Standard Bank

AFRICA IS OUR HOME, WE DRIVE HER

GROWTH

2024
INTERIM RESULTS PRESENTATION

STANDARD BANK GROUP
15 AUGUST 2024

Agenda

1.0
Backdrop and progress

2.0
1H24 Financial performance

3.0
Strategy and outlook

Backdrop and progress

1.0

Backdrop – despite a difficult macroeconomic environment in 1H24…

Global

- Serious geopolitical tensions persisted
- Elections created uncertainty in several countries
- Global inflation moderated, but slower than expected
- While the EU central bank cut interest rates in June, the BOE and the Fed delayed cuts
- Steady but relatively slow growth

Sub-Saharan Africa

- Rapid growth continued in most African countries
- Nigeria introduced reforms, including the removal of petrol subsidies and liberalisation of the exchange rate
- Widespread protests against fiscal reforms in Kenya
- Currency weakness compared to the Rand in a number of our countries
- Weighted average inflation across our businesses remained elevated, but slowed in Kenya, Ghana, and Mozambique
- Further interest rate hikes in East Africa and Angola

South Africa

- Progress in addressing electricity and logistics constraints, supported by strong backing from the private sector
- Uncertainty ahead of the election weighed on consumer and business confidence
- Government of National Unity established, fiscal prudence and commitment to structural reform re-affirmed
- While inflation slowed, interest rates remained at 15-year high

… we executed our strategic priorities

Our purpose:
Why we exist

Africa is our home, we drive her growth

Our strategic priorities:
What we need to do to deliver our purpose

Transform client experience

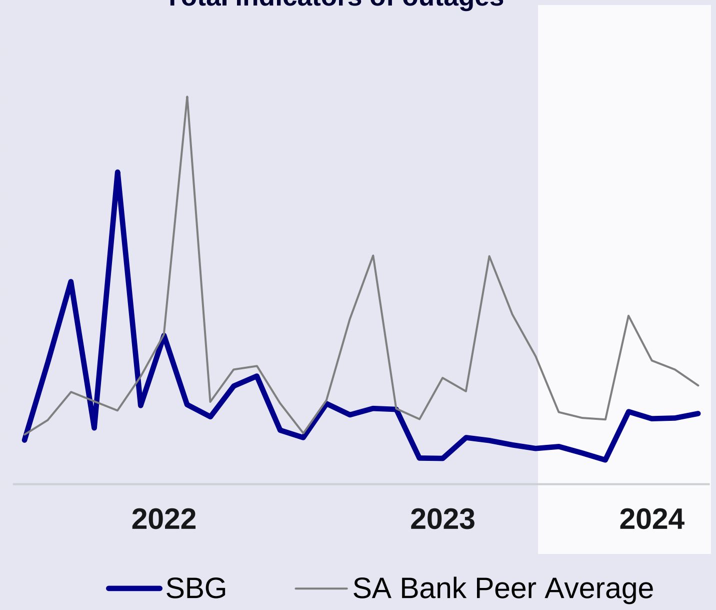
Execute with excellence

Drive sustainable growth and value

… enabled by our technology

Strengthened our core infrastructure, system stability and security

Total indicators of outages [1]



Delivered best-in-class client platforms

Investment in core banking systems across the continent

Modernisation of client platforms

Customer Relationship Management System and AI-enabled contact centres

Modernisation of enabling platforms

500k
Clients using digital money management tools[3]

↑ **>150%**
AI banker chat sessions on the app[3]

61
Digital channel NPS[3]

Powered 24/7 full-scale financial services across our 20 countries

70%
Unsecured personal loans disbursed digitally[2]

↑ **33%**
Digital fee income[3]

↑ **17%**
Daily and weekly users[3]

↑ **56%**
App logins[3]

[1] *Downdetector,* [2] *Africa Regions,* [3] *South Africa*

… and we delivered against our 2024 focus areas

In 1H24, we delivered

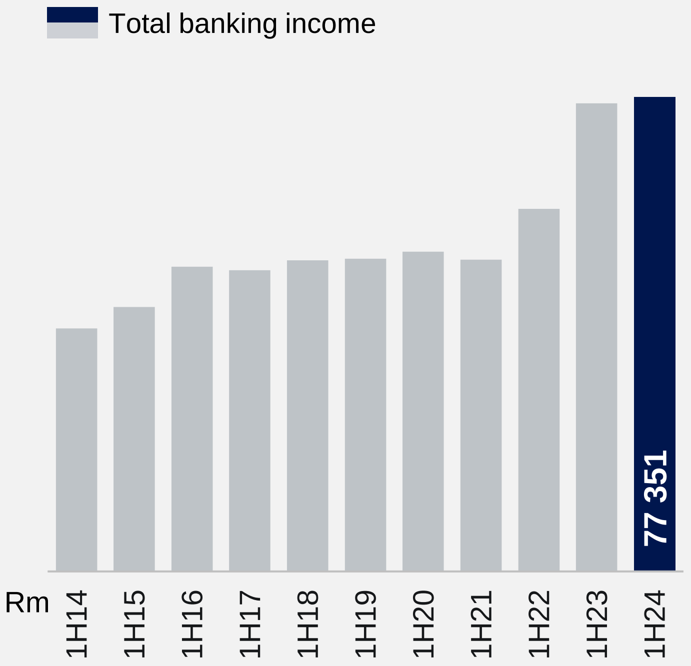
1	Continued growth in our client franchises	**19.5m** Active clients +5%	**3m** Embedded policies	**R22bn** Sustainable finance[1]
2	Focused on defending and growing our businesses	**↑10%** PPB SA fees	**↑28%** Digital transactions[2]	**↑11%** AUM in SA
3	Managed risk effectively while supporting our clients	**>R61bn** Disbursements[2]	**>R105bn** IB origination	**>R13bn** Liberty payouts[3]
4	Strong focus on costs, but continued to invest for the future	**>44%** in the cloud[4]	**>99%** App uptime[5]	**↓ 4%** Branch sqm
5	Diligent capital management which led to increased dividends paid to group	**R5.7bn** from Liberty[6]	**R4.2bn** from Offshore[7]	**$20.5m** from ICBCS

[1] Mobilised for clients in 1H24, [2] PPB SA and BCB SA, [3] Death, disability and annuity payments only, [4] SBG compute in the public cloud , [5] PPB SA mobile app, [6] Committed year to date; over R11 billion since the Liberty transaction announced, [7] Dividends from entities in Isle of Man and Jersey

SBG – a business that has proved resilient over time…

Sizable and growing income stream[1]

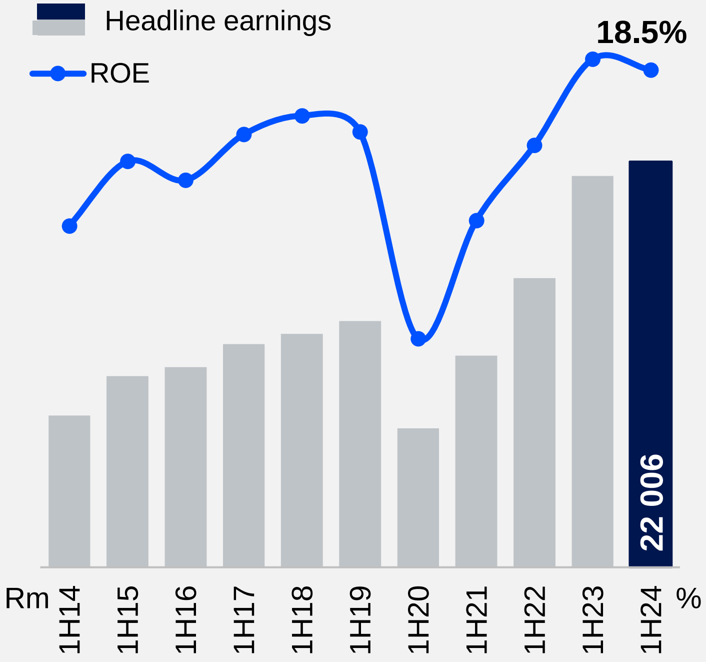
+7%



- Scale and well diversified

Strong earnings growth and attractive returns

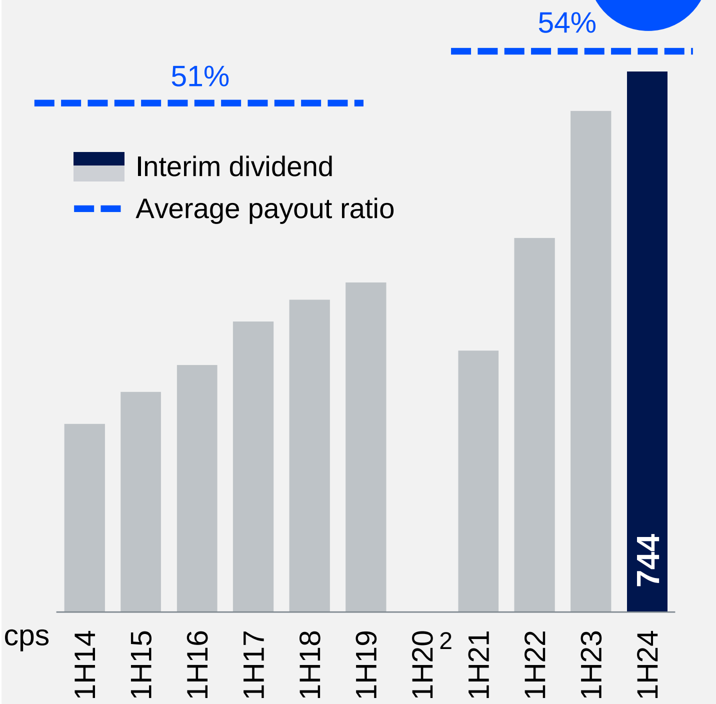
+10%



- Resilient earnings and returns

Growing dividend stream

+12%



- History of strong focus on growing distributions to shareholders
- Back on track post pandemic dip

10-year CAGR

[1] Total income for banking operations, [2] No 2020 interim dividend paid as per guidance from the South African Reserve Bank

… and is recognised as a leader on the continent

1H24 Financial performance

2.0

Performance – we delivered strong returns, improved efficiency, and higher dividends

Group headline earnings

1H24: **R22.0bn**
1H23: R21.2bn

↑ **4%** ZAR
↑ **17%** CCY

SBG Franchise headline earnings[1]

1H24: **R21.4bn**
1H23: R20.1bn

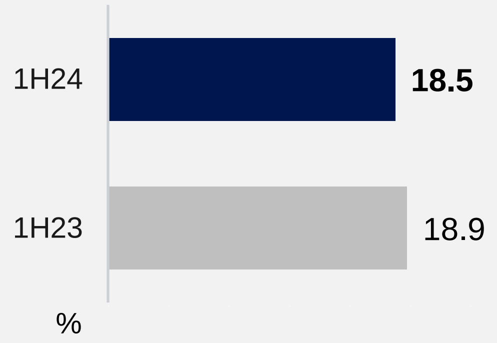
↑ **7%** ZAR
↑ **21%** CCY

Dividend per share

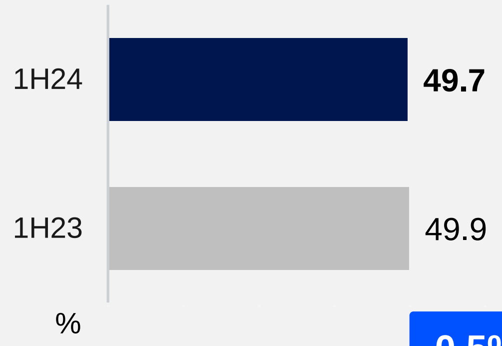
1H24: **744c**
1H23: 690c

↑ **8%**

Group return on equity

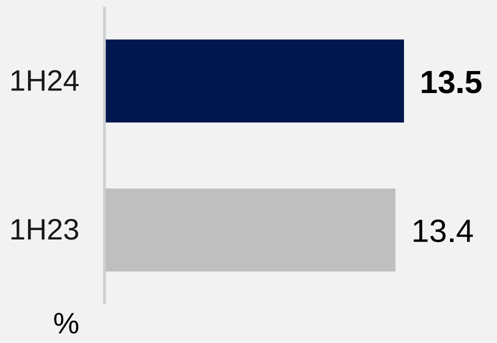


Cost-to-income ratio[2]



0.5% Jaws[2]

Group CET1 ratio



[1] Includes Banking and Insurance & Asset Management, [2] Based on Banking Franchise

Banking

2.1

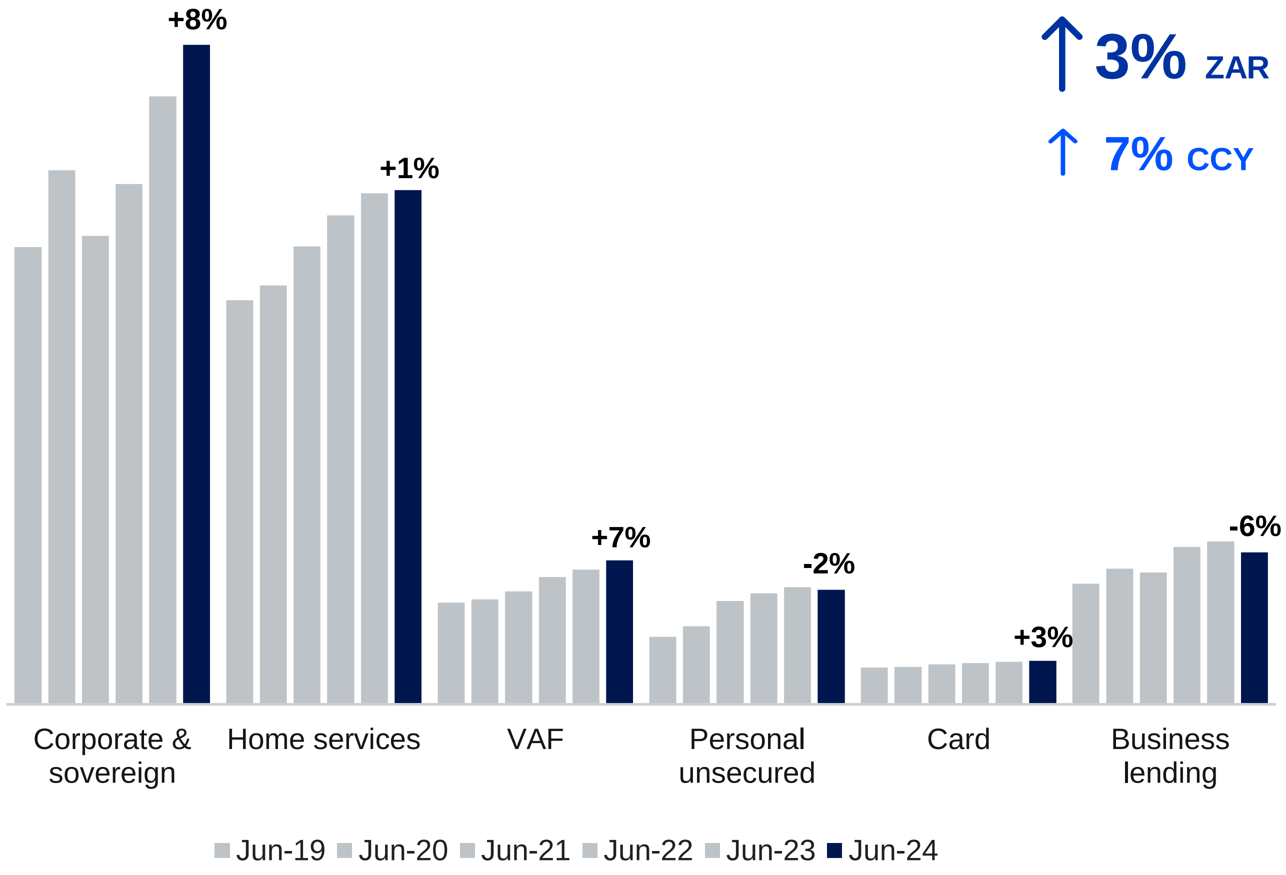
Banking overview – growth off a high base, supported by positive jaws and improved credit charges

	1H24 Rm	1H23 Rm	Change %	Change CCY %
Net interest income	50 425	46 946	7	19
Non-interest revenue	26 926	29 340	(8)	2
Total income	**77 351**	**76 286**	**1**	**13**
Operating expenses	(38 406)	(38 080)	1	10
Pre-provision profit	**38 945**	**38 206**	**2**	**15**
Credit impairment charges	(7 979)	(9 389)	(15)	(10)
Banking headline earnings	**19 792**	**18 720**	**6**	**19**
Net interest margin, bps	**497**	487		
Credit loss ratio, bps	**92**	109		
Cost-to-income ratio, %	**49.7**	49.9		
Jaws, %	**0.5**	11.8		
ROE, %	**19.0**	19.0		

Gross loans and advances to customers – growth driven by strong corporate origination

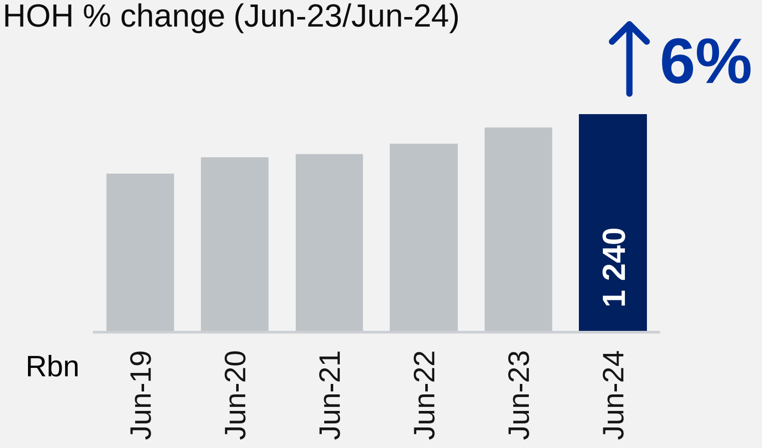
Gross loans and advances to customers by product, R1.5trn

HOH % change (Jun-23/Jun-24)



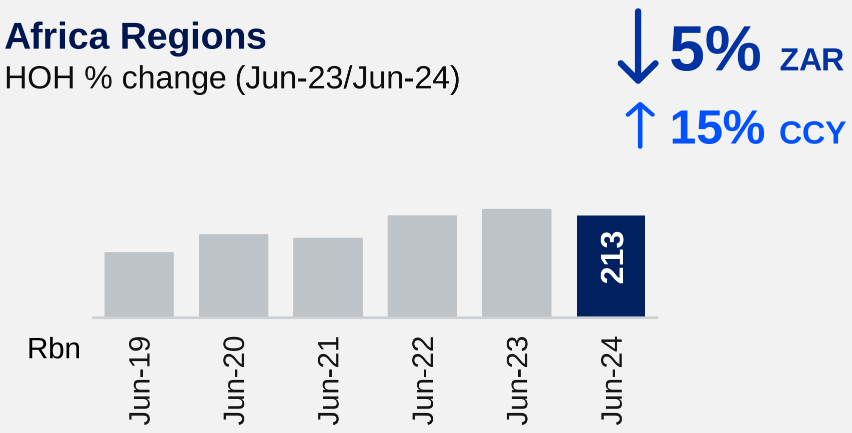
South Africa

HOH % change (Jun-23/Jun-24)



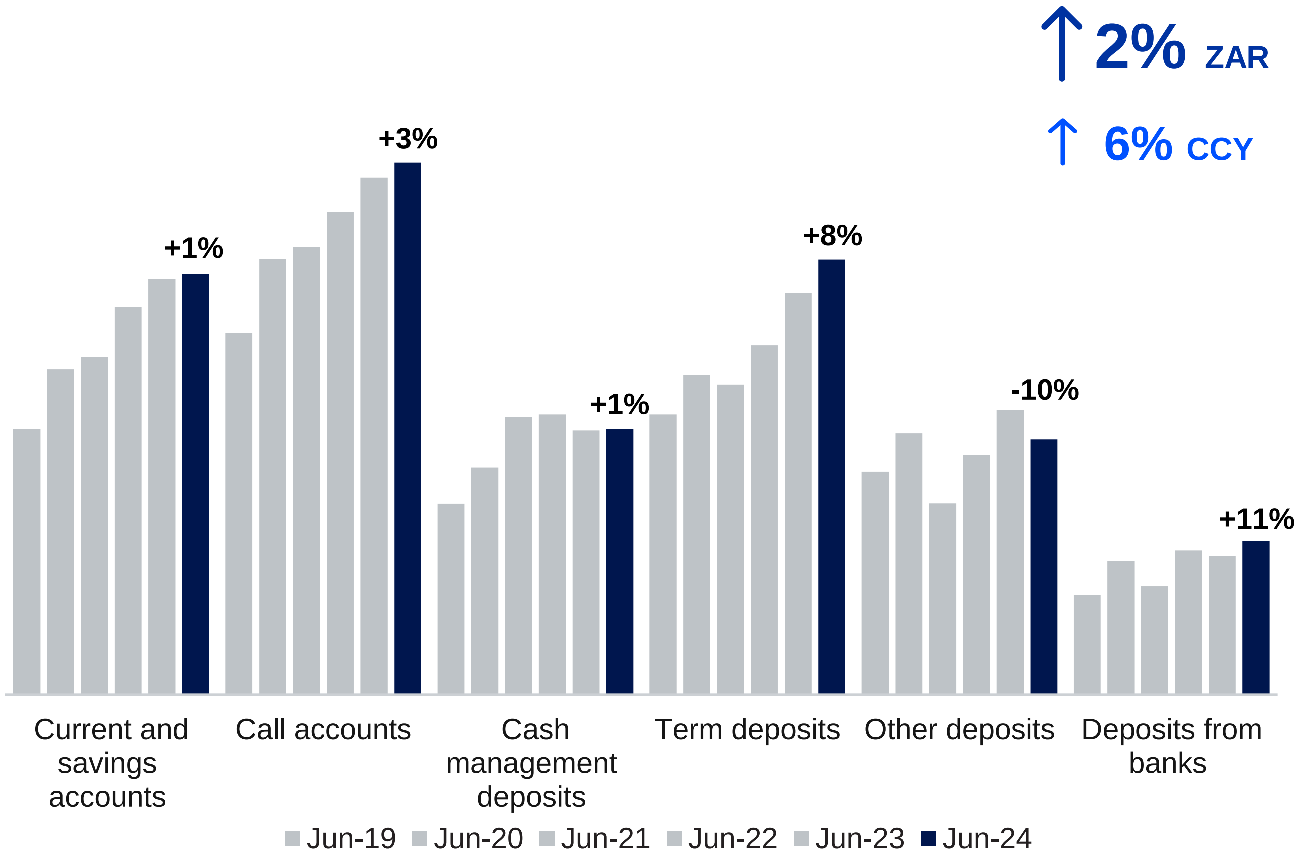
Africa Regions

HOH % change (Jun-23/Jun-24)

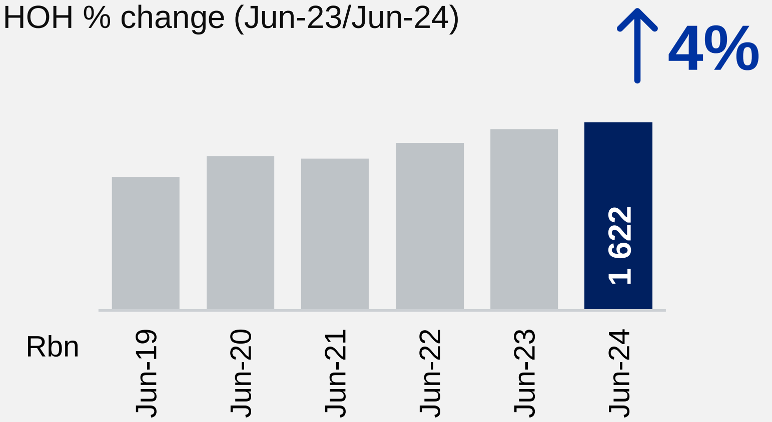


Deposits – continued growth, particularly term deposits as clients took advantage of higher interest rates

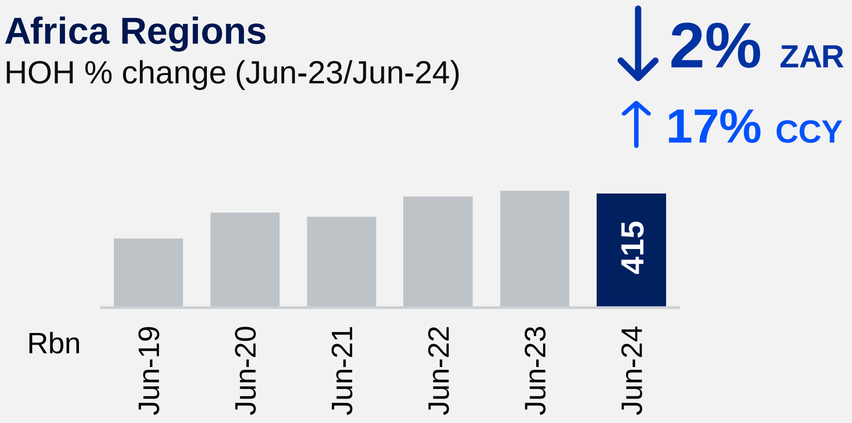
Deposits and debt funding by product, R2.0trn
HOH % change (Jun-23/Jun-24)



South Africa
HOH % change (Jun-23/Jun-24)

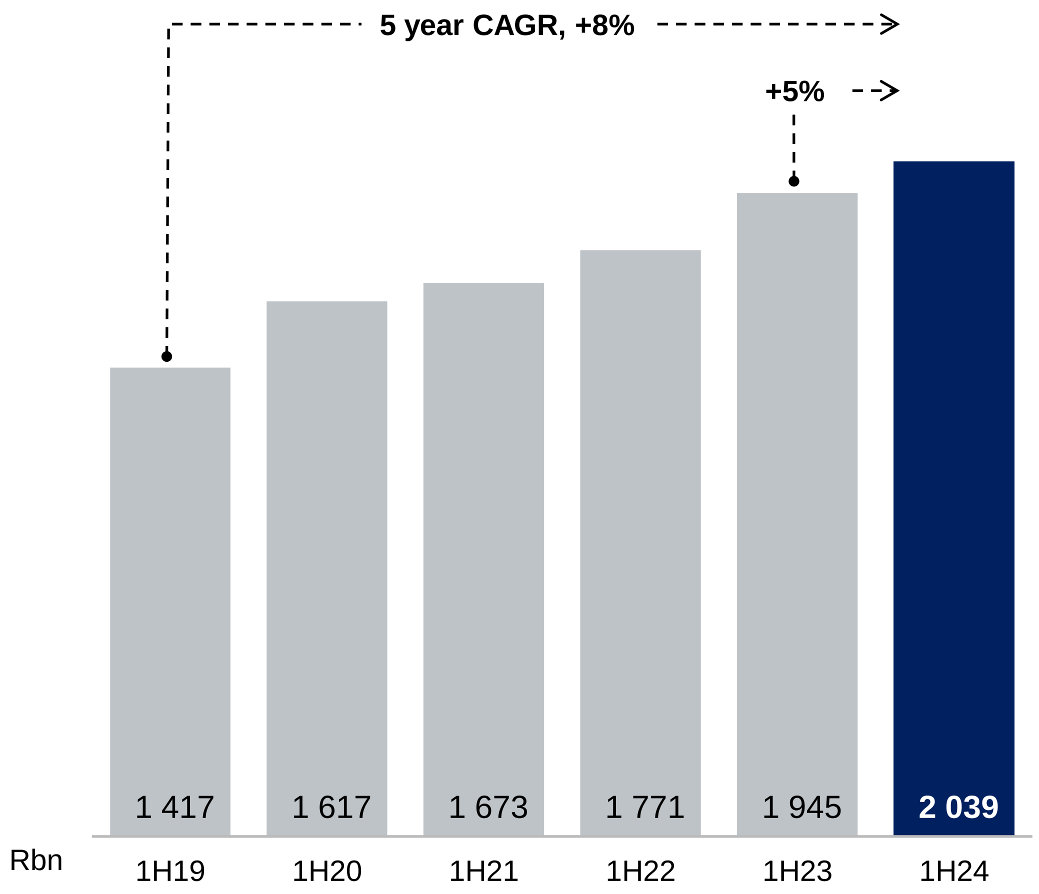


Africa Regions
HOH % change (Jun-23/Jun-24)

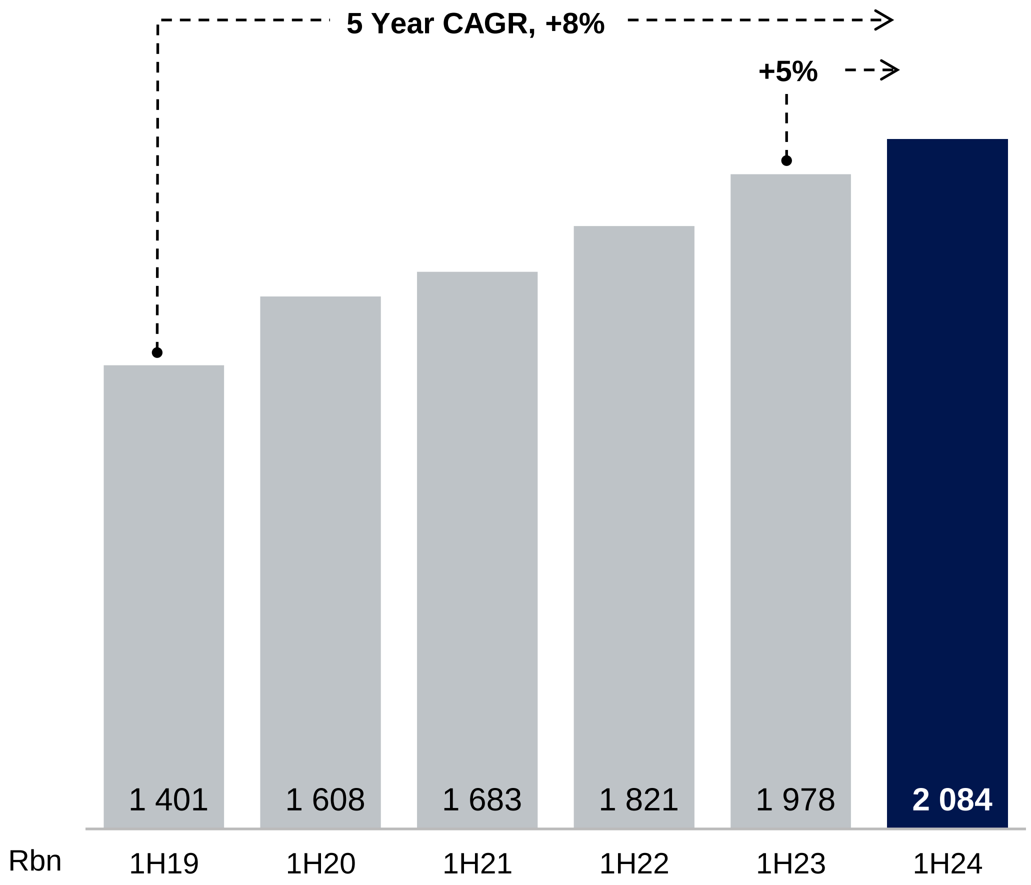


Average balance sheet – continued growth, but slowed due to the difficult environment

Average interest-earning assets

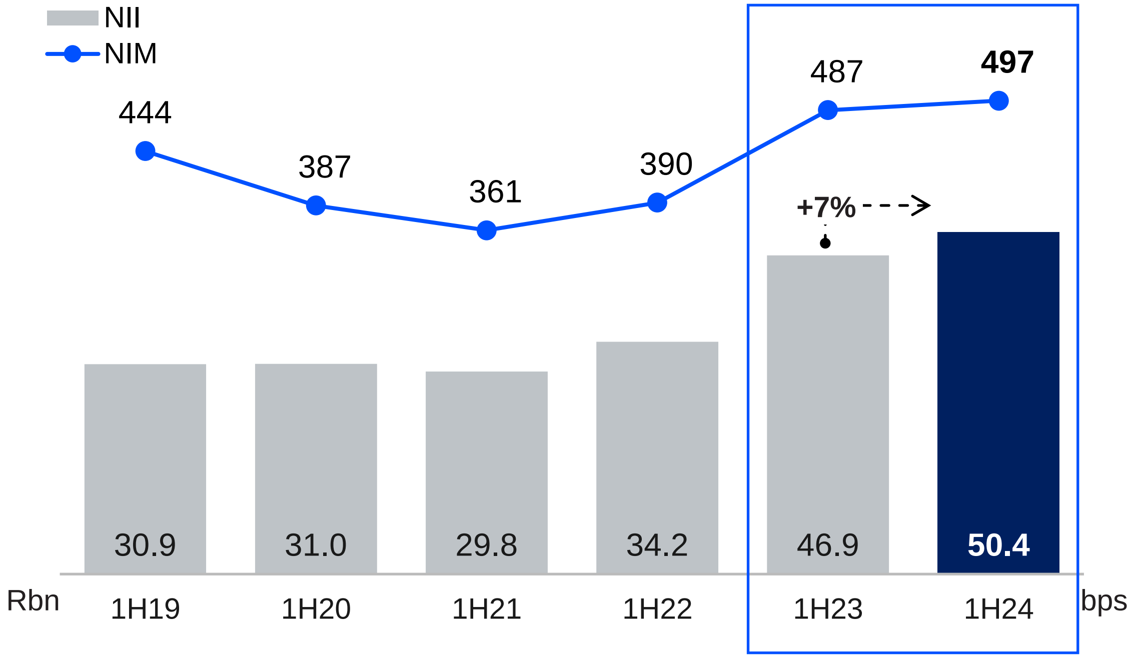


Average interest-bearing liabilities



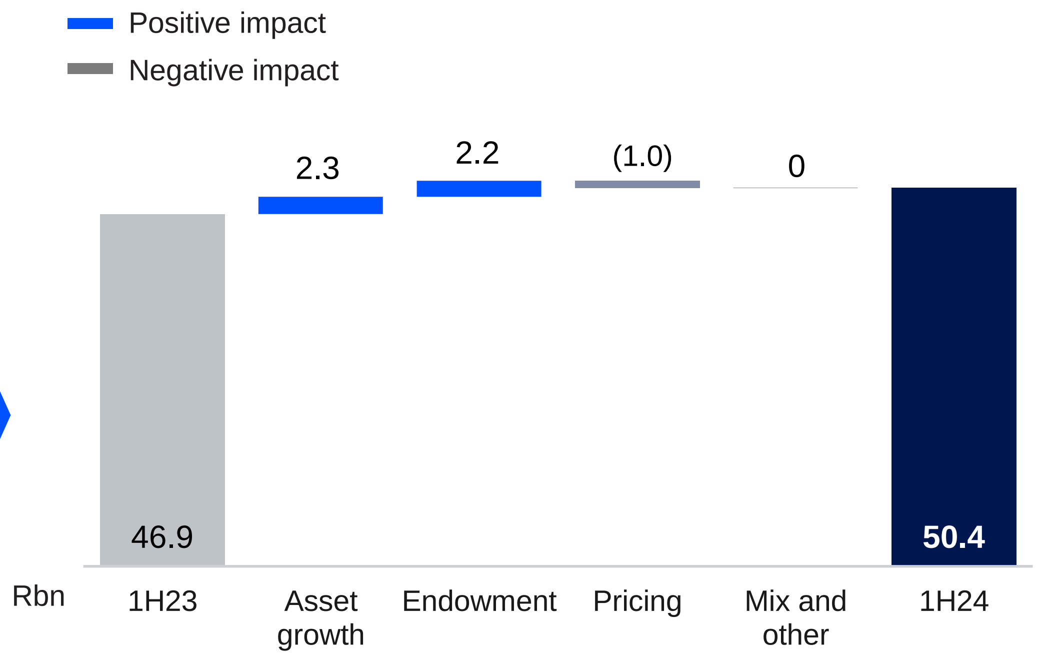
Net interest income – margin expansion as higher interest rates more than offset tighter pricing

Banking NII and NIM trend



	1H19	1H20	1H21	1H22	1H23	1H24
AIEA[1] Rtrn	1.4	1.6	1.7	1.8	1.9	2.0
AIBL[2] Rbn	1.4	1.6	1.7	1.8	2.0	2.1

Net interest income



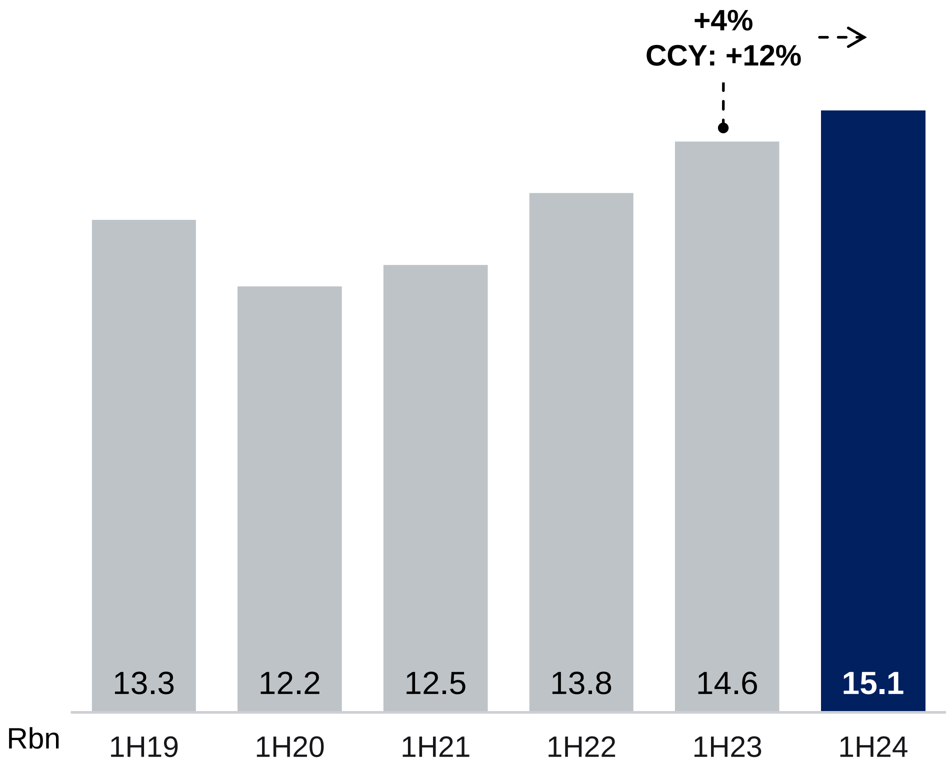
Interest rate sensitivity, Rm

1H24	ZAR	USD	GBP	Euro	Other	Total
+100 bps	916	844	299	103	917	3 079
-100 bps	(932)[3]	(902)	(274)	(109)	(966)	(3 183)

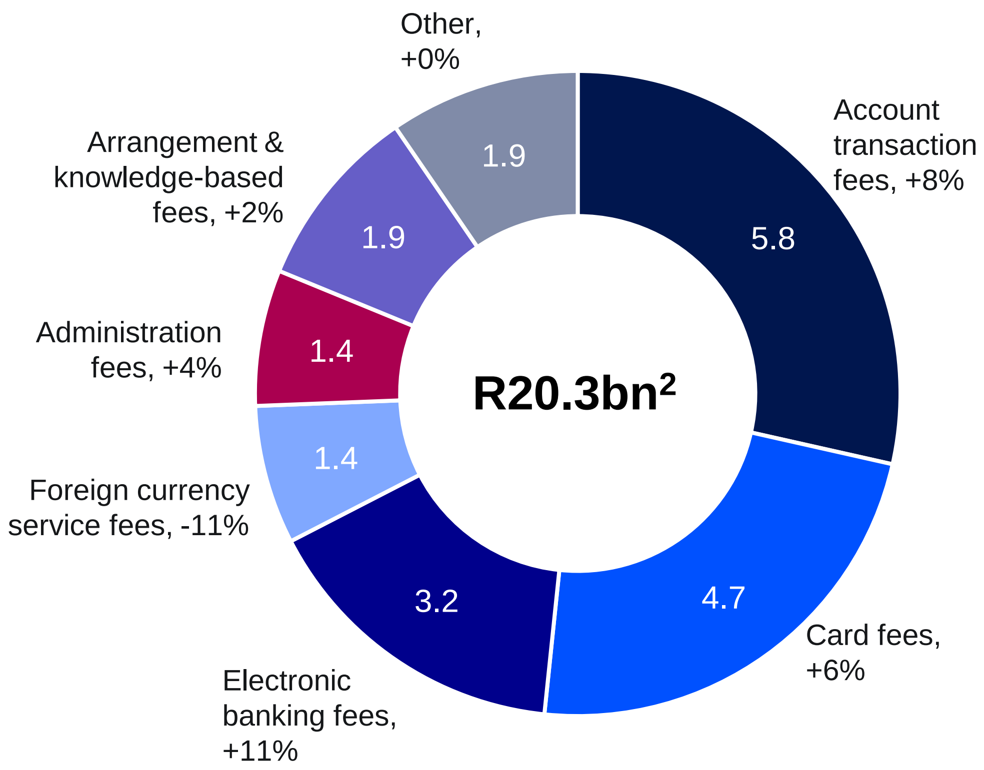
[1] AIEA – Average interest-earning assets, [2] AIBL – Average interest-bearing liabilities, [3] Interest rate sensitivity for 100 basis point decrease in the repo rate in South Africa was R1.2bn in 1H23

Net fee and commission – continued growth in the active client base, digital adoption and volumes

Net fee and commission revenue[1]
5-year CAGR, 3%

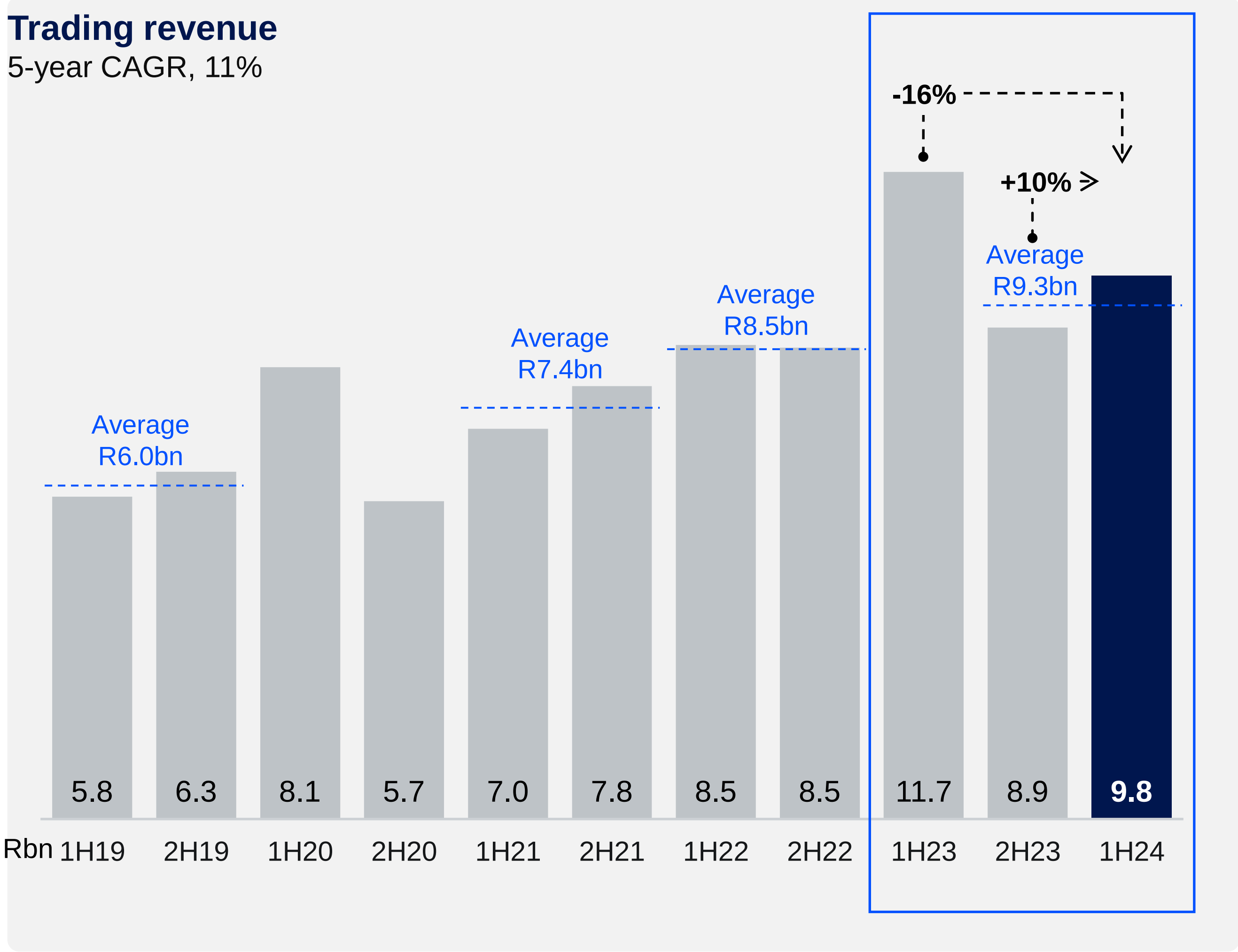


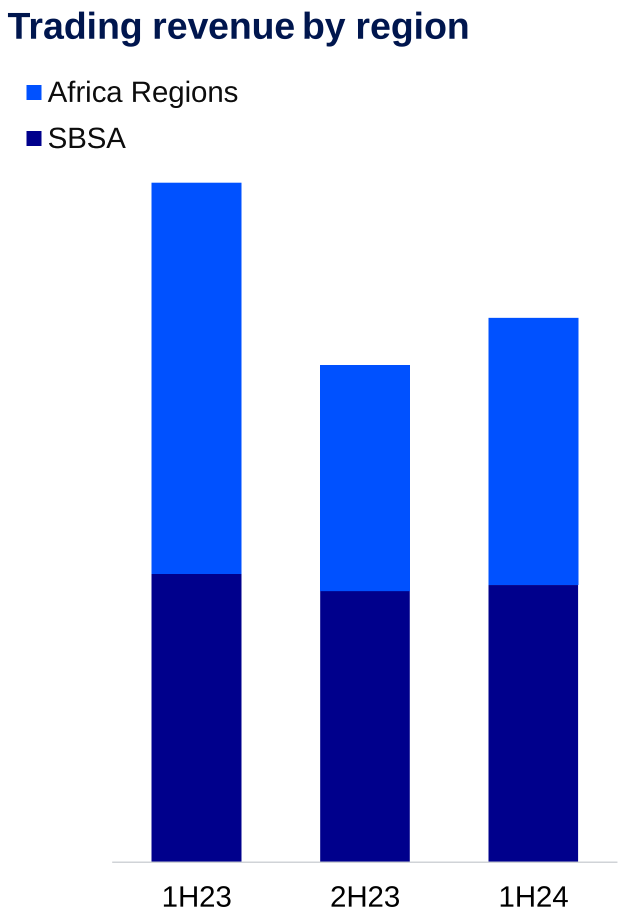
Fee and commission revenue, by category



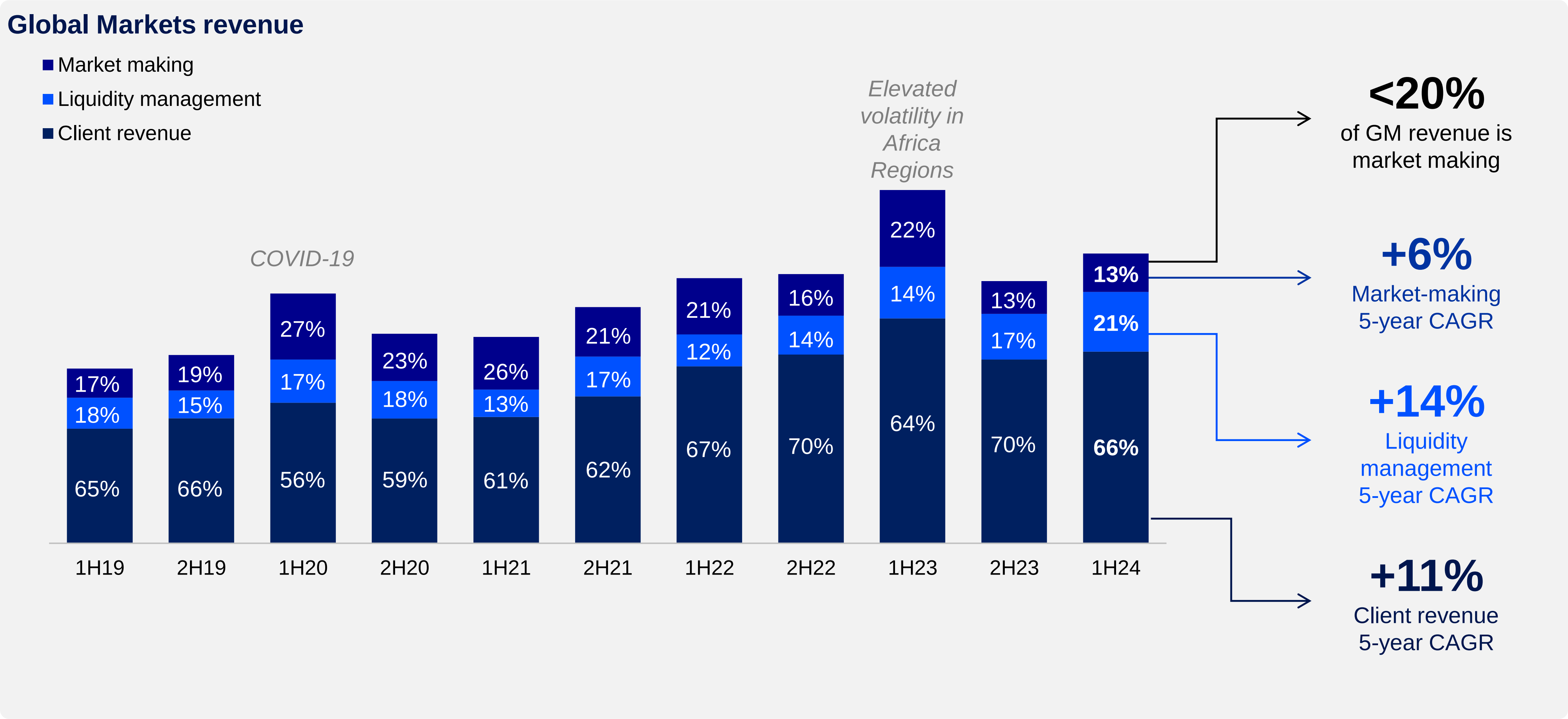
[1] Net fee and commission revenue is for banking operations, [2] Excludes fee and commission expenses amounting to R5.2bn, up 9%

Trading revenue – strong underlying trend, down relative to an exceptional 1H23, up on 2H23

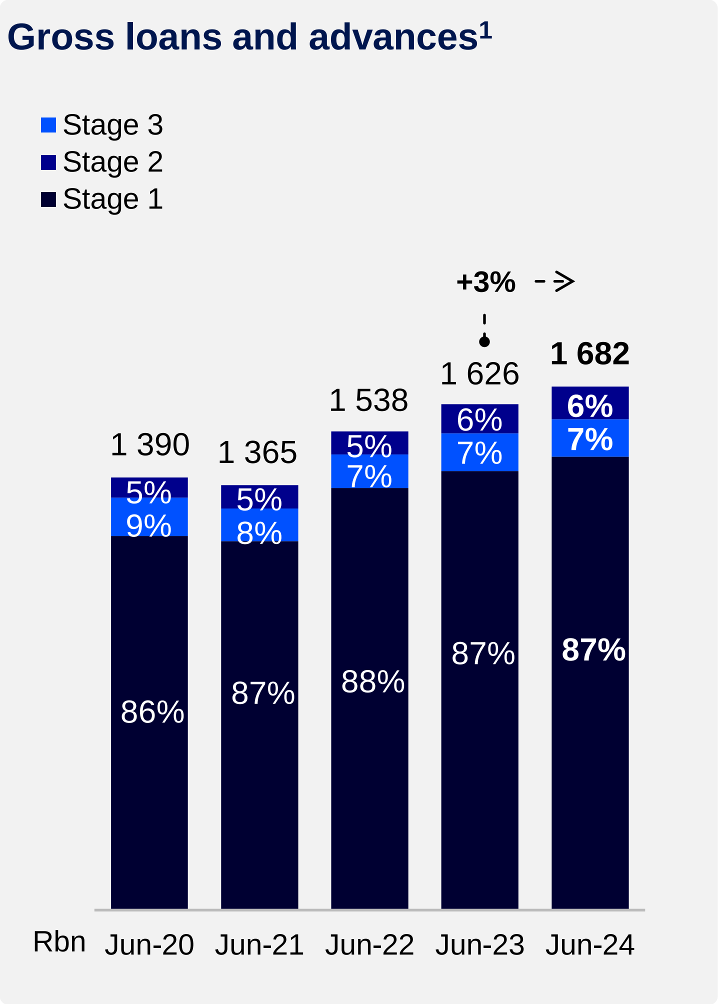


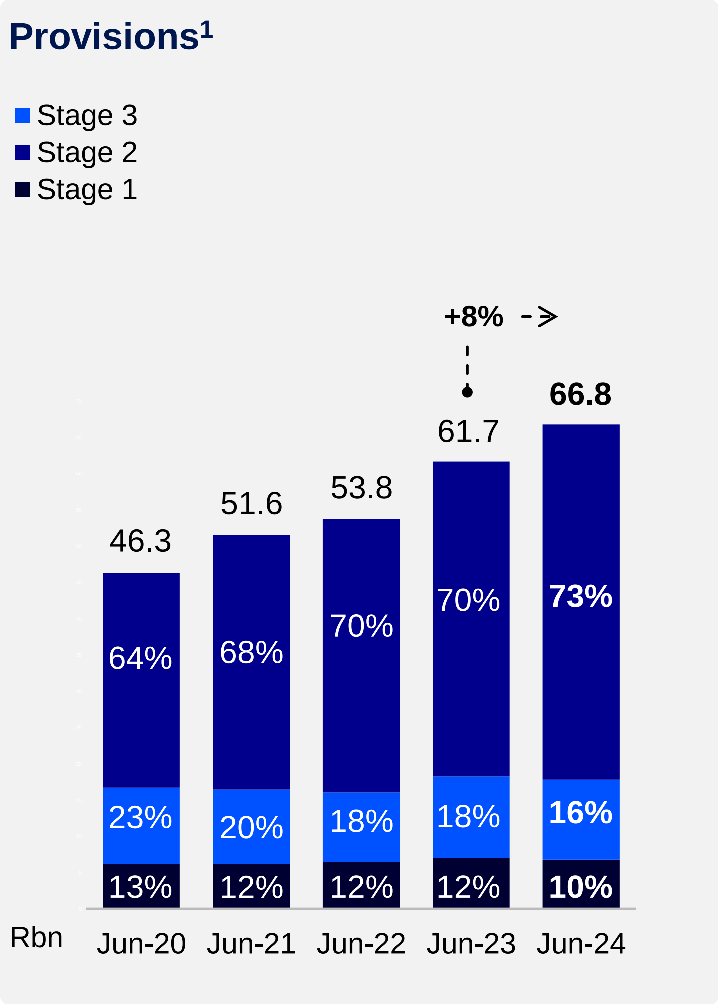


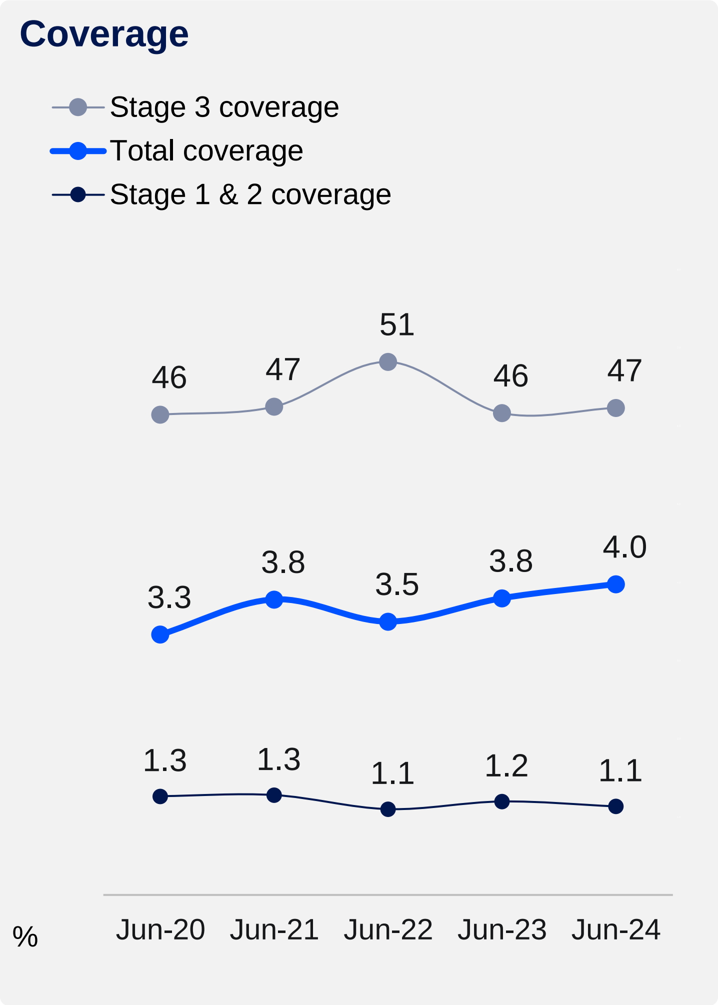
Global Markets revenue – client driven franchise



Provisions – balance sheet grew slower than provisions resulting in higher coverage



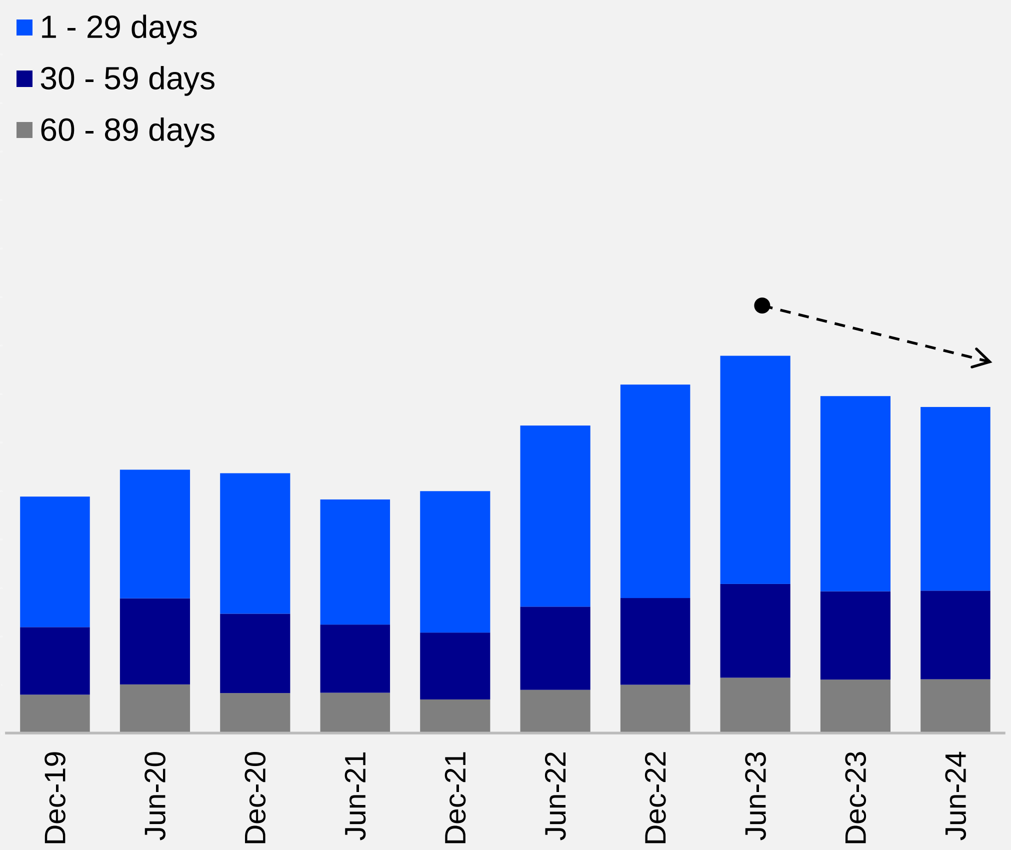




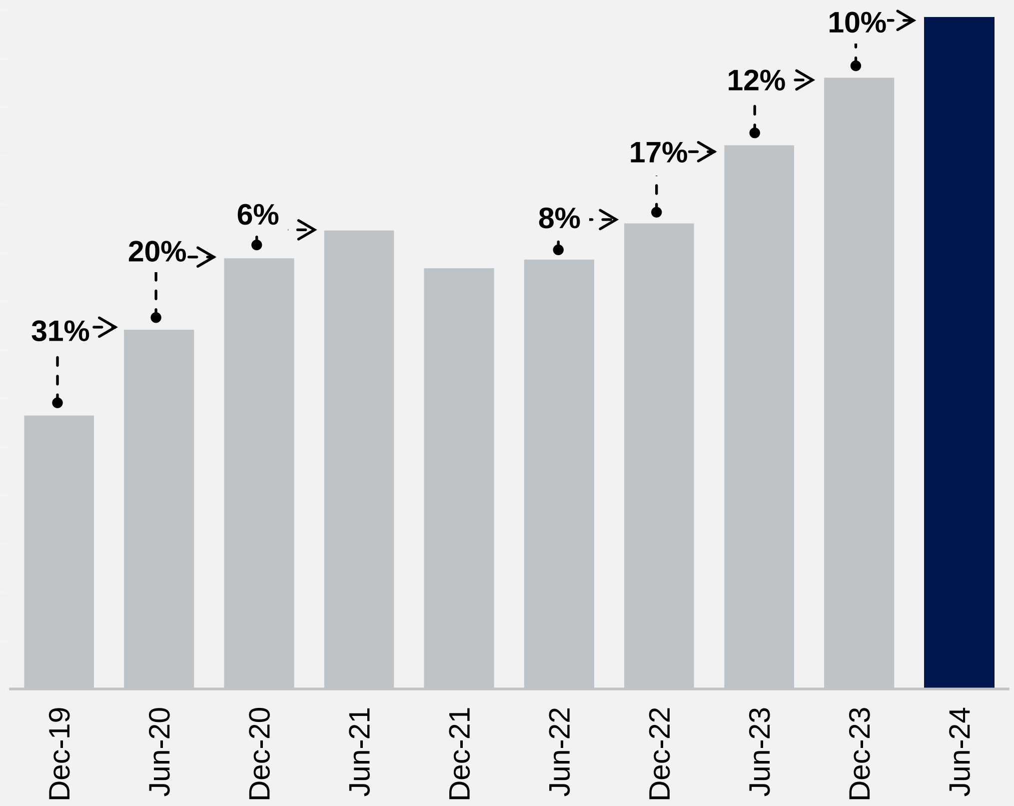
[1] *Based on gross loans and advances and provisions per pages 68-69 of the 1H24 Financial Analysis Booklet*

Provisions – PPB SA evidence of a slowdown in inflows

Early Delinquency (1 – 89 days past due)

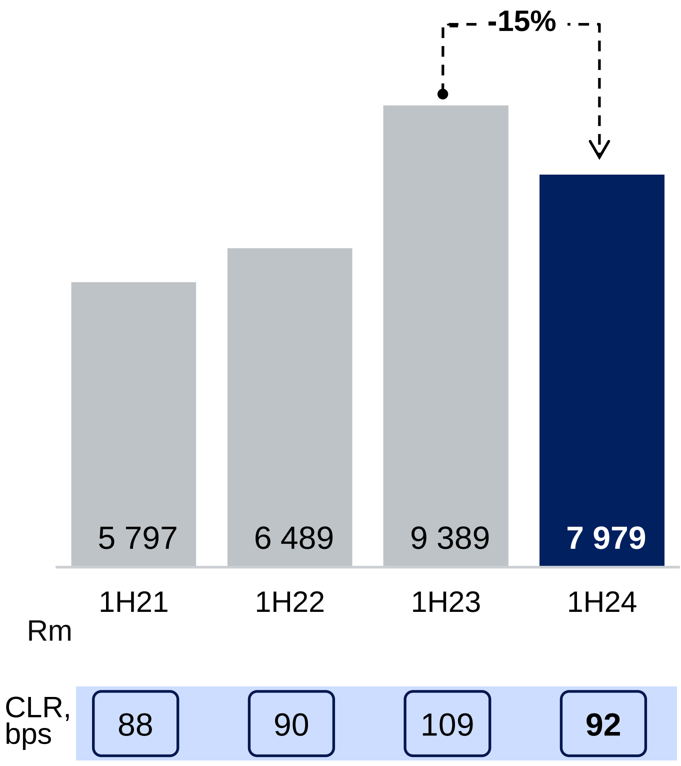


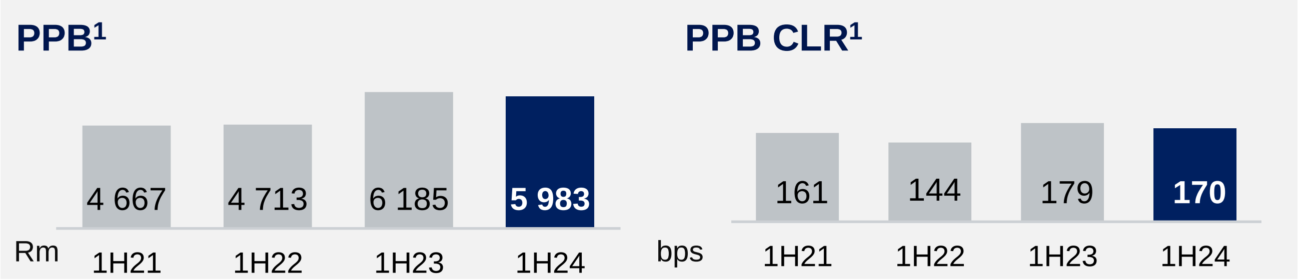
Non-performing loans

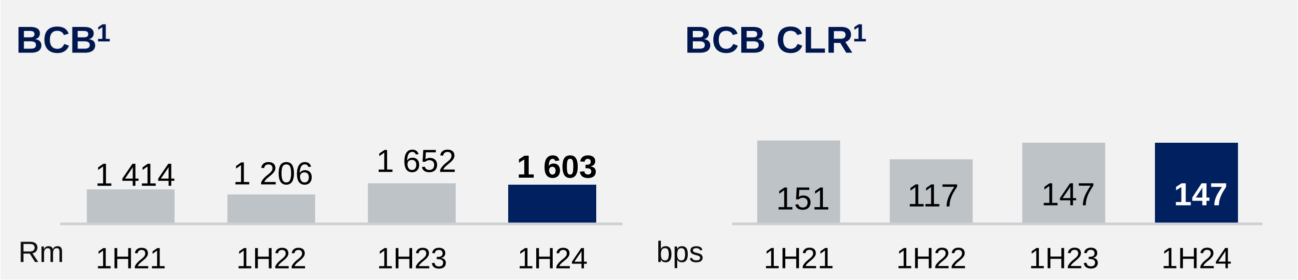


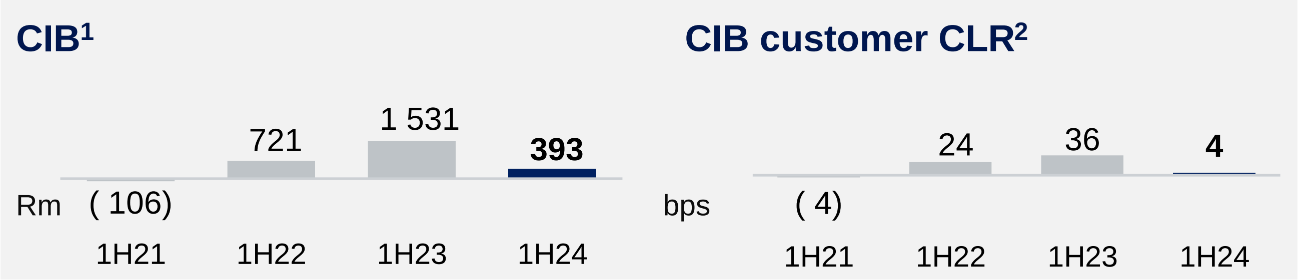
Credit impairment charges – decline driven by CIB restructures and a slowdown in PPB and BCB charges

Credit impairment charges[1]





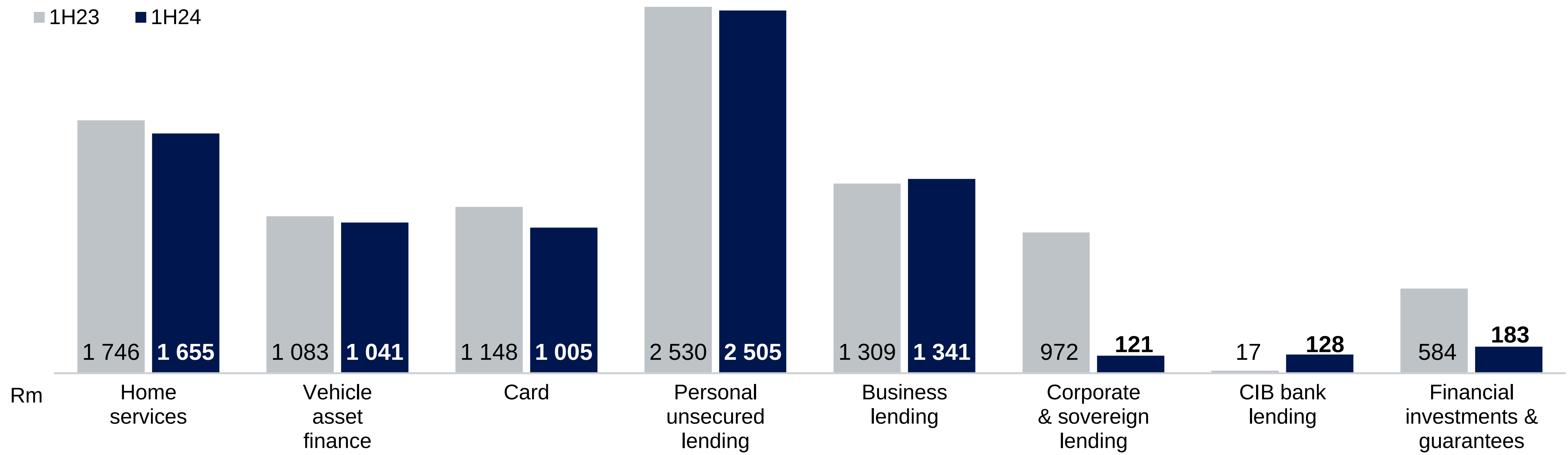




[1] Credit impairment charges for loans and advances including financial investments and letters of credit and guarantees per pages 28-29 of the Financial Analysis Booklet, [2] Based on Corporate and Investment Banking customer CLR on page 49 of the Financial Analysis Booklet

Credit impairment charges – most products lower, particularly Corporate and Financial investments

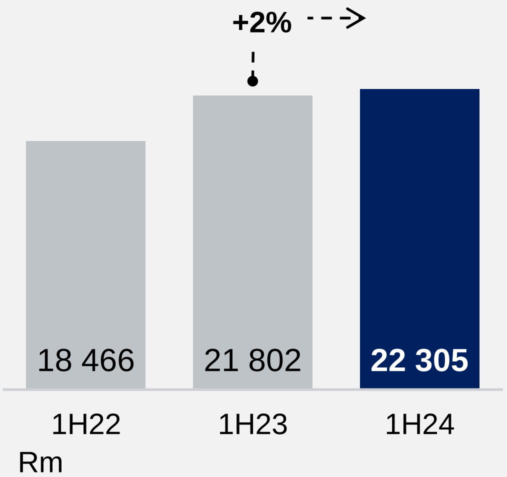
Credit impairment charges



	Home services	Vehicle asset finance	Card	Personal unsecured lending	Business lending	Corporate & sovereign lending	CIB bank lending	Financial investments & guarantees
1H24 CLR, bps	71	164	514	477	194	4	11	
1H23 CLR, bps	76	181	599	479	178	36	2	

Operating expenses – disciplined cost management and currency weakness in Africa Regions, <1% growth[1]

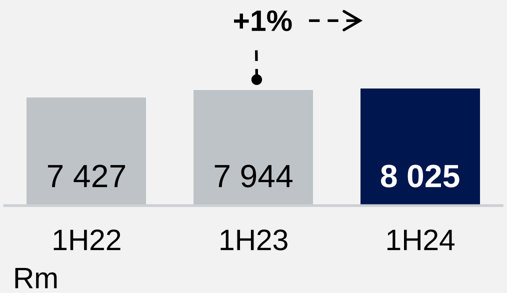
Staff costs



- Annual inflationary salary increases
- Lower variable remuneration in line with business performance

↑ **8%** CCY

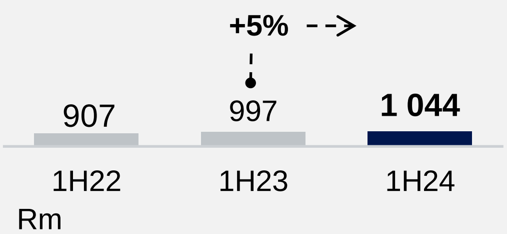
Software, cloud and technology related costs, amortisation and IT depreciation[2]



- Continued investment in software to support improvements in security and stability of client platforms
- Lower capitalised expenditure
- Higher cloud subscription costs

↑ **7%** CCY

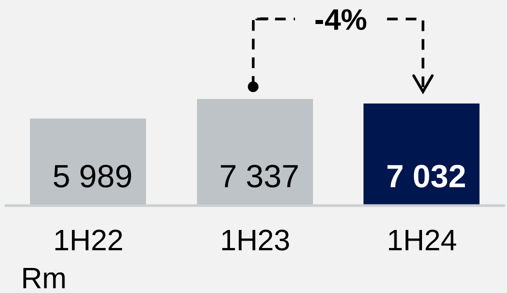
Premises



- Above inflationary increases in municipal and utility costs
- Lower fuel and maintenance costs due to reduced loadshedding in South Africa

↑ **16%** CCY

Other expenses



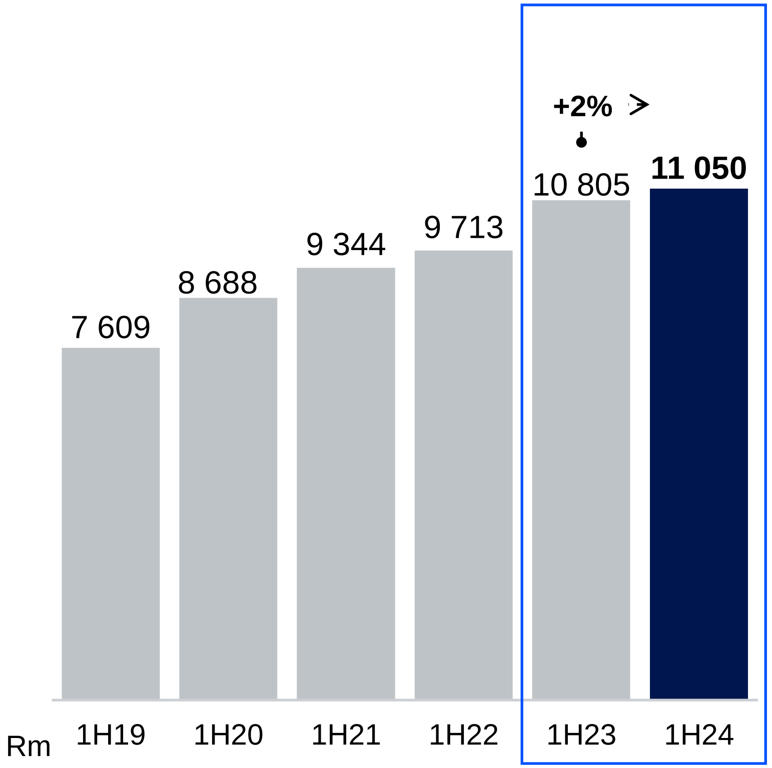
- Strong focus on cost management resulting in lower discretionary spend
- Weaker currencies in West Africa, resulting in lower translated ZAR costs

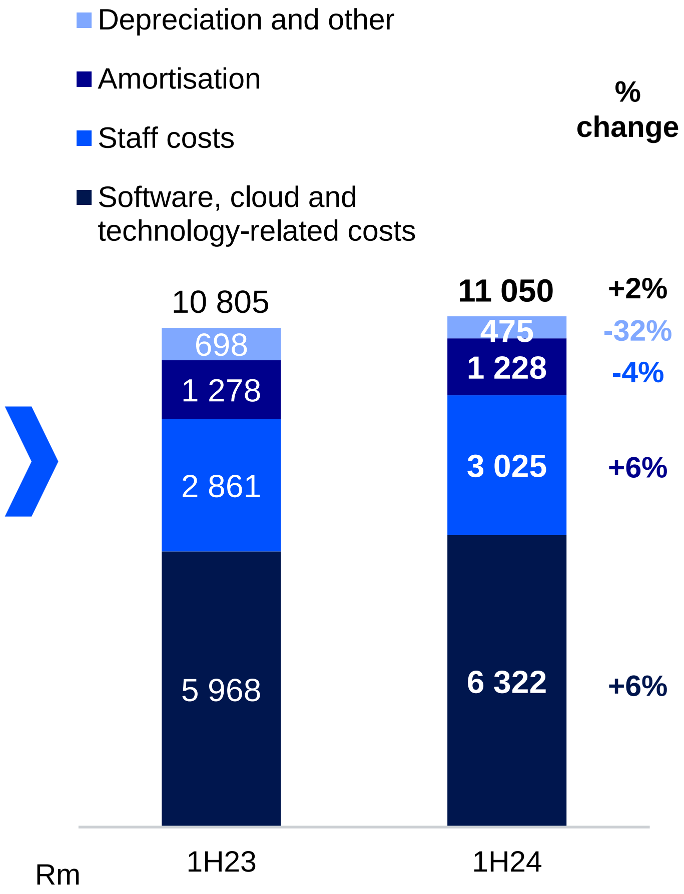
↑ **19%** CCY

[1] Banking operating expenses grew by 10% in constant currency vs weighted average inflation rate of 8.3%, [2] Includes all IT spend excluding staff costs per page 72 of the 1H24 Financial Analysis Booklet

IT spend – ongoing diligent "save to invest" strategy led to well-contained cost growth at 2%

Total IT spend[1]
5-year CAGR 8%





Areas impacting growth

Depreciation and other
- Reduced investment in on-premises infrastructure

Amortisation
- Lower capitalised expenditure resulting from the transition to cloud-based solutions

Staff costs
- Impact of annual salary increases and an increase in skilled staff complement

Software, cloud and technology-related costs
- Contractual increases on software services and increased licensing fees on client platforms
- Continued investment in security software
- Higher cloud subscription costs

↑ 2% ZAR
↑ 8% CCY

[1] *Total technology spend for previous periods has been restated to align to banking operating expenses*

Insurance & Asset Management

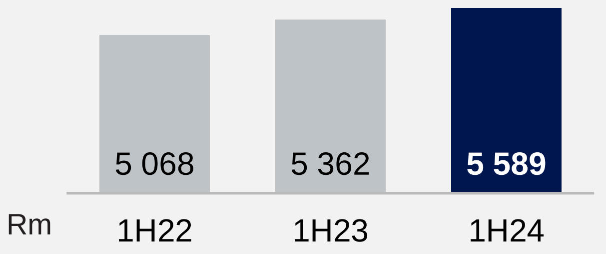
2.2

IAM – increasing sales and higher margins, especially in guarantee-type products

Life insurance, indexed new business

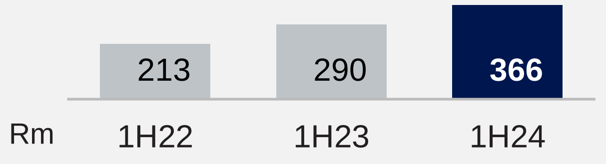
South Africa

↑4%



Africa Regions

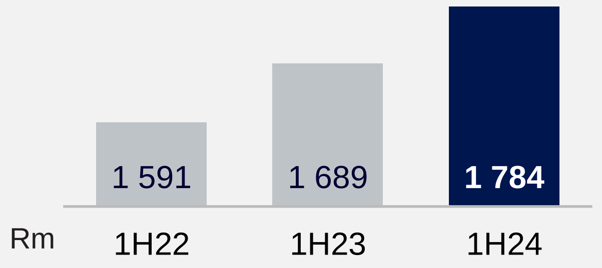
↑26%



Short-term insurance, GWP[1]

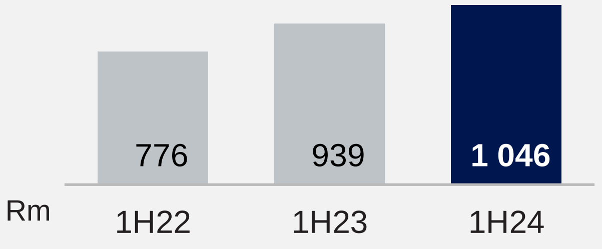
South Africa

↑6%



Africa Regions

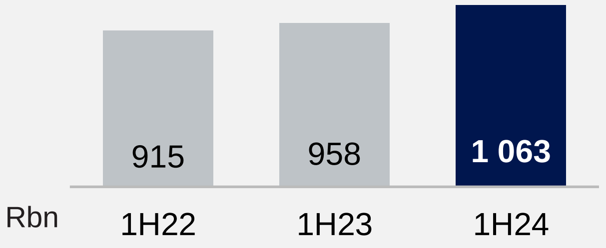
↑11%



Asset Management, AUM & AUA[2]

South Africa

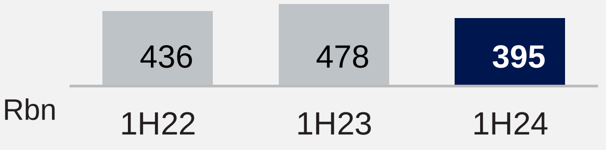
↑11%



Africa Regions

↓17% ZAR

↑ 24% CCY



R1.6bn New business value ↑13%

[1] Gross written premium, [2] Assets under management and assets under administration

IAM performance – improved insurance earnings, favourable shareholder portfolio, and capital actions drove ROE up

	1H24 Rm	1H23 Rm	Change %
Insurance operations	**2 131**	**1 853**	**15**
South Africa	2 191	1 927	14
Africa Regions	(60)	(74)	(19)
Asset Management operations	**472**	584	**(19)**
South Africa	181	187	(3)
Africa Regions and Standard Bank Offshore	291	397	(27)
Central costs, sundry income and other adjustments	(21)	(60)	(65)
Total operating earnings (pre IFRS 17 adjustment)	**2 582**	**2 377**	**9**
Shareholder Portfolio[1]	**195**	(14)	>100
Total gross earnings/(loss) before inter-BU attribution	**2 777**	**2 363**	**18**
Inter-BU attribution headline earnings[2]	**(1 159)**	(1 061)	9
Other adjustments[3]	-	60	(100)
Insurance & Asset Management headline earnings	**1 618**	**1 362**	**19**
ROE (%)	**15.5**	**13.4**	

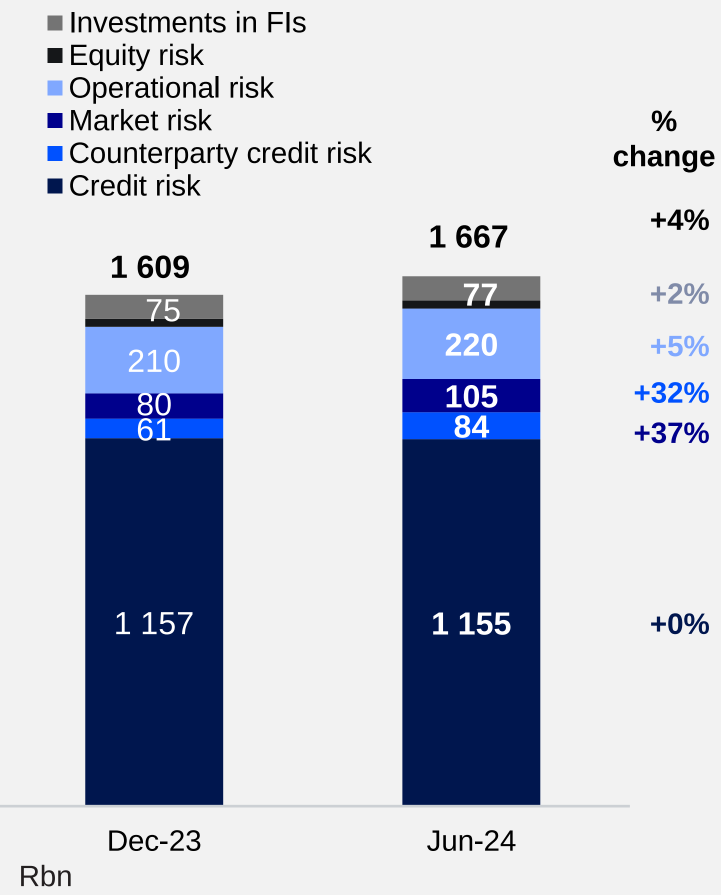
[1] Previously referred to as the Shareholder Assets and Exposures Portfolio, [2] Headline earnings which are attributed to PPB and BCB, [3] Reversal of accounting mismatch arising on consolidation of L2D

Capital and returns

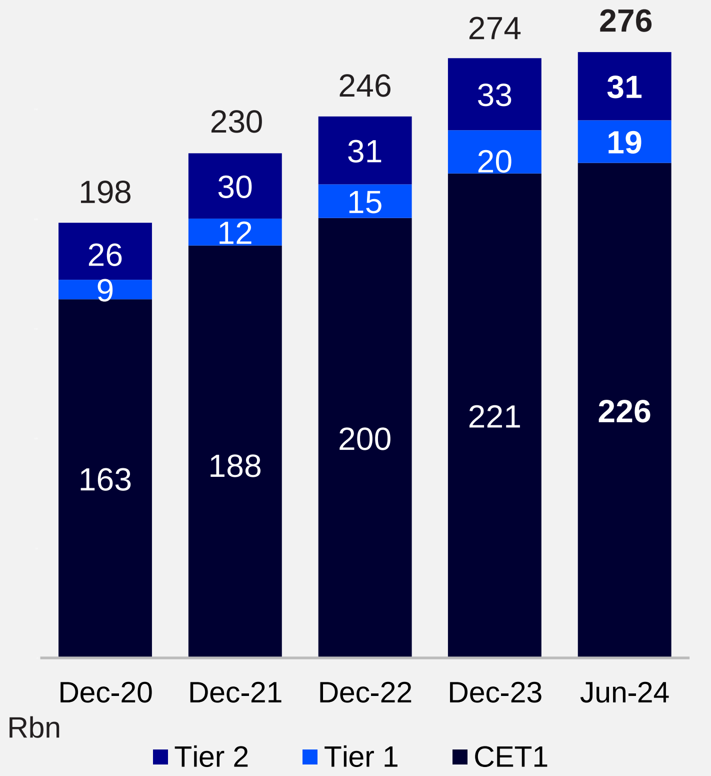
2.3

Capital – robust capital position

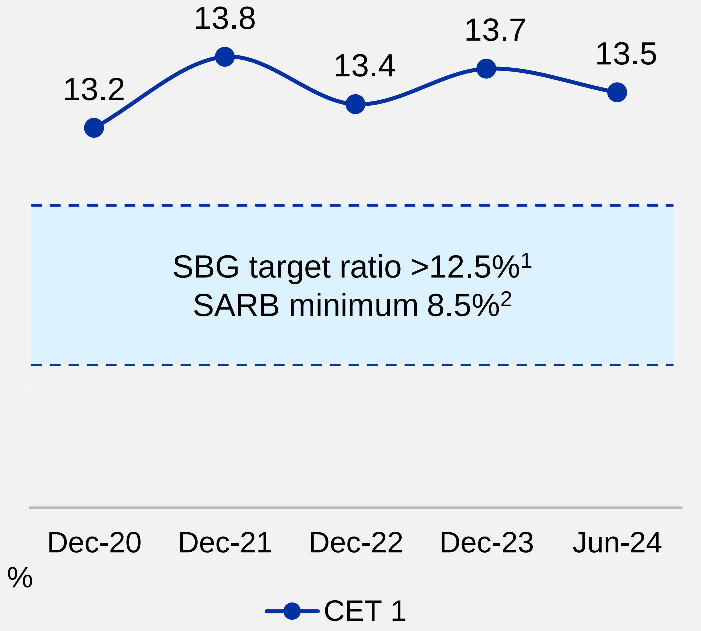
Risk-weighted assets



Capital[1]



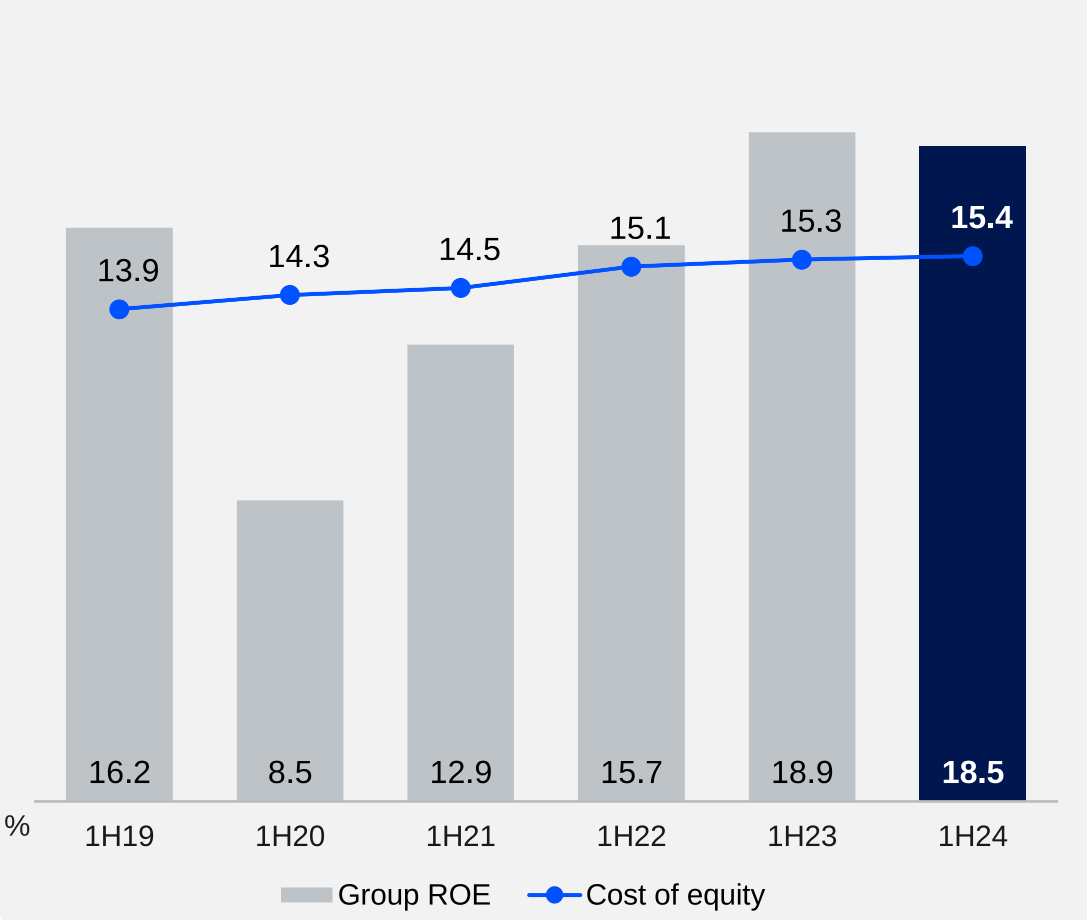
Capital adequacy[1]



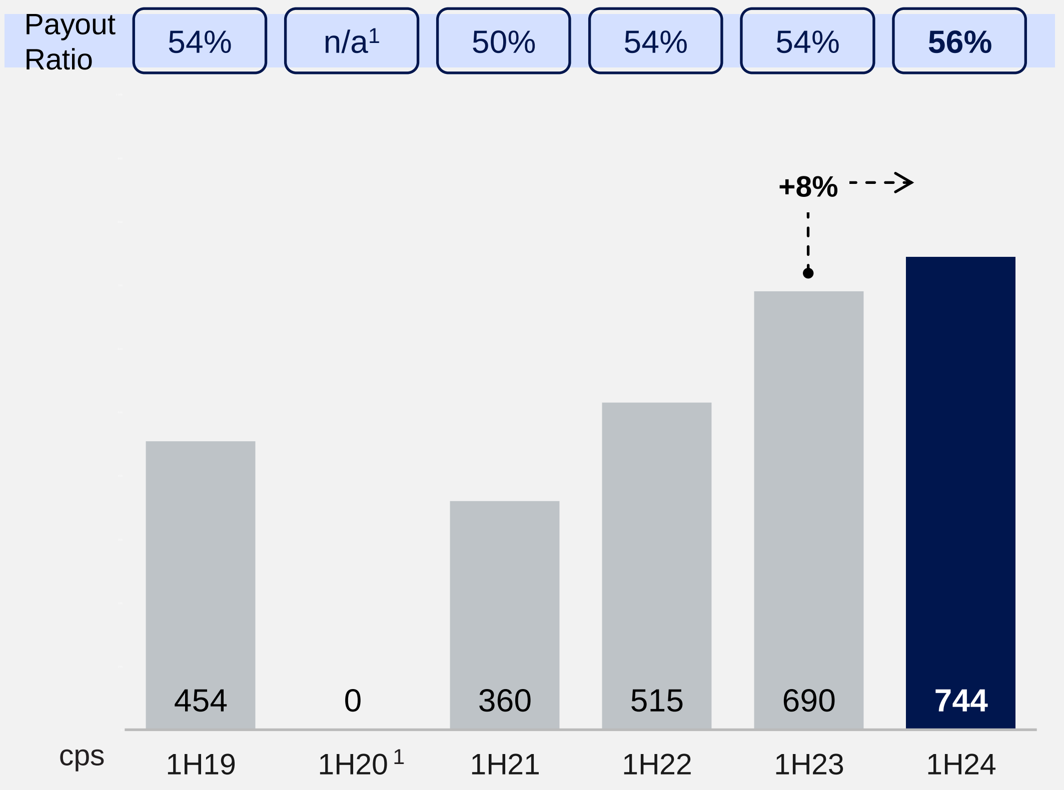
[1] Including unappropriated profits, updated target from 30 June 2024, [2] Recalibrated, inclusive of Pillar 2A requirements that were reinstated by the Prudential Authority from 1 January 2022

ROE & dividends – consistently above pre-pandemic levels

Return on equity and cost of equity



Dividend per share



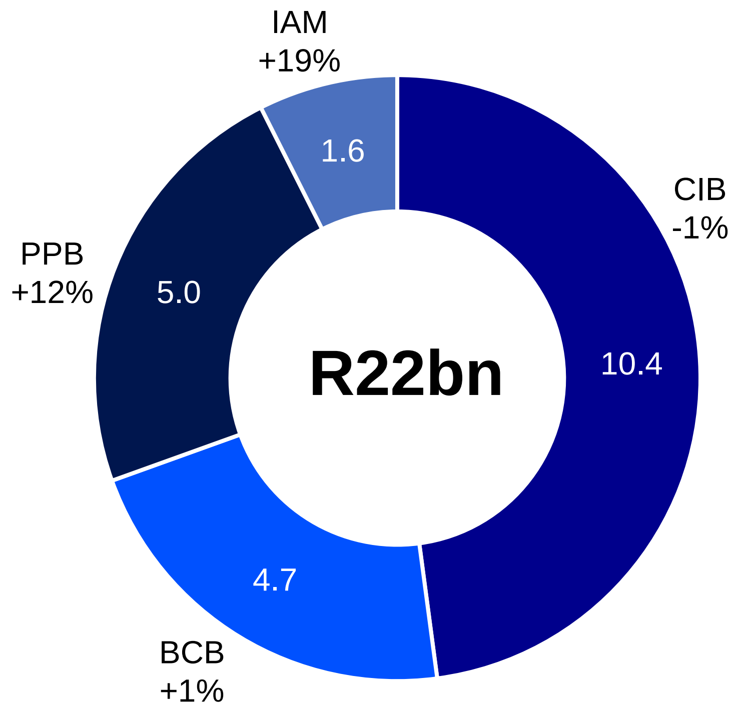
[1] *No 1H20 interim dividend paid as per guidance from the South African Reserve Bank*

Segmental performance

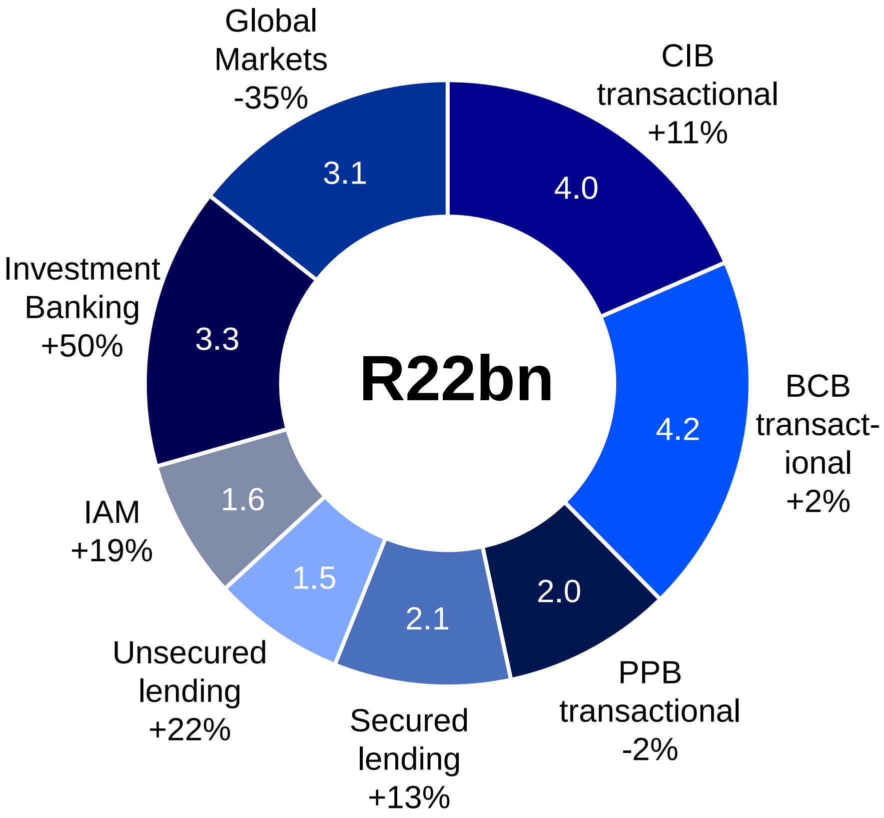
2.4

SBG portfolio – well-diversified and resilient earnings

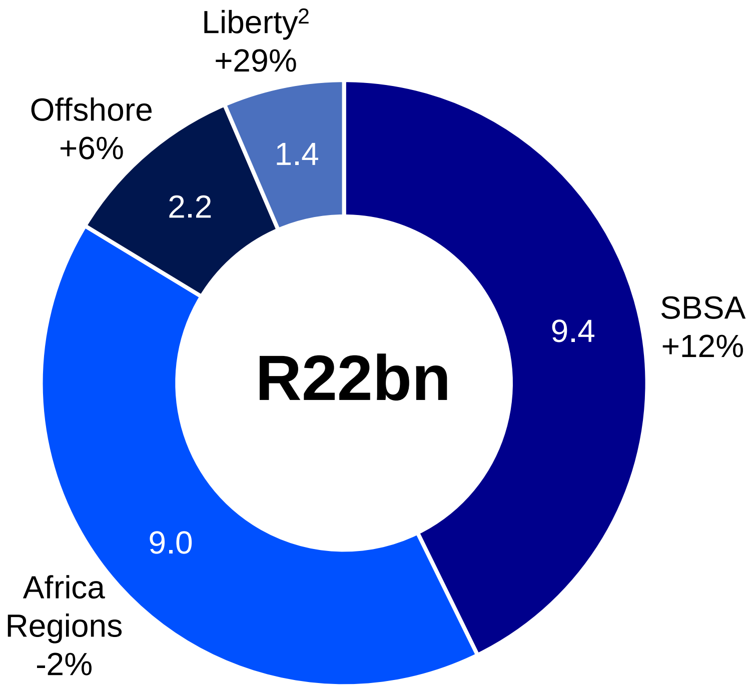
Business unit headline earnings[1], HOH change



Product headline earnings[2], HOH change



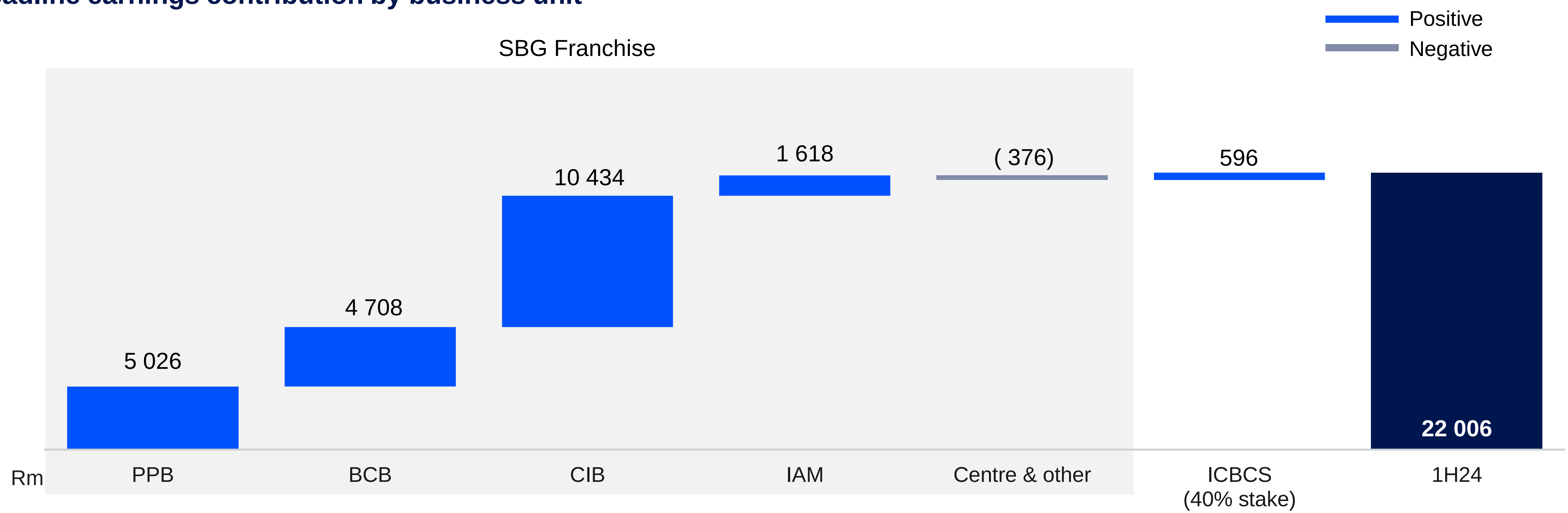
Legal entity headline earnings[3], HOH change



[1] Headline earnings by business unit (SBG Franchise) excluding Centre, [2] Liberty includes SIL, [3]Headline earnings by legal entity, Offshore is Standard Bank Offshore Group

Business units – PPB and IAM drove franchise growth; BCB and CIB flat on a high base

Headline earnings contribution by business unit



	PPB	BCB	CIB	IAM	Centre & other	ICBCS (40% stake)	1H24
HE ZAR, %	+12	+1	-1	+19	-63	-48	+4
HE CCY. %	+12	+7	+17	+46	-86	-50	+17
ROE, %	20.8	38.1	23.0	15.5		13.6	18.5

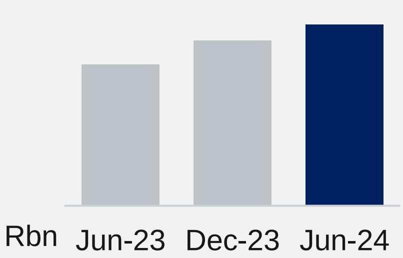
SBSA – steady franchise momentum, stringent cost control and improved credit

	SBSA 1H24 Rbn	SBSA 1H23 Rbn	Change %
Net interest income	28.6	26.1	10
Non-interest revenue	18.7	19.5	(4)
Total income	**47.3**	**45.6**	**4**
Operating expenses	(26.6)	(26.1)	2
Pre-provision profit	**20.7**	**19.5**	**7**
Credit impairment charges	(6.7)	(7.2)	(7)
Headline earnings	**9.4**	**8.4**	**12**
Credit loss ratio, bps	**97**	109	
Cost-to-income ratio, %	**56.7**	57.7	
Jaws, %	**1.9**	1.8	
ROE, %	**15.7**	15.2	
CET1 ratio, %	**12.0**	11.7	

Key stats

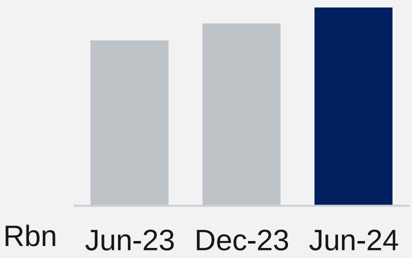
Gross loans and advances to customers

↑ 6%

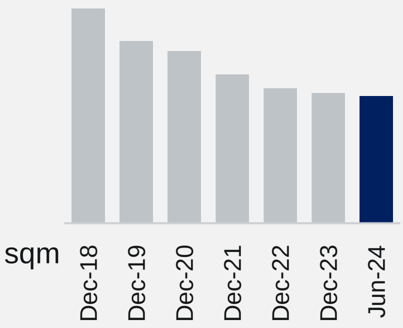


Deposits and funding

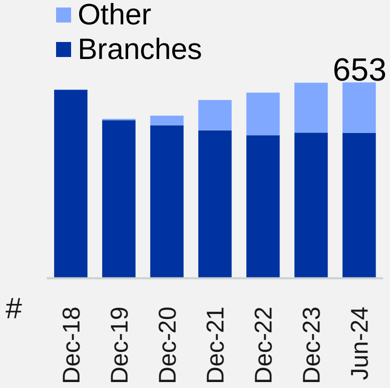
↑ 4%



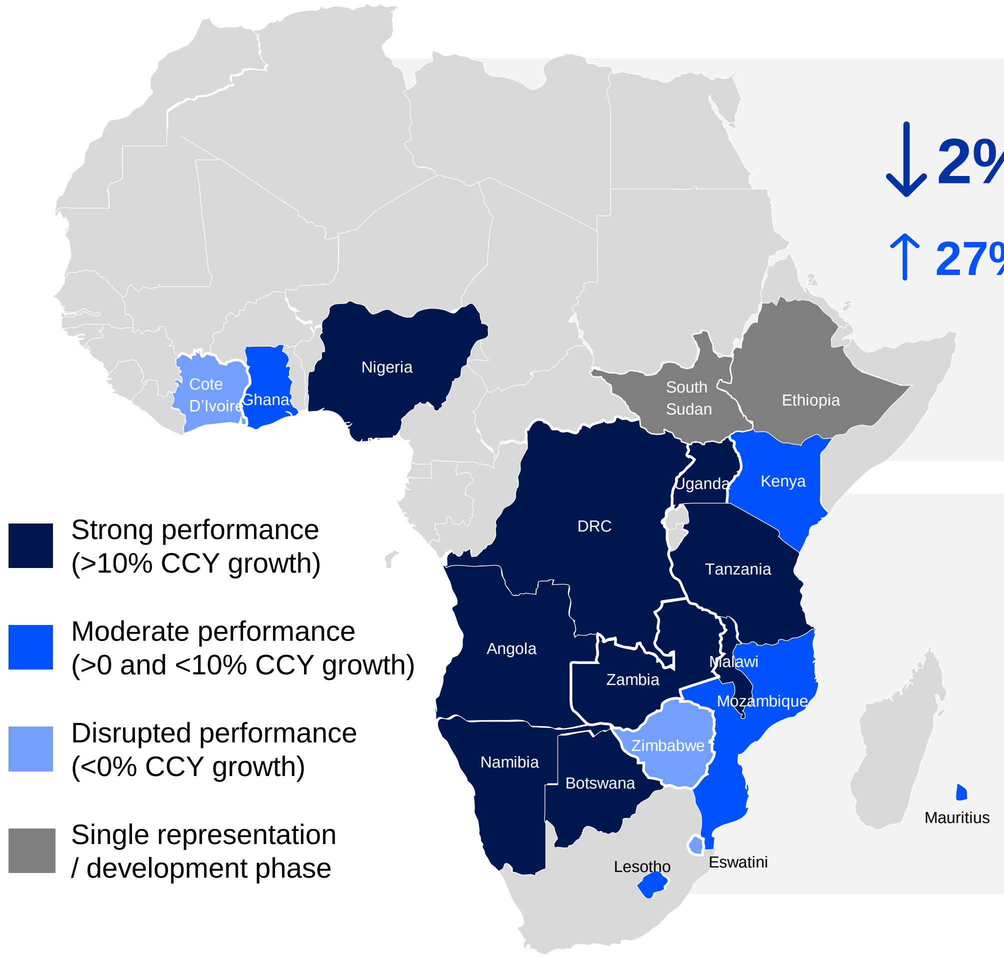
Total branch, sqm



Points of representation



Africa Regions – strong underlying franchise growth and continued accretive returns



↓2% ZAR

↑27% CCY

Headline earnings

	1H24 Rbn	1H23 Rbn	Change %
Africa Regions	**9.0**	**9.3**	**(2)**
East Africa[1]	2.2	1.8	18
South & Central Africa[2]	4.2	4.2	0
West Africa[3]	2.6	3.2	(17)

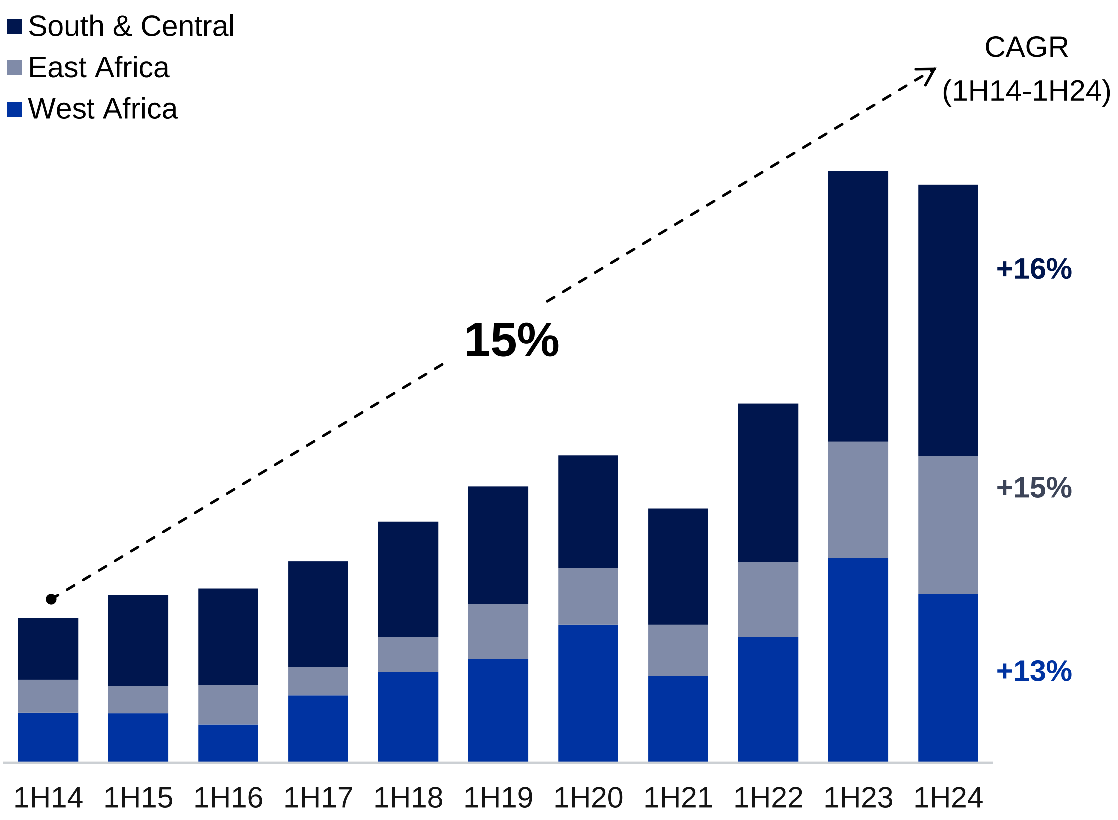
Return on equity

	1H24 %	1H23 %
Africa Regions	**29.1**	**28.4**
East Africa	24.3	23.2
South & Central Africa	28.6	29.5
West Africa	35.8	33.8

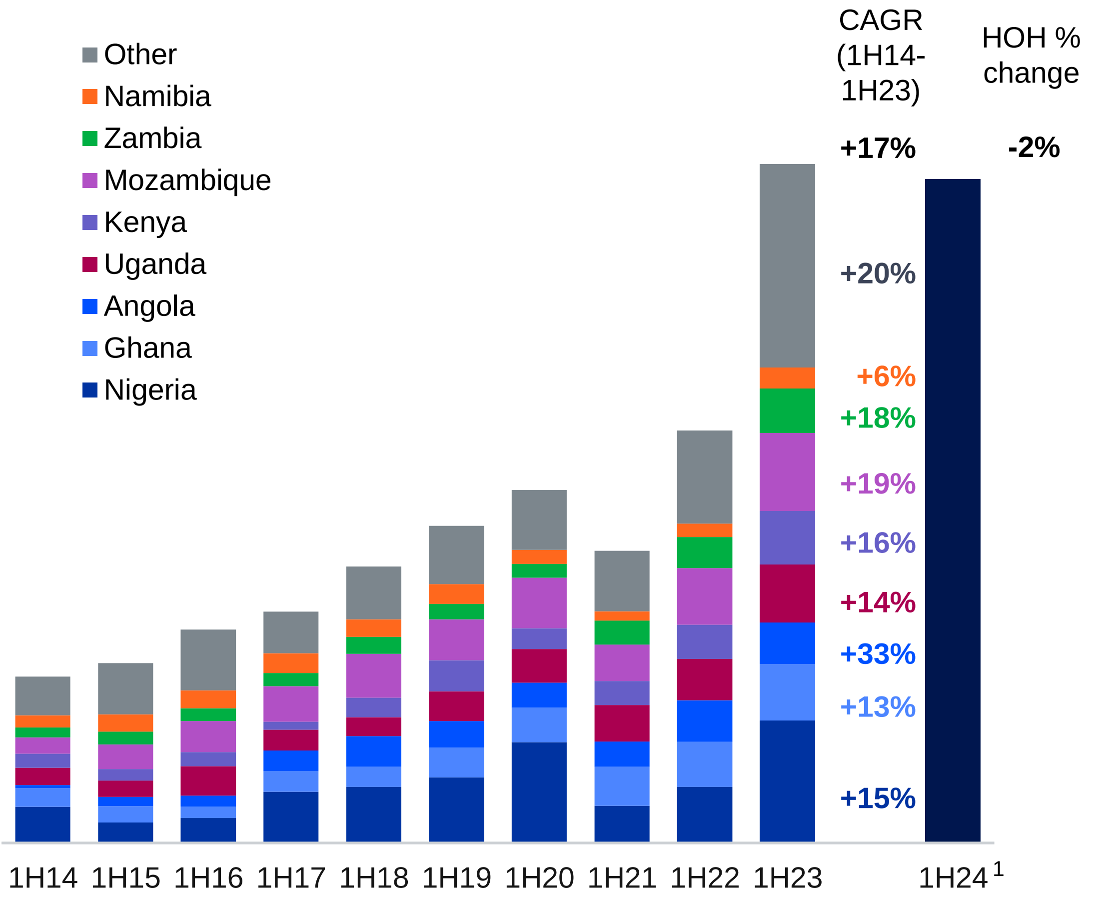
[1] Kenya, South Sudan, Tanzania, Uganda, [2] Botswana, Eswatini, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Zambia, Zimbabwe, [3] Angola, DRC, Ghana, Côte d'Ivoire, Nigeria

Africa Regions – diversified portfolio that has delivered robust growth in ZAR earnings over time

Headline earnings by region



Headline earnings by country



[1] *1H24 not split as certain Africa Regions' subsidiaries have not yet reported*

Strategy and outlook

3.0

Strategy – unchanged

Our purpose:
Why we exist

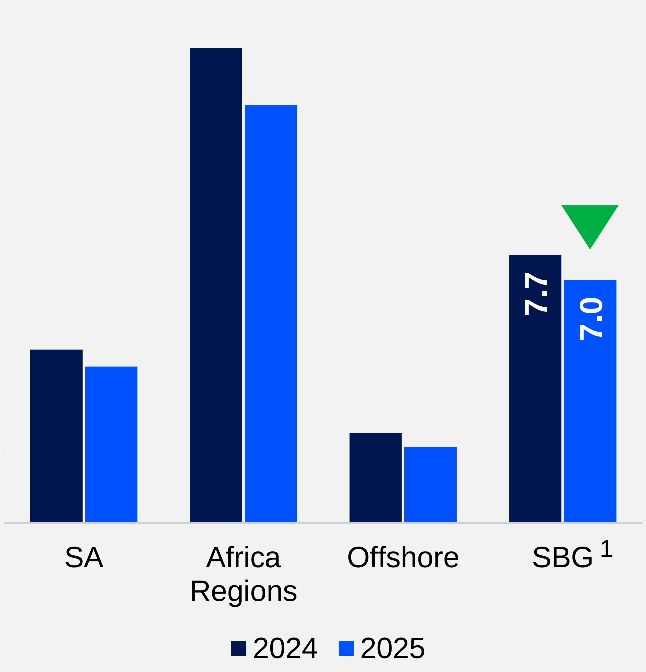
Africa is our home, we drive her growth

Our strategic priorities:
What we need to do to deliver our purpose

Transform client experience	Execute with excellence	Drive sustainable growth and value

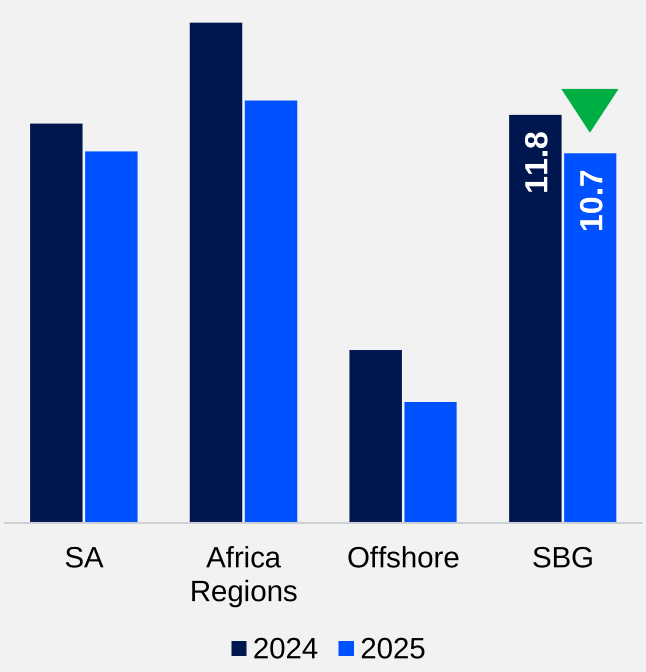
Outlook – key macroeconomic trends across our portfolio remain positive

Inflation, %



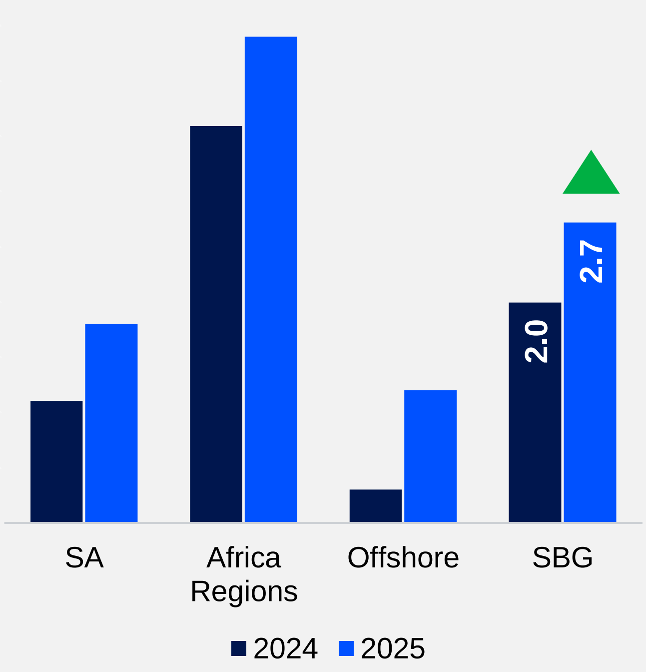
- Inflation trending down across all three regions

Interest rates, %



- Average interest rates expected to moderate

Real GDP, %



- Real GDP growth expected to accelerate driven by an improvement in SA and UK and continued attractive growth across our Africa Regions portfolio of countries

[1]*SBG macroeconomic estimates calculated on pro forma weighted average basis; see Appendix for detailed estimates for key countries in the portfolio*

Outlook – 2024 guidance and 2025 targets reaffirmed

	Transform client experience	Execute with excellence	Drive sustainable growth and value
Core metrics: *unchanged*	**Banking revenue growth**	**Cost-to-income ratio**	**Return on equity**
2024 guidance: *reaffirmed*	Up low single digits year on year	Flat to lower year on year	Inside the 2025 target range
2025 financial targets: *on track to deliver*	**7% - 9%[1]**	**~50%[2]**	**17% - 20%**

[1] Compound annual growth rate from 2020 to 2025, [2] Approaching 50%

Outlook – fact-based optimism about Africa's prospects

Global

- Inflation slowing
- Geopolitical tensions leading to a reconfiguration in the world economy, which creates new opportunities for Africa

Sub-Saharan Africa

- Inflation and sovereign stress improving
- Africa will become the fastest growing region in the world by 2030 (currently second-fastest)
- Largest free trade area (AfCFTA) will bring significant benefits
- Attractive prospects arising from the energy transition; Africa obtaining an increased share of global manufacturing
- Africans are becoming healthier, wealthier, better educated, more urbanised, more digitally connected, and more productive both absolutely and relative to other regions

South Africa

- Inflation expected to continue to moderate
- Sharply reduced political risk and uncertainty
- Accelerating structural reform
- G20 in 2025 presents opportunity to re-assert SA as trade centre and investment destination; natural economic hub for Africa

AFRICA IS OUR HOME, WE DRIVE HER

GROWTH

A leader in East Africa

- Africa's fastest growing sub-region
- Increasingly integrated
- Strong existing presence
- Opportunity for growth in market shares

>5.5%
GDP growth[1]

↑ **$5.4bn**
Trade flows[2]

#1 Private Bank

- Africa's development path is rapidly expanding affluent segments
- Aspirational brand and comprehensive product offering, including offshore hubs
- PPB and IAM integration
- Opportunity for growth in presence countries

~2.8m
Target SA clients

~4.8m
Target AR clients

Leader of Africa's energy transition

- Africa's power and infrastructure deficit requires significant investment
- Strong presence in Power & Infrastructure sector
- Leader in sustainable finance with ambitious targets
- Opportunity for continued growth

$3.4trn
Investment required[3]

[1] IMF forecasts, [2] Trade flows from Kenya, Tanzania and Uganda to EAC (Source: East Africa Community), [3] Standard Bank estimate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BEST REGIONAL PRIVATE BANK
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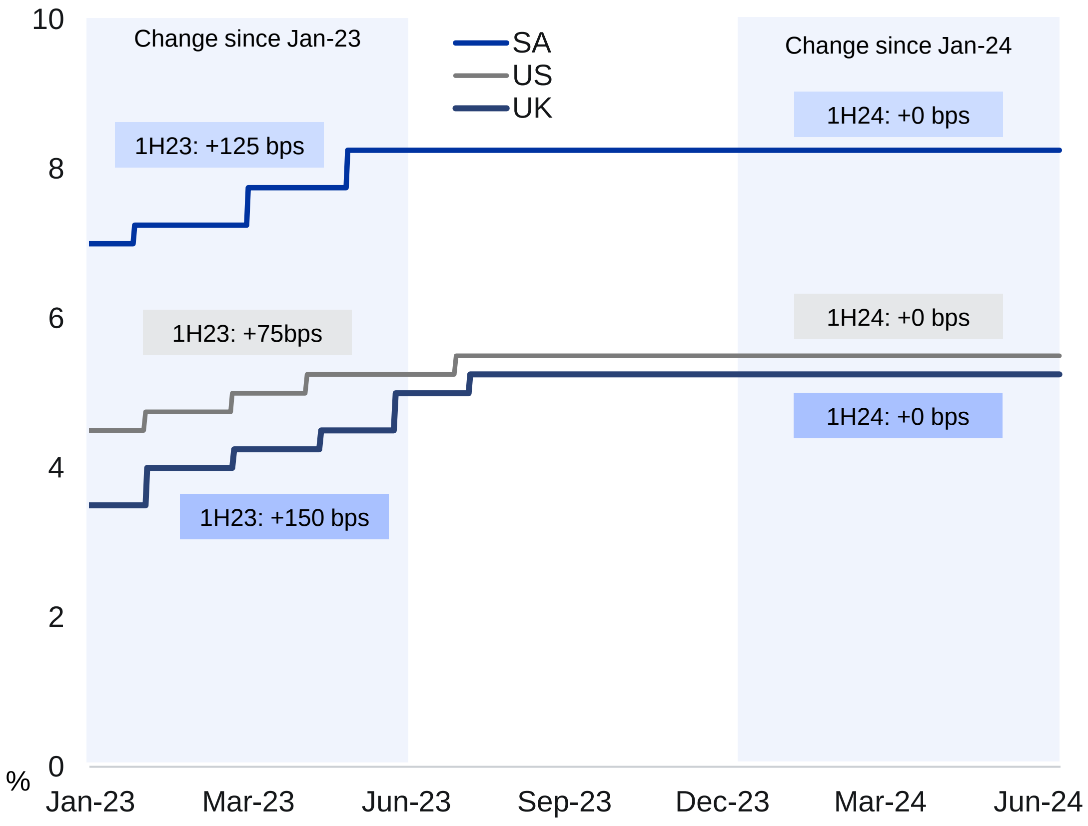
Q&A

THANK
YOU

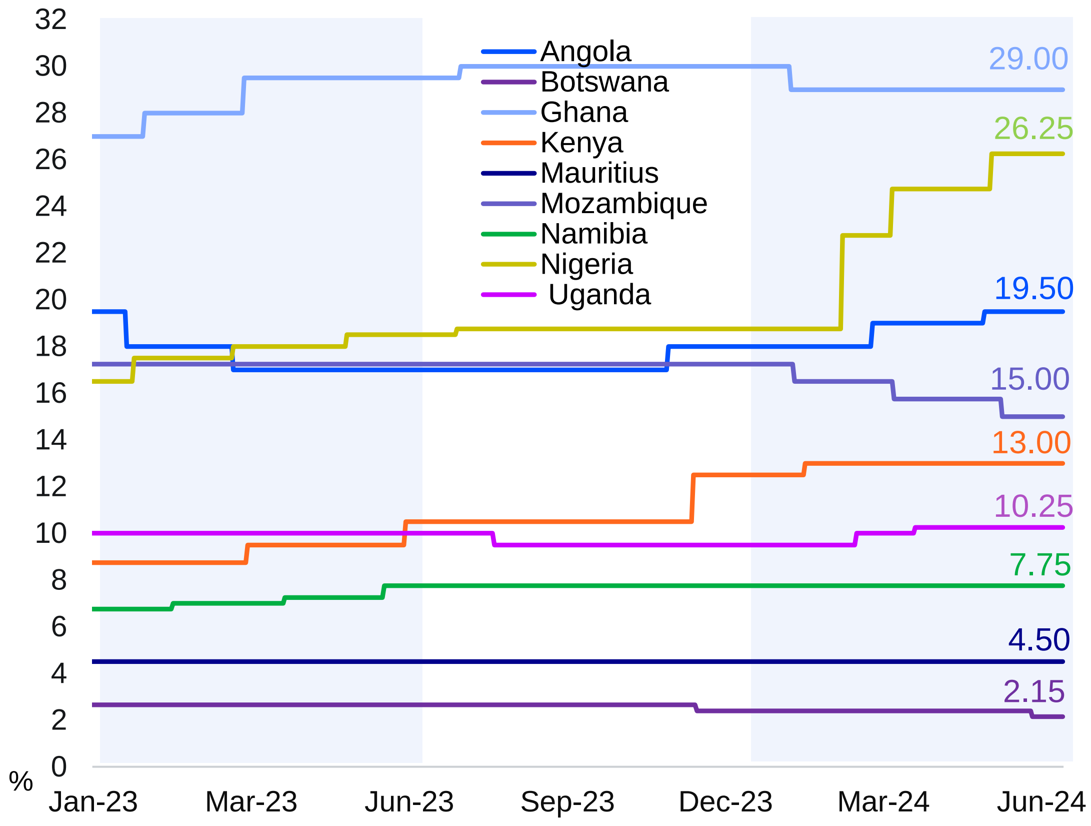
Appendix – Additional macro & guidance disclosures

Interest rates – 2023 and 1H24

South Africa, UK & USA, %



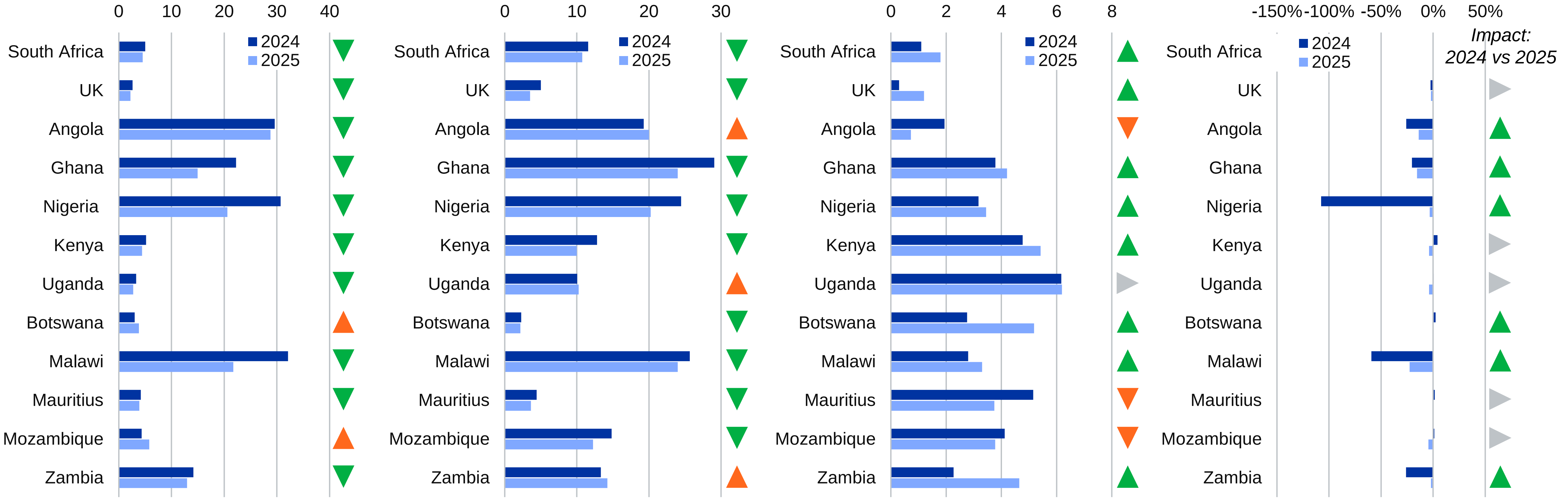
Africa Regions, %



Source: Bloomberg

Macroeconomic estimates – 2024 and 2025

Inflation, % | **Interest rates, avg %** | **Real GDP growth, %** | **Currency, % change**



	Inflation, %	Interest rates, avg %	Real GDP growth, %	Currency, % change
Weighted avg – 2024	**7.7%**	**11.8%**	**2.0%**	**-11%[1]**
Weighted avg.- 2025	**7.0%**	**10.7%**	**2.7%**	**-3%**
	Decline YOY	*Decline YOY*	*Improve YOY*	*Impact to moderate*

Positive | Flat | Negative

Source: Company financials and SB Research, [1] Methodology to calculate constant currency (CCY) changed

SBG FY24 guidance

Core metrics	FY24 guidance	Key drivers
Banking total income	Low single digits	**NII and NIR revised due to change in methodology** • NII – up mid-to-high single digits (from up low-to-mid single digits), subject to loan growth • NIR – down low-to-mid single digits (from up low single digits), subject to market activity
Banking cost-to-income ratio	Flat to down year on year	• Banking revenue growth at or ahead of operating expenses growth resulting in flat to positive jaws[1]
Group ROE	Inside the 2025 target range of 17% – 20%	• Ongoing focus on capital optimisation and returns • IAM ROE expected to be close to group COE
Supplementary metrics		
Credit loss ratio	At the top of the TTC[2] range (70 – 100 bps)	• Subject to inflation and interest rate developments • Charges expected to peak in 1H24, driven by ongoing strain in PPB
CET1 ratio	March 2024: >11% August 2024: >12.5%	• Revised minimum target ratio to better align to operational management levels
Dividend payout ratio	45% – 60%	• Capital generation will support distributions

[1] Jaws for Banking businesses, [2] Through-the-cycle

Appendix – Additional business disclosures

ii

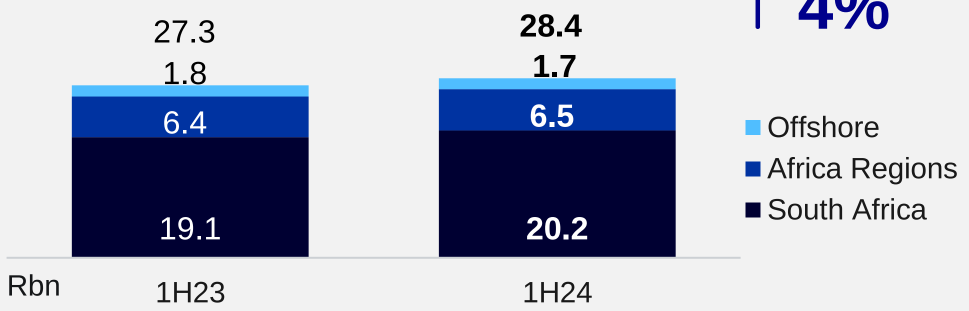
Personal & Private Banking – key highlights

	1H24 Rbn	1H23 Rbn	Change %
Net interest income	19.4	18.8	3
Non-interest revenue	9.0	8.5	6
Total income	**28.4**	**27.3**	**4**
Operating expenses	(15.2)	(14.7)	3
Pre-provision profit	**13.2**	**12.6**	**6**
Credit impairment charges	(6.0)	(6.2)	(3)
Headline earnings	**5.0**	**4.5**	**12**
Credit loss ratio, bps	**170**	179	
Cost-to-income ratio, %	**53.3**	54.0	
Jaws, %	**1.2**	8.3	
ROE, %	**20.8**	18.7	

Key drivers of performance

- **Total income** increased due to positive endowment in a higher average interest rate environment, increase in the active client base, and higher transactional activity
- **Operating expenses** were higher driven by the inflationary environment, continued investment in digital capabilities, and increased business-related expenses across the portfolio, offset by measures to reduce cost growth without hampering business activities
- **Credit impairment charges** decreased due to a slowdown in early arrears and NPLs on the back of slower asset growth and customer assistance programs
- **Headline earnings** increase underpinned by strength of client franchise

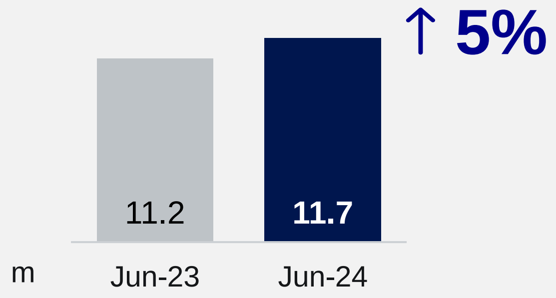
Total income by geography, Rbn



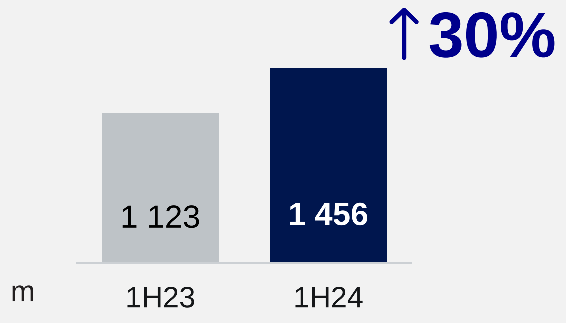
Personal & Private Banking – good franchise momentum

South Africa

Active clients

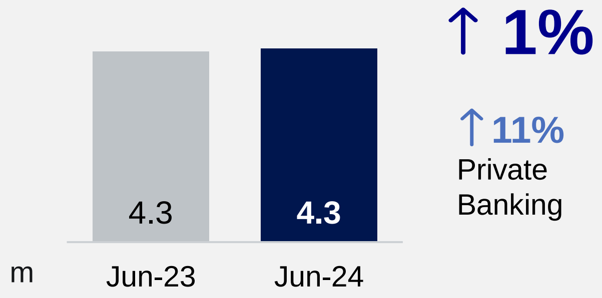


Digital transactional volumes

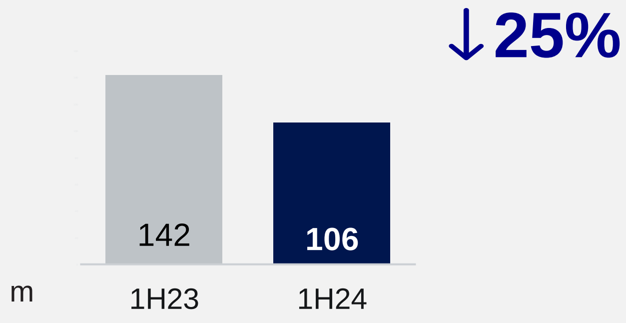


Africa Regions

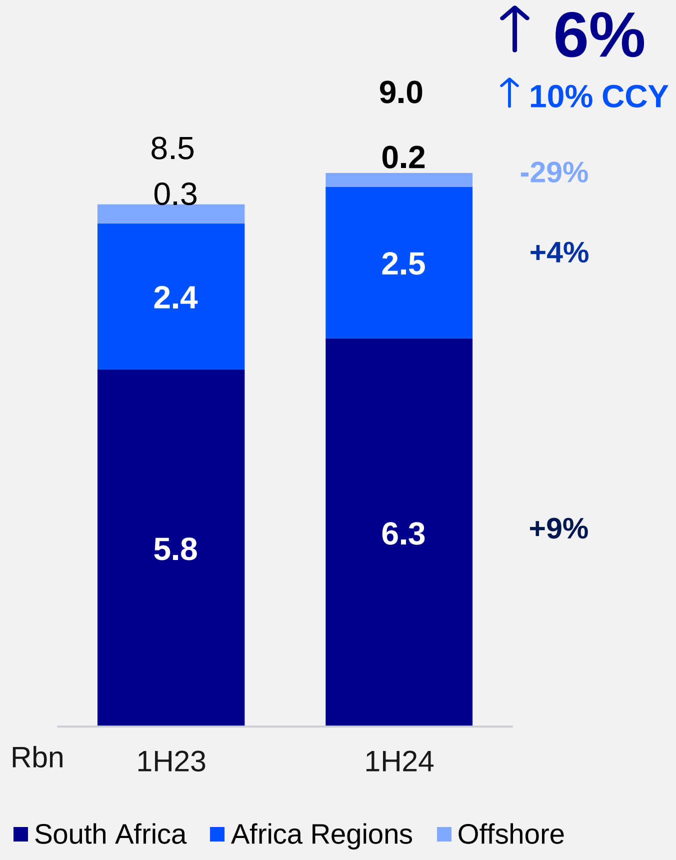
Active clients



Digital transactional volumes[1]



NIR by geography, Rbn



[1] *PPB digital transaction volumes increased in Africa Regions in 1H23 because of cash withdrawal restrictions in Nigeria. Normalised for Nigeria, digital volumes would be up 25%*

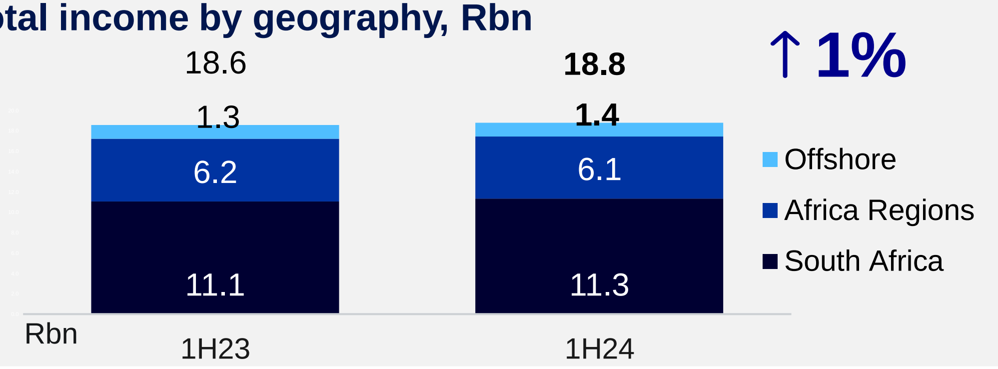
Business & Commercial Banking – key highlights

	1H24 Rbn	1H23 Rbn	Change %
Net interest income	12.7	12.4	2
Non-interest revenue	6.1	6.2	(1)
Total income	**18.8**	**18.6**	**1**
Operating expenses	(10.3)	(10.3)	1
Pre-provision profit	**8.5**	**8.3**	**2**
Credit impairment charges	(1.6)	(1.7)	(3)
Headline earnings	**4.7**	**4.7**	**1**
Credit loss ratio, bps	**147**	147	
Cost-to-income ratio, %	**55.0**	55.3	
Jaws, bps	**0.5**	11.1	
ROE, %	**38.1**	37.0	

Key drivers of performance

- **Total income** increase linked to balance sheet growth, higher average interest rates, increase in transactional activity particularly in digital banking partially offset by elevated USD-denominated fee expenses and currency translation to ZAR
- **Operating expenses** impacted by the elevated inflationary environment, overnight staff increases partially offset by the impact of local currency translation and lower variable-linked performance remuneration
- **Credit impairment charges** decline largely driven by a focused collections strategy, improved post write-off recoveries in South Africa coupled with an improved performance in East Africa
- **Headline earnings** supported by client franchise growth in a challenging operating environment

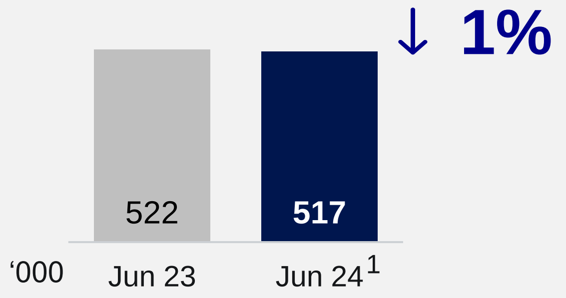
Total income by geography, Rbn



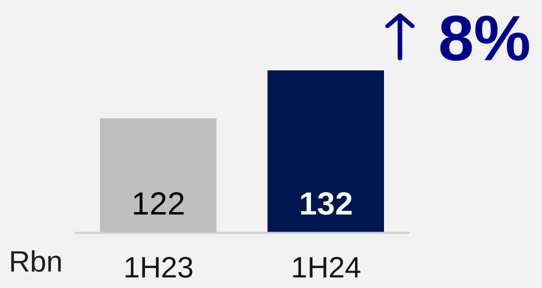
Business & Commercial Banking – Africa Regions trends dampened by currency weakness

South Africa

Active clients

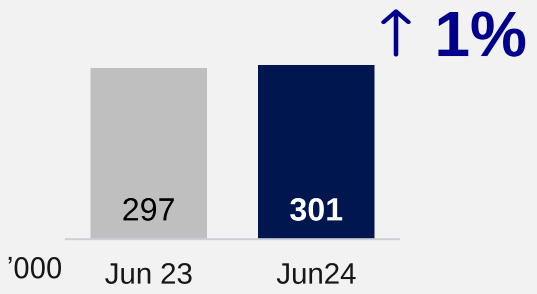


Card acquiring turnover

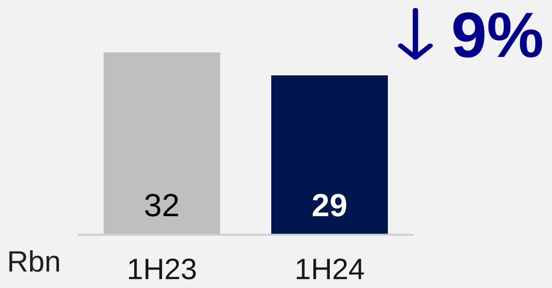


Africa Regions

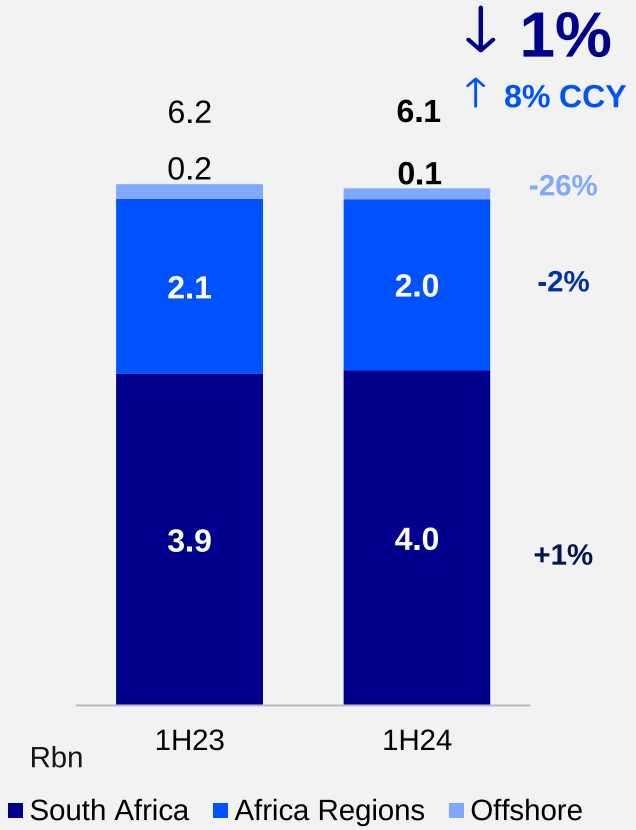
Active clients



Card acquiring turnover



NIR by geography, Rbn



[1] *BCB SA clients decline driven by the exit of a selection of relationships which were deemed not commercial*

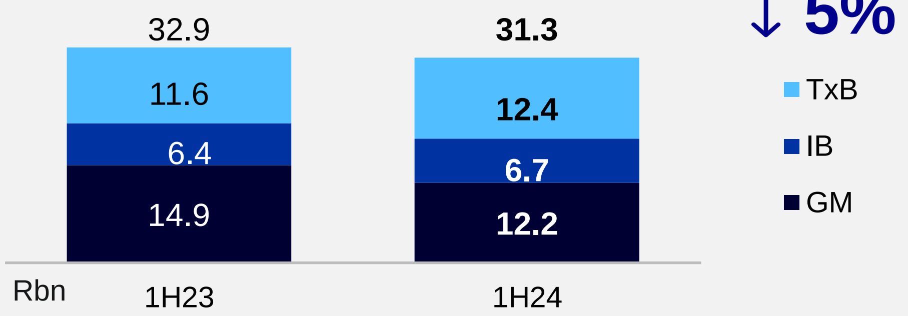
Corporate & Investment Banking – key highlights

	1H24 Rbn	1H23 Rbn	Change %
Net interest income	16.7	14.8	13
Non-interest revenue	14.6	18.1	(19)
Total income	**31.3**	**32.9**	**(5)**
Operating expenses	(14.0)	(13.9)	0
Pre-provision profit	**17.3**	**19.0**	**(8)**
Credit impairment charges	(0.4)	(1.5)	(74)
Headline earnings	**10.4**	**10.6**	**(1)**
Credit loss ratio[1], bps	**4**	36	
Cost-to-income ratio, %	**44.5**	42.3	
Jaws, %	**(5.0)**	14.3	
ROE, %	**23.0**	24.1	

Key drivers of performance

- **Total income** decreased as softer trading revenue, was partially offset by higher net interest income aligned to balance sheet growth. Income was impacted by the implementation of hedge accounting on liquid assets held in SA which shifted revenue from other gains on financial instruments in non-interest revenue in 1H23 to net interest income in 1H24
- **Operating expenses** were flat due to deliberate cost containment, lower performance-related incentive charges and impact of currency devaluations against the Rand
- **Credit impairment charges** declined due to the restructure and cure of legacy stage 3 loans and write back of prior year provisions raised
- **Headline earnings** declined due to currency devaluations against the Rand

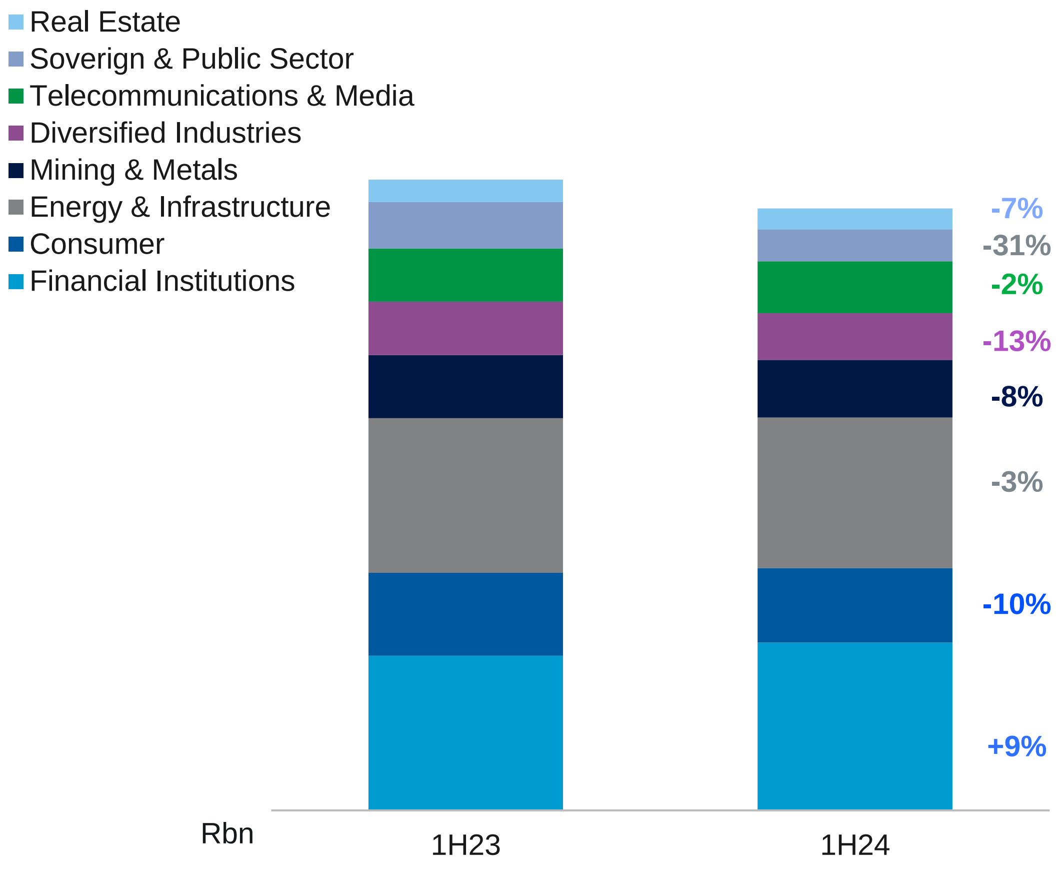
Total income by business[2], Rbn



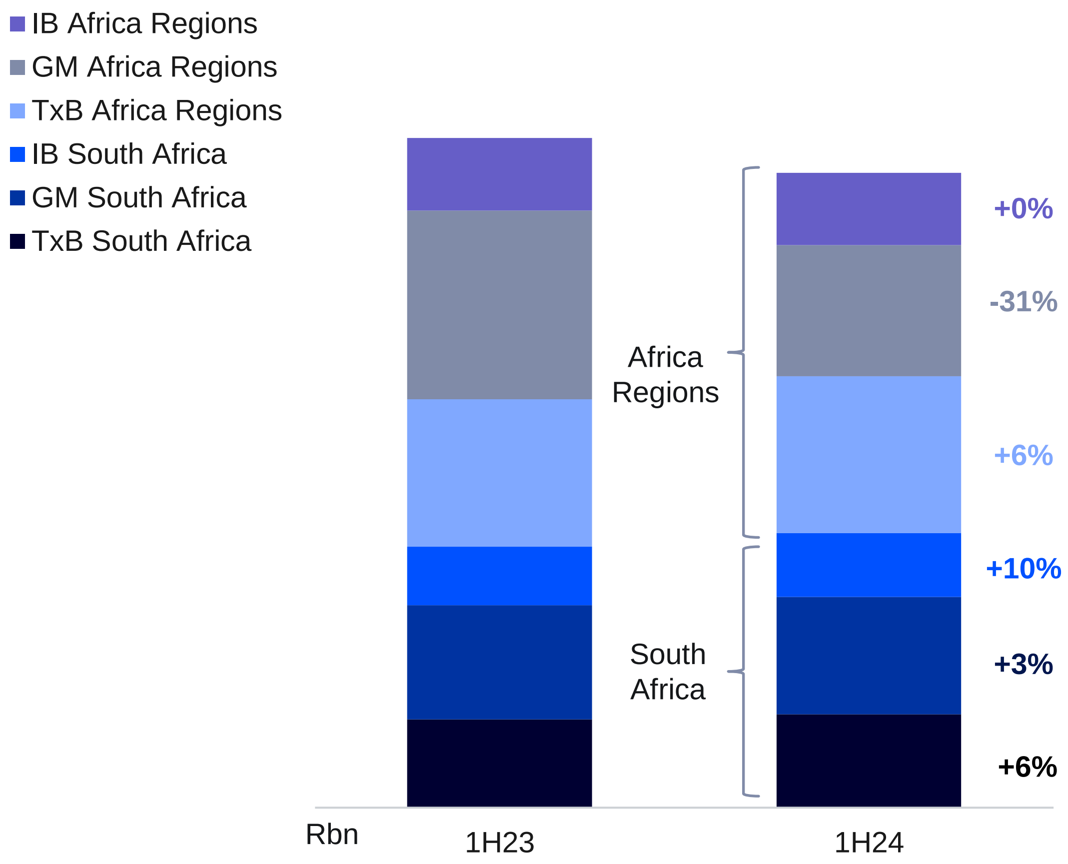
[1] *CLR to customers,* [2] *TxB – Transaction Banking, IB – Investment Banking, GM – Global Markets*

Corporate & Investment Banking – client revenue diversified by sector, product and region

Client revenue by sector, -5%



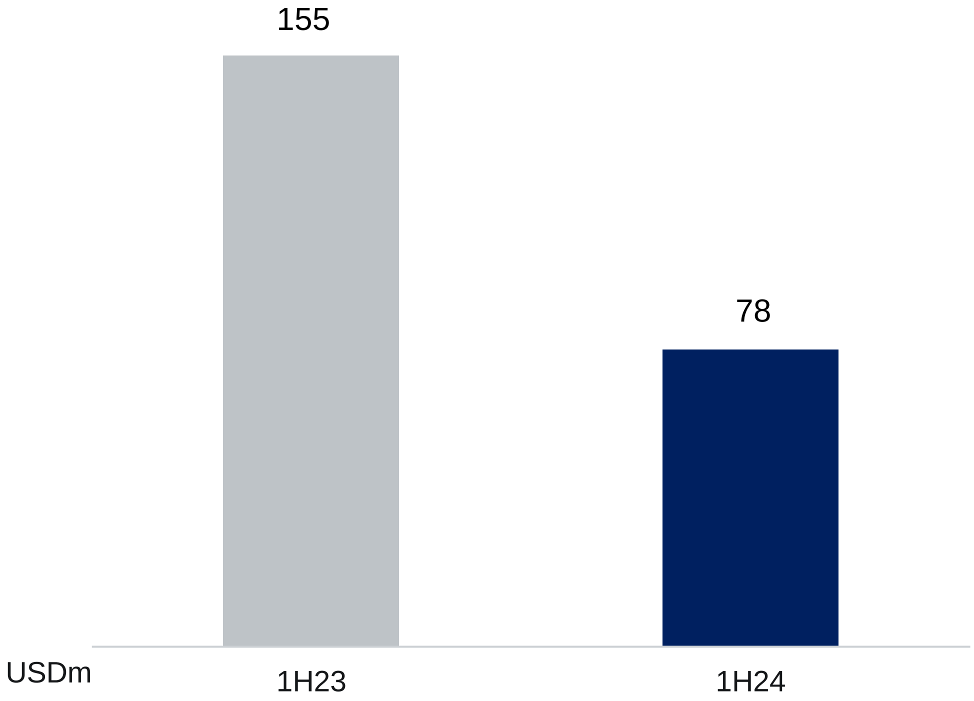
Total income by geography, -5%[1]



[1] *TxB – Transaction Banking, GM – Global Markets, IB – Investment Banking*

ICBC Standard Bank plc – declined off a high base in 1H23

ICBCS performance



SBG's share of earnings

	1H24	1H23
ICBCS earnings, USDm	**78**	155
@ % stake	*40%*	*40%*
SBG attributable earnings, USDm	**31**	**62**
ZAR/USD[1]	19.1	18.5
SBG attributable earnings, Rm	**596**	**1 149**

[1] *ICBCS attributable earnings converted at an average rate*

Disclaimer – Forward-looking statements

The Group may, in this document, make certain statements that are not historical facts and relate to analyses and other information which are based on forecasts of future results and estimates of amounts not yet determinable. These statements may also relate to our future prospects, expectations, developments and business strategies and have not been reviewed or reported on by the Group's external auditors.

By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that the predictions, forecasts, projections and other forward-looking statements will not be achieved. If one or more of these risks materialise, or should underlying assumptions prove incorrect, our actual results may differ materially from those anticipated. You should understand that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements.