STANDARD BANK GROUP – AFRICA REGIONS SHOWCASE TRANSCRIPT

27 SEPTEMBER 2023

Sarah Rivett-Carnac – Head of Investor Relations

Good afternoon, everyone in the room and good afternoon, everyone on the line. I'd like you to welcome you to the Standard Bank Group Africa Regions Showcase. We'll start with the presentation by Yinka Sanni, the Chief Executive of Africa Regions and thereafter will open for questions.

You should have received the presentation by email shortly before this meeting. If you haven't received it, you can also download it from our website under Other documents and Presentations.

In terms of Q&A, we'll open for Q&A after Yinka's presentation, and we'll use the raise your hand function on the Teams meeting and we'll take it from there.

Yinka over to you.

Yinka Sanni - Chief Executive Africa Regions

Thank you, Sarah.

Good day, ladies & gentlemen in the room and warm welcome to those that are online.

Welcome to Africa Regions Showcase day.

Slide 2

Today I am going to be taking you through four items and afterwards, you can ask questions.

My name is Yinka Sanni as I've been introduced and I'm the Chief Executive of Standard Bank Africa Regions. I'm joined today by my colleagues, Patrick Mweheire who is the Regional Chief Executive for East Africa, Antonio Coutinho is Regional Chief Executive for Southern Central Africa, Helmut Engelbrecht is the Regional Chief Executive for West Africa and of course, we are also joined by our CFO Siphiwe Madonsela, welcome again.

I'll quickly take you through our journey to date as Africa Regions. I will tell you about our competitive edge as well as the risk management and capital allocation practices within Standard Bank Africa Regions and then I will lay out the drivers of our future growth before I conclude and give you the opportunity to ask questions. The agenda is laid out on slide two of the pack that you may have received.

Slide 3

This is the management team that I've already introduced. In country, in 19 countries, we have a footprint in 19 African countries, and we have chief executives in those countries with combined experience of close to 600 years. They have local knowledge, deep experience, well connected to the society where we operate. And between myself and my colleagues, we have up to 150 years of banking experience.

Divider slide 4 – Journey to date

Ladies and gentlemen, I want to quickly take you to our journey to date as Africa Regions' business.

Slide 5

And if you go very quickly with me to slide 5, you'll see our journey to date on a page.

As you are aware, Standard Bank itself has been in existence for at least 162 years, but we thought we would map our history Africa Regions from 1988 because I believe most people online or in the room should easily be able to associate or identify with more recent history.

From 1988, we acquired Union Bank in Eswatini and in the 1990s, we made a significant acquisition of ANZ Grindlays Bank in 8 countries across Africa i.e. the countries are listed in the footnotes. We then went further on between 1995 and 2001 to expand into Lesotho, Malawi, Mauritius, Tanzania, and we also increased our stake in Eswatini, they became a subsidiary. And then between 2002 and 2004, we made the acquisition of the bank called Uganda Commercial Bank, as well as a bank in Mozambique. We bought a stake in that bank.

Just before the Global Financial Crisis, we extended our footprint to Kenya, where we made the acquisition of CFC Bank in Kenya and IBTC in Nigeria. Around 2010, we changed our focus from being an emerging market institution to Africa focus. We decided that we will consolidate and take our capital from outside Africa to focus on Africa.

Between 2010 and 2013, we started greenfield operations in Angola and in Cote d'lvoire, where we obtain full banking license in 2016. We open the rep office in Ethiopia in 2015 and we continued to increase our stakes, our shareholdings, in our operations in Kenya and Nigeria between 2018 and 2022, such that in Kenya will now have almost 75 percent, just slightly below 75% of the bank in Kenya and in Nigeria almost 68%.

Slide 6

Our footprint continues to provide us with access to large proportion of sub-Saharan Africa's economic activity. So, if you look at the map of Africa on the left-hand side of the slide 6, you'll see these 19 countries where we operate (outside South Africa) and on the right-hand side of that slide, our footprints, covers more than 800 million people, or approximately 75% of people in sub-Saharan Africa, excluding South Africa. In terms of GDP, it will be about USD1.3 trillion or approximately 65% of GDP in sub-Saharan Africa, excluding South Africa.

So, you can see from this slide that our footprint covers a significant space in Africa.

Slide 7

We have large shareholdings in South and Central Africa with opportunities to grow in East and West Africa Regions. That is what slide 7 demonstrates. On the left hand side of that slide, you will see our footprint as well as our banking market shares in the various countries. For South and Central in most of the countries we are leading players with leading banking franchises in those countries. Lesotho is as high as 51% and most of the countries, as I said, we're top three and market leading operator.

In East Africa, in Uganda, we have the market leading and #1 banking franchise, 19% market share and in Kenya, we have the leading corporate and investment banking franchise, and we continue to grow that.

In West Africa, Ghana, we are concluding about 10% of market share with the leading corporate and investment banking franchise as well. In Nigeria, we continue to grow our business there to serve our clients.

On the right-hand side of that slide and we have listed entities in a few countries from Kenya to Malawi to Namibia, Nigeria, and Uganda. In those countries, we rank in the top 10 of the most capitalised companies on the various stock exchanges, and Nigeria, where we have end-to-end financial services operation. We continue to lead in asset management pension fund, asset management, and a non-pension fund asset management as well. We remain the leading corporate and investment banking franchise from global markets to custody to FX trading to government securities trading.

Slide 8

If I go quickly to Slide 8, are you will see a summary on slide 8 of our half year performance.

We believe that we have delivered excellent results to the half year 30 June 2023. On the left-hand side, we give you some snapshots of our results to the half year in terms of total income, R31 billion up 46% on a constant currency basis compared to the prior period in 2022.

In terms of headline endings, we delivered R9.3 billion which was of up 63% on similar period in 2022.

In terms of some of our metrics, credit loss ratio within the Standard Bank guided band of 70 to 100 basis points, was 84 basis points. Cost-to-income ratio continues to trend nicely down, approaching 40% versus 52% approximately in similar period in 2022. Jaws very wide at 20.7% and in terms of return on equity, we deliver very decent 28.4% compared to 20.4% in the half year of 2022.
Some of these metrics are captured on the right-hand side of Slide 8 as a summary.

Slide 9

Flipping to slide 9, you can see our performance. If you checked all our three regions, all the three regions delivered creditably to half year 2023. And the map of Africa on the left, you can see that all our countries, except one, we saw very strong performance. Headline earnings growing in excess of 10% in every of the countries except one of them.

On the right-hand side, of the slide 9 you see the headline earning are distributed to the regions. The total R9.3 billion broken down across the regions. In terms of growth, the least that any of the regions delivered in terms of growth, on a constant currency was 41%. and you can see West Africa delivering as high as 76% by the half year of 2023.

The lower part of that right hand side, we see a return on equity. Again, all the regions delivered excellent return on equity that gave us the average of 28.4%. East Africa 23%, South and Central almost 30 and West Africa, almost 34%. If you compare that to half year 2022, where will you deliver return on equity of 20.4%.

Slide 10

Of course, these results were delivered on the back of very strong, solid balance sheet growth that we have recorded over the last 10 years. So on slide 10, we depict the growth in our balance sheet in ZAR terms, particularly from financial year 2020 onwards. You will see from 2013, over the last 10 years, you see the growth (on the left-hand side of the slide) in our total assets. You'll see that year on year mostly we have delivered growth. The size of the assets peaked at R572 billion as at the end of June 2023.

On a compounded annual basis that was 11% over a 10-year period, double digit 11%. And on the right-hand side you will see the trajectory of the growths of our deposit liabilities which close at R426 billion on 30 June 2023. Again, we have seen steady and very same, growth of 9% on a compounded annual basis in our deposit labilities.

Slide 11

In terms of some of the metrics you will see on Slide 11 that over time the last 10 years we have delivered a strong revenue growth. We have improved our efficiency and we have also delivered very strong return on equity.

On the left-hand side of slide 11, we provided our revenue split over the period over the last 10 years. Most of the revenues you see came from net interest income for all the periods, which demonstrates that our balance sheet continues to grow and will continue to lend and support our clients on ground.

In our revenues split, we also of course posted decent revenues on trading activities as well as on our asset management activities in some of the countries.

In terms of efficiencies, the graph in the middle, the picture is cost-to-income ratio over the last 10 years. From a high of 59% in 2013, now down to about 44% as at the half year of 2023. Again this is within the band that Standard Bank has guided to 2025, which is to approach 50% by 2025. In terms of return on equity, from a low of 19.1% in 2013, that has continued to improve and closed at 28.4% by 30 June 2023.

Slide 12

On Slide 12, we want to demonstrate that our earnings have been resilient, and they continue to grow. They've been robust over an extended period, so this isn't a flash in the pan. What you saw in June 2023 is still consistent growth year on year as depicted on the left-hand side of that slide. The dip that you can see at the half year in 2021 was as a result of COVID, a once in 100-year event. But very quickly, in 2022, we recovered and then we have continued to grow from then.

On the right-hand side of that slide, slide 12, you see our headline earnings for 30 June 2023, R9.3 billion and this has grown on a compounded annual basis at 20% over the last 10 years. Credible if you asked me.

Slide 13

On slide 13, I will draw your attention to our Africa Regions franchise today. On the left-hand side of that slide, slide 13 again, you see the map of Africa, the various regions, West Africa, South and Central and East Africa where we have a footprint.

And on the right-hand side, we showed you the various activities that we carry out in the various countries. So the financials that I showed you earlier have been driven by over 7.2 million customers that we have in 19 African countries. These customers as we bank them, they have helped us to contribute 44% to Standard Bank Group headline earnings as at 30 June 2023.

In terms of assets, R572 billion at the half year and asset under management in our investment and asset management businesses came close to R480 billion at the end of June 2023. Our deposit liabilities, as I mentioned earlier, is growing very decently to the advanced R426 billion as at 30 June 2023, whilst our net loans closed at R322 billion. So we have had sufficient deposits to support the growth of our risk assets that we originated in the various countries.

We are proud of our almost 15,000 employees in all the 19 countries. Day in and day out, they do a decent work serving our customers in the 19 countries. And of course our touch points are 540 branches as well as 2 424 ATMs in 19 countries where we operate.

Slide 14

On slide 14, you will see that all this progress that we recorded in the last 10 years as Africa Regions have contributed to the Standard Bank Group and this is the context that slide 14 tries to demonstrate.

The top part of the slide refers to 2012 and the lower shaded part refers to 30 June 2023. We are trying to compare the two periods.

In 2012, the gross loans represented 13% of Standard Bank total gross loans. 10 years later that had grown to 20%. In terms of deposit liabilities, the Africa Regions' deposit liabilities in 2012 only contributed 15% to Standard Bank, but by 30 June 2023 that had grown to 22%.

In terms of capital deployed, the Africa Regions' businesses only consumed 15% of total capital deployed by Standard Bank in 2012 and because of the expansion, the growth that we have seen over the last 10 years, that had grown to 27% at the end of June 2023.

Slide 15

And therefore, we have become a sizable contributor to earnings, given that Standard Bank and has deployed more capital, we have contributed more deposit liabilities. We have contributed more to loan and risk assets.

You will see on Slide 15 the outcome of those efforts, again comparing where we were in 2012 to where we closed at the end of June 2023. In 2012, we were only 11% of total Standard Bank revenue and that has more than tripled by 2023 June. Non-interest revenue doubled, almost doubled from 22% to 43% between the 10-year period. And headline earnings, staggering, from 12% contribution in 2012 now to 44% of the total headline earnings of Standard Bank Group.

Slide 16

On slide 16, we tried to demonstrate that the Africa Regions' business continues to contribute positively to the delivery of Standard Bank Group strategic priorities.

You remember, ladies and gentlemen, that Standard Bank guided that by 2025 we hope to have transformed client experience, we hope to continue to execute excellently, we hope to drive sustainable growth and value. And the financial targets that came out of that strategic positioning was that we will grow our revenue by between 7 and 9%, our cost-to-income ratio, in terms of efficiencies, would approach 50% and return on equity would be between a band of 17 and 20%.

Now the scorecard for Standard Bank Africa Regions is on the extreme right of Slide 16. So though Standard Bank wanted to deliver revenue growth of between 7 and 9% by 2025, already, Standard Bank Africa Regions today is delivering 16% compounded annual growth. In terms of efficiencies and excellence in execution Standard Bank wanted to approach 50% by 2025. Today already Standard Bank Africa Regions and capital returns delivering 44%. And Standard Bank, in terms of return on equity wanted to deliver between 17 and 20% by 2025, Standard Bank Africa Regions today is already delivering 28.4%.

Slide 17

So how do we then define success? How are we going to gauge how we going to tell these gentlemen in front that they have been successful every day they come to the bank and the 15,000 people across the footprint, this is what slide 17 summarises. In Africa Regions, our definition of success is premised on five pillars.

One, we want to continue to delight our customers we are customer/client obsessed. We want to provide seamless client experience in all our countries.

Number 2, we want to partner several millions of people, individuals and corporations that we bank and that we touch directly or indirectly.

In the various countries, number 3, we want to be the employer of choice. In the various markets, we want to attract the best talented and the most talented people in those countries.

Of course, we couldn't do all this without achieving top-rated governance and risk culture. In every one of our countries where we operate, we want to do the right business, the right way. We want to respect the rules of the countries and the jurisdictions so that we win fair and squarely.

And ultimately number 5, we want to deliver, to our shareholders, value as part of Standard Bank Group. If we can achieve this, we will say we have been successful. You will be the judges whether you think we have achieved it or not or whether we are making progress in achieving it.

Divider slide 18 – Competitive edge

The second segment of this presentation, I thought we must tell you about our competitive edge.

Slide 19

What is the competitive edge of this Standard Bank Africa Regions Group? Let me tell you 5 things of the several areas where we have competitive edge.

So the following 4-5 slides, from slide 19, would demonstrate to you our competitive edge. On slide 19, #1, we believe we have on rivals access to inter and intra Africa flows. Standard Bank has access to global multinational corporations, we have access to regional corporates, we have special access to South African corporates and on top of that we have access to Chinese multinationals. That is what on the left-hand side of slide 19 demonstrates.

On the back of this access, we then ensure that we can channel investment and development flows into Africa. We ensure that global pools of capital, including portfolio and direct investors, are given access to Africa. We show them opportunities in these various countries. We partner with them to ensure that they are successful as we are successful. We are also very prominently mining the trade corridors, including those that exist in ECOWAS region, the EAC region, as well as in SADC. And we are very, very well embedded in the AfCFTA, as it continues to evolve. Of course, in the Chinese space, we continue to link in China to Africa and Africa to China.

We facilitate the distribution of risk in our various countries. Because we have access to these flows we are able to originate, sometimes larger than a balance sheet in a country can take, and as a result of our access, we can then distribute the risk that we originate.

Slide 20

The second competitive advantage that we have is that we try to bank our clients end to end. We have an ecosystem approach in the relationships that we have developed with our clients. And slide 20 is a case study of that point of that competitive advantage. It is a case study of one of our clients in Nigeria called Prudent Energy.

We have partnered with Prudent Energy since 2012. Prudent Energy is its downstream and integrated oil and gas player in Nigeria with about 19% market share in a very fragmented industry.

The main subsidiary of Prudent Energy called ARDOVA is top 3 in oil and gas downstream sector.

They have 14% market share with footprint all over the country, including 540 retail stations as well as aviation peoples around the major airports in Nigeria. Our relationship, as I mentioned started in 2012, and it has evolved over the period. We advise them in the CIB, from the CIB point of view, we bank their distributors, their suppliers in BCB. And in PPB, their executives, as well as the employees, bank with us. In terms of insurance and asset management, we also have them well covered.

So from a relationship that started in 2012, we are now supporting the expansion of Prudent Energy into some of the countries where we operate, including Kenya, Uganda, and Mozambique.

Slide 21

The third competitive edge that we have, ladies and gentlemen, is our relationship with the industrial and Commercial Bank of China, ICBC, the world's biggest bank. As you know, ICBC holds about a 20% stake in Standard Bank.

We have leverage on our 15-year strategic relationship with ICBC to delight and to help our customers grow across Africa.

And so this case study on slide 21 is talking about the relationship that we have with the Nairobi Expressway. Those that know Kenya, if you went there, you visit Kenya five years ago, the trip from the airport to the city centre could easily take 2 hours. But during COVID, over a 2-year period CRBC (the China Road and Bridge Corporation) built the 27-kilometre Expressway from near the airport to Nairobi, Westlands within two years. It is the 1st PPP project that cost $600 million on a build, operates, and transfer model in Kenya. It has reduced, as I said, travel time from 90 minutes to 20 minutes. And on this project, we partnered with ICBC to provide all the transaction banking needs of the client and of the project. And our team there developed an app through which customers can pay to access the tollgate. I've used the tollgate myself many times and I can tell you it has transformed lies. It has made business efficient in Kenya.

As I said, on the left-hand side you will see is summary of the contribution of the ICBC relationship, USD600 million of trade flows between Africa and China. The projects that we've done or originated with ICBC over the period, more than 210 projects, costing more than USD3 billion. And we have also assisted and develop more than 3 500 Chinese commercial, corporate, and state-owned enterprises that are linking to Africa and are doing business in Africa and vice versa.

Slide 22

Ladies and gentlemen, the 4th competitive edge that we have in Africa, Standard Bank Africa Regions, is our people. All these achievements wouldn't be possible without our people. We have on-the-ground experienced, empowered teams with local people that have local knowledge, and they have global experience. They are well glued into the communities where we operate.

There are also diverse we have diverse, talented people and the teams, the various teams are engaged, and they build relationships with policymakers, with governments, with clients to ensure that our clients continue to be successful.

These are people are also able to navigate complexity. They’re able to navigate complex situations, complex structures. They are thought leaders. They don't just sit idly. They engage with policymakers to shape policy in country so that countries can continue to progress.

Of course, we continue to invest in these are people for their development to ensure that their future ready, and they acquired the critical skills that are needed to compete effectively into the future.

Slide 23

The 5th, and by no means the last of the five competitive advantages of competitive edges that we have, is that we operate and these jurisdictions in these countries, but we also have a focus on driving positive impact across the countries.

So, we're not just in these countries to make money as they say, or we're part of the communities we're part of the countries and we're driving impact. And so on slide 23, slide 23 is a summary of the various areas we drive impact. Standard Bank, we are signatories, and we subscribe to the United Nations SDG. So as Africa Regions, we also follow those SDG's in trying to impact our societies.

So from financial inclusion to job creation, to education, to health, to sustainable finance, to infrastructure, we show up and stand shoulder to shoulder with countries to let them know that we're there for them.

Look at the example on slide 23, under sustainable finance and climate change. In Namibia, as an example, we issued the first green bond NAD400 million. It was oversubscribed, so well received that it was it was oversubscribed. And there are other areas where we are impacting in our various countries.

Divider slide 24 – Risk management and capital allocations

This is now the third part of the four parts that I told you is speaking about, and it is on how we do risk management and how we allocate capital in Africa Regions.

Slide 25

This is what is summarised on slide 25. As you know, ladies and gentlemen, some of you are investors in Africa, you know that doing business in Africa requires careful consideration. It requires knowing people on the ground. And it requires discipline, discipline on risk management.

So, on this slide, we summarise our risk management principles under various risk metrics and themes. We summarise the risk that we must deal with in the current medium and long term from things like things happening globally in, in the micro, whether it is the conflict or the war in Ukraine, how does that impact our customers, our clients in Africa? How can we support them through the crisis?

In the medium term, our risk disposition is looking at things like what is the impact of bigtech? What is the impact of fintech on our operations?

Our risk management over the long term, we are looking at things like ESG? How do projects that we support, that we bank, effect the environment to ensure that countries continue to remain sustainable.

We then go to then create fashion out solutions to whatever we discover as risk areas to focus on in the current in the current, medium, or in the long term.

So, we help clients manage through high interest rates periods. We help them manage through challenging periods, whether they be corporates or sovereigns. Certain sovereigns have debt stress which we're counselling and advising and engaging them on.

In terms of returns and opportunities, we see, though it is challenging to operate in Africa Regions, we see opportunities. We see opportunities if these risks are well managed. And so we have deployed different tools and policies and techniques to manage, including how we help companies to transition into energy into the future.

Slide 26

Ladies and gentlemen, in Africa Regions, we believe that we have a diversified and well managed portfolio that as reflected a decent average cost of risk over the last few periods about 103 basis points.

So, if you flip to slide 26, you will see how we demonstrate that our portfolio is well managed. On the left-hand side of that slide, we have split our net loans and advances into the regions. You see that abour half of the loans are regulated and booked in the South and Central region, about 25% in the West and the other 25% in the East.

On the right-hand side, you will then see the movement of our credit loss ratio over the last 10 years. And you will see from that graph on the right-hand side that over the period at some point it was as low as 50 basis points and the peak was 150 basis points. At the end of June 2023, it was 83 basis point, again well within the range that Standard Bank guided 70 to 100 basis points. Over the period the average was 103 basis points.

Therefore, we are convinced that our portfolio is well managed, and it is conscious of current challenges and future challenges of various customers that we support.

Slide 27

Our loan growth has been funded by an increasing proportion of customer deposits. We have over the period continued to raise sufficient deposit liabilities to fund all the loans that we have originated. This is the story that slide 27, where I am now, is trying to tell. On the left-hand side of that slide, you see the asset split over the period. Our assets have grown by 11% on a CAGR basis since 2013 and it comprises loans, financial investment, cash and the likes.

And in the middle of that slide, you'll see a deposit liabilities split, again over a 10 year period, that has grown 9% on a compounded annual growth basis. Most of the deposit liabilities will compare between the left and side and the right-hand side you see that are the liabilities can cover the loans that we have originated.

In terms of currency composition, 35% of our net loans across Africa Regions are in foreign currency and this is well covered by the deposit liabilities that we have originated, 38% also in foreign currency. We ensure that there's a natural hedge before we lend foreign currency to a client.

We ensure that they are well hedged and that they have the capacity to repay us in foreign currency as well.

And so we continue to grow our footprint, our business, and all the activities. Our solid balance sheet and risk management disposition continue to support our resilient earnings and our strong growth profile.

Slide 28

On slide 28, you will see on the left-hand side of the slide the bar charts is demonstrating our the growth of our headline earning in our operations since 2012. Those headline earning have grown on a compounded annual basis at 20%. And you will see the growth for some countries, for example in Namibia for the period 6% growth, Zambia 21%, Kenya 25%, Ghana 23%, Nigeria 30%.

What you should note on this slide, ladies and gentlemen, is that there is no single country concentration. We have a well-diversified portfolio, a well-balanced portfolio and no one country can put the portfolio at risk or jeopardy.

Indeed, over the period to 30 June (actually for 12 months to December 2022), at least six of our countries delivered headline earnings in excess of R1 billion. And again the dip that you notice in first half of 2021 was there is because of COVID.

We continue to develop our diverse pipeline franchise, whether in global multinationals, Chinese multinationals, or large local corporates as well as high net worth individuals.

Slide 29

Of course, all this culminates in our ability to deliver shareholder value to Standard Bank. So we deliver shareholder value through Standard Bank shareholders. And over the period, our contribution to Standard Bank dividend pay-out has also increased.

So, on the left-hand side of this slide 29, you see the return on equity of Africa Regions compared to the cost of equity. Consistently over the last 10 years it was above Standard Bank cost of equity throughout the period.

In terms of Africa Regions return on equity, again we had a dip in 2021 because of COVID, but over most of the period we have delivered a return on equity in excess of our cost of equity. At the end of June it was 28.4%.

On the right-hand side of Slide 29, in the last 10 years, say 2012 dividend pay-out from the Africa regions, this was around 20%. That was the time that countries, subsidiaries held on to capital for growth. But overtime we have listened to you shareholders, the capital is now flowing to the group and if any country needs capital, we will give them the capital to operate. Such that by the end of 2022 our dividend pay-out from Africa Regions had risen from 20% in 2012 to more than 50% in 2022. So, we are continuing to contribute and add value to what Standard Bank is.

Divider slide 30 - Driver of our future growth

This is the last part. Ladies, and gentlemen, I thought I couldn't finish this presentation without telling you the drivers of our future growth.

Some ask, is this a flash in the pan? Will it disappear? So, I must answer that question by telling you the drivers were future growth.

Slide 31

Page 31 gives you four of the drivers of our future growth. It would be from what we expect in the macro. We expect that Africa Regions' countries will post a higher growth versus the more developed part of the world; it's estimated at 4%. We expect that the population in Africa, in sub-Saharan Africa, will double by 2050 and it will grow by more than 100%. We expect that population, in terms of demographics, will be composed of very young people, about 50% of them will be younger than 20 years. And we expect that urbanization would be the order of the day. We will have more than 350 million people that are living in new urban areas by 2050.

And the second pillar of the drivers of our growth relating to the macro macro-economic growth, will be that we expect that there will be increase in banking penetration. There will be increase in banking penetration over the period and that Standard Bank, with our footprint, we hope to participate.

The other two drivers of our future growth, leveraging mega trends as well as expanding in our existing and approaching new the markets, I would like to take you through specifically on those slides.

Slide 32

On slide 32, we have devoted a slide to mega trends. Mega trends, as we can see in the future, will include improvements in agriculture; (200 million new lands will be cultivated). There will be improvements in energy transition. Africa is very rich in biodiversity, very rich in natural resources. We expect that these trends would be very significant to the growth and development of Africa. Of course, infrastructure and supply chains would also be required. New infrastructure would need to be built into the future.

Resources, new energies, hydrogen and minerals in DRC, in Angola, in Nigeria, in Ghana. And of course technology, developments in technology AI. Standard Bank again, as these mega trends evolve, we expect to be present to support our customers, millions of them across Africa.

Slide 33

And then slide 33 again, we wanted to devote a slide to our activities or our effort in driving scale in existing and new markets because this will be key to driving our future growth.

Of course, we will focus on our core. The left-hand side of the slide, we will be growing organically. We expect that with the focus on our core, we continue to not only maintain our market share, but as global institutions of the type that we compete with leave the continent, we will take the place that they vacate.

We continue to target segments that would add to the growth of Africa. We will continue to leverage the insurance and asset management opportunities that exist in Africa as we further and further integrate that new business into Africa Regions.

On the right-hand side, we will be looking in scoping the environment to see whether their opportunities for expansion. We will be looking at opportunities in new markets, of course, opportunities in new markets and inorganic expansion, will always be subject to due diligence, to price and to regulatory approvals in the various countries.

Ultimately, our long-term ambition is to be in top three in all the markets that we operate, and we are determined to make all the investment required to get to that destination.

Divider slide 34 - Conclusion

Ladies and gentlemen, I must draw this to a close now.

Slide 35

In conclusion, I want to let you know that Africa Regions, the businesses that we operate, are a well-diversified portfolio that have delivered resilient earnings and strong growth over the period.

So, on slide 35, you see our footprint. You see our market share in the in the various countries. Many of the markets were in top 3. Some of them we are top 7 and the smallest of our operations are also growing.

And on the right-hand side of that slide you will see that earnings have truly been resilient, growing at 20% compounded over the last 10 years.

Slide 36

Ladies and gentlemen, the Africa Regions businesses are well positioned. They have achieved so much of this, but we believe that they have a long, long way. That is still scope for growth into the future.

Why?

Because we are well diversified.

Why?

Because we have strong risk management practices.

Why?

Because we have strong local teams that are present in those countries.

Why?

Because we are looking to grow scale over the period in the countries.

And so our large footprint and client base, combined with our business mix, gives us access and opportunities to grow our business. The macros, we believe, will be a tailwind in what we are trying to do. And as we embrace the opportunities, we hope that you continue to follow our development and if there are questions, please don't hesitate to ask us.

Ladies and gentlemen, I want to thank you for listening.

We will now turn to Q&A which will be moderated by my colleague, Sarah.

Sarah, thank you.

QUESTIONS AND ANSWERS – please refer to the recording

Sarah Rivett-Carnac

Thank you very much for joining us today, both in the room and online, and we hope that you found this engagement useful.

Should you have any questions that we haven't got to or any questions that you'd like to ask after this event, please do send them through to myself by email or happy to set up a call.

Lastly, just to say thank you very much to Yinka, Patrick, Antonio, Helmut and Siphiwe for joining us today.

For those of you who joined us in the room, please join us outside for some refreshments.

Thank you very much.