



TRANSFORM CLIENT EXPERIENCE

WHOLESALE CLIENTS

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Agenda

- 1 Wholesale Client segment - today
- 2 Strategic progress to date
- 3 Focus areas going forward
- 4 Measures of success
- 5 Key take-aways





Who we service

The Wholesale Client segment serves large companies (multinational, regional and domestic), governments, parastatals and institutional clients across Africa and internationally.

Our clients leverage our in-depth sector and regional expertise, our specialist capabilities and our access to global capital markets for advisory, transactional, trading and funding support.



¹ Segment cut off relationship and country specific, ² Includes entrepreneurs



We deliver value to our targeted clients where we have strong sector capabilities and presence

Focus on targeted clients...



...by delivering compelling client propositions...

- Proactively partner** to deliver relevant solutions and exceptional client experience
- Specialist expertise** in sectors driving Africa's growth
- Presence, knowledge and connectivity** across Africa and select international markets
- Appropriate risk appetite** to support target client growth

...through deep expertise in sectors across 20 African markets

Core sectors

- Consumer
- Financial Institutions
- Oil and Gas
- Power and Infrastructure
- Real Estate
- Telecoms, Media and Technology

Market-specific sectors

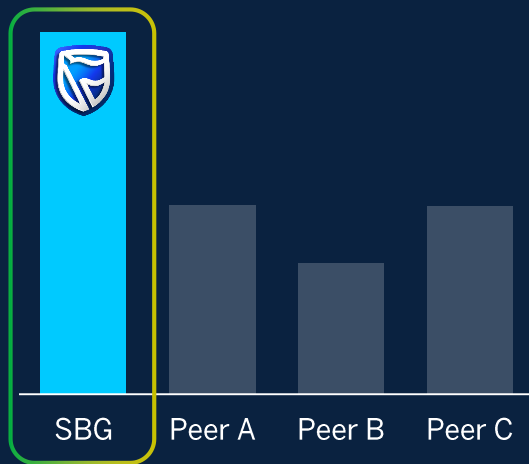
- Industrials
- Sovereign and Public Sector

¹ Multinational corporates



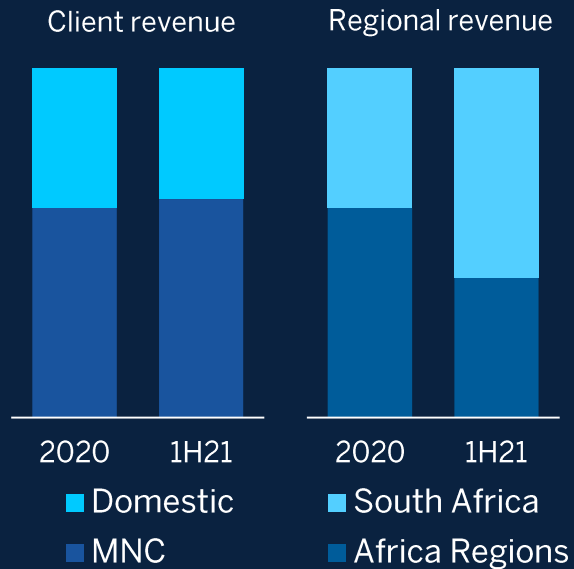
Our sizeable and resilient revenues are underpinned by geographic and product diversification

Scale
Revenue 2020, R'm



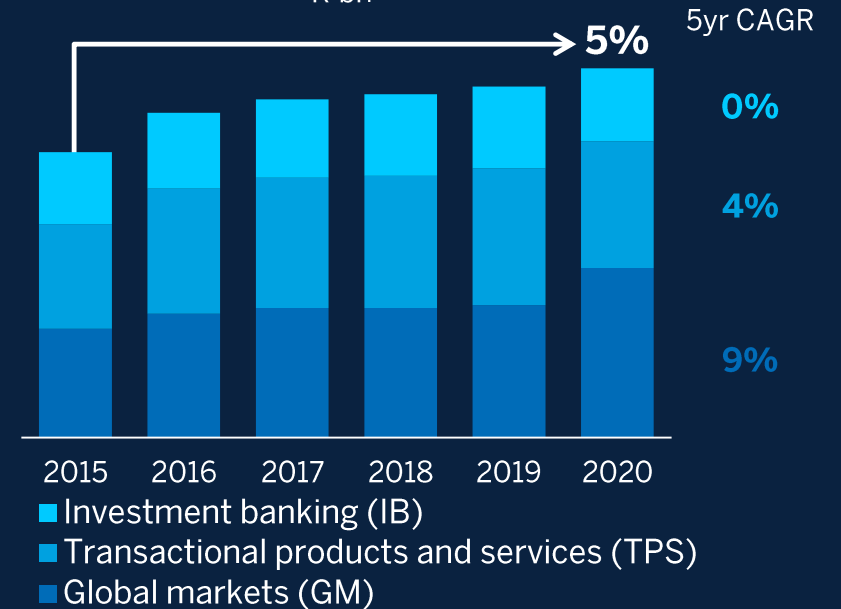
- Wholesale Client segment is larger than the combined equivalent businesses of peer A and B banks

Diversification
R'bn



- Dominated by global MNCs – stable, can weather the volatility as take a long-term view
- Balanced across regions – benefit from portfolio effect as markets change

Quality revenue streams
R'bn



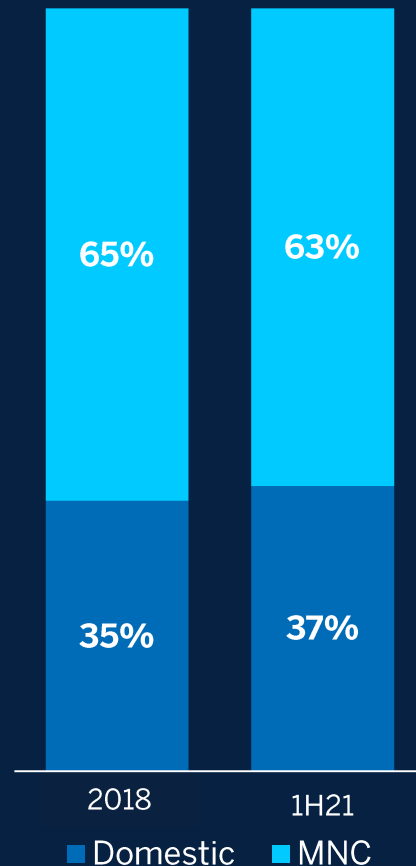
- Revenues primarily client driven and annuity in nature (including GM)
- GM revenue is the fastest growing
- IB impacted by Covid-19 impairments in 2020



Multinationals and large local corporations continue to be our engine for growth

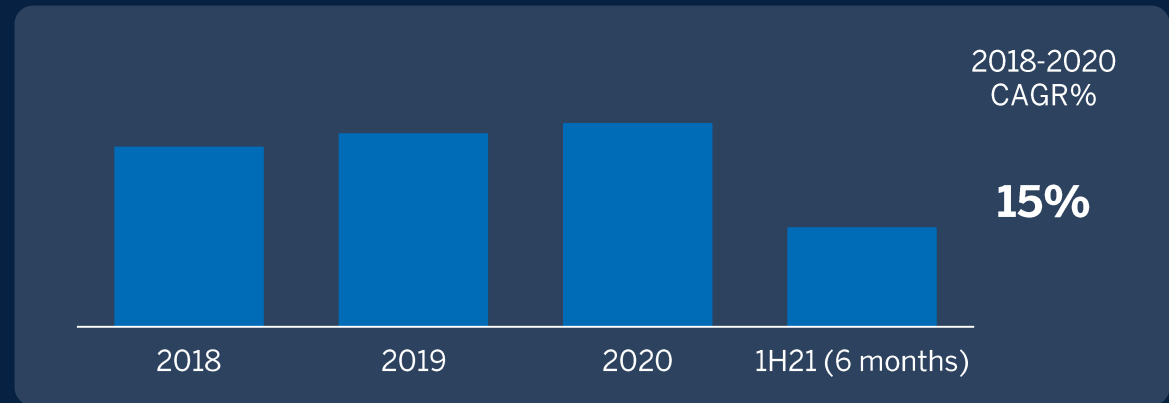
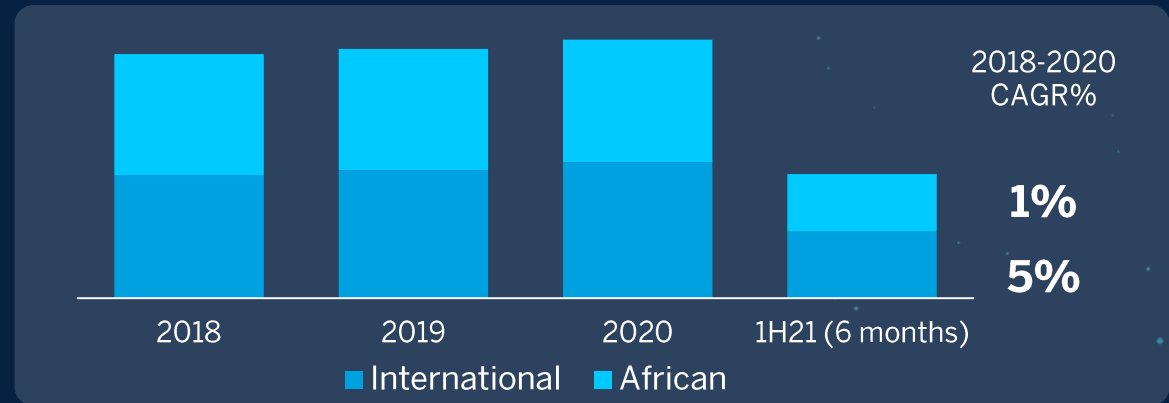
Multinational corporates
The foundation of the franchise

Revenue split by client



Large local corporates
Showing strong growth

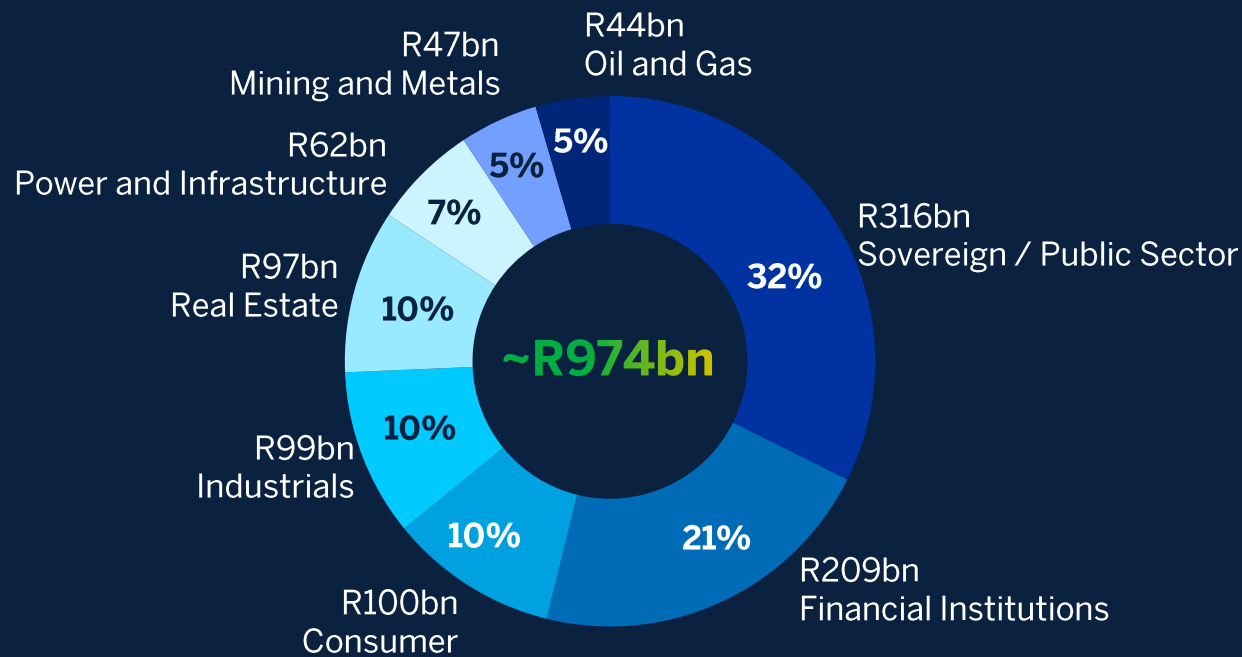
Revenue growth





We have a diversified and well-managed credit risk portfolio

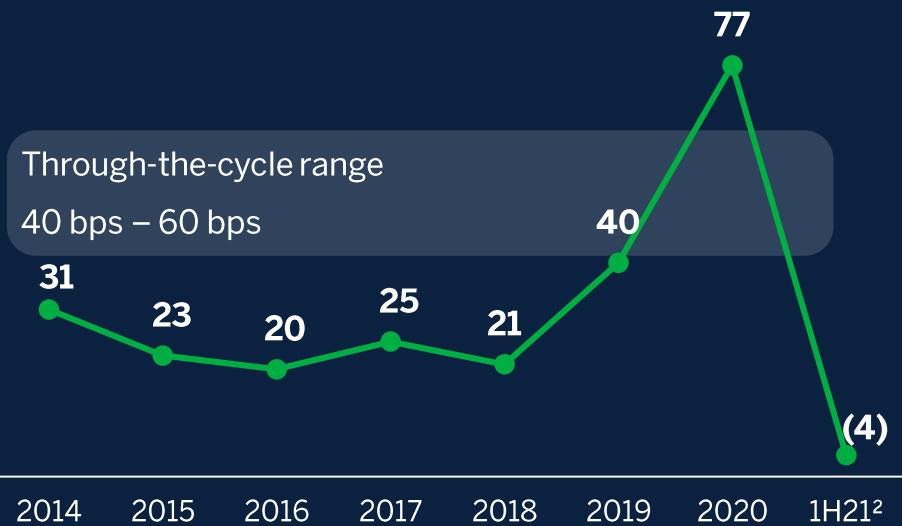
Shape of portfolio¹



Sector concentrations relatively stable over a three-year period

Credit loss ratio to customers

bps



Credit loss ratio to customers historically below our range of 40 bps – 60 bps

¹ Exposure by parent sector June 2021 (ZAR), ² Represents a release



We are recognised as a leader in the market

Selected product and country market share

1st

- Debt Capital Markets (South Africa)
- Custody (South Africa)
- Deposits (South Africa)
- Deposits (Uganda)
- Deposits (Zambia)

2nd

- Equities (South Africa)¹

4th

- Equity Capital Markets (South Africa)
- Mergers and Acquisitions

Selected awards

Global Finance

- Best Bank for Liquidity Management in Africa, 2021
- Best T&CM Bank in Angola, Kenya, Mauritius, 2021
- Best investment bank in Africa (Angola, Ghana, Mozambique), 2021
- Outstanding leadership in green, social and sustainable bonds

Intellidex

- Top Stockbroker 2020 Standard Online Share Trading / Stockbroking

Selected deals



Ethiopia | Telecomms sector

- Supporting clients across Africa
- Innovative solutions in complex markets



South Africa | Debt Capital Markets | Sustainable Finance

- Creating positive impact
- Social bond

Kenya | Green building standards | Sustainable Finance

- Environmentally-friendly student accommodation
- Green bond

¹ As at June 2021, improved from 4th position in June 2019



Sustainable finance is evolving with strong growth in originations

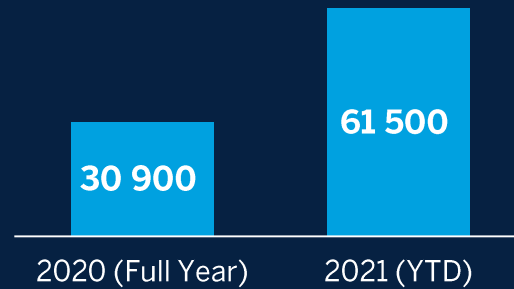
Origination growth

R'm



Revenue growth

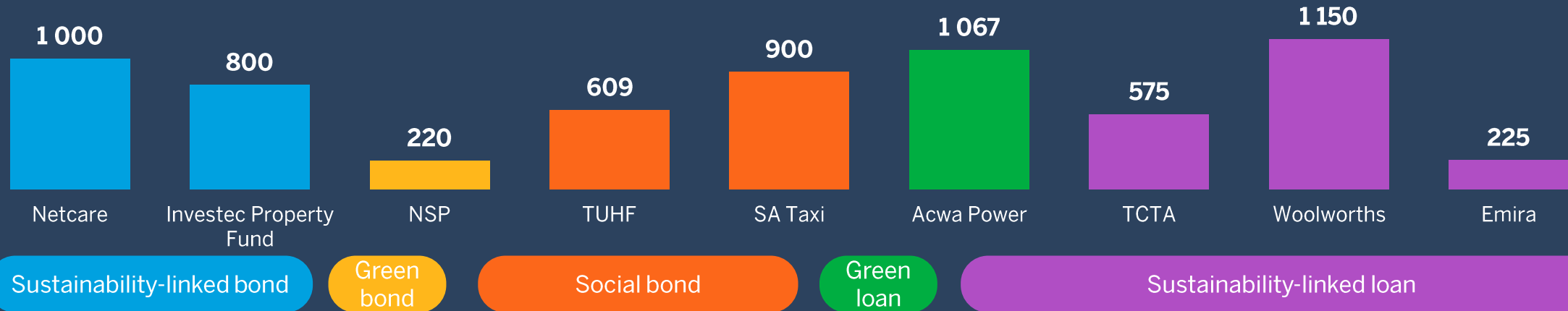
R'000



Total 2021 origination expected to be peak at R20bn, representing a **2x growth** from 2020

Sustainable finance gross origination

R'm





We have made significant progress in retaining and growing our client relationships



Acquired new clients and strengthened our existing relationships

Growing client partnership



Extended banking relationship



Retained and grew product market share in our presence countries, despite pandemic-induced headwinds

>30% FX market share in presence countries (GM)

#1 in ZAR debt and DCM in South Africa (IB)

#1 Investor services/custody business (TPS)



Leveraged our sector expertise to drive growth across Africa

~R12.3bn

underwrite commitment per 2020 bid submission for RMIPPP¹



Accelerated our digital efforts to optimise the client experience

Client lending process overhaul – saving clients time, more transparent, digital documentation and loan maintenance



Developed the leading sustainable finance offering on the continent

1st Retail sector sustainability-linked loan in South Africa with Woolworths

1st Sustainability-linked bond in Africa with Netcare

¹ Risk Mitigation Independent Power Producer Procurement Programme



Going forward, our strategic focus areas are

Defend

Grow



Maintain our multinational relationships



Retain our leadership in South Africa



Grow large local corporates in Africa Regions



Capture regional, sector and product opportunities



Respond to emerging client needs



Defend | Maintain our multinational relationships and retain our leadership in South Africa

Multinational franchise

Largest contributor to client revenue
~60%

Strong client relationships
Above average client satisfaction scores

Enable client connectivity via our African footprint



South African franchise

Largest regional contributor to revenue
~40%

Largest revenue pool and lowest credit loss ratio, relative to South African peers

Strong deal flow driven by enduring franchise relationships

FOCUS AREAS

- Continued targeted **client acquisition**
- Grow **existing relationships** across our African footprint
- Maintain our **MNC positioning** through superior client experience across multiple geographies

- **Leverage our asset book** to unlock opportunities across our clients' value chains
- **Align resources** (liquidity, capital, risk, people) to growth opportunities
- Capture the **emerging opportunities from the industrial sector** (healthcare, automotive) and benefit from trade flows linked to this sector



Grow | Grow large local corporates in Africa Regions

To drive Africa's growth, we will continue to invest in and partner African corporates





Grow | Capture regional, sector and product opportunities



Renewable energy and decentralised power

- Capitalising on the renewables opportunity in South Africa
- REIPPP¹ and decentralised power is a significant opportunity
- Unlocking the decentralised power opportunity will offer new revenue streams through platform services and increased financing opportunities



Transition fuel

- Gas as a low greenhouse gas transition fuel towards alleviating energy poverty (Mozambique LNG² pipeline)
- Mozambique will benefit from ~USD113bn of LNG linked financial investment decisions by 2027 (noting that the country's current GDP is USD15bn)



Infrastructure

- Supporting Africa's infrastructure needs (Uganda, Kenya)
- Seeking innovative ways to bank strategic port, road and rail infrastructure projects for intra-African trade and regional integration
- Power and Infrastructure pipeline healthy and debt capital market mandates >N150bn in Nigeria



West Africa

- Advisory and arranging opportunities at proposed USD60bn Petrochemical Hub, West of Ghana
- Opportunities for further industrialisation in agro-processing, pharmaceuticals and commercial fishing due to import substitution under the 'GhanaCares' programme
- Angola privatisation opportunities



Non-banking financial institutions

- Deepening of financial inclusion
- Scaling of DebiCheck usage and focus on digital initiatives in bolstering relationships through reduced cost to serve and improved client experience
- Leverage custody business to expand offering, e.g., built prime brokerage

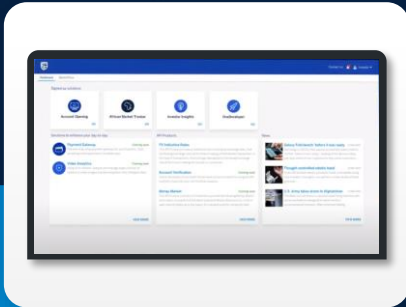
¹ Renewable Energy Independent Power Producer Procurement, ² Liquefied natural gas



Grow | Respond to emerging client needs

ONE HUB

is an online marketplace where clients can access digital solutions provided by the bank, as well as third party solutions provided by our trusted partners



Benefits to clients

- One-stop shop for clients' banking needs
- Safe and convenient single sign-on
- Access to API products and web solutions
- Personalised experience for users
- Thought leadership and insights

Solutions available

AUTHENTIFI
An intelligent data solution that empowers businesses with a deeper understanding of consumers' payment and transaction behaviours

iIDENTIFIi
Biometric verification system that empowers corporates to verify an individual's identity in real-time

Progress to date

168 corporate users across 109 clients

17 partner users

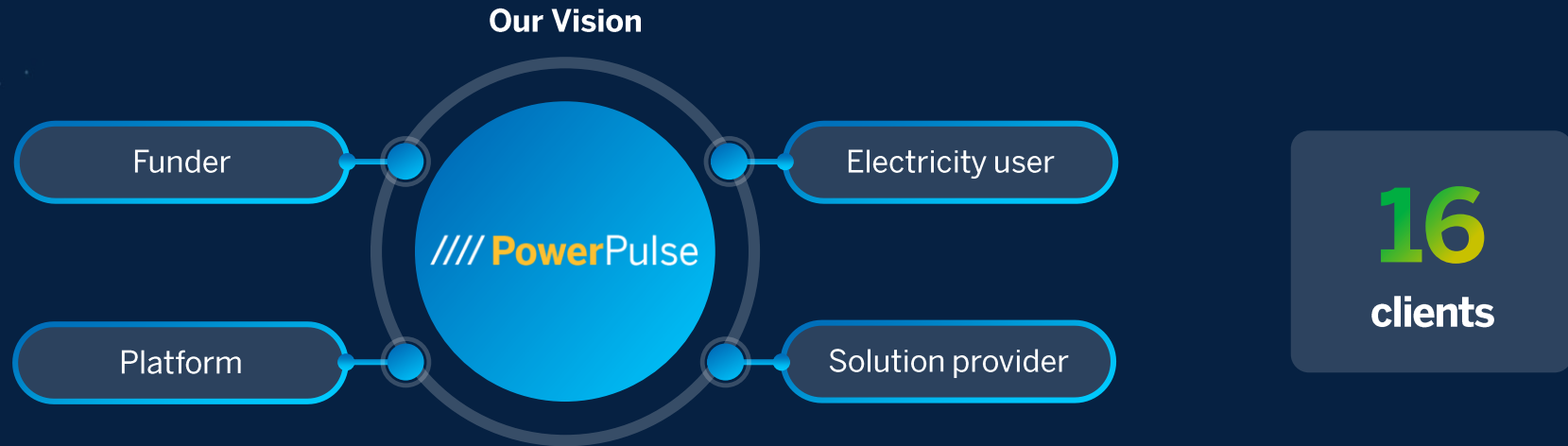
Won the Global Finance award for **'Outstanding innovation in corporate finance'** – April 2021

New revenue stream through platform fees



Grow | Respond to emerging client needs

PowerPulse is an innovative digital platform that transforms the way we produce, deliver, and consume energy in South Africa and beyond¹



New revenue stream through platform services as well as increased financing opportunities

Benefits

Electricity users

Reduced time

Reduced risk

Ongoing support

Select the right partners

Solution providers

Increased access to more clients

Reduced sales cycle

Bankable projects commissioned

Lower acquisition cost

¹ Clients can access the platform via OneHub



Grow | Respond to emerging client needs

Opportunities



Increasing importance of ESG¹ considerations in capital allocation and investment decisions



Exponential growth in global sustainable finance market across sectors



Strong client interest in the sustainable finance product

Focus areas

Supporting and advising our clients in their journey towards net zero (environmental) and post Covid-19 recovery (social)

Leveraging the growth from sustainable finance opportunities through innovative financial instruments - first social bond on sustainability segment of the JSE for TUHF, **R609m** social bond issuance

A strong origination pipeline - 2021 gross origination, across bonds and loans (debt capital markets), expected to be **>2x** vs 2020 (R10.4bn)

¹ Environmental, social and corporate governance



Wholesale clients 2025 financial targets





Key take-aways

- Solid foundation of our diversified portfolio across regions, sectors and products
- Healthy client franchise with potential for growth
- Capturing opportunities - large local corporates and sustainable finance
- New revenue streams from emerging client needs through platform propositions
- Forecast ROE >18%