



Definitions, acronyms and abbreviations

Financial and other definitions

Available financial resources	The amount of permanent capital that is available to the group to absorb potential losses.
Basic earnings per ordinary share	Earnings attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue.
Black	People who fall within the ambit of the definition of black people in the relevant legislation as determined by court ruling.
Black Economic Empowerment (BEE)	Socio-economic term concerning formalised initiatives and programmes to enable historically disadvantaged black individuals and groups to participate gainfully and equitably in the mainstream economy.
Capital adequacy ratio	Capital as a percentage of risk-weighted assets.
Common equity tier I (CET I) capital adequacy ratio	CET I regulatory capital, including unappropriated profits, as a percentage of total risk-weighted assets.
Constant currency	Comparative financial results adjusted for the difference between the current and prior periods cumulative average exchange rates.
Consumer price index (CPI)	A South African index of prices used to measure the change in the cost of basic goods and services.
Cost-to-income ratio	Operating expenses as a percentage of total income after revenue sharing agreements with group companies but before credit impairments, including profit/(loss) on disposal of subsidiaries and share of profit/(loss) from associates and joint ventures.
Credit enhancement provider	The group provides credit enhancements to the SE's which include financial guarantees and loans that are subordinated in favour of third party investors.
Credit loss ratio	Total impairment charges on loans and advances per the income statement as a percentage of average daily and monthly gross loans and advances.
Deferred acquisition costs (DAC)	The direct and indirect costs incurred during the financial period arising from the writing or renewing of investment contracts without discretionary participation features (DPF), which are deferred to the extent that these costs are recoverable out of future premiums.
Deferred revenue liability (DRL)	Initial and other front-end fees received for the rendering of future investment management services relating to investment contracts without DPF, which are deferred and recognised as revenue when the related services are rendered.
Diluted earnings per ordinary share	Earnings attributable to ordinary shareholders divided by the weighted average number of shares, adjusted for potential dilutive ordinary shares resulting from share-based payments and related hedges.
Diluted headline earnings per ordinary share	Headline earnings divided by the weighted average number of shares, adjusted for potential dilutive ordinary shares.

Discretionary participation features (DPF)	<p>A contractual right given to a policyholder to receive, as a supplement to guaranteed benefits, additional benefits that are:</p> <ul style="list-style-type: none"> • likely to be a significant portion of the total contractual benefits • whose amount or timing is contractually at the discretion of the issuer, and • that are contractually based on the: <ul style="list-style-type: none"> • performance of a specified pool of contracts or a specified type of contract • realised and/or unrealised investment returns on a specified pool of assets held by the issuer, or • profit or loss of the company, fund or other entity that issues the contract.
Dividend cover	Headline earnings per share divided by dividend per share.
Dividend payout ratio	Dividend per share divided by headline earnings per share.
Dividend per share	Total dividends to ordinary shareholders in respect of the year. The dividend is calculated using the cash component of any distribution where an election to receive scrip was available.
Dividend yield	Dividend per share as a percentage of the closing share price.
Earnings per share (EPS)	Earnings attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue.
Earnings yield	Headline earnings as a percentage of the closing share price.
Economic capital coverage ratio	Available financial resources divided by minimum economic capital requirements.
Effective direct taxation rate	Direct taxation as a percentage of net income before direct taxation.
Effective total taxation rate/ effective tax rate	Direct and indirect taxation as a percentage of net income before taxation.
Exposure at default (EAD)	Counterparty's expected exposure to the group at the time a default occurs.
Financial soundness valuation (FSV)	The valuation methodology used to value insurance contracts and investment contracts with DPF as described in Professional Guidance Note (PGN) 104 issued by the Actuarial Society of South Africa.
Gross specific impairment coverage ratio	Balance sheet impairments for non-performing specifically impaired loans as a percentage of specifically impaired loans.
Headline earnings	Determined, in terms of the circular issued by the South Africa Institute of Chartered Accountants at the request of the JSE, by excluding from reported earnings-specific separately identifiable re-measurements net of related tax and non-controlling interests.
Headline earnings per ordinary share (HEPS)	Headline earnings divided by the weighted average number of ordinary shares in issue.

Indirect taxes	Taxes incurred by the group which comprises of VAT, custom and excise duties, consumption tax, securities transfer tax and stamp duty that arise during the course of business which cannot be recovered from government. In respect of VAT, is mainly as a result of banking activities often being classified as an exempt supply which results in irrecoverable input VAT or input VAT subject to an appointment of recovery ratio. Indirect taxes collected by the group comprise net amounts paid to government on its' suppliers.
Investor	In order to fund the purchase of the assets, the SE issue funding notes and commercial paper to investors, which includes the group.
JAWs	Measure of the extent to which total income growth rate exceeds the operating expense growth rate.
Liquidity provider	The commercial paper issued by BTC has a shorter maturity than the assets it holds. The group provides liquidity stand-by facilities to BTC to enable BTC to settle the commercial paper as it becomes due in the event that BTC is unable to refinance the paper through the maturity of its assets.
Loans-to-deposits ratio	Net loans and advances as a percentage of deposit and current accounts.
Loss given default (LGD)	Amount of a counterparty's obligation to the group that is not expected to be recovered after default and is expressed as a percentage of the EAD.
Monte Carlo simulation	Monte Carlo simulation is a model used to determine the probability of different outcomes using a broad class of computational mathematical techniques that rely on repeated random sampling.
Net asset value	Equity attributable to ordinary shareholders.
Net asset value per share	Net asset value divided by the number of ordinary shares in issue at year end.
Net interest margin	Net interest income as a percentage of daily and monthly average total assets, excluding derivative assets.
Non-interest earning assets	Includes total trading book assets and rate-insensitive banking book assets, such as cash and cash equivalents, fixed assets, goodwill and other intangible assets, investment property, current and deferred tax assets, and other assets. Cash balances with central banks are specifically excluded as they are utilised to meet liquidity requirements and are reflected as part of the interest-earning assets to reflect the cost of liquidity. Derivative assets are also excluded.
Non-interest revenue to total income	Non-interest revenue as a percentage of total income.

Notional amount	The contract/notional amount is the sum of the absolute value of all bought and sold contracts. The notional amounts have been translated at the closing rate at the reporting date where cash flows are payable and receivable in foreign currency. The amount cannot be used to assess the market risk associated with the position and should be used as a means of assessing the group's and companies' participation in derivative contracts.
Originator	The group originates term assets and sells these to the SEs.
Portfolio credit impairments	Impairment for latent losses inherent in groups of loans and advances that have not yet been specifically impaired.
Probability of default (PD)	Probability of a counterparty not making full and timely repayment of credit obligations over a specific time horizon.
Profit attributable to ordinary shareholders	Profit for the year attributable to ordinary shareholders, calculated as profit for the year less dividends on non-redeemable, non-cumulative, non-participating preference shares declared before year end, less non-controlling interests.
Profit for the year	Income statement profit attributable to ordinary shareholders, non-controlling interests and preference shareholders for the year.
Reinsurance	Insurance or investment risk that is ceded to another insurer in return for premiums. The ultimate obligation to the policyholder remains with the entity who issued the original insurance contract.
Return on equity (ROE)	Headline earnings as a percentage of monthly average ordinary shareholders' funds.
Risk appetite	An expression of the maximum level of residual risk that the group is prepared to accept in order to deliver its business objectives.
Risk-weighted assets	Determined by applying prescribed risk weightings to on- and off-balance sheet exposures according to the relative credit risk of the counterparty.
Servicer	The group provides administrative services to the securitisation vehicle.
Shares in issue	Number of ordinary shares in issue as listed on the exchange operated by the JSE.
Specific credit impairments	Impairment for loans and advances that have been classified as non-performing and specifically impaired, net of the present value of estimated recoveries.
Specific gross impairment coverage	Balance sheet impairments for non-performing specifically impaired loans as a percentage of specifically impaired loans.
Structured entity (SE)	An entity created to accomplish a narrow and well-defined objective.

Swap counterparty	In order to align the cash flows between the underlying securitised assets and the issued loan notes and commercial paper, the SE's may enter into interest rate swap agreements with counterparties which include the group.
Tangible net asset value	Equity attributable to ordinary shareholders, excluding goodwill and other intangible assets.
Tangible net asset value per share	Tangible net asset value divided by the number of ordinary shares in issue at the end of the period.
Tier I capital adequacy ratio	Tier I regulatory capital, including unappropriated profit, as a percentage of total risk-weighted assets.
Total capital adequacy ratio	Total regulatory capital, including unappropriated profit, as a percentage of total risk-weighted assets.
Tutuwa	The Tutuwa initiative is the group's Black Economic Empowerment ownership initiative entered into in terms of the Financial Sector Charter.
Weighted average number of shares	The weighted average number of ordinary shares in issue during the year as listed on the JSE.
Withholdings taxes	Withholding taxes incurred by the group comprise tax withheld on specific receipts on income as governed by the laws of each country, such as dividends, interest, management fees, service and rentals. Withholding taxes collected by the group comprise excise taxes on money transfers, stamp duty and consumption tax withheld on behalf of the revenue authorities on specified payments to suppliers and clients as governed by the laws of each country.

Accronyms and abbreviations

A	
ABC	Anti-bribery and corruption
ABInBev	Anheuser Busch InBev
AGM	Annual general meeting
AIR	Standard Bank Group Annual Integrated Report
AIRB	Advanced internal ratings-based
ALBI	All Bond Index
ALCO	Asset and liability committee
AMA	Advanced measurement approach
AML	Anti-money laundering
ANA	Automated notes acceptor
APN	Advisory practice note
ASSA	Actuarial Society of South Africa
ATM	Automated teller machine

B	
Banks Act	South African Banks Act 94 of 1990
BASA	Banking Association South Africa
Basel	Basel Capital Accord
BBBEE	Broad-based black economic empowerment
BCBS	Basel Committee on Banking Supervision
BD	Blue Diamond Investments, No. 1, 2 and 3
BEE	Black Economic Empowerment
BG 1	Blue Granite Investments No. 1 (RF) Limited
BG 2	Blue Granite Investments No. 2 (RF) Limited
BG 3	Blue Granite Investments No. 3 (RF) Limited
BG 4	Blue Granite Investments No. 4 (RF) Limited
BIS	Bank for International Settlements
BLSA	Business Leadership South Africa

Blue Banner	Blue Banner Securitisation Vehicle RC1 Proprietary Limited
Blue Shield	Blue Shield Investments 01 (RF)
BoBC	Bank of Botswana certificate
bps	Basis point
Brazil	Banco Standard de Investimentos S.A.
BTC	Blue Titanium Conduit (RF) Limited
BTV	Balance-to-value
The board	SBSA reports: The Standard Bank of South Africa board of directors SBG Reports: Standard Bank Group board of directors

C	
CAGR	Compound annual growth rate
CAR	Capital adequacy ratio
CCF	Credit conversion factors
CCI	Consumer credit insurance
CCP	Central counterparties
CCR	Counterparty credit risk
CCyB	Countercyclical buffer
CDS	Credit default swap
CE	Chief executive
CEM	Current exposure method
CEO	Chief executive officer
CET I	Common equity tier
CFT	Combating the finance of terrorism
CGT	Capital gains taxation
CGU	Cash-generating unit
CIB	Corporate & Investment Banking
CIO	Chief information officer

CLR	Credit loss ratio
CO ₂	Carbon dioxide
COE	Cost of equity
COFI	Conduct of Financial Institutions
Companies Act	South African Companies Act 71 of 2008
CP	Commercial paper
CPI	Consumer price index
CRD	Capital requirements directive
CRM	Credit risk mitigation
CRO	Chief risk officer
CRR	Capital requirements regulation
CSA	Credit support annexure
CSDP	Central Securities Depository Participant
CSI	Corporate social investment
CTI	Cost-to-income ratio
CTO	Chief technology officer
CVA	Credit valuation adjustment
The company	SBSA reports: The Standard Bank of South Africa Limited SBG reports: Standard Bank Group Limited

D

DAC	Governance and remuneration reports: Directors affairs committee Other reports: Deferred acquisition cost
DBS	Deferred bonus scheme
Diners	Diners Club (S.A.)
DPA	Deferred prosecution agreement
DPF	Discretionary participation feature
DRL	Deferred revenue liability
D-SIB	Domestic systemically important bank
dti	Department of Trade and Industry

E

EAD	Exposure at default
ECL	Expected credit loss
EGS	Equity growth scheme
EL	Expected loss
EPS	Earnings per share
ERC	Equity risk committee
ETF	Exchange traded fund
EU	European Union
Exco	Group executive committee
EXCON	Exchange control

F

FAIS	Financial Advisory and Intermediary Services
FCTR	Foreign currency translation reserve
FDI	Foreign direct investment
FIC	Fixed income and currencies
FICC	Fixed income, currency and commodity
FIRB	Foundation internal ratings-based
FMA	Financial Markets Act
FRC	Financial Reporting Council of Nigeria
FRTB	Fundamental review of the trading book
FSB	Financial Services Board
FSV	Financial Soundness Valuation
FTSE	Financial Times Stock Exchange
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss

G

G20	Group of Twenty
GAC	Group audit committee

GCAO	Group chief audit officer
GCCO	Group chief compliance officer
GCROC	Group control and risk oversight committee
GDP	Gross domestic product
GIA	Group internal audit
GMOA	Global markets outside Africa business
GRCMC	Group risk and capital management committee
Greenhouse	Greenhouse Funding 3 (Pty) Ltd
GROC	Group risk oversight committee
G-SIB	Global systemically important banks
GSIS	Group share incentive scheme
The group	SBSA reports: The Standard Bank of South Africa Group SBG Risk and capital management report: Standard Bank Group banking activities Other reports: Standard Bank Group

H

HE	Headline earnings
HEPS	Headline earnings per share
HQLA	High quality liquid assets

I

IAA	Internal Assessment Approach
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IBNR	Incurred but not reported
IBTC	Investment Bank and Trust Company Limited
ICAAP	Internal capital adequacy assessment process
ICAS	Independent Counselling and Advisory Services

ICBC	Industrial and Commercial Bank of China Limited
ICBCS	ICBC Standard Bank Plc
ICR	Individual capital requirement
IFC	International Finance Corporation
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
IMA	Internal Models Approach
IMF	International Monetary Fund
Income Tax Act	South African Income Tax Act 58 of 1962
IOR	Integrated operational risk
IPO	Initial public offer
IR	Integrated reporting
IRB	Internal ratings-based
IRBA Code	Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors
IRRBB	Interest rate risk in the banking book
ISA	International Standards on Auditing
ISAE 3000	International Standard on Assurance Engagements
ISDA	International Swaps and Derivatives Association
IT	Information technology

J

JIBAR	Johannesburg interbank agreed rate
JSE	Johannesburg Stock Exchange Limited

K

King Code	King Code of Governance Principles/ King Report on Corporate Governance
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King III	King Code of Governance Principles/King Report on Corporate Governance
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L

L2D	Liberty Two degrees
LCR	Liquidity coverage ratio
LEC	The Standard Bank of South Africa large exposure committee
Lexshell	Liberty's black economic empowerment ownership initiative
LGD	Loss given default
LGL	Liberty Group Limited
Liberty	Liberty Group Limited and its subsidiaries
LibFin	Liberty Financial Solutions
LIBOR	London interbank offer rate
Long-term Insurance Act	Long-term Insurance Act 52 of 1998
LPP	Liberty Property Portfolio

M

MAC	Model approval committee
Main street	Main Street 367 (RF) Proprietary Limited
MIFID	The Markets in Financial Instruments Directive
MOI	Memorandum of Incorporation
MSA	Medical Schemes Act
MSCI	Morgan Stanley Capital International Emerging Markets Index

N

NAV	Net asset value
NCA	National Credit Act
NCAA	National Credit Amendment Act
NCD	Negotiable certificates of deposit
NCR	National Credit Regulator
NII	Net interest income

NIM	Net interest margin
NIR	Non-interest revenue
NPL	Non-performing loans
NPS	Net Promotor Score
NSE	Nigeria Stock Exchange
NSFR	Net stable funding ratio
NSX	Namibian Stock Exchange
NT	National Treasury

O

OCI	Other comprehensive income
ODI	Overseas Development Institute
OHI	Organisational Health Index
OTB	Out of the Blue Originator Proprietary Limited
OTC	Over-the-counter

P

PAIA	Promotion of Access to Information Act 2 of 2000
Part A and B	International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants
PASA	Payments Association of Africa
PBB	Personal & Business Banking
PD	Probability of default
Pensions Funds Act	Pensions Funds Act 24 of 1956
PFE	Potential future exposures
PGN	Professional guidance note
PIC	Public Investment Corporation
Pillar 3	Basel Capital Accord III
PIM	Principal investment management
PoPI	Protection of Personal Information Act 4 of 2013

PRA	Prudential Regulatory Authority
PRP	Performance reward plan
PVIF	Present value of acquired in-force

Q

QRRE	Qualifying retail revolving exposure
Quanto	Quanto stock unit scheme

R

R	South African rand
RAPM	Risk-adjusted performance measurement
RAS	Risk appetite statement
RBA	Ratings based approach
Rbn	Billions of South African rand
RCCM	Risk, compliance and capital management
RCS	RCS Investment Holdings Proprietary Limited
RDARR	Risk data aggregation and risk reporting
RDR	Retail distribution review
REIPPP Programme	Renewable Energy Independent Power Producer Procurement Programme
REIT	Real Estate Investment Trust
Remco	Remuneration committee
Rm	Millions of South African rand
ROE	Return on equity
RoRWA	Return on risk-weighted assets
ROU	Right of use
RTGS	Retail time gross settlement
RUR	Rating under review
RWA	Risk-weighted assets

S

SA	South Africa
SA Taxi	SA Taxi Finance Solutions (Pty) Ltd

SAFEX	South African Futures Exchange
SAHL	South African Home Loans Proprietary Limited
SAICA	The South African Institute of Chartered Accountants
SAM	Solvency assessment management
SAP	Standard of Actuarial Practice
SARB	The South African Reserve Bank
SARP	Share appreciation rights plan
SB	Sovereign risk grade
SB Plc	Standard Bank Plc
SB-Debtors	SB-Debtors Discounting No. 1 Proprietary Limited
SBG	Standard Bank Group Limited
SBGRF	Standard Bank Group Retirement Fund
SBIB	Standard Bank Insurance Brokers
SBLH	Standard Bank London Holdings Limited
SBSA	The Standard Bank of South Africa Limited
SBV	SBV Services (Pty) Limited
SBW	Standard Bank Wealth
SCMB	Standard Corporate and Merchant Bank
SE	Structured entity
SEC	Social and ethics committee
SEE	Social, economic and environmental
SENS	Stock Exchange News Service
SFA	Supervisory Formula Approach
SFO	Serious fraud office
SFT	Securities financing transactions
Short-term Insurance Act	Short-term Insurance Act 53 of 1998
SIBTC Holdings	Stanbic IBTC Holdings PLC

SIL	Standard Insurance Limited
SIPML	Stanbic IBTC Pensions Managers Limited
Siyakha	Siyakha Fund (RF) Limited
SLF	Standard lending facility
SME	Small and medium enterprises
SNYS	Standard New York Securities Inc.
SOFP	Statement of financial position
SPV	Special purpose vehicle
SSFA	Simplified Supervisory Formula Approach
Stanbic	Stanbic IBTC Holdings Plc
STI	Short-term initiative
STRATE	Strate Limited – Central Securities Depository for electronic settlement of financial instruments in South Africa
SUR	Liberty share unit rights
SVaR	Stressed value-at-risk

T

Tabistone	Tabistone 06 (RF) Limited
T-Bill	Treasury bill
Tier I	Primary capital
Tier II	Secondary capital
Tier III	Tertiary capital
TPS	Transactional Products and Services
TSA	The standardised approach
Tutuwa	Black Economic Empowerment ownership initiative
Twin Peaks	Financial Sector Regulation Bill

U

UK	United Kingdom
UN	United Nations
Universal	Universal Credit S.A.
US	United States of America

V

VAF	Vehicle Asset Finance
VaR	Value-at-risk
VAT	Value added tax
VET	Voluntary employee turnover rate
VRET	Voluntary regrettable employee turnover rate

W

WA	Weighted average
WEF	World Economic Forum
WI	Wealth and investment

Currencies

AOA	Angolan kwanza
ARS	Argentine peso
AUD	Australian dollar
BWP	Botswana pula
CAD	Canadian dollar
CDF	Congolese franc
EUR	Euro
GBP	Great British Pound/pound sterling
GHS	Ghanain cedi
HKD	Hong Kong dollar
JPY	Japanese yen
KES	Kenyan shilling
LES	Lesotho loti
MZN/MT	Mozambican metical
NAD	Namibian dollar
NGN	Nigerian naira
RMB	Chinese renminbi
UGX	Ugandan shilling
USD	United States dollar
ZAR	South African rand
ZMK	Zambian kwacha