend on cloud migration and software licenses as well as personalisation and other focused AI-driven projects. System stability and availability was excellent throughout the year. Amortisation declined by 4% as the group's large historic IT programs started to roll off.

Growth in premises-related costs was well contained at 10%. Increased municipal charges and higher fuel costs linked to electricity disruptions in South Africa were offset by savings from continued infrastructure optimisation. In South Africa, continued rationalisation of our footprint led to a reduction in our branch square meterage (down 4% year on year) and our ATM network (down 6% year on year). Professional fees increased due to higher audit fees and higher legal fees related to collection initiatives. In addition, travel and entertainment costs increased as business-related activity continued to recover off a low base. Total income growth exceeded cost growth, resulting in strong positive jaws of 5.7% and a decline in the cost-to-income ratio to 51.4% (FY22: 53.9%).

Central and other

This segment includes costs associated with corporate functions and the group's treasury and capital requirements that have not been otherwise allocated to the business units. In FY23, the central headline loss amounted to R1.0 billion (FY22: loss of R1.4 billion). The loss decreased due to an increase in net interest income driven by higher average interest rates and a higher level of capital held at the Centre.

OVERVIEW OF FINANCIAL RESULTS

Insurance & Asset Management

Post the Liberty minority buyout in FY22, Liberty has been integrated into the group and is now included, with other related businesses, in the Insurance & Asset Management (IAM) business unit.

The insurance operations new business value increased by 13% year on year to R3.0 billion mainly due to an improved claims experience and increased sales. Insurance operating earnings grew by 23% to R3.9 million supported by the South African insurance business which increased operating earnings by 27% to R3.9 million.

Assets under Management (AUM) in the South African asset management businesses increased by 8% to R1.0 trillion. This growth was attributed to the STANLIB South Africa business given positive local and offshore investment market movements during 2023. Asset management operating earnings decreased by 20% to R928 million, largely as a result of higher planned operating expenditure in STANLIB.

Overall, IAM headline earnings grew by 22% to R2.8 billion in FY23 and delivered an ROE of 13.1% (FY22: 10.5%). The capital coverage of the key legal entities within IAM remain robust.

ICBC Standard Bank Plc

ICBC Standard Bank Plc (ICBCS) recorded a strong operational performance in FY23 driven by increased client activity linked to market volatility. ICBCS (via the group's 40% stake) contributed R1.3 billion to group earnings (FY22: R1.9 billion, R1.2 billion thereof related to the insurance settlement and R0.7 billion thereof related to ICBCS' operational performance).

Profit attributable

The group's profit attributable to ordinary shareholders increased by 29% to R44.2 billion. The primary driver of the difference between the group's headline earnings and profit attributable was fair value gains on investment property in Zimbabwe.

Capital and liquidity

The group's common equity tier 1 ratio (including unappropriated profits) was 13.7% as at 31 December 2023 (31 December 2022, 13.4%). The group's Basel III liquidity coverage ratio and net stable funding ratio both remained well above the 100% regulatory requirements.

Prospects

In 2024, while global risks are expected to persist, the IMF is forecasting a soft landing. Inflation is expected to continue to fall providing scope for interest rate cuts. The IMF expects global real GDP growth to be 3.1% in 2024, in line with 2023.

Real GDP growth in sub-Saharan Africa is expected to accelerate from 3.3% to 3.8% as higher levels of growth in East Africa more than offsets lower growth in South Africa and Nigeria. The interest rate outlook is mixed. While some markets may still see interest rate increases in 1H24 (Angola, Kenya, Nigeria and Zambia), most markets are expected to start cutting interest rates in 2H24. Overall, the outlook is positive, but the region remains at risk of global shocks and climate events. In addition, 13 countries in sub-Saharan Africa will hold elections in 2024, including six where the group operates, namely Botswana, Ghana, Mauritius, Mozambique, Namibia, and South Africa.

In South Africa, inflation is expected to decline to 5.0% on average in 2024, supported by a lack of demand-driven inflation, a lack of wage pressure and favourable base effects. The repo rate is expected to decline to 7.50% by year end (Standard Bank Research: 3 cuts of 25 basis points each starting in July 2024 and one 25 basis point cut in 2025). The electricity shortfall is expected to ease notably, relative to that experienced in 2023, driven by an increase in Eskom supply and the ongoing expansion of private sector generation capacity. Actions to ease the logistics constraints are also expected to gather pace. Together, this should support an improvement in real GDP growth to 1.2% in 2024. The South African election outcome is not expected to drive a change in policy direction. Accordingly, the continued gradual policy reform should be growth-supportive over time. Any acceleration in resolving the electricity, road, rail, and port constraints would aid this further.

While organic growth (in constant currency) is expected to remain relatively robust, the group's year-on-year trends in reported currency (ZAR) will be dampened by the currency devaluations experienced in certain of our Africa Regions' countries in 2023 and forecast for 2024. The guidance that follows is based on year-on-year movements in reported currency (ZAR).

For the twelve months to 31 December 2024 (FY24), we expect average interest rates to be marginally down and pricing to remain competitive. Balance sheet growth to remain slow in 1H24, but improve in 2H24. Accordingly, net interest income is expected to be up low-to-mid single digits year on year. Fee and commissions are expected to grow at mid-single digits supported by a larger client base, increased client activity and higher client spend. Trading revenue is likely to decline off a high base in FY23, but will be subject to market developments and client flow. While there is a heightened focus on costs, we need to continue to invest in our business to remain competitive and grow. Banking revenue growth is expected to be similar to banking cost growth and Jaws flat to positive.

Our clients are likely to remain constrained until interest rates start to decline. Credit impairment charges are expected to peak in the first six months of 2024, driven primarily by ongoing strain in Personal & Private Banking. For FY24, the credit loss ratio is expected to remain within but near the top of the group's through-the-cycle credit loss ratio range of 70 to 100 basis points. A continued improvement in IAM earnings is expected to be partially offset by a decline in ICBCS earnings (off a high base). The group's FY24 ROE is expected to remain well anchored inside the group's target range of 17% to 20%.

While uncertainty is expected to remain elevated, our business is well diversified, growing, and resilient. We are focused on delivering against our strategic priorities and remain on track to deliver on our 2025 targets. The group is also on track to deliver against its ambitious sustainable finance and renewable energy targets.

In 2024, we will continue to support our clients, develop our employees, and deliver sustainable growth and value to our shareholders and other stakeholders. In addition, as a leading financial institution on the continent, we recognise our responsibility to deliver positive impact. We do so by delivering against our purpose of driving Africa's growth.

The forecast financial information above is the sole responsibility of the board and has not been reviewed and reported on by the group's auditors.

Sim Tshabalala	**Nonkululeko Nyembezi**
Group Chief Executive Officer	Chairman
14 March 2024	14 March 2024

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2023

	Change %	2023 Rm	2022[1] Rm	1 January 2022 Rm
Assets				
Cash and balances with central banks	20	**137 787**	114 483	91 169
Derivative assets	31	**97 419**	74 410	63 688
Trading assets	1	**316 515**	314 918	285 020
Pledged assets	5	**20 210**	19 308	14 178
Disposal group assets held for sale	(58)	**235**	555	1 025
Financial investments	5	**758 776**	722 494	726 129
Current and deferred tax assets	2	**9 784**	9 585	7 616
Loans and advances	7	**1 608 846**	1 504 940	1 424 328
Insurance contract assets	(11)	**1 631**	1 830	1 264
Reinsurance contract assets	(2)	**5 422**	5 522	5 902
Receivables and other assets	(16)	**33 482**	39 647	29 215
Interest in associates and joint ventures	22	**12 173**	9 956	7 280
Investment property	4	**30 444**	29 289	29 985
Property, equipment and right of use assets	0	**20 298**	20 340	20 619
Goodwill and other intangible assets	(16)	**12 723**	15 120	16 909
Total assets	6	**3 065 745**	2 882 397	2 724 327
Equity and liabilities				
Equity	7	**276 920**	258 866	242 891
Equity attributable to ordinary shareholders	8	**236 445**	218 197	198 873
Equity attributable to other equity holders[2]	23	**24 167**	19 667	16 052
Equity attributable to non-controlling interests	(22)	**16 308**	21 002	27 966
Liabilities	6	**2 788 825**	2 623 531	2 481 436
Derivative liabilities	22	**103 373**	85 049	67 259
Trading liabilities	(14)	**94 468**	109 928	81 484
Current and deferred tax liabilities	4	**10 093**	9 666	9 915
Disposal group liabilities held for sale				96
Deposits and debt funding	6	**2 001 646**	1 889 099	1 776 615
Financial liabilities under investment contracts	11	**151 035**	136 309	136 622
Insurance contract liabilities	8	**251 389**	231 849	233 730
Subordinated debt	2	**32 227**	31 744	30 430
Provisions and other liabilities	11	**144 594**	129 887	145 285
Total equity and liabilities	6	**3 065 745**	2 882 397	2 724 327

1 Restated, refer to page 111 – 114 for further detail.
2 Includes other equity holders of preference share capital and additional tier 1 capital (AT1).

CONDENSED CONSOLIDATED INCOME STATEMENT

for the year ended 31 December 2023

	CCY %	Change %	2023 Rm	2022[1] Rm
Net interest income	30	25	**98 188**	78 391
Non-interest revenue	19	13	**62 003**	54 965
Net income from Insurance & Asset Management	45	18	**17 425**	14 761
Total net income	26	20	**177 616**	148 117
Credit impairment charges	24	22	**(16 261)**	(13 343)
Net income before operating expenses	26	20	**161 355**	134 774
Operating expenses	17	13	**(94 749)**	(83 533)
Net income before non-trading and capital related items	40	30	**66 606**	51 241
Non-trading and capital related items	(>100)	>100	**1 487**	328
Share of post-tax profit from associates and joint ventures	(27)	(27)	**1 648**	2 265
Profit before indirect taxation	40	30	**69 741**	53 834
Indirect taxation	27	10	**(3 373)**	(3 077)
Profit before direct taxation	41	31	**66 368**	50 757
Direct taxation	47	37	**(16 065)**	(11 717)
Profit for the period	39	29	**50 303**	39 040
Attributable to ordinary shareholders	39	29	**44 211**	34 243
Attributable to other equity instrument holders	76	76	**1 762**	999
Attributable to non-controlling interests	32	14	**4 330**	3 798
Earnings per share				
Basic earnings per ordinary share (cents)		29	**2 666.6**	2 074.1
Diluted earnings per ordinary share (cents)		28	**2 635.0**	2 059.0

1 Restated, refer to page 111 – 114 for further detail.

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2023

		2023			2022		
	Change %	Ordinary shareholders' equity Rm	Non-controlling interests and other equity instruments Rm	Total equity Rm	Ordinary shareholders' equity Rm	Non-controlling interests and other equity instruments Rm	Total equity Rm
Profit for the period – restated[1]	29	44 211	6 092	50 303	34 243	4 797	39 040
Other comprehensive loss after tax for the period		(4 338)	(3 827)	(8 165)	(3 426)	(190)	(3 616)
Items that may be subsequently reclassified to profit/(loss)		(4 439)	(3 827)	(8 266)	(3 037)	23	(3 014)
Movements in the cash flow hedging reserve		802		802	235		235
Movement in debt instruments measured at fair value through other comprehensive income (OCI)		160	69	229	(107)	(13)	(120)
Exchange difference on translating foreign operations		(5 406)	(3 896)	(9 302)	(3 197)	36	(3 161)
Net change on hedges of net investments in foreign operations		5		5	32		32
Items that may not be subsequently reclassified to profit/(loss)		101		101	(389)	(213)	(602)
Total comprehensive income for the period – restated[1]		39 873	2 265	42 138	30 817	4 607	35 424
Attributable to ordinary shareholders		39 873		39 873	30 817		30 817
Attributable to other equity holders			1 762	1 762		999	999
Attributable to non-controlling interests			503	503		3 608	3 608

[1] Restated, refer to page 111 – 114 for further detail.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2023

	Ordinary share capital and premium Rm	Treasury shares Rm	Foreign currency translation reserve Rm	Retained earnings Rm	Other reserves Rm	Ordinary shareholders' equity Rm	Other equity instruments holders Rm	Non-controlling interest Rm	Total equity Rm
2023									
Balance at 1 January 2023 – restated	**27 509**	**(3 461)**	**(4 716)**	**190 582**	**8 283**	**218 197**	**19 667**	**21 002**	**258 866**
Net movement in issued equity	**(403)**					**(403)**	**4 500**		**4 097**
Increase in statutory credit risk reserve				**(795)**	**795**				
Transactions with non-controlling shareholders				**484**		**484**		**(2 525)**	**(2 041)**
Equity movements relating to share-based payments				**(65)**	**586**	**521**			**521**
Hyperinflation adjustments				**641**		**641**		**1**	**642**
Total comprehensive income for the period			**(5 406)**	**44 191**	**1 088**	**39 873**	**1 762**	**503**	**42 138**
Dividends paid				**(23 161)**		**(23 161)**	**(1 762)**	**(2 472)**	**(27 395)**
Other equity movements		**479**		**(186)**		**293**		**(201)**	**92**
Balance at 31 December 2023	**27 106**	**(2 982)**	**(10 122)**	**211 691**	**10 752**	**236 445**	**24 167**	**16 308**	**276 920**
2022									
Balance at 1 January 2022	18 021	(3 199)	(1 603)	178 771	6 842	198 832	16 052	27 965	242 849
Transition to IFRS 17[1]		840		(799)		41		1	42
Balance at 1 January 2022 – restated	18 021	(2 359)	(1 603)	177 972	6 842	198 873	16 052	27 966	242 891
Net movement in issued equity	9 488					9 488	3 615		13 103
Increase in statutory credit risk reserve				(477)	477				
Transactions with non-controlling shareholders[2]			84	(4 685)	227	(4 374)		(6 883)	(11 257)
Equity movements relating to share-based payments				(331)	730	399		(277)	122
Hyperinflation adjustments				1 203		1 203		(1)	1 202
Total comprehensive income for the period			(3 197)	34 043	(29)	30 817	999	3 608	35 424
Dividends paid				(17 211)		(17 211)	(999)	(3 215)	(21 425)
Other equity movements		(1 102)		68	36	(998)		(196)	(1 194)
Balance at 31 December 2022 – restated	27 509	(3 461)	(4 716)	190 582	8 283	218 197	19 667	21 002	258 866

All balances are stated net of applicable tax.

1 Restated, refer to page 111 – 114 for further detail.

2 The transactions with non-controlling shareholders primarily consist of the completion of the group's acquisition of the remaining non-controlling ordinary shares in Liberty Holdings Limited.

During 2023, the group assessed the presentation of the condensed consolidated statement of changes in equity within these results. It became evident that a more aggregated view of both the comparatives disclosed as well as movements and balances within these results, would provide more relevant and useful information which is more closely aligned to IAS 34 *Interim Financial Reporting* (IAS 34) disclosure requirements. As such the comparatives disclosed as well as movements and balances have been realigned to include the significant movements and balances for the financial year preceding the current reporting period (2022).

This change in presentation had no impact on the group's other primary statements or any ratios impacted by equity.

BANKING INCOME STATEMENT

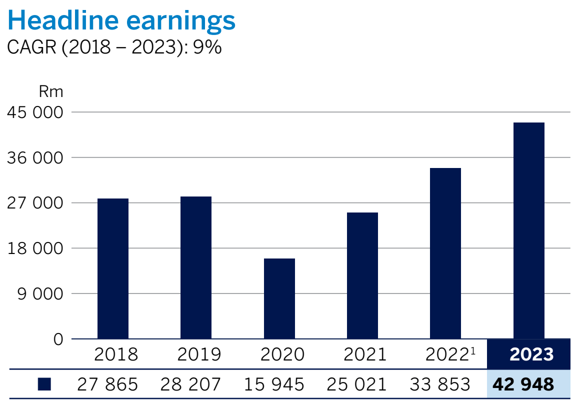
	CCY %	Change %	2023 Rm	2022[1] Rm
Net interest income	30	25	**97 495**	77 953
Non-interest revenue	20	14	**57 689**	50 603
Net fee and commission revenue	17	10	**30 825**	27 993
Trading revenue	23	20	**20 532**	17 046
Other revenue	>100	23	**1 241**	1 006
Other gains and losses on financial instruments	13	12	**2 728**	2 435
Insurance inter-BU attribution[2]	11	11	**2 363**	2 123
Total income	26	21	**155 184**	128 556
Credit impairment charges	24	22	**(16 262)**	(13 312)
Loans and advances	32	29	**(16 239)**	(12 589)
Financial investments	(>100)	(>100)	**159**	(792)
Letters of credit, guarantees and other	(>100)	(>100)	**(182)**	69
Net income before operating expenses	26	21	**138 922**	115 244
Operating expenses	19	15	**(79 722)**	(69 296)
Staff costs	20	17	**(46 076)**	(39 275)
Other operating expenses	18	12	**(33 646)**	(30 021)
Net income before capital items and equity accounted earnings	38	29	**59 200**	45 948
Non-trading and capital related items	(>100)	>100	**1 520**	456
Net income before equity accounting earnings	38	31	**60 720**	46 404
Share of post-tax profits from associates and joint ventures	7	7	**338**	316
Profit before indirect taxation	41	31	**61 058**	46 720
Indirect taxation	13	10	**(2 964)**	(2 688)
Profit before direct taxation	43	32	**58 094**	44 032
Direct taxation	38	28	**(12 719)**	(9 916)
Profit for the period	44	33	**45 375**	34 116
Attributable to preference shareholders	39	39	**(419)**	(302)
Attributable to additional tier 1 capital noteholders	93	93	**(1 342)**	(695)
Attributable to non-controlling interests	34	15	**(3 476)**	(3 020)
Attributable to ordinary shareholders	44	33	**40 138**	30 099
Headline adjustable items	>100	>100	**(1 296)**	(483)
Banking headline earnings	40	31	**38 842**	29 616

RECONCILIATION TO STANDARD BANK GROUP HEADLINE EARNINGS

	CCY %	Change %	2023 Rm	2022[1] Rm
Standard Bank Group Franchise	39	30	**41 662**	31 936
Banking	40	31	**38 842**	29 616
Insurance & Asset Management	29	22	**2 820**	2 320
ICBCS	(40)	(33)	**1 286**	1 917
Standard Bank Group headline earnings	34	27	**42 948**	33 853

1 Restated, refer to page 111 – 114 for further detail.
2 Share of profit between the product houses and the distribution network.

HEADLINE EARNINGS



RECONCILIATION OF GROUP HEADLINE EARNINGS TO PROFIT FOR THE PERIOD[1]

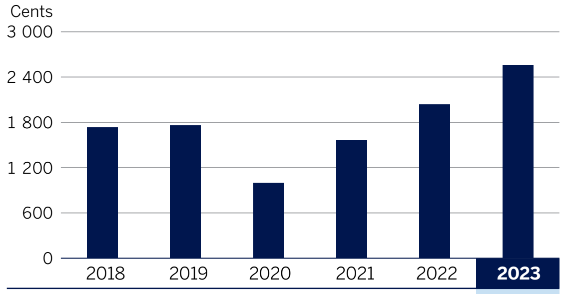
	2023				2022			
	Gross Rm	Tax[2] Rm	NCI and other[3] Rm	Net Rm	Gross Rm	Tax[2] Rm	NCI and other[3] Rm	Net Rm
Standard Bank Group headline earnings[1,4]	**64 881**	**(15 848)**	**(6 085)**	**42 948**	50 429	(11 784)	(4 792)	33 853
Headline adjustable items	**1 487**	**(217)**	**(7)**	**1 263**	328	67	(5)	390
IAS 16 – Gains on sale of properties and equipment	**25**	**(6)**	**(7)**	**12**	39	(9)	(5)	25
IAS 16 – Compensation from third parties for assets that were impaired	**23**	**(6)**		**17**	79	(22)		57
IAS 27/IAS 28 – Gains/(losses) on disposal of businesses	**38**	**(8)**		**30**	(50)	15		(35)
IAS 28/IAS 36 – Impairment of associate	**(62)**	**17**		**(45)**	(74)	21		(53)
IAS 36 – Impairment of properties, equipment and intangible assets					(18)	4		(14)
IAS 36 – Impairment of intangible assets					(386)	108		(278)
IAS 40 – Fair value gains on investment property	**1 482**	**(218)**		**1 264**	708	(42)		666
IFRS 5 – Remeasurement of disposal group assets held for sale	**(19)**	**4**		**(15)**	30	(8)		22
Profit for the period[1]	**66 368**	**(16 065)**	**(6 092)**	**44 211**	50 757	(11 717)	(4 797)	34 243

1 Restated, refer to page 111 – 114 for further detail.
2 Direct taxation.
3 Non-controlling interests and other equity instrument holders.
4 Headline earnings is based on the requirements as set out in the circular titled Headline earnings, issued by the South African Institute of Chartered Accounted, as amended from time to time.

DILUTED HEADLINE EARNINGS PER SHARE

Diluted headline earnings per share

CAGR (2018 – 2023): 8%



	2018	2019	2020	2021	2022	2023
■	1 731	1 757	1 000	1 565	2 036	**2 560**

	Change %	2023 cents	2022 cents
Diluted headline earnings per share (EPS)	26	**2 559.7**	2 035.6
Diluted EPS	28	**2 635.0**	2 059.0

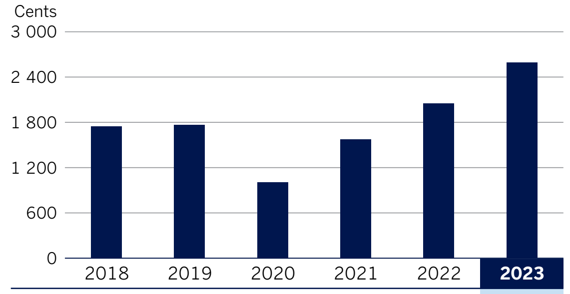
DILUTED WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES ISSUED

	Change %	2023 '000	2022 '000
Weighted average shares	0	**1 657 973**	1 651 013
Dilution from equity compensation plans	65	**19 887**	12 070
Group share incentive scheme	(100)		36
Equity growth scheme	(34)	**511**	770
Deferred bonus scheme and long-term incentive plans	72	**19 376**	11 264
Diluted weighted average shares	1	**1 677 860**	1 663 083

HEADLINE EARNINGS AND DIVIDEND PER SHARE

Headline earnings per share

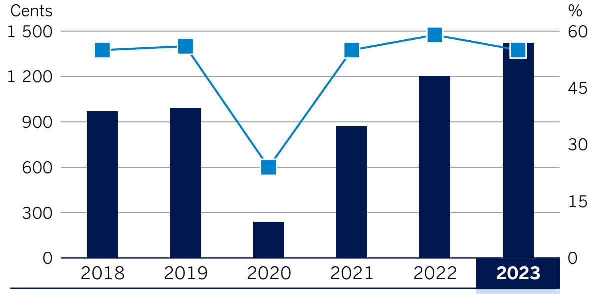
CAGR (2018 – 2023): 8%



	2018	2019	2020	2021	2022	2023
■	1 748	1 767	1 003	1 573	2 050	**2 590**

Dividend per share and payout ratio

CAGR (2018 – 2023): 8%



	2018	2019	2020	2021	2022	2023
■	970	994	240	871	1 206	**1 423**
-■-	55	56	24	55	59	**55**

■ Dividend per share
-■- Dividend payout ratio

		Change %	2023	2022
Headline earnings	Rm	27	**42 948**	33 853
Headline EPS	cents	26	**2 590.4**	2 050.4
Basic EPS	cents	29	**2 666.6**	2 074.1
Total dividend per share	cents	18	**1 423**	1 206
Interim	cents	34	**690**	515
Final	cents	6	**733**	691
Dividend cover – based on headline EPS	times		**1.8**	1.7
Dividend payout ratio – based on headline EPS	%		**55**	59

MOVEMENT IN THE NUMBER OF ORDINARY AND WEIGHTED AVERAGE SHARES ISSUED

	2023		2022	
	Issued number of shares '000	Weighted number of shares '000	Issued number of shares '000	Weighted number of shares '000
Beginning of the period – IFRS shares[1]	**1 656 553**	**1 656 553**	1 604 879	1 604 879
Shares in issue	**1 678 325**	**1 678 325**	1 619 976	1 619 976
Deemed treasury shares	**(21 772)**	**(21 772)**	(15 097)	(15 097)
Shares issued	**240**	**175**	58 349	47 839
Shares bought back	**(2 789)**	**(1 951)**		
Movement in deemed treasury shares	**3 071**	**3 196**	(6 675)	(1 705)
Share exposures held to facilitate client trading activities	**3 624**	**6 378**	(2 333)	2 524
Share exposures held to hedge the group's equity compensation plans	**(553)**	**(3 182)**	(4 342)	(4 229)
End of the period – IFRS shares[1]	**1 657 075**	**1 657 973**	1 656 553	1 651 013
Shares in issue	**1 675 776**	**1 676 549**	1 678 325	1 667 815
Deemed treasury shares	**(18 701)**	**(18 576)**	(21 772)	(16 802)

[1] Restated, refer to page 111 – 114 for further detail. All ratios dependent on the number of shares have also been restated accordingly.

STATEMENT OF FINANCIAL POSITION

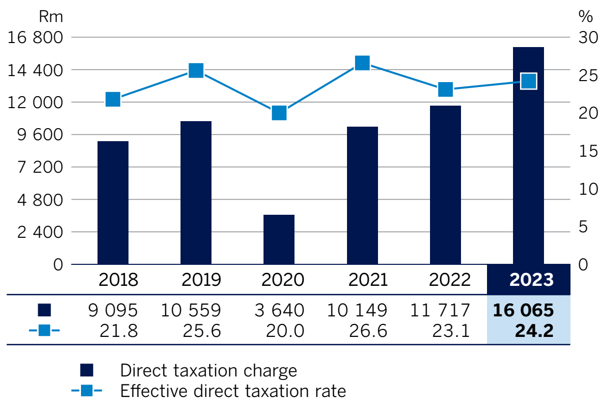
for the year ended 31 December 2023

	Banking			Insurance & Asset Management			ICBCS			Standard Bank Group		
	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022[1] Rm
Assets												
Cash and balances with central banks	20	**137 719**	114 437	48	**68**	46				20	**137 787**	114 483
Derivative assets	43	**87 754**	61 332	(26)	**9 665**	13 078				31	**97 419**	74 410
Trading assets	1	**315 360**	312 523	(52)	**1 155**	2 395				1	**316 515**	314 918
Pledged assets	23	**16 091**	13 058	(34)	**4 119**	6 250				5	**20 210**	19 308
Disposal of group assets held for sale	(99)	**2**	265	(20)	**233**	290				(58)	**235**	555
Financial investments	0	**312 532**	311 445	9	**446 244**	411 049				5	**758 776**	722 494
Current and deferred tax assets	3	**9 424**	9 168	(14)	**360**	417				2	**9 784**	9 585
Loans and advances	7	**1 607 948**	1 502 578	(62)	**898**	2 362				7	**1 608 846**	1 504 940
Insurance contract assets				(11)	**1 631**	1 830				(11)	**1 631**	1 830
Reinsurance contract assets				(2)	**5 422**	5 522				(2)	**5 422**	5 522
Receivables and other assets	(22)	**26 432**	33 937	23	**7 050**	5 710				(16)	**33 482**	39 647
Interest in associates and joint ventures	(17)	**2 599**	3 120	>100	**922**	179	30	**8 652**	6 657	22	**12 173**	9 956
Investment property	44	**1 744**	1 210	2	**28 700**	28 079				4	**30 444**	29 289
Property, equipment and right of use asset	2	**17 909**	17 641	(11)	**2 389**	2 699				0	**20 298**	20 340
Goodwill and other intangible assets	(18)	**11 907**	14 482	28	**816**	638				(16)	**12 723**	15 120
Total assets	6	**2 547 421**	2 395 196	6	**509 672**	480 544	30	**8 652**	6 657	6	**3 065 745**	2 882 397
Equity and liabilities												
Equity	9	**240 979**	221 102	(12)	**27 289**	31 107	30	**8 652**	6 657	7	**276 920**	258 866
Equity attributable to ordinary shareholders	9	**205 185**	188 192	(3)	**22 608**	23 348	30	**8 652**	6 657	8	**236 445**	218 197
Equity attributable to other equity holders	23	**24 154**	19 640	(52)	**13**	27				23	**24 167**	19 667
Preference shares	0	**5 503**	5 503							0	**5 503**	5 503
Additional tier 1 capital	32	**18 651**	14 137	(52)	**13**	27				32	**18 664**	14 164
Equity attributable to non-controlling interests	(12)	**11 640**	13 270	(40)	**4 668**	7 732				(22)	**16 308**	21 002
Liabilities	6	**2 306 442**	2 174 094	7	**482 383**	449 437				6	**2 788 825**	2 623 531
Derivative liabilities	29	**94 693**	73 222	(27)	**8 680**	11 827				22	**103 373**	85 049
Trading liabilities	(13)	**95 902**	110 031	>100	**(1 434)**	(103)				(14)	**94 468**	109 928
Current and deferred tax liabilities	1	**7 753**	7 666	17	**2 340**	2 000				4	**10 093**	9 666
Deposits and debt funding	6	**2 025 518**	1 911 076	9	**(23 872)**	(21 977)				6	**2 001 646**	1 889 099
Financial liabilities under investment contracts				11	**151 035**	136 309				11	**151 035**	136 309
Insurance contract liabilities				8	**251 389**	231 849				8	**251 389**	231 849
Subordinated debt	6	**27 005**	25 567	(15)	**5 222**	6 177				2	**32 227**	31 744
Provisions and other liabilities	19	**55 571**	46 532	7	**89 023**	83 355				11	**144 594**	129 887
Total equity and liabilities	6	**2 547 421**	2 395 196	6	**509 672**	480 544	30	**8 652**	6 657	6	**3 065 745**	2 882 397

[1] Restated, refer to page 111 – 114 for further detail.

TAXATION

Direct taxation charge and effective direct taxation rate



DIRECT TAXATION RATE RECONCILIATION

	2023 %	2022[1] %
Direct taxation – statutory rate	**27.0**	28.0
Prior period tax	**(0.2)**	(0.2)
Total direct taxation – current period	**26.8**	27.8
Capital gains tax	**1.5**	(0.2)
Foreign tax and withholdings tax	**3.8**	3.7
Change in tax rate	**0.0**	0.3
Normal direct taxation – current period	**32.1**	31.6
Permanent differences:	**(7.9)**	(8.5)
Non-taxable income – dividends	**(3.1)**	(3.3)
Non-taxable income – other[2]	**(4.5)**	(5.7)
Other	**(0.3)**	0.5
Effective direct taxation rate	**24.2**	23.1

1 During 2023, the group assessed the presentation of the direct taxation rate reconciliation. It became evident, given the new group structure that a group direct taxation rate reconciliation view would provide more relevant and useful information as this is aligned to the other primary statements. As such the comparatives have been restated not only for IFRS 17 but to realign the presentation to a group direct taxation rate reconciliation.
2 Primarily comprises non-taxable interest income.

Direct taxation rate

The increase in the effective direct taxation rate (from 23.1% to 24.2%) is mainly driven by:

- Increase in capital gains tax (CGT) attributable to Liberty's policyholder tax funds, as a result of increases in the fair value of certain equities and bonds which are subject to CGT.
- Decrease in the impact of exempt dividends earned in South Africa.
- Decrease in the impact of non-taxable interest income earned in Africa Regions.
- Increase in foreign and withholding tax in Africa Regions.

Partially offset by:

- Decrease in the corporate income tax rate in South Africa.
- The reduction in Other primarily due to the recognition and utilisation of previously unrecognised deferred tax asset on tax losses within Nigeria.

21

BUSINESS UNIT REPORTING

SBG structure of business units

Our operating model is client led and structured around our business units as follows:

Standard Bank Group

BUSINESS UNITS

The business units are responsible for designing and executing the client value proposition. Business units own the client relationship and create multi-product client experiences distributed through our client engagement network.

BANKING

Personal & Private Banking

The Personal & Private Banking (PPB) business unit offers tailored and comprehensive financial services solutions. We serve individual clients across Africa by enabling their daily lives throughout their life journeys.

Business & Commercial Banking

The Business & Commercial Banking (BCB) business unit provides broad based client solutions for a wide spectrum of small- and medium-sized businesses as well as large commercial enterprises. Our client coverage extends across a wide range of industries, sectors and solutions that deliver the necessary advisory, networking and sustainability support required by our clients to enable their growth.

Corporate & Investment Banking

The Corporate & Investment Banking (CIB) business unit serves large companies (multinational, regional and domestic), governments, parastatals and institutional clients across Africa and internationally. Our clients leverage our in-depth sector and regional expertise, our specialist capabilities and our access to global capital markets for advisory, transactional, risk management and funding support.

Insurance & Asset Management*

The Insurance & Asset Management (IAM) business unit offers a wide range of solutions to fulfil clients' long and short-term insurance, health, investment, and asset management needs, through our advice-led distribution force, third party distribution network, as well as in partnership with the SBG banking sales channels. Our clients, who range from individual customers to corporate and institutional clients across Africa, can leverage our extensive market leading range of propositions and services to help build and protect their wealth and lifestyle.

* Liberty previously reported separately has been fully integrated into Insurance & Asset Management.

BANKING

		PPB	BCB	CIB
Home services	Tailored home financing solutions for home buyers and existing homeowners, across our retail market, including related value added services.	Retail home services		
Vehicle and asset finance	Comprehensive finance solutions in instalment credit, fleet management and related services across our retail, corporate and business markets.	Retail asset finance	Commercial asset finance, fleet and wholesale	
Lending	Extensive suite of lending products provided to individuals and small- and medium-sized businesses.	Personal unsecured lending	Business lending	
Card and payments	Credit card facilities to individuals and businesses. Merchant acquiring services. Enablement of digital payment capabilities through various products and platforms. Mobile money and cross-border businesses.	Retail card issuing	Card acquiring and commercial card issuing	
Transactional	Comprehensive suite of cash management, international trade finance, working capital and investor services solutions.	PPB transactional banking	BCB transactional banking	CIB transactional banking
Global markets	Trading and risk management solutions across financial markets, including foreign exchange, money markets, interest rates, equities, credit and commodities.	PPB forex	BCB forex	Institutional and corporate offerings
Investment banking	Full suite of advisory and financing solutions, from term lending to structured and specialised products across equity and debt capital markets.			Investment banking

CENTRAL AND OTHER

- Banking hedging activities
- Unallocated capital
- Liquidity earnings
- Central costs

INSURANCE & ASSET MANAGEMENT*

Insurance

Life and health insurance
Development, sourcing and management of life and health insurance and contractual savings propositions distributed via advice-led, third party and banking distribution channels. Propositions include health insurance, long-term insurance products such as life, critical illness, disability, funeral cover, and various insurance plans sold in conjunction with related banking products.

Corporate benefits
Intermediated corporate benefits advice on competitive employee benefit solutions through our advice-led and third party distribution networks. The proposition consists of investment and risk solutions mainly through our umbrella offering as well as consulting services.

Short-term insurance
Development and management of short-term insurance solutions to protect against loss or damage of assets. Propositions are distributed by banking and brokerage networks and include homeowners' insurance, household contents, vehicle insurance and commercial all risk insurance.

Asset management

Investment management
Development and maintenance of local and offshore investment propositions. These include discretionary asset management, stockbroking, investment platform and discretionary fund management services, and traditional life company products.

Asset management
Development and maintenance of asset management propositions for institutional and wholesale clients. Propositions include collective investment schemes and pension fund administration.

ICBC STANDARD BANK PLC

Equity investment held in terms of strategic partnership agreements with ICBC

- ICBC Standard Bank Plc (40% associate)

* Liberty previously reported separately has been fully integrated into Insurance & Asset Management.

CONDENSED CONSOLIDATED BUSINESS UNIT RESULTS

	Personal & Private Banking			Business & Commercial Banking			Corporate & Investment Banking			Central and other			Banking		
	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm
Statement of financial position															
Assets															
Cash and balances with central bank	(1)	**9 063**	9 191	64	**6 423**	3 923	18	**119 845**	101 563	(>100)	**2 388**	(240)	20	**137 719**	114 437
Trading assets	(50)	**1**	2				1	**318 234**	316 226	(22)	**(2 875)**	(3 705)	1	**315 360**	312 523
Financial investments	7	**45 930**	43 067	6	**35 774**	33 649	1	**216 115**	214 561	(27)	**14 713**	20 168	0	**312 532**	311 445
Net loans and advances	2	**661 773**	651 027	(2)	**205 408**	209 692	16	**782 641**	675 164	26	**(41 874)**	(33 305)	7	**1 607 948**	1 502 578
Net loans and advances to banks	11	**24 686**	22 210	3	**17 585**	17 001	17	**196 105**	168 276	17	**(37 786)**	(32 279)	14	**200 590**	175 208
Net loans and advances to customers	1	**637 087**	628 817	(3)	**187 823**	192 691	16	**586 536**	506 888	>100	**(4 088)**	(1 026)	6	**1 407 358**	1 327 370
Gross loans and advances to customers	2	**678 492**	664 371	(2)	**199 275**	203 490	16	**597 515**	516 211	>100	**(4 084)**	(1 021)	6	**1 471 198**	1 383 051
Home services	2	**466 734**	459 647										2	**466 734**	459 647
Vehicle and asset finance	6	**71 039**	67 003	5	**55 715**	52 856							6	**126 754**	119 859
Card and payments	2	**35 978**	35 142	1	**2 956**	2 921							2	**38 934**	38 063
Personal unsecured lending	2	**104 741**	102 579										2	**104 741**	102 579
Business lending				(5)	**140 604**	147 713							(5)	**140 604**	147 713
Corporate and sovereign lending							16	**597 515**	516 211				16	**597 515**	516 211
Central and other										>100	**(4 084)**	(1 021)	>100	**(4 084)**	(1 021)
Credit impairments	16	**(41 405)**	(35 554)	6	**(11 452)**	(10 799)	18	**(10 979)**	(9 323)	(20)	**(4)**	(5)	15	**(63 840)**	(55 681)
Receivables and other assets	14	**27 058**	23 817	(13)	**6 737**	7 772	12	**108 424**	96 940	23	**31 643**	25 684	13	**173 862**	154 213
Total assets	2	**743 825**	727 104	0	**254 342**	255 036	10	**1 545 259**	1 404 454	(54)	**3 995**	8 602	6	**2 547 421**	2 395 196
Equity	7	**55 076**	51 569	2	**28 335**	27 838	20	**99 861**	83 236	(1)	**57 707**	58 459	9	**240 979**	221 102
Liabilities	2	**688 749**	675 535	(2)	**226 007**	229 893	9	**1 445 398**	1 321 218	2	**(53 712)**	(52 552)	6	**2 306 442**	2 174 094
Trading liabilities							(13)	**95 976**	109 886	(>100)	**(74)**	145	(13)	**95 902**	110 031
Deposits and debt funding	6	**423 654**	398 003	6	**480 021**	453 662	7	**1 174 836**	1 102 444	23	**(52 993)**	(43 033)	6	**2 025 518**	1 911 076
Deposits from banks	(18)	**6 659**	8 123	(31)	**4 921**	7 159	5	**159 690**	152 734	25	**(43 159)**	(34 399)	(4)	**128 111**	133 617
Deposits and current accounts from customers	7	**416 995**	389 880	6	**475 100**	446 503	7	**1 015 146**	949 710	14	**(9 834)**	(8 634)	7	**1 897 407**	1 777 459
Current accounts	0	**79 489**	79 343	6	**143 250**	135 388	(3)	**140 949**	145 288	(81)	**(526)**	(2 833)	2	**363 162**	357 186
Cash management deposits	>100	**62**	23	9	**59 500**	54 807	14	**207 824**	181 711	10	**33**	30	13	**267 419**	236 571
Call deposits	6	**198 263**	186 789	5	**194 881**	184 935	5	**132 513**	126 800	20	**(2 527)**	(2 110)	5	**523 130**	496 414
Savings accounts	4	**41 005**	39 246	(6)	**5 732**	6 073	(48)	**59**	113	100	**1**		3	**46 797**	45 432
Term deposits	17	**94 622**	80 828	11	**65 517**	59 100	11	**268 165**	240 715	(>100)	**(1 652)**	735	12	**426 652**	381 378
Negotiable certificates of deposit	(77)	**45**	194	(89)	**2**	19	(4)	**172 756**	179 217	100	**1**		(4)	**172 804**	179 430
Other deposits	2	**3 509**	3 457	1	**6 218**	6 181	22	**92 880**	75 866	16	**(5 164)**	(4 456)	20	**97 443**	81 048
Provisions and other liabilities[1]	(4)	**265 095**	277 532	12	**(254 014)**	(226 464)	60	**174 586**	108 888	(91)	**(645)**	(6 969)	21	**185 022**	152 987
Total equity and liabilities	2	**743 825**	727 104	0	**254 342**	255 036	10	**1 545 259**	1 404 454	(54)	**3 995**	8 602	6	**2 547 421**	2 395 196
Average ordinary shareholders' equity	(0)	**47 910**	47 982	4	**25 215**	24 356	15	**88 795**	77 516	22	**37 071**	30 400	10	**198 991**	180 254

[1] Other liabilities include inter-divisional funding which fluctuates in line with asset growth.

CONDENSED CONSOLIDATED BUSINESS UNIT RESULTS

	Banking			Insurance & Asset Management			SBG Franchise			ICBCS			Standard Bank Group		
	Change %	**2023 Rm**	2022 Rm	Change %	**2023 Rm**	2022 Rm	Change %	**2023 Rm**	2022 Rm	Change %	**2023 Rm**	2022 Rm	Change %	**2023 Rm**	2022 Rm
Statement of financial position															
Assets															
Cash and balances with central bank	20	**137 719**	114 437	48	**68**	46	20	**137 787**	114 483				20	**137 787**	114 483
Trading assets	1	**315 360**	312 523	(52)	**1 155**	2 395	1	**316 515**	314 918				1	**316 515**	314 918
Financial investments	0	**312 532**	311 445	9	**446 244**	411 049	5	**758 776**	722 494				5	**758 776**	722 494
Net loans and advances	7	**1 607 948**	1 502 578	(62)	**898**	2 362	7	**1 608 846**	1 504 940				7	**1 608 846**	1 504 940
Insurance contract assets				(11)	**1 631**	1 830	(11)	**1 631**	1 830				(11)	**1 631**	1 830
Reinsurance contract assets				(2)	**5 422**	5 522	(2)	**5 422**	5 522				(2)	**5 422**	5 522
Receivables and other assets	13	**173 862**	154 213	(5)	**54 254**	57 340	8	**228 116**	211 553	30	**8 652**	6 657	9	**236 768**	218 210
Total assets	6	**2 547 421**	2 395 196	6	**509 672**	480 544	6	**3 057 093**	2 875 740	30	**8 652**	6 657	6	**3 065 745**	2 882 397
Equity	9	**240 979**	221 102	(12)	**27 289**	31 107	6	**268 268**	252 209	30	**8 652**	6 657	7	**276 920**	258 866
Liabilities	6	**2 306 442**	2 174 094	7	**482 383**	449 437	6	**2 788 825**	2 623 531				6	**2 788 825**	2 623 531
Trading liabilities	(13)	**95 902**	110 031	>100	**(1 434)**	(103)	(14)	**94 468**	109 928				(14)	**94 468**	109 928
Deposits and debt funding	6	**2 025 518**	1 911 076	9	**(23 872)**	(21 977)	6	**2 001 646**	1 889 099				6	**2 001 646**	1 889 099
Financial liabilities under investment contracts				11	**151 035**	136 309	11	**151 035**	136 309				11	**151 035**	136 309
Insurance contract liabilities				8	**251 389**	231 849	8	**251 389**	231 849				8	**251 389**	231 849
Provisions and other liabilities	21	**185 022**	152 987	2	**105 265**	103 359	13	**290 287**	256 346				13	**290 287**	256 346
Total equity and liabilities	6	**2 547 421**	2 395 196	6	**509 672**	480 544	6	**3 057 093**	2 875 740	30	**8 652**	6 657	6	**3 065 745**	2 882 397
Average ordinary shareholders' equity	10	**198 991**	180 254	(2)	**21 577**	22 026	9	**220 568**	202 280	39	**8 202**	5 901	10	**228 770**	208 181

CONDENSED CONSOLIDATED BUSINESS UNIT RESULTS

	Personal & Private Banking			Business & Commercial Banking			Corporate & Investment Banking			Central and other			Banking		
	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm
Income statement															
Net interest income	19	**39 128**	33 002	26	**25 476**	20 206	26	**30 781**	24 366	>100	**2 110**	379	25	**97 495**	77 953
Non-interest revenue	16	**17 985**	15 501	5	**12 604**	12 025	13	**32 777**	29 000	(4)	**(5 677)**	(5 923)	14	**57 689**	50 603
Net fee and commission revenue	13	**13 512**	11 905	2	**8 987**	8 780	10	**8 585**	7 816	(49)	**(259)**	(508)	10	**30 825**	27 993
Trading revenue	(>100)	**481**	(147)	>100	**239**	37	15	**20 598**	17 957	(2)	**(786)**	(801)	20	**20 532**	17 046
Other revenue	5	**648**	618	15	**686**	595	4	**1 085**	1 045	(6)	**(1 178)**	(1 252)	23	**1 241**	1 006
Other gains and losses on financial instruments				(11)	**222**	250	15	**2 509**	2 182	(>100)	**(3)**	3	12	**2 728**	2 435
Inter-BU attribution[1]	7	**3 344**	3 125	5	**2 470**	2 363				3	**(3 451)**	(3 365)	11	**2 363**	2 123
Foreign exchange attribution	(2)	**1 025**	1 049	5	**2 426**	2 316				3	**(3 451)**	(3 365)			
Insurance attribution	12	**2 319**	2 076	(6)	**44**	47							11	**2 363**	2 123
Total income	18	**57 113**	48 503	18	**38 080**	32 231	19	**63 558**	53 366	(36)	**(3 567)**	(5 544)	21	**155 184**	128 556
Credit impairment charges	26	**(11 128)**	(8 824)	41	**(3 454)**	(2 450)	(34)	**(1 662)**	(2 530)	(>100)	**(18)**	492	22	**(16 262)**	(13 312)
Net income before operating expenses	16	**45 985**	39 679	16	**34 626**	29 781	22	**61 896**	50 836	(29)	**(3 585)**	(5 052)	21	**138 922**	115 244
Operating expenses	12	**(30 663)**	(27 361)	14	**(21 362)**	(18 741)	16	**(28 974)**	(24 927)	(26)	**1 277**	1 733	15	**(79 722)**	(69 296)
Staff costs	14	**(15 584)**	(13 701)	21	**(7 331)**	(6 080)	21	**(12 485)**	(10 359)	17	**(10 676)**	(9 135)	17	**(46 076)**	(39 275)
Amortisation and depreciation	(1)	**(4 630)**	(4 664)	27	**(548)**	(433)	(3)	**(552)**	(571)	(4)	**(1 128)**	(1 174)	0	**(6 858)**	(6 842)
Other operating expenses	16	**(10 449)**	(8 996)	10	**(13 483)**	(12 228)	14	**(15 937)**	(13 997)	9	**13 081**	12 042	16	**(26 788)**	(23 179)
Inter-BU attribution expense							3	**(3 451)**	(3 365)	3	**3 451**	3 365			
Net income before non-trading and capital related items	24	**15 322**	12 318	20	**13 264**	11 040	31	**29 471**	22 544	>100	**1 143**	46	29	**59 200**	45 948
Non-trading and capital related items	>100	**492**	128	>100	**464**	165	>100	**540**	143	20	**24**	20	>100	**1 520**	456
Share of post-tax profit from associates and joint ventures	5	**343**	328	(97)	**(1)**	(31)	>100	**(33)**	(14)	(12)	**29**	33	7	**338**	316
Profit before indirect taxation	26	**16 157**	12 774	23	**13 727**	11 174	32	**29 978**	22 673	>100	**1 196**	99	31	**61 058**	46 720
Indirect taxation	20	**(1 342)**	(1 123)	40	**(323)**	(231)	(9)	**(680)**	(746)	5	**(619)**	(588)	10	**(2 964)**	(2 688)
Profit before direct taxation	27	**14 815**	11 651	22	**13 404**	10 943	34	**29 298**	21 927	(>100)	**577**	(489)	32	**58 094**	44 032
Direct taxation	11	**(3 034)**	(2 737)	12	**(3 233)**	(2 899)	53	**(5 785)**	(3 782)	34	**(667)**	(498)	28	**(12 719)**	(9 916)
Profit for the period	32	**11 781**	8 914	26	**10 171**	8 044	30	**23 513**	18 145	(91)	**(90)**	(987)	33	**45 375**	34 116
Attributable to preference shareholders										39	**(419)**	(302)	39	**(419)**	(302)
Attributable to additional tier 1 capital noteholders	50	**(335)**	(223)	57	**(138)**	(88)	68	**(578)**	(344)	>100	**(291)**	(40)	93	**(1 342)**	(695)
Attributable to non-controlling interests	>100	**(308)**	(67)	(32)	**(301)**	(444)	10	**(2 697)**	(2 457)	>100	**(170)**	(52)	15	**(3 476)**	(3 020)
Attributable to ordinary shareholders	29	**11 138**	8 624	30	**9 732**	7 512	32	**20 238**	15 344	(30)	**(970)**	(1 381)	33	**40 138**	30 099
Headline adjustable items	>100	**(417)**	(150)	>100	**(398)**	(152)	>100	**(458)**	(151)	(23)	**(23)**	(30)	>100	**(1 296)**	(483)
Headline earnings	27	**10 721**	8 474	27	**9 334**	7 360	30	**19 780**	15 193	(30)	**(993)**	(1 411)	31	**38 842**	29 616
Key ratios															
CLR (bps)		**159**	131		**156**	117		**22**	27					**98**	83
Cost-to-income ratio (%)		**53.7**	56.4		**56.1**	58.1		**45.6**	46.7					**51.4**	53.9
ROE (%)		**22.4**	17.7		**37.0**	30.2		**22.3**	19.6					**19.5**	16.4

[1] Share of profit between the product houses and the distribution network.

CONDENSED CONSOLIDATED BUSINESS UNIT RESULTS

	Banking			Insurance & Asset Management			SBG Franchise			ICBCS			Standard Bank Group[1]		
	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm	Change %	2023 Rm	2022 Rm
Income statement															
Net interest income	25	**97 495**	77 953	58	**693**	438	25	**98 188**	78 391				25	**98 188**	78 391
Non-interest revenue	14	**57 689**	50 603	(1)	**4 314**	4 362	13	**62 003**	54 965				13	**62 003**	54 965
Net fee and commission revenue	10	**30 825**	27 993	(6)	**4 362**	4 628	8	**35 187**	32 621				8	**35 187**	32 621
Trading revenue	20	**20 532**	17 046	100	**85**		21	**20 617**	17 046				21	**20 617**	17 046
Other revenue	23	**1 241**	1 006	20	**2 223**	1 855	21	**3 464**	2 861				21	**3 464**	2 861
Other gains and losses on financial instruments	12	**2 728**	2 435	>100	**7**	2	12	**2 735**	2 437				12	**2 735**	2 437
Inter-BU attribution	11	**2 363**	2 123	11	**(2 363)**	(2 123)									
Foreign exchange attribution															
Insurance attribution	11	**2 363**	2 123	11	**(2 363)**	(2 123)									
Net income from insurance & asset management activities				18	**17 425**	14 761	18	**17 425**	14 761				18	**17 425**	14 761
Total income	21	**155 184**	128 556	15	**22 432**	19 561	20	**177 616**	148 117				20	**177 616**	148 117
Credit impairment charges	22	**(16 262)**	(13 312)	(>100)	**1**	(31)	22	**(16 261)**	(13 343)				22	**(16 261)**	(13 343)
Net income before operating expenses	21	**138 922**	115 244	15	**22 433**	19 530	20	**161 355**	134 774				20	**161 355**	134 774
Operating expenses	15	**(79 722)**	(69 296)	6	**(15 027)**	(14 237)	13	**(94 749)**	(83 533)				13	**(94 749)**	(83 533)
Staff costs	17	**(46 076)**	(39 275)				17	**(46 076)**	(39 275)				17	**(46 076)**	(39 275)
Amortisation and depreciation	0	**(6 858)**	(6 842)				0	**(6 858)**	(6 842)				0	**(6 858)**	(6 842)
Other operating expenses	16	**(26 788)**	(23 179)				16	**(26 788)**	(23 179)				16	**(26 788)**	(23 179)
Operating expenses from insurance & asset management				6	**(15 027)**	(14 237)	6	**(15 027)**	(14 237)				6	**(15 027)**	(14 237)
Net income before non-trading and capital related items	29	**59 200**	45 948	40	**7 406**	5 293	30	**66 606**	51 241				30	**66 606**	51 241
Non-trading and capital related items	>100	**1 520**	456	(74)	**(33)**	(128)	>100	**1 487**	328				>100	**1 487**	328
Share of post-tax profit from associates and joint ventures	7	**338**	316	(25)	**24**	32	4	**362**	348	(33)	**1 286**	1 917	(27)	**1 648**	2 265
Profit before indirect taxation	31	**61 058**	46 720	42	**7 397**	5 197	32	**68 455**	51 917	(33)	**1 286**	1 917	30	**69 741**	53 834
Indirect taxation	10	**(2 964)**	(2 688)	5	**(409)**	(389)	10	**(3 373)**	(3 077)				10	**(3 373)**	(3 077)
Profit before direct taxation	32	**58 094**	44 032	45	**6 988**	4 808	33	**65 082**	48 840	(33)	**1 286**	1 917	31	**66 368**	50 757
Direct taxation	28	**(12 719)**	(9 916)	86	**(3 346)**	(1 801)	37	**(16 065)**	(11 717)				37	**(16 065)**	(11 717)
Profit for the period	33	**45 375**	34 116	21	**3 642**	3 007	32	**49 017**	37 123	(33)	**1 286**	1 917	29	**50 303**	39 040
Attributable to preference shareholders	39	**(419)**	(302)				39	**(419)**	(302)				39	**(419)**	(302)
Attributable to additional tier 1 capital noteholders	93	**(1 342)**	(695)	(50)	**(1)**	(2)	93	**(1 343)**	(697)				93	**(1 343)**	(697)
Attributable to non-controlling interests	15	**(3 476)**	(3 020)	10	**(854)**	(778)	14	**(4 330)**	(3 798)				14	**(4 330)**	(3 798)
Attributable to ordinary shareholders	33	**40 138**	30 099	25	**2 787**	2 227	33	**42 925**	32 326	(33)	**1 286**	1 917	29	**44 211**	34 243
Headline adjustable items	>100	**(1 296)**	(483)	(65)	**33**	93	>100	**(1 263)**	(390)				>100	**(1 263)**	(390)
Headline earnings	31	**38 842**	29 616	22	**2 820**	2 320	30	**41 662**	31 936	(33)	**1 286**	1 917	27	**42 948**	33 853
CLR (bps)		**98**	83												
Cost-to-income ratio (%)		**51.4**	53.9												
ROE (%)		**19.5**	16.4		**13.1**	10.5		**18.9**	15.8		**15.7**	32.5		**18.8**	16.3

[1] Restated, refer to page 111 – 114 for further detail.

PERSONAL & PRIVATE BANKING

Personal & Private Banking (PPB)

PPB delivered headline earnings growth of 27% to R10 721 million, with an ROE of 22.4% (2022: 17.7%). This growth was underpinned by the strength of the client franchise and the implementation of key initiatives to engage, attract and retain the client base as the business navigated through a challenging operating environment.

Elevated interest and inflation rates curbed credit demand as client affordability reduced and consumer confidence declined. On the back of lower demand, disbursements reduced against the prior year albeit off a high base. It was pleasing to note that the business financed a cumulative R3 billion in green-aligned funding for homes and R148 million for solar installations in South Africa. Overall, loans and advances growth was muted at 2%. The deposit base grew by 7% compared to 2022, driven by a higher active client base and continued focus on client engagement and retention strategies. This balance sheet performance, together with positive endowment in a higher average interest rate environment, supported net interest income growth of 19% to R39 128 million.

The business' focus on client engagement, acquisition and retention strategies led to a 6% growth in the active client base to 15.6 million (previously PPB reported +17 million clients; due to the operating model change in 2023, 2.1 million clients now reside in the IAM portfolio) and saw higher transactional activity across the portfolio. The business continues to enhance its digital capabilities to align to client needs and optimise the cost to serve. On the back of this, digital transactional volumes increased by 30% with a decline in branch transactional volumes of 9% as clients continued to prefer online solutions. Overall, this delivered a pleasing 13% growth in net fee and commission revenue to R13 512 million. PPB's partnership with the Insurance & Asset Management business continued to yield good returns with inter-BU revenue attribution up by 7% to R3 344 million mainly due to an increased Flexi Funeral policy base and an improved claims experience. Non-interest revenue of R17 985 million, grew by 16% compared to 2022.

Credit impairment charges increased by 26% to R11 128 million, mainly due to the challenging macroeconomic environment and strain on client affordability. The credit loss ratio to customers landed at 165bps with a higher coverage ratio of 6.1% (2022: 5.4%), above pre-pandemic levels.

Operating expenses increased by 12% to R30 663 million, mainly due to the elevated inflationary environment, continued investment in digital capabilities to transform client experience, depreciation of local currencies against USD costs and increased business activity across the portfolio.

Income growth of 17.8% exceeded cost growth of 12.1% which resulted in positive jaws of 5.7% and an improved cost-to-income ratio of 53.7% (2022: 56.4%).

South Africa (SA)

The South African franchise reported headline earnings of R7 093 million, 6% lower than 2022 with an ROE of 19.1% (2022: 20.0%).

Customer loan growth was muted at 1% due to prudent and selective origination strategies and client affordability constraints considering the macroeconomic pressures. Deposits from customers grew by 8%. There was a change in the mix of the portfolio due to a combination of clients shifting funds to higher yielding solutions and deleveraging their portfolios. Balance sheet growth, together with the positive endowment impact in a higher average interest rate environment, supported net interest income growth of 9% to R27 603 million. This was partially offset by pricing pressure linked to increased competition, particularly in Home services. Elevated non-performing loans and higher funding costs further moderated growth.

Non-interest revenue of R12 406 million grew by 10% against 2022, mainly due to a larger active client base, growth in transactional activity, higher card interchange and inter-BU insurance attribution revenues. Card turnover volumes improved by 9% with Instant Money turnover up by 24%. Branch volumes continued to decline on the back of ongoing efforts to migrate clients to digital platforms by providing alternate devices for cash transactions and increasing digitisation of branch activities. The SBG Mobile App saw a 13% increase in number of clients and greater than 150 million logins in the month of December 2023. This resulted in a 23% increase in digital revenue from transactional activities on the App. System stability remained a top priority, with focus on improving infrastructure resilience and monitoring capabilities which led to increased system availability and an improved client Net Promoter Score.

Credit impairment charges increased by 32% to R9 976 million, largely due to consumer strain linked to the elevated interest and inflationary environment, increased non-performing loans and the non-recurrence of prior year's recoveries in the payment holiday portfolio. The business remains committed to keeping its clients in their homes through heightened client engagement with relevant solutions. Robust risk appetite management and collection optimisation strategies yielded effective outcomes. Total coverage increased from 5.4% to 6.1%, whilst coverage on non-performing loans improved due to book mix changes.

Operating expenses grew by 9% to R20 171 million, mainly due to investment in relationship management capabilities, annual salary increases, and strategic technology initiatives to support enhanced client experience through strengthening fraud detection and monitoring capabilities. The optimisation of the distribution network continues to be an important lever in reducing the cost to serve clients with a 4% reduction in branch square meterage against 2022, while increasing points of representation by 5% to 652; through the rollout of low-cost kiosks.

Total income growth of 9.1% grew faster than cost growth of 8.9% which resulted in positive jaws of 0.2% and a slightly lower cost-to-income ratio of 50.4% (2022: 50.5%).

Africa Regions (AR)

Africa Regions delivered record earnings of R1 477 million, up by more than 100% with an ROE of 19.9% (2022: 2.9%).

Net interest income grew by 28% (constant currency (CCY): 44%) to R8 341 million supported by good balance sheet growth and margin expansion due to positive endowment in a higher average interest rate environment. Growth in deposits of 4% (CCY: 23%) was supported by an increase in the active client base and continued efforts on client engagement and retention. Loans and advances growth of 6% CCY, was supported by improved digital lending capabilities, which enabled limit increases and redraws for customers within risk appetite. This was partially offset by higher funding costs.

Non-interest revenue of R4 982 million increased by 31% (CCY: 55%) driven by higher transactional activity on the back of an increasingly active client base, increased retention and engagement. This was partially offset by a combination of higher USD-based card processing costs following the depreciation of local currencies against the USD, as well as lower retail forex revenues driven by lower client volumes.

Credit impairment charges decreased by 9% (CCY: 0%) to R1 126 million compared to 2022 mainly due to enhancements in collection strategies. This was partially offset by higher forward-looking requirements linked to the adverse macroeconomic environment. The credit loss ratio landed at 179bps, an improvement when compared to prior year (2022: 205bps).

Operating expenses were up by 13% (CCY: 25%) to R9 139 million against 2022, driven by the higher inflationary environment, annual salary increases, cost of living adjustments following currency devaluations, technology investments in strengthening resilience and stability of systems and a general increase in business activity across the portfolio.

Income growth of 29% outpaced cost growth of 13%, resulting in positive jaws of 16.3% and an improved cost-to-income ratio of 68.6% (2022: 78.5%).

Standard Bank Offshore (SBO)

Net interest income grew more than 100%, supported by positive endowment in a higher average interest rate environment, together with higher yields earned on loan placements with the Standard Bank of South Africa. Non-interest revenue growth of 24% CCY, was underpinned by an increase in revenue earned from fiduciary services, in the Trust portfolio, on the back of improved client value propositions and the strengthening of the relationship management capability. Operating expenses grew by 59% CCY, largely driven by the investment in technology capabilities to improve client experience and relationship management, and higher performance-linked variable remuneration. Income growth of >100% outpaced cost growth, resulting in positive jaws and an improved cost-to-income ratio of 35.8% (2022: 48.7%).

Headline earnings grew by more than 100% to R2 151 million, with an ROE of 65.7% (2022: 24.6%). The business continues to focus on strengthening its offshore proposition for clients across Africa and scaling it across growth markets.

Looking ahead

PPB remains well positioned to drive sustainable growth and to support its clients through attractive opportunities that grow and deepen the client relationship. PPB remains focused on retaining the trust of its clients, shareholders and regulators through stable and secure systems, doing the right business the right way and transforming client experience. The business is on track to deliver its committed franchise growth and financial outcomes to assist the group in achieving its 2025 targets.

PERSONAL & PRIVATE BANKING

KEY BUSINESS STATISTICS

		Change %	2023	2022
South Africa				
Clients				
Active clients	thousands	6	**11 422**	10 756
Core clients[1]	thousands	7	**8 928**	8 382
Platform clients[2]	thousands	5	**2 494**	2 374
Digital active clients[3]	thousands	8	**4 091**	3 778
UCount clients	thousands	6	**1 312**	1 232
Disbursements				
Home services (mortgages)	Rm	(31)	**48 702**	70 691
Average loan to value (LTV) of home services new business registered	%		**89**	90
Personal unsecured lending	Rm	(9)	**12 457**	13 746
VAF retail	Rm	(6)	**22 505**	23 908
Client activity				
Instant Money turnover	Rm	27	**41 140**	32 478
Digital transactional volumes	thousands	33	**2 550 960**	1 916 380
ATM transactional volumes	thousands	2	**213 733**	209 849
Branch transactional volumes	thousands	(28)	**5 323**	7 356
Points of representation				
ATMs	number	(6)	**3 548**	3 780
Branch square metres	thousands	(4)	**245**	254
Points of representation	number	5	**652**	619
Branches	number	2	**485**	477
In-store kiosks and other points of access	number	18	**167**	142
Africa Regions				
Clients				
Active clients	thousands	4	**4 210**	4 036
Core clients[1]	thousands	7	**4 006**	3 745
Platform clients[2]	thousands	(30)	**204**	291
Client activity				
Digital transactional volumes	thousands	12	**321 417**	286 095
ATM transactional volumes[4]	thousands	(28)	**92 032**	127 982
Branch transactional volumes	thousands	4	**11 457**	11 050
Points of representation	number	(5)	**554**	583
Branches	number	(6)	**513**	544
In-store kiosks and other points of access	number	5	**41**	39
ATMs	number	1	**2 466**	2 452

1 Core clients are active clients with at least one banking product.
2 Platform clients include Instant Money in SA; and PayPulse, @Ease and Flexipay in Africa Regions.
3 App growth of 13%, USSD up 2% and 7% growth in Internet Banking.
4 Decline in ATM transactional volumes in Nigeria linked primarily to regulatory withdrawal restrictions in the first half of 2023.

SUMMARISED INCOME STATEMENT

	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	21	19	**39 128**	33 002
Non-interest revenue	20	16	**17 985**	15 501
Net fee and commission revenue	19	13	**13 512**	11 905
Trading revenue	(>100)	(>100)	**481**	(147)
Other revenue	15	5	**648**	618
Inter-BU attribution revenue	8	7	**3 344**	3 125
Total income	20	18	**57 113**	48 503
Credit impairment charges	28	26	**(11 128)**	(8 824)
Operating expenses	15	12	**(30 663)**	(27 361)
Headline earnings	29	27	**10 721**	8 474

LOANS AND ADVANCES

	CCY %	Change %	2023 Rm	2022 Rm
Net loans and advances to banks	(1)	11	**24 686**	22 210
Gross loans and advances to banks	(1)	11	**24 686**	22 210
Net loans and advances to customers	2	1	**637 087**	628 817
Home services	1	1	**447 917**	443 459
Vehicle and asset finance	6	5	**65 301**	62 009
Card issuing	1	1	**31 746**	31 516
Personal unsecured lending	1	0	**92 123**	91 833
Gross loans and advances to customers	2	2	**678 492**	664 371
Home services	2	2	**466 734**	459 647
Vehicle and asset finance	6	6	**71 039**	67 003
Card issuing	2	2	**35 978**	35 142
Personal unsecured lending	3	2	**104 741**	102 579
Credit impairments for loans and advances to customers	18	16	**(41 405)**	(35 554)
Home services	16	16	**(18 817)**	(16 188)
Vehicle and asset finance	15	15	**(5 738)**	(4 994)
Card issuing	17	17	**(4 232)**	(3 626)
Personal unsecured lending	21	17	**(12 618)**	(10 746)
Total coverage ratio (%)			**6.1**	5.4
Home services			**4.0**	3.5
Vehicle and asset finance			**8.1**	7.5
Card issuing			**11.8**	10.3
Personal unsecured lending			**12.0**	10.5
Net loans and advances	2	2	**661 773**	651 027
Gross loans and advances	2	2	**703 178**	686 581
Credit impairments	18	16	**(41 405)**	(35 554)
Credit impairments for loans and advances to customers	18	16	**(41 405)**	(35 554)
Credit impairments for stage 3 loans	21	20	**(29 445)**	(24 489)
Credit impairments for stage 1 and 2 loans	10	8	**(11 960)**	(11 065)

DEPOSITS AND CURRENT ACCOUNTS

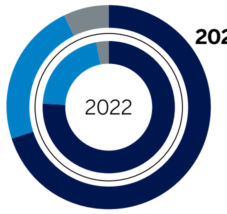
	CCY %	Change %	2023 Rm	2022 Rm
Deposits from banks	35	(18)	**6 659**	8 123
Deposits from customers	7	7	**416 995**	389 880
Current accounts	6	0	**79 489**	79 343
Cash management deposits	>100	>100	**62**	23
Call deposits	1	6	**198 263**	186 789
Savings accounts	17	4	**41 005**	39 246
Term deposits	15	17	**94 622**	80 828
Negotiable certificates of deposit	(75)	(77)	**45**	194
Other deposits	24	2	**3 509**	3 457
Total deposits and current accounts	7	6	**423 654**	398 003

KEY RATIOS

		2023 Rm	2022 Rm
Headline earnings contribution to the group	%	**25**	25
Net interest margin	bps	**553**	487
CLR to customers	bps	**165**	136
Coverage ratio	%	**6.1**	5.4
Cost-to-income ratio	%	**53.7**	56.4
ROE	%	**22.4**	17.7

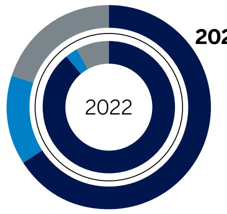
PERSONAL & PRIVATE BANKING

Total income by geography (%)



	2023	2022
South Africa	**70**	76
Africa Regions	**23**	21
Standard Bank Offshore	**7**	3

Headline earnings by geography (%)



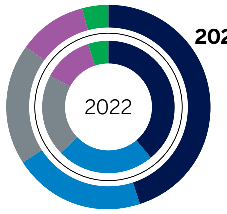
	2023	2022
South Africa	**66**	89
Africa Regions	**14**	3
Standard Bank Offshore	**20**	8

SUMMARISED FINANCIAL RESULTS BY GEOGRAPHY

	South Africa				Africa Regions			
	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	9	9	**27 603**	25 378	44	28	**8 341**	6 508
Non-interest revenue	10	10	**12 406**	11 288	55	31	**4 982**	3 789
Total income	9	9	**40 009**	36 666	48	29	**13 323**	10 297
Credit impairment charges	32	32	**(9 976)**	(7 565)	0	(9)	**(1 126)**	(1 237)
Operating expenses	9	9	**(20 171)**	(18 528)	25	13	**(9 139)**	(8 083)
Headline earnings	(6)	(6)	**7 093**	7 567	>100	>100	**1 477**	216
Net loans and advances to customers	1	1	**567 158**	558 847	6	(2)	**55 822**	56 913
Deposits and current accounts from customers	8	8	**274 084**	254 681	23	4	**63 887**	61 419
CLR to customers (bps)			**167**	132			**179**	205
Cost-to-income ratio (%)			**50.4**	50.5			**68.6**	78.5
ROE (%)			**19.1**	20.0			**19.9**	2.9

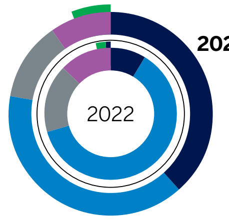
	Standard Bank Offshore				Total			
	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	>100	>100	**3 184**	1 116	21	19	**39 128**	33 002
Non-interest revenue	24	41	**597**	424	20	16	**17 985**	15 501
Total income	>100	>100	**3 781**	1 540	20	18	**57 113**	48 503
Credit impairment charges	2	18	**(26)**	(22)	28	26	**(11 128)**	(8 824)
Operating expenses	59	80	**(1 353)**	(750)	15	12	**(30 663)**	(27 361)
Headline earnings	>100	>100	**2 151**	691	29	27	**10 721**	8 474
Net loans and advances to customers	(6)	8	**14 107**	13 057	2	1	**637 087**	628 817
Deposits and current accounts from customers	(7)	7	**79 024**	73 780	7	7	**416 995**	389 880
CLR to customers (bps)			**18**	17			**165**	136
Cost-to-income ratio (%)			**35.8**	48.7			**53.7**	56.4
ROE (%)			**65.7**	24.6			**22.4**	17.7

Composition of total income by product (%)



	2023	2022
PPB transactional	**45**	39
Home services	**21**	24
PPB lending	**19**	20
Card and payments	**11**	12
Vehicle and asset finance	**4**	5

Composition of headline earnings by product (%)



	2023	2022
PPB transactional	**40**	9
Home services	**41**	63
PPB lending	**13**	17
Card and payments	**10**	13
Vehicle and asset finance	**(4)**	(2)

SUMMARISED INCOME STATEMENT BY PRODUCT

	Home services				Personal unsecured lending			
	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	2	2	**10 924**	10 735	13	9	**8 819**	8 095
Non-interest revenue	0	1	**873**	867	10	5	**1 993**	1 905
Total income	2	2	**11 797**	11 602	13	8	**10 812**	10 000
Credit impairment charges	87	87	**(3 159)**	(1 692)	8	5	**(4 392)**	(4 181)
Operating expenses	13	10	**(2 921)**	(2 657)	21	12	**(4 361)**	(3 881)
Headline earnings	(20)	(19)	**4 358**	5 363	(3)	(2)	**1 420**	1 443
Net loans and advances to customers	1	1	**447 917**	443 459	4	0	**92 123**	91 833
CLR to customers (bps)			**68**	40			**412**	395
Cost-to-income ratio (%)			**24.8**	22.9			**40.3**	38.8

	Card issuing				Vehicle and asset finance			
	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	10	10	**3 762**	3 428	7	5	**2 303**	2 185
Non-interest revenue	33	18	**2 602**	2 208	(32)	(18)	**134**	164
Total income	18	13	**6 364**	5 636	3	4	**2 437**	2 349
Credit impairment charges	23	23	**(2 089)**	(1 697)	19	19	**(1 488)**	(1 254)
Operating expenses	12	11	**(2 687)**	(2 427)	0	16	**(1 433)**	(1 236)
Headline earnings	16	(2)	**1 056**	1 080	25	>100	**(397)**	(140)
Net loans and advances to customers	1	1	**31 746**	31 516	4	5	**65 301**	62 009
Deposits and current accounts from customers								
CLR to customers (bps)			**584**	487			**219**	195
Cost-to-income ratio (%)			**42.2**	43.1			**58.8**	52.6

PERSONAL & PRIVATE BANKING

	PPB transactional				Total			
	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	59	56	**13 320**	8 559	21	19	**39 128**	33 002
Non-interest revenue	22	20	**12 383**	10 357	20	16	**17 985**	15 501
Total income	39	36	**25 703**	18 916	20	18	**57 113**	48 503
Credit impairment charges					28	26	**(11 128)**	(8 824)
Operating expenses	15	12	**(19 261)**	(17 160)	15	12	**(30 663)**	(27 361)
Headline earnings	>100	>100	**4 284**	728	29	27	**10 721**	8 474
Net loans and advances to customers					2	1	**637 087**	628 817
Deposits and current accounts	7	7	**416 995**	389 880	7	7	**416 995**	389 880
CLR to customers (bps)							**165**	136
Cost-to-income ratio (%)			**74.9**	90.7			**53.7**	56.4

BUSINESS & COMMERCIAL BANKING

Business & Commercial Banking (BCB)

BCB achieved a 27% increase in headline earnings to R9 334 million, with an ROE of 37.0% (2022: 30.2%). This performance was supported by continued client franchise growth in a challenging operating environment which was marked by high interest rates, inflation, and currency fluctuations. Deliberate execution of the client-led relationship strategy resulted in good client franchise growth and increased transactional activity which formed the base of performance.

In 2023, the business focused on leaner and more cost-effective embedded products and enablement capability to deliver holistic client solutions and support growth which drove an improvement in client experience. This was further enhanced by process efficiency specifically related to call centres, merchant operations and vehicle asset finance processes, as well as enhanced digital onboarding and lending processes which led to faster turnaround times. BCB continued to develop its renewable energy solutions to help business owners access affordable and reliable alternative energy products, providing more than R2 billion in funding to small- and medium-sized enterprises.

Higher deposits from customers of 6%, together with positive endowment in a higher average interest rate environment, supported net interest income growth of 26% to R25 476 million. Loans to customers reduced by 3% (constant currency (CCY): flat) due to lower client demand, affordability constraints and confidence, as well as a stronger ZAR against Africa Regions currencies. Vehicle & Asset Finance disbursements grew by a moderate 2% to R26.6 billion, mostly driven by the Africa Regions portfolio. Business lending disbursements in South Africa softened to R23.2 billion, and in Standard Bank Offshore, prepayment levels were elevated and, combined with the reduced client demand for further offshore property investment, led to negative growth in loans and advances.

Non-interest revenue increased by 5% to R12 604 million, driven by higher transactional activity and strong growth in VAF fleet rental income of 29%. Double-digit turnover growth in card acquiring and commercial card further supported non-interest revenue growth, although this was tempered by compression in the net merchant discount, as well as elevated costs on USD based fee expenses.

Credit impairment charges increased by 41% to R3 454 million, influenced by a challenging global macroeconomic environment, and adverse currency impacts leading to an elevated credit loss ratio of 156bps.

Operating expenses increased by 14% to R21 362 million, due to the higher inflationary environments, continued investment in digital capabilities and increased business activities across the portfolio. This was exacerbated by the negative impact of currency conversion on USD expenditure.

Income growth of 18% outpaced cost growth of 14%, which resulted in positive jaws of 4.2% and a lower cost-to-income ratio of 56.1% (2022: 58.1%).

South Africa (SA)

The South African franchise delivered headline earnings of R6 439 million, up by 21% with an improved ROE of 45.9% (2022: 39.4%). Dedicated relationship teams and client value propositions assisted clients to continue operating and achieve growth despite a challenging economic environment.

Net interest income grew by 20% to R14 825 million. This growth was driven by a 7% increase in deposits from customers and positive endowment in a higher average interest rate environment. This was partially offset by a 1% decline in loans to customers due to customer affordability constraints, and competitive pricing pressures which placed strain on lending margins.

Non-interest revenue grew by 4% to R7 978 million, driven by increased client activity and strong growth in VAF fleet rental income. This growth was supported by the strategic focus on customer acquisition and sector value propositions, alongside increased transactional activity. The launch of our digital client onboarding process has successfully originated fully digitised, self-service transactional accounts tailored for small businesses. This, in conjunction with the introduction of our digitally originated Point of Sale device, underpins our commitment to facilitating seamless and efficient transactions. These initiatives supporting the ongoing migration to more affordable digital network resulted in a 7% growth in digital volumes, while physical volumes continue to decline by 6% against prior year.

Operating expenses increased by 12% to R12 131 million, reflective of a higher inflationary environment, ongoing investment in digital capabilities, system modernisation and increased marketing presence. Despite these challenges, prudent financial management resulted in income growth of 14% which outpaced cost growth of 12% resulting in positive jaws of 2.2% and a lower cost-to-income ratio of 53.2% (2022: 54.3%).

Africa Regions (AR)

The Africa Regions franchise achieved headline earnings of R1 094 million, down by 6% on 2022 (constant currency (CCY): 30%). The ZAR performance was dampened by the strengthening of the ZAR in relation to the local currencies. ROE decreased to 16.0% (2022: 17.6%), with most markets delivering ROE above the group’s cost of equity.

Net interest income grew by 21% (CCY: 38%) to R8 200 million. This performance was supported by an 8% growth in customer deposits (CCY: 27%), positive endowment and margin expansion in a higher average interest rate environment. Loans to customers declined by 9% (CCY: up by 13%) due to a stronger ZAR against local currencies.

Non-interest revenue grew by 6% (CCY: 26%) to R4 278 million. Enhanced client experience through simple, convenient solutions led to a 4% growth in the active client base which drove higher transactional volumes. This, together with improved trade activity, were the main contributors to non-interest revenue growth.

Elevated credit impairment charges of R1 758 million, up by 70% (CCY: 80%), were primarily due to higher stage 3 provisions linked to several exposures specifically identified in East Africa and West Africa.

Operating expenses grew by 15% (CCY: 30%), attributed to the high inflationary environment, ongoing technology investments, the impact of US-denominated costs, and higher staff costs. This growth was further impacted by increased depositor insurance costs in response to an 8% (CCY: 27%) growth in the deposit base. Cost growth of 15% was greater than income growth which resulted in negative jaws of 0.4% and a higher cost-to-income ratio of 69.5% (2022: 69.2%).

BUSINESS & COMMERCIAL BANKING

Standard Bank Offshore (SBO)

The Standard Bank Offshore franchise demonstrated exceptional financial performance, achieving strong growth in headline earnings of more than 100% to R1 801 million, with an ROE of 41.2% (2022: 20.5%).

Robust income growth of more than 100% to R2 799 million was primarily driven by positive endowment due to higher average interest rates. Credit impairment charges of R229 million resulted from an increase in the stage 3 book.

Operating expenses grew by 45% (CCY of 29%), driven by increased staff costs and the impact of a weaker South African Rand on GBP expenditure. Despite this substantial growth in expenses, income growth outpaced cost growth which resulted in positive jaws of 54% and an improved cost-to-income ratio of 20.2% (2022: 27.7%).

The SBO franchise continues to identify opportunities to support clients and aligns with Standard Bank's commitment to provide comprehensive financial solutions across the geographies in which we operate.

Looking ahead

BCB is dedicated to actively supporting its clients in achieving their growth strategies by working closely with them to understand their ambitions and tailor financial solutions that facilitate and accelerate their growth trajectories. The business remains steadfast in its commitment to excellence and its pivotal role in supporting clients and the African continent in its energy transition.

BCB remains committed to delivering simplified solutions and streamline processes which will improve operational efficiency and enhance client experience. By prioritising client needs, simplifying operations, and actively participating in the energy transition, BCB positions itself as a resilient and forward-thinking financial institution ready to navigate the evolving landscape. The business remains on track to deliver its committed franchise growth and financial outcomes to assist the group in achieving its 2025 targets.

KEY BUSINESS STATISTICS

		Change %	2023	2022
South Africa				
Clients				
Active clients[1]	thousands	4	**528**	510
Digitally active users[2]	thousands	2	**299**	294
Client activity				
VAF disbursements	Rm	(1)	**20 577**	20 886
Business lending disbursement	Rm	(7)	**23 247**	24 891
Acquiring turnover	Rm	9	**263 931**	241 608
Internet banking volumes	thousands	5	**92 847**	88 671
Mobile banking volumes	thousands	10	**31 182**	28 356
Digital banking volumes	thousands	6	**124 029**	117 027
ATM transactional volumes	thousands	(4)	**11 753**	12 228
Branch transactional volumes	thousands	(11)	**2 857**	3 195
Digital composition[3]	%		**89**	88
Africa Regions				
Clients				
Active clients[1]	thousands	4	**291**	281
Digitally active users[2]	thousands	8	**123**	114
Client activity				
VAF disbursements	Rm	14	**6 014**	5 277
Acquiring turnover	Rm	14	**67 790**	59 477
Internet banking volumes	thousands	18	**26 223**	22 274
Mobile banking volumes[4]	thousands	(21)	**3 976**	5 015
Digital wallet volumes[5]	thousands	12	**669**	596
Digital banking volumes	thousands	11	**30 868**	27 885
ATM transactional volumes	thousands	(9)	**4 810**	5 277
Branch transactional volumes	thousands	(9)	**6 464**	7 109
Digital composition[3]	%		**73**	69

1 An active client is defined by a single client transacting on at least one solution within a specific timeframe.
2 Clients that actively transact with us on digital platforms (Mobile App, USSD and internet banking).
3 Digital composition expresses digital transaction volumes over total transaction volumes (i.e. digital, branch and ATM).
4 Decline in Mobile banking volumes driven by the Kenyan Central Bank's reintroduction of "Bank to Mobile Charges" that were previously waived during the Covid period.
5 A digital wallet stores money and is used to facilitate payments on mobile devices.

SUMMARISED INCOME STATEMENT

	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	31	26	**25 476**	20 206
Non-interest revenue	10	5	**12 604**	12 025
Net fee and commission revenue	10	2	**8 987**	8 780
Trading revenue	(13)	>100	**239**	37
Other revenue	31	15	**686**	595
Other gains and losses on financial instruments	(11)	(11)	**222**	250
Inter-BU attribution revenue	14	5	**2 470**	2 363
Total income	23	18	**38 080**	32 231
Credit impairment charges	45	41	**(3 454)**	(2 450)
Operating expenses	19	14	**(21 362)**	(18 741)
Headline earnings	30	27	**9 334**	7 360

BUSINESS & COMMERCIAL BANKING

LOANS AND ADVANCES

	CCY %	Change %	2023 Rm	2022 Rm
Net loans and advances to banks	(4)	3	**17 585**	17 001
Gross loans and advances to banks	(4)	3	**17 585**	17 002
Credit impairments for loans and advances to banks	(100)	(100)		(1)
Net loans and advances to customers	0	(3)	**187 823**	192 691
Vehicle and asset finance	9	7	**53 962**	50 467
Card	1	1	**2 749**	2 728
Business lending	(4)	(6)	**131 112**	139 496
Gross loans and advances to customers	0	(2)	**199 275**	203 490
Vehicle and asset finance	8	5	**55 715**	52 856
Card	1	1	**2 956**	2 921
Business lending	(2)	(5)	**140 604**	147 713
Credit impairments for loans and advances to customers	12	6	**(11 452)**	(10 799)
Vehicle and asset finance	(22)	(27)	**(1 753)**	(2 389)
Card	8	7	**(207)**	(193)
Business lending	21	16	**(9 492)**	(8 217)
Total coverage ratio (%)			**5.7**	5.3
Vehicle and asset finance			**3.1**	4.5
Card			**7.0**	6.6
Business lending			**6.8**	5.6
Net loans and advances	(1)	(2)	**205 408**	209 692
Gross loans and advances	0	(2)	**216 860**	220 492
Credit impairments	12	6	**(11 452)**	(10 800)
Credit impairments for loans and advances to banks	(100)	(100)		(1)
Credit impairments for loans and advances to customers	12	6	**(11 452)**	(10 799)
Credit impairments for stage 3 loans	14	9	**(8 361)**	(7 658)
Credit impairments for stage 1 and 2 loans	7	(2)	**(3 091)**	(3 141)

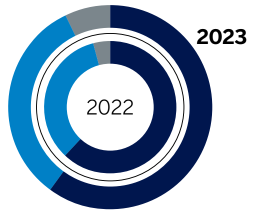
DEPOSITS AND CURRENT ACCOUNTS

	CCY %	Change %	2023 Rm	2022 Rm
Deposits from banks	(28)	(31)	**4 921**	7 159
Deposits from customers	7	6	**475 100**	446 503
Current accounts	12	6	**143 250**	135 388
Cash management deposits	9	9	**59 500**	54 807
Call deposits	1	5	**194 881**	184 935
Savings accounts	2	(6)	**5 732**	6 073
Term deposits	11	11	**65 517**	59 100
Negotiable certificates of deposit	(89)	(89)	**2**	19
Other deposits	38	1	**6 218**	6 181
Total deposits and current accounts	6	6	**480 021**	453 662

KEY RATIOS

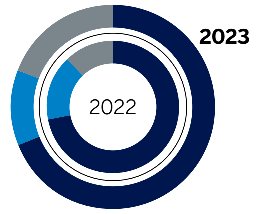
		2023 Rm	2022 Rm
Headline earnings contribution to the group	%	**22**	22
Net interest margin	bps	**991**	827
Loans and advances margin	bps	**453**	425
Deposit margin	bps	**358**	278
CLR	bps	**156**	117
Coverage ratio	%	**5.7**	5.3
Cost-to-income ratio	%	**56.1**	58.1
ROE	%	**37.0**	30.2

Total income by geography (%)



	2023	2022
South Africa	**60**	62
Africa Regions	**33**	34
Standard Bank Offshore	**7**	4

Headline earnings by geography (%)



	2023	2022
South Africa	**69**	72
Africa Regions	**12**	16
Standard Bank Offshore	**19**	12

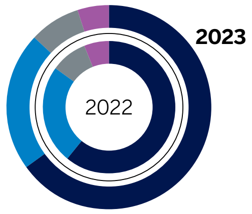
SUMMARISED FINANCIAL RESULTS BY GEOGRAPHY

	South Africa				Africa Regions			
	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	20	20	**14 825**	12 339	38	21	**8 200**	6 796
Non-interest revenue	4	4	**7 978**	7 643	26	6	**4 278**	4 052
Total income	14	14	**22 803**	19 982	34	15	**12 478**	10 848
Credit impairment charges	8	8	**(1 467)**	(1 362)	80	70	**(1 758)**	(1 037)
Operating expenses	12	12	**(12 131)**	(10 846)	30	15	**(8 667)**	(7 507)
Headline earnings	21	21	**6 439**	5 339	30	(6)	**1 094**	1 158
Net loans and advances to customers	(1)	(1)	**126 263**	127 350	13	(9)	**37 467**	41 377
Deposits and current accounts from customers	7	7	**327 488**	305 787	27	8	**83 361**	76 856
CLR (bps)			**109**	107			**389**	231
Cost-to-income ratio (%)			**53.2**	54.3			**69.5**	69.2
ROE (%)			**45.9**	39.4			**16.0**	17.6

	Standard Bank Offshore				Total			
	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	>100	>100	**2 451**	1 071	31	26	**25 476**	20 206
Non-interest revenue	(7)	5	**348**	330	10	5	**12 604**	12 025
Total income	75	100	**2 799**	1 401	23	18	**38 080**	32 231
Credit impairment charges	>100	>100	**(229)**	(51)	45	41	**(3 454)**	(2 450)
Operating expenses	29	45	**(564)**	(388)	19	14	**(21 362)**	(18 741)
Headline earnings	82	>100	**1 801**	863	30	27	**9 334**	7 360
Net loans and advances to customers	(13)	1	**24 093**	23 964	0	(3)	**187 823**	192 691
Deposits and current accounts from customers	(13)	1	**64 251**	63 860	7	6	**475 100**	446 503
CLR (bps)			**55**	14			**156**	117
Cost-to-income ratio (%)			**20.2**	27.7			**56.1**	58.1
ROE (%)			**41.2**	20.5			**37.0**	30.2

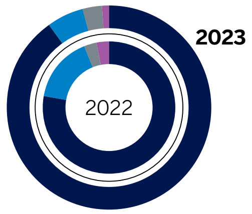
BUSINESS & COMMERCIAL BANKING

Composition of total income by solution (%)



	2023	2022
BCB transactional	**65**	61
BCB lending	**22**	24
Vehicle and asset finance	**8**	9
Card and payments	**5**	6

Composition of headline earnings by solution (%)



	2023	2022
BCB transactional	**90**	78
BCB lending	**6**	16
Vehicle and asset finance	**3**	3
Card and payments	**1**	3

SUMMARISED INCOME STATEMENT BY SOLUTION

	Vehicle and asset finance				Business lending			
	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	14	9	**2 180**	2 009	18	11	**6 779**	6 124
Non-interest revenue	20	22	**892**	732	21	6	**1 640**	1 550
Total income	15	12	**3 072**	2 741	18	10	**8 419**	7 674
Credit impairment charges	1	(4)	**(428)**	(448)	56	54	**(2 964)**	(1 920)
Operating expenses	18	16	**(2 212)**	(1 904)	26	16	**(4 755)**	(4 101)
Headline earnings	13	9	**249**	229	(42)	(47)	**602**	1 141
Net loans and advances to customers	9	7	**53 962**	50 467	(4)	(6)	**131 112**	139 496
CLR (bps)			**77**	88			**205**	139
Cost-to-income ratio (%)			**72.0**	69.5			**56.5**	53.4

	Card				BCB transactional			
	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	16	23	**152**	124	40	37	**16 365**	11 949
Non-interest revenue	2	0	**1 922**	1 922	10	4	**8 150**	7 821
Total income	3	1	**2 074**	2 046	28	24	**24 515**	19 770
Credit impairment charges	(24)	(24)	**(62)**	(82)				
Operating expenses	18	17	**(1 841)**	(1 573)	17	12	**(12 554)**	(11 163)
Headline earnings	(52)	(54)	**110**	238	47	46	**8 373**	5 752
Net loans and advances to customers	1	1	**2 749**	2 728				
Deposits and current accounts from customers					7	6	**475 100**	446 503
CLR (bps)			**205**	293				
Cost-to-income ratio (%)			**88.8**	76.9			**51.2**	56.5

	Total			
	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	31	26	**25 476**	20 206
Non-interest revenue	10	5	**12 604**	12 025
Total income	23	18	**38 080**	32 231
Credit impairment charges	45	41	**(3 454)**	(2 450)
Operating expenses	19	14	**(21 362)**	(18 741)
Headline earnings	30	27	**9 334**	7 360

CORPORATE & INVESTMENT BANKING

Corporate & Investment Banking (CIB)

CIB generated headline earnings growth of 30% to R19 780 million, with an ROE of 22.3% (2022: 19.6%). This performance was driven by revenue growth of 19% to R63 558 million supported by good client franchise activity. Heightened geopolitical tensions across the globe remained a key theme in 2023, resulting in continued high inflation and interest rates as well as exchange rate volatility. Despite these challenges, CIB produced a strong performance as the business made significant strides against its priorities by deliberately growing and defending its diversified client franchise.

The business continued its focus on defending its multinational client base which was supported by strong local corporate client revenue growth across the continent. Particularly strong performances were noted in the Energy & Infrastructure, Telecommunication, Media & Technology, as well as the Diversified Industries sectors.

Loans to customers increased by 16%. The theme of Africa's energy transition and sustainable finance was key to strong loan origination in 2023, alongside good asset growth in the Telecommunication, Media & Technology and Mining & Metals sectors. Deposits from customers grew by 7%, due to increased client deposits in our Transaction banking South African business. This performance, as well as positive endowment in a higher average interest rate environment, resulted in net interest income growth of 26%. Non-interest revenue increased by 13% mainly due to strong trading revenues, particularly in 1H2023 with increased client activity and liquidity management opportunities in volatile markets.

Credit impairment charges were muted relative to 2022, mainly as a result of the restructuring of Ghana government debt during 2023, which resulted in a significant release of provisions raised in the prior year. This was offset by increased provisions due to client strain in the South African franchise, strong book growth which led to higher performing portfolio charges, and negative sovereign credit risk migration in certain markets.

Operating expenses increased by 16% to R28 975 million. Staff costs were impacted by higher inflationary salary increases and performance linked variable remuneration as we continue to invest in attracting and retaining talent, and strategic skills. Investments in signature programmes to improve system stability and client experience further impacted cost growth. Total income growth of 19% exceeded cost growth resulting in positive jaws of 2.9% and an improved cost-to-income ratio of 45.6% (2022: 46.7%).

Global markets (GM)

Global markets total income grew by 16% to R25 975 million in 2023. Client revenue continued to be the biggest contributor to Global markets' revenues and increased by 11% against the prior year, mainly due to heightened client activity in volatile markets. This was complemented by increased liquidity management revenues.

Africa Regions revenue base grew by 23%, benefitting from increased client activity, with the South African business increasing by 6%.

Headline earnings grew by 33% to R7 705 million.

GM remains a key differentiator for the CIB franchise and will continue to build its sustainable client revenue base as it leverages its client, sector and geographic diversity and scale.

Investment banking (IB)

Investment banking delivered strong revenues of R13 128 million, 19% higher than 2022. Net interest income (NII) growth of 22% was supported by record loan origination of R217 billion, up by 7%, and increased drawdowns on existing committed facilities. NII further benefitted from margin expansion in a higher average interest rate environment. Fee and commission income, within non-interest revenue (NIR), generated good growth in commitment fees on the back of strong origination. This growth was softened by muted advisory and knowledge-based fees given the difficult economic conditions and lower client activity.

Revenue growth remains well diversified across the Investment banking client franchise with all but one sector reporting double digit growth. Energy & Infrastructure remains the largest sector driven by Africa's energy transition.

Regionally, Africa Regions revenues increased by 28% with the South African franchise up by 9%, which was mainly driven by average asset growth of 20% and 7% respectively. Margin expansion on the back of higher average interest rates further supported growth.

The strong revenue print resulted in positive jaws of 2.6% and a cost-to-income ratio of 50.7% (2022: 51.8%).

Headline earnings grew by 18% to R4 562 million.

Transaction banking (TxB)

Transaction banking achieved revenue growth of 23% to R24 455 million. NII growth of 26% benefitted from positive endowment on the back of a higher average interest rate environment and increased average deposit balances in Africa Regions. NIR grew by 16%, supported by higher client activity and increased transactional volumes across the continent. This was partially offset by currency devaluations in some key markets.

Regionally, the South African franchise demonstrated a commendable 12% growth in revenue. The Africa Regions franchise achieved robust revenue growth of 29% mainly driven by margin expansion in the deposit book and double digit increase in asset balances, as a result of heightened utilisation of trade loans and higher drawdowns in working capital.

The strong revenue print resulted in positive jaws of 6.1% and a cost-to-income ratio of 49.8% (2022: 52.9%).

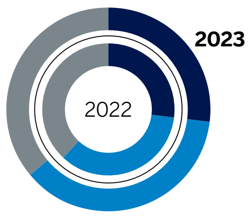
Headline earnings grew by 35% to R7 513 million.

Looking ahead

CIB has a diverse and strong client franchise and is uniquely positioned to support multinational and local corporates across Africa. The business remains committed to supporting its clients' sustainability journey and energy transition across the continent. CIB continues to focus on protecting its core client franchise and leading position in South Africa, and continuing to grow in the Africa Regions' countries in which it operates. This will be done through relationships with key clients and forging partnerships in both intra-Africa and intercontinental trade opportunities, as well as leveraging its multinational client presence and the ICBC partnership to grow trade and foreign exchange flows. The business is on track to deliver its committed franchise growth and financial outcomes to assist the group in achieving its 2025 targets.

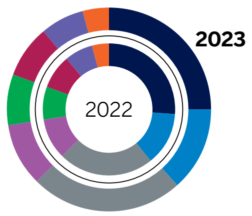
CORPORATE & INVESTMENT BANKING

Composition of client revenue (%)



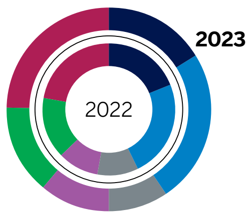
Revenue growth	Change %	CCY %
Multinational corporates - Africa	**20**	28
Multinational corporates - International	**27**	35
Local corporates	**14**	22

Composition of client revenue by sector (%)



Revenue growth	Change %	CCY %
Financial Institutions	**19**	22
Consumer	**13**	39
Energy & Infrastructure	**23**	34
Mining & Metals	**15**	26
Diversified Industries	**29**	43
Telecommunications & Media	**33**	37
Sovereign & Public Sector	**27**	27
Real Estate	**2**	2

Composition of total income by geography (%)



	2023	2022
Global markets South Africa	**16**	19
Global markets Africa Regions	**24**	24
Investment banking South Africa	**9**	10
Investment banking Africa Regions	**11**	10
Transactional banking South Africa	**14**	15
Transactional banking Africa Regions	**24**	22

SUSTAINABLE FINANCE IMPACT INDICATORS

	2023 Rbn	2022 Rbn
Sustainable finance key metrics		
Sustainable finance annual mobilisation	**50.6**	54.5
South Africa	**35.3**	45.2
Africa Regions	**15.3**	9.3
Total cumulative (since FY22)	**105.1**	54.5
Use of proceeds[1]	**26.4**	21.7
Green	**21.3**	19.2
Social	**4.4**	2.5
Other	**0.7**	0.0
General purpose[2]	**24.2**	32.8
Sustainable finance key sub metrics		
Renewable energy financing cumulative (since FY22)[3]	**33.6**	18.2
Treasury transactions	**16.6**	14.8
Green, social sustainable (use of proceeds) treasury transactions	**6.7**	2.0
General purpose	**9.9**	12.8

1 Financing, arranging or investments directed exclusively towards a specific purpose i.e. green, social, sustainable (green and social) or transition.
2 Financing and arranging for general corporate purposes with sustainability indicators and targets embedded into the facility. May include sustainability-linked, pure play (corporate funding for organisations deriving ≥ 90% revenue/EBITDA from eligible green/social activities) and transition.
3 Financing of new renewable energy power plants, excluding bonds arranged.

SUMMARISED INCOME STATEMENT

	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	37	26	**30 781**	24 366
Non-interest revenue	19	13	**32 777**	29 000
Net fee and commission revenue	17	10	**8 585**	7 816
Trading revenue	18	15	**20 598**	17 957
Other revenue	59	4	**1 085**	1 045
Other gains and losses on financial instruments	16	15	**2 509**	2 182
Total income	27	19	**63 558**	53 366
Credit impairment charges	(32)	(34)	**(1 662)**	(2 530)
Operating expenses	22	16	**(28 974)**	(24 927)
Inter-BU attribution expense	11	3	**(3 451)**	(3 365)
Headline earnings	39	30	**19 780**	15 193

LOANS AND ADVANCES

	CCY %	Change %	2023 Rm	2022 Rm
Net loans and advances to banks	18	17	**196 105**	168 276
Gross loans and advances to banks	18	17	**196 260**	168 422
Credit impairments for loans and advances to banks	7	6	**(155)**	(146)
Net loans and advances to customers	19	16	**586 536**	506 888
Investment banking	12	11	**430 614**	386 707
Global markets	54	59	**50 431**	31 757
Transaction banking	34	19	**105 491**	88 424
Gross loans and advances to customers including high quality liquid assets (HQLA)	16	14	**607 779**	530 993
Less: HQLA	(31)	(31)	**(10 264)**	(14 782)
Gross loans and advances to customers	19	16	**597 515**	516 211
Investment banking	13	12	**439 041**	393 384
Global markets	54	59	**50 499**	31 781
Transaction banking	33	19	**107 975**	91 046
Credit impairments for loans and advances to customers	22	18	**(10 979)**	(9 323)
Investment banking	29	26	**(8 427)**	(6 677)
Global markets	>100	>100	**(68)**	(24)
Transaction banking	1	(5)	**(2 484)**	(2 622)
Total coverage ratio			**1.8**	1.8
Net loans and advances	18	16	**782 641**	675 164
Gross loans and advances	19	16	**793 775**	684 633
Credit impairments	22	18	**(11 134)**	(9 469)
Credit impairments for loans and advances to banks	7	6	**(155)**	(146)
Credit impairments for loans and advances to customers	22	18	**(10 979)**	(9 323)
Credit impairments for stage 3 loans	29	25	**(8 128)**	(6 491)
Credit impairments for stage 1 and 2 loans	6	1	**(2 851)**	(2 832)

CORPORATE & INVESTMENT BANKING

DEPOSITS AND CURRENT ACCOUNTS

	CCY %	Change %	2023 Rm	2022 Rm
Deposits from banks	8	5	**159 690**	152 734
Deposits from customers	9	7	**1 015 146**	949 710
Current accounts	7	(3)	**140 949**	145 288
Cash management deposits	14	14	**207 824**	181 711
Call deposits	4	5	**132 513**	126 800
Savings accounts	(31)	(48)	**59**	113
Term deposits	14	11	**268 165**	240 715
Negotiable certificates of deposit	(3)	(4)	**172 756**	179 217
Other deposits	26	22	**92 880**	75 866
Total deposits and current accounts	9	7	**1 174 836**	1 102 444

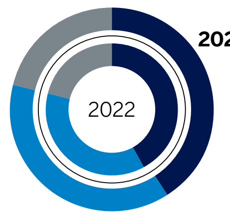
KEY STATEMENT OF FINANCIAL POSITION ITEMS

	CCY %	Change %	2023 Rm	2022 Rm
Cash and balances with central banks	39	18	**119 845**	101 563
Financial investments	5	1	**216 115**	214 561
Trading assets	2	1	**318 234**	316 226
Trading liabilities	(9)	(13)	**95 976**	109 886

KEY RATIOS

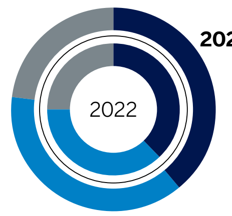
		2023	2022
Headline earnings contribution to the group	%	**46**	45
Net interest margin	bps	**266**	244
CLR	bps	**22**	27
Customer CLR	bps	**30**	37
Coverage ratio	%	**1.8**	1.8
Cost-to-income ratio	%	**45.6**	46.7
ROE	%	**22.3**	19.6

Composition of total income by solution (%)



	2023	2022
Global markets	**41**	42
Transaction banking	**38**	37
Investment banking	**21**	21

Composition of headline earnings by solution (%)



	2023	2022
Global markets	**39**	38
Transaction banking	**38**	37
Investment banking	**23**	25

SUMMARISED INCOME STATEMENT BY SOLUTION

	Global markets				Investment banking			
	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	58	37	**4 737**	3 468	22	22	**7 180**	5 880
Non-interest revenue	20	12	**21 238**	19 020	15	16	**5 948**	5 148
Total income	25	16	**25 975**	22 488	19	19	**13 128**	11 028
Credit impairment charges	(>100)	(>100)	**280**	(793)	38	32	**(1 617)**	(1 229)
Operating expenses	22	16	**(10 124)**	(8 711)	18	16	**(6 661)**	(5 718)
Inter-BU attribution expense	11	3	**(3 451)**	(3 365)				
Headline earnings	51	33	**7 705**	5 778	16	18	**4 562**	3 864
Net loans and advances to customers	54	59	**50 431**	31 757	12	11	**430 614**	386 707
Deposits and current accounts from customers	2	2	**600 675**	590 847	9	(34)	**841**	1 279
Cost-to-income ratio (%)			**39.0**	38.7			**50.7**	51.8

	Transaction banking				Total			
	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	38	26	**18 864**	15 018	37	26	**30 781**	24 366
Non-interest revenue	18	16	**5 591**	4 832	19	13	**32 777**	29 000
Total income	33	23	**24 455**	19 850	27	19	**63 558**	53 366
Credit impairment charges	(30)	(36)	**(325)**	(508)	(32)	(34)	**(1 662)**	(2 530)
Operating expenses	24	16	**(12 189)**	(10 498)	22	16	**(28 974)**	(24 927)
Inter-BU attribution expense					11	3	**(3 451)**	(3 365)
Headline earnings	47	35	**7 513**	5 551	39	30	**19 780**	15 193
Net loans and advances to customers	34	19	**105 491**	88 424	19	16	**586 536**	506 888
Deposits and current accounts from customers	22	16	**413 630**	357 584	9	7	**1 015 146**	949 710
Cost-to-income ratio (%)			**49.8**	52.9			**45.6**	46.7

INSURANCE & ASSET MANAGEMENT

Insurance & Asset Management (IAM)

Early in 2023, the group implemented refinements to the operating model. The outcome thereof was the establishment of a new business unit, Insurance & Asset Management (IAM), which sits alongside the three existing banking business units. This business unit includes the insurance, investment, and asset management businesses within the group. Consolidating these offerings allows for more efficient scaling of the businesses while also improving client value propositions and specialised risk management, all contributing to enhanced value for clients, advisers, and shareholders. Various legal entities reside within IAM, most notably Liberty Holdings Limited (LHL), including STANLIB and Liberty Group Limited (LGL), Standard Insurance Limited (SIL), Melville Douglas, Liberty Kenya Holdings Plc and Stanbic IBTC Pension Managers. The business unit is anchored in South Africa with the more material African businesses residing in Kenya and Nigeria.

IAM offers a wide range of solutions to fulfil clients' long and short-term insurance, health, investment, and asset management needs, and its clients range from individuals to corporate and institutional clients across the countries in which we have a presence. Within IAM, there are specialised insurance and asset management skills as well as advice-led distribution capabilities that enable the group to deliver holistic client value propositions. Solutions are distributed through the group's various distribution networks, including the large advisory partner and third-party distribution channels.

IAM's headline earnings grew by 22% to R2 820 million, with an ROE of 13.1% (2022: 10.5%) in a challenging macroeconomic and business environment.

The significant impact of IFRS17 prompted a change to the composition of the assets and exposures that previously resided within the Shareholder Investment Portfolio which has been renamed to the Shareholder Assets and Exposures portfolio. This portfolio consists of certain asset holdings and certain exposures derived off the long-term insurance liability book. The Shareholder Assets and Exposures portfolio is particularly sensitive to interest rate movements (both from interest rate sensitive exposures as well as the cash holdings) and unlisted property valuations.

Total operating earnings of R4 532 million were ahead of prior year (2022: R4 252 million). The Shareholder Assets and Exposures portfolio produced a profit of R418 million in 2023, up by 29%.

Insurance operations

Insurance operating earnings grew by 23% to R3 883 million, with South African insurance operating earnings increasing by 27% to R3 948 million. This, coupled with continued capital efficiency initiatives, has seen the ROE increase to 13.1% (2022: 10.5%).

In the long-term insurance businesses in South Africa, underwriting risk largely stabilised to pre-pandemic levels with retail mortality experience broadly within expectation, although client persistency deteriorated on certain books, particularly on regular premium investment propositions and certain risk propositions. Claims normalised during 2023, post the impact of the pandemic and certain natural disaster events in 2022.

Insurance operations new business value of R3 000 million increased by 13% compared to the prior year mainly due to an improved claims experience and increased sales.

The solvency capital requirement cover of LGL for 2023, remained robust at 1.81 times (2022: 1.76 times), and was above the target range of 1.3 to 1.7 times. The solvency capital requirement cover of SIL for 2023 settled at 2.65 times and was above the target of 2.0 times (2022: 2.68 times). These coverage ratios were prior to the payment of dividends relating to the 2023 results.

Long-term insurance indexed new business in South Africa increased by 8% to R11 550 million. This result was supported by strong sales of guaranteed investment plans and annuities. Focus remains on sales efforts and new business volumes in the prevailing tough consumer environment in South Africa. Gross written premiums, in short-term insurance operations in South Africa, increased by 7% to R3 476 million in a highly competitive market.

Mortality experience in the long-term insurance businesses in Africa Regions largely returned to pre-pandemic levels. Africa Regions long-term insurance indexed new business increased by 16% to R578 million. Group life assurance and group credit life sales in Kenya, as well as personal loan protection sales in Uganda and Lesotho, contributed positively to this result. Gross written premiums in Africa Regions short-term insurance businesses grew by 12% to R1 646 million. Good client retention rates in all businesses, coupled with an improvement in the productivity of brokers and agents, resulted in increased premiums recorded across most business lines.

Asset management

Asset management operating earnings decreased by 20% to R928 million. South African asset management operating earnings decreased by 54% to R237 million, largely as a result of higher planned operating expenditure on certain initiatives in STANLIB to enhance its ability to continue to produce consistently high quality investment performance. Net fee income was marginally ahead of 2022, with net external third-party customer inflows reflecting a number of mandates secured in the final quarter of 2023. Africa Regions and International asset management operations earnings grew by 7%, driven by increased fee income which benefited from exchange rate gains on USD denominated management fees, and higher assets under management and administration. The Africa Regions operations results started exhibiting the strain of exchange rate weaknesses across certain key markets in the second half of 2023.

Assets under management (AUM) in the South African asset management businesses increased by 8% to R1 007 billion.This growth was attributed to the STANLIB South Africa business given positive local and offshore investment market movements during 2023.

Looking ahead

The business remains committed to executing its strategy to focus on investment in value-adding initiatives and providing advice on a market leading range of propositions to take care of clients' needs while guiding them to build and protect their wealth and lifestyle. IAM will build richer, long-standing relationships with clients across the group and continue to enhance its client value proposition to deliver diversified revenues that complement the group's banking businesses through the cycle. The business remains committed to deliver franchise growth and financial outcomes to assist the group in achieving its 2025 targets.

KEY BUSINESS STATISTICS

		Change %	2023 Rm	2022 Rm
Insurance operations				
New business value	Rm	13	**3 000**	2 656
South Africa insurance				
Long-term insurance operations				
Indexed new business	Rm	8	**11 550**	10 728
Solvency capital requirement cover of Liberty Group Limited	Times covered		**1.81**	1.76
Short-term insurance operations				
Gross written premiums	Rm	8	**3 509**	3 257
Solvency capital requirement cover of Standard Insurance Limited	Times covered		**2.65**	2.78
Africa Regions insurance				
Long-term insurance operations				
Indexed new business	Rm	16	**578**	498
Short-term insurance operations				
Gross written premiums	Rm	12	**1 646**	1 471
Asset management				
Assets Under Management	Rbn	7	**1 480**	1 382
South Africa	Rbn	8	**1 007**	934
Africa Regions	Rbn	6	**473**	448

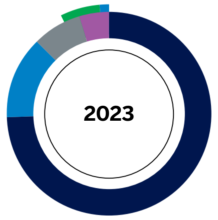
HEADLINE EARNINGS/(LOSS) PER BUSINESS OPERATION

	Change %	2023 Rm	2022 Rm
Insurance operations	23	**3 883**	3 152
South Africa[2]	27	**3 948**	3 113
Africa Regions	(>100)	**(65)**	39
Asset management	(20)	**928**	1 155
South Africa	(54)	**237**	511
Africa Regions and International	7	**691**	644
Central costs, sundry income and other adjustments	>100	**(208)**	(62)
Total operating earnings (pre IFRS 17 restatement impact)	8	**4 603**	4 245
Shareholder Asset and Exposures[1]	29	**418**	323
Total gross earnings before inter-BU attribution and IFRS 17 restatement impact	10	**5 021**	4 568
IFRS 17 restatement impact[2]	(100)		(487)
Reversal of accounting mismatch arising on consolidation of L2D	(>100)	**(71)**	7
Covid-19 impact, net of taxation and non-controlling interests' share	(100)		165
Inter-BU attribution headline earnings	10	**(2 130)**	(1 933)
Insurance South Africa	10	**(1 986)**	(1 798)
Insurance Africa Regions	7	**(144)**	(135)
Total Insurance & Asset Management headline earnings	22	**2 820**	2 320
ROE (%) – gross earnings		**21.9**	18.5
ROE (%) – net of inter-BU attribution		**13.1**	10.5

1 Referred to previously as the Shareholder Investment Portfolio (SIP). Refer to page 108 for more information.
2 The 2022 earnings includes negative R150 million impact of moving to IFRS17 which was estimated as being the business as usual impact of the new standard on the 2022 year's

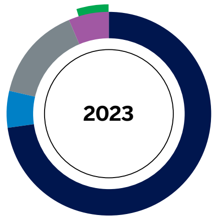
INSURANCE & ASSET MANAGEMENT

Composition of Insurance & Asset Management headline earnings
(before inter-BU attribution) (%)



	2023
Insurance Operations South Africa	3 948
Asset Management Operations Africa Regions	691
Shareholder Assets and Exposures	418
Asset Management Operations South Africa	237
Insurance Operations Africa Regions	(65)
Other	(279)

Composition of South Africa Insurance Operations headline earnings
(before inter-BU attribution) (%)



	2023
SA Life Savings and Investments (Liberty SA Retail and Embedded Funeral and Credit Life)	3 016
Corporate Benefits	239
LibFin Markets	621
Short-term Insurance	264
Other	(192)

	Change %	2023 Rm	2022 Rm
Net interest income	58	**693**	438
Non-interest revenue	(1)	**4 314**	4 362
Net fee and commission revenue	(6)	**4 362**	4 628
Trading revenue	100	**85**	
Other revenue	20	**2 223**	1 855
Other gains and losses on financial instruments	>100	**7**	2
Inter-BU attribution	11	**(2 363)**	(2 123)
Net income from insurance & asset management activities	18	**17 425**	14 761
Total income	15	**22 432**	19 561
Credit impairment charges	(>100)	**1**	(31)
Operating expenses	6	**(15 027)**	(14 237)
Headline earnings	22	**2 820**	2 320

SA LIFE SAVINGS AND INVESTMENTS – HEADLINE EARNINGS

	Change %	2023 Rm	2022[1] Rm
Release of margins[2]	4	**2 714**	2 611
Variances, modelling and assumption changes (net of CSM)	(>100)	**18**	(50)
New business strain[2]	(9)	**(1 251)**	(1 381)
Project and non-cost per policy expenses	22	**(412)**	(339)
Embedded risk bancassurance	11	**2 357**	2 126
Investment in strategic initiatives	2	**(449)**	(442)
Other	(>100)	**39**	(81)
Headline earnings before inter-BU attribution	23	**3 016**	2 444
Inter-BU attribution headline earnings	10	**(1 986)**	(1 798)
Headline earnings	59	**1 030**	646

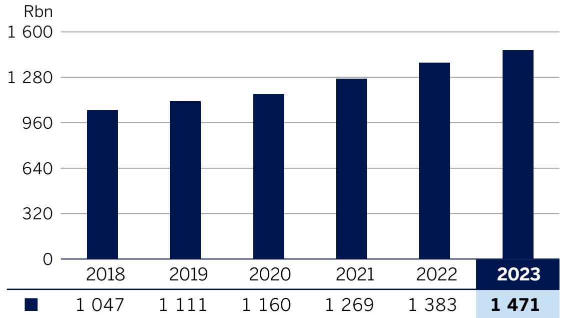
1 Restated on an IFRS 17 basis.
2 The 2022 earnings includes negative R150 million impact of moving to IFRS 17. This was estimated as being the business as usual impact of the new standard on the 2022 result.

BANKING FINANCIAL PERFORMANCE

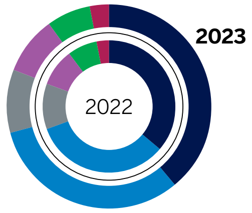
LOANS AND ADVANCES

Gross loans and advances to customers

CAGR (2018 – 2023): 7%



Composition of loans to customers (%)



	2023	2022
Corporate and sovereign lending	**39**	36
Home services	**32**	33
Business lending	**10**	11
Vehicle and asset finance	**9**	9
Personal lending	**7**	7
Card and payments	**3**	3

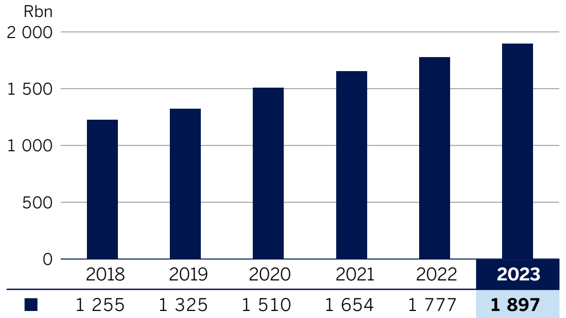
	CCY %	Change %	2023 Rm	2022 Rm
Home services	2	2	**466 734**	459 647
Vehicle and asset finance	7	6	**126 754**	119 859
Card and payments	2	2	**38 934**	38 063
Personal unsecured lending	3	2	**104 741**	102 579
Business lending	(2)	(5)	**140 604**	147 713
Corporate and sovereign lending	19	16	**597 515**	516 211
Central and other	>100	>100	**(4 084)**	(1 021)
Gross loans and advances to customers	8	6	**1 471 198**	1 383 051
Credit impairments on loans and advances to customers	17	15	**(63 840)**	(55 681)
Credit impairments on stage 3 loans	21	19	**(45 937)**	(38 641)
Credit impairments on stage 1 and 2 loans	9	5	**(17 903)**	(17 040)
Net loans and advances to customers	8	6	**1 407 358**	1 327 370
Net loans and advances to banks	15	14	**200 590**	175 208
Gross loans and advances to banks	15	14	**200 745**	175 355
CIB bank lending	18	17	**196 260**	168 422
Central and other	(42)	(35)	**4 485**	6 933
Credit impairments on loans and advances to banks	6	5	**(155)**	(147)
Net loans and advances	8	7	**1 607 948**	1 502 578
Gross loans and advances	9	7	**1 671 943**	1 558 406
Credit impairments	17	15	**(63 995)**	(55 828)

	Change %	2023 Rm	2022 Rm
Loans and advances classification			
Net loans and advances measured at amortised cost	7	**1 607 233**	1 501 913
Loans and advances measured at fair value through profit or loss	8	**715**	665
Total net loans and advances	7	**1 607 948**	1 502 578

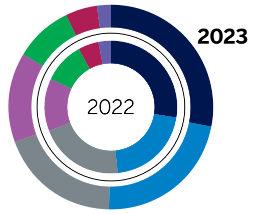
DEPOSITS AND DEBT FUNDING

Deposits from customers

CAGR (2018 – 2023): 9%



Composition of deposits from customers (%)



	2023	2022
Call deposits	**28**	28
Term deposits	**22**	21
Current accounts	**19**	21
Cash management deposits	**14**	13
Negotiable certificates of deposits	**9**	10
Other deposits	**5**	5
Savings accounts	**2**	3

	CCY %	Change %	2023 Rm	2022 Rm
Current accounts	9	2	**363 162**	357 186
Cash management deposits	13	13	**267 419**	236 571
Call deposits	2	5	**523 130**	496 414
Savings accounts	15	3	**46 797**	45 432
Term deposits	13	12	**426 652**	381 378
Negotiable certificates of deposit	(4)	(4)	**172 804**	179 430
Other deposits	28	20	**97 443**	81 048
Deposits from customers	8	7	**1 897 407**	1 777 459
Deposits from banks	10	(4)	**128 111**	133 617
Total deposits and debt funding	8	6	**2 025 518**	1 911 076
Retail priced deposits		4	**663 527**	640 273
Wholesale priced deposits		7	**1 361 991**	1 270 803
Wholesale priced deposits – customers		9	**1 233 880**	1 137 186
Wholesale priced deposits – banks		(4)	**128 111**	133 617

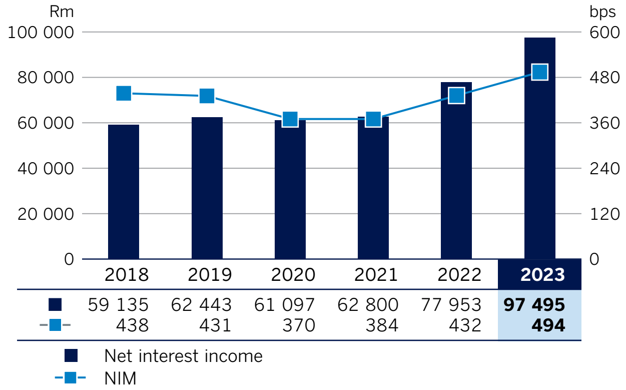
BANKING AVERAGE STATEMENT OF FINANCIAL POSITION

	2023			2022		
	Average balance Rm	Interest Rm	Average rate bps	Average balance Rm	Interest Rm	Average rate bps
Interest-earning assets						
Cash and balances with central banks[1]	100 252			81 112		
Financial investments[2]	282 386	32 121	1 137	269 269	23 282	865
Net loans and advances	1 590 078	180 775	1 137	1 453 934	124 977	860
Gross loans and advances	1 651 238	180 775	1 095	1 498 977	124 977	834
Gross loans and advances to banks	199 372	12 407	622	185 475	6 095	329
Gross loans and advances to customers	1 451 866	168 368	1 160	1 313 502	118 882	905
Home services	463 817	52 216	1 126	441 776	38 244	866
Vehicle and asset finance	122 050	15 476	1 268	114 652	11 308	986
Card and payments	38 793	7 368	1 899	37 499	6 049	1 613
Personal unsecured lending	105 941	17 538	1 655	105 454	14 572	1 382
Business lending	143 887	18 555	1 290	132 724	13 309	1 003
Corporate and sovereign lending	580 999	57 215	985	477 550	35 400	741
Central and other	(3 621)			3 847		
Credit impairment charges on loans and advances	(61 160)			(45 043)		
Interest-earning assets	1 972 716	212 896	1 079	1 804 315	148 259	822
Trading book assets	307 168			288 913		
Non-interest-earning assets	212 326			232 593		
Average assets	2 492 210	212 896	854	2 325 821	148 259	637
Interest-bearing liabilities						
Deposits and debt funding	2 022 690	113 057	559	1 845 755	68 457	371
Deposits from banks	176 806	9 168	519	148 434	3 781	255
Deposits from customers	1 845 884	103 889	563	1 697 321	64 676	381
Current accounts	352 620	1 723	49	330 805	939	28
Savings accounts	46 210	1 375	298	42 712	943	221
Cash management deposits	228 909	14 204	621	236 927	9 647	407
Call deposits	549 391	29 964	545	500 251	17 838	357
Negotiable certificates of deposit	188 066	16 075	855	142 528	8 656	607
Term and other deposits	492 721	40 548	823	454 648	26 653	586
Central and other	(12 033)			(10 550)		
Subordinated bonds	24 588	2 344	953	23 551	1 849	785
Interest-bearing liabilities	2 047 278	115 401	564	1 869 306	70 306	376
Average equity	198 991			180 254		
Trading book liabilities	98 914			90 952		
Other liabilities	147 027			185 309		
Average equity and liabilities	2 492 210	115 401	463	2 325 821	70 306	302
Margin on average interest-earning assets	1 972 716	97 495	494	1 804 315	77 953	432

1 Cash and balances with central banks are the SARB interest-free deposit and other prudential assets. This is utilised to meet liquidity requirements and is reflected in the margins as part of interest-earning assets to reflect the cost of liquidity.
2 Is representative of interest-earning assets only, prior period restated.

NET INTEREST INCOME AND NET INTEREST MARGIN

Net interest income (NII) and net interest margin (NIM) NII CAGR (2018 – 2023): 11%



MOVEMENT IN AVERAGE INTEREST-EARNING ASSETS, NET INTEREST INCOME AND NIM

	Average interest-earning assets Rm	Net interest income Rm	Net interest margin bps
2022	1 804 315	76 674	425
Stage 3 interest income change in calculation methodology		1 279	7
Restated 2022	1 804 315	77 953	432
Asset growth	168 401	7 276	
Cash and balances with central banks	19 140		
Financial investments	13 117		
Loans and advances	136 144		
Asset margin pricing and mix		411	2
Impact due to pricing		(1 068)	(5)
Impact due to mix and other		1 479	7
Liability margin pricing and mix		11 568	59
Deposit margin pricing and mix		784	4
Impact due to pricing		251	1
Impact due to mix and other		533	3
Endowment impact		10 784	55
Funding endowment		9 022	46
Capital endowment		1 762	9
Balance sheet management and other		287	1
2023	1 972 716	97 495	494

Net interest income and net interest margin

Increase in net interest income is largely due to balance sheet growth, higher average interest rates and change in portfolio mix. Driven by:

- New business volumes across the portfolio supported balance sheet growth which resulted in higher net interest income.
- Positive endowment due to higher average interest rates across most of the portfolio.
- Change in balance sheet mix due to local currency book growth outpacing foreign currency book growth in Africa Regions.

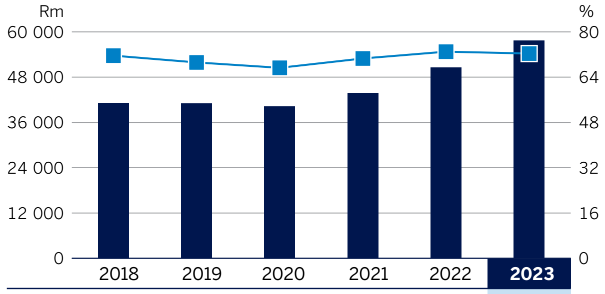
Partly offset by:

- Competitive new business pricing in home service registrations and vehicle and asset finance pay-outs as competitors re-entered the market.
- Corporate lending impacted by competitive pricing as client activity increased in a post-pandemic environment.
- Elevated non-performing loans led to increased interest in suspense particularly in the Retail market.

NON-INTEREST REVENUE ANALYSIS

Non-interest revenue

CAGR (2018 – 2023): 7%

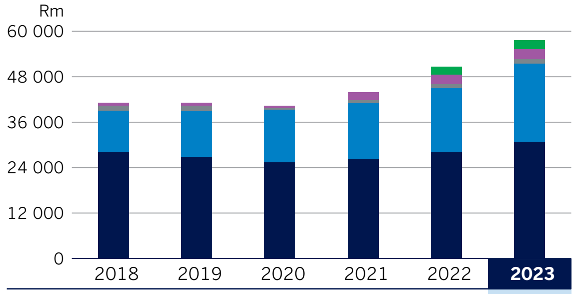


	2018	2019	2020	2021	2022	2023
■	41 171	41 068	40 301	43 849	50 603	**57 689**
-■-	71.6	69.2	67.3	70.6	73.0	**72.4**

■ Non-interest revenue
-■- Non-interest revenue to total operating expenses

Analysis of non-interest revenue

CAGR (2018 – 2023):
Net fee and commission 2%
Trading revenue 14%
Other revenue (2%)
Other gains and losses on financial instruments 28%



	2018	2019	2020	2021	2022	2023
■	28 181	26 794	25 389	26 097	27 993	**30 825**
■	10 795	12 075	13 874	14 840	17 046	**20 532**
■	1 406	1 443	355	896	1 006	**1 241**
■	789	756	683	2 016	2 435	**2 728**
■					2 123	**2 363**

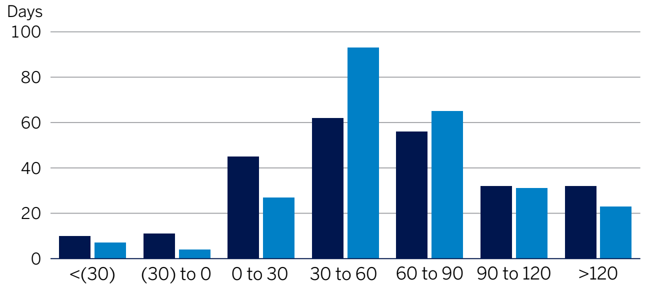
■ Net fee and commission
■ Trading revenue
■ Other revenue
■ Other gains and losses on financial instruments
■ Insurance inter-BU attribution

	CCY %	Change %	2023 Rm	2022 Rm
Net fee and commission revenue	17	10	**30 825**	27 993
Fee and commission revenue	15	10	**40 315**	36 704
Account transaction fees	14	8	**10 948**	10 153
Card-based commission	12	10	**9 351**	8 483
Electronic banking	19	9	**6 116**	5 586
Foreign currency service fees	49	27	**3 413**	2 686
Documentation and administration fees	15	7	**2 686**	2 504
Arrangement, guarantee and other committed fees	1	1	**2 160**	2 131
Knowledge-based fees and commission	(1)	(4)	**1 459**	1 527
Other	16	15	**4 182**	3 634
Fee and commission expense	11	9	**(9 490)**	(8 711)
Trading revenue	23	20	**20 532**	17 046
Fixed income and currencies	22	20	**15 752**	13 128
Commodities	(55)	(55)	**213**	470
Equities	37	32	**4 567**	3 448
Other revenue	>100	23	**1 241**	1 006
Other gains and losses on financial instruments	13	12	**2 728**	2 435
Insurance inter-BU attribution[1]	11	11	**2 363**	2 123
Non-interest revenue	20	14	**57 689**	50 603

[1] Share of profit between the product houses and the distribution network.

Distribution of daily trading income

(frequency of days)



	<(30)	(30) to 0	0 to 30	30 to 60	60 to 90	90 to 120	>120
■ 2023	**10**	**11**	**45**	**62**	**56**	**32**	**32**
■ 2022	7	4	27	93	65	31	23

■ **2023**
■ 2022

Net fee and commission revenue

- Higher account transaction fees due to a combination of a higher client base and client retention strategies, which resulted in growth in transactional volumes across the continent, as well as annual price increases.
- Continued growth in card-based commissions due to higher card issuing and acquiring turnover on the back of increased transactional volumes, particularly related to travel and e-commerce spend.
- Higher electronic banking fees due to a combination of clients' continued preference to process online transactions in real-time, alongside the adoption of digital fulfilment initiatives particularly in Africa Regions. Higher transactional volumes particularly in Zimbabwe following the roll out of USD ATMs further supplemented growth.
- Higher foreign currency service fees driven by higher volumes of exports in West Africa together with continued growth in committed balance sheet facilities related to Energy & Infrastructure in certain African markets.
- Higher documentation and administration fees earned as client demand for short-term lending facilities increased in Africa Regions.
- Arrangement, guarantee and other committed fees were supported by continued deal activity related to the energy transition across the continent.
- Growth in guarantee fees on the back of higher activity in the Financial Institutions, Sovereign and Energy & Infrastructure sectors contributed to higher other fee and commission revenue growth.
- Decrease in knowledge-based fees mainly due to reduced client activity related to securities transactions as a result of market conditions.
- Fee and commission expenses increased due to:
  - Higher card interchange costs and related volumes, particularly related to international spend.
  - Higher Mastercard and Visa expenses in line with higher transactional activity and a weaker ZAR against the USD.

Trading revenue

- Growth in fixed income and currencies driven by:
  - Increased foreign exchange client activity related to market conditions in South Africa, East Africa and West Africa.
  - Gains driven by currency devaluations in certain African markets.
- Lower commodities revenue due to the non-recurrence of 2022 gains on the back of higher commodity prices despite improved client activity.
- Equities performed well on the back of improved dividend yield from the existing portfolio.

Other revenue

- Increased rental income due to growth in the VAF fleet business.
- Higher demand for cash secure devices in small stores and garages.

Other gains and losses on financial instruments

- An increase in the fair value financial investment portfolio resulted in higher mark-to-market gains.

Insurance inter-BU attribution

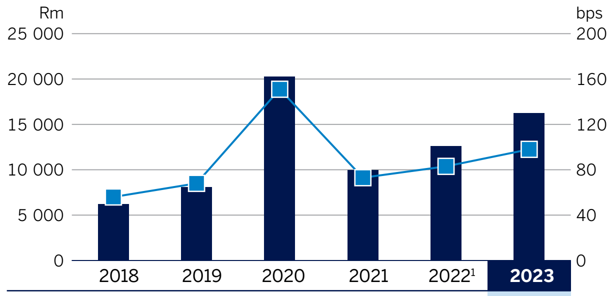
- Insurance revenue increased due to a combination of increased gross written premiums, an improved credit life claims experience and growth in the Flexi Funeral policy base.

CREDIT IMPAIRMENT ANALYSIS

INCOME STATEMENT CHARGES

Credit impairment charges on loans and advances

CAGR (2018 – 2023): 21%



	2018	2019	2020	2021	2022[1]	2023
Credit impairment charges	6 211	8 076	20 228	9 920	12 589	16 239
CLR	56	68	151	73	83	98

Credit impairment charges
CLR

Credit impairment charges

- Lower sovereign impairments following a partial reversal of Ghana provisions post the restructure of government onshore Eurobonds raised in 2022 despite negative sovereign credit risk migration in Malawi and Angola.
- Elevated impairment charges in the SA franchise due to corporate non-performing loan portfolio largely driven by the existing non-performing loans in the Financial Institutions and Consumer sector.
- Continued momentum in corporate loan originations and increased drawdowns on existing committed facilities further contributed to growth in performing credit impairments.
- Increased charges in South Africa due to pockets of client strain linked to the elevated interest and inflation environment which resulted in clients being unable to meet their full debt obligations.
- Higher provisions in home services due to the adverse macroeconomic environment, compounded by the non-recurrence of credit recoveries in the prior year driven by strong repayment behaviour in the client relief population after the conclusion of the monitoring period.
- Elevated credit impairment charges in East Africa primarily driven by higher stage 3 provisions linked to several identified exposures.
- Increased stage 2 watchlist exposures in the agricultural sector due to industry specific risks in the Business segment.

INCOME STATEMENT CREDIT IMPAIRMENT CHARGES

		2023						2022[1]					
	Change %	Stage 1 Rm	Stage 2[2] Rm	Total stage 1 and 2 Rm	Stage 3[2] Rm	Credit impairment charges/ (releases) Rm	Credit loss ratio bps	Stage 1 Rm	Stage 2[2] Rm	Total stage 1 and 2 Rm	Stage 3[2] Rm	Credit impairment charges/ (release) Rm	Credit loss ratio bps
Home services	78	**143**	**796**	**939**	**2 218**	**3 157**	**68**	(130)	300	170	1 599	1 769	40
Vehicle and asset finance	11	**(69)**	**(52)**	**(121)**	**2 025**	**1 904**	**156**	86	866	952	757	1 709	149
Card and payments	21	**(29)**	**5**	**(24)**	**2 171**	**2 147**	**553**	85	(57)	28	1 749	1 777	474
Personal unsecured lending	5	**90**	**332**	**422**	**3 947**	**4 369**	**412**	78	635	713	3 448	4 161	395
Business lending and other	55	**57**	**43**	**100**	**2 821**	**2 921**	**203**	(136)	(55)	(191)	2 080	1 889	142
Corporate and sovereign lending	0	**93**	**(3)**	**90**	**1 659**	**1 749**	**30**	701	21	722	1 035	1 757	37
CIB bank lending	(>100)	**(29)**	**21**	**(8)**		**(8)**		(1)	28	27		27	1
Central and other	(100)							(218)	(282)	(500)		(500)	
Total loans and advances credit impairment charges	29	**256**	**1 142**	**1 398**	**14 841**	**16 239**	**98**	465	1 456	1 921	10 668	12 589	83
Credit impairment (release)/charges – financial investments	(>100)					**(159)**						792	
Credit impairment charges/(release) – letters of credit, guarantees and other	(>100)					**182**						(69)	
Total credit impairment charges	22					**16 262**						13 312	

[1] Restated, refer to page 111 – 114 for further detail.
[2] Includes post-write-off recoveries and modification gains and losses.

CREDIT IMPAIRMENT ANALYSIS

RECONCILIATION OF EXPECTED CREDIT LOSS FOR LOANS AND ADVANCES MEASURED AT AMORTISED COST

	1 January 2023 opening balance Rm	Total transfers between stages Rm	Net provisions raised and (released) Rm	Impaired accounts written off Rm	Currency translation and other movements Rm	Time value of money & interest in suspense Rm	December 2023 closing balance Rm	Modification (losses) and recoveries of amounts written off Rm
Home services	16 429		3 014	(1 512)	(430)	1 315	18 816	(143)
Stage 1	925	184	(41)		12		1 080	
Stage 2	2 707	(98)	846		(100)		3 355	(48)
Stage 3	12 797	(86)	2 209	(1 512)	(342)	1 315	14 381	(95)
Vehicle and asset finance	7 381		1 827	(1 598)	(485)	364	7 489	(77)
Stage 1	810	133	(202)		(106)		635	
Stage 2	1 933	(289)	203		(213)		1 634	(34)
Stage 3	4 638	156	1 826	(1 598)	(166)	364	5 220	(43)
Card and payments	3 825		2 200	(1 859)	(27)	299	4 438	53
Stage 1	724	80	(109)		5		700	
Stage 2	1 139	(146)	122		(7)		1 108	(29)
Stage 3	1 962	66	2 187	(1 859)	(25)	299	2 630	82
Personal unsecured lending	10 662		4 199	(3 615)	285	1 088	12 619	(170)
Stage 1	1 480	(136)	226		67		1 637	
Stage 2	2 424	(51)	226		(152)		2 447	(157)
Stage 3	6 758	187	3 747	(3 615)	370	1 088	8 535	(13)
Business lending and other	8 060		3 260	(1 928)	(306)	413	9 499	339
Stage 1	830	(183)	240		(121)		766	
Stage 2	1 236	(241)	271		424		1 690	(13)
Stage 3	5 994	424	2 749	(1 928)	(609)	413	7 043	352
Corporate and sovereign lending	9 324		1 928	(1 120)	(55)	902	10 979	179
Stage 1	1 961	1	92		(49)		2 005	
Stage 2	871	(1)	(2)		(22)		846	
Stage 3	6 492		1 838	(1 120)	16	902	8 128	179
CIB bank lending	147		(8)		16		155	
Stage 1	106		(29)		16		93	
Stage 2	41		21				62	
Total	55 828		16 420	(11 632)	(1 002)	4 381	63 995	181
Stage 1	6 836	79	177		(176)		6 916	
Stage 2	10 351	(826)	1 687		(70)		11 142	(281)
Stage 3	38 641	747	14 556	(11 632)	(756)	4 381	45 937	462

The income statement credit impairment charge on loans and advances of R16 239 million is made up of total transfers, net provision raised of R16 420 million less modification losses and post-write-off recoveries of R181 million.

CREDIT IMPAIRMENT ANALYSIS

RECONCILIATION OF EXPECTED CREDIT LOSS FOR LOANS AND ADVANCES MEASURED AT AMORTISED COST

	1 January 2022 opening balance Rm	Total transfers between stages Rm	Net provisions raised and (released)[1] Rm	Impaired accounts written off Rm	Currency translation and other movements[1] Rm	Time value of money & interest in suspense[1] Rm	December 2022 closing balance Rm	Modification losses and recoveries of amounts written off Rm
Home services	15 625		1 678	(1 476)	(58)	660	16 429	(91)
Stage 1	1 059	488	(618)		(4)		925	
Stage 2	2 440	116	139		12		2 707	(45)
Stage 3	12 126	(604)	2 157	(1 476)	(66)	660	12 797	(46)
Vehicle and asset finance	6 337		1 889	(1 196)	123	228	7 381	180
Stage 1	651	57	29		73		810	
Stage 2	1 131	(117)	894		25		1 933	(89)
Stage 3	4 555	60	966	(1 196)	25	228	4 638	269
Card and payments	3 885		2 014	(2 248)	5	169	3 825	237
Stage 1	642	126	(41)		(3)		724	
Stage 2	1 152	(34)	15		6		1 139	38
Stage 3	2 091	(92)	2 040	(2 248)	2	169	1 962	199
Personal unsecured lending	9 740		4 136	(4 049)	42	793	10 662	(25)
Stage 1	1 508	(197)	275		(106)		1 480	
Stage 2	1 761	68	524		71		2 424	(43)
Stage 3	6 471	129	3 337	(4 049)	77	793	6 758	18
Business lending and other	7 536		2 264	(1 828)	(1)	89	8 060	375
Stage 1	943	64	(200)		23		830	
Stage 2	1 295	(415)	354		2		1 236	(6)
Stage 3	5 298	351	2 110	(1 828)	(26)	89	5 994	381
Corporate and sovereign lending	7 710		1 752	(737)	25	574	9 324	(5)
Stage 1	1 304	77	624		(44)		1 961	
Stage 2	818	(110)	131		32		871	
Stage 3	5 588	33	997	(737)	37	574	6 492	(5)
CIB bank lending	65		27		55		147	
Stage 1	65		(1)		42		106	
Stage 2			28		13		41	
Central and other	500		(500)					
Stage 1	218		(218)					
Stage 2	282		(282)					
Total	51 398		13 260	(11 534)	191	2 513	55 828	671
Stage 1	6 390	615	(150)		(19)		6 836	
Stage 2	8 879	(492)	1 803		161		10 351	(145)
Stage 3	36 129	(123)	11 607	(11 534)	49	2 513	38 641	816

[1] Restated, refer to page 111 – 114 for further detail.

The income statement credit impairment charge on loans and advances of R12 589 million is made up of total transfers, net provision raised and released of R13 260 million less modification losses and post-write-off recoveries of R671 million.

CREDIT IMPAIRMENT ANALYSIS

LOANS AND ADVANCES PERFORMANCE

		SB 1 – 12		SB 13 – 20		SB 21 – 25							
	Gross carrying loans and advances Rm	Stage 1 Rm	Stage 2 Rm	Stage 1 Rm	Stage 2 Rm	Stage 1 Rm	Stage 2 Rm	Total stage 1 and 2 loans Rm	Total stage 3 loans Rm	Securities and expected recoveries on stage 3 exposures loans Rm	Balance sheet expected credit loss and interest in suspense on stage 3 Rm	Gross stage 3 loans coverage ratio %	Stage 3 exposures ratio %
2023													
Home services	466 734	66 742	39	285 250	8 947	11 291	50 675	422 944	43 790	29 409	14 381	33	9.4
Vehicle and asset finance	126 754	42 160		56 493	7 432	4 279	5 806	116 170	10 584	5 364	5 220	49	8.4
Card and payments	38 934	2 184		23 807	223	4 097	4 553	34 864	4 070	1 440	2 630	65	10.5
Personal unsecured lending	104 741	7 149	6	64 981	604	10 793	9 385	92 918	11 823	3 288	8 535	72	11.3
Business lending and other	140 604	31 046	272	85 143	1 677	1 111	9 349	128 598	12 006	4 963	7 043	59	8.5
Corporate and sovereign lending	597 373	269 406	2 625	279 952	24 023	3 801	2 139	581 946	15 427	7 299	8 128	53	2.6
CIB bank lending	196 260	161 823	645	20 677	477	12 120	518	196 260					
Central and other	(172)	(172)						(172)					
Gross loans and advances	**1 671 228**	**580 338**	**3 587**	**816 303**	**43 383**	**47 492**	**82 425**	**1 573 528**	**97 700**	**51 763**	**45 937**	**47**	**5.8**
Percentage of total book (%)	**100.0**	**34.7**	**0.2**	**48.8**	**2.6**	**2.8**	**4.9**	**94.2**	**5.8**	**3.1**	**2.7**		
Gross loans and advances at amortised cost	1 671 228												
Gross loans and advances at fair value	715												
Total gross loans and advances	**1 671 943**												

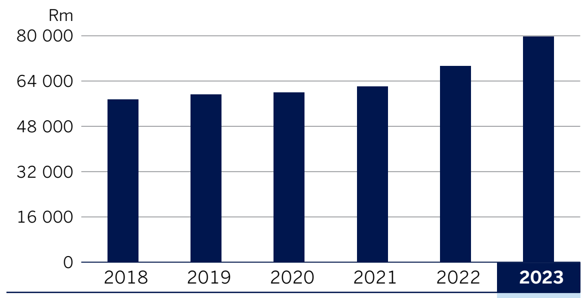
		SB 1 – 12		SB 13 – 20		SB 21 – 25							
	Gross carrying loans and advances Rm	Stage 1 Rm	Stage 2 Rm	Stage 1 Rm	Stage 2 Rm	Stage 1 Rm	Stage 2 Rm	Total stage 1 and 2 loans Rm	Total stage 3 loans Rm	Securities and expected recoveries on stage 3 exposures loans Rm	Balance sheet expected credit loss and interest in suspense on stage 3 Rm	Gross stage 3 loans coverage ratio %	Stage 3 exposures ratio %
2022													
Home services	459 647	65 071	105	306 626	12 813	7 364	34 682	426 661	32 985	20 188	12 797	39	7.2
Vehicle and asset finance	119 859	33 101	147	59 064	5 395	5 957	7 647	111 311	8 549	3 911	4 638	54	7.1
Card and payments	38 063	1 367		26 614	443	2 395	4 057	34 876	3 187	1 225	1 962	62	8.4
Personal unsecured lending	102 579	9 841	68	66 051	481	7 785	8 594	92 820	9 759	3 001	6 758	69	9.5
Business lending and other	147 713	38 505	388	89 175	1 821	676	7 541	138 106	9 607	3 613	5 994	62	6.5
Corporate and sovereign lending	516 211	195 215	1 383	283 754	17 354	2 697	2 456	502 859	13 353	6 861	6 492	49	2.6
CIB bank lending	168 422	134 162	590	27 855	311	2 367	3 137	168 422					
Central and other	5 247	5 246						5 246					
Gross loans and advances	1 557 741	482 508	2 681	859 139	38 618	29 241	68 114	1 480 301	77 440	38 799	38 641	50	5.0
Percentage of total book (%)	100.0	31.1	0.2	55.1	2.5	1.9	4.4	95.0	5.0	2.5	2.5		
Gross loans and advances at amortised cost	1 557 741												
Gross loans and advances at fair value	665												
Total gross loans and advances	1 558 406												

The group uses a 25-point master rating scale to quantify each borrower's credit risk (corporate asset classes) or facility (specialised lending and retail asset classes). Ratings are mapped to the probability of defaults (PDs) through calibration formulae that use historical default rates and other data from the applicable portfolio.

OPERATING EXPENSES

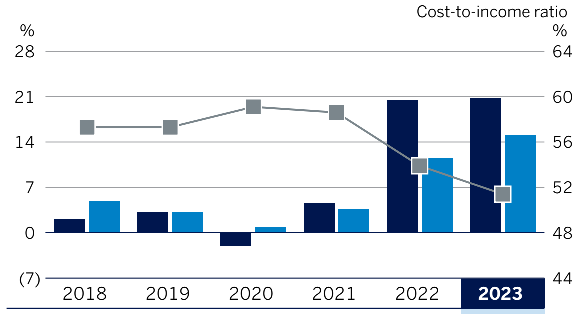
Operating expenses

CAGR (2018 – 2023): 7%



	2018	2019	2020	2021	2022	2023
■	57 510	59 353	59 900	62 140	69 296	**79 722**

Income and operating expenses growth



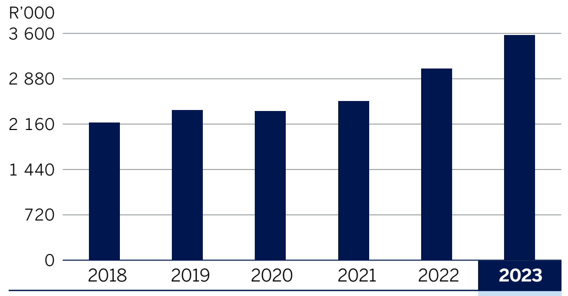
	2018	2019	2020	2021	2022	2023
■	2.1	3.2	(2.0)	4.5	20.5	**20.7**
■	4.8	3.2	0.9	3.7	11.5	**15.0**
-■-	57.3	57.3	59.1	58.6	53.9	**51.4**

■ Income growth
■ Operating expenses growth
-■- Cost-to-income ratio

	CCY %	Change %	2023 Rm	2022 Rm
Staff costs				
Fixed remuneration	14	12	**30 479**	27 227
Variable remuneration	40	35	**12 143**	8 996
Charge for incentive payments	30	24	**8 281**	6 695
IFRS 2 charge: cash-settled share schemes (including associated hedge)	49	56	**491**	314
IFRS 2 charge: equity-settled share schemes	70	70	**3 371**	1 987
Other staff costs	18	13	**3 454**	3 052
Total staff costs	20	17	**46 076**	39 275
Variable remuneration as a % of total staff costs			**26.4**	22.9
Other operating expenses				
Software, cloud and technology related costs[1]	16	14	**12 371**	10 849
Amortisation of intangible assets	(4)	(4)	**2 480**	2 585
Depreciation	8	3	**4 378**	4 257
Premises expenses	15	10	**2 263**	2 063
Professional fees	29	24	**2 402**	1 937
Communication	0	(5)	**1 270**	1 332
Marketing and advertising	11	8	**2 402**	2 225
Other	49	27	**6 080**	4 773
Total other operating expenses	18	12	**33 646**	30 021
Total operating expenses	19	15	**79 722**	69 296
Total income	26	21	**155 184**	128 556
Cost-to-income ratio (%)			**51.4**	53.9
Jaws (%)			**5.7**	9.0

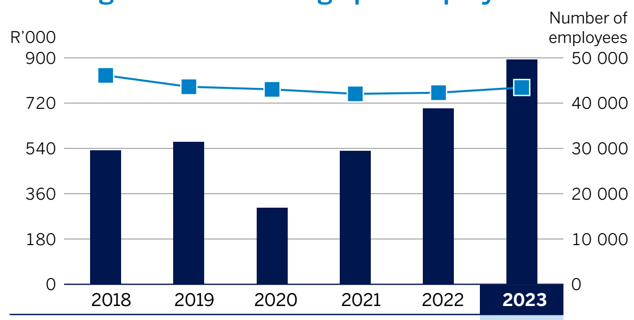
[1] Referred to as information technology previously.

Banking revenue per employee



	2018	2019	2020	2021	2022	2023
■	2 183	2 384	2 364	2 528	3 039	**3 571**

Banking headline earnings per employee



	2018	2019	2020	2021	2022	2023
■	533	567	304	530	700	**894**
-■-	46 114	43 612	43 036	42 044	42 300	**43 451**

■ Headline earnings per employee
-■- Number of employees

ANALYSIS OF HEADCOUNT BY GEOGRAPHY

	Change %	2023 Number	2022 Number
South Africa	3	**28 805**	28 009
Africa Regions	2	**13 969**	13 679
International	11	**677**	612
Banking	3	**43 451**	42 300

Staff costs and headcount

- Higher fixed remuneration linked to annual inflationary salary increases and an increase in skilled staff complement.
- Increased incentive payment charges commensurate with the Group's performance.
- Growth in cash-settled share scheme costs associated with the 24% increase in the Group's closing share price and higher prior year deferred award allocations.
- Higher equity-settled share scheme costs due to:
  - Higher vesting of the Group's long-term incentive scheme awards linked to performance outcomes. The vesting of these awards are clearly defined and managed through specific performance criteria.
  - Increase in prior year deferred award allocations.

Other operating expenses

- Continued investment in software, cloud and technology related spend due to:
  - Depreciation of the ZAR on USD software licence costs.
  - The shift to demand-based system utilisation by migrating to the Cloud and software services which improved operational efficiency and our ability to scale.
  - Continued investment in the security and stability of systems to ensure consistent client experience.
- Increase in premises expenses due to higher municipal costs across the continent, as well as growth in fuel and maintenance costs relating to electricity outages in South Africa. This was partially offset by savings realised from the optimisation of the group's physical footprint by exiting third-party leases.
- Growth in professional fees due to increased audit fees and legal fees in line with credit collection strategies.
- Increase in marketing and advertising spend driven by campaigns to raise brand awareness and visibility, particularly in Africa Regions.
- Increase in marketing and advertising spend driven by campaigns to raise brand awareness and visibility, particularly in Africa Regions.
- Increase in other expenses driven by:
  - Higher insurance-related costs driven by growth of the deposit base.
  - Increased client-related activity which supported income generation.
  - Continued investment in the upskilling and reskilling of our people.

OPERATING EXPENSES

ANALYSIS OF TOTAL INFORMATION TECHNOLOGY FUNCTION SPEND

	CCY %	Change %	2023 Rm	2022 Rm
Staff costs	15	14	**5 916**	5 207
Software, cloud and technology related costs	16	14	**12 371**	10 849
Amortisation of intangible assets	(4)	(4)	**2 480**	2 585
Depreciation and other expenses	2	(2)	**2 458**	2 499
Total technology function spend	11	10	**23 225**	21 140

71

LIQUIDITY AND CAPITAL MANAGEMENT

LIQUIDITY MANAGEMENT

Liquidity management overview

- Appropriate liquidity buffers were maintained in line with the assessment of liquidity risk across the geographies in which the group operates.
- The group's available contingent liquidity remains adequate to meet internal as well as regulatory stress testing requirements. Contingent funding plans, stress testing assumptions as well as early warning indicators continue to be reassessed for appropriateness considering the global economic environment and market conditions.
- The group continues to leverage its deposit franchises to provide the appropriate amount, tenor and diversification of funding across currencies and jurisdictions while supporting its current and planned funding requirements, and minimising funding costs and concentration risk.
- The group maintained both the liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR) in excess of minimum regulatory requirements during 2023.
- Longer term funding increased by R50.1 billion through the issuance of negotiable certificate of deposits (NCDs), senior debt, syndicated loans as well as funding raised from development finance institutions (DFIs).
- R4.5 billion of Additional Tier 1 capital and R5.6 billion of Tier 2 was issued during 2023, the proceeds of which were invested in SBSA on the same terms and conditions.

Total contingent liquidity

- Portfolios of marketable and liquid instruments to meet regulatory and internal stress testing requirements are maintained as protection against unforeseen cash outflows. These portfolios are managed within ALCO[1]-defined diversification and liquidity limits.
- Managed liquidity represents unencumbered marketable assets other than eligible Basel III LCR high-quality liquid assets (HQLA) which would provide additional sources of liquidity in a stress scenario.

	2023 Rbn	2022 Rbn
Eligible LCR HQLA[2] comprising:	**468**	459
Notes and coins	**22**	21
Balances with central banks	**61**	54
Government bonds and bills	**373**	364
Other eligible liquid assets	**12**	20
Managed liquidity	**161**	172
Total contingent liquidity	**629**	631
Total contingent liquidity as a % of funding-related liabilities	**30.6**	32.6

[1] Assets and Liabilities Committee.
[2] Eligible LCR HQLA are defined according to the Basel Committee on Banking Supervision LCR and liquidity risk monitoring framework. The calculation considers any liquidity transfer restrictions that will inhibit the transfer of HQLA across jurisdictions.

Liquidity coverage ratio (average)

- The Basel III LCR promotes short-term resilience of the group's 30 calendar day liquidity risk profile by ensuring that it has sufficient HQLA to meet potential outflows in a stressed environment.
- The SBG and SBSA LCR metrics contained in the table below reflect the simple average of daily observations over the relevant periods.

	4Q23 Rbn	4Q22 Rbn
SBG[1]		
Total HQLA	**449**	442
Net cash outflows	**348**	301
LCR (%)	**129.1**	146.8
SBSA[2]		
Total HQLA	**324**	283
Net cash outflows	**254**	219
LCR (%)	**127.4**	129.1
Minimum requirement (%)	**100.0**	100.0

[1] Includes daily results per quarter for SBSA, SBSA Isle of Man branch, Stanbic Bank Ghana, Stanbic Bank Uganda, Standard Bank Namibia, Stanbic IBTC Bank Nigeria, Standard Bank Isle of Man Limited and Standard Bank Jersey Limited and the simple average of three month-end data points for the respective quarter for the other Africa Regions' banking entities.
[2] Excludes foreign branches.

Structural liquidity requirements

Net stable funding ratio[1]

- The objective of the Basel III NSFR is to promote funding stability and resilience in the banking sector by requiring banks to maintain a stable funding profile in relation to the composition of assets and off-balance sheet activities.
- The available stable funding is defined as the portion of capital and liabilities expected to be available over the one year time horizon considered by the NSFR.
- The amount of required stable funding is a function of the liquidity characteristics and residual maturities of the various assets (including off-balance sheet exposures) held by the bank.

	2023 Rbn	2022 Rbn
SBG		
Available stable funding	**1 602**	1 546
Required stable funding	**1 321**	1 246
NSFR (%)	**121.2**	124.1
SBSA[2]		
Available stable funding	**1 078**	1 046
Required stable funding	**1 007**	945
NSFR (%)	**107.0**	110.6
Minimum requirement (%)	**100.0**	100.0

[1] Period-end position.
[2] Excludes foreign branches.

Diversified funding base

- Funding markets are evaluated on an ongoing basis to identify optimal funding strategies that appropriately consider current and future competitive and regulatory environments.
- The group continues to prioritise growing its client deposit franchise with deposits sourced from South Africa, key markets in Africa Regions, Isle of Man and Jersey providing diverse and stable sources of funding for the group.

FUNDING-RELATED LIABILITIES COMPOSITION[1]

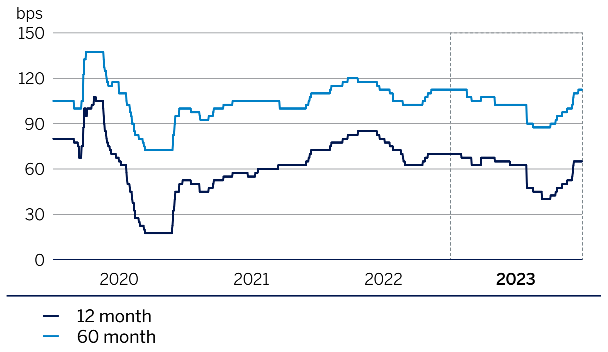
	2023 Rbn	2022 Rbn
Corporate funding	**643**	599
Retail deposits[2]	**542**	509
Institutional funding	**513**	429
Government and parastatals	**128**	171
Interbank funding	**95**	95
Senior debt	**63**	65
Term loan funding	**33**	39
Subordinated debt issued	**27**	26
Other liabilities to the public	**9**	4
Total Banking funding-related liabilities	**2 053**	1 937

[1] Composition aligned to Basel III liquidity classification.
[2] Comprises individual and small business customers.

Funding costs

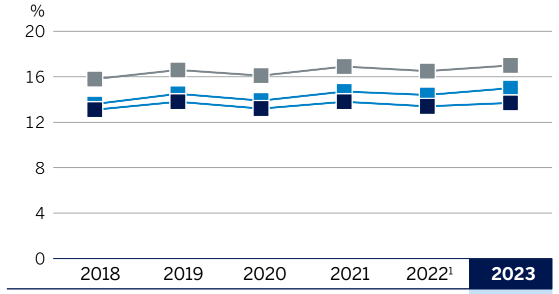
- The market cost of liquidity is measured as the spread paid on NCDs above the prevailing reference rate, namely three-month JIBAR.
- The graph is based on actively issued money market instruments by SBSA, namely 12- and 60-month NCDs.
- Demand for bank credit risk by institutional investors was strong in 2023 driven by the low supply of issuances in wholesale funding markets. The reduction in wholesale funding spreads measured based on 12- and 60-months NCD pricing levels reduced by 23bps and 15bps respectively in 3Q2023 driven by seasonal inflows in transactional deposits and deferrals in asset pipeline materialisation, which contributed to healthy liquidity ratios across the SA Banking sector. In 4Q2023, wholesale funding costs increased by 25bps primarily due to seasonal illiquidity in wholesale funding markets.

SBSA 12- and 60-month liquidity spreads



CAPITAL ADEQUACY

Capital adequacy ratios
(CAR)



	2018	2019	2020	2021	2022[1]	**2023**
Common equity tier 1 CAR	13.1	13.8	13.2	13.8	13.4	**13.7**
Tier 1 CAR	13.6	14.5	13.9	14.7	14.4	**15.0**
Total CAR	15.8	16.6	16.1	16.9	16.5	**17.0**

Common equity tier 1 CAR
Tier 1 CAR
Total CAR

[1] Restated due to adoption of new accounting standards, refer to page 111 – 114 for further detail.

CAPITAL ADEQUACY RATIOS

	Target ratios[1] %	SARB minimum regulatory requirement[2] %	Excluding unappropriated profit 2023 %	Excluding unappropriated profit 2022[3] %	Including unappropriated profit 2023 %	Including unappropriated profit 2022[3] %
Common equity tier 1 capital adequacy ratio	>11.0	8.5	**12.5**	12.2	**13.7**	13.4
Tier 1 capital adequacy ratio	>12.0	10.8	**13.7**	13.2	**15.0**	14.4
Total capital adequacy ratio	>15.0	13.0	**15.8**	15.3	**17.0**	16.5

[1] Including unappropriated profit.
[2] Excluding confidential bank-specific requirements.
[3] Restated due to adoption of new accounting standards, refer to page 111 – 114 for further detail.

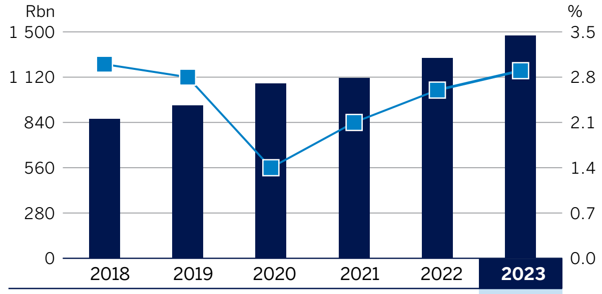
QUALIFYING REGULATORY CAPITAL EXCLUDING UNAPPROPRIATED PROFIT

	Change %	2023 Rm	2022[1] Rm
Ordinary shareholders' equity	8	**236 445**	218 197
Qualifying non-controlling interest	(21)	**7 144**	9 086
Regulatory adjustments	(15)	**(22 783)**	(26 822)
Goodwill	(29)	**(1 609)**	(2 258)
Other intangible assets	(18)	**(8 914)**	(10 916)
Investments in financial entities	(8)	**(11 354)**	(12 332)
Other adjustments	(31)	**(906)**	(1 316)
Total common equity tier 1 capital (including unappropriated profit)	10	**220 806**	200 461
Unappropriated profit	7	**(19 738)**	(18 477)
Common equity tier 1 capital	10	**201 068**	181 984
Qualifying other equity instruments	32	**18 661**	14 098
Qualifying non-controlling interest	(15)	**1 092**	1 284
Tier 1 capital	12	**220 821**	197 366
Tier 2 capital	6	**32 826**	30 933
Qualifying tier 2 subordinated debt	4	**25 682**	24 594
General allowance for credit impairments	13	**7 144**	6 339
Total regulatory capital	11	**253 647**	228 299

[1] Restated due to adoption of new accounting standards, refer to page 111 – 114 for further detail.

RETURN ON RISK-WEIGHTED ASSETS AND RISK-WEIGHTED ASSETS

Return on risk-weighted assets
(RoRWA)



	2018	2019	2020	2021	2022	**2023**
Average RWA[1]	923	1 012	1 160	1 195	1 326	**1 476**
RoRWA	3.0	2.8	1.4	2.1	2.6	**2.9**

Average RWA[1]
RoRWA

[1] Average RWA calculated net of non-controlling interests.

RISK-WEIGHTED ASSETS BY RISK TYPE

	Change %	2023 Rm	2022[1] Rm
Credit risk	8	**1 157 070**	1 070 731
Counterparty credit risk	0	**61 388**	61 288
Market risk	1	**79 736**	79 086
Operational risk	12	**209 974**	187 907
Equity risk in the banking book	(11)	**25 019**	28 189
RWA for investments in financial entities	10	**75 400**	68 244
Risk-weighted assets	8	**1 608 587**	1 495 445

[1] Restated due to adoption of new accounting standards, refer to page 111 – 114 for further detail.

CAPITAL ADEQUACY RATIOS PER LEGAL ENTITY

CAPITAL ADEQUACY RATIOS PER LEGAL ENTITY

			2023		2022	
	Tier 1 host regulatory requirement[1] %	Total host regulatory requirement[1] %	**Tier 1 capital %**	**Total capital %**	Tier 1 capital %	Total capital %
Standard Bank Group[1]	10.8	13.0	**15.0**	**17.0**	14.4	16.5
The Standard Bank of South Africa Group (SBSA Group)[1]	10.8	13.0	**14.8**	**17.6**	13.7	16.6
Africa Regions						
Stanbic Bank Botswana	7.5	12.5	**12.1**	**19.8**	11.6	19.3
Stanbic Bank Ghana	8.0	10.0	**15.9**	**18.9**	11.0	11.0
Stanbic Bank Kenya	10.5	14.5	**13.0**	**16.6**	13.8	16.8
Stanbic Bank S.A. (Cote d' Ivoire)	8.5	11.3	**41.0**	**41.0**	52.3	52.3
Stanbic Bank Tanzania	12.5	14.5	**17.7**	**17.7**	19.0	19.0
Stanbic Bank Uganda	13.5	15.5	**22.6**	**24.7**	22.0	24.2
Stanbic Bank Zambia[2]	5.0	10.0	**20.9**	**22.9**	23.2	25.0
Stanbic Bank Zimbabwe	9.0	12.0	**20.1**	**25.3**	23.6	29.4
Stanbic IBTC Bank Nigeria	7.5	10.0	**11.0**	**13.8**	14.0	15.2
Standard Bank de Angola	13.2	15.2	**27.0**	**30.3**	31.8	34.5
Standard Bank Malawi	10.0	15.0	**21.2**	**23.6**	21.0	23.1
Standard Bank Mauritius	10.5	12.5	**24.7**	**25.4**	25.0	25.8
Standard Bank Mozambique	12.0	14.0	**23.5**	**23.5**	26.1	26.1
Standard Bank Namibia	10.0	12.5	**13.1**	**15.6**	14.0	16.0
Standard Bank RDC (DRC)	7.5	10.0	**21.4**	**23.6**	22.0	24.5
Standard Bank Eswatini	6.0	8.0	**13.2**	**16.0**	13.0	16.4
Standard Lesotho Bank	6.0	8.0	**15.1**	**13.8**	29.7	26.5
International						
Standard Bank Isle of Man	8.5	10.0	**13.5**	**13.6**	13.9	14.1
Standard Bank Jersey	8.5	11.0	**18.3**	**18.8**	16.9	17.3
Capital adequacy ratio - times covered						
Standard Insurance Limited (SIL)[3]						
Solvency capital requirement coverage ratio				**2.65**		2.68
Liberty Group Limited[3]						
Solvency capital requirement coverage ratio				**1.81**		1.76

1 Minimum regulatory requirement excludes confidential bank-specific requirements.
2 Tier 1 and total capital ratios under Basel II parallel run are 17.1% and 18.7% respectively. Implementation date of Basel II yet to be determined.
3 Calculated in terms of the Insurance Act, 2017, which came into effect on 1 July 2018.

CURRENCY TRANSLATION IMPACT, ECONOMIC CAPITAL AND ECONOMIC RETURNS

MOVEMENT IN THE FOREIGN CURRENCY TRANSLATION RESERVE

	2023 Rm	2022 Rm
Balance at beginning of the period: (debit)	**(5 666)**	(2 585)
Translation and hedge reserve (decrease)/increase for the period	**(5 401)**	(3 081)
Africa Regions	**(7 749)**	(3 257)
Standard Bank Offshore	**2 464**	12
Liberty	**(121)**	132
Currency hedge losses	**5**	32
Balance at end of the period: (debit)/credit	**(11 067)**	(5 666)

ECONOMIC CAPITAL UTILISATION BY RISK TYPE

	Change %	**2023 Rm**	2022 Rm
Credit risk	12	**147 442**	131 502
Equity risk	18	**15 811**	13 425
Market risk	17	**1 779**	1 522
Operational risk	4	**18 875**	18 072
Strategic risk	11	**5 376**	4 826
Interest rate risk in the banking book	(1)	**8 637**	8 738
Economic capital requirement	11	**197 920**	178 085
Available financial resources	11	**264 125**	238 071
Economic capital coverage ratio (times)		**1.33**	1.34

ECONOMIC RETURNS

	Change %	**2023 Rm**	2022[1] Rm
Average ordinary shareholders' equity	10	**228 770**	208 181
Headline earnings	27	**42 948**	33 853
Cost of equity charge	9	**(34 544)**	(31 644)
Economic returns	>100	**8 404**	2 209
Cost of equity (%)		**15.1**	15.2

1 Restated, refer to page 111 – 114 for further detail

OTHER CAPITAL INSTRUMENTS

SUBORDINATED DEBT

	Redeemable/ repayable date	Callable date	Notional value LCm	2023 Carrying value[1] Rm	2023 Notional value[1] Rm	2022 Carrying value[1] Rm	2022 Notional value[1] Rm
Standard Bank Group Limited[2]				**25 813**	**25 851**	24 440	24 594
SBT 201	13 Feb 2028	13 Feb 2023	ZAR3 000			2 973	3 000
SBT 202	3 Dec 2028	3 Dec 2023	ZAR1 516			1 520	1 516
SBT 203	3 Dec 2028	3 Dec 2023	ZAR484			489	484
SBT 204	16 Apr 2029	16 Apr 2024	ZAR1 000	**1 023**	**1 000**	1 018	1 000
SBT 205	31 May 2029	31 May 2024	USD400	**7 346**	**7 407**	6 569	6 789
SBT 206	31 Jan 2030	31 Jan 2025	ZAR2 000	**1 949**	**2 000**	2 029	2 000
SBT 207	25 Jun 2030	25 Jun 2025	ZAR3 500	**3 495**	**3 500**	3 503	3 500
SBT 208	28 Nov 2030	28 Nov 2025	ZAR1 500	**1 436**	**1 500**	1 514	1 500
SBT 209	29 Jun 2031	29 Jun 2026	ZAR1 722	**1 723**	**1 722**	1 720	1 722
SBT 210	18 Oct 2033	18 Oct 2028	ZAR3 639	**3 717**	**3 639**		
SST 201	8 Dec 2031	8 Dec 2026	ZAR1 444	**1 454**	**1 444**	1 453	1 444
SST 202	31 Aug 2032	31 Aug 2027	ZAR1 639	**1 654**	**1 639**	1 652	1 639
SST 203	3 Mar 2033	3 Mar 2028	ZAR2 000	**2 016**	**2 000**		
Standard Bank Eswatini	29 Jun 2028	29 Jun 2028	E100	**105**	**100**	104	100
Stanbic Botswana	2029 - 2032	2024 – 2027	BWP516	**724**	**710**	696	686
Stanbic Bank Kenya	21 Dec 2028	15 Feb 2024	USD20	**387**	**370**	355	339
Intercompany						34	34
Total				**27 029**	**27 031**	25 629	25 753
Liberty regulatory insurance capital			ZAR5 100	**5 198**	**5 100**	6 115	6 000
Total subordinated debt				**32 227**	**32 131**	31 744	31 753

1 The difference between the carrying and notional value represents accrued interest together with, where applicable, the unamortised fair value adjustments relating to bonds hedged for interest rate risk.
2 SBSA on a reciprocal basis entered into subordinated tier 2 capital lending agreements with SBG under identical terms.

OTHER EQUITY HOLDERS

	First callable date	Notional value LCm	2023 Carrying value Rm	2023 Notional value Rm	2022 Carrying value Rm	2022 Notional value Rm
Preference share capital			**5 503**	**9**	5 503	9
Cumulative preference share capital (SBKP)		ZAR8	**8**	**8**	8	8
Non-cumulative preference share capital (SBPP)		ZAR1	**5 495**	**1**	5 495	1
Additional Tier 1 capital bonds[1]			**18 664**	**18 664**	14 164	14 164
SBT 103	31 Mar 2024	ZAR1 942	**1 942**	**1 942**	1 942	1 942
SBT 104	30 Sep 2025	ZAR1 539	**1 539**	**1 539**	1 539	1 539
SBT 105	31 Mar 2026	ZAR1 800	**1 800**	**1 800**	1 800	1 800
SBT 106	31 Dec 2026	ZAR1 724	**1 724**	**1 724**	1 724	1 724
SBT 107	8 Apr 2027	ZAR1 559	**1 559**	**1 559**	1 559	1 559
SBT108	13 Jul 2027	ZAR2 000	**2 000**	**2 000**	2 000	2 000
SBT109	31 Dec 2027	ZAR3 600	**3 600**	**3 600**	3 600	3 600
SBT110	30 Jun 2028	ZAR2 502	**2 500**	**2 500**		
SBT111	31 Dec 2028	ZAR2 000	**2 000**	**2 000**		
Total other equity instruments			**24 167**	**18 673**	19 667	14 173

1 SBSA on a reciprocal basis entered into subordinated AT1 capital lending agreements with SBG under identical terms.

79

KEY LEGAL ENTITY INFORMATION

THE STANDARD BANK GROUP

HEADLINE EARNINGS AND NET ASSET VALUE RECONCILIATION BY KEY LEGAL ENTITY

HEADLINE EARNINGS

	Change %	2023 Rm	2022[1] Rm
SBSA Group	3	**16 756**	16 256
Africa Regions legal entities	49	**18 209**	12 229
Liberty Holdings Group	46	**1 978**	1 358
Standard Bank Offshore	>100	**4 329**	1 628
Other group entities	(16)	**390**	465
Standard Insurance Limited	49	**461**	310
SBG Securities	(92)	**22**	264
Standard Advisory London	(5)	**81**	85
Other	(10)	**(174)**	(194)
Standard Bank Group Franchise	30	**41 662**	31 936
ICBCS	(33)	**1 286**	1 917
Standard Bank Group	27	**42 948**	33 853

NET ASSET VALUE (EQUITY ATTRIBUTABLE TO ORDINARY SHAREHOLDERS)

	Change %	2023 Rm	2022[1] Rm
SBSA Group	10	**121 715**	111 081
Africa Regions legal entities	5	**64 623**	61 293
Liberty Holdings Group	(3)	**16 630**	17 186
Standard Bank Offshore	45	**15 530**	10 675
Other group entities	(18)	**9 295**	11 305
Standard Insurance Limited	20	**2 777**	2 316
SBG Securities	(13)	**2 487**	2 856
Standard Advisory London	25	**918**	732
Other	(42)	**3 113**	5 401
Standard Bank Group Franchise	8	**227 793**	211 540
ICBCS	30	**8 652**	6 657
Standard Bank Group	8	**236 445**	218 197

1 Restated, refer to page 111 – 114 for further detail.

THE STANDARD BANK OF SOUTH AFRICA

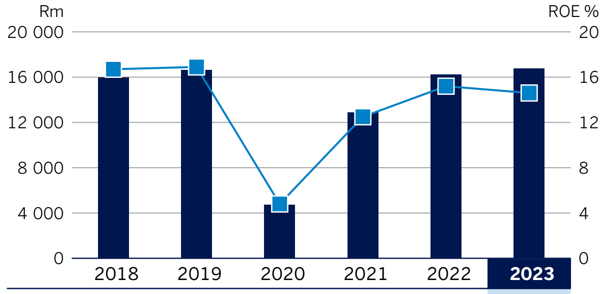
KEY FINANCIAL RESULTS, RATIOS AND STATISTICS

		Change %	2023	2022[1]
SBSA Group[2]				
Income statement				
Headline earnings	Rm	3	**16 756**	16 256
Profit attributable to ordinary shareholders	Rm	5	**16 779**	16 023
Statement of financial position				
Ordinary shareholders' equity	Rm	10	**121 715**	111 081
Total assets	Rm	6	**1 966 580**	1 850 040
Net loans and advances	Rm	7	**1 343 798**	1 254 969
Financial performance				
ROE	%		**14.6**	15.2
Non-interest revenue to total expenses	%		**70.1**	74.4
Loan-to-deposit ratio	%		**84.4**	84.5
CLR	bps		**98**	79
CLR on loans to customers	bps		**114**	92
Cost-to-income ratio	%		**60.4**	58.8
Jaws	%		**(2.9)**	5.0
Number of employees		3	**29 002**	28 206
Capital adequacy				
Total risk-weighted assets	Rm	6	**898 694**	851 511
Common equity tier 1 capital adequacy ratio	%		**12.7**	12.1
Tier 1 capital adequacy ratio	%		**14.8**	13.7
Total capital adequacy ratio	%		**17.6**	16.6
SBSA Company[1]				
Headline earnings	Rm	1	**16 578**	16 384
Total assets	Rm	6	**1 965 087**	1 848 932
ROE	%		**14.5**	14.9

1 Restated, refer to page 111 – 114 for further detail.
2 SBSA Group is a consolidation of entities including subsidiaries as well as structured entities, whereas SBSA company is a legal entity.
3 At an SBSA level, certain share-based payment schemes are accounted for on a cash-settled basis, but at a consolidated SBG level they are accounted for on an equity-settled basis. In addition, the hedges of those share schemes are recognised in the income statement at an SBSA level and in equity at an SBG level. Given SBG share price fluctuation, it is considered appropriate also to reflect SBSA's headline earnings as consolidated into SBG.

THE STANDARD BANK OF SOUTH AFRICA
KEY FINANCIAL RESULTS, RATIOS AND STATISTICS

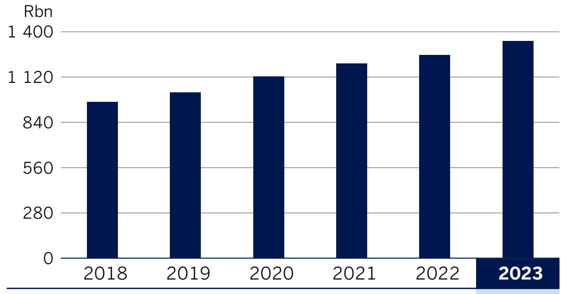
Headline earnings
CAGR (2018 – 2023): 1%



	2018	2019	2020	2021	2022	2023
Headline earnings	15 971	16 646	4 728	12 877	16 256	**16 756**
ROE	16.7	16.9	4.8	12.5	15.2	**14.6**

Headline earnings
ROE

Net loans and advances
CAGR (2018 – 2023): 7%



	2018	2019	2020	2021	2022	2023
Net loans and advances	966	1 026	1 124	1 203	1 255	**1 344**

SBSA Group

In 2023, the South African operating environment was characterised by persistent challenges including continued loadshedding, underperforming rail and port infrastructure, as well as low business and consumer confidence which weighed on economic growth. Average consumer price inflation for the year landed within the Monetary Policy Committee target range at 5.9% (2022: 6.9%) with interest rates up by 1.25%. Global growth slowdown and rising geopolitical tensions placed further strain on the economy.

Given the strain in the South African operating environment, SBSA's headline earnings grew by 3% to R16 756 million with a return on equity of 14.6% (2022: 15.2%). SBSA contributed 38% of SBG's earnings performance (2022: 48%). Headline earnings were constrained by higher credit impairment charges, as well as higher operating expenses growth. Cost growth of 16.4% outpaced income growth of 13.4% which resulted in negative jaws of 2.9% and a cost-to-income ratio of 60.4% (2022: 58.8%).

Balance sheet metrics remained strong, with a CET1 capital ratio of 12.7%, LCR of 127.4% and NSFR of 107.0%, all above the regulatory minimum requirements and board-approved targets. Capital optimisation initiatives focused on a combination of demand and mix of the portfolio after considering the appropriateness of buffers and future changes in regulations. Contingent liquidity buffers remained adequate in catering for internal as well as regulatory stress testing requirements. Deposit diversification across the South African ZAR and foreign currency funding portfolio supported competitive funding costs while sustainably underpinning client lending growth in key sectors.

Gross loans and advances to customers increased by 8%, supported by strong energy transition and sustainable finance loan origination in the corporate portfolio, together with an increased demand for trade facilities as client activity increased. The higher average interest environment curbed disbursements and pay-outs which resulted in muted loan growth in home services, vehicle and asset finance, and lending solutions albeit off a high base. The business continued to support clients in the strained environment through heightened engagement and relevant solutions. Risk appetite was managed robustly, and collection optimisation strategies are yielding effective outcomes.

Deposits from customers increased by 7%, mainly due to targeted client acquisition and retention strategies, as well as pricing of product offerings which led to good growth in call, term and cash management deposits of 10%. Growth in current and savings accounts softened as households increasingly relied on quick access to liquidity due to economic pressures which reduced disposable income.

Net interest income grew by 16% to R54 555 million, supported by growth in average interest-earning assets and average interest-bearing liabilities, together with positive endowment in a higher average interest rate environment which led to margin expansion. This was partially offset by pricing pressures in a competitive market.

Net fee and commission revenue increased by 6% to R21 637 million due to a higher active client base, good growth in transactional volumes linked to travel and e-commerce, and annual price increases. In addition, client acquisitions and new client deals delivered improved cash transaction volumes from corporates in Transaction banking. This was partially offset by higher US dollar Mastercard and Visa expenses in line with increased transactional activity and a weaker ZAR against the USD.

Strong trading revenue growth of 15% to R9 847 million was achieved on the back of client demand for foreign exchange, increased structured funding and good risk management in a volatile environment. This was partially offset by lower commodities revenue due to the non-recurrence of prior period gains on the back of higher commodity prices.

Other revenue increased by 18% to R5 588 million, mainly due to a marked increase in vehicle and asset finance fleet rental income on the back of higher volumes on long-term rentals.

Other gains and losses on financial instruments increased by 8% to R2 463 million in line with asset growth in the fair value portfolio.

Credit impairment charges grew by 34% to R13 256 million. The key drivers of the increase included an 8% growth in loans to customers, new corporate defaults, provisioning linked to rapid interest rate hikes and the non-recurrence of prior year credit recoveries in the payment holiday portfolio. Notwithstanding the additional provisions raised, the credit loss ratio remained within the portfolio's through-the-cycle target range of 70 – 100bps with the credit loss ratio increasing to 98bps (2022: 79bps).

Operating expenses grew by 16% to R56 392 million driven by annual salary increases, an increase in skilled employee complement, as well as higher performance-linked variable remuneration that resulted in higher deferred incentive provisions. Continued investment in technology costs to support client experience, improve business agility by migrating to cloud software, the impact of a weaker ZAR on US dollar contracts, higher fuel and maintenance costs related to electricity shortages. The optimisation of the distribution network continues to be an important lever in reducing the cost to serve clients with a 4% reduction in branch square meterage against 2022, while increasing points of representation through the rollout of low-cost kiosks.

SBSA continues to focus on driving sustainable growth in South Africa by utilising its strong balance sheet position to grow market share in selected segments. SBSA will continue to support its clients to navigate through the challenging macroeconomic environment and be a partner for enabling the energy transition in the country. SBSA is on track to deliver franchise growth and financial outcomes to assist the group in achieving its 2025 targets.

THE STANDARD BANK OF SOUTH AFRICA

CONDENSED STATEMENT OF FINANCIAL POSITION

	Group			Company		
	Change %	2023 Rm	2022[1] Rm	Change %	2023 Rm	2022[1] Rm
Assets						
Cash and balances with central banks	15	**54 251**	47 146	15	**54 231**	47 146
Derivative assets	29	**83 106**	64 538	29	**82 489**	64 123
Trading assets	5	**282 915**	268 228	6	**276 949**	262 291
Pledged assets	(12)	**6 812**	7 777	(12)	**6 812**	7 777
Non-current assets held for sale	(100)		255	(100)		255
Financial investments	1	**151 642**	150 003	3	**153 740**	149 981
Net loans and advances	7	**1 343 798**	1 254 969	7	**1 340 414**	1 254 092
Gross loans and advances to banks	6	**186 368**	175 947	6	**186 311**	175 844
Gross loans and advances to customers	8	**1 210 735**	1 124 225	7	**1 206 716**	1 123 352
Credit impairments	18	**(53 305)**	(45 203)	17	**(52 613)**	(45 104)
Receivables and other assets	(34)	**23 885**	36 185	(34)	**23 717**	36 017
Interest in associates, joint ventures and subsidiaries	17	**1 193**	1 016	6	**7 940**	7 492
Property, equipment and right of use assets	2	**11 034**	10 798	2	**10 989**	10 744
Goodwill and other intangible assets	(13)	**7 944**	9 125	(13)	**7 806**	9 014
Total assets	6	**1 966 580**	1 850 040	6	**1 965 087**	1 848 932
Equity and liabilities						
Equity	12	**140 530**	125 823	12	**139 406**	124 300
Equity attributable to ordinary shareholders	10	**121 715**	111 081	10	**120 742**	110 136
Equity attributable to other equity instrument holders	28	**18 743**	14 672	32	**18 664**	14 164
Equity attributable to AT1 capital noteholders	32	**18 664**	14 164	32	**18 664**	14 164
Equity attributable to non-controlling interests within Standard Bank Group	(84)	**79**	508			
Equity attributable to non-controlling interests	3	**72**	70			
Liabilities	6	**1 826 050**	1 724 217	6	**1 825 681**	1 724 632
Derivative liabilities	19	**92 984**	77 823	19	**92 938**	77 776
Trading liabilities	(22)	**82 028**	105 783	(22)	**82 028**	105 783
Deposits and debt funding	7	**1 592 209**	1 485 665	7	**1 592 904**	1 487 147
Deposits from banks	5	**190 833**	181 335	5	**190 838**	181 382
Deposits from customers	7	**1 401 376**	1 304 330	7	**1 402 066**	1 305 765
Subordinated debt	6	**25 813**	24 440	6	**25 813**	24 440
Provisions and other liabilities[1]	8	**33 016**	30 506	9	**31 998**	29 486
Total equity and liabilities	6	**1 966 580**	1 850 040	6	**1 965 087**	1 848 932

THE STANDARD BANK OF SOUTH AFRICA

CONDENSED INCOME STATEMENT

	Group			Company		
	Change %	2023 Rm	2022[1] Rm	Change %	2023 Rm	2022[1] Rm
Net interest income[1]	16	**54 555**	46 911	17	**54 151**	46 099
Non-interest revenue	10	**39 535**	36 039	9	**38 394**	35 232
Net fee and commission revenue	6	**21 637**	20 416	6	**20 521**	19 339
Trading revenue	15	**9 847**	8 590	12	**9 344**	8 322
Other revenue	18	**5 588**	4 755	15	**6 066**	5 293
Other gains and losses on financial instruments	8	**2 463**	2 278	8	**2 463**	2 278
Total net income	13	**94 090**	82 950	14	**92 545**	81 331
Credit impairment charges[1]	34	**(13 256)**	(9 897)	29	**(12 676)**	(9 850)
Loans and advances [1]	31	**(13 113)**	(9 978)	26	**(12 533)**	(9 931)
Financial investments	(31)	**(9)**	(13)	23	**(9)**	(13)
Letters of credit, guarantees and other	(>100)	**(134)**	94	(>100)	**(134)**	94
Income before revenue sharing agreements	11	**80 834**	73 053	12	**79 869**	71 481
Revenue sharing agreements with group companies	55	**(777)**	(502)	55	**(777)**	(502)
Net income before operating expenses	10	**80 057**	72 551	11	**79 092**	70 979
Operating expenses[1]	16	**(56 392)**	(48 464)	17	**(55 317)**	(47 471)
Staff costs[1]	20	**(31 799)**	(26 588)	20	**(31 143)**	(26 032)
Other operating expenses	12	**(24 593)**	(21 876)	13	**(24 174)**	(21 439)
Net income before capital items and equity accounted earnings	(2)	**23 665**	24 087	1	**23 775**	23 508
Non-trading and capital related items	(>100)	**22**	(371)	(>100)	**221**	(579)
Share of post-tax (loss)/profit from associates and joint ventures	(>100)	**(41)**	1	(>100)	**(41)**	1
Profit before indirect taxation	0	**23 646**	23 717	4	**23 955**	22 930
Indirect taxation	13	**(1 845)**	(1 626)	13	**(1 832)**	(1 615)
Profit before direct taxation	(1)	**21 801**	22 091	4	**22 123**	21 315
Direct taxation	(15)	**(4 105)**	(4 846)	(14)	**(4 022)**	(4 675)
Profit for the period	3	**17 696**	17 245	9	**18 101**	16 640
Attributable to AT1 capital noteholders	93	**(1 344)**	(697)	93	**(1 344)**	(697)
Attributable to non-controlling interests with Standard Bank Group	(>100)	**429**	(519)			
Attributable to non-controlling interests	(67)	**(2)**	(6)			
Attributable to ordinary shareholders	5	**16 779**	16 023	5	**16 757**	15 943
Headline adjustable items	(>100)	**(23)**	233	(>100)	**(179)**	441
Headline earnings	3	**16 756**	16 256	1	**16 578**	16 384

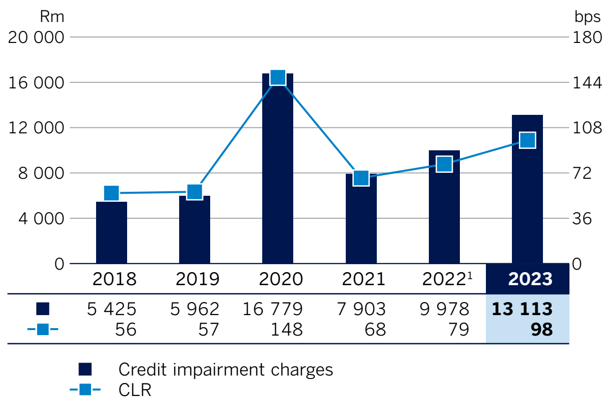
[1] Restated, refer to page 111 – 114 for further detail.

THE STANDARD BANK OF SOUTH AFRICA

CREDIT IMPAIRMENT CHARGES

Credit impairment charges on loans and advances

CAGR (2018 – 2023): 19%



INCOME STATEMENT CREDIT IMPAIRMENT CHARGES

		2023						2022[1]					
	Change %	Stage 1 Rm	Stage 2[2] Rm	Total stage 1 and 2 Rm	Stage 3[2] Rm	Credit impairment charges/ (release) Rm	Credit loss ratio bps	Stage 1 Rm	Stage 2[2] Rm	Total stage 1 and 2 Rm	Stage 3[2] Rm	Credit impairment charges/ (release) Rm	Credit loss ratio bps
Banking													
Home services	99	**152**	**784**	**936**	**2 080**	**3 016**	**68**	(105)	269	164	1 351	1 515	36
Vehicle and asset finance	12	**(94)**	**(11)**	**(105)**	**1 900**	**1 795**	**164**	57	663	720	877	1 597	153
Card and payments	20	**(30)**	**(24)**	**(54)**	**2 147**	**2 093**	**549**	85	(57)	28	1 723	1 751	472
Personal unsecured lending	15	**110**	**469**	**579**	**3 021**	**3 600**	**621**	19	530	549	2 580	3 129	522
Business lending and other	14	**(52)**	**12**	**(40)**	**1 121**	**1 081**	**128**	(179)	(37)	(216)	1 164	948	115
Corporate and sovereign lending	50	**124**	**(123)**	**1**	**1 513**	**1 514**	**36**	265	4	269	739	1 008	26
CIB bank lending	(53)	**(9)**	**23**	**14**		**14**	**1**	5	25	30		30	2
Total loans and advances credit impairment charges	31	**201**	**1 130**	**1 331**	**11 782**	**13 113**	**98**	147	1 397	1 544	8 434	9 978	79
Credit impairment charge/(release) – financial investments	(31)					**9**						13	
Credit impairment charge/(release) – letters of credit, guarantees and other	(>100)					**134**						(94)	
Total credit impairment charges	34					**13 256**						9 897	

1 Restated, refer to page 111 – 114 for further detail.
2 Includes post-write-off recoveries and modification gains and losses.

THE STANDARD BANK OF SOUTH AFRICA

RECONCILIATION OF EXPECTED CREDIT LOSS FOR LOANS AND ADVANCES MEASURED AT AMORTISED COST

	1 January 2023 opening balance Rm	Total transfers between stages Rm	Net provisions raised and (released) Rm	Impaired accounts written off Rm	Currency translation and other movements Rm	Time value of money and interest in suspense Rm	December 2023 closing balance Rm	Modification (losses) and recoveries of amounts written off Rm
Home services	15 286		2 847	(1 315)		1 201	18 019	(169)
Stage 1	864	207	(55)				1 016	
Stage 2	2 421	(71)	807				3 157	(48)
Stage 3	12 001	(136)	2 095	(1 315)		1 201	13 846	(121)
Vehicle and asset finance	6 423		1 693	(1 350)		320	7 086	(102)
Stage 1	639	143	(237)				545	
Stage 2	1 467	(262)	217				1 422	(34)
Stage 3	4 317	119	1 713	(1 350)		320	5 119	(68)
Card and payments	3 738		2 125	(1 573)		299	4 589	32
Stage 1	708	84	(114)				678	
Stage 2	1 093	(135)	82				1 040	(29)
Stage 3	1 937	51	2 157	(1 573)		299	2 871	61
Personal unsecured lending	8 343		3 226	(2 440)		951	10 080	(374)
Stage 1	1 009	168	(58)				1 119	
Stage 2	1 669	(16)	327				1 980	(158)
Stage 3	5 665	(152)	2 957	(2 440)		951	6 981	(216)
Business lending and other	5 356		1 156	(1 122)		20	5 410	75
Stage 1	414	181	(233)				362	
Stage 2	844	(168)	180				856	
Stage 3	4 098	(13)	1 209	(1 122)		20	4 192	75
Corporate and sovereign lending	5 964		1 574	(277)	286	463	8 010	60
Stage 1	1 031	24	100		34		1 189	
Stage 2	607	(24)	(99)		16		500	
Stage 3	4 326		1 573	(277)	236	463	6 321	60
CIB bank lending	93		14		4		111	
Stage 1	59		(9)		3		53	
Stage 2	34		23		1		58	
Total	45 203		12 635	(8 077)	290	3 254	53 305	(478)
Stage 1	4 724	807	(606)		37		4 962	
Stage 2	8 135	(676)	1 537		17		9 013	(269)
Stage 3	32 344	(131)	11 704	(8 077)	236	3 254	39 330	(209)

The income statement credit impairment charge on loans and advances of R13 113 million is made up of total transfers, net provision raised of R12 635 million plus post-write-off recoveries net of modification losses of R478 million.

THE STANDARD BANK OF SOUTH AFRICA

RECONCILIATION OF EXPECTED CREDIT LOSS FOR LOANS AND ADVANCES MEASURED AT AMORTISED COST

	1 January 2022 opening balance Rm	Total transfers between stages Rm	Net provisions raised and (released)[1] Rm	Impaired accounts written off Rm	Currency translation and other movements[1] Rm	Time value of money and interest in suspense[1] Rm	December 2022 closing balance Rm	Modification losses and recoveries of amounts written off Rm
Home services	14 385		1 338	(1 082)		645	15 286	(177)
Stage 1	969	433	(538)				864	
Stage 2	2 197	174	50				2 421	(45)
Stage 3	11 219	(607)	1 826	(1 082)		645	12 001	(132)
Vehicle and asset finance	5 455		1 739	(982)		211	6 423	142
Stage 1	582	51	6				639	
Stage 2	894	(87)	660				1 467	(90)
Stage 3	3 979	36	1 073	(982)		211	4 317	232
Card and payments	3 801		1 969	(2 201)		169	3 738	218
Stage 1	623	120	(35)				708	
Stage 2	1 112	(25)	6				1 093	38
Stage 3	2 066	(95)	1 998	(2 201)		169	1 937	180
Personal unsecured lending	7 698		2 939	(2 726)		432	8 343	(190)
Stage 1	990	27	(8)				1 009	
Stage 2	1 182	92	395				1 669	(43)
Stage 3	5 526	(119)	2 552	(2 726)		432	5 665	(147)
Business lending and other	5 111		1 044	(892)		93	5 356	96
Stage 1	593	172	(351)				414	
Stage 2	881	(320)	283				844	
Stage 3	3 637	148	1 112	(892)		93	4 098	96
Corporate and sovereign lending	4 974		984	(680)	321	365	5 964	(24)
Stage 1	746	63	202		20		1 031	
Stage 2	615	(87)	91		(12)		607	
Stage 3	3 613	24	691	(680)	313	365	4 326	(24)
CIB bank lending	57		30		6		93	
Stage 1	57	5			(3)		59	
Stage 2		(5)	30		9		34	
Total	41 481		10 043	(8 563)	327	1 915	45 203	65
Stage 1	4 560	871	(724)		17		4 724	
Stage 2	6 881	(258)	1 515		(3)		8 135	(140)
Stage 3	30 040	(613)	9 252	(8 563)	313	1 915	32 344	205

[1] Restated, refer to page 111 – 114 for further detail.

The income statement credit impairment charge on loans and advances of R9 978 million is made up of total transfers, net provision raised of R10 043 million less modification losses and post-write-off recoveries of R65 million.

THE STANDARD BANK OF SOUTH AFRICA

LOANS AND ADVANCES PERFORMANCE

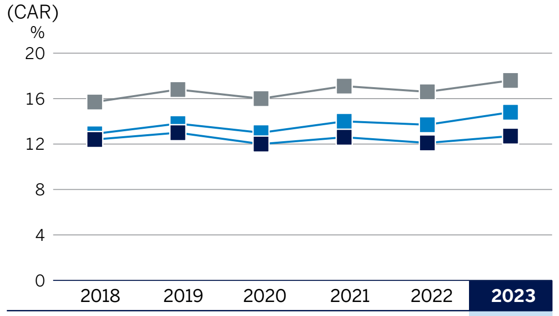
		SB 1 – 12		SB 13 – 20		SB 21 – 25							
	Gross carrying loans and advances Rm	Stage 1 Rm	Stage 2 Rm	Stage 1 Rm	Stage 2 Rm	Stage 1 Rm	Stage 2 Rm	Total stage 1 and 2 loans Rm	Total stage 3 loans Rm	Securities and expected recoveries on stage 3 exposures loan Rm	Balance sheet expected credit loss and interest in suspense on stage 3 Rm	Gross stage 3 loans coverage ratio %	Stage 3 exposures ratio %
2023													
Home services	**444 438**	**66 308**	**38**	**269 799**	**8 898**	**11 047**	**47 160**	**403 250**	**41 188**	**27 342**	**13 846**	**34**	**9.3**
Vehicle and asset finance	**114 123**	**42 042**		**45 451**	**7 390**	**4 026**	**5 122**	**104 031**	**10 092**	**4 973**	**5 119**	**51**	**8.8**
Card and payments	**38 285**	**2 168**		**23 365**	**201**	**4 097**	**4 408**	**34 239**	**4 046**	**1 175**	**2 871**	**71**	**10.6**
Personal unsecured lending	**58 512**	**522**	**6**	**29 034**	**210**	**10 594**	**7 866**	**48 232**	**10 280**	**3 299**	**6 981**	**68**	**17.6**
Business lending and other	**82 738**	**10 294**	**108**	**57 340**	**845**	**907**	**6 624**	**76 118**	**6 620**	**2 428**	**4 192**	**63**	**8.0**
Corporate and sovereign lending	**472 066**	**236 568**	**2 254**	**196 769**	**20 415**	**1 867**	**1 412**	**459 285**	**12 781**	**6 460**	**6 321**	**49**	**2.7**
CIB bank lending	**181 378**	**139 379**	**645**	**15 556**	**24 273**	**742**	**783**	**181 378**					
Central and other	**4 848**	**4 848**						**4 848**					
Gross loans and advances	**1 396 388**	**502 129**	**3 051**	**637 314**	**62 232**	**33 280**	**73 375**	**1 311 381**	**85 007**	**45 677**	**39 330**	**46**	**6.1**
Percentage of total book (%)	**100.0**	**36.0**	**0.2**	**45.6**	**4.5**	**2.4**	**5.3**	**93.9**	**6.1**	**3.3**	**2.8**		
Gross loans and advances at amortised cost	**1 396 388**												
Gross loans and advances at fair value	**715**												
Total gross loans and advances	**1 397 103**												

		SB 1 – 12		SB 13 – 20		SB 21 – 25							
	Gross carrying loans and advances Rm	Stage 1 Rm	Stage 2 Rm	Stage 1 Rm	Stage 2 Rm	Stage 1 Rm	Stage 2 Rm	Total stage 1 and 2 loans Rm	Total stage 3 loans Rm	Securities and expected recoveries on stage 3 exposures loans Rm	Balance sheet expected credit loss and interest in suspense on stage 3 Rm	Gross stage 3 loans coverage ratio %	Stage 3 exposures ratio %
2022													
Home services	436 952	63 903	3	290 464	12 741	7 348	31 872	406 331	30 621	18 620	12 001	39	7.0
Vehicle and asset finance	108 303	30 805	7	51 504	5 335	5 928	6 735	100 314	7 989	3 672	4 317	54	7.4
Card and payments	37 425	1 343		26 136	433	2 395	3 961	34 268	3 157	1 220	1 937	61	8.4
Personal unsecured lending	56 850	552		32 969	175	7 634	7 059	48 389	8 461	2 796	5 665	67	14.9
Business lending and other	85 918	9 791	160	62 994	1 711	598	4 528	79 782	6 136	2 038	4 098	67	7.1
Corporate and sovereign lending	399 001	172 378	1 181	197 655	14 759	943	1 742	388 658	10 343	6 017	4 326	42	2.6
CIB bank lending	171 255	112 686	590	22 536	31 303	2 258	1 882	171 255					
Central and other	3 804	3 804						3 804					
Gross loans and advances	1 299 508	395 262	1 941	684 258	66 457	27 104	57 779	1 232 801	66 707	34 363	32 344	48	5.1
Percentage of total book (%)	100.0	30.5	0.1	52.7	5.1	2.1	4.4	94.9	5.1	2.6	2.5		
Gross loans and advances at amortised cost	1 299 508												
Gross loans and advances at fair value	664												
Total gross loans and advances	1 300 172												

The group uses a 25-point master rating scale to quantify each borrower's credit risk (corporate asset classes) or facility (specialised lending and retail asset classes). Ratings are mapped to the probability of defaults (PDs) through calibration formulae that use historical default rates and other data from the applicable portfolio.

THE STANDARD BANK OF SOUTH AFRICA
CAPITAL ADEQUACY AND RISK-WEIGHTED ASSETS

Capital adequacy ratios – SBSA Group



	2018	2019	2020	2021	2022	2023
Common equity tier 1 CAR	12.4	13.0	12.0	12.6	12.1	**12.7**
Tier 1 CAR	12.9	13.8	13.0	14.0	13.7	**14.8**
Total CAR	15.7	16.8	16.0	17.1	16.6	**17.6**

- Common equity tier 1 CAR
- Tier 1 CAR
- Total CAR

RISK-WEIGHTED ASSETS

	Change %	2023 Rm	2022 Rm
Credit risk	6	**649 319**	610 686
Counterparty credit risk	(10)	**45 215**	49 976
Market risk	5	**53 344**	50 675
Operational risk	13	**117 122**	103 860
Equity risk in the banking book	(23)	**13 566**	17 681
RWA for investments in financial entities	8	**20 128**	18 633
Total risk-weighted assets	6	**898 694**	851 511

THE STANDARD BANK OF SOUTH AFRICA
CAPITAL ADEQUACY

CAPITAL ADEQUACY RATIOS

	Target ratios[1] %	SARB minimum regulatory requirement[2] %	Excluding unappropriated profit 2023 %	Excluding unappropriated profit 2022 %	Including unappropriated profit 2023 %	Including unappropriated profit 2022 %
Common equity tier 1 capital adequacy ratio	>11.0	8.5	**11.8**	11.0	**12.7**	12.1
Tier 1 capital adequacy ratio	>12.0	10.8	**13.9**	12.6	**14.8**	13.7
Total capital adequacy ratio	>15.0	13.0	**16.7**	15.5	**17.6**	16.6

[1] Including unappropriated profit.
[2] Excluding confidential bank specific requirements.

QUALIFYING REGULATORY CAPITAL EXCLUDING UNAPPROPRIATED PROFIT

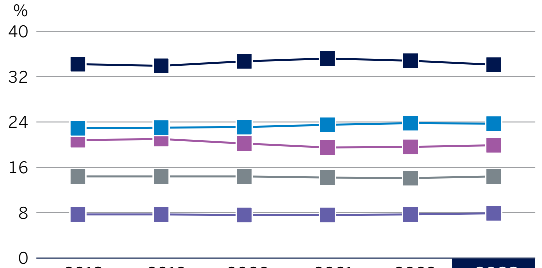
	Change %	2023 Rm	2022[1] Rm
Ordinary shareholders' equity	10	**121 715**	111 081
Regulatory adjustments	(9)	**(7 451)**	(8 206)
Goodwill	14	**(48)**	(42)
Other intangible assets	(13)	**(6 520)**	(7 483)
Other adjustments	30	**(883)**	(681)
Total (including unappropriated profit)	11	**114 264**	102 875
Unappropriated profit	(13)	**(7 974)**	(9 122)
Common equity Tier 1 capital	13	**106 290**	93 753
Qualifying other equity instruments	32	**18 661**	14 098
Tier 1 capital	16	**124 951**	107 851
Tier 2 capital	5	**25 414**	24 143
Qualifying Tier 2 subordinated debt	4	**25 682**	24 594
General allowance for credit impairments	34	**3 594**	2 674
Regulatory adjustments – investment in Tier 2 instruments in other banks	24	**(3 862)**	(3 125)
Total qualifying regulatory capital	14	**150 365**	131 994

[1] Restated due to adoption of new accounting standards, refer to page 111 – 114 for further detail.

THE STANDARD BANK OF SOUTH AFRICA

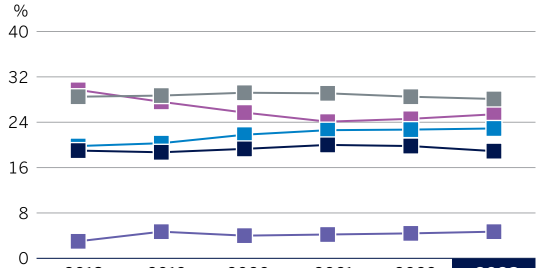
MARKET SHARE ANALYSIS[1]

Mortgage loans[2]



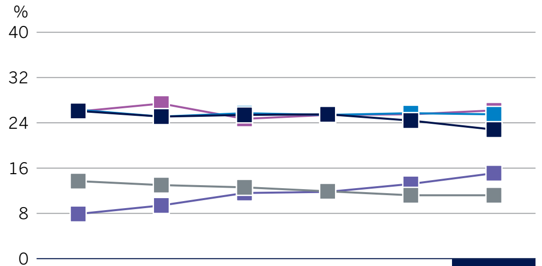
	2018	2019	2020	2021	2022	2023
SBSA	34.2	33.9	34.7	35.2	34.8	**34.1**
ABSA	22.9	23.0	23.1	23.5	23.8	**23.7**
Nedbank	14.4	14.4	14.4	14.2	14.1	**14.4**
FirstRand	20.8	21.0	20.2	19.5	19.6	**19.9**
Other	7.7	7.7	7.6	7.6	7.7	**7.9**

Vehicle and asset finance



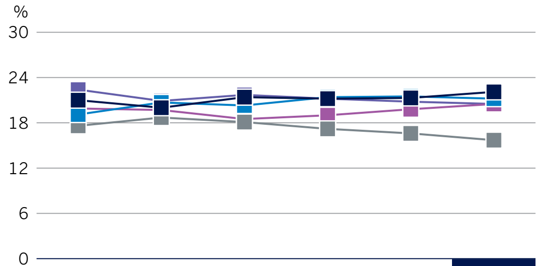
	2018	2019	2020	2021	2022	2023
SBSA	19.0	18.7	19.3	20.0	19.8	**18.9**
ABSA	19.8	20.3	21.8	22.6	22.7	**22.9**
Nedbank	28.5	28.7	29.2	29.1	28.5	**28.1**
FirstRand	29.7	27.6	25.7	24.1	24.6	**25.4**
Other	3.0	4.7	4.0	4.2	4.4	**4.7**

Card



	2018	2019	2020	2021	2022	2023
SBSA	26.1	25.1	25.4	25.5	24.4	**22.8**
ABSA	26.3	25.1	25.7	25.4	25.7	**25.5**
Nedbank	13.7	13.0	12.6	11.9	11.2	**10.4**
FirstRand	26.0	27.4	24.7	25.4	25.5	**26.2**
Other	7.9	9.4	11.6	11.8	13.2	**15.1**

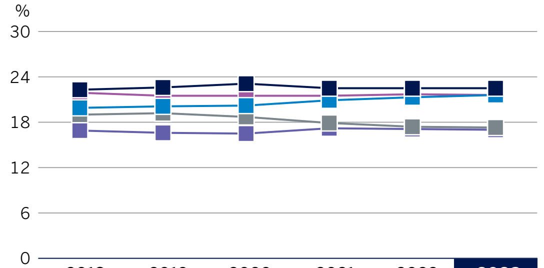
Other loans and advances



	2018	2019	2020	2021	2022	2023
SBSA	21.0	20.0	21.4	21.2	21.3	**22.1**
ABSA	19.1	20.7	20.3	21.4	21.5	**21.2**
Nedbank	17.6	18.7	18.1	17.2	16.6	**15.7**
FirstRand	19.9	19.7	18.5	19.0	19.8	**20.5**
Other	22.4	20.9	21.7	21.2	20.8	**20.5**

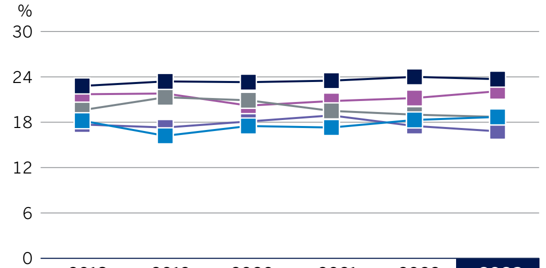
1 Source: SARB BA 900.
2 Mortgage loans refers to residential households only. Commercial property finance is included in Other loans and advances.

Deposits



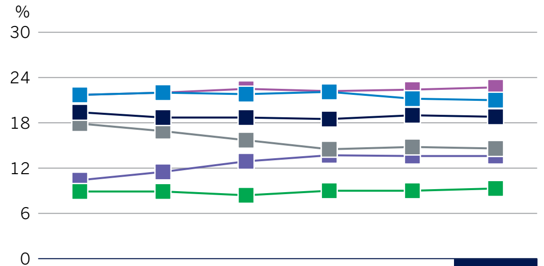
	2018	2019	2020	2021	2022	2023
SBSA	22.3	22.6	23.1	22.5	22.5	**22.5**
ABSA	19.9	20.1	20.2	20.9	21.3	**21.6**
Nedbank	19.0	19.2	18.7	17.9	17.4	**17.3**
FirstRand	21.9	21.5	21.5	21.5	21.7	**21.6**
Other	16.9	16.6	16.5	17.2	17.1	**17.0**

Corporate deposits



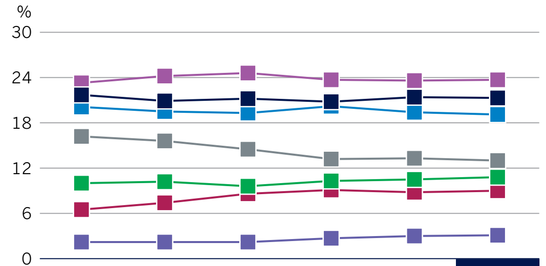
	2018	2019	2020	2021	2022	2023
SBSA	22.8	23.4	23.3	23.5	24.0	**23.7**
ABSA	18.2	16.2	17.5	17.3	18.3	**18.7**
Nedbank	19.6	21.3	20.9	19.5	19.0	**18.7**
FirstRand	21.7	21.8	20.2	20.8	21.2	**22.1**
Other	17.7	17.3	18.1	18.9	17.5	**16.8**

Household deposits



	2018	2019	2020	2021	2022	2023
SBSA	19.4	18.7	18.7	18.5	19.0	**18.8**
ABSA	21.7	22.0	21.8	22.1	21.2	**21.0**
Nedbank	17.9	16.9	15.7	14.5	14.8	**14.6**
FirstRand	21.7	22.0	22.5	22.2	22.4	**22.7**
Investec	8.9	8.9	8.4	9.0	9.0	**9.3**
Other	10.4	11.5	12.9	13.7	13.6	**13.6**

Household deposits – CASA[3]



	2018	2019	2020	2021	2022	2023
SBSA	21.7	20.9	21.2	20.8	21.4	**21.3**
ABSA	20.1	19.5	19.3	20.2	19.4	**19.1**
Nedbank	16.2	15.6	14.5	13.2	13.3	**13.0**
FirstRand	23.3	24.2	24.6	23.7	23.6	**23.7**
Investec	10.0	10.2	9.6	10.3	10.5	**10.8**
Capitec	6.5	7.4	8.6	9.1	8.8	**9.0**
Other	2.2	2.2	2.2	2.7	3.0	**3.1**

3 CASA: Cheque, savings, on-demand and 1 to 30 day accounts.

AFRICA REGIONS LEGAL ENTITIES

Africa Regions

The Africa Regions business has a strong presence across 19 countries that continues to support sustainable economic growth by facilitating enhanced trade financing, transactional banking, risk management and investment opportunities.

Global economic conditions continued to be challenging in 2023 marked by effects of global geopolitical tensions including the multiple conflicts across Africa, which resulted in sustained high inflation rates, weaker local currencies and elevated interest rates that continued to weigh on developing economies. High debt service costs continued to place pressure on highly indebted sovereigns with elevated default risk remaining a concern across the continent. African countries with high exposure to dollar-denominated economic activity were impacted by the USD appreciation and as a result exchange rate volatility persisted, with significant local currency devaluations, predominantly in Nigeria, Angola and Malawi. The business continued to support its clients and sovereigns as they navigated through these challenges.

Strong portfolio diversification resulted in Africa Regions' contribution to the Standard Bank Group headline earnings increasing to 42% in 2023 (2022: 36%). Africa Regions' produced headline earnings of R18 209 million, up 49%, with an ROE of 28.1% (2022: 21.0%). Income growth of 24% outpaced operating expenses growth of 15% resulting in positive jaws of 9.0% and an improved cost-to-income ratio of 45.4% (2022: 49.0%).

Due to the volatility in currency across the continent, the commentary which follows is based on constant currency movements.

Balance sheet growth was supported by an increase in loans and advances to customers of 20% driven by ongoing momentum in corporate loan origination particularly in the Mining & Metals, Power & Infrastructure, and Telecommunication & Media sectors, as well as demand for trade facilities particularly in West Africa. This, together with employee scheme lending initiatives, as well as strong asset pipeline conversion and increased levels of disbursements in business lending further supported growth. Steady progress was made on the diversification of funding sources across the region.

Net interest income grew by 47%, due to good balance sheet growth and positive endowment in a higher average interest rate environment.

Net fee and commission revenue was up by 37%, driven by increased transactional activity linked to client acquisition, the impact of annual price increases, increased fees earned in the pension fund business driven by growth in the client base and associated Assets Under Management (AUM), as well as increased deal origination and trade activity.

Trading revenue was up by 32%, benefitting from increased client demand and volatility resulting in strong foreign currency (forex) flows in West Africa, higher client forex sales in East and West Africa driven by USD demand following local currency devaluation in these regions, and a release of a credit valuation adjustment provision on the maturing and settlement of a derivative transaction raised in 2H22.

Credit impairment charges reduced by 23%, mainly driven by a post restructure release of material impairments raised following the sovereign distress experienced in Ghana in 2022. Excluding this, elevated sovereign risk resulted in higher provisions in South & Central Africa, as well as increased stage 3 credit impairment charges for existing exposures in East and West Africa in Business banking and in the Consumer, Telecommunication & Media and Real Estate sectors in the corporate portfolio. These movements resulted in the credit loss ratio decreasing to 83bps (2022: 93bps) and remained within risk appetite.

Operating expenses grew by 33%, due to the heightened inflationary environments across the region, annual salary increases, an increase in skilled employees, higher depositor insurance costs, and Asset Management Corporation of Nigeria (AMCON) expenses in West Africa on the back of balance sheet growth. In addition, cost growth was further impacted by higher technology spend driven by continued software and cloud related expenses to support digital capabilities, and the impact of local currency devaluation on foreign currency denominated costs.

East Africa

East Africa headline earnings increased by 37% to R3 513 million with an ROE of 21.2% (2022: 17.3%).

Net interest income growth of 31%, supported by loan origination in the Sovereign, Power & Infrastructure, and Telecommunication & Media sectors, higher client demand for lending and trade facilities, and the positive endowment impact in a higher average interest rate environment.

Non-interest revenue grew by 19%, driven by a combination of higher trading revenue from improved foreign exchange margins, increased client activity, US dollar liquidity scarcity, higher advisory fees earned in Investment banking and improved transactional card-based activity.

Credit impairment charges increased by 19%, due to additional charges for existing non-performing loans in the Business segment and Consumer, Telecommunication & Media and Real Estate sector in the corporate loan portfolio. This was partly offset by the improved credit risk profiling and collection capabilities, as well as post write off recoveries.

Operating expenses were up by 21%, due to annual salary increases, an increase in skilled employees, continued software, cloud and technology related spend to support digital initiatives, coupled with higher legal fees.

South & Central Africa

South & Central Africa's headline earnings grew by 52% to R8 445 million with an ROE of 28.5% (2022: 25.4%).

Net interest income increased by 53%, supported by strong lending and loan origination, higher demand for trade facilities, increased financial investment placements across most markets and positive endowment from higher average interest rates, particularly in Zimbabwe, Malawi, Mauritius, and Zambia.

Net fee and commission revenue increased by 68%, mainly due to the onboarding of new corporate clients in Transaction banking and related transactional fees, together with higher transactional volumes following the roll out of USD ATMs in certain markets. Growth was further supported by continued demand for foreign currency and annual price increases.

Trading revenue grew by 15%, due to increased client activity on the back of volatile foreign exchange markets.

Credit impairment charges increased by 48%, due to higher sovereign credit risk migration in Malawi, regulatory-related growth in financial investment placements, together with the non-recurrence of recoveries received in Business banking in 2022.

Operating expenses were up by 41%, driven by persistent inflation and the hyperinflationary environment in Zimbabwe, continued investment in digitisation initiatives to support revenue and client growth, the impact of local currency devaluation on USD denominated costs, and increased travel and entertainment costs as normal business activity resumed. Cost containment measures continue to remain a key focus area for management in the region.

West Africa

West Africa's headline earnings increased by more than 100% to R6 251 million with an ROE of 33.7% (2022: 18.2%).

Net interest income grew by 51%, due to higher trade related lending, good loan origination and solid deposit growth. In addition, higher average interest rates particularly in Ghana and Nigeria resulted in positive endowment which further supported growth.

Net fee and commission revenue increased by 19%, due to a combination of higher transactional activity related to card and trade services, fees generated from increased loan origination and higher fees earned commensurate with growth in Assets Under Management (AUM) which surpassed the R32.0 billion mark in AUM's.

Trading revenue grew by 70%, driven by increased client activity related to foreign exchange and structured solutions to manage risk in a challenging environment, together with mark-to-market gains.

Credit impairment charges declined by 73%, following a partial release of Ghana's sovereign provisions raised in 2H22 post the government debt restructure. This was partially moderated by additional provisions for existing stage 3 matters in Business & Commercial Banking which reflected client strain in the region.

Operating expenses grew by 30%, due to the heightened inflationary environment, increased depositor insurance costs related to the continued growth in the deposit base, increased investment in digitisation and technology initiatives, and the impact of local currency devaluation on USD denominated technology contracts.

Looking ahead

The business remains focused on delivering superior client experience, building sustainable solutions to enable the continent to achieve its energy transition and is well positioned to deliver against its strategy. Ongoing investment in client journeys and digital capabilities will continue to support business growth. Countries are on track to deliver franchise growth and financial outcomes to assist the group in achieving its 2025 targets.

AFRICA REGIONS LEGAL ENTITIES

CONDENSED STATEMENT OF FINANCIAL POSITION

	East Africa[1]				South & Central Africa[2]				West Africa[3]				Africa Regions legal entities			
	CCY %	Change %	**2023 Rm**	2022 Rm	CCY %	Change %	**2023 Rm**	2022 Rm	CCY %	Change %	**2023 Rm**	2022 Rm	CCY %	Change %	**2023 Rm**	2022 Rm
Assets																
Cash and balances with central banks	8	6	**9 990**	9 409	92	53	**32 300**	21 137	68	12	**41 245**	36 771	65	24	**83 535**	67 318
Derivative assets	(9)	(10)	**773**	857	(46)	(48)	**168**	321	>100	>100	**11 413**	2 036	>100	>100	**12 354**	3 214
Trading assets	(12)	(11)	**10 238**	11 547	(12)	(22)	**2 077**	2 649	(1)	(39)	**5 212**	8 511	(9)	(23)	**17 527**	22 706
Pledged assets	(24)	(34)	**340**	516	>100	>100	**1 189**	50	>100	64	**7 750**	4 715	>100	76	**9 279**	5 281
Financial investments	(12)	(15)	**12 557**	14 843	13	5	**40 070**	38 210	29	(18)	**28 297**	34 301	13	(7)	**80 924**	87 354
Net loans and advances	22	16	**79 548**	68 708	0	(2)	**156 128**	160 084	40	(4)	**89 673**	93 670	14	1	**325 349**	322 463
Gross loans and advances	21	14	**82 900**	72 673	0	(2)	**160 354**	164 174	41	(4)	**92 597**	96 345	14	1	**335 851**	333 193
Gross loans and advances to banks	98	84	**17 202**	9 368	(13)	(11)	**69 030**	77 482	28	(6)	**23 046**	24 423	3	(2)	**109 278**	111 273
Gross loans and advances to customers	10	4	**65 698**	63 305	12	5	**91 324**	86 692	45	(3)	**69 551**	71 922	20	2	**226 573**	221 920
Credit provisions on loans and advances	(8)	(15)	**(3 352)**	(3 965)	13	3	**(4 226)**	(4 090)	48	9	**(2 924)**	(2 675)	12	(2)	**(10 502)**	(10 730)
Receivables and other assets	(80)	(81)	**765**	3981	20	88	**10 153**	5 391	20	(21)	**7 006**	8 917	(1)	(2)	**17 924**	18 288
Investment property					>100	44	**1 744**	1 211					>100	44	**1 744**	1 211
Property and equipment	1	(2)	**1 006**	1 024	16	8	**3 458**	3 201	27	(19)	**3 259**	4 027	18	(6)	**7 723**	8 251
Goodwill and other intangible assets	(6)	(15)	**1 563**	1 841	(22)	(24)	**2 081**	2 735	(38)	(59)	**317**	771	(18)	(26)	**3 961**	5 347
Goodwill	0	(14)	**1 117**	1 294	(46)	(46)	**422**	786					(19)	(26)	**1 539**	2 080
Other intangible assets	(19)	(18)	**446**	547	(12)	(15)	**1 659**	1 949	(38)	(59)	**317**	771	(18)	(26)	**2 422**	3 267
Total assets	8	4	**116 780**	112 726	10	6	**249 368**	234 989	51	0	**194 172**	193 719	21	3	**560 320**	541 433
Equity and liabilities																
Equity	(7)	(10)	**17 628**	19 522	21	24	**36 995**	29 895	29	(15)	**22 259**	26 309	15	2	**76 882**	75 726
Equity attributable to ordinary shareholders	(10)	(13)	**13 756**	15 767	22	26	**34 456**	27 444	34	(9)	**16 411**	18 082	15	5	**64 623**	61 293
Equity attributable to non-controlling interest	8	3	**3 872**	3 755	17	4	**2 539**	2 451	18	(29)	**5 848**	8 227	15	(15)	**12 259**	14 433
Liabilities	12	6	**99 152**	93 204	9	4	**212 373**	205 094	55	3	**171 913**	167 410	22	4	**483 438**	465 707
Derivative liabilities	2	4	**974**	940	(32)	(32)	**191**	281	>100	>100	**9 260**	991	>100	>100	**10 425**	2 213
Trading liabilities	(10)	(10)	**2 862**	3 192	(29)	(45)	**1 877**	3 438	>100	34	**11 167**	8 341	50	6	**15 906**	14 972
Deposits and debt funding	13	7	**88 804**	82 698	6	2	**196 808**	192 057	45	(1)	**132 935**	134 787	18	2	**418 547**	409 542
Deposits from banks	2	(4)	**7 581**	7 911	(7)	(1)	**10 279**	10 382	29	(20)	**23 964**	29 852	13	(13)	**41 824**	48 144
Deposits from customers	14	9	**81 223**	74 787	7	3	**186 529**	181 675	49	4	**108 971**	104 935	18	4	**376 723**	361 398
Insurance contract liabilities									52	(15)	**619**	727	52	(15)	**619**	727
Subordinated debt	20	8	**1 887**	1 741	7	4	**1 364**	1 306	>100	59	**1 993**	1 253	46	22	**5 244**	4 300
Provisions and other liabilities	4	0	**4 625**	4 633	92	51	**12 133**	8 012	23	(25)	**15 939**	21 311	38	(4)	**32 697**	33 953
Total equity and liabilities	8	4	**116 780**	112 726	10	6	**249 368**	234 989	51	0	**194 172**	193 719	21	3	**560 320**	541 433

1 Kenya, South Sudan, Tanzania, Uganda.
2 Botswana, Eswatini, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Zambia, Zimbabwe.
3 Angola, Democratic Republic of Congo, Ghana, Côte d'Ivoire, Nigeria.

The entity information included within the Africa Regions legal entities disclosure in this report aligns to the group's Africa Regions geographic information in terms of *IFRS 8 Operating Segments (IFRS 8).*

AFRICA REGIONS LEGAL ENTITIES

CONDENSED REGIONAL INCOME STATEMENT

	East Africa[1]				South & Central Africa[2]				West Africa[3]				Africa Regions legal entities			
	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm	CCY %	Change %	2023 Rm	2022 Rm
Net interest income	31	36	**8 388**	6 163	53	29	**16 503**	12 755	51	22	**11 810**	9 680	47	28	**36 701**	28 598
Non-interest revenue	19	22	**5 056**	4 142	48	23	**9 807**	7 996	39	12	**9 543**	8 524	38	18	**24 406**	20 662
Net fee and commission revenue	26	30	**2 017**	1 551	68	18	**5 364**	4 535	19	(3)	**5 039**	5 178	37	10	**12 420**	11 264
Trading revenue	17	18	**2 974**	2 511	15	36	**3 587**	2 634	70	32	**4 291**	3 244	32	29	**10 852**	8 389
Other revenue	13	28	**102**	80	>100	(16)	**598**	709	>100	>100	**166**	64	>100	2	**866**	853
Other gains and losses on financial instruments	(100)	(100)	**(37)**		>100	>100	**258**	118	88	24	**47**	38	85	72	**268**	156
Total income	26	30	**13 444**	10 305	51	27	**26 310**	20 751	45	17	**21 353**	18 204	43	24	**61 107**	49 260
Credit impairment charges	19	16	**(1 234)**	(1 061)	48	24	**(1 021)**	(822)	(73)	(74)	**(503)**	(1 968)	(23)	(28)	**(2 758)**	(3 851)
Loans and advances	18	15	**(1 232)**	(1 068)	(5)	(19)	**(739)**	(909)	(5)	(14)	**(911)**	(1 064)	4	(5)	**(2 882)**	(3 041)
Financial investments	>100	>100	**(12)**	(5)	(>100)	(>100)	**(275)**	84	(>100)	(>100)	**462**	(879)	(>100)	(>100)	**175**	(800)
Letters of credit, guarantees and other	(29)	(17)	**10**	12	(>100)	(>100)	**(7)**	3	>100	>100	**(54)**	(25)	>100	>100	**(51)**	(10)
Income before operating expenses	27	32	**12 210**	9 244	51	27	**25 289**	19 929	63	28	**20 850**	16 236	49	28	**58 349**	45 409
Operating expenses	21	25	**(5 924)**	(4 744)	41	17	**(12 197)**	(10 465)	30	8	**(9 636)**	(8 921)	33	15	**(27 757)**	(24 130)
Staff costs	22	25	**(2 948)**	(2 357)	37	17	**(5 737)**	(4 911)	30	7	**(4 326)**	(4 054)	31	15	**(13 011)**	(11 322)
Other operating expenses	21	25	**(2 976)**	(2 387)	46	16	**(6 460)**	(5 554)	30	9	**(5 310)**	(4 867)	34	15	**(14 746)**	(12 808)
Net income before non-trading and capital related items, and equity accounted earnings	33	40	**6 286**	4 500	61	38	**13 092**	9 464	>100	53	**11 214**	7 315	68	44	**30 592**	21 279
Non-trading and capital related items	(20)	(20)	**4**	5	>100	>100	**1 477**	715	>100	>100	**19**	6	>100	>100	**1 500**	726
Profit before indirect taxation	33	40	**6 290**	4 505	74	43	**14 569**	10 179	>100	53	**11 233**	7 321	74	46	**32 092**	22 005
Indirect taxation	37	44	**(317)**	(220)	33	22	**(556)**	(457)	41	14	**(294)**	(257)	36	25	**(1 167)**	(934)
Profit before direct taxation	33	39	**5 973**	4 285	76	44	**14 013**	9 722	>100	55	**10 939**	7 064	75	47	**30 925**	21 071
Direct taxation	29	36	**(1 634)**	(1 205)	>100	52	**(3 542)**	(2 337)	>100	95	**(2 362)**	(1 212)	99	59	**(7 538)**	(4 754)
Profit for the period	34	41	**4 339**	3 080	66	42	**10 471**	7 385	99	47	**8 577**	5 852	69	43	**23 387**	16 317
Attributable to non-controlling interests	24	28	**(823)**	(644)	41	37	**(765)**	(557)	33	2	**(2 314)**	(2 260)	33	13	**(3 902)**	(3 461)
Attributable to ordinary shareholders	37	44	**3 516**	2 436	69	42	**9 706**	6 828	>100	74	**6 263**	3 592	79	52	**19 485**	12 856
Headline adjustable items	(40)	(40)	**(3)**	(5)	>100	>100	**(1 261)**	(619)	>100	>100	**(12)**	(3)	>100	>100	**(1 276)**	(627)
Headline earnings	37	45	**3 513**	2 431	52	36	**8 445**	6 209	>100	74	**6 251**	3 589	70	49	**18 209**	12 229
ROE (%)			**21.3**	17.3			**28.2**	25.4			**33.7**	18.2			**28.0**	21.0
CLR (bps)			**156**	154			**44**	57			**94**	111			**83**	93
CLR on loans to customers (bps)			**188**	186			**89**	107			**129**	161			**130**	146
Cost-to-income ratio (%)			**44.1**	46.0			**46.4**	50.4			**45.1**	49.0			**45.4**	49.0
Effective direct taxation rate (%)			**27.4**	28.1			**25.3**	24.0			**21.6**	17.2			**24.4**	22.6
Effective total taxation rate (%)			**31.0**	31.6			**28.1**	27.4			**23.6**	20.1			**27.1**	25.8

1 Kenya, South Sudan, Tanzania, Uganda.
2 Botswana, Eswatini, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Zambia, Zimbabwe.
3 Angola, Democratic Republic of Congo, Ghana, Côte d'Ivoire, Nigeria.

The entity information included within the Africa Regions legal entities disclosure in this report aligns to the group's Africa Regions geographic information in terms of IFRS 8.

LIBERTY HOLDINGS GROUP

ANALYSIS OF CHANGE IN LIBERTY GROUP LIMITED (LGL) SAM OWN FUNDS

The table below provides explanations for the R209 million increase in the LGL SAM own funds for the period ending 31 December 2023 and includes comparative figures for the prior period ended 31 December 2022.

	Notes	2023 Rm	2022 Rm
Own Funds – Beginning of the period		**30 149**	29 606
New business value (NBV)	1	**433**	394
Expected release of risk margin	2	**800**	658
Variances/changes in operating assumptions		**(709)**	(776)
Operating experience variances	3	**(842)**	(454)
Operating assumption and modelling changes	4	**133**	(322)
Development costs[a]	5	**(612)**	(487)
Covid-19 impact			154
Economic adjustments[a]	6	**4 462**	510
Dividends and other capital changes	7	**(4 165)**	90
Own Funds – End of the period		**30 358**	30 149

[a] Development costs reflecting expenses associated with group strategic initiatives were shown within economic adjustments in 2022 and have now been shown explicitly.

The significant line items in the build-up are explained in the notes that follow:

Notes to analysis of change in SAM Own Funds:

1. The NBV captures the own funds generated over the contract boundary from LGL's various business lines during the period on a SAM basis.

   The NBV allows for the best estimate profitability of new business over the contract boundary as measured on the SAM basis. Earnings from illiquidity premiums in excess of those included in the SAM liabilities, and earnings from credit investments, which both emerge annually as profits on the SAM basis, are included.

   The NBV is adjusted for the new business risk margin which is the present value of the cost of the non-hedgeable capital requirements for new business sold in the year. This is based on a 6% cost of capital above the risk-free rate. This amount will be released over the expected lifetime of the new business on a SAM basis going forward.

   The NBV for December 2023 increased compared to December 2022. This is mainly driven by an increase in Corporate Benefits and Bancassurance earnings as a result of strong underwriting profits.

2. The risk margin released over the expected lifetime of the contracts in line with the expected change in the risk profile of these contracts through time. This result allows for the expected release of the risk margin over the period on the in-force business at the start of the year which provides for the 6% cost of capital on non-hedgeable risk above the risk-free rate. The release of the risk margin for December 2023 has increased compared to the prior year. This is largely as a result of a refinement in the attribution of the change in risk margin between the release of margin and NBV components for short boundary Corporate Benefits business.

3. Mortality and morbidity variances were positive over the 2023 period whilst persistency experience, which drove most of year-on-year change, faced headwinds on certain product lines. Where appropriate, assumptions were strengthened to reflect experience. In addition, this item includes the allowance for costs related to projects and other costs that are expected to be once-off in nature, including the cost of the IFRS 17 project and simplification initiatives that were incurred during the period.

4. Assumption and modelling changes for 2023 include changes to the mortality and morbidity basis which were partly offset by the strengthening of the persistency basis for product lines experiencing sustained headwinds. The loss for the 2022 full year period was largely due to the once-off strengthening of long-term expense assumptions to align the expense basis between SAM and IFRS 17 and the partial offset from adjustment to policyholder behaviour assumptions.

5. Development costs reflect costs relating to group strategic initiatives.

6. The economic adjustment of R4 462 million for December 2023 is predominantly driven by the impact of interest rate movements on interest rate sensitive liabilities with yields having increased over the period. In addition, it includes a write up in the value of Liberty Two Degrees (L2D) from cost to net asset value post the acquisition of minority shares, which increased own funds by R1 221 million. The prescribed yield curve under SAM has seen a marked increase at later durations, mainly in the extrapolation, relative to movement in yields at similar durations on the internal curves used under IFRS. This change has partly been driven by the introduction of the R2053 bond into the yield curve prescribed by the Prudential Authority. This resulted in an additional positive return on SAM own funds as compared to that observed under IFRS as changes to extrapolation cannot be hedged.

7. For 2023, this item includes a net redemption of subordinated debt of R863 million (which reduces SAM own funds) and a dividend distribution of R3 298 million. For 2022, this relates mainly to two offsetting items being the net issuance of subordinated debt of R500 million (which increases own funds on a SAM basis) offset by a dividend distribution of R500 million. The residual R90 million was as a result of a number of smaller items that went through equity.

IFRS NET ASSET VALUE TO SAM OWN FUNDS RECONCILIATION

The table below reconciles the differences between the LGL own funds under SAM and the current LHL IFRS NAV as at 31 December 2023 and includes comparative figures at 31 December 2022 restated for IFRS 17:

		2023			2022[1]		
	Notes	Liberty Group Limited Rm	Other businesses Rm	Total Rm	Liberty Group Limited Rm	Other businesses Rm	Total Rm
Liberty Group Limited company IFRS Equity		**11 113**		**11 113**	12 047		12 047
Liberty Group Limited subsidiaries			**365**	**365**		297	297
STANLIB South Africa			**1 123**	**1 123**		1 150	1 150
STANLIB Africa			**125**	**125**		104	104
Liberty Health			**347**	**347**		403	403
Liberty Africa Insurance			**1 132**	**1 132**		1 179	1 179
Liberty Holdings			**409**	**409**		593	593
Liberty Two Degrees adjustment to net asset value	1		**1 221**	**1 221**		1 093	1 093
LHL shareholder's equity reported under IFRS	2	**11 113**	**4 722**	**15 835**	12 047	4 819	16 866
Difference in assets between SAM and IFRS							
Elimination of subordinated debt	3	**5 158**			6 051		
Deferred revenue and acquisition costs		**(278)**			(320)		
CSM and other differences in policyholder liabilities	4	**19 335**			16 739		
Tax adjustments	5	**(4 970)**			(4 368)		
SAM Own Funds		**30 358**			30 149		

[1] Restated on an IFRS 17 basis.

Notes to IFRS net asset value to SAM Own Funds reconciliation:

1. This represents the difference between the net asset value of L2D at the end of the period and the cost price of Liberty Two Degrees (L2D) shares. Note that as at 31 December 2023 L2D is classified as an Asset Holding Intermediary under SAM and LGL SAM own funds thus includes the write up to net asset value.

2. The reduction in LHL shareholder equity over the period ended 31 December 2023 was driven mainly by the impact of the dividend paid from Liberty to the Standard Bank Group in the period.

3. Sub-ordinated debt is not recognised as a liability in calculating the SAM own funds.

4. This item allows for the difference in valuation methodologies between the IFRS and SAM bases. The SAM basis sets a best estimate liability together with the SAM Risk Margin which aims to adjust the best estimate liabilities for the cost of non-hedgeable risk to get to a market consistent value. With the implementation of IFRS17, the SAM and IFRS bases are more closely aligned in that similar to SAM, best estimate liabilities are established together with a risk adjustment representing the cost of non-financial risks. However, in addition to this, IFRS requires a Contractual Service Margin to be established which represents the unearned profit on a contract which is expected to be earned in the future resulting in no profit at initial recognition. This CSM is the most significant difference between the two bases (R19 365 million in 2023 and R18 569 million in 2022).

   The SAM basis also uses the Prudential Authority's prescribed nominal and real yield curves to value all policies while the IFRS basis uses full internal nominal and real yield curves. Further to this, only certain "directly attributable" costs are included in the IFRS reserves as required by the IFRS 17 standard. There are also other less material differences between the bases, for example, the SAM basis allows for longer contract boundaries on certain books of business.

5. This item represents the additional deferred tax liability on a SAM basis.

LIBERTY HOLDINGS GROUP

ANALYSIS OF NEW BUSINESS VALUE FOR LONG-TERM INSURANCE

The New Business Value for long-term insurance business has been included below as supplementary information to the preceding new SAM disclosure.

	2023 Rm	2022 Rm
South African covered business		
SA Retail	2 017	1 921
Bancassurance Credit Life and Funeral	284	270
Corporate Benefits	449	307
Gross value of new business	2 750	2 498
Acquisition expenses	(1 569)	(1 570)
New business value before risk margin	1 181	928
New business risk margin and illiquidity premium deferral	(748)	(534)
New business value South Africa	433	394
New business value Liberty Africa Insurance	83	54
Total new business value	516	448

SOLVENCY CAPITAL REQUIREMENT COVERAGE

The following table summarises the available capital (or "own funds") and the solvency capital requirements (SCR) for Liberty Group Limited.

	2023	2022
Available capital (or own funds) (Rm)	30 358	30 149
SCR (Rm)	16 802	17 113
SCR coverage ratio (times)	1.81	1.76
Target SCR coverage ratio (times)	1.3 – 1.7	1.3 – 1.7

Liberty Group Limited's SCR cover ratio remains strong at 1.81 times at 31 December 2023, which is above the target range of 1.3 to 1.7 times. The coverage ratio increased slightly in 2023 primarily because of positive own fund changes (from operations, capital efficiencies arising from the Liberty Two Degrees transaction and an increase in the tail end of the Prudential Authority's yield curve, offset to some extent by dividends paid and the redemption of a subordinated note) and reductions in the SCR (from reduced market risk, including the sale of some more risky assets).

SHAREHOLDER ASSETS AND EXPOSURES

Before the implementation of IFRS 17, Liberty invested its capital in a Shareholder Investment Portfolio which was optimised to maximise long-term returns on a through-the-cycle basis. Following the introduction of IFRS 17, Liberty's balance sheet management strategy was revised and under Liberty's board-approved balance sheet management framework, certain market risk exposures resulting from policyholder liabilities are now retained in order to achieve regulatory capital coverage ratio stability. Liberty Group Limited's (LGL) Shareholder Assets and Exposures consists of:

- Net assets, mainly property and cash, held in excess of assets required to back liabilities (including policyholder liabilities and LGL listed subordinated debt instruments issued through an approved debt programme).
- Retained market risk exposure resulting from unhedged policyholder liabilities to ensure capital coverage stability (mostly interest rate risk associated with certain IFRS 17 GMM insurance contracts and a portion of market risk associated with IFRS 17 Participating contracts)

	South Africa Rand						Foreign Currency				
2023 (Rm)	Cash	Debt[1]	Equity	Investment Properties[2]	Other	Total	Cash	Debt	Equity	Total	Total Exposures
LGL group shareholder net assets											16 414
Less: non-controlling interests											(3 726)
LGL group ordinary shareholder net assets	2 828	576	42	8 098	1 140	12 684			4	4	12 688
Retained market risk exposure[3]	770	11 965	2 428	9 621		24 784	1	1 329	1 999	3 329	28 113
Targeted unhedged interest rate exposure on GMM contracts		10 942				10 942					10 942
Retained residual market risk exposure on participating contracts	770	1 023	2 428	621		4 842	1	1 329	1 999	3 329	8 171
Investment properties used to match certain other cashflow obligations such as annuities and liabilities for incurred claim obligations				9 000		9 000					9 000
Total net exposure by asset class	3 598	12 541	2 470	17 719	1 140	37 468	1	1 329	2 003	3 333	40 801

1 The retained local bond market exposures reflect the sensitivity of the valuation of unhedged IFRS 17 policyholder liabilities to changes in interest rates. The local bond exposures that are not related to Variable Fee Approach (VFA) contracts (the VFA exposure movements are absorbed by the Contractual Service Margin) of R10.9 billion are sensitive to changes in the local bond curve. This risk has been expressed in notional equivalent terms of government bonds that have comparable duration characteristics to that of the underlying liability cashflows.

2 The retained property market exposures reflect the sensitivity of earnings to the difference between the total return on underlying property assets held and any funding cost required to service liabilities backed by these assets. For the property exposures that are not related to VFA contracts (the VFA exposure movements are absorbed by the CSM) of R9 billion, the table above reflects the shareholder's economic exposures post the unbundling of L2D as well as the reallocation of property to back policyholder liabilities as approved by the Insurance & Asset Management Balance Sheet Management Committee.

3 Included in retained market risk exposure are exposures related to IFRS 17 Variable Fee Approach (VFA) contracts where risk mitigation has not been selected i.e. unhedged VFA non-unit linked exposures. In respect of these exposures, the IFRS 17 Contractual Service Margin (CSM) is expected to absorb the majority of the impact of market related movements in the period related to the non-unit linked exposures. As a result we expect little impact on shareholder earnings for these exposures, with these impacts being deferred into the CSM as long as the CSM remains positive. The exposures in respect of these VFA contracts (totalling R8.2 billion) are R0.7 billion local cash, R2.4 billion local equity, R1 billion local bonds, R0.6 billion property and R3.3 billion foreign assets.

LIBERTY HOLDINGS GROUP

SHAREHOLDER ASSETS AND EXPOSURES RETURN

	2023 Rm	2022 Rm
Gross result[1]	**1 133**	913
Taxation[2]	**(148)**	(203)
Subordinated notes at fair value	**(544)**	(385)
Expenses (including asset management fees)	**(23)**	(2)
Net profit	**418**	323

1 The basis for the calculation of the gross return on the Shareholder Assets and Exposures (formerly referred to as the Shareholder Investment Portfolio (SIP)) has changed in 2023 following the implementation of IFRS 17. Refer to the table showing the shareholder assets and exposures for a view of the shareholder assets and exposures under IFRS 17. The comparative period's gross result is still reported under the basis used to quantify the SIP return.

2 The taxation treatment of income derived from assets backing capital is the normal taxation rules applicable to life investment portfolios. The taxation applicable to income derived from assets backing life funds and the 90:10 exposure is determined by the tax rates pertaining to each life tax fund to which the assets are allocated (I-E tax). In addition there is transfer tax at 27% on the net surplus, after the applicable I-E tax.

LONG-TERM INSURANCE NEW BUSINESS

	Change %	2023 Rm	2022 Rm
Sources of insurance operations total new business by product type			
Retail	17	**43 991**	37 658
Single	20	**36 791**	30 601
Recurring	2	**7 200**	7 057
Institutional	(2)	**2 317**	2 376
Single	(17)	**1 228**	1 475
Recurring	21	**1 089**	901
Total new business	16	**46 308**	40 034
Single	19	**38 019**	32 076
Recurring	4	**8 289**	7 958
Insurance indexed new business	8	**12 091**	11 166
Sources of insurance indexed new business			
SA Retail	7	**10 572**	9 854
Corporate Benefits	12	**978**	874
Liberty Africa Insurance[1]	24	**541**	438

1 Liberty owns less than 100% of certain entities that make up Liberty Africa Insurance. The information is recorded at 100% and is not adjusted for proportional legal ownership.

STANLIB SOUTH AFRICA – HEADLINE EARNINGS

	Change %	2023 Rm	2022 Rm
Net fee income	2	**1 853**	1 823
Operating expenses	22	**(1 608)**	(1 314)
Profit before investment income	(52)	**245**	509
Other income	22	**100**	82
Profit before taxation	(42)	**345**	591
Taxation	8	**(169)**	(156)
Headline earnings	(60)	**176**	435
Average margin (bps)		**29**	29
Average assets under management (Rbn)		**653**	644

109

ADDITIONAL INFORMATION

ACCOUNTING POLICY ELECTIONS

Basis of preparation and presentation

The Standard Bank Group Limited's (the group) financial results, including the condensed consolidated statement of financial position, condensed consolidated income statement, condensed consolidated statement of other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows, for the year ended 31 December 2023 (results) are prepared, as a minimum, in accordance with the requirements of the JSE Listings Requirements, the requirements of the International Financial Reporting Standards (IFRS®), where applicable, and its interpretations as adopted by the International Accounting Standards Board (IASB®), the South African Institute of Chartered Accountants' (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, the presentation requirements of IAS 34 and the requirements of the South African Companies Act, 71 of 2008 applicable to condensed financial statements.

The group's results are prepared in accordance with the going concern principle under the historical cost basis as modified by the fair value accounting of certain assets and liabilities where required or permitted by IFRS.

All amounts relate to the group's consolidated results, unless otherwise indicated, are presented in South African rand (rand), which is the presentation currency of the group, and are stated in millions of rand (Rm), unless otherwise indicated.

2023 refers to the full-year results as at or ended 31 December 2023. 2022 refers to the full-year results as at or ended 31 December 2022. Change percentage reflects 2023 change on 2022, unless otherwise indicated.

The accounting policies applied in the preparation of the results, which are in terms of IFRS, are consistent with the accounting policies applied in the preparation of the group's 2023 annual financial statements. Refer to the group's annual financial statements, released concurrently with these results, for further detail.

The group's 2023 and 2022 financial information has been correctly extracted from the underlying 2023 audited consolidated annual financial statements, where applicable, which is available at **https://www.standardbank.com/sbg/standard-bank-group/investor-relations/results-and-reports** and were released concurrently with these results.

These results contain *pro forma* constant currency financial information. Refer to the *pro forma* constant currency paragraph within the other reportable items section of these results for further detail.

The board of directors of the group takes full responsibility for the preparation of these results.

The preparation of the these results was supervised by the chief finance & value management officer, Arno Daehnke BSc, MSc, PhD, MBA, AMP.

These results were made publicly available on 14 March 2024.

Changes in accounting policies and adoption of new standards effective for the current financial year

The accounting policies are consistent with those reported in the previous year, apart from the items mentioned in this section. Disclosures and accounting policies have been amended as relevant. Refer to the IFRS 17 transition impact section that follows and the group's annual financial statements for the detailed accounting policies (annexure F, accounting policy 12).

The following accounting policies have been applied in preparation of these results as well as the restated 2022 results:

- IFRS 17, adopted on 1 January 2023, establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts, including reinsurance contracts, that an entity issues, reinsurance contracts held as well as investment contracts with discretionary participation features (DPF) that an entity issues (provided the entity also issues insurance contracts), which are scoped into IFRS 17 measurement from IFRS 9. Refer to the group's annual financial statements for disclosure specifically relating to IFRS 17 and for the related accounting policies (annexure F, accounting policy 12).
- IAS 12® Income Taxes (IAS 12) (amendments) introduced a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes and targeted disclosure requirements for entities affected by GloBE (global anti-base erosion) model rules. The amendments are effective for annual periods starting on or after 1 January 2023 and are required to be retrospectively applied. It was announced in the 2023 budget that it is South Africa's intention to implement the related legislation during 2024. The amendments had no material impact on the group's annual financial statements for the current reporting period, as the estimated impact can only be determined once the tax law is enacted or substantively enacted, which is expected during the 2024 reporting period.

RESTATEMENTS

Stage 3 interest income change in calculation methodology

During the finalisation of the group results, the group amended its calculation of interest income on Stage 3 loans and advances for PPB and BCB clients.

Previously, interest income on stage 3 loans and advances was calculated using a portfolio approach. The interest income on the Stage 3 loan portfolio was calculated as the difference between the expected discounted and undiscounted recovery cash flows and was unwound on a straight-line basis over the expected period to resolution, being either recovery or write-off ("portfolio straight-line approach"). This modelling approach was utilised as a proxy for the IFRS 9 Stage 3 interest recognition requirement.

Going forward, interest income on stage 3 loans and advances will be calculated on a loan-by-loan basis. The change in calculation methodology is not a change in accounting policy. The interest income on Stage 3 loans will be calculated by multiplying the net carrying amount of each customer balance (after deducting credit impairments) by the effective interest rate of the loan, which is aligned to the requirements of IFRS 9 ("loan-by-loan outstanding balance approach").

During the change to the loan-by-loan outstanding balance approach, the group identified that by previously applying the portfolio straight line approach in calculating Stage 3 interest income, interest income and income statement credit impairments were erroneously understated by R1.3 billion.

The group has restated for this impact. This restatement has no impact on earnings attributable to ordinary shareholders or headline earnings but does impact the relevant ratios (being NIM, CLR, Cost-to-income and JAWS) which have been restated for this change. Furthermore, this change has no impact on gross loans and advances, balance sheet ECL provisions or coverage.

SBSA income statement impact

	Group			Company		
	2022			2022		
	As previously reported Rm	Restatement Rm	Restated Rm	As previously reported Rm	Restatement Rm	Restated Rm
Net interest income	45 632	1 279	46 911	44 820	1 279	46 099
Credit impairment charges	(8 618)	(1 279)	(9 897)	(8 571)	(1 279)	(9 850)

SBG income statement impact

	2022		
	As previously reported Rm	Restatement Rm	Restated Rm
Net interest income	77 112	1 279	78 391
Credit impairment charges	(12 064)	(1 279)	(13 343)

Impact on disclosed financial results, ratios and statistics

	2022		
	As previously reported	Restatement	Restated
SBSA group			
CLR (bps)	69	10	79
CLR on loans to customers (bps)	80	12	92
Jaws (%)	4.3	0.7	5.0
Cost-to-income ratio (%)	59.7	(0.9)	58.8
SBG			
Banking			
NIM (bps)	425	7	432
CLR (bps)	75	8	83
Jaws (%)	7.3	1.7	9.0
Cost-to-income ratio (%)	54.4	(0.5)	53.9

IFRS 17 TRANSITION IMPACT

Impact on the SBG statement of financial position

	2022			1 January 2022		
	As previously reported Rm	Restatement Rm	Restated Rm	As previously reported Rm	Restatement Rm	Restated Rm
Assets						
Cash and balances with central banks	114 483		114 483	91 169		91 169
Derivative assets	74 410		74 410	63 688		63 688
Trading assets	314 918		314 918	285 020		285 020
Pledged assets	19 308		19 308	14 178		14 178
Disposal group assets held for sale	555		555	1 025		1 025
Financial investments	721 205	1 289	722 494	724 700	1 429	726 129
Current and deferred tax assets	9 578	7	9 585	7 612	4	7 616
Loans and advances	1 504 941	(1)	1 504 940	1 424 328		1 424 328
Insurance contract assets		1 830	1 830		1 264	1 264
Reinsurance contract assets		5 522	5 522		5 902	5 902
Policyholder assets	2 974	(2 974)		2 868	(2 868)	
Receivables and other assets[1]	46 763	(7 116)	39 647	36 432	(7 217)	29 215
Interest in associates and joint ventures	9 956		9 956	7 280		7 280
Investment property	29 289		29 289	29 985		29 985
Property, equipment and right of use assets	20 340		20 340	20 619		20 619
Goodwill and other intangible assets	15 121	(1)	15 120	16 913	(4)	16 909
Total assets	2 883 841	(1 444)	2 882 397	2 725 817	(1 490)	2 724 327
Equity and liabilities						
Equity[2]	259 956	(1 090)	258 866	242 849	42	242 891
Equity attributable to ordinary shareholders	219 264	(1 067)	218 197	198 832	41	198 873
Equity attributable to other equity holders	19 667		19 667	16 052		16 052
Equity attributable to non-controlling interests	21 025	(23)	21 002	27 965	1	27 966
Liabilities	2 623 885	(354)	2 623 531	2 482 968	(1 532)	2 481 436
Derivative liabilities	85 049		85 049	67 259		67 259
Trading liabilities	109 928		109 928	81 484		81 484
Current and deferred tax liabilities	10 315	(649)	9 666	10 277	(362)	9 915
Disposal group liabilities held for sale				96		96
Deposits and debt funding	1 889 099		1 889 099	1 776 615		1 776 615
Policyholder liabilities	358 467	(358 467)		363 023	(363 023)	
Financial liabilities under investment contracts		136 309	136 309		136 622	136 622
Insurance contract liabilities		231 849	231 849		233 730	233 730
Subordinated debt	31 744		31 744	30 430		30 430
Provisions and other liabilities[1]	139 283	(9 396)	129 887	153 784	(8 499)	145 285
Total equity and liabilities	2 883 841	(1 444)	2 882 397	2 725 817	(1 490)	2 724 327

1 Receivables and other assets included reinsurance contract assets, under IFRS 4 **Insurance Contracts** (IFRS 4), and provisions and other liabilities include reinsurance contract liabilities.
2 Refer to the statement of changes in equity on page 12 for detail on the reserves impacted.

Impact on the SBG income statement and statement of other comprehensive income

	2022		
	As previously reported Rm	Restatement Rm	Restated Rm
Net interest income[1]	78 391		78 391
Non-interest revenue	56 242	(1 277)	54 965
Income from investment management and life insurance activities	23 566	(23 566)	
Net insurance income		3 178	3 178
Non-insurance revenue		11 583	11 583
Total net income[2]	158 199	(10 082)	148 117
Credit impairment charges[1]	(13 343)		(13 343)
Net income before operating expenses	144 856	(10 082)	134 774
Operating expenses	(92 521)	8 988	(83 533)
Net income before non-trading and capital-related items	52 335	(1 094)	51 241
Non-trading and capital-related items	328		328
Share of post-tax profit from associates and joint ventures	2 265		2 265
Profit before indirect taxation	54 928	(1 094)	53 834
Indirect taxation	(3 534)	457	(3 077)
Profit before direct taxation	51 394	(637)	50 757
Direct taxation	(12 011)	294	(11 717)
Profit for the period[3]	39 383	(343)	39 040
Other comprehensive loss after tax for the period	(3 616)		(3 616)
Total comprehensive income for the period[2]	35 767	(343)	35 424

1 As previously reported Includes the restatement impact as detailed on page 111.
2 Previously referred to as total income
3 The restatement amount includes a R51 million profit impact on profit and total comprehensive income attributable to non-controlling interests with no impact on profit and total comprehensive income attributable to other equity instrument holders.

IFRS 17 TRANSITION IMPACT

Impact on the SBG disclosed financial results, ratios and statistics

	2022		
	As previously reported	Restatement	Restated
Standard Bank Group (SBG)			
Total headline earnings (Rm)	34 247	(394)	33 853
Weighted average number of shares	1 640 863 351	10 149 792	1 651 013 143
Issued number of shares – IFRS	1 648 374 283	8 178 769	1 656 553 052
Share statistics (cents)			
Basic EPS	2 110.9	(36.8)	2 074.1
HEPS	2 087.1	(36.7)	2 050.4
Diluted EPS	2 095.5	(36.5)	2 059.0
Diluted HEPS	2 071.9	(36.3)	2 035.6
Net asset value per share	13 302	(130)	13 172
Tangible net asset value per share	12 385	(126)	12 259
Return ratios (%)			
ROE	16.4	(0.1)	16.3
Capital adequacy (%)			
Common equity tier 1 capital adequacy ratio	13.5	(0.1)	13.4
Tier 1 capital adequacy ratio	14.5	(0.1)	14.4
Total capital adequacy ratio	16.6	(0.1)	16.5

KEY MANAGEMENT ASSUMPTIONS

In preparing the group's results, estimates and assumptions are made that could materially affect the reported amounts of assets and liabilities within the next reporting period. Estimates and judgements are continually evaluated and are based on factors such as historical experience and current best estimates of future events. The following represents an extract of the material key management assumptions applied in preparing the group's financial results, for further detail relating to key management assumptions, refer to the group's annual financial statements that have been released in conjunction with these results.

The group's forward-looking economic expectations were applied in the determination of the expected credit loss (ECL) at the reporting date

A range of scenarios have been determined for base, bear and bull forward-looking economic expectations, as at 31 December 2023, for inclusion in the group's forward-looking process and ECL calculation:

South African economic expectation

- Idiosyncratic constraints such as the electricity shortfall, rail and port infrastructure insufficiencies as well as policy uncertainty continue to weigh on business and consumer confidence and weaken economic growth. Fragile global growth continues to place additional pressure on South Africa's terms of trade, reflecting the tight global financial conditions and rising geopolitical tensions and risks from ongoing, and potentially further, wars. Many countries are holding general elections this year. Locally, it is assumed that the African National Congress will likely not require a large coalition partner at the national level in the 2024 elections. This assumed election outcome underpins our expectation for general continuity in monetary and fiscal policy as well as the structural reform trajectory. The severe impact of electricity loadshedding should ease given the expected increase in Eskom's electricity supply as well as the ongoing expansion of private sector electricity generation, though the unreliable performance of Eskom's existing fleet remains a major risk. The impact of logistical challenges will probably ease only modestly this year, with the operational benefits of the policy interventions underway likely to prove slow to materialise. Further slow improvements in the implementation of reforms should boost potential gross domestic product (GDP) and economic growth over the medium term.
- One of the few potential global positives is the interest rate relief expected from many of the key central banks from around mid-2024. Domestic demand-driven inflation pressures remain weak. Gradual further decline in South Africa's headline consumer price index (CPI) inflation towards the mid-point of the inflation target band (by 2025) and lower inflation risks should see the policy rate reverting to a more neutral level over time. The prime interest rate is expected to reduce to 10.75% by the end of 2024. Despite the elevated fiscal risks, the expected retreat in global bond yields should support South African bonds. Under these assumptions, there is scope for modest rand gains – notwithstanding weak domestic fundamentals, the widening current account deficit and possibly remaining on the Financial Action Task Force (FATF) watchlist for a prolonged period.
- The bear case scenario sees persistent inflation, with an overtightening of policy rates leading to a global recession. Locally, reform momentum wanes due, for example, to a less benign election outcome than assumed in the base case. The electricity supply situation is assumed to be worse in this case, with more frequent and higher stages of loadshedding. Grid capacity constraints dampen renewable energy investments, while rail and port infrastructure challenges continue to hamper trade. Adverse climate-change related events, such as floods, are also assumed to be a more regular occurrence in this scenario. In addition to the probability of the bearish scenario exceeding that of the bullish scenario, the relative severity of this case reflects the negative asymmetry of the risks.
- The bull scenario sees a combination of global inflation quickly unwinding, policy rates moving lower earlier in 2024, global growth recovering rapidly and domestic reforms gaining more momentum. The electricity supply situation is slightly better than assumed in the base case over the short term and improves more materially in the medium term with stronger investment in embedded generation and the unlocking of grid capacity constraints. Reforms also yield private sector participation in port and rail infrastructure. Business confidence is higher, further boosting growth and the employment intensity thereof.

Africa Regions economic expectation

The Africa Regions scenario comprises the following outlook and conditions:

- Growth in sub-Saharan Africa is expected to recover to around 4.0% in 2024 from around 3.3% in 2023. Notably, heightened geopolitical tensions, high debt burdens and weather-related shocks from the ongoing El Niño event will be the primary downside risks for growth across sub-Saharan Africa in 2024.
- El Niño will have a varied impact on growth across Africa, especially considering technological advancements and infrastructure improvements in the agricultural sector. East African economies, such as Kenya, Uganda and Tanzania, are already experiencing above-normal levels of rainfall, while the southern parts, such as Malawi, Zambia and Mozambique, have drier conditions.
- Growth in most African economies is now approaching or has already reached pre-pandemic averages, demonstrating their resilience despite the confluence of recent shocks.
- Growth in Kenya could ease to 5.1% in 2024 from an expected 5.6% in 2023 due to the impact of El Niño and rising domestic arrears. In Uganda, growth will likely recover to 5.9% in 2023/24, from 5.2% in 2022/23, largely owing to increased oil sector investment. For Zambia, growth is expected at 4.4% in 2024, only slightly down from 4.5% in 2023. Positively, the non-mining economy has supported economic activity amid weaker mining growth over the past year. Growth in Nigeria could pick up to 3.4% in 2024 from 2.6% in 2023, due to higher crude oil production and the government's ongoing efforts to curb oil theft, together with new production streams. Angola, however, remains heavily reliant on its oil sector to grow. Further, persisting foreign exchange (FX) liquidity challenges informs our forecasts of Angola displaying poor growth prospects, pointing to further deceleration of GDP growth, to 1.1% in 2024, as both oil sector investment and production will likely remain subdued.

KEY MANAGEMENT ASSUMPTIONS

- The formation of the G20 common market framework in 2020 following the implosion of debt sustainability of economies that were already on the cusp prior to the pandemic, was expected to expedite debt restructuring resolution and boost the journey to restore debt towards more sustainable positions. Zambia, Ethiopia and Chad were the first economies initially to apply for debt restructuring under this framework, with Ghana following suit in 2022. Now, nearly four years later, questions are arising whether the common market framework needs to be significantly refined or shelved altogether, as scepticism towards its viability/usefulness grows. Further, the broad diversity in creditors that hold Africa's external debt has notably pivoted towards a larger share owed to non-Paris Club lenders, such as China, over the past two decades or so.
- The International Monetary Fund (IMF) has advocated for a proactive application of the IMF's lending-into-arrears policy, a strategy involving the IMF continuing to lend to countries even when they fall behind on debt payments, incentivising commercial creditors to agree to debt restructuring terms similar to those accepted by other creditors. This principle could be applied to Zambia's current situation and provide assurances to both creditors and debtors. Under the base case scenario, Zambia could secure an external debt restructuring deal in the second half of 2024, and Ghana could finalise an external debt restructuring deal in the first half of 2024. It is anticipated that Kenya will repay the USD2.0 billion Eurobond on maturity in June 24 and could also look to explore a Eurobond issuance in the first half of 2024 should they receive favourable pricing in the context of the current global risk environment. Although, as they look to test the waters after Cote d'Ivoire's issuance in Jan 23, their initial endeavour was to issue a Eurobond in FY2024/25. The government also remains keen to conduct a buyback of the USD2.0 billion Eurobond, at par. Furthermore, Nigeria and Angola may also consider issuing a Eurobond during 2024, subject to global risk conditions.
- The outlook for monetary policy in 2024 is somewhat mixed. Most markets are likely to begin easing monetary policy conditions from the second half of 2024. However, some economies such as Kenya, Zambia, Egypt, Angola and even Nigeria, are likely to tighten monetary conditions further in the first half of 2024, while other markets, such as Ghana, may even begin easing rates.
- Indeed, positively, with a soft-landing scenario now broadly expected for the global economy, risk appetite could be restored. This may revive external funding sources, which could bolster external positions and ease both FX volatility and liquidity shortages, while also anchoring inflation expectations. Enhanced geopolitical risks in 2024 could still bring about external account vulnerabilities.
- The political calendar will be unusually busy in 2024 with 13 countries expected to hold elections across sub-Saharan Africa, with Botswana, Mauritius, Mozambique, Ghana and Namibia among them.

United Kingdom economic expectation

- In the base case, global growth is around 2.5% in 2024, similar to 2023 but still low in historical terms. Within this, the United Kingdom (UK) is particularly weak, with next-to-no growth predicted for 2024 as higher base rates in previous years continue to constrain growth, and both business and consumer sentiment remain weak. A recession, being two consecutive quarters of negative growth, is possible but is likely to be mild. Weak growth is expected to deliver further falls in inflation, although it is likely that the easy part of the disinflationary process has passed and further declines in inflation towards the 2% target will be harder to achieve due to high wage growth levels. Nonetheless, wage pressures will ease moderately and this, together with the persistence of weak growth and falls in inflation should allow the Bank of England to reduce base rates in 2024. Lower base rates could weaken the currency, but the base case assumes that the Federal Reserve (the Fed) will be cutting policy rates as well and the differential between the UK and United States (US) will not change materially. In the base scenario, an easing in global financial conditions brought about by Fed easing should lift asset prices such as bonds and stocks. This is usually an environment in which 'riskier' currencies such as the pound gain, and 'safer' currencies such as the dollar, fall. The base case assumes that the 2024 election will be won by the opposition Labour Party but is unlikely to have a material impact on the growth and inflation outlook, nor financial market performance compared to the continuation of a Conservative government.
- The bear scenario assumes that inflation is not only stubborn but starts to re-accelerate. Supply chain stresses caused by tensions in the Middle East, particularly as they impact shipping through the Red Sea are seen as one cause of price pressure. Russia's progress in defeating Ukraine could also create more inflationary pressure, particularly where energy and food are concerned. Wage persistence and continued tightness of the labour market also keep inflation high, and the Bank of England is forced to respond with higher base rates in 2024. Rates can be reduced in the longer-term, but the increase in 2024 pushes the economy into a deeper recession and causes more distress in interest-sensitive sectors such as real estate. The pound falls, particularly against 'safe' currencies such as the dollar even if this scenario does not see the Fed have to raise policy rates in the same way as the Bank of England.
- The bull scenario sees inflation fall much faster than the base case, causing base rates to be cut sooner and more deeply than in the base case. Swift rate cuts, in turn, start to rapidly revive the economy with interest-sensitive sectors such as real estate recovering fast. And with wages outstripping inflation, at least early in the forecast period, consumer confidence improves and consumer spending returns rapidly. The sharp fall in interest rates and the rebound in the economy leads to improvement in the budget finances, allowing the new government to further drive growth with tax cuts and/or spending increases. The pound gains against the dollar on the assumption that the rapid fall in inflation and deep cuts in interest rates are seen in the US as well, with the result that global economic and financial market optimism increases significantly and pushes down the dollar as investors shun its safe-asset attributes.

Main macroeconomic factors

The following table shows the main projected macroeconomic factors as at 31 December 2023 that were used to estimate the forward-looking impact on the ECL provision of financial assets. Each scenario, namely base, bear and bull, is presented for each identified time period.

		Base scenario		Bear scenario		Bull scenario	
Macroeconomic factors – 2023	**2023[1]**	**Next 12 months[2]**	**Remaining forecast period[3]**	**Next 12 months[2]**	**Remaining forecast period[3]**	**Next 12 months[2]**	**Remaining forecast period[3]**
South Africa[4]							
Inflation (%)*	5.90	5.13	4.47	6.40	5.94	4.74	3.91
Prime (%)# (period end)	11.75	10.75	10.50	12.50	11.50	10.50	10.00
Real GDP[7] (%)*	0.60	1.43	1.81	(0.43)	0.70	2.09	2.49
Household credit (%)#	5.93	5.72	6.38	5.02	5.35	6.58	7.69
Exchange rate USD/ZAR* (period end)	18.52	18.10	18.07	21.49	19.49	17.02	16.94
Africa Regions[5] (excluding Zimbabwe) (averages)							
Inflation (%)#	14.38	12.38	9.20	15.35	11.49	10.23	7.39
Policy rate (%)*	12.15	12.53	9.96	14.09	11.32	11.05	8.76
3m Tbill rate (%)*	10.79	11.41	9.94	13.68	12.31	9.76	7.58
6m Tbill rate (%)*	11.16	11.90	10.10	13.77	12.19	10.08	7.69
Real GDP[7] (%)#	4.15	4.90	4.83	3.04	2.86	5.73	5.75
Africa Regions[5] (averages)							
Policy rate (%)*	19.60	18.00	12.12	20.21	15.36	11.15	9.02
3m Tbill rate (%)*	10.79	11.41	9.94	13.68	12.31	9.76	7.58
6m Tbill rate (%)*	11.16	11.90	10.10	13.77	12.19	10.08	7.69
Real GDP[7] (%)#	3.95	4.57	4.62	2.68	2.54	5.93	6.17
UK[6]							
Inflation (%)*	7.40	3.50	2.90	4.50	3.30	2.30	2.10
Policy rate (%)*	5.25	4.00	4.00	5.75	4.00	2.50	3.00
Exchange rate GBP/USD	1.27	1.30	1.35	1.28	1.22	1.50	1.47
Real GDP[7] (%)#	0.30	0.10	1.50	(0.50)	1.60	0.80	2.30

1 Revised as at 31 December 2023. The 2023 (1 January 2023 to 31 December 2023) view disclosed as at 31 December 2022, has been revised due to the changes in the macroeconomic factors.
2 Next 12 months following 31 December 2023 is 1 January 2024 to 31 December 2024.
3 The remaining forecast period is 1 January 2025 to 31 December 2027.
4 The scenario weighting is: base at 50%, bear at 30% and bull at 20%. The scenario weighting remains unchanged.
5 Where multiple jurisdictions are considered, weighted averages are used. The scenario weighted average is: base at 55%, bear at 28% and bull at 17%. The scenario weighting remains unchanged.
6 The scenario weighting is: base at 50%, bear at 30% and bull at 20%. The scenario weighting remains unchanged.
7 Gross domestic product
* Actual rates for 2023.
# Estimated base case rates for 2023 disclosed where 2023 actuals were not available upon release date.

KEY MANAGEMENT ASSUMPTIONS

Macroeconomic factors	FY22[1]	Base scenario FY23 (next 12 months)	Base scenario Remaining forecast period[2]	Bear scenario FY23 (next 12 months)	Bear scenario Remaining forecast period[2]	Bull scenario FY23 (next 12 months)	Bull scenario Remaining forecast period[2]
South Africa[3]							
Inflation (%)#	6.85	5.60	4.45	7.09	5.20	5.23	3.81
Prime (%)#	10.50	10.75	10.50	11.75	11.00	10.50	10.00
Real GDP[7] (%)#	1.86	1.62	2.01	0.41	1.01	1.99	2.58
Household credit (%)#	6.92	6.37	6.63	5.85	5.50	6.91	7.21
Exchange rate USD/ZAR	17.50	16.00	16.29	17.28	17.54	15.16	15.22
Africa Regions[4] (excluding Zimbabwe) (averages)							
Inflation (%)#	12.80	11.19	6.85	13.37	9.02	9.36	5.99
Policy rate (%)*	9.76	11.66	9.80	13.30	10.87	10.51	8.61
3m Tbill rate (%)*	8.75	10.50	8.09	12.81	10.26	8.99	7.45
6m Tbill rate (%)*	9.68	11.89	9.03	13.79	11.47	10.18	8.49
Real GDP[7] (%)#	3.40	3.56	4.57	2.31	2.83	4.94	5.95
Africa Regions[4] (averages)							
Inflation (%)#	23.50	20.81	11.11	26.60	15.85	14.71	6.64
Policy rate (%)*	21.65	18.44	13.04	24.97	17.06	12.97	8.80
3m Tbill rate (%)*	8.75	10.50	8.09	12.81	10.26	8.99	7.45
6m Tbill rate (%)*	9.68	11.89	9.03	13.79	11.47	10.18	8.49
Real GDP[7] (%)#	3.38	3.50	4.62	1.98	2.75	4.94	6.16
UK[5]							
Inflation (%)*	9.00	7.00	2.50	10.00	1.80	5.00	1.90
Policy rate (%)*	3.50	4.25	2.00	5.00	1.50	3.00	1.60
Exchange rate GBP/USD	1.21	1.28	1.38	1.10	1.35	1.32	1.45
Real GDP[7] (%)#	4.00	(1.00)	1.60	(2.00)	1.50	1.00	2.20

1 Revised as at 31 December 2022.
2 The remaining forecast period is 1 January 2024 to 31 December 2026.
3 The scenario weighing is: base at 50%, bear at 30% and bull at 20%.
4 Where multiple jurisdictions are considered, weighted averages are used. The scenario weighted average is: base at 55%, bear at 28% and bull at 17%.
5 The scenario weighting is: base at 50%, bear at 30% and bull at 20%.
* Actual rates for 2022.
\# Estimated rates for 2022.

Sensitivity analysis of the forward-looking impact on the total ECL provision on all financial instruments relating to corporate, sovereign and bank products

The ECL methodology for corporate, sovereign and bank products is based primarily on client specific risk metrics. As such the forward-looking macroeconomic information is one of the components and/or drivers of the total reported ECL. Rating reviews of each client are performed at least annually, and entails credit analysts completing a credit scorecard and incorporating FLI at a client level. The weighting is reflected in both the determination of SICR as well as the measurement of the resulting ECL for the individual client. Therefore the impact of forward-looking economic conditions is embedded into the total ECL for each client. Therefore the below sensitivity analysis of the total ECL provision relating to the CIB client franchise excludes the impact of losses directly attributable to distress experienced on sovereign exposures, held primarily for prudential or liquidity management purposes.

	2023 Total income statement charge Rm	2023 Total ECL provision Rm	2022 Total income statement charge Rm	2022 Total ECL provision Rm
As reported	**1 662**	**10 373**	2 530	9 927
Scenarios				
Base	**1 595**	**10 306**	2 435	9 832
Bear	**1 902**	**10 613**	2 856	10 253
Bull	**1 474**	**10 185**	2 258	9 655

Sensitivity analysis of the forward-looking impact on ECL provision relating to home services, VAF, card, personal, business and other lending products

The level of the forward-looking balance sheet provisioning was maintained at 2022 levels due to the challenging macroeconomic environment, which was underpinned by aggressive monetary tightening, inflation and sharp and frequent changes in interest rates and other consumer pressures.

The following table shows a comparison of the forward-looking impact on the provision as at 31 December 2023, based on the probability weightings of the above three scenarios resulting from recalculating each of the scenarios using a 100% weighting of the above factors.

	2023 Income statement charge/ (release) Rm	2023 Forward-looking component of ECL provision Rm	2022 Income statement charge/ (release) Rm	2022 Forward-looking component of ECL provision Rm
Forward-looking impact on total ECL provision	**44**	**2 182**	165	2 172
Scenarios				
Base	**(192)**	**2 000**	(227)	1 780
Bear	**754**	**2 979**	1 834	3 840
Bull	**(493)**	**1 712**	(1 150)	856

Refer to the financial performance section for the carrying amounts of loans and advances.

Management judgemental adjustments

As mentioned in the sections above in determining the forward-looking impact, from an IFRS 9 perspective, the group has forecasted three possible future macroeconomic scenarios, being the base, bear and bull scenarios and attributed weightings to these three scenarios. Determining these scenarios and the assumptions underlying them are complex. Management judgemental adjustments are required in terms of IFRS 9 to take into account factors that do not form part of the normal modelling process and/or the above mentioned macroeconomic scenarios. These factors are incorporated as part of management judgemental adjustments.These factors may result from model or data limitations, recent events or expert credit judgement and are applied at a segment, industry or client level. These management judgemental adjustments are reviewed as part of the governance process surrounding credit risk and ECL. Management judgemental adjustments incorporated in the calculation of ECL as set out below:

	2023 Rm	2022 Rm
PPB and BCB industry and macroeconomic adjustments[1]	**951**	504
CIB sovereign adjustment[2]	**400**	400
Total	**1 351**	904

1 Additional impairments held to incorporate industry and macroeconomic factors which were not included in the underlying modelling. During 2023, industries experiencing continued and increased risk, influencing the assumptions applied in determining ECL as discussed above, include the agriculture industry.
2 Additional impairments held to incorporate the credit risk relating to sovereigns.
3 The above disclosures, including comparatives, have been included from 2023 to provide a more appropriate analysis of out-of-model adjustments considering the nature and characteristics thereof.

OTHER REPORTABLE ITEMS

Change in group directorate

The following changes in directorate took place during the year ended 31 December 2023 and up to 14 March 2024:

Appointments		
S David-Borha	As non-executive director	13 March 2024
Retirements		
KD Moroka	As non-executive director	12 June 2023
JM Vice	As independent non-executive director	12 June 2023

Equity securities

During FY23, the group allotted 239 847 shares (2022: 367 506) in terms of the group's share incentive schemes. The group repurchased 2 789 239 (2022: no repurchased shares) shares during 1H23. The total equity securities held as treasury shares at 31 December 2023 was a long position of 18 690 366 shares (2022: long position of 21 771 571 shares).

The treasury shares requirements of IAS 32 *Financial Instruments: Presentation* were amended, as a result of IFRS 17, to provide an exemption from the requirement to be deducted from equity. SBG has elected not to deduct from equity its treasury shares that relate to this exemption, but to continue to account for these treasury shares as equity and to measure the reacquired equity instrument at fair value through profit or loss in accordance with IFRS 9. The total equity securities held as treasury shares as at 2022, noted above, have been restated by 8 178 769 resulting from the reinstatement of the group's treasury shares held in Liberty Holdings Limited during 2022.

Legal Proceedings defended update

Competition Commission – trading of foreign currency

On 15 February 2017, South Africa's Competition Commission lodged five complaints with the Competition Tribunal (Tribunal) against 18 institutions, including one against SBSA and two against a former subsidiary of the group, Standard New York Securities Inc (SNYS), in which it alleged unlawful collusion between those institutions in the trading of USD/ZAR. The group conducted its own internal investigations with the help of external counsel and found no evidence to support the complaints. Various litigation processes took place, with the Competition Commission being ordered to file a new complaint affidavit, which was done on 1 June 2020. The new complaint affidavit added further respondents, bringing the total to 25, including Standard Americas. In the group's view, the new complaint affidavit (and several supplementary affidavits) filed by the Competition Commission, continued to contain multiple procedural and substantive deficiencies. Further litigation processes ensued. On 8 January 2024 the Competition Appeal Court (CAC) (a bench of three judges) upheld SBSA's appeal against the Tribunal's decision not to dismiss the complaint referred pre-trial and dismissed the Competition Commission's complaint in its entirety. The CAC also dismissed the complaint referred against Standard New York Securities and upheld the appeal of Standard Americas against the order that it be joined belatedly as a respondent. The court found that neither SBSA nor Standard New York Securities should have been included in the referral of the complaint as no prima facie case had been made out against either and that the Tribunal should not have allowed the joinder of Standard Americas after lodging of the referral at the Tribunal. The Competition Commission delivered a notice of application for leave to appeal to the Constitutional Court, which excluded Standard New York Securities. SBSA and Standard Americas are opposing this notice. Our legal advice is that there is no obvious constitutional point to be raised in relation to SBSA and Standard Americas.

Pro forma constant currency information

The *pro forma* constant currency information disclosed in these results is the responsibility of the group's directors. The *pro forma* constant currency information has been presented to illustrate the impact of changes in currency rates on the group's results and may not fairly present the group's financial position and results of operations. In determining the change in constant currency terms, the income and expenditure items for the comparative financial reporting years have been adjusted for the difference between the current and prior years' cumulative average exchange rates, determined as the average of the daily exchange rates. The statement of financial position items have been adjusted for the difference between the current and prior years' closing rates. The measurement has been performed for each of the group's material currencies. The constant currency change percentage is calculated using this adjusted comparative amount.

Only the 2023 *pro forma* constant currency information and accompanying 2022 comparatives, where applicable, contained in these results, have been reviewed by the group's external auditors and their unmodified reasonable assurance report prepared in terms of International Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* (ISAE 3420) is available for inspection at the company's registered office on weekdays from 09:00 to 16:00.

The average exchange and closing rates used to determine the *pro forma* constant currency information can be found on page 3. The average exchange rates were calculated using the average of the average monthly exchange rates (determined on the last day of each of the months in the period).

IFRS RISK AND CAPITAL MANAGEMENT DISCLOSURES

OVERVIEW

The group's activities give rise to various financial and insurance risks. Financial risks are categorised into credit, funding and liquidity and market risk, of which an update from 2023 has been included in these results relating to concentration and market risks relating to Standard Bank Activities.

The group's approach to managing risk and capital is set out in the group's risk, compliance and capital management governance framework approved by the group risk and capital management committee.

BANKING

Concentration risk

Concentration risk is the risk of loss arising from an excessive concentration of exposure to a single counterparty, an industry, a product, a geography, maturity, or collateral. The group's credit risk portfolio is well-diversified. The group's management approach relies on the reporting of concentration risk along key dimensions, the setting of portfolio limits and stress testing. FY22 has been restated, where applicable, to align with the group restructure.

INDUSTRY SEGMENTAL ANALYSIS GROSS LOANS AND ADVANCES

	2023 Rm	2022 Rm
Agriculture	**45 222**	42 906
Construction	**19 838**	18 570
Electricity	**42 078**	31 818
Finance, real estate and other business services	**504 102**	430 392
Individuals	**651 782**	645 127
Manufacturing	**105 547**	98 283
Mining	**57 709**	56 372
Transport	**81 491**	64 359
Wholesale	**58 015**	97 864
Other services	**106 159**	72 715
Total	**1 671 943**	1 558 406

GEOGRAPHIC SEGMENTAL ANALYSIS GROSS LOANS AND ADVANCES

	2023		FY22	
	%	Rm	%	Rm
South Africa	**65**	**1 086 185**	64	1 000 758
Africa Regions	**22**	**366 721**	22	343 454
International	**13**	**219 037**	14	214 194
Total	**100**	**1 671 943**	100	1 558 406

IFRS RISK AND CAPITAL MANAGEMENT DISCLOSURES

INDUSTRY SEGMENTAL ANALYSIS OF STAGE 3 CREDIT IMPAIRMENT OF LOANS AND ADVANCES

	2023 Rm	2022 Rm
Agriculture	**1 784**	1 508
Construction	**1 256**	970
Electricity	**761**	588
Finance, real estate and other business services	**4 890**	3 600
Individuals	**29 467**	24 596
Manufacturing	**2 069**	1 773
Mining	**570**	276
Transport	**1 450**	1 418
Wholesale	**1 260**	1 940
Other services	**2 430**	1 972
Total	**45 937**	38 641

GEOGRAPHIC SEGMENTAL ANALYSIS OF STAGE 3 CREDIT IMPAIRMENT OF LOANS AND ADVANCES

	2023		2022	
	%	Rm	%	Rm
South Africa	**83**	**38 169**	80	31 058
Africa Regions	**16**	**7 176**	19	7 291
International	**1**	**592**	1	292
Total	**100**	**45 937**	100	38 641

Market risk

Trading book market risk

Definition

Trading book market risk is represented by financial instruments, including commodities, held in the trading book, arising from normal global markets' trading activity.

Approach to managing market risk in the trading book

The group's policy is that all trading activities are undertaken within the group's global markets' operations.

The market risk functions are independent of the group's trading operations and are accountable to the relevant legal entity Asset-Liability Committees (ALCOs). ALCOs have a reporting line into group ALCO, a subcommittee of Group Leadership Council.

All value at risk (VaR) and stressed value at risk (SVaR) limits require prior approval from the respective entity ALCOs. The market risk functions have the authority to set these limits at a lower level.

Market risk teams are responsible for identifying, measuring, managing, monitoring and reporting market risk as outlined in the market risk governance standard.

Exposures and excesses are monitored and reported daily. Where breaches in limits and triggers occur, actions are taken by market risk functions to bring exposures back in line with approved market risk appetite, with such breaches being reported to management and entity ALCOs.

VaR and SVaR

The group uses the historical VaR and SVaR approach to quantify market risk under normal and stressed conditions.

For risk management purposes VaR is based on 251 days of unweighted recent historical data updated at least monthly, a holding period of one day and a confidence level of 95%. The historical VaR results are calculated in four steps:

- Calculate 250 daily market price movements based on 251 days' historical data. Absolute movements are used for interest rates and volatility movements; relative for spot, equities, credit spreads, and commodity prices.
- Calculate hypothetical daily profit or loss for each day using these daily market price movements.
- Aggregate all hypothetical profits or losses for day one across all positions, giving daily hypothetical profit or loss, and then repeat for all other days.
- VaR is the 95th percentile selected from the 250 days of daily hypothetical total profit or loss. Daily losses exceeding the VaR are likely to occur, on average, 13 times in every 250 days.

SVaR uses a similar methodology to VaR, but is based on 251-day period of financial stress and assumes a 10-day holding period and a worst case loss.

The 10-day period is based on the average expected time to reduce positions. The period of stress for SBSA is currently the 2008/2009 financial crisis while, for other markets, more recent stress periods are used. Where the group has received internal model approval, the market risk regulatory capital requirements is based on VaR and SVaR, both of which use a confidence level of 99% and a 10-day holding period.

Limitations of historical VaR are acknowledged globally and include:

- The use of historical data as a proxy for estimating future events may not encompass all potential events, particularly those which are extreme in nature.
- The use of a one-day holding period assumes that all positions can be liquidated or the risk offset in one day. This will usually not fully reflect the market risk arising at times of severe illiquidity, when a one-day holding period may be insufficient to liquidate or hedge all positions fully.
- The use of a 95% confidence level, by definition, does not take into account losses that might occur beyond this level of confidence.

VaR is calculated based on exposures outstanding at the close of business and, therefore, does not necessarily reflect intra-day exposures. VaR is unlikely to reflect loss potential on exposures that only arise under significant market movements.

Trading book portfolio characteristics

VaR for the period under review

Trading book market risk exposures arise mainly from residual exposures from client transactions and limited trading for the group's own account. In general, the group's trading desks have run increased levels of market risk throughout the year for all asset classes when compared to 2022 aggregate normal VaR and stress VaR with a marginal increase in both levels noted at year end.

TRADING BOOK NORMAL VAR ANALYSIS BY MARKET VARIABLE

	Normal VaR			
	Maximum[1] Rm	Minimum[1] Rm	Average Rm	Closing Rm
2023				
Commodities risk	**5**	**1**	**3**	**3**
Foreign exchange risk	**54**	**18**	**32**	**26**
Equity position risk	**23**	**7**	**11**	**8**
Debt securities	**78**	**22**	**44**	**24**
Diversification benefits[2]			**(29)**	**(20)**
Aggregate	**109**	**34**	**61**	**41**
2022				
Commodities risk	4		2	3
Foreign exchange risk	31	10	19	21
Equity position risk	21	8	13	10
Debt securities	54	19	29	27
Diversification benefits[2]			(26)	(22)
Aggregate	62	25	37	39

1 The maximum and minimum VaR figures reported for each market variable do not necessarily occur on the same day. As a result, the aggregate VaR will not equal the sum of the individual market VaR values, and it is inappropriate to ascribe a diversification effect to VaR when these values may occur on different days.

2 Diversification benefits is the benefit of measuring the VaR of the trading portfolio as a whole, that is, the difference between the sum of the individual VaRs and the VaR of the whole trading portfolio.

IFRS RISK AND CAPITAL MANAGEMENT DISCLOSURES

TRADING BOOK SVAR ANALYSIS BY MARKET VARIABLE

	SVaR			
	Maximum[1] Rm	Minimum[1] Rm	Average Rm	Closing Rm
2023				
Commodities risk	**54**	**5**	**24**	**32**
Foreign exchange risk	**518**	**111**	**303**	**209**
Equity position risk	**255**	**45**	**112**	**109**
Debt securities	**491**	**171**	**287**	**224**
Diversification benefits[2]			**(278)**	**(281)**
Aggregate	**788**	**224**	**448**	**293**
2022				
Commodities risk	40	1	19	25
Foreign exchange risk	543	118	218	188
Equity position risk	224	79	120	100
Debt securities	879	179	355	291
Diversification benefits[2]			(350)	(318)
Aggregate	886	140	362	287

1 The maximum and minimum SVaR figures reported for each market variable do not necessarily occur on the same day. As a result, the aggregate SVaR will not equal the sum of the individual market SVaR values, and it is inappropriate to ascribe a diversification effect to SVaR when these values may occur on different days.
2 Diversification benefits is the benefit of measuring the SVaR of the trading portfolio as a whole, that is, the difference between the sum of the individual SVaRs and the SVaR of the whole trading portfolio.

Approach to managing interest rate risk in the banking book

Banking book-related market risk exposure principally involves managing the potential adverse effect of interest rate movements on banking book earnings (net interest income and banking book mark-to-market profit or loss) and the economic value of equity.

The group's approach to managing interest rate risk in the banking book (IRRBB) is governed by applicable regulations and is influenced by the competitive environment in which the group operates. The treasury and capital management team monitors banking book interest rate risk on a monthly basis operating under the oversight of group ALCO.

Measurement

The analytical techniques used to quantify IRRBB include both earnings and valuation-based measures. The analysis takes into account embedded optionality such as loan prepayments and accounts where the account behaviour differs from the contractual position.

The results obtained from forward-looking dynamic scenario analyses, as well as Monte Carlo simulations, assist in developing optimal hedging strategies on a risk-adjusted return basis.

INTEREST RATE SENSITIVITY ANALYSIS[1]

		ZAR[2]	USD	GBP	Euro	Other	Total
2023							
Increase in basis points	bps	**100**	**100**	**100**	**100**	**100**	
Sensitivity of annual net interest income	Rm	**1 370**	**1 040**	**317**	**47**	**871**	**3 645**
Decrease in basis points	bps	**100**	**100**	**100**	**100**	**100**	
Sensitivity of annual net interest income	Rm	**(1 387)**	**(1 226)**	**(289)**	**(57)**	**(932)**	**(3 891)**
2022							
Increase in basis points	bps	100	100	100	100	100	
Sensitivity of annual net interest income	Rm	1 745	1 142	450	81	960	4 378
Decrease in basis points	bps	100	100	100	100	100	
Sensitivity of annual net interest income	Rm	(1 783)	(1 332)	(435)	(4)	(994)	(4 548)

1 Before tax.
2 To provide a consistent disclosure of sensitivities across currencies, the ZAR sensitivity disclosure has been revised from 200bps to 100bps. This has resulted in a decrease in the level of FY22 sensitivity by R1 379m and R1 454m under the increasing and decreasing interest rate scenarios, respectively. Furthermore, the group amended its calculation of interest income on Stage 3 loans and advances for PPB and BCB clients. This has resulted in increased sensitivity of R355m in FY22 sensitivity under the 100bps increasing and R354m under the 100bps decreasing interest rate scenarios.

Foreign currency risk

Definition

The group's primary non-trading-related exposures to foreign currency risk arise as a result of the translation effect of the group's net assets in foreign operations and foreign-denominated financial assets and liabilities.

Approach to managing foreign currency risk

The group foreign currency management committee, a subcommittee of the group capital management committee, manages the risk according to existing legislation, South African exchange control regulations and accounting parameters. It takes into account naturally offsetting risk positions and manages the group's residual risk by means of forward exchange contracts, currency swaps and option contracts.

Hedging is undertaken in such a way that it does not constrain normal operating activities. In particular, for banking entities outside of the South African common monetary area, the need for capital to fluctuate with risk-weighted assets is taken into account.

The repositioning of the group's NAV by currency, which is managed at a group level, is a controlled process based on underlying economic views and forecasts of the relative strength of currencies, other than foreign operations.

Gains or losses on derivatives that have been designated as either net investment or cash flow hedging relationships in terms of IFRS are reported directly in OCI, with all other gains or losses on derivatives being reported in profit or loss.

Foreign currency risk sensitivity analysis

The following table reflects the expected financial impact, in Rand equivalent, resulting from a 10% shock to foreign currency risk exposures, against ZAR. The sensitivity analysis is based on net open foreign currency exposures arising from foreign-denominated financial assets and liabilities inclusive of derivative financial instruments, cash balances, and accruals, but excluding net assets in foreign operations. The sensitivity analysis reflects the sensitivity of profit or loss on the group's foreign-denominated exposures other than those trading positions for which sensitivity has been included in the trading book VaR analysis.

FOREIGN CURRENCY RISK SENSITIVITY IN ZAR EQUIVALENTS

		USD	Euro	GBP	Other	Total
2023						
Total net long/(short) position	Rm	**338**	**(26)**	**301**	**406**	**1 019**
Sensitivity (ZAR depreciation)[1]	%	**10**	**10**	**10**	**10**	
Impact on profit or loss	Rm	**34**	**(3)**	**30**	**41**	**102**
2022						
Total net long/(short) position	Rm	(1 382)	50	201	347	(784)
Sensitivity (ZAR depreciation)[1]	%	10	10	10	10	
Impact on profit or loss	Rm	(138)	5	20	35	(78)

1 A 10% appreciation in ZAR will have an equal and opposite impact on profit or loss to the amounts disclosed above.

NOTES

127

SHAREHOLDER INFORMATION

ANALYSIS OF SHAREHOLDERS

Shareholding is as at 31 December 2023

TEN MAJOR SHAREHOLDERS[1]

	2023		2022	
	Number of shares (million)	% holding	Number of shares (million)	% holding
Industrial and Commercial Bank of China	325.0	19.4	325.0	19.4
Government Employees Pension Fund (PIC)	243.8	14.5	243.9	14.5
Old Mutual Life Assurance Company	30.8	1.8	30.4	1.8
Alexander Forbes Investments	27.2	1.6	22.5	1.3
GIC Asset Management Pte Ltd	24.0	1.4	28.6	1.7
Allan Gray Balanced Fund	20.7	1.2	17.8	1.1
Vanguard Total International Stock Index Fund	19.4	1.2	18.8	1.1
Vanguard Emerging Markets Stock Index Fund	18.1	1.1	18.3	1.1
Eskom Pension Fund	17.7	1.1	17.1	1.0
M&G Equity Fund	15.3	0.9	17.3	1.0
	742.0	44.2	739.7	44.0

[1] Beneficial holdings determined from the share register and investigations conducted on our behalf in terms of section 56 of the Companies Act, 71 of 2008.

GEOGRAPHIC SPREAD OF SHAREHOLDERS

	2023		2022	
	Number of shares (million)	% holding	Number of shares (million)	% holding
South Africa	837.2	49.9	826.6	49.3
Foreign shareholders	838.6	50.1	851.7	50.7
China	326.5	19.5	326.0	19.4
United States of America	218.9	13.0	239.0	14.2
United Kingdom	31.1	1.9	28.9	1.7
Singapore	24.9	1.5	29.4	1.7
Ireland	21.4	1.3	19.2	1.1
Luxembourg	21.3	1.3	20.1	1.2
Namibia	18.6	1.1	18.8	1.1
Hong Kong	16.3	1.0	15.7	0.9
Norway	15.3	0.9	17.0	1.0
Netherlands	15.0	0.9	12.3	0.7
Japan	11.9	0.7	13.0	0.8
Austrailia	8.8	0.5	6.9	0.4
Kuwait	8.6	0.5	9.8	0.6
Sweden	7.0	0.4	6.6	0.4
Saudi Arabia	7.0	0.4	10.9	0.6
United Arab Emirates	6.2	0.4	6.8	0.4
Canada	6.2	0.4	5.5	0.3
Other	73.6	4.4	65.8	4.2
	1 675.8	100.0	1 678.3	100.0

DECLARATION OF FINAL DIVIDENDS

Shareholders of Standard Bank Group Limited (the company) are advised of the following dividend declarations out of income reserves in respect of ordinary shares and preference shares.

Ordinary shares

Ordinary shareholders are advised that the board has resolved to declare a final gross cash dividend No. 108 of 733.00 cents per ordinary share (the cash dividend) to ordinary shareholders recorded in the register of the company at the close of business on Friday, 12 April 2024. The last day to trade to participate in the dividend is Tuesday, 9 April 2024. Ordinary shares will commence trading ex dividend from Wednesday, 10 April 2024.

The salient dates and times for the cash dividend are set out in the table that follows.

Ordinary share certificates may not be dematerialised or rematerialised between Wednesday, 10 April 2024, and Friday, 12 April 2024, both days inclusive. Ordinary shareholders who hold dematerialised shares will have their accounts at their Central Securities Depository Participant (CSDP) or broker credited on Monday, 15 April 2024.

Where applicable, dividends in respect of certificated shares will be transferred electronically to shareholders' bank accounts on the payment date.

Preference shares

Preference shareholders are advised that the board has resolved to declare the following final dividends:

- 6.5% first cumulative preference shares (first preference shares) dividend No. 109 of 3.25 cents (gross) per first preference share, payable on Monday, 8 April 2024, to holders of first preference shares recorded in the books of the company at the close of business on the record date, Friday, 5 April 2024. The last day to trade to participate in the dividend is Tuesday, 2 April 2024. First preference shares will commence trading ex dividend from Wednesday, 3 April 2024.
- Non-redeemable, non-cumulative, non-participating preference shares (second preference shares) dividend No. 39 of 456.09315 cents (gross) per second preference share, payable on Monday, 8 April 2024, to holders of second preference shares recorded in the books of the company at the close of business on the record date, Friday, 5 April 2024. The last day to trade to participate in the dividend is Tuesday, 2 April 2024. Second preference shares will commence trading ex dividend from Wednesday, 3 April 2024.

The salient dates and times for the preference share dividend are set out in the table that follows.

Preference share certificates (first and second) may not be dematerialised or rematerialised between Wednesday, 3 April 2024, and Friday, 5 April 2024, both days inclusive. Preference shareholders (first and second) who hold dematerialised shares will have their accounts at their CSDP or broker credited on Monday, 8 April 2024.

Where applicable, dividends in respect of certificated shares will be transferred electronically to shareholders' bank accounts on the payment date.

DECLARATION OF FINAL DIVIDENDS

THE RELEVANT DATES FOR THE PAYMENT OF DIVIDENDS ARE AS FOLLOWS:

	Ordinary shares	6.5% cumulative preference shares (first preference shares)	Non-redeemable, non-cumulative, non-participating preference shares (second preference shares)[1]
JSE Limited (JSE)			
Share code	**SBK**	**SBKP**	**SBPP**
ISIN	**ZAE000109815**	**ZAE000038881**	**ZAE000056339**
Namibian Stock Exchange (NSX)			
Share code	**SNB**		
ISIN	**ZAE000109815**		
Dividend number	**108**	**109**	**39**
Gross distribution/dividend per share (cents)	**733.00**	**3.25**	**456.09315**
Net dividend	**586.40**	**2.60**	**364.87452**
Last day to trade in order to be eligible for the cash dividend	**Tuesday, 9 April 2024**	**Tuesday, 2 April 2024**	**Tuesday, 2 April 2024**
Shares trade *ex* the cash dividend	**Wednesday, 10 April 2024**	**Wednesday, 3 April 2024**	**Wednesday, 3 April 2024**
Record date in respect of the cash dividend	**Friday, 12 April 2024**	**Friday, 5 April 2024**	**Friday, 5 April 2024**
CSDP/broker account credited/ updated (payment date)	**Monday, 15 April 2024**	**Monday, 8 April 2024**	**Monday, 8 April 2024**

1 The non-redeemable, non-cumulative, non-participating preference shares (SBPP) are entitled to a dividend of not less than 77% of the prime interest rate during the period, multiplied by the subscription price of R100 per share.

Tax implications

The cash dividend received under the ordinary shares and the preference shares is likely to have tax implications for both resident and non-resident ordinary and preference shareholders. Such shareholders are therefore encouraged to consult their professional tax advisers.

In terms of the South African Income Tax Act, 58 of 1962, the cash dividend will, unless exempt, be subject to dividends tax. South African resident ordinary and preference shareholders that are not exempt from dividends tax, will be subject to dividends tax at a rate of 20% of the cash dividend, and this amount will be withheld from the cash dividend with the result that they will receive a net amount of 586.40 cents per ordinary share, 2.60 cents per first preference share and 364.87452 cents per second preference share. Non-resident ordinary and preference shareholders may be subject to dividends tax at a rate of less than 20% depending on their country of residence and the applicability of any Double Tax Treaty between South Africa and their country of residence.

The company's tax reference number is 9800/211/71/7 and registration number is 1969/017128/06.

Shares in issue

The issued share capital of the company, as at the date of declaration, is as follows:

- 1 675 775 231 ordinary shares at a par value of 10 cents each
- 8 000 000 first preference shares at a par value of R1 each
- 52 982 248 second preference shares at a par value of 1 cent each and subscription price of R100.

ADMINISTRATIVE AND CONTACT DETAILS

STANDARD BANK GROUP LIMITED

Registration No. 1969/017128/06
Incorporated in the Republic of South Africa
Website: www.standardbank.com

REGISTERED OFFICE

9th Floor, Standard Bank Centre
5 Simmonds Street, Johannesburg, 2001
PO Box 7725, Johannesburg, 2000

DIRECTORS

NMC Nyembezi (chairman), LL Bam, S David-Borha[1], PLH Cook, A Daehnke*, GJ Fraser-Moleketi, Xueqing Guan[2] (deputy chairman), GMB Kennealy, BJ Kruger, Li Li[2], JH Maree (deputy chairman), NNA Matyumza, ML Oduor-Otieno[3], ANA Peterside CON[1], SK Tshabalala* (chief executive officer).

* Executive director [1] Nigerian [2] Chinese [3] Kenyan

All nationalities are South African, unless otherwise specified.

HEAD OFFICE SWITCHBOARD

Tel: +27 11 636 9111

SHARE TRANSFER SECRETARIES IN SOUTH AFRICA

Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Ave, Rosebank, 2196
Private Bag X9000, Saxonwold, 2132, South Africa

SHARE TRANSFER SECRETARIES IN NAMIBIA

Transfer Secretaries (Proprietary) Limited
4 Robert Mugabe Avenue, Windhoek, Namibia
(Entrance in Burg Street)
PO Box 2401, Windhoek, Namibia

JSE SPONSOR

The Standard Bank of South Africa Limited

NAMIBIAN SPONSOR

Simonis Storm Securities (Proprietary) Limited

SHARE AND BOND CODES

JSE share code: SBK
ISIN: ZAE000109815
NSX share code: SNB ZAE000109815
A2X share code: SBK

SBKP ZAE000038881
(First preference shares)

SBPP ZAE000056339
(Second preference shares)

INVESTOR RELATIONS

Sarah Rivett-Carnac
Email:
Sarah.Rivett-Carnac@standardbank.co.za

CHIEF FINANCE & VALUE MANAGEMENT OFFICER

Arno Daehnke
Email:
Arno.Daehnke@standardbank.co.za

GROUP SECRETARY

Kobus Froneman
Email: Kobus.Froneman@standardbank.co.za

Please direct all **customer** queries and comments to:
information@standardbank.co.za

Please direct all shareholder queries and comments to:
InvestorRelations@standardbank.co.za

WEBSITE:
www.standardbank.com/reporting

REFER TO
www.standardbank.com/sbg/standard-bank-group/investor-relations/results-and-reports for a list of definitions, acronyms and abbreviations.

DISCLAIMER

This document contains certain statements that are "forward-looking" with respect to certain of the group's plans, goals and expectations relating to its future performance, results, strategies and objectives. Words such as "may", "could", "will", "expect", "intend", "estimate", "anticipate", "aim", "outlook", "believe", "plan", "seek", "predict" or similar expressions typically identify forward-looking statements. These forward-looking statements are not statements of fact or guarantees of future performance, results, strategies and objectives, and by their nature involve risk and uncertainty because they relate to future events and circumstances which are difficult to predict and are beyond the group's control, including but not limited to, domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory authorities (including changes related to capital and solvency requirements), the impact of competition, inflation, deflation, the timing impact and other uncertainties of future acquisitions or combinations within relevant industries, as well as the impact of changes in domestic and global legislation and regulations in the jurisdictions in which the group and its affiliates operate. The group's actual future performance, results, strategies and objectives may differ materially from the plans, goals and expectations expressed or implied in the forward-looking statements. The group makes no representations or warranty, express or implied, that these forward-looking statements will be achieved, and undue reliance should not be placed on such statements. The forward-looking statements in this document are not reviewed and reported on by the group's external assurance providers. The group undertakes no obligation to update the historical information or forward-looking statements in this document and does not assume responsibility for any loss or damage arising as a result of the reliance by any party thereon.

Respecta 60, the FSC® Mix certified high quality recycled coated fine paper with a 60% recycled fibre content.