



Standard Bank Group

CONNECT TO INVEST ROADSHOW PRESENTATION

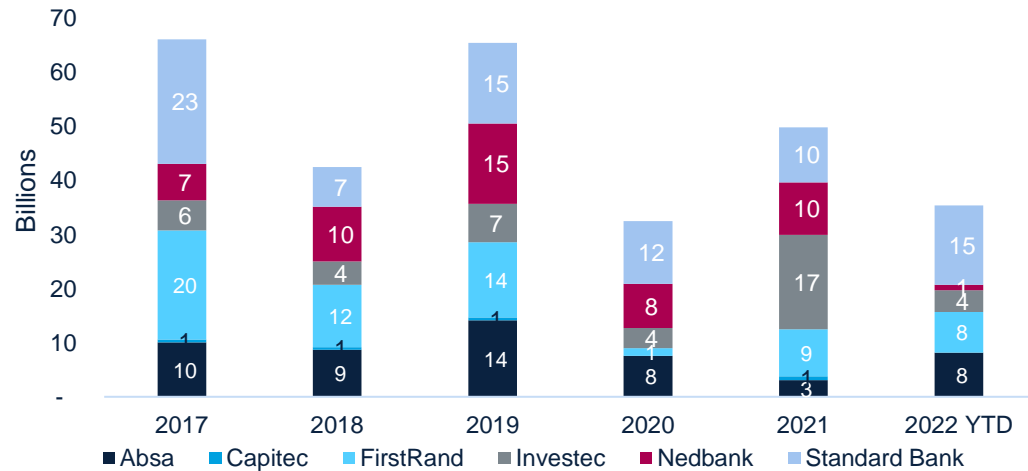
September 2022





Market update

Local debt capital market issuances



5 Year NCD vs R186 vs SOAF 2027



ZAR Market Liquidity Conditions

- Issuances in the local DCM market posted a strong recovery in September, boosted by record higher rated corporate issuances. Banks have emerged as strong supporters in higher rate corporate auctions, bidding aggressively and receiving sizeable allocation. As a result, the gap in spreads between higher rated corporates and senior banks has continued to narrow, with some corporates pricing in line with banks
- MPIF transition concluded in August . Bank quota balances with SARB have peaked at R50bn with average of R2.7bn in excess of the quota balances at the penal rate of repo less 100bps
- Draining mechanisms to inject surplus liquidity into the market through the SARB maturing FX swaps and deposits from CPD has been successful. As at 31 Aug '22, \$2.7bn of SARB FX swaps with the market have matured and as at 31 Aug '22, approx. R50bn of CPD cash has flowed into the banking system
- FX implied rates have stabilised and have remained above the repo rate



Strong Liquidity Position

Exceeding Basel III Regulatory Requirements

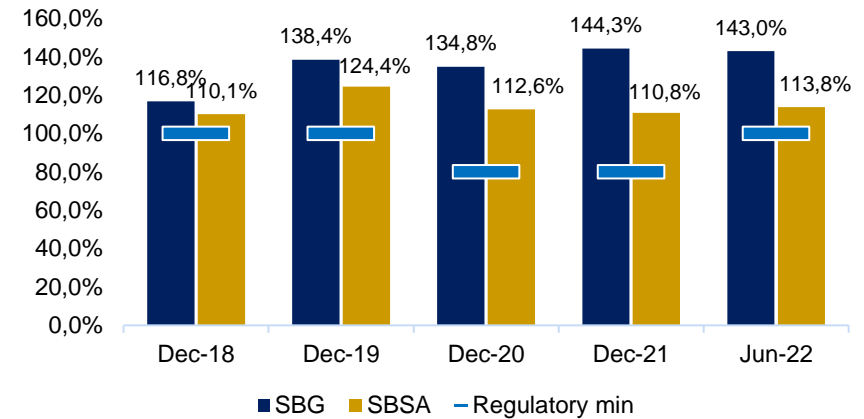
Liquidity Coverage Ratio (LCR)

- SARB issued a directive proposing the withdrawal of the Covid relieve LCR measure starting 1 Jan'22. The regulatory minimum requirement was 90% with effect from 1 Jan'22 and increased to 100% with effect from 1 Apr'22.
- The group maintained the LCR in excess of minimum regulatory requirements throughout the first half of 2022.

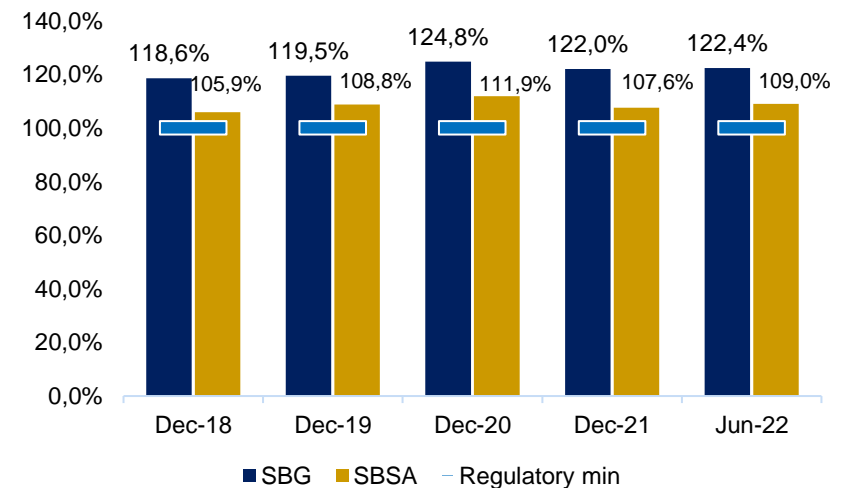
Net Stable Funding Ratio (NSFR)

- The group successfully managed the balance sheet structure and maintained NSFR compliance throughout the first half of 2022 in excess of the 100% regulatory requirement.

Basel III Liquidity Coverage Ratio (3-month Simple Avg.)



Basel III Net Stable Funding Ratio (month end)

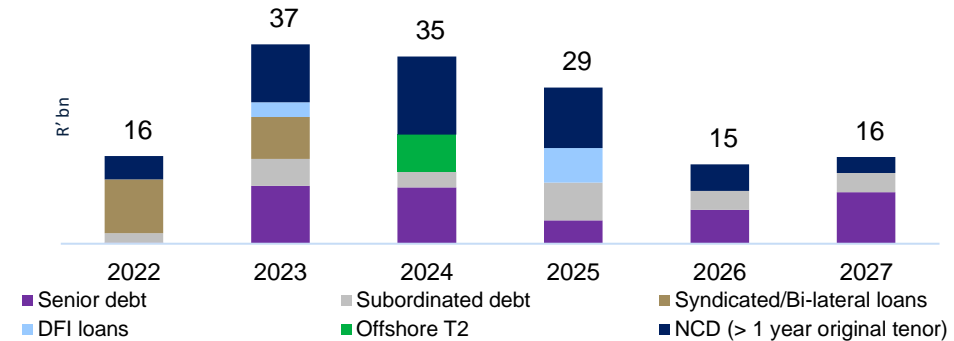




Redemption Profiles and NCD Forecasts

SBSA Debt Capital Markets Redemption Profile

- Wholesale funding activities have normalised to pre-COVID19 levels mainly in response to growth in asset origination
- Funding diversification maintained across products, sectors, geographic regions and counterparties
- Diversified use of platforms across various jurisdictions:
 - Local listed bonds
 - Foreign currency loans, bonds: Eurobond, MTN, niche markets
 - Local and offshore structured note programmes
- Debt strategy designed to manage maturity profile and reduce refinancing risk



NCD Pricing Levels and Issuance

- More activity in Prime-linked NCDs as investors seek to take advantage of the timing difference between when 3m Jibar and Prime reset
- On a year-to-date basis, Standard Bank has been the largest issuer of NCDs in the local market with a total market share of approximately 28%
- NCD pricing measured based on the 12 months volume NCD spreads have reduced. The timing of this is in line with the implementation of the new Monetary Policy Implementation Framework ('MPIF') which has resulted in improved regulatory liquidity ratios.

