



Standard Bank



STANDARD BANK GROUP

# GOVERNANCE REPORT

for the year ended 31 December 2023

**Angola**  
Serra da Leba

## OUR GOVERNANCE REPORT

(this report)

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Standard Bank Group has a strong presence and deep capabilities across 20 countries in sub-Saharan Africa. We have strong market positions in South Africa, which we will fiercely defend, and a growing franchise in Africa Regions.

**We are purpose-led:**

AFRICA IS OUR HOME,  
WE DRIVE HER  
GROWTH



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### READING THIS REPORT

This is an interactive report. The following icons refer readers to information within this report and across our suite of reports.

- Indicates interactive content
- Refers readers to further information within this report
- Refers readers to additional information in our suite of reports
- Refers readers to other online information

### PRINTING THIS REPORT

Interactive information in this report will not print automatically. For a printable version of this report, please use the following link: [here](#)



### NAVIGATING THIS REPORT

The navigation tools for this report can be found at the top right of each page and within the report.

This report is best viewed in Adobe Acrobat for desktop, mobile or tablet.

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# OUR REPORTING SUITE

Our suite of reports caters for the diverse needs of our stakeholders.

## Integrated reporting

### Annual integrated report

Sets out our value story and what we want to achieve for our stakeholders and the Standard Bank Group (SBG or the group) and assesses our ability to deliver sustainable growth and value. It draws information from our supplementary reports which provide more detailed disclosure.

**Intended audience** – providers of financial capital. **Purpose** – assesses our ability to deliver sustainable growth and value in the short, medium and long term.

## Shareholder reporting

### Annual financial statements

Sets out the group's full audited annual financial statements, including the report of the group audit committee

### Risk and capital management report

Sets out the group's approach to risk management and Pillar III disclosures of the Basel Framework.

### Governance report

Discusses the group's governance approach and priorities.

### Remuneration report

Sets out the group's remuneration policy and implementation report and includes a background statement from the remuneration committee chairman.

**Intended audience** – primarily of interest to our shareholders, debt providers and regulators.

**Purpose** – provides detailed financial performance, risk and regulatory disclosures and governance-related aspects of interest.

## Sustainability reporting

### Sustainability disclosures report

Provides an overview of how we manage environmental, social and governance (ESG) risk, including information regarding ethics and conduct, people and culture, environmental and social risk management, and tax governance and policy, together with information about our sustainable finance activities.

### Report to society (RTS)

An assessment of our impact on society, the economy and the environment, focusing on the four areas in which we have the most significant impact, namely: enterprise growth and job creation, infrastructure development and the just energy transition, climate change mitigation and resilience, and financial inclusion.

### Climate-related financial disclosures report

Discusses how the group is managing the risks and responding to the opportunities presented by climate change, aligned to the recommendations of the Task Force on Climate-related Disclosures (TCFD).

**Intended audience** – our clients, employees, regulators, investors and broader society.

**Purpose** – our reports to society demonstrate how the group is fulfilling its purpose and the positive impacts it makes.

## Subsidiary annual reports

Our subsidiaries account to their stakeholders through their own annual and/or other reports and information, available on their respective websites, accessible from

[www.standardbank.com](http://www.standardbank.com).

## Key frameworks

To satisfy various compliance reporting requirements, the disclosure requirements of a range of corporate reporting and regulatory frameworks and guides are considered when preparing the reports in our reporting suite.

## Our reporting portal

All our reports, latest results, presentations and SENS announcements along with a glossary of financial terms, other definitions, acronyms and abbreviations used in our reports are available at

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

## Notice to shareholders

The invitation to the annual general meeting (AGM) and notice of resolutions to be tabled at the AGM are sent to shareholders separately.



# KEY FRAMEWORKS

To satisfy various compliance reporting requirements, the disclosure requirements of the following corporate reporting and regulatory frameworks and guides, among others, are considered when preparing the reports in our reporting suite.



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# OUR APPROACH TO GOVERNANCE

The board continues to uphold the highest standards of corporate governance and recognises its fundamental role in fostering transparency, accountability, and trust among our stakeholders.

With an unwavering dedication to integrity, fairness, and ethical conduct, the board continues to foster a culture of responsible leadership that ensures short, medium and long-term sustainability and value creation for our shareholders, employees, customers and communities.

## KEY BOARD CONSIDERATIONS DURING 2023

### Changes to the board and succession planning

Two non-executive directors, Kgomotso Moroka and John Vice, retired from the board at the 2023 annual general meeting (AGM). Myles Ruck retired from the board effective 31 December 2022. This resulted in the appointment of new board chairmen for the group social, ethics and sustainability committee (GSESC), the group risk and capital management committee (GRCCM), the large exposure credit committee (LECC) as well as the group information technology committee (GITC).

The board appointed Sola David-Borha as non-executive director of the group with effect from 13 March 2024.

Atedo Peterside will retire from the board at the conclusion of the group's AGM in 2024.

Board succession planning continued to receive much focus in 2023. In line with the group's corporate governance arrangements, the board regularly reviews its composition to ensure its effectiveness and the appropriateness of its skillset, experience, tenure and diversity. A comprehensive succession plan is in place, tailored to the

essential skills required for an effective board. The plan aims to maximise the value of a high-performing board, comprising directors with diverse expertise across multiple disciplines.

**0** Read more on board and board committee membership changes during the year on [page 19](#) and on the board's oversight over succession planning on [page 26](#) under the activities of the directors' affairs committee (DAC). More information on the skills of our board can be found on [pages 20 and 21](#).

### Strategic oversight

The board continued to have oversight over strategy implementation and progress against the group's strategic priorities. An important focus area for the board in 2023 was to oversee how management balances the delivery of short and medium-term objectives with planning for the longer term. Robust discussions were held at the group's two-day annual strategy summit hosted in Nairobi, which focused on the group's operating environment, shareholder and analyst perspectives, updates on strategy execution, enablers of sustainable growth and value, and the group's plans to achieve its 2025 targets, and beyond.

**0** Read more on the board's strategic oversight on [page 16](#) of the report.




## Environmental, social and governance (ESG) oversight

ESG matters continued to receive significant attention at board-level in 2023, with emphasis on ethics and conduct, diversity and inclusion, social risk, and climate-related risks and opportunities. As a founding signatory to the United Nations (UN) Environment Programme Finance Initiative's Principles for Responsible Banking, the group proactively identifies the areas in which it has the greatest potential impact on society and the environment, and works toward improving our positive impact. In 2019, it identified seven primary impact areas. In 2023, it refined this to four impact areas, to better reflect its evolving strategic priorities and strengthen alignment with specific Sustainable Development Goals (SDG). These impacts are discussed in the group's report to society.


The group made good progress on expanding its climate commitments and targets to encompass additional priority sectors, namely short-term insurance and commercial and residential real estate. The board received comprehensive updates on progress against the climate policy commitments and targets, and on the integration of climate risk into group-wide risk management frameworks and processes. The group is in the process of implementing a system to strengthen climate risk assessment, which will

support the calculation and monitoring of financed emissions and provide a portfolio level view of climate risk and opportunity.

 More information is available in the group's [climate-related financial disclosures report](#).

## Subsidiary governance oversight

Another major governance focus area in 2023 was strengthening the group's subsidiary governance oversight and engagement model, notably the board's relationships with subsidiary boards and oversight of governance practices across the financial conglomerate.

 Read more on subsidiary governance oversight on [page 48](#) of the report.

## Board evaluation

The board conducted an internal evaluation of its board effectiveness in 2023. The results of the effectiveness review indicate that the overall board performance and that of its committees was considered effective. The board is satisfied that the insights gained from the evaluation process continue to reflect a maturing trajectory in the performance and effectiveness of the board.

 A summary of findings from the review can be found on [page 42](#).





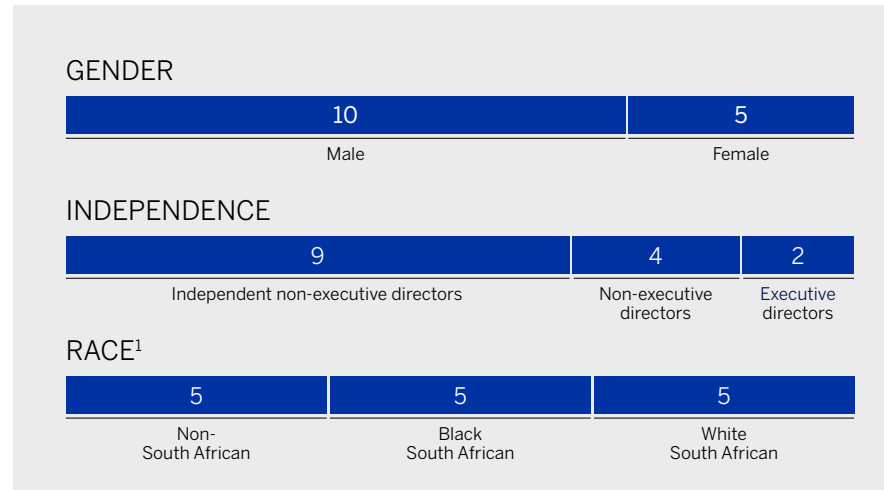
# BOARD OF DIRECTORS

With extensive collective experience across various industries and disciplines, our board members offer invaluable insights, critical analysis, and innovative perspectives.

Their deep understanding of market trends, regulatory landscapes, and emerging technologies enables them to anticipate challenges and capitalise on opportunities, driving sustainable growth and competitive advantage.

The board provides independent and objective judgement, and constructively challenges and monitors executive management's delivery of the group's strategy within the approval framework and risk appetite agreed by the board.

## SBG board composition



<sup>1</sup> As defined by South African B-BBEE regulations.

Overall board meeting attendance **97%**



## Diversity

The board's composition is intended to reflect the markets in which we serve. In addition to diversity of skills and experience, care is also taken to ensure diversity in race, gender and geographic representation. The board's promotion of gender and race diversity policy was approved in 2018 with a voluntary target of 33% female representation on the board by 2020. Having achieved this, the board revised its female representation target to 40% by 2025. Currently, the board has 33% female representation.

The board, as well as four board committees, namely DAC, group audit committee (GAC), remuneration committee (Remco) and GSESC are chaired by female board members.

The board resolved to maintain the race diversity targets in line with the management control scorecard as set out in the Amended Financial Sector Code of 2017.

The board continues to consider these targets in the implementation of its succession plans and is satisfied with the progress made.





Appointed




Board meeting attendance

**Nonkululeko Nyembezi** <sup>64</sup>  
*Independent non-executive chairman, SBG and SBSA*

1 January 2020

Appointed chairman  
 1 June 2022



- QUALIFICATIONS**
- BSc (Hons) (University of Manchester)
  - MSc (electrical engineering) (California Institute of Technology)
  - MBA (Open University Business School, United Kingdom)
- KEY STRENGTHS**
- leadership across multiple sectors
  - strategy planning and execution
  - governance and corporate stewardship

- External directorships**
- Anglo American Plc
- Other governing bodies and professional positions held**
- chairman of Business Leadership South Africa
  - co-chairperson of the community of chairpersons of the World Economic Forum
- Previous roles**
- CEO of ArcelorMittal South Africa
  - CEO and executive director of Ichor Coal N.V
  - chairman of Alexander Forbes Group Holdings Limited and the JSE Limited
  - non-executive director of Old Mutual
  - chairman of Macsteel Service Centres South Africa (Pty) Limited

Committee membership  7/7

**Xueqing Guan** <sup>60</sup>  
*Senior deputy chairman, SBG, and non-executive director, SBG and SBSA*

1 August 2020



- QUALIFICATIONS**
- Doctorate in Economics (Southwestern University of Finance and Economics, China)
- KEY STRENGTHS**
- proven leadership in a large international group
  - solid board experience
  - strong strategy management skills in banking

- Appointments held**
- board secretary of Industrial and Commercial Bank of China Limited (ICBC)
- Previous roles**
- general manager of corporate strategy and investor relations department of ICBC
  - head of Sichuan Branch, ICBC

Committee membership  5/7

**Jacko Maree** <sup>68</sup>  
*Deputy chairman, SBG, and independent non-executive director, SBG and SBSA*

21 November 2016












- QUALIFICATIONS**
- BCom (University of Stellenbosch)
  - BA and MA (politics and economics) (Oxford)
  - PMD (Harvard)
- KEY STRENGTHS**
- extensive experience in banking
  - deep insights into the role and challenges facing a chief executive

- External directorships**
- Phembani Group Limited
- Other governing bodies and professional positions held**
- China Investment Corporation – International advisory council
- Previous roles**
- chairman of Liberty Holdings Limited and Liberty Group Limited
  - senior banker focusing on key client relationships
  - CEO of the group for more than 13 years
  - Presidential Special Envoy on Investment to South Africa

Committee membership  7/7

**COMMITTEES**

-  DAC – Directors’ affairs committee
-  GAC – Group audit committee
-  GRMCM – Group risk and capital management committee
-  GITC – Group information technology committee
-  GSESC – Group social, ethics and sustainability committee
-  REMCO – Group remuneration committee
-  GMAC – Group model approval committee
-  LECC – Large exposure credit committee
-  Committee chairman



Appointed



Board meeting attendance

**Trix Kennealy** <sup>65</sup>  
*Lead independent director, SBG, and independent non-executive director, SBSA*



 21 November 2016

**QUALIFICATIONS**

- BCom (University of Pretoria)
- BCom (Hons) (University of Johannesburg)

**KEY STRENGTHS**


- extensive operational and strategic management experience across a variety of industries and sectors
- extensive corporate governance experience
- broad experience in strategic financial management including restructuring, acquisitions and integrations

**External directorships**


- Sasol Limited


**Previous roles**

- chief financial officer of the South African Revenue Service
- chief operating officer of Absa corporate and business bank

Committee membership  7/7

**Sim Tshabalala** <sup>56</sup>  
*Chief executive officer, SBG, and executive director, SBG and SBSA*



 7 March 2013

**QUALIFICATIONS**

- BA, LLB (Rhodes University)
- LL.M (University of Notre Dame, USA)
- HDip Tax (University of the Witwatersrand)
- AMP (Harvard)

**KEY STRENGTHS**


- extensive group-wide senior leadership experience, including wholesale and retail banking in South Africa and other African regions, and linking Africa to international markets
- leadership of strategy formulation and execution
- proven track record of enhancing organisational competitiveness and ensuring sustainability

**Appointments held within the group**

- Stanbic Africa Holdings Limited

**Other governing bodies and professional positions held**

- Institute of International Finance
- International Monetary Conference

Committee membership  7/7

**Arno Daehnke** <sup>56</sup>  
*Chief finance & value management officer, SBG, and executive director, SBG and SBSA*



 1 May 2016

**QUALIFICATIONS**


- BSc, MSc (University of Cape Town)
- PhD (Vienna University of Technology)
- MBA (Milpark Business School)
- AMP (Wharton)

**KEY STRENGTHS**










- detailed understanding of banking regulations
- financial management, budgeting and forecasting skills
- extensive balance sheet management experience, including capital and liquidity management at group and subsidiary level

**Appointments held within the group**

- Stanbic Africa Holdings Limited

Committee membership  7/7

**COMMITTEES**

-  DAC – Directors’ affairs committee
-  GAC – Group audit committee
-  GRMCM – Group risk and capital management committee
-  GITC – Group information technology committee
-  GSESC – Group social, ethics and sustainability committee
-  REMCO – Group remuneration committee
-  GMAC – Group model approval committee
-  LECC – Large exposure credit committee
-  Committee chairman




Appointed



Board meeting attendance

**Lwazi Bam**<sup>52</sup>  
Independent non-executive director,  
SBG and SBSA



1 November  
2022

**QUALIFICATIONS**

- CA(SA)
- BCom (Hons) (University of KwaZulu-Natal)
- BCompt (Unisa)
- AMP (Harvard)

**KEY STRENGTHS**

- executive leadership in large and complex entity
- extensive experience of leading a business globally and across sub-Saharan Africa
- deep strategic and financial skills

**External directorships**


- chairman of Zeda Limited
- Woolworths Limited
- Anglo American Platinum

**Other governing bodies and professional positions**

- Resource Mobilisation Fund
- Nelson Mandela Foundation

**Previous roles**

- CEO of Deloitte Africa
- president of the Association for the Advancement of Black Accountants in Southern Africa
- chairman of the South African Institute of Chartered Accountants
- chairman of the African Children's Feeding Scheme

Committee membership  7/7

**Paul Cook**<sup>43</sup>  
Independent non-executive director,  
SBG and SBSA



22 February  
2021

**QUALIFICATIONS**

- PhD in physics (California Institute of Technology)
- BSc (Hons) (University of Witwatersrand)

**KEY STRENGTHS**


- extensive knowledge and use of digital tools to reach customers, create disruptive brands, and improve the back-office operations
- venture capital investment, entrepreneurial support and incubation
- experienced in Pan-Africa macro- and micro-trends

**External directorships**

- managing director of Silvertree Brands
- CEO of Faithful to Nature

**Previous roles**

- managing director of Ringier Africa Deals Group

Committee membership  7/7

**Sola David-Borha**<sup>63</sup>  
Non-executive director,  
SBG and SBSA



13 March  
2024

**QUALIFICATIONS**

- B.Sc. (Hons) in economics (The University of Ibadan, Nigeria)
- MBA (University of Manchester, UK)
- AMP (Harvard Business School)
- Global CEO program (IESA Business School, Wharton and CEIBS)

**KEY STRENGTHS**

- extensive business and banking experience
- leadership in large and complex entity
- strong strategic, ethical and oversight skills

**External directorships**

- Coca-Cola Hellenic Bottling Company

**Appointments held within the group**


- Stanbic IBTC Holdings Plc

**Other governing bodies and professional positions held**










- Honorary Fellow, Chartered Institute of Bankers of Nigeria

**Previous roles**

- chairman of Stanbic IBTC Bank Plc
- CEO of Stanbic IBTC Bank Plc and Stanbic IBTC Holdings Plc
- CEO of Africa Regions, SBG

Committee membership  N/A

**COMMITTEES**

-  DAC – Directors' affairs committee
-  GAC – Group audit committee
-  GRMCM – Group risk and capital management committee
-  GITC – Group information technology committee
-  GSESC – Group social, ethics and sustainability committee
-  REMCO – Group remuneration committee
-  GMAC – Group model approval committee
-  LECC – Large exposure credit committee
-  Committee chairman



Appointed



Board meeting attendance

**Geraldine Fraser-Moleketi**<sup>63</sup>  
Independent non-executive director, SBG and SBSA



21 November 2016

**QUALIFICATIONS**

- DPhil honoris causa (North West University)
- DPhil honoris causa (Nelson Mandela University)
- MPA (University of Pretoria)
- Leadership Programme (Wharton)
- Fellow of the Institute of Politics (Harvard)

**KEY STRENGTHS**

- experience in multilateral organisations, national politics and governance
- strong strategic, ethical and oversight skills
- experience in human resources oversight

**External directorships**

- lead independent director of Exxaro Resources Limited
- chairman of Tiger Brands Limited

**Other governing bodies and professional positions held**


- chairman of UN economic and social council, committee of experts on public administration
- chancellor of Nelson Mandela University
- chairman of Thabo Mbeki Board of Trustees

**Previous roles**

- special envoy on gender at African Development Bank Côte d'Ivoire
- director of the UN development programme's global democratic governance group
- minister of Welfare and Population Development from 1996 to 1999, and minister of Public Service and Administration from 1999 to 2008
- ISID Advisory Board McGill University Canada

Committee membership  7/7

**Ben Kruger**<sup>64</sup>  
Independent non-executive director, SBG and SBSA



6 June 2022

**QUALIFICATIONS**

- BCom Acc (Hons) (University of Pretoria)
- CA(SA)
- AMP (Harvard)

**KEY STRENGTHS**

- investment banking finance and capital markets
- risk management
- leadership of complex multi-jurisdictional businesses

**External directorships**

- lead independent director of Aspen Pharmacare Holdings Limited
- JSE Limited
- executive chairman of Ruby Rock Investments Proprietary Limited

**Other governing bodies and professional roles**


- deputy chairman and member of the council of University of Pretoria

**Previous roles**

- executive director of SBG
- joint group CEO of SBG
- deputy group CEO of SBG

Committee membership  7/7

**Li Li**<sup>46</sup>  
Non-executive director, SBG and SBSA



11 November 2021

**QUALIFICATIONS**

- Master's degree in economics (University of International Business and Economics)
- Bachelors degree in economics (Zhengzhou University)

**KEY STRENGTHS**

- senior management experience in ICBC overseas branch
- enterprise risk management
- over ten years' experience in compliance and AML

**Appointments held within the group**


- ICBC Standard Bank Plc

**Other governing bodies and professional positions held**

- chief representative officer of ICBC African representative office

**Previous roles**

- deputy general manager of ICBC Zurich Branch
- deputy head of the preparatory team for ICBC Zurich Branch

Committee membership as alternate to Xueqing Guan.  6/7

**COMMITTEES**

- DAC – Directors' affairs committee
- GAC – Group audit committee
- GRCMC – Group risk and capital management committee
- GITC – Group information technology committee
- GSESC – Group social, ethics and sustainability committee
- REMCO – Group remuneration committee
- GMAC – Group model approval committee
- LECC – Large exposure credit committee
- Committee chairman




Appointed



Board meeting attendance

**Nomgando Matyumza** <sup>61</sup>  
*Independent non-executive director, SBG and SBSA*



21 November 2016

**QUALIFICATIONS**

- BCompt (Hons) (University of Transkei)
- LLB (University of Natal)
- CA(SA)

**KEY STRENGTHS**

- strong financial and executive management skills
- experience in strategy development and execution
- seasoned non-executive director in several sectors

**External directorships**

- Sasol Limited
- Clicks Group Limited

**Previous roles**

- deputy CEO of Transnet Pipelines
- non-executive director on the boards of Cadiz, Transnet SOC, Ithala Development Finance Corporation, WBHO and Hulamin
- Volkswagen South Africa Limited

Committee membership 7/7

**Martin Oduor-Otieno** <sup>67</sup>  
*Independent non-executive director, SBG and SBSA*



1 January 2016

**QUALIFICATIONS**

- BCom (University of Nairobi)
- CPA (Kenya)
- Executive MBA (ESAMI/Maastricht Business School)
- Honorary Doctor of Business Leadership (KCA University)
- AMP (Harvard)
- Fellow at the Institute of Bankers (Kenya)

**KEY STRENGTHS**

- extensive banking experience of over 18 years
- strategy development and execution skills
- strong leadership and governance experience

**External directorships**

- British American Tobacco Kenya Limited
- chairman of East African Breweries Limited

**Previous roles**

- CEO of the Kenya Commercial Bank Group
- partner at Deloitte East Africa
- non-executive director Kenya Airways and GA Life Insurance Company

Committee membership 7/7

**Atedo Peterside** <sup>CON 68</sup>  
*Non-executive director, SBG and SBSA*



22 August 2014

**QUALIFICATIONS**

- BSc (economics) (The City University, London)
- MSc (economics) (London School of Economics and Political Science)
- Owner/President Management Programme (Harvard)

**KEY STRENGTHS**

- strong business and banking experience as the founder and former CEO of the Investment Bank and Trust Company Limited (IBTC)
- seasoned investment banker and trained economist

**External directorships**

- chairman of Anap Holdings Limited
- chairman of Anap Business Jets Limited

**Previous roles**

- founder and CEO of the then IBTC
- chairman of Stanbic IBTC Bank Plc and Cadbury Nigeria Plc
- non-executive director of Flour Mills of Nigeria Plc, Unilever Nigeria Plc and Nigerian Breweries Plc

Committee membership 7/7

**COMMITTEES**

- DAC – Directors’ affairs committee
- GAC – Group audit committee
- GRMCM – Group risk and capital management committee
- GITC – Group information technology committee
- GSESC – Group social, ethics and sustainability committee
- REMCO – Group remuneration committee
- GMAC – Group model approval committee
- LECC – Large exposure credit committee
- Committee chairman



# VALUE CREATION THROUGH GOOD CORPORATE GOVERNANCE PRINCIPLES

The board continues to ensure that it maintains its commitment to high standards of corporate governance through transparency, good performance, effective controls, integrity and a sound, ethical culture across the group.

## The King IV Code on Corporate Governance (King IV) forms the cornerstone of our corporate governance principles and practices

The governance objectives set out by the board are aligned with the principles of King IV. This report demonstrates how the board applied the King IV principles to set and steer the strategic direction of the group, approved the necessary policies and plans in support of the group’s strategy, and ensured oversight and monitoring of the group’s performance through appropriate accountability.

PRINCIPLES OF KING IV

<div style="display: flex; align-items: center;"> <div style="text-align: center;"> <p style="margin: 0;"><b>LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP</b></p> <p style="font-size: 20px; margin: 0;">✓</p> </div> </div>	<ul style="list-style-type: none"> <li style="margin-bottom: 5px;"><b>1</b> leadership  page 13</li> <li style="margin-bottom: 5px;"><b>2</b> organisational ethics  page 13</li> <li style="margin-bottom: 5px;"><b>3</b> responsible corporate citizenship  page 15</li> </ul>
<div style="display: flex; align-items: center;"> <div style="text-align: center;"> <p style="margin: 0;"><b>STRATEGY, PERFORMANCE AND REPORTING</b></p> <p style="font-size: 20px; margin: 0;">✓</p> </div> </div>	<ul style="list-style-type: none"> <li style="margin-bottom: 5px;"><b>4</b> strategy and performance  page 16</li> <li style="margin-bottom: 5px;"><b>5</b> reporting  page 18</li> </ul>
<div style="display: flex; align-items: center;"> <div style="text-align: center;"> <p style="margin: 0;"><b>GOVERNING STRUCTURES AND DELEGATION OF AUTHORITY</b></p> <p style="font-size: 20px; margin: 0;">✓</p> </div> </div>	<ul style="list-style-type: none"> <li style="margin-bottom: 5px;"><b>6</b> role and responsibilities of the board  page 19</li> <li style="margin-bottom: 5px;"><b>7</b> composition of the board  page 19</li> <li style="margin-bottom: 5px;"><b>8</b> committees of the board  page 24</li> <li style="margin-bottom: 5px;"><b>9</b> evaluation and performance of the board  page 42</li> <li style="margin-bottom: 5px;"><b>10</b> appointment and delegation to management  page 43</li> </ul>
<div style="display: flex; align-items: center;"> <div style="text-align: center;"> <p style="margin: 0;"><b>GOVERNANCE OF FUNCTIONAL AREAS</b></p> <p style="font-size: 20px; margin: 0;">✓</p> </div> </div>	<ul style="list-style-type: none"> <li style="margin-bottom: 5px;"><b>11</b> risk governance  page 45</li> <li style="margin-bottom: 5px;"><b>12</b> information and technology  page 45</li> <li style="margin-bottom: 5px;"><b>13</b> compliance governance  page 45</li> <li style="margin-bottom: 5px;"><b>14</b> remuneration governance  page 46</li> <li style="margin-bottom: 5px;"><b>15</b> assurance  page 46</li> </ul>
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This is established through the following mechanisms:

Internal controls

**Adherence** to frameworks, standards, mandates and policies, and the group's Memorandum of Incorporation (MOI), which cover all aspects of the organisation's activities.

External regulations

**Compliance** with applicable regulatory requirements, including those set out in the South African Banks Act and Companies Act, Basel Corporate Governance Principles for Banks, JSE Listings Requirements and King IV.

Applied

Partially applied

Not applied

STANDARD BANK GROUP GOVERNANCE REPORT 12



## LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP

### PRINCIPLE 1

#### Leadership

The board leads the group ethically and effectively.

The board is responsible for ensuring that its conduct and that of management is aligned with the group's values and its code of ethics and conduct and that the values and code inform decision-making across the group. In executing their duties, board members are transparent and act with integrity and fairness. Accountability is entrenched in the decision-making processes at both individual and collective level.

As demonstrated in the skills of the board reflected on [pages 20 and 21](#) of the report, board members have the required skills to discharge their duties and to provide strategic oversight of the group in accordance with the board mandate and the group's MOI.

Board performance is evaluated annually to ensure board members are being held to account for ethical and effective leadership. Details of the 2023 effectiveness review can be found on [page 42](#).

### PRINCIPLE 2

#### Organisational ethics

The board governs the ethics of the group in a way that supports the establishment of an ethical culture.

#### Entrenching ethics

The board and executive management set the tone from the top to instil an ethical culture by treating customers fairly, achieving positive client outcomes, acting in an ethical and sound manner and doing the right business in the right way. The group's overarching governance structures are robust and ensure that the board has effective oversight over the conduct and culture of the group.

The GSESC is responsible for overseeing the group's adherence to our values, code of ethics and conduct, as well as fulfilling our commitments under the UN Principles for Responsible Banking.

It is responsible for guiding and monitoring progress against the group's positive impact value driver and transformation initiatives, and governs and oversees group activities relating to conduct, ethical standards and stakeholder engagement. It ensures that material stakeholder issues receive appropriate attention from the board and management.

The committee's monitoring process includes the review of periodic conduct reports outlining matters of significance at a group, country, business unit and corporate function level. The GAC monitors the implementation of the remedial actions listed in the internal audit reports to ensure compliance with regulatory and legislative requirements.





## Code of ethics and conduct

Our approach to ethics is based on three pillars, linked to our purpose and values.



All group standards, policies and procedures are aligned to the group's code of ethics and conduct, are adhered to and comply with all the legal obligations of the jurisdictions in which the group operates. The subsidiary governance framework and associated policies establish a common standard of corporate governance and conduct across the group. Mechanisms are in place for employees and other stakeholders to seek advice or report concerns about unethical or unlawful behaviour on a confidential basis. Information on the whistleblowing policy and processes is regularly communicated to employees and is publicly available to external stakeholders on the [group's website](#) and in our annual [sustainability disclosures report](#).

[For more information on how to report unethical behaviour: https://www.standardbank.com/sbg/standard-bank-group/regulatory/how-to-report-unethical-behaviour](https://www.standardbank.com/sbg/standard-bank-group/regulatory/how-to-report-unethical-behaviour)

### Dealings in securities

The groupwide personal account trading policy, as well as the directors' and prescribed officers' dealing in group securities policy, prohibit directors and employees from trading in securities during closed periods, as well as during self-imposed embargo periods. Embargo and closed periods are in effect from 1 June until the publication of the interim results and from 1 December until the publication of year-end

results. Closed periods also include any period where the group is trading under a cautionary announcement. In addition, certain nominated employees are prohibited from trading in designated securities due to the price-sensitive information they may obtain in their positions. Compliance with policies is monitored on an ongoing basis and any breaches are dealt with according to the provisions of

the applicable policy and the JSE Listings Requirements. All directors and prescribed officers' dealings require prior approval from the chairman, and the group secretary retains a record of all director's dealings and approvals. During the reporting period, the group complied with the JSE's listings (equity and debt listings) and disclosure requirements.





**PRINCIPLE 3** ✓

## Responsible corporate citizenship

The board ensures that the group is and is seen to be a responsible corporate citizen.

Our strategy, purpose and conduct align with the principles of being a good corporate citizen. In agreeing the group’s strategy, the board considers the social, economic and natural environments in which the group operates. It considers a full range of issues that influence the sustainability of the group’s business, and which create value over the long term.

### Being a responsible corporate citizen

The board oversees and monitors how the consequences of the group’s activities and outputs affect the group’s legitimacy and status as a responsible corporate citizen. This oversight and monitoring are performed against the group’s strategic value drivers, including the overall impact on the group’s sustainability priorities.

### Environmental, social and governance


The group is committed to driving sustainable and inclusive economic development across Africa. As Africa’s largest banking group by assets, the board recognises the impact of the group’s business activities on the societies, economies and environments in which it operates. The group has embedded considerations on ethics and conduct, people and culture, and environmental and social risk management into its corporate strategy and day-to-day decision-making. It consistently works to optimise the positive impact and mitigate negative impact arising from our business decisions and activities.

The board has mandated the GSESC with oversight over social and sustainability matters. It considers and monitors the environmental impact of the group’s activities, including climate change, and approves the group’s environmental and sustainability initiatives, including any frameworks and policies, and oversees implementation thereof. It also oversees the integrity of relevant external

 [sustainability reports](#).

### Risk oversight of climate-related financial risk

The board has delegated oversight of risk management, including climate-related financial risk and climate risk associated with our own operations to the GRMC. Climate risk is governed as a component of environmental and social risk under the ESG risk governance framework and embedded within our enterprise-wide risk management system, and specifically our environmental and social management system (ESMS). This aims to ensure that executive management has an integrated view of our ESG risks, thereby enabling effective risk management. The framework explicitly incorporates climate-related risk and provides processes and accountability for climate-related risk identification, classification, analysis, monitoring and reporting.

 Read more on the group’s [climate policy](#) which details the group’s commitment to achieving net zero carbon emissions from its operations and financing activities in the climate-related financial disclosures.

### Relevance

As a financial services organisation, the ability to innovate is critical to remaining relevant to customers. The board is committed to ensuring the group remains agile to meet the changing needs of customers and other stakeholders. The board continues to provide oversight over management’s acceleration plans towards offering a wider range of digital services, to becoming a client-centric services business and becoming a truly digital financial services group.

### Political party contribution

The group does not fund political parties outside of South Africa. In South Africa, it provides funding for political parties under our democracy support programme (DSP). This board-approved funding policy is reviewed every five years. Since 2022, donations have been made directly to the Independent Electoral Commission (IEC), in line with arrangements provided for in the Political Party Act 6 of 2018. These guidelines are in place to guard against the risk that such contributions be used inappropriately, by the bank, its employees or third parties to obtain business advantage. Political parties receive no other financial support from the bank.

 For more information regarding the funding of political parties, research institutions and NGOs refer to the [report to society](#).



## STRATEGY, PERFORMANCE AND REPORTING

### PRINCIPLE 4

#### Strategy and performance

The board appreciates that the group's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.

The actions of the group are purpose driven and in line with board-approved strategic priorities. The board appreciates the interconnectedness between the group's strategic priorities, purpose, values and legitimacy, the risks and opportunities it navigates and its architecture and performance.

The group's strategic priorities are consistent with integrated thinking and link the strategic value drivers to ensure overall good performance resulting in shared societal value.

#### There are multiple ways the board engages with the group's strategy throughout the year.

The board periodically reviews business performance updates to evaluate performance against business objectives and receives regular feedback on the group's operational performance across Africa Regions and Standard Bank Offshore. The company's prescribed officers attend board meetings and are available to answer any questions relating to the group's performance at a business unit level.

Topics discussed at the 2023 strategy summit included an overview of geopolitical and economic scenarios, the group's operating environment, and trends shaping the future of financial services. This provided context for a review of business unit strategies and an overview of key initiatives to ensure sustainable growth and value, including the group's perspectives on culture, technology and sustainability.

The board reviewed the group's executive succession and talent management plan at the People Day in November 2023.

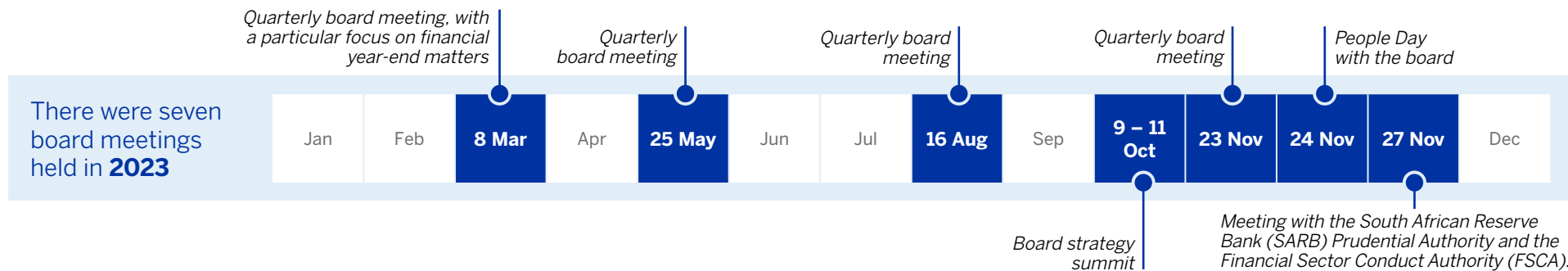
#### Board meetings

1. The group secretary prepares the agendas and includes routine items in line with the group's annual planning cycle.
2. The chairman consults with the group CEO (assisted by the group secretary) taking into account emerging issues affecting the group.
3. Care is taken to ensure that the board has enough time to consider matters critical to the group's success, including compliance and governance matters and that papers are circulated in advance of meetings.
4. At each board meeting, non-executive directors meet without the executive directors in closed sessions led by the chairman. These sessions provide non-executive directors with an opportunity to test thoughts among peers and to raise any matters not deemed appropriate for discussion in the presence of the executives. Feedback, as appropriate, is provided to the group CEO on closed session discussions.

Read more about the group's approach to value creation in the [AIR](#).

#### Board meetings

During 2023, the board continued to adopt an interactive in-person model of engagement, while allowing for virtual attendance where necessary.





# Key matters considered by the board during the year

<p>CLIENT FOCUS</p> 	<ul style="list-style-type: none"> <li>The board continued to focus on the group's current, short, medium and long-term strategic progress and considered progress made by business units on their strategic and digitisation journeys.</li> </ul>	<ul style="list-style-type: none"> <li>Through GAC, the board reviewed periodic management updates on the group's client onboarding processes, with focus on the effectiveness of Know Your Client (KYC) and Anti-Money Laundering and Combating Terrorist Financing (AML/CFT) controls.</li> </ul>	<ul style="list-style-type: none"> <li>Through GSESC, the board reviewed the group's complaints management programme and management's commitment to addressing issues raised by clients.</li> </ul>
<p>EMPLOYEE ENGAGEMENT</p> 	<ul style="list-style-type: none"> <li>Through GSESC                             <ul style="list-style-type: none"> <li>the board received updates and reviewed the group's progress against transformation, diversity and inclusion targets.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>considered the results from the annual 'Are you a Fan?' employee engagement survey.</li> </ul>	<ul style="list-style-type: none"> <li>The board reviewed executive succession and talent management planning as part of an annual People Day with executive management.</li> </ul>
<p>RISK AND CONDUCT</p> 	<ul style="list-style-type: none"> <li>The board received feedback from the chairmen of GRMC, GMAC, GAC, DAC, GSESC, Remco and GITC on key matters discussed at board committee meetings.</li> <li>The board reviewed the quarterly risk management report and through GRMC                             <ul style="list-style-type: none"> <li>considered the impact of the ongoing geopolitical tension on the group's risk profile</li> <li>reviewed and confirmed the appropriateness and adequacy of credit metrics and ensured</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>they remained within approved risk appetite limits</li> <li>reviewed and discussed the group's sovereign risk exposures</li> <li>received updates on key risk and control matters across the group's operations.</li> <li>The board reviewed and approved material outsourcing arrangements in accordance with SARB regulatory requirements.</li> <li>Through GAC, the board considered key matters highlighted in internal audit reports and</li> </ul>	<ul style="list-style-type: none"> <li>management's remedial actions to continuously strengthen the control environment.</li> <li>Through GSESC, the board                             <ul style="list-style-type: none"> <li>considered social, ethical and conduct matters of board-level significance and noted the positive impact of Conduct programmes across the group</li> <li>considered group reputational matters and group's account on engagements with stakeholders, including shareholders, employees, regulators and clients.</li> </ul> </li> </ul>
<p>OPERATIONAL EXCELLENCE</p> 	<ul style="list-style-type: none"> <li>The board considered the group's approach to organisational resilience as it pertained to systems, processes and controls.</li> <li>The board reviewed the quarterly group technology report, and through GITC</li> </ul>	<ul style="list-style-type: none"> <li>received updates on the group's key technology priorities</li> <li>noted that the group's focus continued to shift towards emerging technologies and further refinement of digitisation strategies across all business units</li> </ul>	<ul style="list-style-type: none"> <li>continued to monitor the group's focus on system stability across the organisation.</li> <li>Reviewed the group delegation of authority framework.</li> </ul>
<p>FINANCIAL OUTCOME</p> 	<ul style="list-style-type: none"> <li>The board                             <ul style="list-style-type: none"> <li>approved the 2023 financial plan, targets and metrics</li> <li>reviewed and approved the group's annual financial statements and interim results</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>approved the declaration of interim and final preference and ordinary dividends</li> <li>considered the adequacy of financial provisions in the annual financial statements</li> </ul>	<ul style="list-style-type: none"> <li>considered the adequacy of the group's capital and liquidity balances, its ability to continue as a going concern as well as solvency and liquidity for interim and financial year end.</li> </ul>
<p>POSITIVE IMPACT</p> 	<ul style="list-style-type: none"> <li>Through GSESC, the board                             <ul style="list-style-type: none"> <li>reviewed and discussed ESG and sustainability matters, with emphasis on climate-related matters and social elements</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>reviewed the group's progress in relation to climate policy and climate risk management; and reported on this topic to the SARB Prudential Authority as part of the annual meeting with the regulator.</li> </ul>	
<p>SPECIFIC GOVERNANCE MATTERS CONSIDERED BY THE BOARD AND ITS COMMITTEES</p> 	<ul style="list-style-type: none"> <li>Through DAC, the board                             <ul style="list-style-type: none"> <li>reviewed its priorities and oversight responsibilities for the group, as the holding company of a financial conglomerate</li> <li>reviewed and discussed the approach adopted to create a universal and consistent model for board-to-board interaction between the group and its subsidiaries</li> <li>considered the board succession plan with reference to core skills required for a high-performing board</li> <li>approved updates to the executive management and subsidiary board nomination and appointment policy, the promotion of</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>gender and race diversity policy, and the management of conflicts of interest policy</li> <li>considered and approved the composition of the board and its committees</li> <li>approved the appointment of directors to board committees and subsidiary boards</li> <li>reviewed quarterly progress updates on the implementation of actions arising from the 2022 external board effectiveness review, noting that all key matters had been substantially addressed by the end of 2023</li> <li>monitored the adoption of the group's subsidiary governance framework by group subsidiaries.</li> </ul>	<ul style="list-style-type: none"> <li>The board approved the 2023 corporate governance, risk and capital management process in line with regulation 39 of the Banks Act.</li> <li>The board engaged with the Prudential Authority as part of its regulatory oversight programme. This included engagements with the chairman in September, the CEO in November and the board in November to discuss regulatory focus areas and strategic priorities for the group.</li> <li>The board considered the group's compliance with the Prudential Standards for Financial Conglomerates, as published by the Prudential Authority under relevant sections of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) which came into effect on 1 January 2022.</li> </ul>

## Looking forward

The following key themes are among those that will receive continued and heightened focus in 2024:

- biodiversity and nature risk
- social risks
- emerging technologies and AI.

## Access to and flow of information

Directors have unrestricted access to executive management and company information, as well as the resources required to carry out their duties and responsibilities. To give effect to this authority, any member of the board has the right to consult the group secretary, the group chief executive officer and/or the chairman to request that specific matters be included on the board agenda for discussion. Furthermore, management members may be invited to address the board or a board committee, as appropriate. Access to external specialist advice is available to directors at the group's expense in line with the board-approved policy for obtaining independent professional advice by directors.

A secure electronic software system is used to access board papers and materials. Board packs are routinely circulated to board members approximately one week prior to meetings to provide adequate time for the board members to apply their minds to the content. A resource centre containing comprehensive reference materials, including information about the latest issues affecting the group, is also made available to board members via this system.


## Conflicts of interest

The board is committed to acting in the best interest of the group, in good faith and without undue personal conflicts of interest. Board members owe their fiduciary duties to the group and all board decisions are consistently based on ethical foundations in line with the group's values.

In line with King IV, at the beginning of each board meeting, all board members are required to declare any conflicts of interest in respect of matters on the agenda. Any such conflicts are proactively managed as determined by the board and subject to legal provisions. Where conflicts have been identified, directors recuse themselves from the meeting when the board considers any matters in which they may be conflicted. The group secretary maintains a register of directors' interests, which is tabled at each board and committee meeting and any changes are submitted to the board as they occur.

The board is aware of directors' outside commitments and how these can affect their ability to perform their duties. When making new board appointments, the board takes into account other demands on directors' time. Prior to their appointment, directors disclose their commitments with an indication of the time involved. No additional external appointments on listed entities are undertaken without prior approval from the chairman of the board. The maximum number of board appointments for non-executive directors is limited to four directorships on listed entities. Cross-directorships in entities not related to the group is limited to a maximum number of two directors per entity.

In the current year, the board was satisfied that directors allocated sufficient time to enable them to discharge their responsibilities effectively.



 In line with the JSE Debt Listings Requirements, the board's management of conflict of interest policy is available online: [https://www.standardbank.com/static\\_file/StandardBankGroup/filedownloads/CorporateGovernance/BoardManagementofConflictsofInterestPolicy.pdf](https://www.standardbank.com/static_file/StandardBankGroup/filedownloads/CorporateGovernance/BoardManagementofConflictsofInterestPolicy.pdf).

## PRINCIPLE 5

### Reporting

The board ensures that reports issued by the group enable stakeholders to make informed assessments of the group's performance, and its short, medium and long-term prospects.

The board acknowledges its responsibility over the integrity of external reports issued and takes into account statutory and regulatory requirements and best practice when reviewing them.

The group produces a full suite of reporting publications that caters for the diverse needs of stakeholders. Details of our reporting suite can be found on the  **front pages** of this report. All our reports are available on the  **group website**.





## GOVERNING STRUCTURES AND DELEGATION OF AUTHORITY

### PRINCIPLE 6

#### Role and responsibilities of the board

The board serves as the focal point and custodian of corporate governance in the group.

The board has overall responsibility for governance across the group and retains effective control through its governance framework which includes its corporate governance structure, board-approved board and board committee mandates, the subsidiary governance framework and other applicable standards, frameworks and policies. Through this governance framework, the board oversees the group's strategic direction, financial goals, resource allocation and risk appetite, and holds executive management accountable for execution. The board also ensures that executive management sets the tone for good governance, based on the group's values and code of ethics and conduct, and that these are integrated in a way that supports the group operations at all levels.

### PRINCIPLE 7

#### Composition of the board

The board comprises the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.

The collective experience of board members provides a balanced mix of attributes of skills, demographics, gender, nationalities, tenure and geographical context to enable the board to fulfil its governance role and responsibilities objectively and effectively.

In line with the group's corporate governance arrangements, the board, assisted by the DAC, regularly reviews its composition to maintain its overall effectiveness and maximise the benefit of its skillset and directors' experience, tenure, independence and diversity. The size of the board is considered to be appropriate, with due consideration to ongoing succession planning for retirements and associated replacement of skills on the board.

#### Changes to the board and committees in 2023

- **Kgomotso Moroka** and **John Vice** retired from the board at the group's AGM in 2023.
- **Geraldine Fraser-Moleketi** was appointed as chairman of GSESC with effect from 1 January 2023.
- **Ben Kruger** was appointed as chairman of GRCCM and LECC with effect from 1 January 2023.
- **Lwazi Bam** was appointed as a member of GRCCM, GAC, GSESC and LECC with effect from 8 March 2023.
- **Paul Cook** succeeded John Vice as chairman of the GITC at the close of SBG's AGM on 12 June 2023.
- As at 24 August 2023, **Atedo Peterside** had served on the board for nine years and was therefore reclassified as non-independent. He did not offer himself for re-election on to GAC at the 2023 AGM and stepped down from the committee with immediate effect.
- **Sola David-Borha** was appointed as non-executive director of the group with effect from 13 March 2024.



### Skills of the board

We set out below the number of directors who are considered as highly skilled and experienced in each area.



#### Doing business in sub-Saharan Africa and International markets



**EXPERIENCE**

Experience in diverse geographic, political and regulatory environments in sub-Saharan African markets and international financial markets, meeting client needs in these jurisdictions.

**VALUE PROVIDED BY THESE SKILLS**

These skills enable the board to effectively oversee the group as it operates and serves its customers across its footprint.



#### Risk and capital management and controls



**EXPERIENCE**

Skills and experience in assessment and management of financial and non-financial risks and capital management.

**VALUE PROVIDED BY THESE SKILLS**

These skills enable the board to effectively oversee risk and capital management and understand the most significant risks facing the group.



#### Banking and other financial services



**EXPERIENCE**

Experience in banking including investment banking, retail banking, global financial markets or consumer products; and/or experience in other financial services, including insurance and asset management.

**VALUE PROVIDED BY THESE SKILLS**

These skills enable the board to evaluate the group's business model, strategies and the industries in which it competes.



#### Client and stakeholder management



**EXPERIENCE**

Experience in monitoring and improving client and stakeholder relationships.

**VALUE PROVIDED BY THESE SKILLS**

These skills enable the board to effectively manage relationships with clients and stakeholders to effectively resolve issues facing the organisation.



#### Accounting and auditing




**EXPERIENCE**

Knowledge of, or experience in accounting, financial reporting and auditing processes and standards.

**VALUE PROVIDED BY THESE SKILLS**

These skills enable the board to effectively oversee the group's financial position and condition and the accurate reporting thereof, and to assess the group's strategic objectives from a financial perspective.

\* Does not include the skills of Sola David-Borha as the assessment was completed prior to the date of appointment.





### Technology and cybersecurity

8/14

**EXPERIENCE**  
Experience in, or oversight of innovative technology, cybersecurity, information systems, fintech, data and privacy management.

**VALUE PROVIDED BY THESE SKILLS**  
These skills enable the board to oversee the security of the group's operations, assets and systems as well as the group's ongoing investment in and development of innovative technology and digitisation.



### People development, diversity and inclusion, and remuneration

12/14

**EXPERIENCE**  
Experience in senior executive development, succession planning, diversity, inclusion and executive remuneration.

**VALUE PROVIDED BY THESE SKILLS**  
These skills help the board to effectively oversee the group's efforts to recruit, retain and develop key talent and provide valuable insight in determining compensation including that of executive officers.



### Regulation, public policy and macroeconomic policy

11/14

**EXPERIENCE**  
Understanding of and experience in regulated businesses, regulatory requirements, including conduct and culture, and relationships with global regulators.

**VALUE PROVIDED BY THESE SKILLS**  
These skills enable the board to assess and oversee the group's compliance with applicable regulations and ensure appropriate conduct.



### Leadership of a large complex organisation

12/14

**EXPERIENCE**  
Senior executive experience in managing business operations and strategic planning.

**VALUE PROVIDED BY THESE SKILLS**  
These skills allow board members to effectively oversee the group's complex operations.




### Public company governance

11/14

**EXPERIENCE**  
Knowledge of public company governance matters, policies and best practices.

**VALUE PROVIDED BY THESE SKILLS**  
These skills assist the board in shaping group policies, considering and adopting applicable corporate governance practices, regulations, interacting with key stakeholders, and understanding the impact of various policies on the group's functions.



### Environmental and social

8/14

**EXPERIENCE**  
Knowledge and experience in how the group's activities affect the environment (including the impact on climate change) and society (including consumers and communities).

**VALUE PROVIDED BY THESE SKILLS**  
These skills enable the board to oversee and monitor on an ongoing basis its status as a responsible corporate citizen.



## Ongoing director education

Ongoing director education contributes to the board's awareness of relevant trends and development of skills to offer relevant counsel and provide effective oversight as the group delivers against its strategic objectives. In addition, directors are kept abreast of applicable laws and regulations, changes to legislation, standards and codes, as well as relevant financial sector developments that could affect the group and its operations. Ongoing director education dates are scheduled in advance and form part of the board's annual calendar.

In 2023, the board attended a presentation by a renowned platform business expert and thought leader. The engagement provided the board with insight into platform frameworks, how they could be applied, and a view on the latest platform business trends that would impact the organisation in the near future.

The board visited the group's offsite Samrand data centre in Johannesburg, which is widely recognised as the most prestigious private data centre in Africa. This provided the board with insight into the group's data security, resilience and capacity.

As part of the 2023 strategy summit hosted in Nairobi, the board visited fifteen clients across various sectors in Corporate & Investment Banking (CIB), Business & Commercial Banking (BCB) and Personal & Private Banking (PPB) to gain insights into the East African markets. This included, among others, clients in agriculture, real estate and development, medicine, logistics and private banking sectors.

Other topics covered in the board education sessions included updates on climate risk and organisational resilience.

## Board appointment process and induction

The board's appointment process is formal and transparent, in line with the board nomination and appointment policy. When considering candidates for nomination, the board considers its skills matrix, the group's strategy, feedback from board evaluations, and the gender and race diversity policy. A background search is conducted on the potential candidate and their skills, experience, availability, possible conflicts of interest and likely fit. Demonstrated integrity, proven leadership and other time commitments are also considered. In accordance with the Companies Act and the group's MOI, a director appointed by the board holds office until the first annual general meeting after their appointment, when their appointment is presented to shareholders for approval.

Board appointment process:

- Taking into consideration the requirements in the group's fit and proper policy, the DAC recommends a candidate to the board.
- The board approves the candidate's nomination and the commencement of the regulatory process.
- The regulator conducts a fit-and-proper assessment and provides a statement of no objection.
- The board approves the candidate as a director.
- The director retires at the next AGM and is re-elected by shareholders.

Newly-appointed directors are given access to the group governance reference manual containing relevant governance information, including the company's founding documents, mandates, governance structures, significant reports, applicable legislation and policies. One-on-one meetings and site visits are scheduled with management and the group secretary to introduce new directors to the group and its operations. The remainder of the induction programme is tailored to each new director's specific requirements.

## Board succession

The DAC ensures board continuity plans are in place for orderly succession to both board and senior executives and oversees the development of a diverse pipeline for succession.



More information about the work of the DAC on succession planning can be found on [page 26](#).

## Rotation of directors

The group's MOI provides that at every AGM of the company, one-third of non-executive directors are required to retire from office. The non-executive directors to retire shall be those who have been in office the longest, as calculated from the last re-election or appointment date and, if eligible, may stand for re-election. In addition, if at the date of the AGM, any non-executive director shall have held office for a period of three years since their appointment or re-election, they shall retire as one of the directors referred to above or in addition thereto. At the upcoming 2024 AGM, Paul Cook, Xueqing Guan, Martin Oduor-Otieno, and Sola David-Borha will retire and being eligible, avail themselves for re-election. Atedo Peterside will retire from the board at the conclusion of the group's AGM in 2024.



## Independence assessment

Annually, the board deliberates and approves the categorisation of directors as independent using the criteria set out in the King Code and SARB Prudential Authority Directive 4 of 2018 (the directive) objective and baseline test which set out circumstances that deem a director as not being independent.

When assessing independence of directors, the review process includes a self-assessment by each director as well as consideration of each director's circumstances by the board. Consideration is also given to whether directors' interests, position, association or relatives, are likely to unduly influence or cause bias in decision-making when judged from the perspective of a reasonable and informed third-party.

Provision 8.1.2.8 of the directive deems non-executive directors who have served on the board for a period of nine years or more as not independent. In 2019, the group applied for and was granted exemption by the SARB Prudential Authority from the effects of this provision until May 2023 for directors who had served on the board for longer than nine years. The exemption was subject to the annual external independent assessment and pertained specifically to non-executive directors who served as board and board committee chairmen.

Accordingly, Ben Kruger succeeded Myles Ruck as independent non-executive chairman of the GRMC and LECC with effect from 1 January 2023. Similarly, Geraldine Fraser-Moleketi succeeded Kgomotso Moroka as independent, non-executive chairman of GSEC with effect from 1 January 2023.

Provision 8.1.2.2 of the directive deems non-executive directors who have, within the last three years, been a member of the banking group as not independent.

In accordance with the directive, as it pertains to Atedo Peterside and Sola David-Borha and the King IV Code as it pertains to ICBC's nominated directors, Xueqing Guan and Li Li, these non-executive directors were not classified as independent for the period under review.

## Separation of roles and responsibilities

The role of chairman is separate from that of the group CEO. There is a clear division of responsibilities. In addition, care is taken to ensure that no single director has unfettered powers in the decision-making process.

### Chairman

- Sets the ethical tone for the board and group
- Leads the board and ensures its effective functioning
- Sets the board's annual work plan and agendas, in consultation with the group secretary, the group CEO and other directors
- Builds and maintains stakeholder trust and confidence
- Conveys feedback in a balanced and accurate manner between the board and the group CEO
- Monitors the effectiveness of the board and assesses individual performance of directors
- Convenes the chairmen roundtable sessions with chairmen of the group's subsidiary entities to ensure alignment.

### Lead independent director

- Further strengthens the independence of the board
- Acts as an intermediary between the chairman and other members of the board when necessary
- Maintains an additional channel to deal with shareholders' concerns where contact through the normal channels has failed to resolve concerns, or where such contact is inappropriate
- Chairs discussions by the board on matters where the chairman may have a conflict of interest.

### Group CEO

- Develops the group's strategy and long-term plans for consideration and approval by the board
- Establishes an organisational structure for the group which is appropriate for the execution of strategy
- Appoints and ensures proper succession planning of the executive team and assesses their performance
- Reports to the board on the performance of the group in line with approved risk appetite and its compliance with applicable laws and corporate governance principles
- Sets the tone for ethical leadership, creating an ethical environment and ensures a culture that is based on the group's values
- Is the face of the company and engages with shareholders and other material stakeholders including clients, regulators and employees on an ongoing basis.



**PRINCIPLE 8** ✓

**Committees of the board**

The board ensures that its arrangements for delegation within its own structures promote independent judgement and assists with the balance of power and the effective discharge of duties.

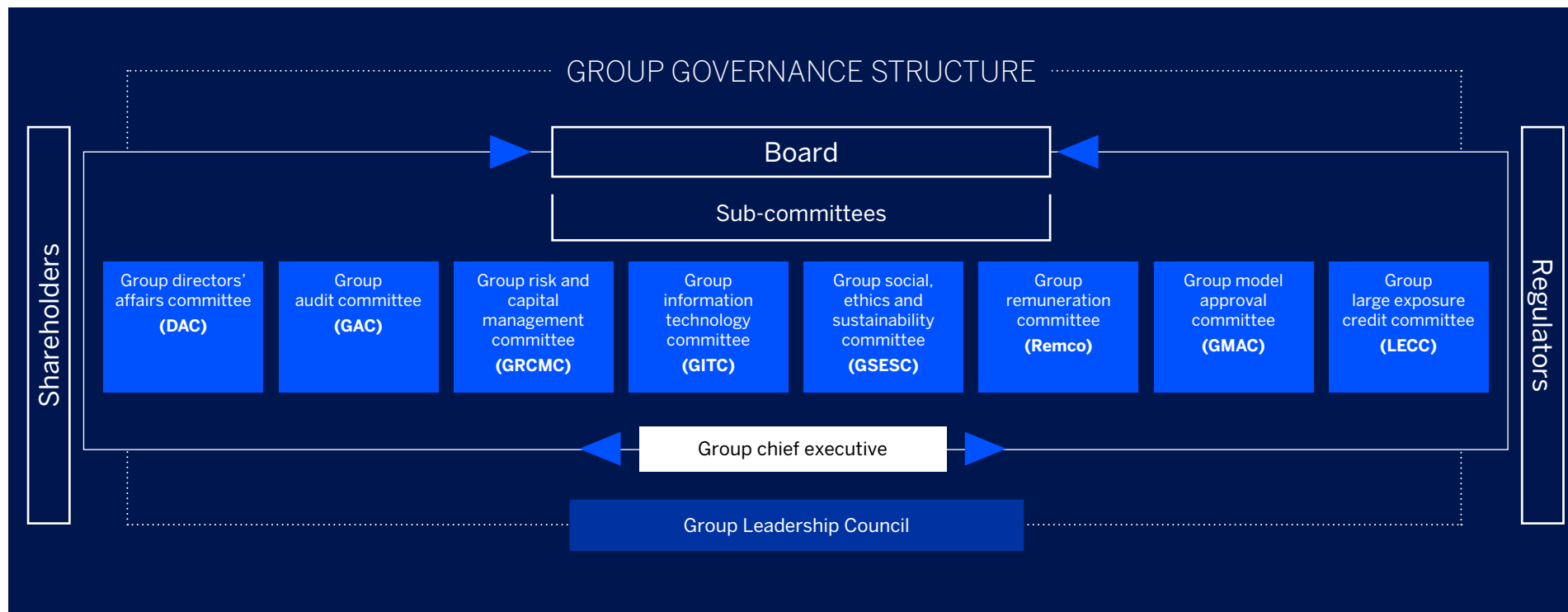
The board's governance structures ensure effective board oversight. The board has delegated certain functions to its committees in line with the corporate governance framework and relevant legislation. Each committee has a board-approved mandate. In determining the composition of committees, the board considers the skills and experience of its members, applicable regulations, and the committee mandate. With the exception of GITC, GSESC, LECC and GMAC, where appropriate and in line with regulations, board committees comprise non-executive directors only, with the majority being independent.

Committee chairmen are accountable for the effective functioning of board committees. They provide verbal updates and submit

reports to the board on committee activities at each board meeting. The minutes of board committee meetings are also included in the board packs for noting. Annually, committee chairmen provide the board with an opinion on the committees' effectiveness.

The review of the board's compliance with the provisions of the respective mandates is done annually. The board is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

The group's external auditors conduct a limited assurance assessment on the review and express an opinion in this regard.





## Group directors' affairs committee

**Nonkululeko Nyembezi**  
Committee chairman

For the year under review, the committee is satisfied that it has fulfilled its obligations in terms of its mandate.

### KEY COMMITTEE ACTIVITIES

- 1 Corporate governance
- 2 Succession planning
- 3 Board performance review
- 4 Subsidiary governance framework

Membership	Attendance and eligibility	Date appointed to committee
Nonkululeko Nyembezi (chairman)*	4/4	1 June 2022
Geraldine Fraser-Moleketi*	4/4	30 November 2016
Trix Kennealy*	4/4	2 November 2021
Li Li**△	3/4	11 November 2021
Nomgando Matyumza*	4/4	1 April 2020
Atedo Peterside con**	4/4	1 April 2020

\* Independent non-executive director. \*\* Non-executive director. △ In his capacity as alternate to Xueqing Guan.

### Collective skills and experience

- Corporate governance
- Public policy and law
- Financial services
- Business leadership of large and complex organisations.

### Committee purpose

- Determines the appropriate group corporate governance structures and practices.
- Establishes and maintains the board continuity programme.
- Ensures compliance with all applicable governance-related laws, regulations and codes of conduct and practices.
- Assesses and ensures the effectiveness of the board and its committees.

### Committee composition

- Chaired by the group chairman, who is an independent non-executive director.
- Comprises four independent non-executive directors and two non-executive directors.
- The group and the SBSA CEO's are standing invitees to committee meetings.
- Kgomotso Moroka retired from the board and the committee on 12 June 2023.

## During 2023, the committee held four meetings.

In discharging its responsibilities as set out in the committee's terms of reference, the following were some of the key focus areas for the year under review:

### 1 Corporate governance

- Provided oversight of the group's application of King IV principles.
- Considered for board approval, amendments to the following policies:
  - SBG and SBSA board nomination and appointment policy
  - group executive management and subsidiary board nomination and appointment matrix
  - directors' and prescribed officers' dealings in group securities policy
  - management of conflicts of interest policy.
- Assessed non-executive director independence classification in line with the criteria outlined in King IV and the SARB Prudential Authority's Directive 4/2018.
- Considered and recommended to the board the 2023 corporate governance, risk and capital management process for reporting on objectives as envisaged in Regulation 39(1) of the Banks Act.
- Reviewed and recommended to the board the group's corporate governance statement and notice of its AGM.
- Considered 2023 AGM proxy investor analysis reports and recommendations on proxy voting and their assessment of the group's state of corporate governance.
- Reviewed non-executive director attendance at meetings during the year.
- Recommended the 2024 and 2025 board corporate calendars to the board for approval.
- Confirmed the group's prescribed officers in line with the requirements of the Companies Act.
- Considered and noted the performance contracts for the group chief executive officer, SBSA chief executive officer and prescribed officers for the year.

### 2 Succession planning

- Reviewed the board succession plan, aligned to the core skills required for a high-performing board.
- Reviewed the composition of the board, its sub-committees and its subsidiaries including that of South Africa, Africa Regions and Standard Bank Offshore, with focus on ensuring the appropriateness of skills, experience, background and diversity.
- Considered and recommended for board approval the nomination and appointment of Sola David-Borha as non-executive director to the board.
- Considered and recommended to the board for approval the appointment of Lwazi Bam as a member of GAC, GSESC, GRCMC and LECC.
- Reviewed and recommended to the board the re-election of directors retiring by rotation at the AGM.
- Considered and approved the appointment of non-executive directors to subsidiary boards in line with the nomination and appointment policy.

### 3 Board performance review

- Considered results of the 2022 board and board committees effectiveness review. Action plans drawn from results were recommended to the board for approval and the committee monitored progress made on the implementation of the action plans.
- Considered the proposed 2023 board effectiveness review process and timelines.

### 4 Subsidiary governance framework

- Monitored the implementation of the revised subsidiary governance framework which was approved in 2022.
- Considered the composition of subsidiary boards across South Africa, Africa Regions and Standard Bank Offshore subsidiaries, taking into account skills, tenure, independence and diversity.



## Group audit committee

**Trix Kennealy**  
Committee chairman

For the year under review, the committee is satisfied that it has fulfilled its obligations in terms of its mandate.

### KEY COMMITTEE ACTIVITIES

- |  |  |
|--|--|
| <b>1</b> Subsidiary assurance oversight              | <b>6</b> Financial control                       |
| <b>2</b> Internal audit                              | <b>7</b> Non-audit services                      |
| <b>3</b> Compliance                                  | <b>8</b> Interim and annual financial statements |
| <b>4</b> Tax   | <b>9</b> External reporting                      |
| <b>5</b> Financial accounting and external reporting | <b>10</b> External audit                         |

Membership	Attendance and eligibility	Date appointed to committee
Trix Kennealy* (chairman)	<b>10/10</b>	30 November 2016 (as member) 24 May 2018 (as chairman)
Lwazi Bam*	<b>6/7<sup>△</sup></b>	8 March 2023
Nomgando Matyumza*	<b>10/10</b>	15 August 2018
Martin Oduor-Otieno*	<b>10/10</b>	25 May 2016

\* Independent non-executive director.

△ Recused from special meeting on 25 August 2023 where the intention to appoint Deloitte as external auditors with effect from the financial year ending 31 December 2026 was considered and approved.

### Collective skills and experience

- Banking and financial services
- Accounting and auditing.

### Committee purpose

- Monitors and reviews the adequacy and effectiveness of accounting policies, financial and other internal control systems and financial reporting processes.
- Provides independent oversight of the group's assurance functions, with focus on combined assurance arrangements, including external audit, internal audit, compliance, risk and internal financial control functions.
- Reviews the independence and effectiveness of the group's external auditors, internal audit and compliance functions.
- Assesses the group's compliance with applicable legal, regulatory and accounting standards and policies in the preparation of fairly presented financial statements and external reports, thus providing independent oversight of the integrity thereof.

### Committee composition

- Chaired by an independent non-executive director.
- Comprises four independent non-executive directors, including the Remco chairman.
- Trix Kennealy, Lwazi Bam, Martin Oduor-Otieno and Nomgando Matyumza are considered financial experts.
- Standing attendees at committee meetings include:
  - board chairman
  - group CEO
  - group chief finance & value management officer
  - group chief audit officer
  - group chief compliance officer
  - group chief risk & corporate affairs officer
  - group chief operating officer
  - external auditors
  - CEOs of SBSA, Africa Regions, BCB, PPB, CIB and Insurance & Asset Management (IAM).
  - head of anti-financial crime
  - head group financial accounting and control
  - head, group tax.
- John Vice retired from the board and the committee at the AGM on 12 June 2023.
- As at 24 August 2023, Atedo Peterside had served on the group boards for nine years and was reclassified as non-independent. Accordingly, he did not offer himself for re-election to the GAC at the 2023 AGM and stepped down from the committee with effect from 12 June 2023.

## During 2023, the committee held ten meetings.

This included two meetings to consider quarterly financial results for publication on SENS, a meeting with the SARB Prudential Authority following the publication of the group's annual financial results, the annual trilateral meeting with the SARB Prudential Authority to provide feedback on key external and internal audit findings, and a special meeting to approve the group's new external auditors with effect from the 2026 financial year.

In discharging its responsibilities as set out in the committee's terms of reference, the following were some of the key focus areas for the year under review:

### 1 Subsidiary assurance oversight

- Considered key matters raised at subsidiary board audit committee meetings, notably those entities that are designated members of Standard Bank Group Limited as holding company of the financial conglomerate.
- Considered reports from management on the activities of subsidiary entities.

### 2 Internal audit

- Reviewed and approved the group internal audit charter.
- Reviewed and approved the internal audit plan, noting that internal audit's planning approach followed a robust and agile process to determine the group's internal audit coverage and risk-based audit response. The internal audit plan was informed by the group's strategic objectives; value drivers; strategic, financial and non-financial risks; insights from stakeholders; and detailed risk assessments. On a quarterly basis, the committee reviewed and approved proposed amendments to the plan to ensure it remained aligned to the changing nature of the group's risk profile and to prioritise emerging risks.
- Reviewed quarterly internal audit reports covering progress against audit plan delivery; an analysis of the cumulative results of audit outcomes for the year; a summary of satisfactory and unsatisfactory audits that were completed during the reporting period, as well as the outcomes of advisory reviews performed at the request of management or regulators; and the status of material issues previously reported. Where appropriate, management was invited to present an update on the status of actions implemented to address material issues.
- Reviewed internal audit's annual report which summarised the results and themes observed as part of internal audit's activities for the prior year. The report concluded with internal audit's assurance statement that the risk governance and risk management processes; the management and oversight process for risks, including the effectiveness of controls; and the accuracy and reliability of the components of the risk assessment and reporting process were adequate and operating effectively to maintain the degree of risk taken by the group at an acceptable level. In addition, the committee confirmed the organisational independence of the internal audit activity.
- As part of the external auditors' annual assessment of the internal audit function against International Standards on Auditing (ISA) 610, the external auditors confirmed and the committee noted that the work of internal audit was reliable for the purposes of the external audit engagement.

### 3 Compliance

- Reviewed and approved the group compliance mandate, which sets out the mission, approach, accountability, roles, responsibilities and authority of the group compliance function.
- Confirmed the independence and effectiveness of the group compliance function.
- Considered and approved group compliance and group anti-financial crime plans and monitoring activities.
- Reviewed quarterly group compliance reports covering progress made against the delivery of the compliance plan as well as key compliance matters across the group. The report also included a distinct section on matters that fall within the ambit of the anti-financial crime function, including its interaction with regulators, and contained an update on matters identified as part of regulators' routine and non-routine inspections.
- Monitored compliance with the Companies Act, the Banks Act, JSE Listings Requirements, King IV Code on Corporate Governance and other applicable legislation and regulation, and reviewed reports from internal audit, compliance and external audit in this regard.
- Noted that no complaints were received through the group's ethics and fraud hotline concerning accounting matters, internal audit, internal financial controls, contents of financial statements, potential violations of the law and questionable accounting or auditing matters.

### 4 Tax

- Reviewed quarterly reports on tax matters of significance across the group, including ruling and emerging tax legislation.

## 5 Financial accounting and external reporting

- Considered quarterly reports which outlined financial accounting and external reporting issues of significance, which affected or could affect the group in future. The audit committee considered the impact of these matters on the group's financial statements and disclosures.
- Reviewed periodic updates on developments in IFRS and approved the IFRS 17 transition report, which outlined the impact of the implementation of IFRS 17 on the group.
- Reviewed management's process and progress with respect to new financial accounting and reporting developments.
- Noted that two IFRS Sustainability disclosures standards on sustainability-related financial information (IFRS S1) and climate-related disclosures (IFRS S2) were issued by the International Sustainability Standards Board. These would be effective for annual reporting in Kenya, Nigeria, Ghana and Zambia for periods beginning on or after 1 January 2024. Reporting requirements for South Africa will be confirmed.

## 6 Financial control

- On a quarterly basis, reviewed a report on internal financial control activities and findings, as overseen by the group's internal financial control committee.
- Reviewed proposed amendments to the group's delegation of authority framework and recommended revised financial limits to the board for approval.

## 7 Non-audit services

- Approved amendments to the use of joint group auditors for non-audit services policy, which governs the use of the group's external auditors for non-audit services.
- On a quarterly basis, considered the nature and quantum of non-audit services that were approved during the period and, as per the approval thresholds set out in the group's non-audit services policy, considered and, where deemed appropriate, approved engagements.

## 8 Interim and annual financial statements

- Reviewed external audit's report on the adequacy of credit provisions for performing and non-performing loans and impairment tests with respect to assets and considered feedback from the external auditors regarding the models applied by management in determining such impairments.
- Considered and recommended to the board for approval, interim and annual financial results, after having considered an analysis of the results, relevant financial accounting issues, solvency and liquidity, going concern assessments, draft profit and dividend announcements, and after having noted capital adequacy levels as reviewed at the group risk and capital management committee.
- Reviewed trading updates, interim and final profit and dividend announcements for SENS publication, with due consideration of the requirements and implications of regulatory guidance notes and directives issued by the JSE and by the SARB's Prudential Authority.
- Reviewed the content of the JSE's annual proactive monitoring report including specific considerations in the preparation of financial statements.
- Reviewed regulatory, legislative and corporate governance requirements and how these were met, before approving the content of the audit committee's report for inclusion in the annual financial statements.

## 9 External reporting

- Evaluated management's judgements and reporting decisions in relation to the annual integrated reporting and ensured that all material disclosures had been included.
- Reviewed both financial and non-financial information, forward-looking statements and sustainability information.
- Reviewed the 2022 annual integrated report, governance and remuneration report, risk and capital management report and reports to society, and recommended these for board approval, after having considered King IV disclosure requirements.

## 10 External audit

- Assessed the independence of external auditors, including a review of regulatory disclosure requirements, before recommending their re-appointment for shareholder approval at the group's AGM.
- Considered the results of management's assessment of the effectiveness of the group's external auditors as part of the financial year-end audit.
- Considered the independent auditors' report, with reference to the audit opinion. The report included key audit matters that were, in the external auditors' judgement, significant to the audit of the financial statements.
- Met with external audit during a closed session to discuss their experience from the engagement with management during the statutory audit, as well as external audit's perspective on the effectiveness of the finance function.
- Reviewed the external auditors' report on findings for the financial year, and at the meeting in November 2023, reviewed a progress report on findings from the preliminary audit for the year ended 2023-12-31.
- Reviewed the external auditors' report relating to the regulatory audit work for the year ended 2022-12-31.
- Approved the external audit plan, fees, and terms of engagement as specified in the engagement letter for the statutory audit for the financial year ended 2023-12-31. The external audit plan confirmed that work with internal audit continued to ensure all assurance providers were aligned from a combined assurance perspective.
- Reviewed declarations made by the external auditors of matters that could potentially impact or be seen to impact the respective firms' professional judgement and independence in relation to the group, and considered the measures taken by the respective firms to remediate any identified breaches.
- Reviewed the results of the Independent Regulatory Board for Auditors' (IRBA's) firm inspection of both the group's external auditors, as it pertained to engagement inspections conducted by IRBA.
- In January 2022, the audit committee confirmed the group's intent to appoint Ernst & Young Incorporated (EY) as one of the joint auditors for the financial year ending 2024-12-31. Their appointment is subject to approval by the SARB's Prudential Authority in accordance with section 61 of the Banks Act No. 94 of 1990 as amended. In terms of section 90 of the Companies Act, as well as paragraph 3.86 of the JSE Listings Requirements, the appointment of EY as a joint auditor for the 2024 financial year will be recommended to the ordinary shareholders for approval at the annual general meeting in 2024.
- Following a comprehensive tender process, in October 2023, the audit committee confirmed the group's intent to appoint Deloitte as the joint auditor for the financial year ending 2026-12-31. Similar to EY, Deloitte's appointment is also subject to approval by the SARB's Prudential Authority and recommendation to the ordinary shareholders for approval at the relevant AGM.



## Group risk and capital management committee

**Ben Kruger**  
Committee chairman

For the year under review, the committee is satisfied that it has fulfilled its obligations in terms of its mandate.

### KEY COMMITTEE ACTIVITIES

- 1 Financial and non-financial risk management
- 2 Capital and liquidity risk management
- 3 Internal capital adequacy assessment process (ICAAP)
- 4 Regulatory matters
- 5 Governance

Membership	Attendance and eligibility	Date appointed to committee
Ben Kruger (chairman)*	4/4	18 August 2022 (as member) 1 January 2023 (as chairman)
Lwazi Bam*	3/3	8 March 2023
Geraldine Fraser-Moleketi*	4/4	30 November 2016
Trix Kennealy*	4/4	30 November 2016
Li Li**△	3/4	11 November 2021
Jacko Maree*	4/4	16 August 2017
Nomgando Matyumza*	4/4	30 November 2016
Nonkululeko Nyembezi*	4/4	1 April 2020

\* Independent non-executive director. \*\* Non-executive director. △ In his capacity as alternate to Xueqing Guan.

### Collective skills and experience

- Banking and financial services
- Accounting and auditing
- Capital and risk management
- Governance, regulation and public policy
- Information technology
- Business leadership of large and complex organisations

### Committee purpose

- Provides independent and objective oversight of risk and capital management across the group.
- Oversees the governance of risk and capital management by directing the way risk and capital management should be approached and addressed in the group.
- Reviews and assesses the adequacy and effectiveness of risk and capital management governance frameworks.
- Ensures that risk and capital management standards and policies are well documented and support the group strategy by being appropriate and effective in operation.
- Evaluates and agrees the nature and extent of opportunities and associated risks to the organisation in pursuit of its strategic objectives; and support a climate of discipline and control.

### Committee composition

- Chaired by an independent non-executive director.
- Comprises seven independent non-executive directors and one non-executive director and includes the chairmen of the board, DAC, GAC, GMAC, Remco, and GSESC.
- Standing invitees to committee meetings include:
  - group CEO
  - group chief finance & value management officer
  - group chief risk & corporate affairs officer
  - group chief operating officer
  - group chief compliance officer
  - CEOs of SBSA, Africa Regions, BCB, PPB, CIB and IAM
  - deputy CEO of CIB
  - chief risk officers of SBSA, Africa Regions, BCB, PPB, CIB and IAM
  - head of non-financial risk management
  - head of treasury and capital management
  - group chief audit officer
  - group general counsel
  - external auditors.
- Kgomoitso Moroka and John Vice retired from the board and the committee on 12 June 2023.





## During 2023, the committee held four meetings.

In addition, the chairman met with management on a number of occasions to review and discuss significant matters between scheduled committee meetings. Where necessary, committee and board members were informed of any major current risk issues which needed to be brought to their attention in a timely manner.

In discharging its responsibilities as set out in the committee's terms of reference, the following were key focus areas for the year under review:

### 1 Financial and non-financial risk management

- Discussed sovereign risk, including managing capital and liquidity, as well as tactical and strategic measures to manage sovereign risk exposures within risk appetite.
- Considered the bank's approach to the integration of the group's climate risk management workplan.
- Considered and approved the risk appetite statement for the group's banking operations.
- Periodically considered management updates and reports on events that occurred or risks that emerged and were expected to have a direct or indirect impact on the group's risk profile.
- On a quarterly basis, reviewed detailed risk management reports covering key risks including credit, country, market, equity and non-financial risks across the group and at a business unit level.
- Continuously reviewed the macroeconomic and operating environment across the geographies and markets in which the group operates. This informed the development of the group's risk appetite across sectors and countries, ensuring concentration on specific sectors was appropriately managed and risk appetite adjusted, where appropriate.
- With reference to its oversight of credit risk, continued to monitor performing and non-performing loan portfolios and management's response strategies, with particular focus on the group's exposure to high-risk corporate, business and commercial, and retail customers.
- With reference to its oversight of the non-financial risk profile, reviewed management reports on key contributors to operational risk and fraud losses and non-financial risk metrics by risk type, with focus on areas of priority and management's mitigating actions.
- Reviewed management's integrated approach to identify, rank and monitor key risks for the group in 2023.
- Considered an update on significant insurance programmes across the group, as well as their current and renewal terms and conditions.
- Reviewed quarterly reports on legal and reputational risk.
- Reviewed and, where required, approved the group's intra-group funding exposures.

### 2 Capital and liquidity risk management

- Reviewed the group's capital and liquidity plan for the ensuing year, as well as a three-year forecast and recommended capital adequacy target ranges to the board for approval.
- On a quarterly basis, reviewed capital adequacy and liquidity ratios, including events that could have an impact on these.
- Reviewed and recommended to the board for approval, planned capital funding programmes.



### 3 Internal capital adequacy assessment process (ICAAP)

- Reviewed and approved the macroeconomic scenarios for the running of the ICAAP stress testing process, as well as the planned stress testing programme of work.
- Reviewed and recommended to the board for approval the group's 31 December 2022 ICAAP, prior to submission to the SARB.

### 4 Regulatory matters

- In accordance with SARB regulatory requirements in relation to material outsourcing, reviewed the results of analyses of risks associated with proposed outsourcing arrangements and recommended the approval of such arrangements to the board, subject to the board's review of the commercial terms of the proposed agreements.
- Considered updates on regulatory developments and the implications of emerging local, global and prudential regulations on the group.
- Approved the annual update to the group's integrated recovery plan.
- Reviewed the annual risk disclosures made to shareholders to ensure timely, relevant, complete, accurate and accessible risk disclosure, in line with Basel pillar 3 disclosure requirements.

### 5 Governance

- Reviewed and approved the group's risk governance standards, frameworks and relevant policies according to a scheduled review programme.
- Considered key matters raised at the group risk oversight committee and at key subsidiary board risk committee meetings, notably those entities that are designated members of SBG as holding company of the financial conglomerate.





## Group information technology committee

**Paul Cook**  
Committee chairman

For the year under review, the committee is satisfied that it has fulfilled its obligations in terms of its mandate.

### KEY COMMITTEE ACTIVITIES

1 Technology strategy

2 Technology cost and investment

3 Technology risk

4 Information security and cybersecurity

5 Governance, risk and assurance

Membership	Attendance and eligibility	Date appointed to committee
Paul Cook (chairman)*	4/4	10 March 2021 (as member), 12 June 2023 (as chairman)
Arno Daehnke~	4/4	25 May 2016
Ben Kruger*	4/4	18 August 2022
Li Li***△	3/4	11 November 2021
Nonkululeko Nyembezi*	4/4	1 April 2020
Martin Oduor-Otieno*	4/4	18 August 2022
Atedo Peterside CON**	4/4	27 May 2015
Sim Tshabalala~	4/4	27 May 2014

\* Independent non-executive director. \*\* Non-executive director. ~ Executive director. △ In his capacity as alternate to Xueqing Guan.

### Collective skills and experience

- Technology and cybersecurity
- Risk, audit and controls
- Financial services experience
- Business leadership of large and complex organisations.

### Committee purpose

- Oversees the strategic direction and transformation of the group's information security, technology, data and analytics capabilities.
- Ensures that prudent and reasonable steps are taken to govern technology and information in line with the King IV principles.

### Committee composition, skills and experience

- Chaired by an independent non-executive director.
- Comprises four independent non-executive directors, two non-executive directors, and two executive directors.
- Standing invitees to committee meetings include:
  - group chief operating officer
  - group chief information officer (CIO)
  - group chief information security officer
  - group chief risk & corporate affairs officer
  - group chief audit officer
  - CEOs of SBSA, Africa Regions, BCB, PPB, CIB and IAM
  - CIOs of BCB, PPB, CIB and IAM
  - the head of non-financial risk management
  - the group's external technology audit partners.
- John Vice retired from the board and the committee on 12 June 2023.

## During 2023, the committee held four meetings.

In discharging its responsibilities as set out in the committee's terms of reference, the following were key focus areas for the year under review:

### 1 Technology strategy

- Reviewed a proposal for a cohesive, longer-term strategy and direction for the technology domain, aligned to the group strategy and the underlying business unit focus areas and drivers.
- Reviewed the quarterly group technology report which included an update on the group's key technology priorities including the resilience of the group's technology landscape; technology skills, capability and capacity; acceleration of the cloud transformation journey and mainframe migration; system stability including maintaining robust and resilient systems; disaster recovery and simplification of the group's technology architecture.
- Reviewed business unit technology reports with focus on business unit level client experience, system stability, employee engagement and skills development, risk and conduct.
- Reviewed BCB's digitisation strategy.
- Continuously monitored the results of client net promoter scores across all channels, notably digital channels, and reviewed management's action plans to consistently improve client experience associated with the group's technology landscape.
- Reviewed quarterly updates on the group's technology performance and risk metrics.



Mozambique  
Mozambique Island bridge

### 2 Technology cost and investment

- Reviewed and monitored the group's performance against technology cost forecast and metrics.
- Reviewed quarterly progress reports on strategic technology initiatives.

### 3 Technology risk

- Reviewed the technology risk profile from a non-financial risk perspective.
- Monitored the execution of key strategic and modernisation programmes to achieve medium-term improvements in the technology risk profile.

### 4 Information security and cybersecurity

- Reviewed the report on the group's information security and cyber risk profile and the effectiveness with which the risk is addressed across the group.

### 5 Governance, risk and assurance

- Reviewed internal audit's perspectives on the technology risk and control environment.
- Considered key matters raised at subsidiary board IT committee meetings, notably those entities that are designated members of the financial conglomerate.
- Reviewed and approved a cyber resilience standard and the technology governance standard.



## Group social, ethics and sustainability committee

**Geraldine Fraser-Moleketi**  
Committee chairman

For the year under review, the committee is satisfied that it has fulfilled its obligations in terms of its mandate.

### KEY COMMITTEE ACTIVITIES

- 1 Stakeholder engagement
- 2 Transformation
- 3 Employee engagement
- 4 Ethics and conduct
- 5 ESG

Membership	Attendance and eligibility	Date appointed to committee
Geraldine Fraser-Moleketi (chairman)*	<b>4/4</b>	30 November 2016 (as a member) 1 January 2023 (as chairman)
Lwazi Bam*	<b>3/3</b>	8 March 2023
Paul Cook*	<b>4/4</b>	18 August 2021
Lungisa Fuzile <sup>△</sup>	<b>4/4</b>	15 January 2018
Jacko Maree*	<b>4/4</b>	30 November 2016
Nonkululeko Nyembezi*	<b>4/4</b>	18 August 2022
Martin Oduor-Otieno*	<b>4/4</b>	25 May 2016
Sim Tshabalala <sup>~</sup>	<b>4/4</b>	9 November 2010

\* Independent non-executive director. ~ Executive director. \* Non-executive director. <sup>△</sup> SBSA chief executive.

In 2023, in alignment with the group’s commitment to sustainability, the group social and ethics committee (GSEC) was reconstituted as the group social, ethics and sustainability committee (GSESC). This reconstitution shifts the board committee’s oversight responsibilities to focus more specifically on social, workplace, economy and transformation, and environment and sustainability responsibilities.

While the committee continues to oversee social and ethics matters, sustainability and ESG will receive heightened focus.

### Collective skills and experience

- Banking
- Public policy
- Law
- Transformation
- Organisational development
- Ethical leadership
- ESG
- Stakeholder engagement
- Business leadership of large and complex organisations.

### Committee purpose

- Oversees the development of appropriate policies and frameworks to govern the group’s social and ethical focus areas.
- Acts as the group’s social conscience, recognising that stakeholder perceptions affect the group’s reputation.
- Guides and monitors the group’s social, ethical, economic, environmental, transformation and consumer relationship initiatives in line with relevant legislation, codes and regulation. Governs and oversees group activities relating to fair treatment of customers, conduct, ethical standards and stakeholder engagement.
- Ensures material stakeholder issues receive attention from board and management.

### Committee composition, skills and experience

- Chaired by an independent non-executive director.
- Comprises six independent non-executive directors, and the group and SBSA chief executive officers.
- Standing invitees to committee meetings include:
  - group chief risk & corporate affairs officer
  - CEO’s of Africa Regions, BCB, PPB, CIB and IAM
  - chief operating officer
  - group chief compliance officer
  - group chief people & culture officer
  - head of corporate citizenship.
- Kgomoitso Moroka retired from the board and the committee on 12 June 2023.

During 2023, the committee held four meetings.

In discharging its responsibilities, as set out in the committee's terms of reference, the following were some of the key focus areas for the year:

## 1 Stakeholder engagement

- Considered quarterly stakeholder engagement reports and monitored the group's engagements with all key stakeholders.
- Considered regular updates from the group chief risk and corporate affairs officer on matters that could affect the group's reputation and noted stakeholder engagement plans to minimise any reputational damage.
- Participated in the Public Investment Corporation (PIC) Transformation Survey and responded to questions related to transformation, diversity and inclusion.

## 2 Transformation

- Reviewed the audited 2022 Standard Bank Financial Sector Code (FSC) Scorecard results, inclusive of Liberty, and considered the bank's retained level 1 B-BBEE status. The committee noted the good achievement in 2022 and that the planned December 2022 targeted score was exceeded. The committee further considered the key focus areas for 2023.
- Reviewed the 2022 Employment Equity Report as prepared by management for annual submission to the Department of Employment and Labour (DoEL).
- Considered SBSA's preferential procurement, enterprise, and supplier development initiatives and 2023 focus areas. The committee noted that SBSA continued to increase participation of black-owned SMEs in the bank's value chain.
- Considered the annual update on the WalletWise consumer education initiative, as well as the 2022 SBSA financial inclusion and consumer education performance overview.
- Considered quarterly gender and employment equity dashboards, the addition of an age analysis was introduced and considered quarterly.
- Considered the gender pay gap analysis and the income differential analysis to surface and address any unfair differences in remuneration.

## 3 Employee engagement

- Reviewed the group's compliance with occupational health and safety legislation, governance, and incident management.
- Considered wellness initiatives to assess the psychological wellbeing of employees.
- Reviewed insights from an analysis of attrition trends.
- Reviewed the group's 2023 'Are you a Fan?' survey results which measured employee net promoter score to determine level of employee engagement.

## 4 Ethics and conduct

- Reviewed the quarterly conduct risk management dashboards and conduct framework progress updates, to ensure consistent monitoring of the group's material conduct matters.
- As part of the annual assessment, considered the group's implementation of the group anti-financial crime framework to ensure adequacy and confirm reasonable procedures are in place to identify, mitigate and prevent the facilitation and risk of bribery, and tax evasion.
- Reviewed and approved relevant governance standards and policies as they pertain to social and ethics.

## 5 ESG

- Approved the ESG related components of the 2022 annual reporting suite, namely the report to society, the ESG report, and the climate-related financial disclosures report.
- Reviewed reports on progress with the implementation of the group climate policy, including the targets and commitments for 2023.
- Approved the 2023 materiality issues assessment which confirmed issues that are deemed most significant to the group and its stakeholders.



## Group remuneration committee

**Trix Kennealy**  
Committee chairman

For the year under review, the committee is satisfied that it has fulfilled its obligations in terms of its mandate.

### KEY COMMITTEE ACTIVITIES

- 1 Remuneration
- 2 Incentive schemes, share-based payments and other benefits
- 3 Subsidiary remuneration committees
- 4 Governance

Membership	Attendance and eligibility	Date appointed to committee
Trix Kennealy (chairman)*	6/6	30 November 2016 (as member) 26 June 2020 (as chairman)
Ben Kruger*	6/6	18 August 2022
Jacko Maree*	6/6	30 November 2016
Nomgando Matyumza*	6/6	30 November 2016
Nonkululeko Nyembezi*	6/6	18 August 2022
Atedo Peterside CON**	6/6	30 November 2016

\* Independent non-executive director. \*\* Non-executive director.

### Collective skills and experience

- Banking
- Financial and tax
- Doing business in sub-Saharan Africa
- Human capital
- Remuneration
- Risk management
- Business leadership of large and complex organisations.

### Committee purpose

- Assists the board in discharging its responsibilities to ensure fair and responsible remuneration by the group.
- Develops a remuneration philosophy and policy statement for disclosure to enable a reasonable assessment by stakeholders of reward practices and governance processes.

### Committee composition, skills and experience

- Chaired by an independent non-executive director.
- Comprises five independent non-executive directors and one non-executive director.
- The group CEO is a standing invitee to committee meetings.

During 2023, the committee held six meetings.

In discharging its responsibilities set out in the committee's terms of reference, the following were key focus areas for the year under review:

## 1 Remuneration

- Considered the financial performance of the group for the year presented by the group chief finance & value management officer, and the risk report from the group chief risk & corporate affairs officer as guidance on deliberations for the approval of bonus pools recommended by management.
- Discussed the group's assessment of remuneration equality on the basis of gender and race.
- Considered the group chief executive officer and members of the group leadership council's performance reviews as a function of setting their remuneration.
- Considered other senior executives' performance reviews and the implications on pay including the approval of the total remuneration of heads of business segments and corporate functions, including remuneration of executives in the top 100 category.
- Considered and approved cost-to-company increase ranges for executive, managerial and general staff categories.
- Considered and noted the arrangements in respect of international assignees including the reward review, discretionary bonus awards, bonus deferrals, and share incentive awards.
- Considered and noted fees paid to non-executive directors of subsidiaries and ensured that the principles were aligned to the subsidiary governance framework.

## 2 Incentive schemes, share-based payments and other benefits

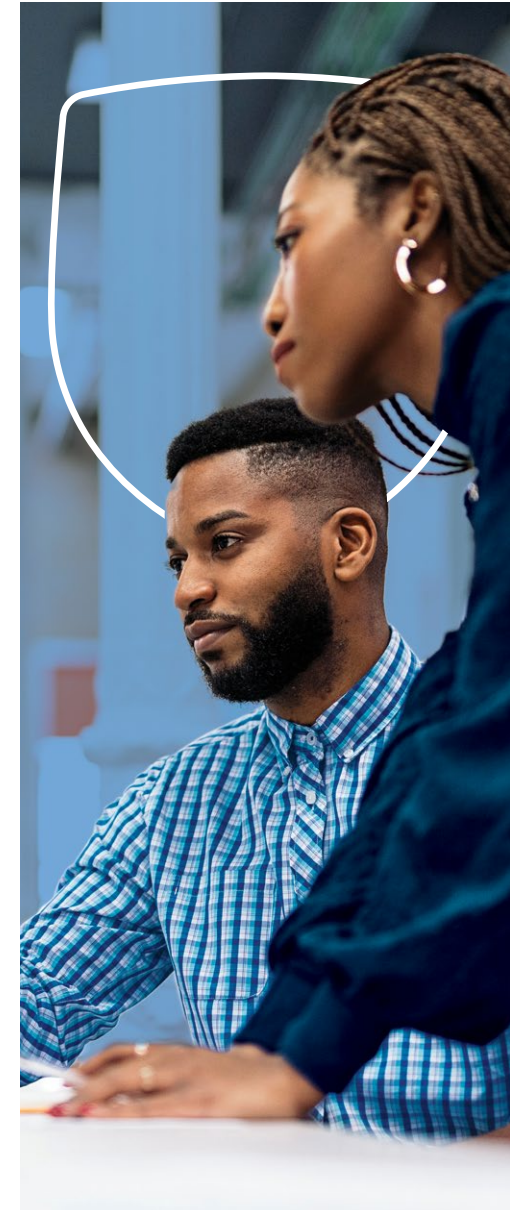
- Considered the design, effectiveness and impact on the behaviour and alignment to risk management framework of the group's share incentive schemes.
- Reviewed and approved the:
  - performance reward plan (PRP) vesting metrics
  - deferral rates that would apply for the deferred bonus scheme for the year incentive awards for South Africa, Africa regions and Standard Bank International.
- Considered the report of the group chief risk and corporate affairs officer and the chief people & culture officer on potential award forfeitures and clawbacks. No cases were noted that warranted forfeiture or clawback provisions being applied.
- Considered and noted awards withdrawn or lapsed including in instances where employees had left the group with unvested awards.

## 3 Subsidiary remuneration committees

- Noted reports from remuneration committees in group subsidiaries.

## 4 Governance

- Considered committee chairman's feedback from engagements with shareholders and investors in respect of the group's remuneration policy and implementation report.
- Considered and recommended for board approval the group remuneration report, which sets out the group remuneration policy and the implementation report.
- Reviewed the outcome of the non-binding advisory vote at the annual general meeting in respect of the remuneration policy, which was above the requisite 75%, at 92.44% votes for and 7.56% votes against; and 92.19% votes for and 7.81% against in respect of the implementation report.







## Group model approval committee

**Jacko Maree**  
Committee chairman

For the year under review, the committee is satisfied that it has fulfilled its obligations in terms of its mandate.

### KEY COMMITTEE ACTIVITIES

**1 Model risk oversight**

**2 Model approvals**

**3 Model governance**

Membership	Attendance and eligibility	Date appointed to committee
Jacko Maree (chairman)*	<b>4/4</b>	30 November 2016 (as member), 1 March 2017 (as chairman)
Bill Blackie^	<b>4/4</b>	1 January 2022
Paul Cook*	<b>4/4</b>	10 March 2021
Arno Daehnke~	<b>4/4</b>	25 May 2016
Kenny Fihla^	<b>3/4</b>	23 June 2017
David Hodnett^	<b>4/4</b>	3 June 2019
Funeka Montjane^	<b>4/4</b>	10 March 2021
Sim Tshabalala~	<b>4/4</b>	29 May 2013

\* Independent non-executive director. ~ Executive director. ^ Executive member.

### Collective skills and experience

- Banking
- Regulatory risk
- Credit risk
- Model risk
- Business leadership of large and complex organisations.

### Committee purpose

- Assists the board in discharging its obligations for model risk as it pertains to the advanced internal rating-based approach for the measurement of the bank's exposure to credit risk as envisaged in the regulations of the Banks Act.
- Performs functions set out in regulations, including inspecting risk evaluation models for approval by the committee when necessary.
- Reviews model risk governance processes and monitors the group's model universe and model risk appetite.

### Committee composition, skills and experience

- Chaired by an independent non-executive director.
- Comprises:
  - two independent non-executive directors
  - group CEO
  - group chief finance & value management officer
  - CEOs of BCB, PPB, and CIB
  - group chief risk & corporate affairs officer.
- The following are standing attendees at committee meetings:
  - CEO, IAM
  - deputy CEO, CIB
  - CROs of BCB, PPB, CIB and IAM
  - group head model validation
  - heads of model validation for BCB, PPB and CIB.

During 2023, the committee held four meetings.

In discharging its responsibilities set out in the committee's terms of reference, the following were key focus areas for the year under review:

### 1 Model risk oversight

- Periodically reviewed and approved the group's model risk appetite as it pertained to models that were included in the scope of the group's model risk governance framework, including regulatory, finance and risk models.
- Provided oversight on the model risk universe and periodically reviewed the results of the model risk management team's assessment of model risk as it pertained to various modelling areas within the scope of the model risk governance framework.
- Evaluated mitigating controls and actions for models that were in breach of risk appetite.
- Reviewed the model risk report which detailed models that were classified as material and less material in accordance with the group's model risk governance framework, as well as management action plans to enhance the effectiveness and efficiency of models and their performance relative to model risk appetite.
- Reviewed reports submitted by business which outlined model development activities, including new and emerging trends in model risk management, including data science focus areas; extracting value from alternate data sources; and designing and building capabilities for the future.
- Monitored the activities of CIB, BCB, PPB and the group risk and treasury and capital management model approval committees.
- Reviewed and approved the mandates of these four sub-committees during the mandate review cycle.
- Reviewed reports on key interactions with regulators and considered the potential impact of regulatory reforms on model development activities.
- Reviewed disclosures related to model risk in the group's external reports and ICAAP submissions.

### 2 Model approvals

- Considered detailed model development reports and the outcome of validation reviews across key model performance criteria. Where relevant, validation findings, recommendations and action plans to address these, were considered as part of the review and approval of all material risk models.
- Reviewed and approved new and revised risk models as well as the ongoing use of existing risk models, with specific focus on material models, as defined in the group model risk governance framework.

### 3 Model governance

- Approved the enhancement of the model risk governance framework to incorporate new model risk principles and amend the definition of models to include AI solutions.
- Reviewed internal audit's independent assurance reports on internal controls for the development, validation, governance and performance of risk models.
- Reviewed and approved a principle-based responsible AI framework to guide the development of ethical and robust AI.



**Nigeria**  
Usman Dam – Abuja



## Group large exposure credit committee

**Ben Kruger**  
Committee chairman

For the year under review, the committee is satisfied that it has fulfilled its obligations in terms of its mandate.

Membership	Attendance and eligibility	Date appointed to committee
Ben Kruger (chairman)*	<b>(including round robin approvals)</b> <b>8/8</b>	18 August 2022 (as member), 1 January 2023 (as chairman)
Lwazi Bam*	<b>6/6</b>	8 March 2023
Carel Buitendag^	<b>8/8</b>	1 July 2021
Arno Daehnke~	<b>8/8</b>	1 July 2021
Kenny Fihla^	<b>8/8</b>	1 July 2021
David Hodnett^	<b>8/8</b>	1 July 2021
Jacko Maree*	<b>8/8</b>	1 July 2021
Luvuyo Masinda^	<b>7/8</b>	1 July 2021
Musa Motloung^	<b>2/2</b>	1 October 2023
Nonkululeko Nyembezi*	<b>8/8</b>	1 September 2021
Sim Tshabalala~	<b>8/8</b>	1 July 2021

\* Independent non-executive director ~ Executive director ^ Executive member.

### Collective skills and experience

- Banking and financial services
- Capital and risk management
- Governance and regulation
- Business leadership of large and complex organisations.

### Committee purpose

- The group large exposure credit committee was established for the approval of large exposures in accordance with regulatory requirements. In this regard, the committee:
  - Oversees compliance with relevant regulatory requirements in respect of large exposures to the extent and on the basis as set out in its mandate.
  - Reviews and approves any investments with, or loans, advances or other credit to any person where the aggregate amount exceeds 10% of the group's capital and reserves, as prescribed.

### Committee composition

- Chaired by an independent non-executive director.
- Comprises:
  - four independent non-executive directors
  - group CEO
  - group chief finance & value management officer
  - group chief risk & corporate affairs officer
  - CEO, CIB
  - deputy CEO, CIB
  - CRO, CIB
  - head of credit and equity risk, CIB

### Committee operation and attendance

Committee meetings are scheduled monthly or as and when required, to review and approve applications in accordance with the committee's mandate. In compliance with the committee mandate, where members who were required for quorum purposes were unable to attend a meeting, they have confirmed their review and approval of a large exposure application by signing a resolution to this effect.

During 2023, six committee meetings were held and two round robin resolutions were circulated to review and approve loans, advances or credit in accordance with the committee's mandate and as aligned to regulatory requirements in respect of large exposures.



**PRINCIPLE 9** ✓

## Evaluation and performance of the board

The board ensures that the evaluation of its own performance, and that of its committees, its chairman, and its individual members supports continued improvement in its performance and effectiveness.

### Assessing the board's effectiveness

The board assesses its performance and that of its committees in a number of ways:

#### Mandate self-reviews

A detailed assessment of the board and board committees' compliance with the provisions of their respective mandates is done annually. The group's external auditors conduct a limited assurance assessment on the review and express an opinion in this regard.

#### Effectiveness evaluation

The chairman, the board and its committees undergo an effectiveness evaluation annually in terms of the section 64B 2(b)(iv) of the Banks Act. The board alternates every other year between an externally facilitated independent evaluation and an internal evaluation facilitated by the group secretary. Directors are also given an opportunity to assess their peers.

#### One-on-one discussions

Evaluation of individual director performance is carried out by the chairman in one-on-one discussions with individual directors.

The annual board evaluation process provides an opportunity to identify greater efficiencies, maximise strengths and highlight areas of further development to enable the board to continually improve its performance.

The 2023 board effectiveness review process was conducted internally by the group secretary with oversight by the group chairman. It took the form of a series of questions with opportunity to provide free text comments or observations throughout the questionnaire.

The 2022 Korn Ferry report highlighted the group's evolution over a period of 11 years, concluding that the board is well-established, high performing and a strategic asset for the group.

Notwithstanding the positive evolution, observations on areas requiring attention or improvement were identified as part of the 2022 review, and an action plan was developed to address these. A detailed progress report was presented and discussed at board meetings throughout 2023, with the final report being tabled in November 2023, where it was concluded that all significant findings had either been substantially addressed or were assessed to be appropriately on track.

As part of the 2023 review, in addition to reflecting on board performance in 2023, board members were requested to consider and reflect on the reported progress against the 2022 board effectiveness review action plan and suggest any further areas of improvement.

### Key areas in the 2023 review included:

- Director self-assessment
- Strategic alignment and board mandate
- Relationship and partnership with management
- Board dynamics and culture
- Stakeholder oversight
- Board composition, succession and development
- Board committees
- Chairman and individual board member contribution
- Board and board committee processes

### KEY FINDINGS

Overall, board members agree that the board is operating effectively across the evaluated themes. They acknowledge that there has been tangible progress and improvement in areas identified during the 2022 Korn Ferry Board effectiveness review. This concerted effort reflects the board's commitment to continuous enhancement and underscores its responsiveness to feedback and evolving governance best practices. Despite recommendations for refinement across the areas assessed, no indications of dysfunction were uncovered, and the prevailing sentiment was positive. This reaffirms the board's continuing progression as a "strategic asset," and its continued growth and effectiveness in fulfilling its governance and strategic oversight responsibilities.

- The board enjoys an effective and mature relationship of mutual respect and trust between non-executive and executive directors that enable robust interactions. The executive management team is appropriately empowered to execute the strategy, with the board playing an oversight role.
- Board members believe their skills and experience are well suited to the board committees on which they serve. Themes identified for ongoing development include digitisation and AI; ESG and sustainability; economic, governance and regulatory impacts; and banking-related subject matter.
- The board and executive succession strategy continues to mature and will remain aligned to both core skills for a financial conglomerate's board and emerging skills.
- Board committees are an effective element of the overall oversight and governance framework and operate effectively, with clear mandates and scope of responsibilities.
- The chairman is effective in carrying out her role and board members continue to enhance their contributions individually and collectively.
- The board is a well-established and high-performing board which continues to operate as a strategic asset to the organisation.

## PRINCIPLE 10 ✓

## Appointment and delegation to management

The board ensures that the appointment of and delegation to management contributes to role clarity and the effective exercise of authority and responsibilities.

The board is responsible for appointing the group CEO and is kept abreast of executive management succession plans. It has delegated the management of the day-to-day business and affairs of the group to the group CEO, with full power on behalf of and in the name of the group. The group CEO's role is set out in writing and evaluation against his performance is carried out by the board, led by the chairman.

The group also has in place a delegation of authority framework, which is reviewed annually in consultation with the group finance function and with oversight from the GAC, to ensure that financial limits remain appropriate. The group secretary monitors effective implementation of the authority delegated to the group CEO.

### Group leadership council

The group CEO is accountable for the implementation of the group strategy and performance of the group. He is supported by the group leadership council (GLC), which has been constituted to support him in executing on the group's strategic priorities and to ensure that there is overall coordination across the group in the delivery of the group's commitments made to shareholders, customers, employees, regulators and other key stakeholders.

Ultimate executive decision-making powers and accountability remain vested with the group CEO and all members of the GLC exercise powers in accordance with their delegated authority.

### Group secretary

Directors have access to the services of the group secretary, who is neither a member of the board nor a prescribed officer of the group. The board considered the competence, qualifications and experience of the group secretary at the 13 March 2024 meeting and concluded that he was competent to carry out his duties and was satisfied that an arm's length relationship existed between itself and the group secretary as envisaged in the JSE Listings Requirements.

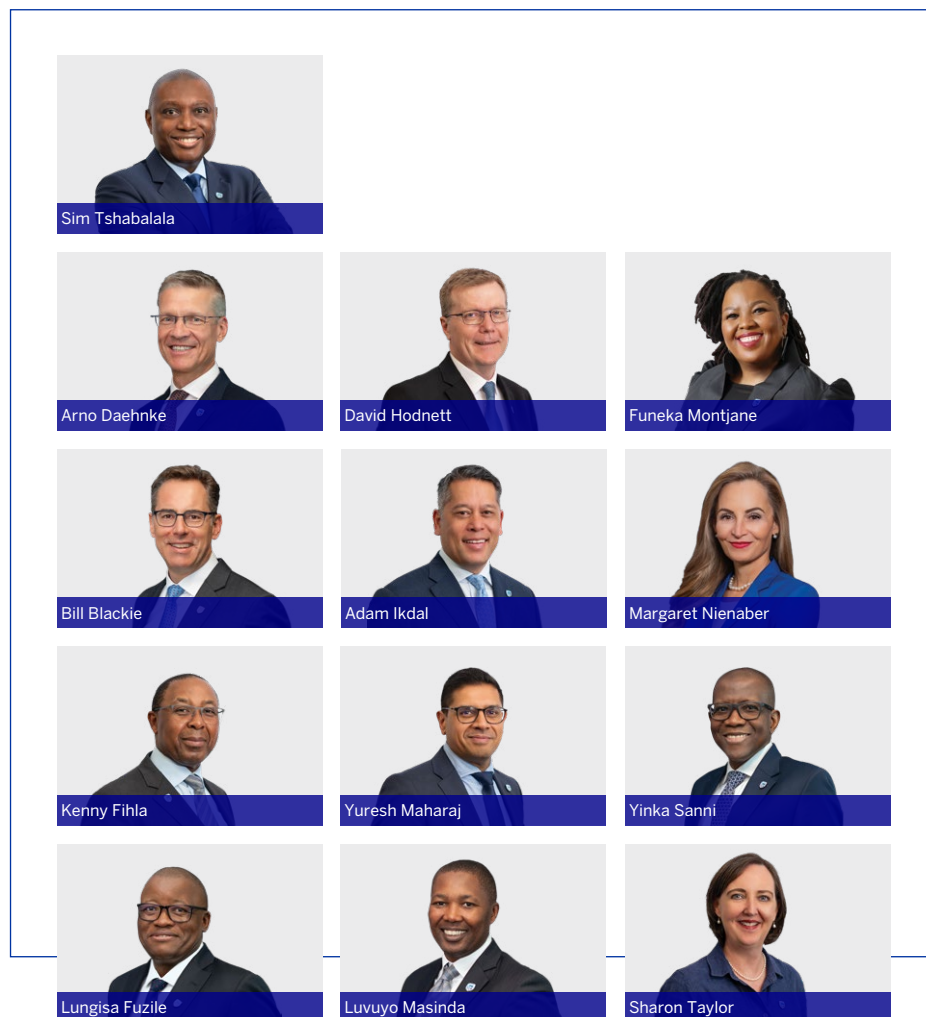




## Group leadership council

### Leading by example

The group CEO, supported by the members of the group leadership council, is accountable for the implementation of the strategy and the performance of the group. The skills and experience of committee members underpins the group's ability to deliver its strategy.



**Sim Tshabalala**  
Group CEO, SBG, and executive director, SBG and SBSA

**QUALIFICATIONS**  
BA, LLB (Rhodes), LLM (University of Notre Dame, USA), HDip Tax (Wits), AMP (Harvard)

**Arno Daehnke**  
Chief finance & value management officer, SBG and executive director, SBG and SBSA

**QUALIFICATIONS**  
BSc, MSc (UCT), PhD (Vienna University of Technology), MBA (Milpark), AMP (Wharton)

**Bill Blackie**  
CEO, BCB

**QUALIFICATIONS**  
BCom (Rhodes), LLB (Rhodes), MBA (UCT), AMP (INSEAD)

**Kenny Fihla**  
CEO, CIB

**QUALIFICATIONS**  
MSc (University of London), MBA (Wits)

**Lungisa Fuzile**  
CEO, SBSA

**QUALIFICATIONS**  
BCom (higher diploma in education) (University of Transkei), BCom (Hons) and MCom (economics) (UKZN), AMP (Harvard)

**David Hodnett**  
Chief risk & corporate affairs officer

**QUALIFICATIONS**  
BCom (Wits), BAcc (Wits), CA(SA), MBA (Manchester Business School/University of Wales), Advanced Diploma in Banking (UJ)

**Adam Ikdal**  
Chief strategy officer

**QUALIFICATIONS**  
Bachelor in Business and Administration (University of Stavanger), MSc (Strategy and Finance) (Norwegian School of Economics)

**Yuresh Maharaj**  
CEO, IAM

**QUALIFICATIONS**  
BCom (Hons) (UKZN), BCom Accounting (UKZN), CA(SA)

**Luvuyo Masinda**  
Deputy CEO, CIB

**QUALIFICATIONS**  
BCom (Hons) (UKZN), CA(SA)

**Funeka Montjane**  
CEO, PPB

**QUALIFICATIONS**  
BCom (Hons) (Wits), MCom (UJ), CA(SA)

**Margaret Nienaber**  
Chief operating officer


**QUALIFICATIONS**  
BCompt (Hons) (UFS), CA(SA)

**Yinka Sanni**  
CEO, Africa Regions and Standard Bank offshore

**QUALIFICATIONS**  
B. Agric. (Hons) (Agricultural Economics) (University of Nigeria), MBA (Obafemi Awolowo University), AMP (Harvard), Global CEO Programme (CEIBS, Wharton and IESE)

**Sharon Taylor**  
Chief people & culture officer

**QUALIFICATIONS**  
BCom (UKZN), BCom (Hons) (UNISA)

 Read more about our leadership [online](#).



## GOVERNANCE OF FUNCTIONAL AREAS

### PRINCIPLE 11

#### Risk governance

The board governs risk in a way that supports the group in setting and achieving its strategic objectives.

On behalf of the board, GRCMC ensures oversight over the governance of risk and capital management by setting the direction for how the group's risk and capital management should be approached and addressed. It regularly reviews and assesses the adequacy and effectiveness of the risk management framework by ensuring that risk and capital management standards and policies are in place which support the group strategy, are fit for purpose, and are effective operationally. It evaluates and agrees the nature and extent of opportunities and associated risks that the group is willing to take in pursuit of its strategic objectives and supports a climate of discipline and control.

 Read more about the activities of the GRCMC on [pages 30](#) and [31](#).

 Read more in the [risk and capital management report](#).

### PRINCIPLE 12

#### Information and technology governance

The board governs technology and information in a way that supports the group in setting and achieving its strategic objectives.

The board understands that information and technology are integral components in executing on the group's strategic priorities to achieve our commitments and deliver our purpose.

The GITC assists with the oversight of the strategic direction and transformation of the group's information security, technology and data capabilities. It ensures that prudent and reasonable steps are taken to govern technology and information in line with King IV.

Technology and information risks are integrated in the group's risk management framework and are considered by GRCMC as part of its oversight of non-financial risk. The GAC monitors the implementation of remedial actions listed in the internal audit reports.


 Read more about the activities of the GITC on [pages 33](#) and [34](#).


### PRINCIPLE 13

#### Compliance governance

The board governs compliance with applicable laws, and adopted non-binding rules, codes and standards in a way that supports the group in being ethical and a good corporate citizen.

Doing the right business the right way and complying with applicable legislation, regulations, standards and codes is integral to the group's culture and imperative to achieving its strategy and ensuring its legacy. Oversight over compliance management is delegated to GAC which reviews and approves the mandate of the group chief compliance officer who, on a quarterly basis, reports on the status of compliance risk management across the group, significant areas of non-compliance, and interaction with regulators.

 Refer to [principle 3](#) on the group's governance of ethics and considerations on being a responsible corporate citizen.

 Refer to GAC activities on [pages 27](#) to [29](#).



PRINCIPLE 14 ✓

Remuneration governance

The board ensures that the group remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.

Through Remco, the board ensures that the group adopts remuneration policies and practices that are aligned with the group’s strategy, promote sound risk management in line with the group’s values and code of ethics and conduct while creating value for the group over the long term. It periodically reviews remuneration policies to ensure that the design and management of remuneration practices motivate sustained high performance, promote appropriate risk-taking behaviour, and are linked to individual and corporate performance. It also ensures transparency and disclosure to enable a reasonable assessment by stakeholders of reward practices and governance processes within the group. In line with the requirements of King IV and the JSE Listings Requirements, the group’s remuneration policy and remuneration implementation report are tabled to shareholders for a non-binding advisory vote at the group’s AGM.

For more details on the remuneration practices including remuneration policy and the implementation report, refer to the [remuneration report](#).

For detailed account on Remco’s activities throughout the period, refer to [pages 37](#) and [38](#).

PRINCIPLE 15 ✓

Assurance

The board ensures that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the group’s external reports.

The GAC ensures that the group applies a combined assurance model through a coordinated approach to all assurance activities. It reviews the plans and work outputs of external and internal audit, as well as reports on compliance, and concludes on their adequacy to address all significant financial risks facing the business which could impair the integrity of information used for decision-making and external reporting.

GAC is responsible for overseeing the performance of the internal audit function and adequacy of its resources. It reviews and approves the internal audit charter and audit plan, and evaluates the independence, effectiveness and performance of the internal audit function and its compliance with its charter. It also reviews significant issues raised during the internal audit processes and the adequacy of corrective action in response to such findings. In respect of the external auditors, the GAC reviews the independence of the external auditors, recommends their appointment to shareholders for approval, and oversees the external audit process.

Refer to GAC activities on [pages 27](#) to [29](#).

Refer to audit committee report in the [annual financial statements](#).







## STAKEHOLDER RELATIONSHIPS

**PRINCIPLE 16** ✓

### Stakeholders

In the execution of its governance role and responsibilities, the board adopts a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interest of the group over time.

The GSESC oversees the group’s approach to stakeholder engagement on the group’s legitimacy and social relevance. The group’s stakeholder engagement activities are governed by the stakeholder engagement policy and stakeholder engagement principles that set out the formal processes and areas of responsibility.

Through our stakeholder engagement processes, the group is committed to understanding and being responsive to the interests and expectations of stakeholders and to partnering with them to find solutions to sustainability challenges. The group’s stakeholder engagement report is tabled quarterly and considered by GSESC and the board at their meetings.

Refer to **report to society** on our group’s impact on the societies, economies and environment in which we operate.

### Annual general meeting (AGM)

An important part of our approach to governing our stakeholder relationships is to ensure our shareholders’ views are heard and fully considered. Our AGM provides an opportunity for the board to interact with and be accountable to shareholders. Notices of the meetings are sent to shareholders within the timeframes established by law and are available on the group’s investor relations website. The notice includes the resolutions to be considered at the meeting, details of the percentage needed to support each resolution and how shareholders can access the AGM.

The board, including the group CEO and group chief finance & value management officer (financial director) and other key members of management, are present at the AGM to answer any questions from shareholders. Minutes of the meetings are available to shareholders on request from the group secretary’s office. The voting outcome of resolutions is published through the stock exchange news service (SENS) of the JSE and posted on the group’s website within 48 hours of conclusion of the meeting.

The group hosted a hybrid AGM in 2023, where shareholders were able to choose to attend the meeting in person or participate in the meeting through the online platform. Shareholders attending the meeting online were able to view the meeting, vote and ask questions in real time. The board ensured that shareholders were also given the opportunity to submit questions ahead of the AGM, with all questions being carefully considered and answered individually by the board chairman, the group CEO and other members of the board and executive. In addition, extensive shareholder engagements took place with the chairman of the board, the chairman of Remco and other members of management in the lead-up to the AGM in the context of seeking shareholders’ views on and support for the proposed resolutions.

For more on engagements with shareholders, refer to the **sustainability disclosures report**.

For more on engagements with shareholders, refer to the **remuneration report** on engagements relating to remuneration policy.



**Zimbabwe**  
UNESCO heritage site, Mana Pools national park



## Shareholders' rights

We are committed to ensuring that all holders of the same class of shares issued by the company are treated equitably. The MOI does not make any provisions for defensive mechanisms and conforms to the principle of one share, one vote and one dividend. Our MOI provides for three classes of shares, namely one class of ordinary shares and two classes of preference shares. Shares in each class have the same rights. In any class of shares, there are no non-voting or multiple voting shares, neither are there shares that limit the number of votes that can be cast by a single shareholder, other than those instances established by law. Preference shareholders are entitled to receive dividends prior to ordinary shareholders and may only vote at a general meeting if their dividend payments are in arrears for more than six months and/or vote on a resolution that affects the rights attached to the preference shares, which may cause the reduction of the company's share capital or the winding up of the company.

## Governing of group subsidiaries

The board of the holding company must assume responsibility for governance across the group and set direction for how the relationships and exercise of power within the group should be approached and conducted. To do this, group subsidiaries have adopted the group's subsidiary governance framework. The framework is a collective system of practices and guidelines drawn from the corporate governance codes across the jurisdictions in which the group operates and developed with participation from all group banking subsidiaries. The fundamental objective of the framework seeks to demonstrate that there is sufficient mechanisms and corporate governance guidelines across all the group's subsidiaries.

The Basel Committee on Banking Supervision (BCBS) Corporate Governance Principles is the overarching ethos of the framework and takes into consideration consistent trends flowing from subsidiaries' local corporate governance practices to achieve robust and transparent risk management and decision-making. The framework is intended to complement local corporate governance codes and set a minimum standard on governance arrangements across all entities.

In adopting the framework, the board ensures that there are adequate governance structures and processes in place to contribute to the effective supervision of subsidiary companies, taking into consideration the nature, size, and complexity of the different risks facing the group and its subsidiaries.

The board, through the DAC, is responsible for monitoring and reviewing the effectiveness of this framework to ensure that it continues to remain current and reflects best practice. Each subsidiary is required to adopt an application register for the implementation and embedment of the framework.

## Financial Conglomerate oversight

The Prudential Standards for Financial Conglomerates (the Standards), as published by the SARB Prudential Authority under relevant sections of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) came into effect on 1 January 2022.

The board of directors of the holding company of a financial conglomerate is ultimately responsible to ensure the financial conglomerate meets the requirements for financial conglomerates on a continuous basis.

The board considered the group's application of the responsibilities as outlined in various sections of the Standards, particularly insofar as the board of the holding company is concerned. The holding company is substantially compliant with the requirements of the Standards and where necessary, will continue to enhance its oversight over its significant subsidiaries.

Updates on significant legal entity matters are incorporated in group management reports tabled at various board committee meetings, and subsidiaries report back to group board and board committees on key matters discussed at legal entity boards and board committees. Minutes or committee chairmen's reports from subsidiary board and board committee meetings, on matters deemed significant at a group level, are tabled at relevant group board committees.





# CONTACT AND OTHER DETAILS

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## FORWARD-LOOKING DISCLAIMER

This document contains certain statements that are "forward-looking" with respect to certain of the group's plans, goals and expectations relating to its future performance, results, strategies and objectives. Words such as "may", "could", "will", "expect", "intend", "estimate", "anticipate", "aim", "outlook", "believe", "plan", "seek", "predict" or similar expressions typically identify forward-looking statements. These forward-looking statements are not statements of fact or guarantees of future performance, results, strategies and objectives, and by their nature involve risk and uncertainty because they relate to future events and circumstances which are difficult to predict and are beyond the group's control, including but not limited to, domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory authorities (including changes related to capital and solvency requirements), the impact of competition, inflation, deflation, the timing impact and other uncertainties of future acquisitions or combinations within relevant industries, as well as the impact of changes in domestic and global legislation and regulations in the jurisdictions in which the group and its affiliates operate. The group's actual future performance, results, strategies and objectives may differ materially from the plans, goals and expectations expressed or implied in the forward-looking statements. The group makes no representations or warranty, express or implied, that these forward-looking statements will be achieved, and undue reliance should not be placed on such statements. The forward-looking statements in this document are not reviewed and reported on by the group's external assurance providers. The group undertakes no obligation to update the historical information or forward-looking statements in this document and does not assume responsibility for any loss or damage arising as a result of the reliance by any party thereon.



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