

AFRICA IS OUR HOME, WE DRIVE HER

GROWTH

STANDARD BANK GROUP

September 2024

# Who we are

4 businesses

26 countries

#1 on the continent<sup>1</sup>

## Attractive investment proposition

**Banking**

PERSONAL & PRIVATE BANKING

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BUSINESS & COMMERCIAL BANKING

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CORPORATE & INVESTMENT BANKING

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INSURANCE & ASSET MANAGEMENT



**19.5m**  
Customers<sup>2</sup>

**R166bn**  
Originated<sup>3</sup>

**R3.1trn**  
Assets

**R2.0trn**  
Deposits

**R1.5trn**  
Assets under management<sup>4</sup>

Recognised and trusted brand	Growing and engaged client franchise
Well diversified business with scale	Targeted technology investment bearing fruit <sup>5</sup>
Strong growth prospects and attractive medium term targets	Well placed to capture opportunities linked to Africa's energy transition

## Well-defined strategic plan

PURPOSE DRIVEN  
**Africa is our home, we drive her growth**

<sup>1</sup> Largest bank based on total assets.  
<sup>2</sup> Active clients +5%.  
<sup>3</sup> Personal & Private Banking SA and Business & Commercial Banking SA disbursements and Investment Banking origination.  
<sup>4</sup> Assets under management and assets under administration.  
<sup>5</sup> Delivering improvements in client experience, stability, security and productivity.  
<sup>6</sup> Compound annual growth rate from 2020 to 2025.

CLEARLY DEFINED PLAN  
**2025 strategic priorities**



Transform client experience



Execute with excellence



Drive sustainable growth and value

CLEAR COMMITMENTS  
**2025 financial targets**

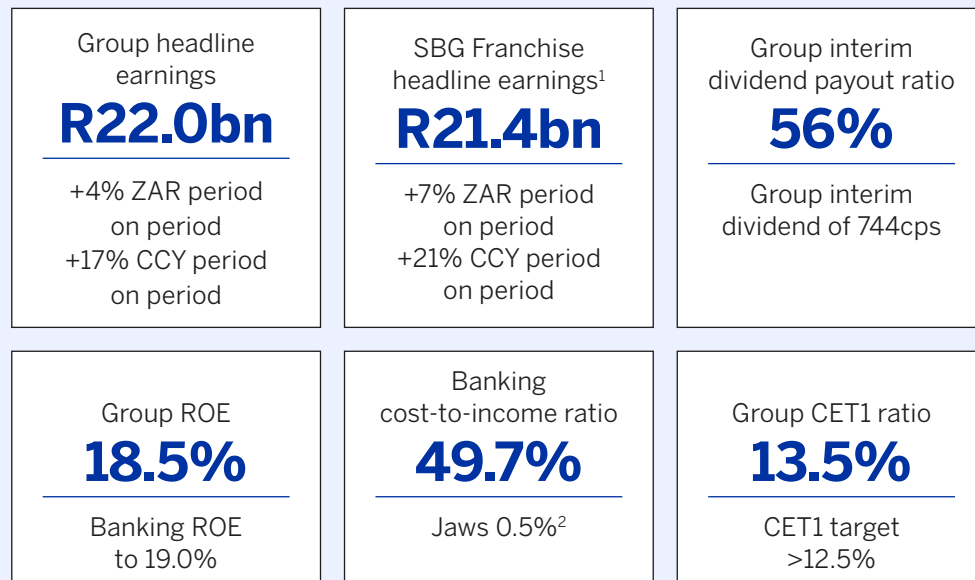
**7% – 9%**  
Banking revenue growth CAGR<sup>6</sup>

**~50%**  
Banking cost-to-income ratio

**17% – 20%**  
Group return on equity

# Diversified and resilient business

## SBG 1H24 highlights – delivered strong returns, improved efficiency and higher dividends



## SBG 10 year track record – delivered robust income, earnings and dividend growth

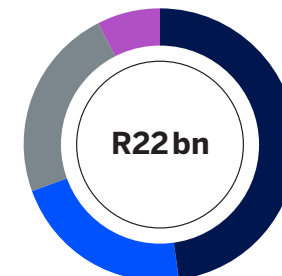


<sup>1</sup> Includes Banking and Insurance & Asset Management.  
<sup>2</sup> Based on Banking Franchise.  
<sup>3</sup> Headline earnings by business unit (SBG Franchise) excluding Centre and ICBCS.  
<sup>4</sup> Headline earnings by legal entity. Offshore is Standard Bank Offshore Group.

CIB – Corporate & Investment Banking, BCB – Business & Commercial Banking  
 PPB – Personal & Private Banking, IAM – Insurance & Asset Management

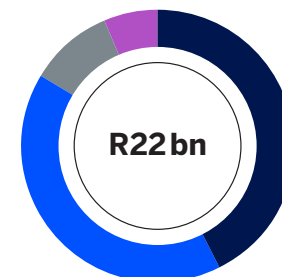
## Headline earnings by business<sup>3</sup>

	Rbn	% Change
CIB	10.4	-1%
BCB	4.7	+1%
PPB	5.0	+12%
IAM	1.6	+19%

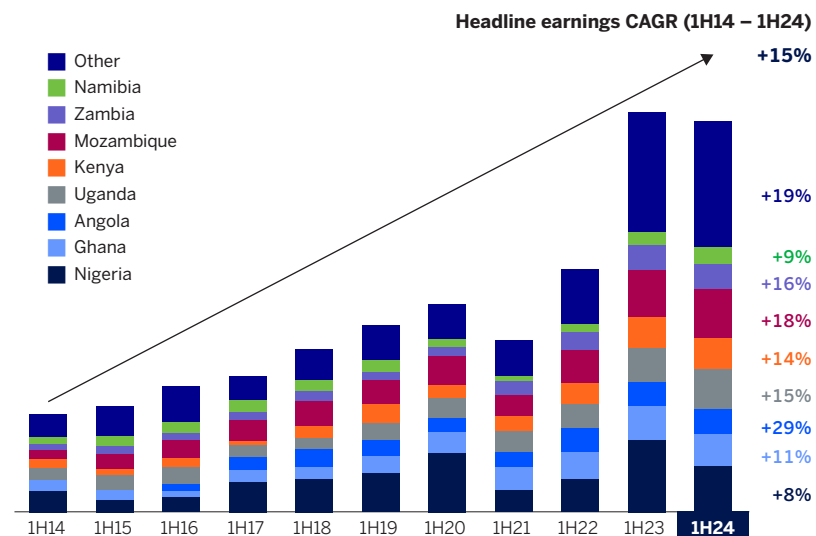


## Headline earnings by region<sup>4</sup>

	Rbn	% Change
SOUTH AFRICA	9.4	+12%
AFRICA REGIONS	9.0	-2%
OFFSHORE	2.2	+6%
LIBERTY	1.4	+29%

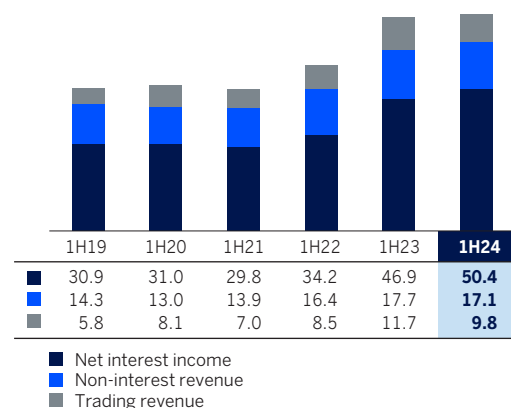


## An attractive geographic footprint

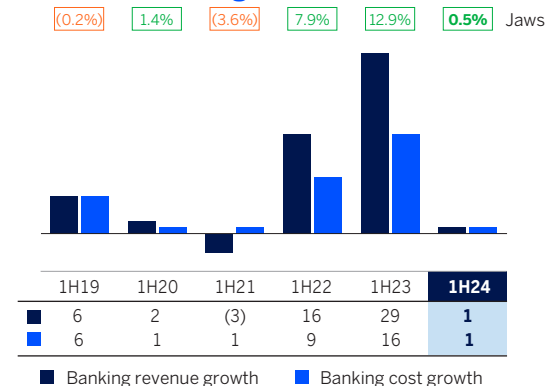


# 1H24 – growth off a high base, supported by positive jaws and improved credit charges

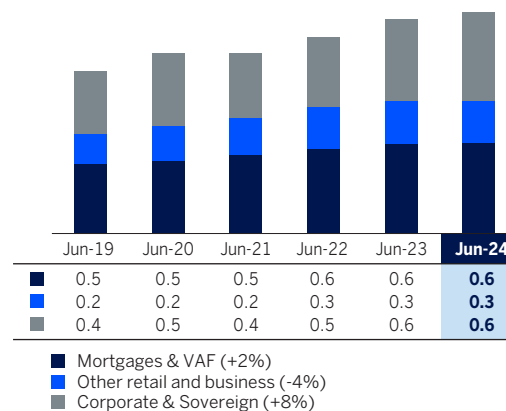
## Total income (Banking) (Rbn)



## Income and cost growth (%)

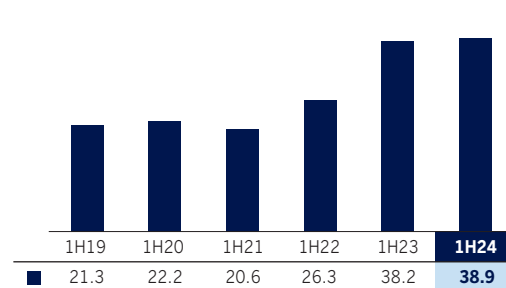


## Gross customer loans<sup>1</sup> (Rtrn)

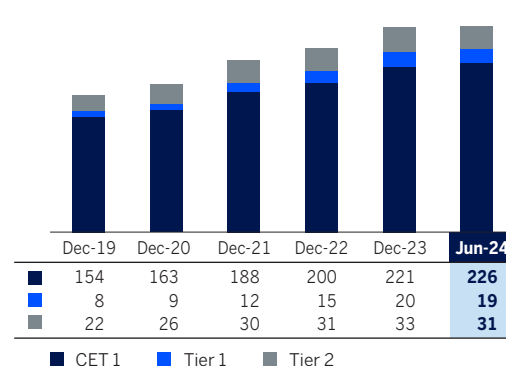


<sup>1</sup> % change relates to year-on-year change (Jun-24 vs Jun-23).

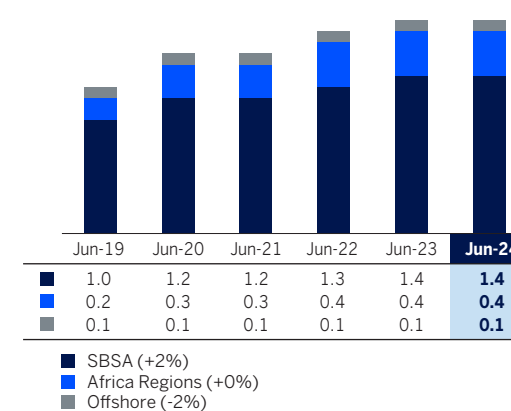
## Pre-provision operating profit (Rbn)



## Capital (Rbn)

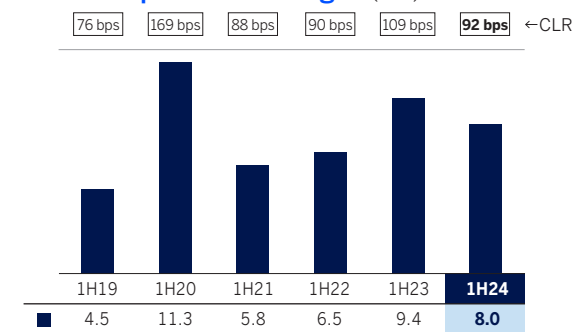


## Customer deposits<sup>1</sup> (Rtrn)

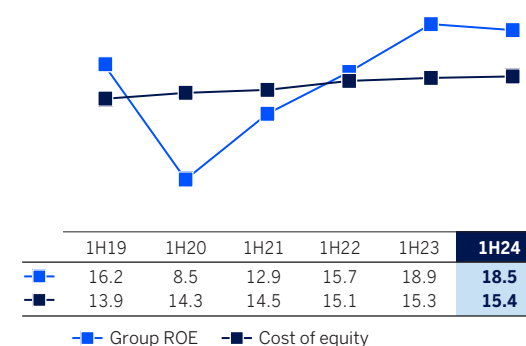


<sup>1</sup> % change relates to year-on-year change (Jun-24 vs Jun-23).

## Credit impairment charges (Rbn)



## Group ROE and cost of equity (%)



# Driving sustainable growth and value

## Our short term commitments...

### Key macroeconomic trends positive across our portfolio

SBG portfolio, weighted average		FY24	FY25	Key drivers
Inflation (%)	●	7.7	7.0	Inflation trending down
Interest rates (%)	●	11.8	10.7	Interest rates expected to moderate
Real GDP growth (%)	●	2.0	2.7	Growth expected to improve
Currency movements vs ZAR, YOY	●	(11)	(3)	Currency impact expected to moderate

### SBG 2024 guidance – core metrics reaffirmed

Core metrics	FY24 guidance	Key drivers
<b>Banking total income</b>	Low single digits	<b>NII and NIR revised due to change in methodology</b> <ul style="list-style-type: none"> <li>NII – up mid-to-high single digits (from up low-to-mid single digits), subject to loan growth</li> <li>NIR – down low-to-mid single digits (from up low single digits), subject to market activity</li> </ul>
<b>Banking cost-to-income ratio</b>	Flat to down year on year	<ul style="list-style-type: none"> <li>Banking revenue growth at or ahead of operating expenses growth resulting in flat to positive jaws<sup>1</sup></li> </ul>
<b>Group ROE</b>	Inside the 2025 target range of 17% – 20%	<ul style="list-style-type: none"> <li>Ongoing focus on capital optimisation and returns</li> <li>IAM ROE expected to be close to group COE</li> </ul>

Supplementary metrics		
<b>Credit loss ratio</b>	At the top of the TTC <sup>2</sup> range (70 – 100 bps)	<ul style="list-style-type: none"> <li>Subject to inflation and interest rate developments</li> <li>Charges expected to peak in 1H24, driven by ongoing strain in PPB</li> </ul>
<b>CET1 ratio</b>	March 2024: >11% August 2024: >12.5%	<ul style="list-style-type: none"> <li>Revised minimum target ratio to better align to operational management levels</li> </ul>
<b>Dividend payout ratio</b>	45% – 60%	<ul style="list-style-type: none"> <li>Capital generation will support distributions</li> </ul>

<sup>1</sup> Jaws for Banking businesses.

<sup>2</sup> Through-the-cycle.

<sup>3</sup> Africa's best regional private bank based on the Euromoney Private Banking Awards 2024.

<sup>4</sup> IMF forecasts.

<sup>5</sup> Trade flows from Kenya, Tanzania and Uganda to EAC (Source: East Africa Community).

<sup>6</sup> Standard Bank estimate.

## ...and medium and long-term aspirations

### The leading private bank<sup>3</sup>

- 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  
Africa clients

### 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<sup>4</sup>

**\$5.4bn**  
Trade flows<sup>5</sup>

### 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<sup>6</sup>

# Driving sustainable growth and value

## Market data

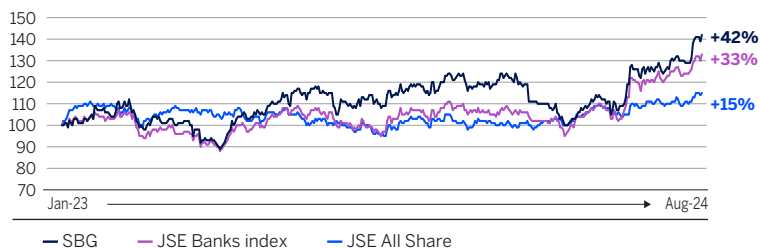
### TEN MAJOR SHAREHOLDERS<sup>1</sup>

	28-Jun-24		31-Dec-23	
	Number of shares (million)	% holding	Number of shares (million)	% holding
Ten major shareholders				
Industrial and Commercial Bank of China	325.0	19.4	325.0	19.4
Government Employees Pension Fund (PIC)	245.3	14.7	243.8	14.5
Old Mutual Life Assurance Company	36.9	2.2	30.8	1.8
GIC Asset Management Pte Ltd	27.1	1.6	24.0	1.4
Alexander Forbes Investments	24.5	1.5	27.2	1.6
Allan Gray Balanced Fund	22.5	1.3	20.7	1.2
Vanguard Total International Stock Index Fund	19.6	1.2	19.4	1.2
Eskom Pension Fund	18.4	1.1	17.6	1.1
Vanguard Emerging Markets Stock Index Fund	17.5	1.0	18.1	1.1
Government of Norway (NO)	17.4	1.0	14.1	0.8
	<b>754.2</b>	<b>45.0</b>	740.7	44.1

<sup>1</sup> 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.

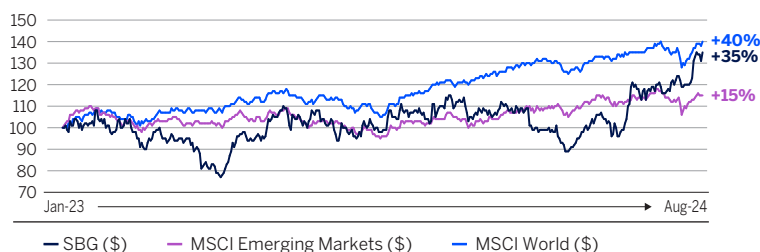
### Share price performance (ZAR)

SBK vs JSE Banks and All Share Index (SBK, +42%)

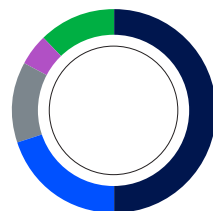


### Share price performance (USD)

SBK vs MSCI (SBK, +35%)



### Geographic spread of shareholders (%)



	Jun-24
South Africa	50
China	20
United States	13
Europe	5
Other	12

## ESG scores

MSCI

AA

Stable



67.87

Unchanged



FTSE4Good

3.8

slight decline from 4.1 in 2023



C

Stable



17.2

slight decline from 18.4 in 2023

S&P Global

69

Improved

## Equity information

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

Share price\* ZAR210.81/ USD11.54  
Market cap\* ZAR347bn/USD19 bn

## For more information

<https://www.standardbank.com/sbg/standard-bank-group/investor-relations>

## Investor Relations

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Scan for digital copy



\* As at 28 June 2024.