



Barclays Africa Group

Retail and Business Banking Investor Day

November 2013

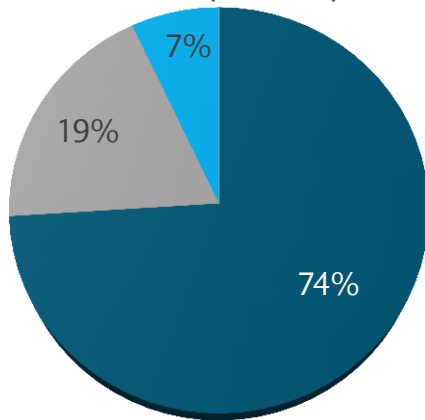


RBB Africa Story



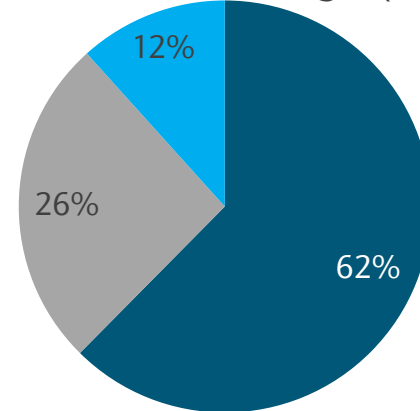
Large contributor to Barclays Africa Group

Revenue (1H13)

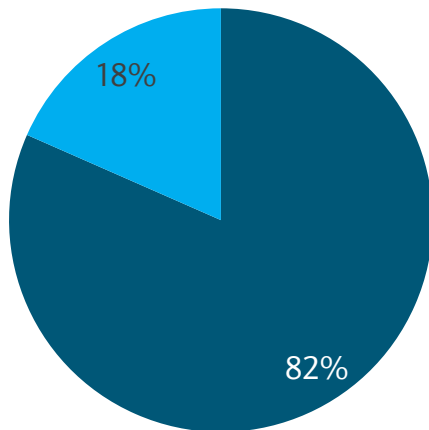


- Retail and Business Banking
- Corporate, Investment Bank and Wealth
- Financial Services

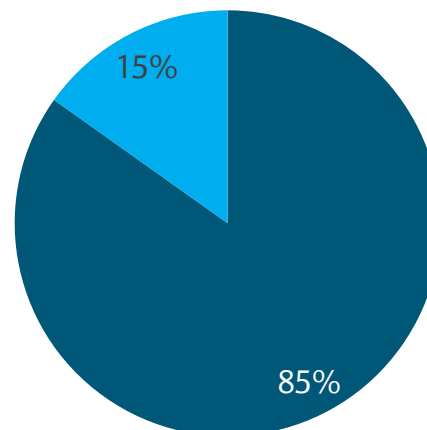
Headline earnings (1H13)



South Africa remains bulk of 1H13 RBB revenue and earnings



- SA and other
- Rest of Africa *



Our journey to date...

2012

New Retail SA leadership team



Fix our lending businesses



Fix our collection 'shops'



1Q13

Detailed analysis of why we lost market traction and market share across RBB



Presented outcomes to BAGL and Barclays Boards



2Q13

Developed a 12 point plan to regain market traction and remediate business, IT and operational shortcomings



Started muscle building RBB leadership with combination of best of Absa, Barclays and external hires



- New Head of Business Banking
- New Head of Customer Channels
- New RBB Chief Risk Officer
- New RBB Chief Marketing Officer
- New RBB Chief Finance Officer
- New Head of HR
- New Internal Customer Ombudsman
- Product division CIO's, COO's and CRO's
- Over 50 further key strategic hires

Our journey to date...

3Q13

Strong outward focus in Business and Retail businesses and good early signs of balance sheet and customer growth



Completed the Barclays Africa / Absa combination

4Q13

Launch of new PROSPER ad campaign and better utilisation of sponsorship properties



Focus on transactional franchise in South Africa



4Q13 continued...

Big focus on talent, resourcing, growth strategy and our operating model for our Rest of Africa franchises



Huge focus on winning the 'hearts and minds' of 36,000 colleagues and regaining confidence and will to win across organisation



RBB will deliver a good set of pan-African results off a low base



From worst to first in Customer Dispute Resolution – Best Bank in Banking Ombudsmen awards 2013

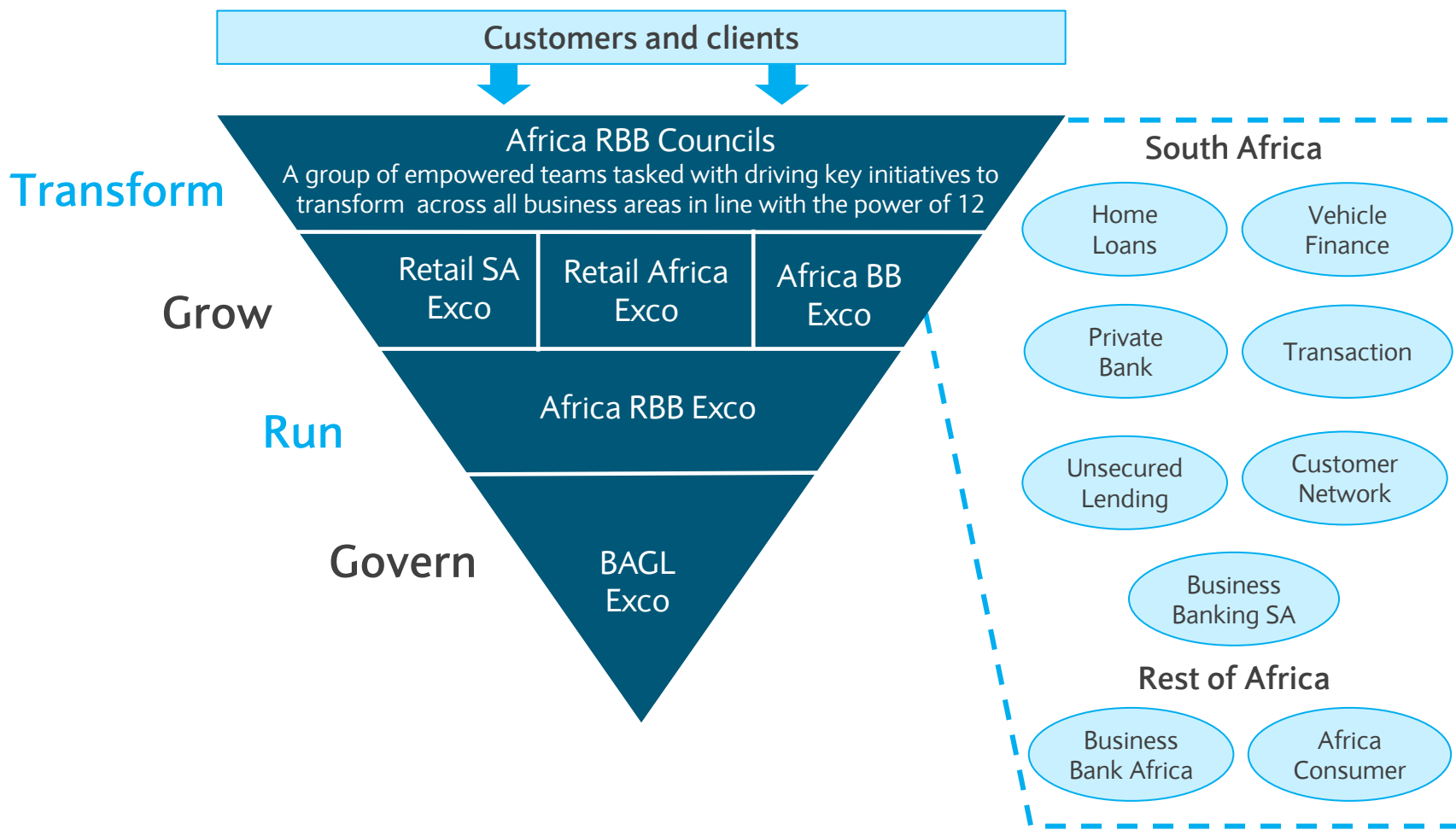


Showcase our detailed strategy and leadership team



How we run this business

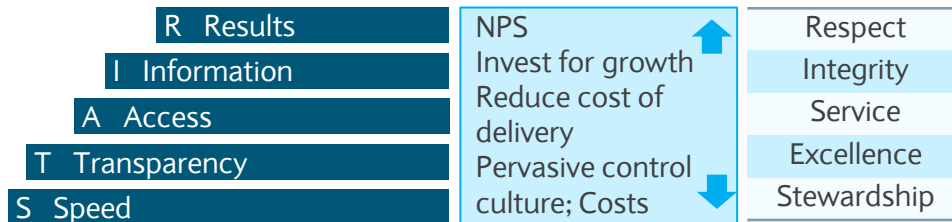
Governance and structures aligned to allow councils to drive transformation of the group whilst Exco structures design, run and implement strategy and day-to-day management of RBB across business and functions



The power of 12

Helping people achieve their ambitions - in the right way

Live's made much easier



Power of 12

1. Put the customer at the heart of everything we do and every investment decision we make – get service right, no matter what
2. Promote and hire the right **leaders**, simplify **operating models** and management **structures**, introduce staff disciplines, empowerment and accountability measures
3. Reshape and reinvigorate our **branch network and customer channels** and restart our customer engagement and sales engines
4. Fast track **process improvements, digitisation** of customer channels/ products (Barclays.net, internet and mobile banking, payments, apps and ATM innovations) and consolidate African middle and back offices into hubs
5. **Rebalance and reduce cost base** while improving customer experience
6. **De-risk RBB** by creating a pervasive control culture through removing bureaucracy, instilling upfront controls and remediating legacy issues
7. **Secure and strengthen leading position in Card and Payments** through our strong merchant acquiring, card issuing, card joint ventures, digital capabilities and Barclaycard risk analytical skills
8. Develop industry leading African **credit granting and market risk** skills to meet customer needs across all customer segments and markets within acceptable risk parameters
9. Launch new Absa and Barclays aligned Prosper marketing campaign. Trim down and maximize sponsorship properties and align with business outcomes
10. Implement **one Africa strategic alignment** of RBB businesses while retaining distinct SA and rest of Africa leadership and resource allocation in the short term. Where appropriate, align with Barclays business direction, best practices and functional structures
11. Ensure strong **RBB / CIB / WIMI alignment** and cooperation across all markets and customer segments to become Africa's universal 'Go-To' bank.
12. Introduce and drive strong **staff development, retention, mobility and recruitment** programs with core focus on diversity and transformational initiatives

9 Strategic deliverables

2

Sunrise



- Build seamless channel experience
- Reshape and reduce branch footprint
- Enhance digital experience
- Invest in technology and system
- Reignite the sales engine
- Aimed at enhancing efficiency, reducing costs and improving customer service

9

Partnerships



- Consolidate and grow existing retail partnerships
- Develop new partnerships in retail and virtual banking space
- Increase customer numbers, revenue growth, improved profitability

8

Marketing



- Escalate the key messages to market through Prosper campaign
- Strengthen public relations through media and investment communities
- Enhance internal communications
- Improved revenue, customer service and optimizing cost

3

Digitisation & automation



- Redesign and simplify customer processes
- Automate and digitise internally and externally
- Enhanced delivery, service, revenue growth, cost reduction and profitability

1

Customer



- Focus on service excellence delivery
- Redesign value propositions
- Improve customer processes
- Will drive revenue growth, improve service delivery and ultimately profitability

7

Risk



- Ensure business is first line of defense
- Ensure control environment under control
- Manage legal and legacy books
- Deliver on regulatory requirements
- Improved control, reduced impairments and growth in profitability

4

Product



- Simplify and innovate
- Design per segment customer value propositions
- Grow revenues from new sources
- Align product and marketing
- Enhance revenue growth and customer service satisfaction

5

Technology



- Stabilise current systems
- Build BAGL IT test bed environment
- Invest in middleware
- Innovate on front end
- Build skills base
- Improve efficiency and reduce cost to serve

6

People



- Redesign processes
- Empower teams across the business
- Core focus on diversity
- Create a reliable working structure
- Nurture, develop and retain talent
- Ensure compliance to scorecards
- Improve motivation and service

Aligned to Barclays global RBB strategies

| Global RBB | Retail Banking South Africa | Retail Banking Rest of Africa | Business Banking Africa | Personal and Business Banking UK | RBB Europe |
|--|---------------------------------|-------------------------------|---|---------------------------------------|--------------------------|
| Aligning with Barclays RBB groups in UK and Europe to leverage synergies and deliver a global 'Go-To' bank experience. | Net Promoter Score (NPS) | Net Promoter Score (NPS) | Net Promoter Score (NPS) | Net Promoter Score (NPS) | Net Promoter Score (NPS) |
| Through shared council interactions drive the learnings across teams and geographies to optimize skills, investments and business opportunities. | Sunrise | Sunrise | Sunrise | Sunrise | Sunrise |
| The global RBB forum is committed to deliver on the 'Go-To' ambition by driving the "Lives made much, much easier" philosophy and then delivered through the Speed Transparency, Access, Information and Results execution framework (STAIRS). | Digital | Digital | Digital | Digital | Digital |
| Anticipated benefits include global value propositioning, reduced costs and customer satisfaction increase. | Control | Control | Control | Control | Control |
| | Balance sheet growth | Balance sheet growth | Balance sheet growth | Leading Business Bank | Decimate the Rock |
| | Customer franchise management | Premier (debit / credit) | Strategy and execution For Rest of Africa | Value Exchange | Project Columbus |
| | Transformational Projects (JVs) | Centralised hub 12 becomes 3 | Relationship Management model | Complaints | |
| | Collections capability | Refresh IT Infrastructure | Grow primary relationships | Simple products / sustainable returns | |
| | Brand change | | Land Barclays.net | | |
| | Talent | | | | |

We believe we now have the right leadership team in place, a credible and clearly articulated plan which we are executing.

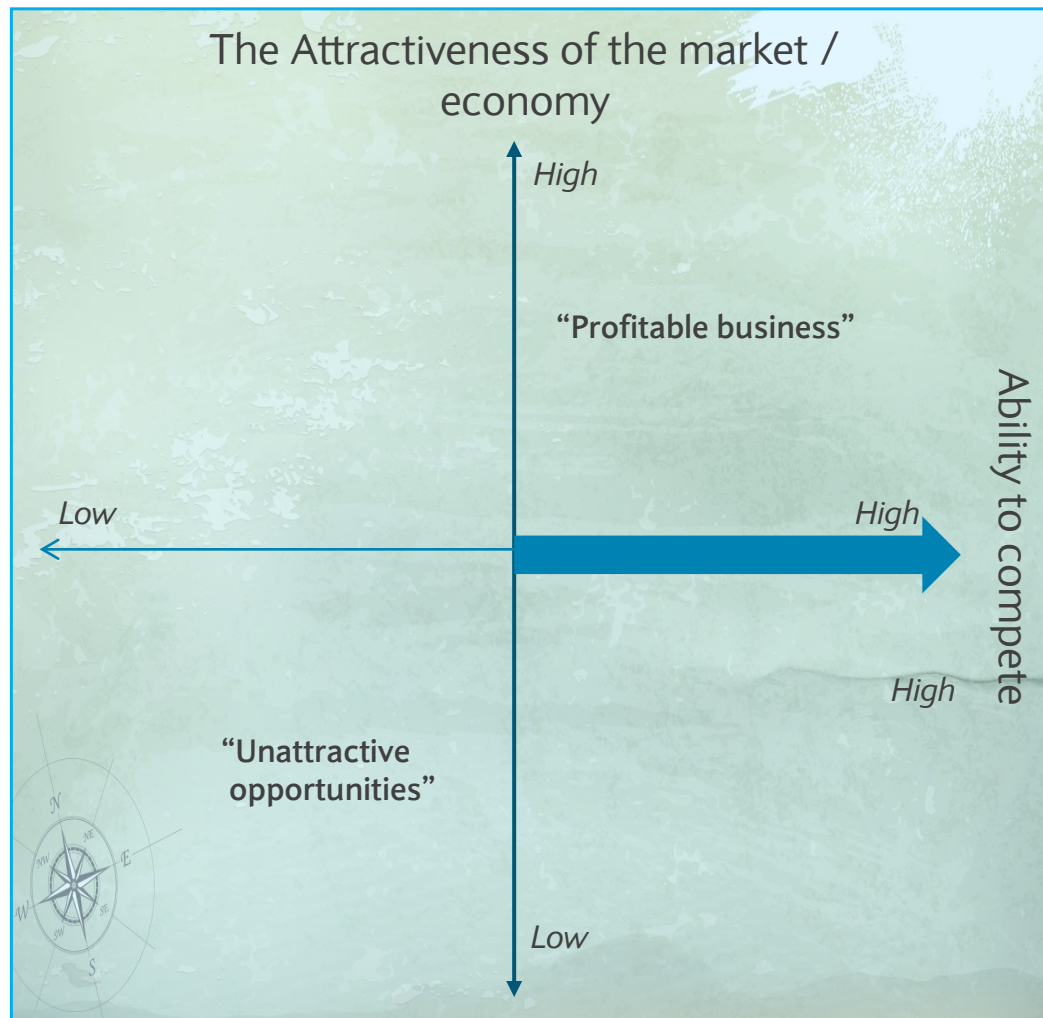
We hope at the end of today, we will have earned the right to be heard, that at the end of 2014 we will have earned the right to be trusted and that by the end of 2015 we will have earned the right to be your favourite African bank stock.

Retail

SA



An informed strategic approach ...



Absa Retail Management view

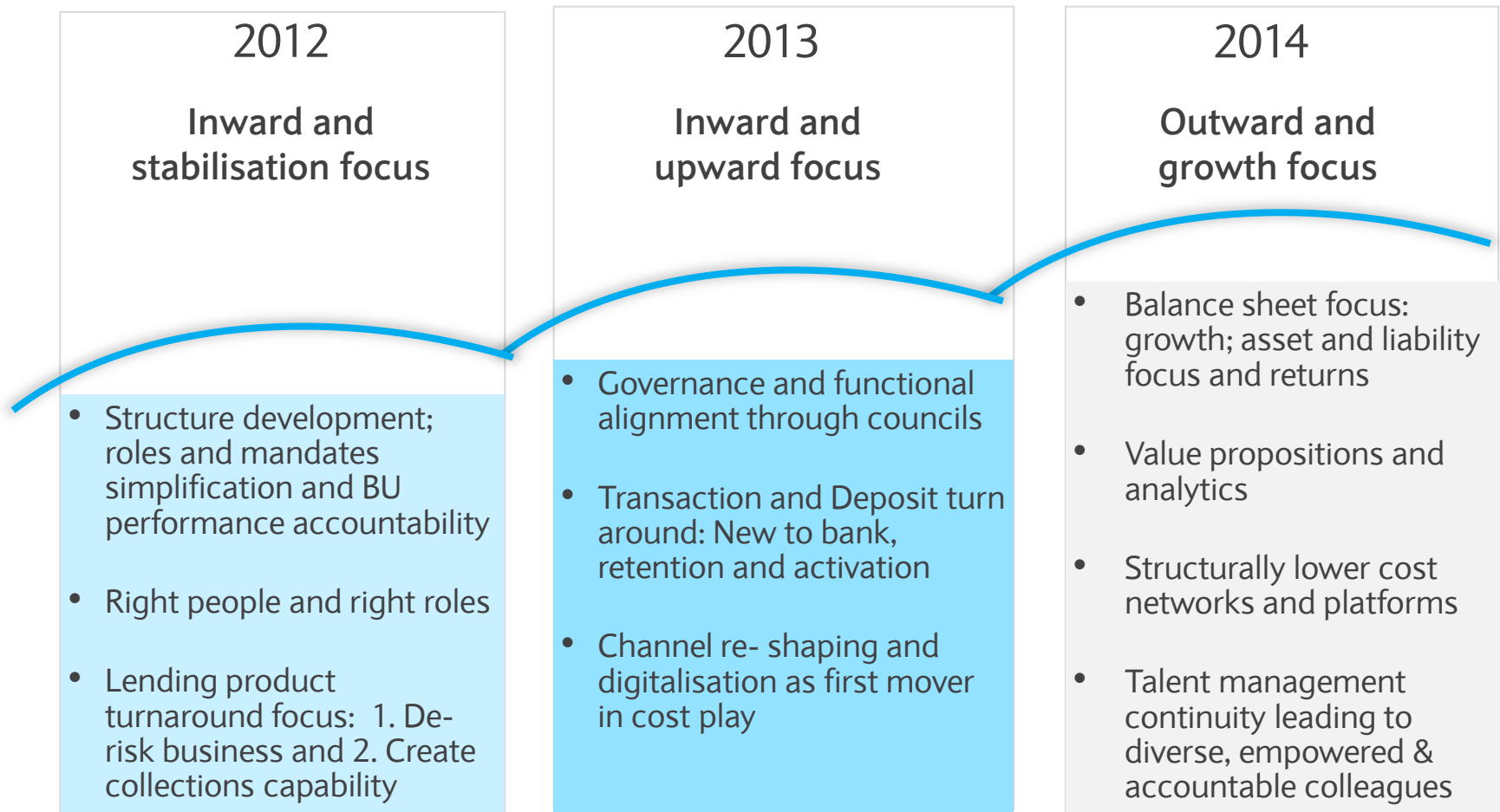
South African market will continue to be challenging

“Our business is largely de-risked, with focus on opportunities for growth”

We are shaping Absa Retail’s ability to compete...

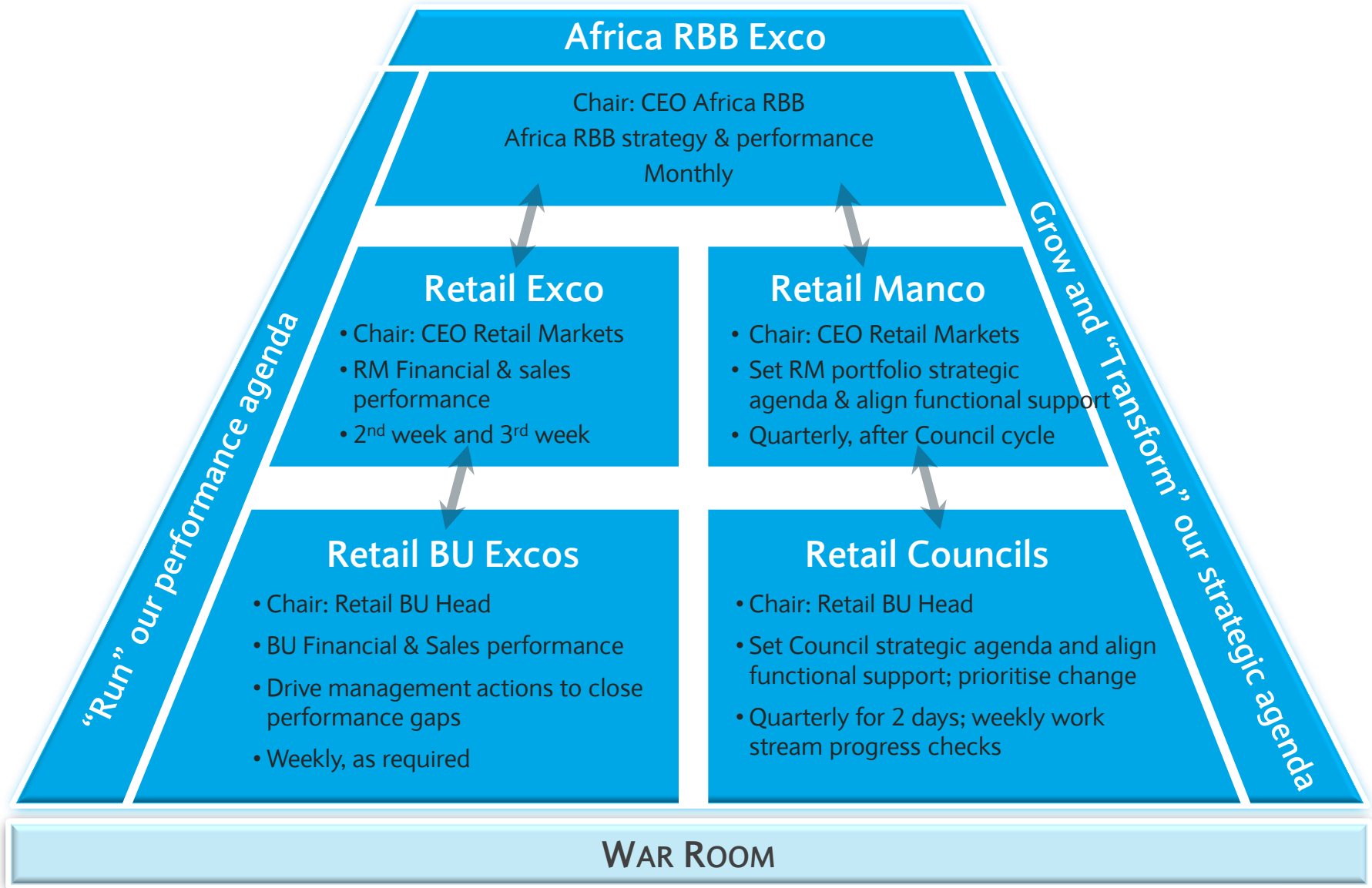
“Building ability and capacity to respond to external challenges and opportunities”

Retail Bank strategic leadership messages and themes

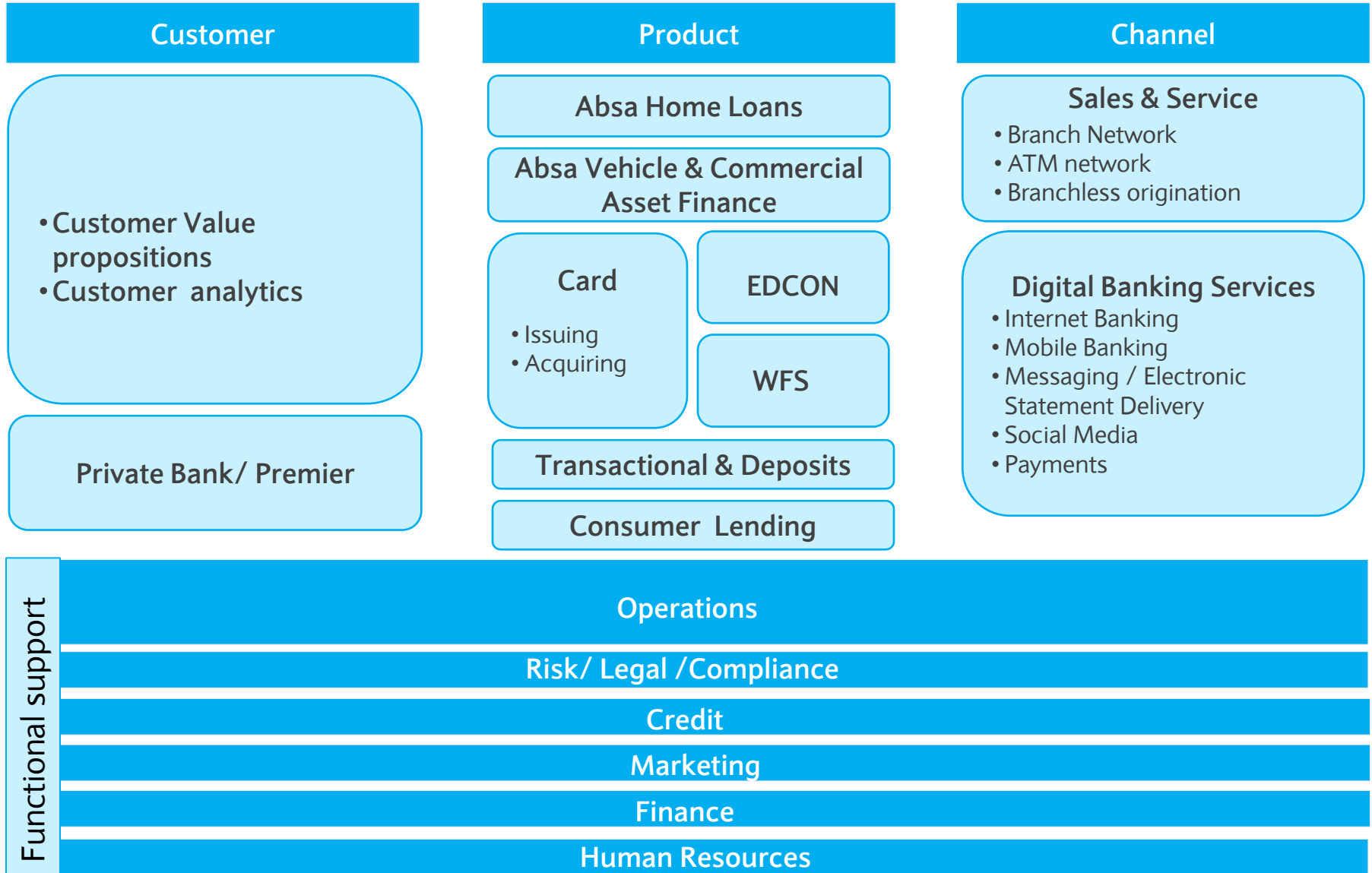


The progress we make as a leadership team creates the context for our future performance...

Governance underpins our strategy development process



Overview of business model which guides approach to the market



Retail Banking leadership team

Arrie Rautenbach
Head: Retail Banking



Simon Just
Head:
Transactional
Banking &
Deposits
15 yrs banking exp

Experience:
Strategy
Product
Management



Avinash Singh
Head :
Private Bank &
Islamic banking
11 yrs banking exp

Experience:
Relationship
Executive,
Sales,
Segments,
Strategy



Johan van Schalkwyk
Head : Customer
network
40 yrs banking exp

Experience:
Operations
and
Distribution &
channel
management



Pierre Loubser
Head:
Consumer Loans
24 yrs banking exp

Experience:
Sales & Service
Distribution &
Channel
Management



Carel Gronum
Head:
Home Loans
20 yrs banking exp

Experience:
Group
Treasury &
Barclays
Africa



Wessel Steffens
Head:
Absa Vehicle &
Commercial Asset
Finance
38 yrs banking exp

Experience:
Vehicle &
Commercial
Asset Finance



Jim Campbell
Head:
Card
16 yrs banking exp

Experience:
Financial
Management,
Card



Cowyk Fox
Head :
Edcon
3rd party Alliance
14 yrs banking exp

Experience:
Financial
Management,
Operations,
Credit Risk

Retail
Functional
Support



August Van Heerden
CFO:

Home Loans



Redefined our strategy, reviewed our operating model and translated these into clear initiatives

Clear strategy

- Strong team
- Winning partnerships
- Right deal, first time, on time, all the time
- Customers our biggest advocates
- Creating value for life
- Sustainable profit growth

Operating model

- Total value chain, with co-creation and co-accountability across all functions
- New capacities created
- Leadership team appointed

Business stabilized

- Business growth, with improvement across all key value drivers: “Quality, profitability, and customer satisfaction”
- Good progress in transforming our business, and
- Satisfactory progress in positioning for tough environment, to deliver economic profit

Performance improved on the back of a clear strategy and new leadership team

1H13

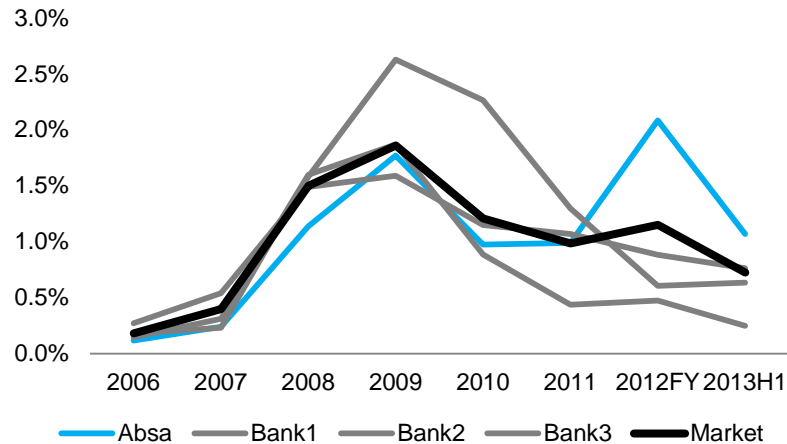
- **Headline earnings of R156 million**
- **Total book gross customer margin** improved to 1.76% from 1.74%
- **Front book concessions** improved to 34bps from 44bps
- **PIPs** down 60% YoY to R250m or 939 houses
- **Cost to income ratio 29%**
- **Non performing loans** down 20%, NPL coverage 30.5% from 22.6% the previous year
- **Implemented new forbearance policy**, improving quality and stickiness of cures
- **Off balance sheet recoveries** up 142%
- **Impairment charge** 53% down to R1.12bn, a 1.07% credit loss ratio

Value drivers (YTD)

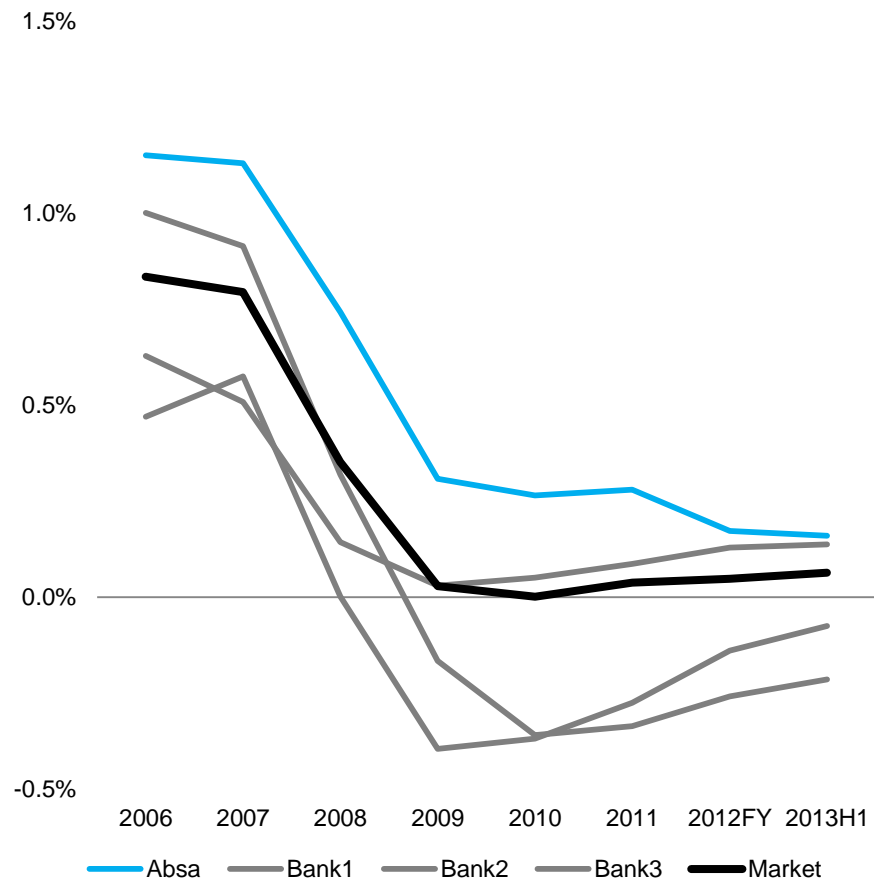
- Registrations up 21% YoY without sacrificing quality or profitability
- New business market share improved to 21% from 16% in 2011
- Customer complaints reduced 30% YoY
- Turn around time from application to final grant down to 5 days from 10
- Average LTV on 2013 new bookings is 75% and 43% on total book
- Book declined 4% in 2012, although since then it is down 1%, with continued improvement in construct
- The market has been competitive but we have maintained our margins despite increased funding costs

Mortgage industry remains profitable through the cycle yielding a marginal positive RoA

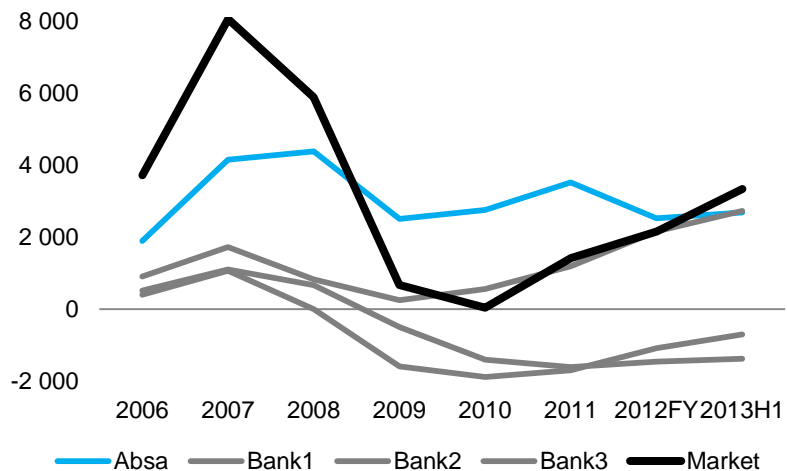
Mortgage LLR by year



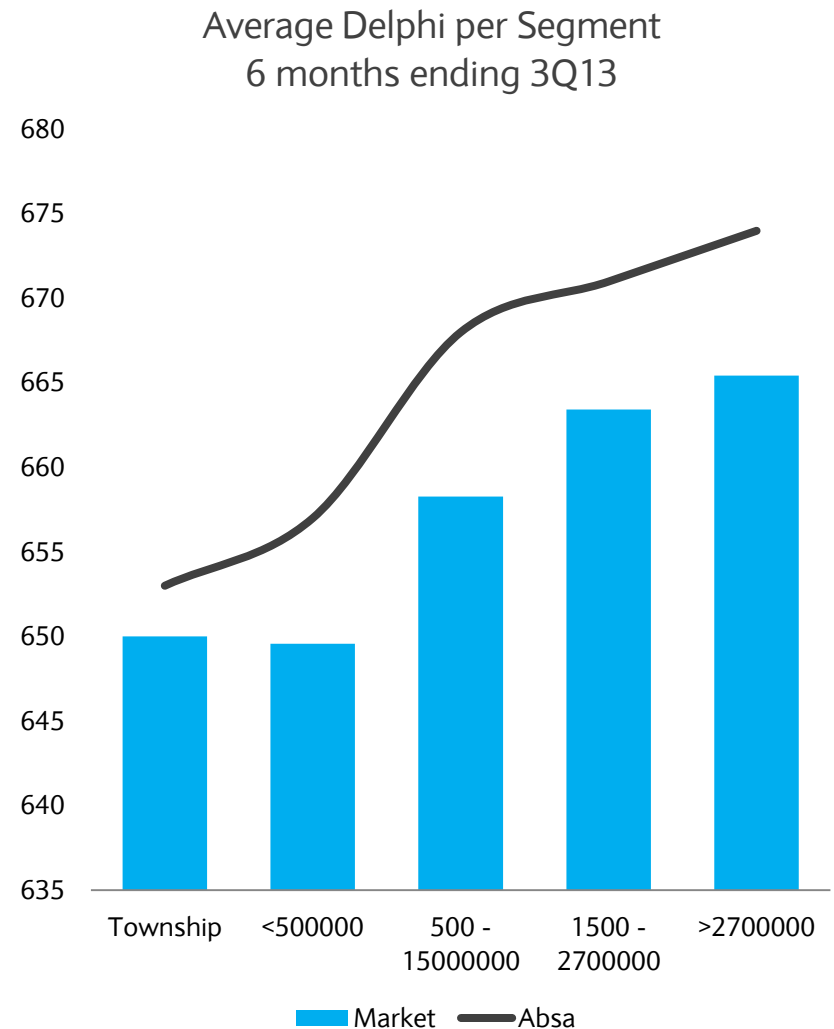
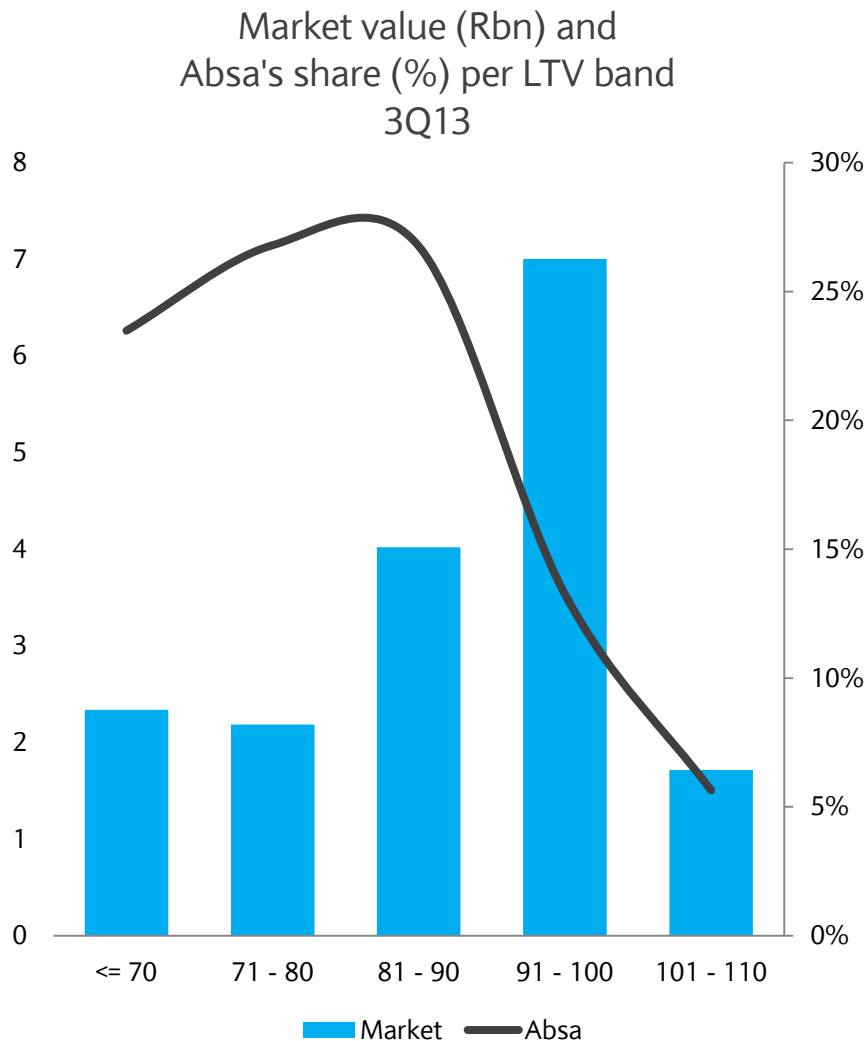
Mortgage cumulative RoA



Mortgage cumulative PAT



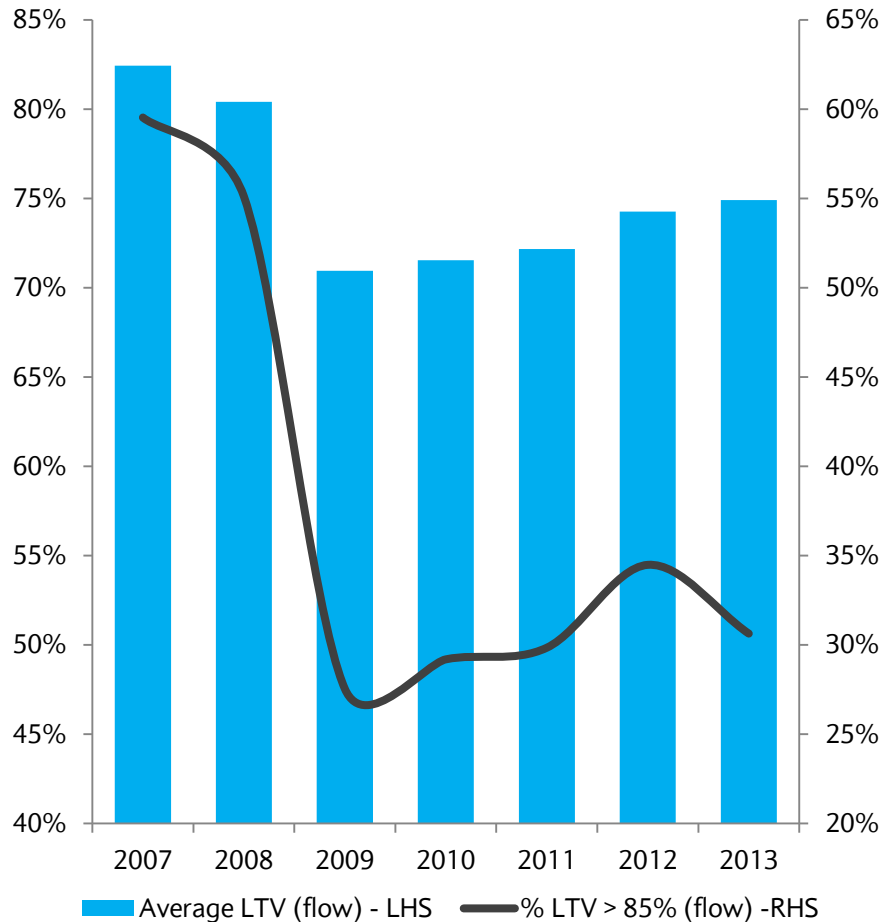
Absa versus the market – sustainable profitable growth



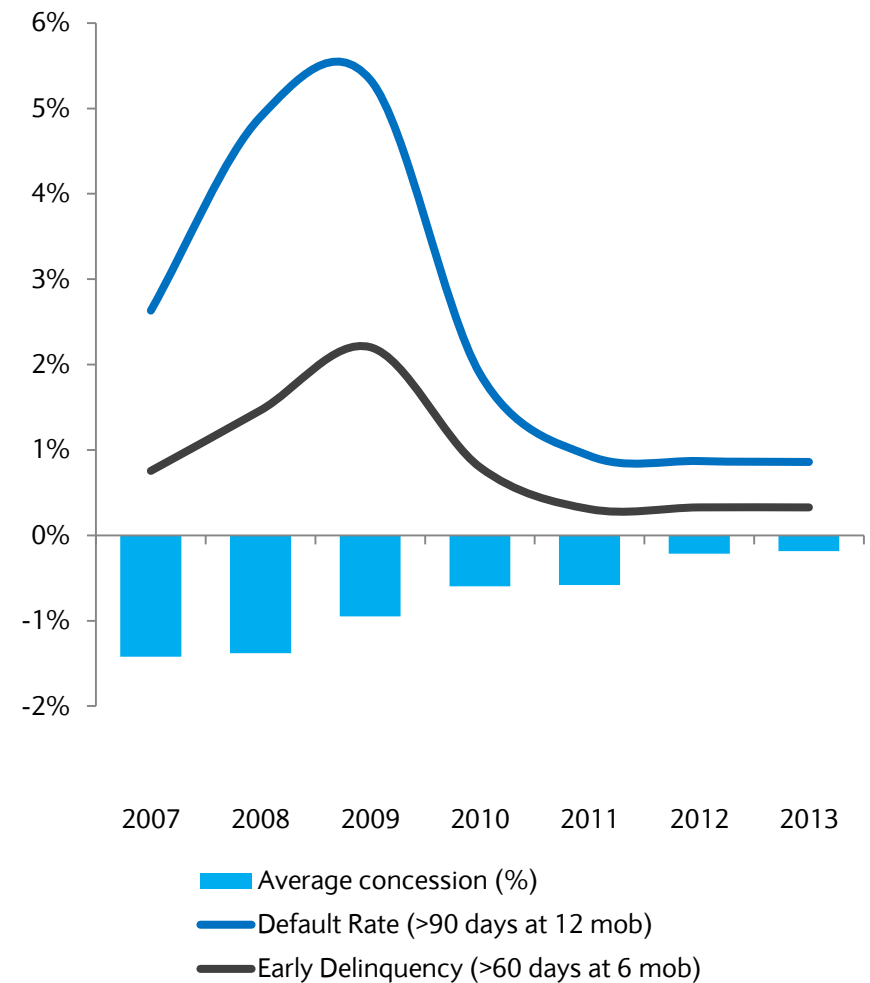
Source: Lightstone

Flow quality and pricing improving

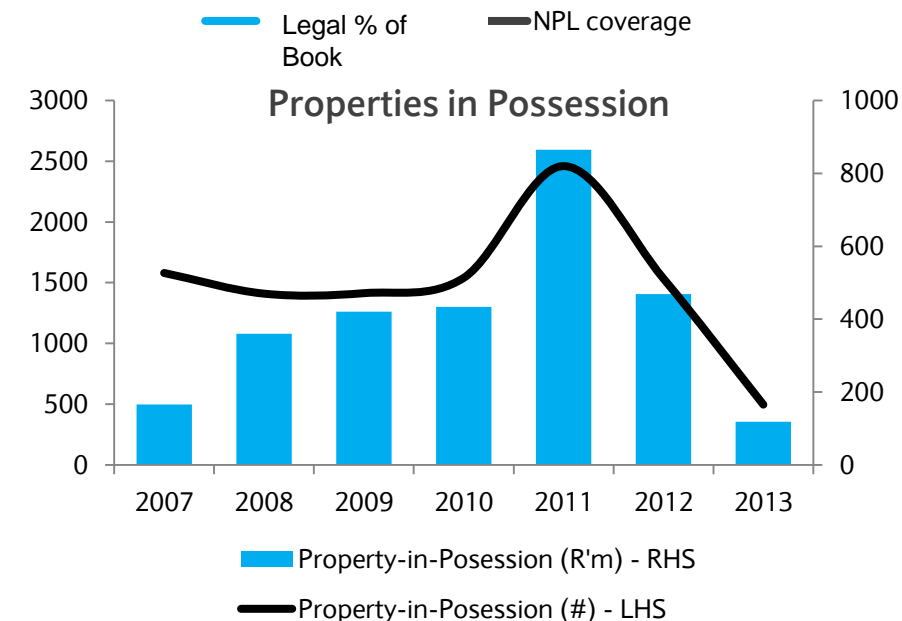
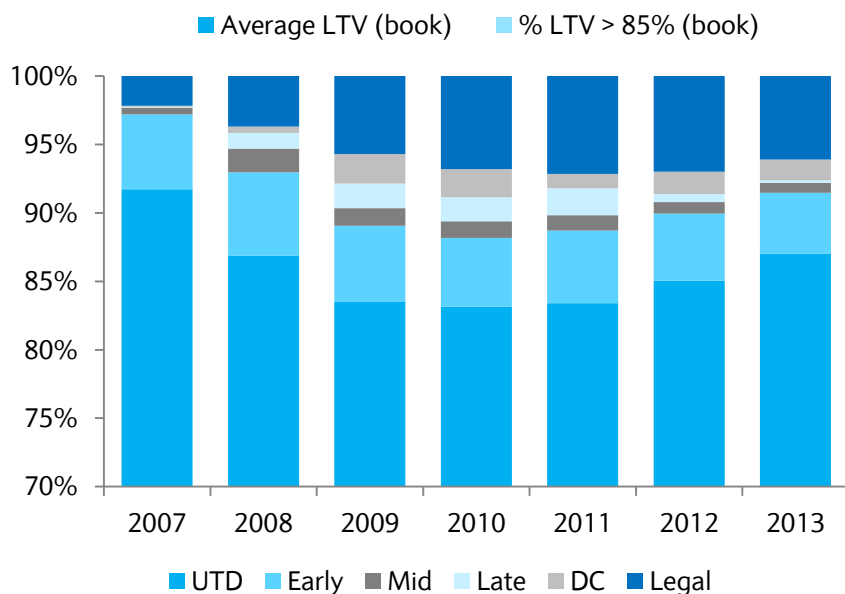
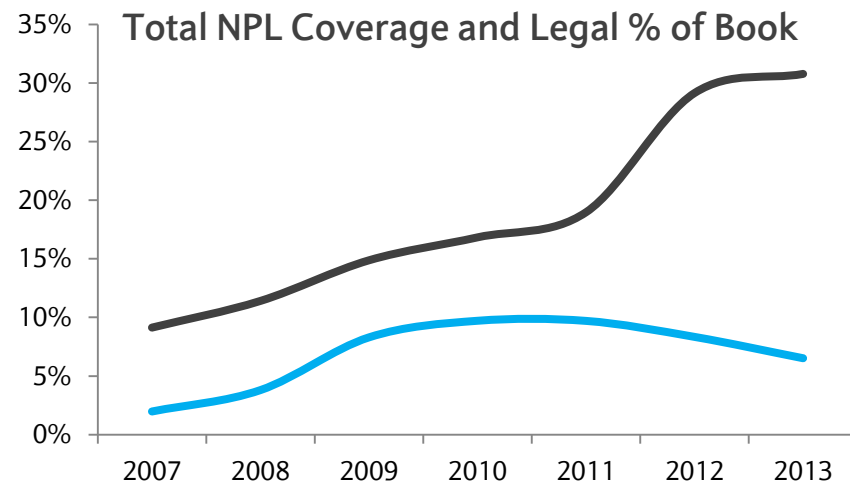
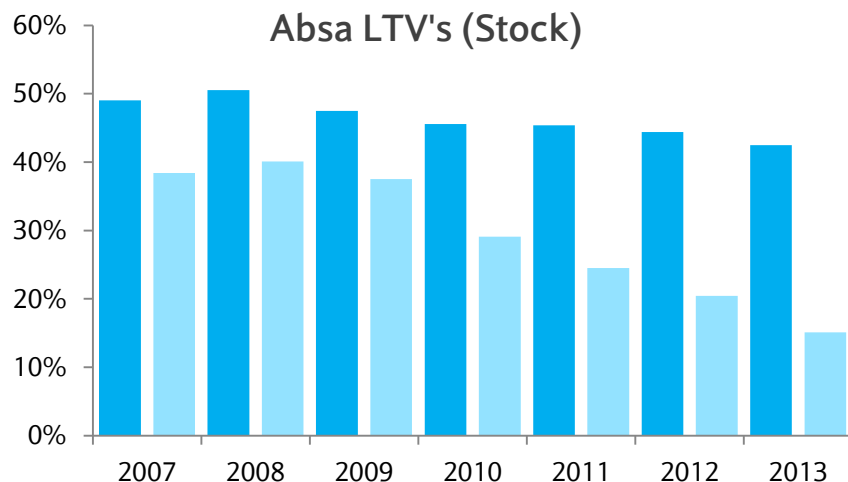
Flow LTVs



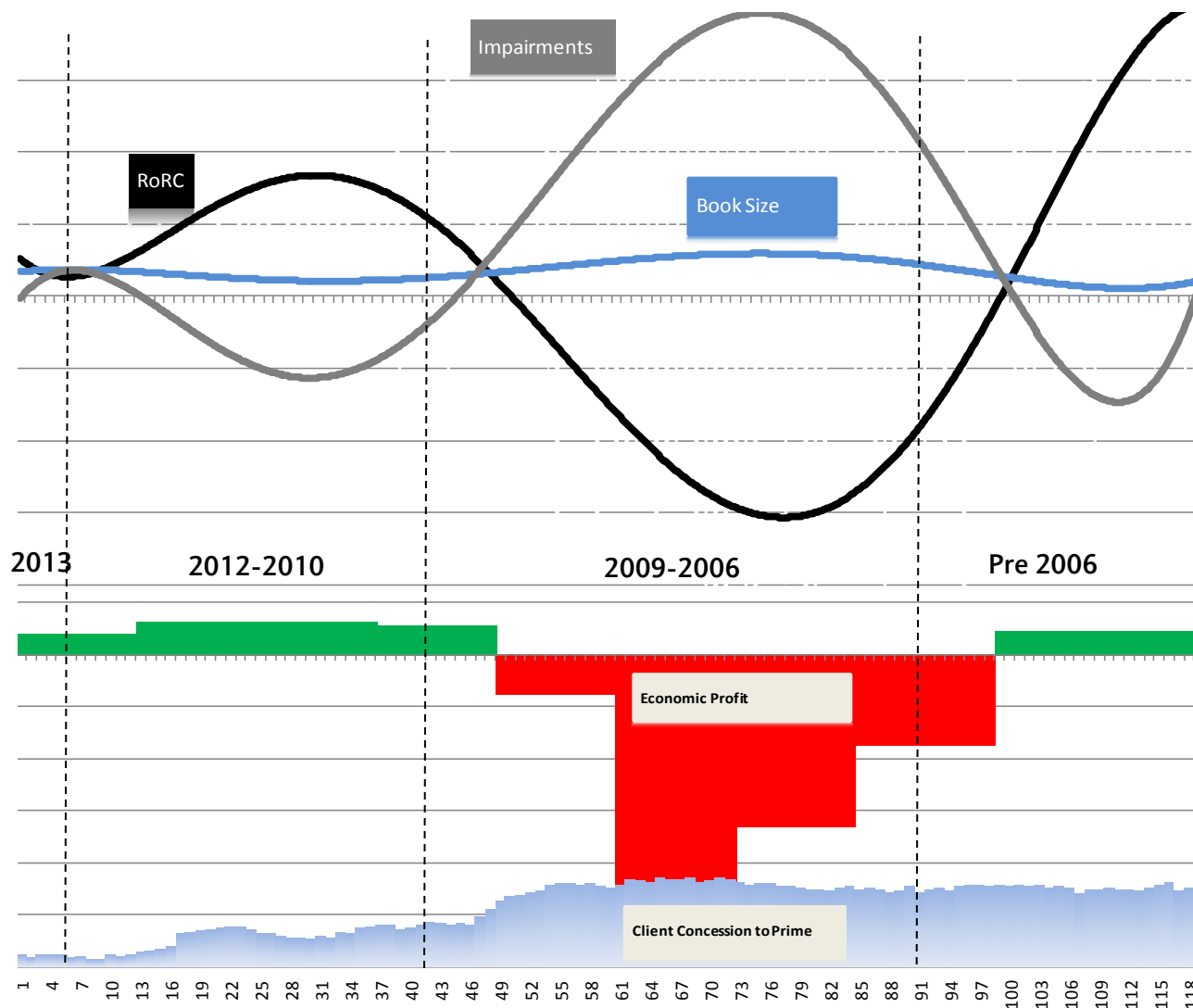
Flow default rates and pricing to prime (%)



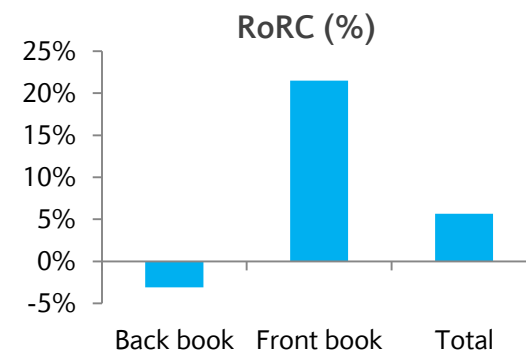
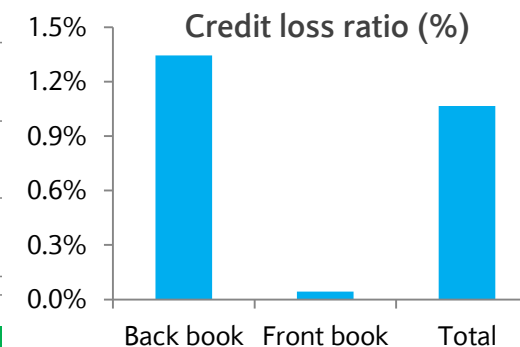
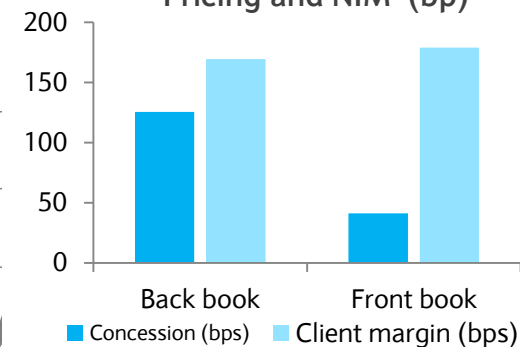
Leading to an improvement in the quality of the total book.



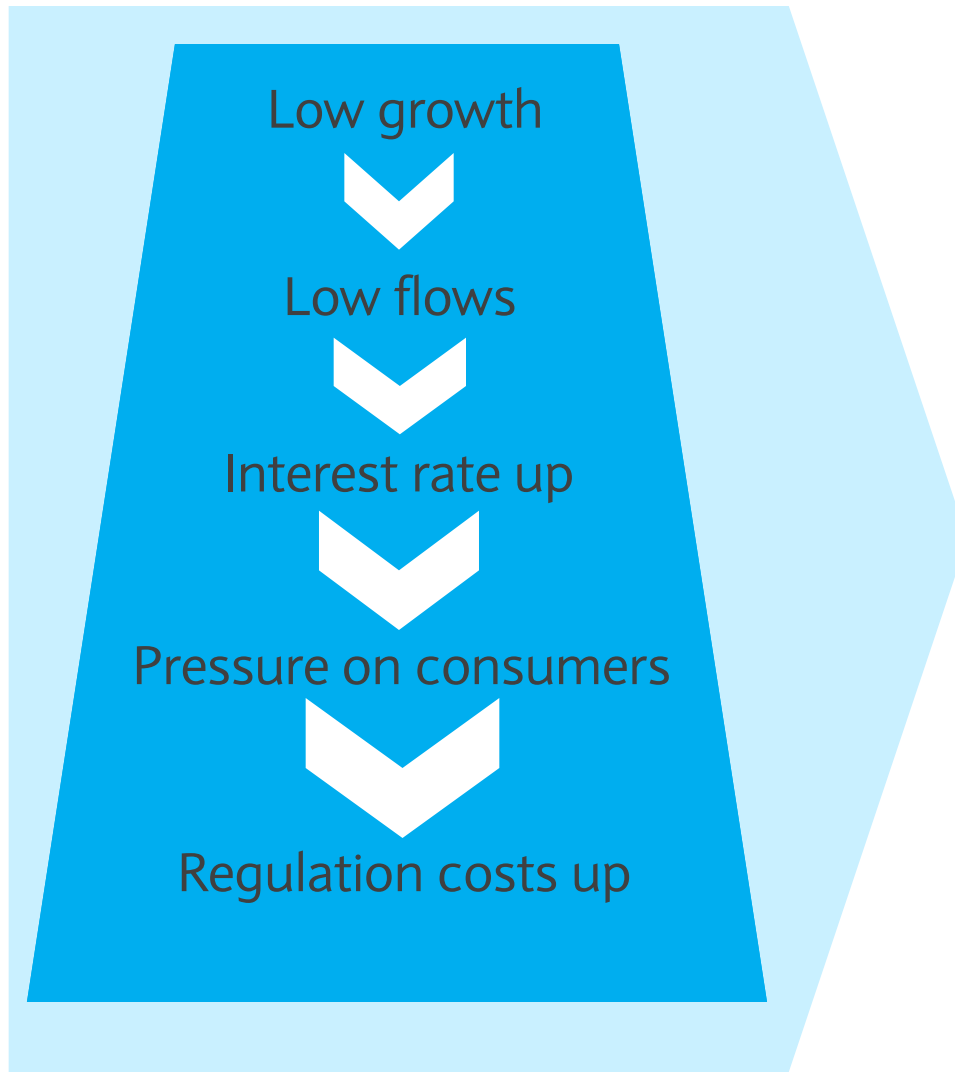
Front book, back book analysis



Front book from 1 January 2010
Pricing and NIM (bp)



Challenging conditions are expected to continue



Strategic response

- Collections & Recoveries
- Efficiency
- Retention
- “One bite”
- Precise on what we don’t want
- Back Book
- Pockets of growth

2014

- Growth
- Distressed customers

Executing 8 “transform” initiatives and well defined “run” initiatives across the value chain

Transform

- 1 Micro-segmentation and value propositions
- 2 Affordable housing
- 3 New sales process
- 4 Distressed customers
- 5 Credit underwriting and pricing
- 6 Technology feasibility study
- 7 Risk and control environment
- 8 E-channels

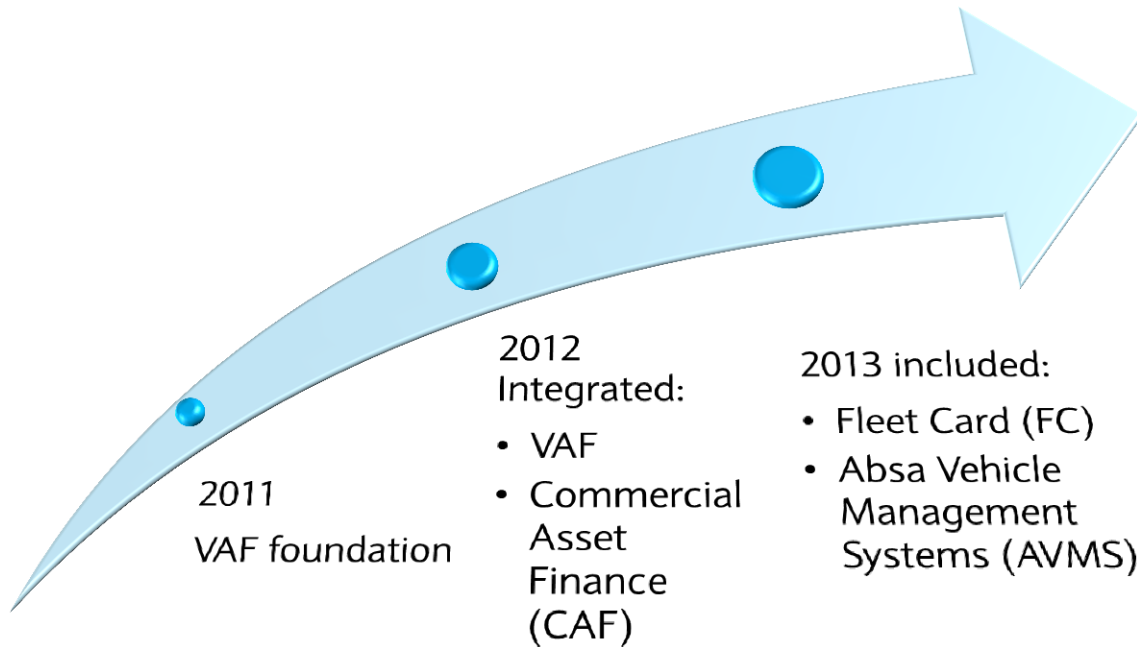
Way forward

- Address the right issues to transform our business and respond to our challenges
- Address the issues/aspects in the right manner
- Geared for execution, execution, execution
- Further embed our strategy

Vehicle & Asset Finance



Embarked on a growth strategy in 2012



- Integrated **4 business units**, VAF & CAF (2012), & AVMS & Fleet Card (2013).
- AVMS and Fleet Card inclusion strengthens our **holistic value proposition**.
- Benefits of our **integrated approach** adopted already evident in 2012 and 2013
- We are now entering a **new growth phase** for all 4 businesses

**Our
Ambition**



*The answer to the
market's **MOBILITY** needs*

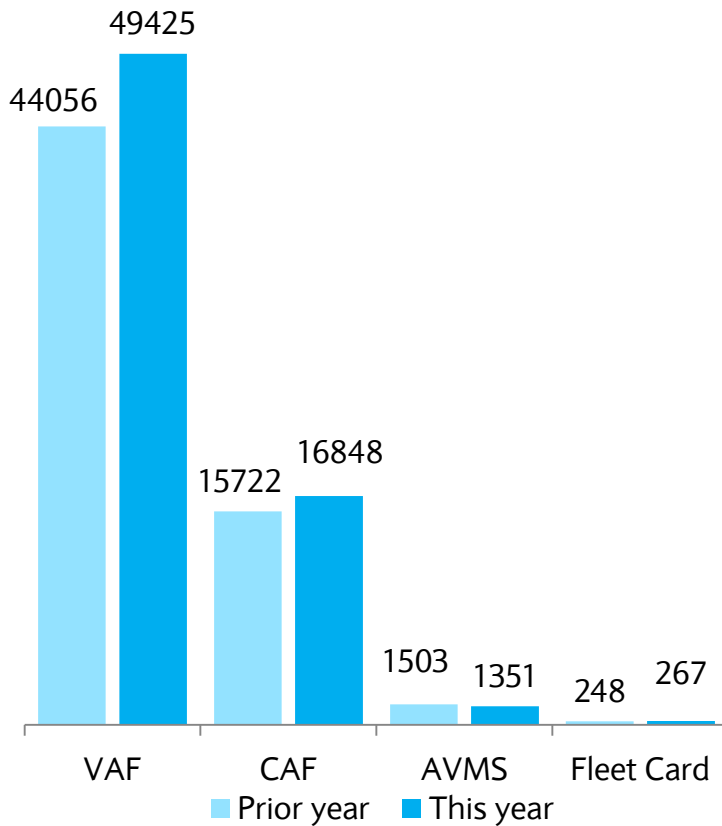


Key successes

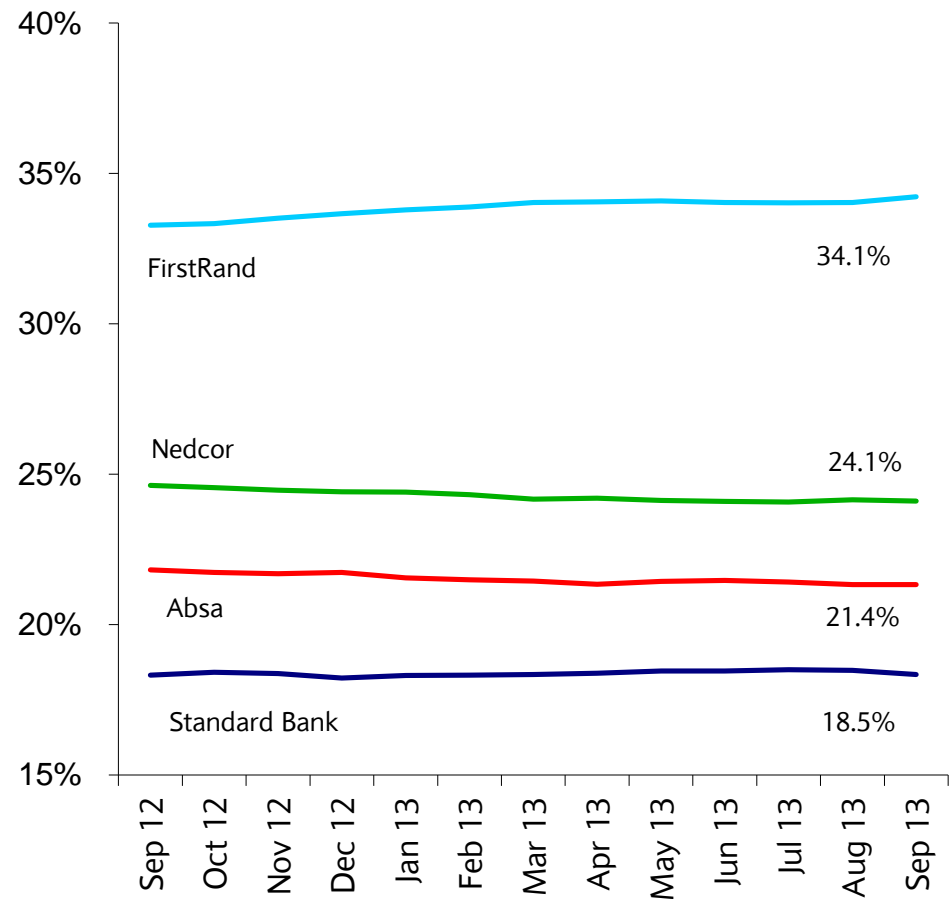
| | |
|-----------------|---|
| Operating Model | <ul style="list-style-type: none">• Bedded down Fleet Card and AVMS integration• Identified Cross-sell opportunities – teams are engaging customers collectively |
| Collections | <ul style="list-style-type: none">• Collections, recoveries and risk capabilities well established and bedded down. |
| Processing | <ul style="list-style-type: none">• Digitization and automation (Ke Nako) roll-out in progress.• eContract – first roll-out underway• Nought to bought in 60 minutes underway• E-statements for our JVs and alliances• Electronic settlements, NATIS requests• Best in class electronic floorplan system |
| JVs & Alliances | <ul style="list-style-type: none">• In our Retail business - 3 alliances signed and 3 underway• CAF – preferential supplier agreement signed |
| Retention | <ul style="list-style-type: none">• Customer retention established• Retention system developed and operational |
| People | <ul style="list-style-type: none">• Refreshed our AVAF business (119 new employees)• Accelerated talent development reflected in internal promotion statistics• Low staff turnover |
| Africa Agenda | <ul style="list-style-type: none">• Traction on our Africa agenda, with the collection and recovery framework being obtained, focus on the countries our collaboration partners are active in. |

Strong loans growth underpinning the financial performance

3Q loans and advances (Rm)

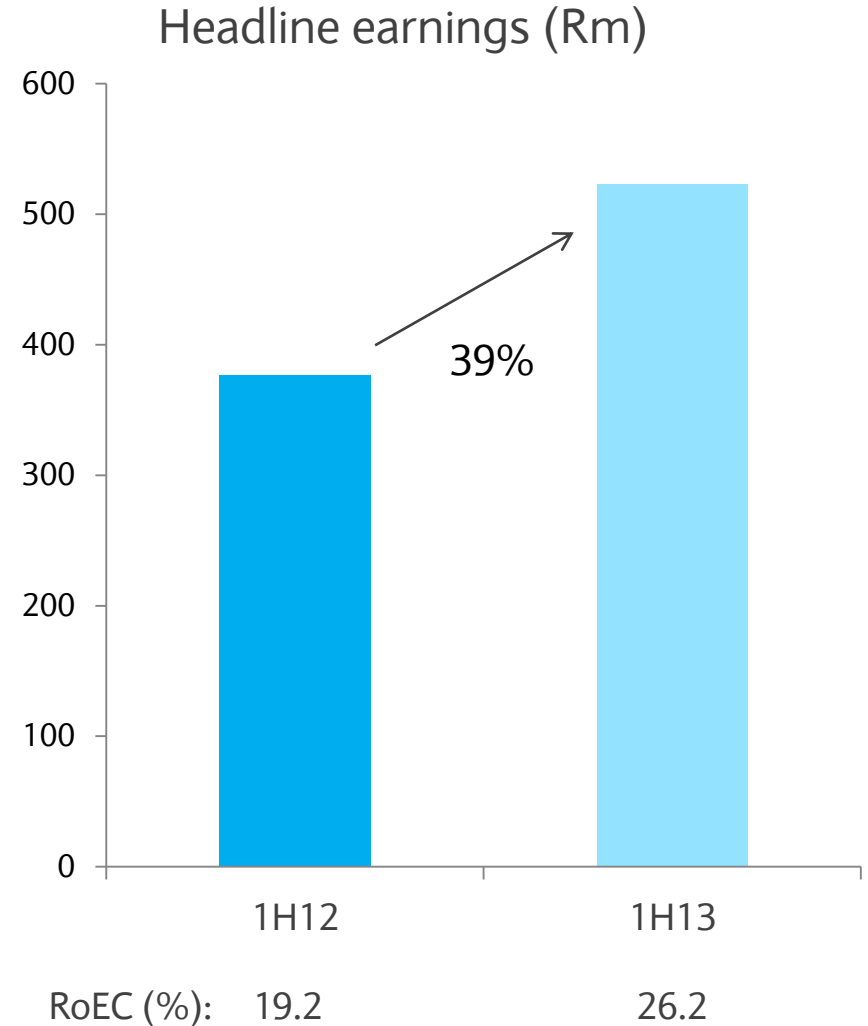
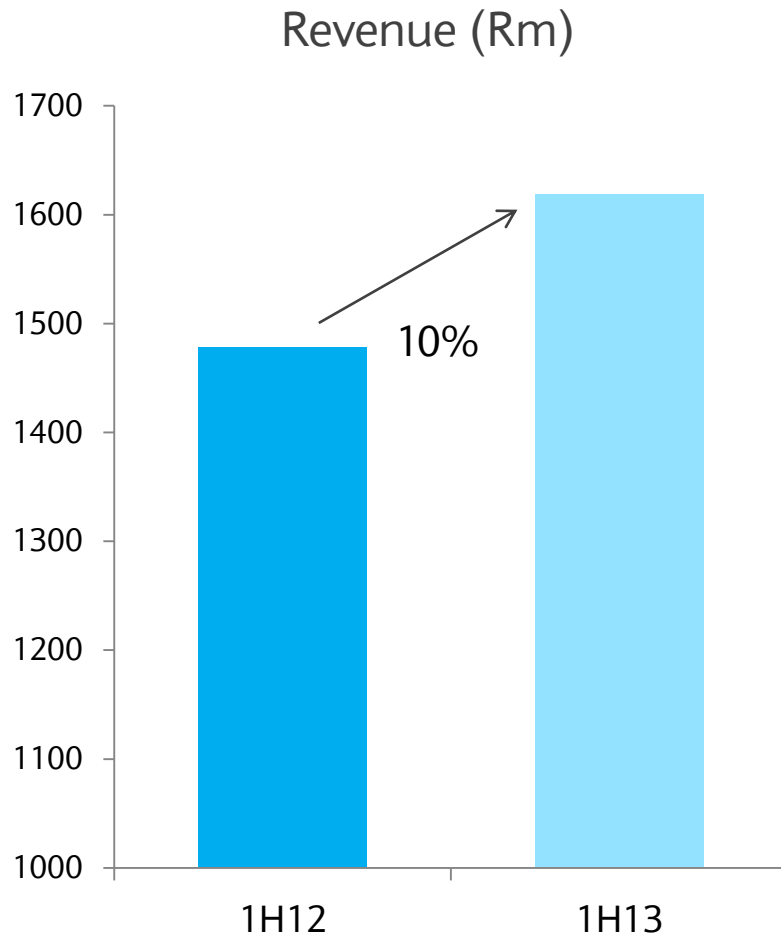


Market share



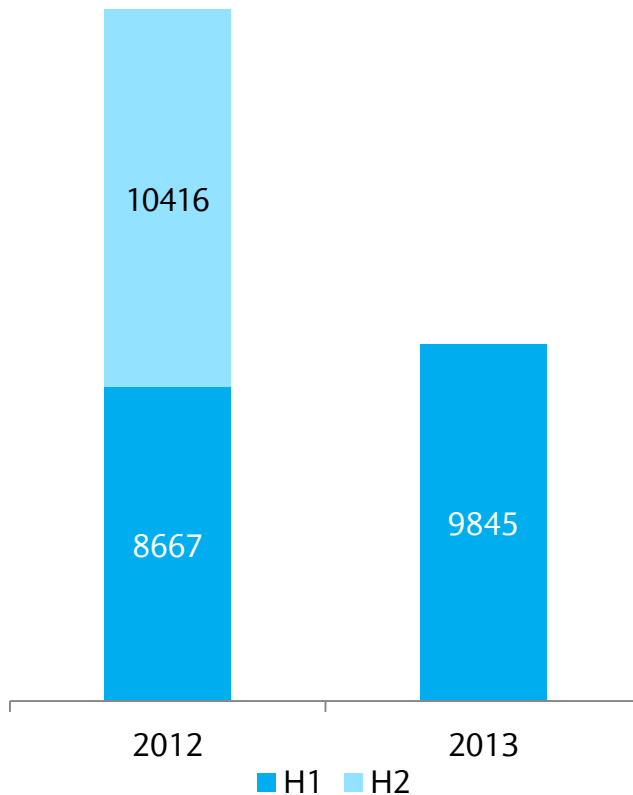
Source: statutory returns

Solid 1H13 results from integrated business

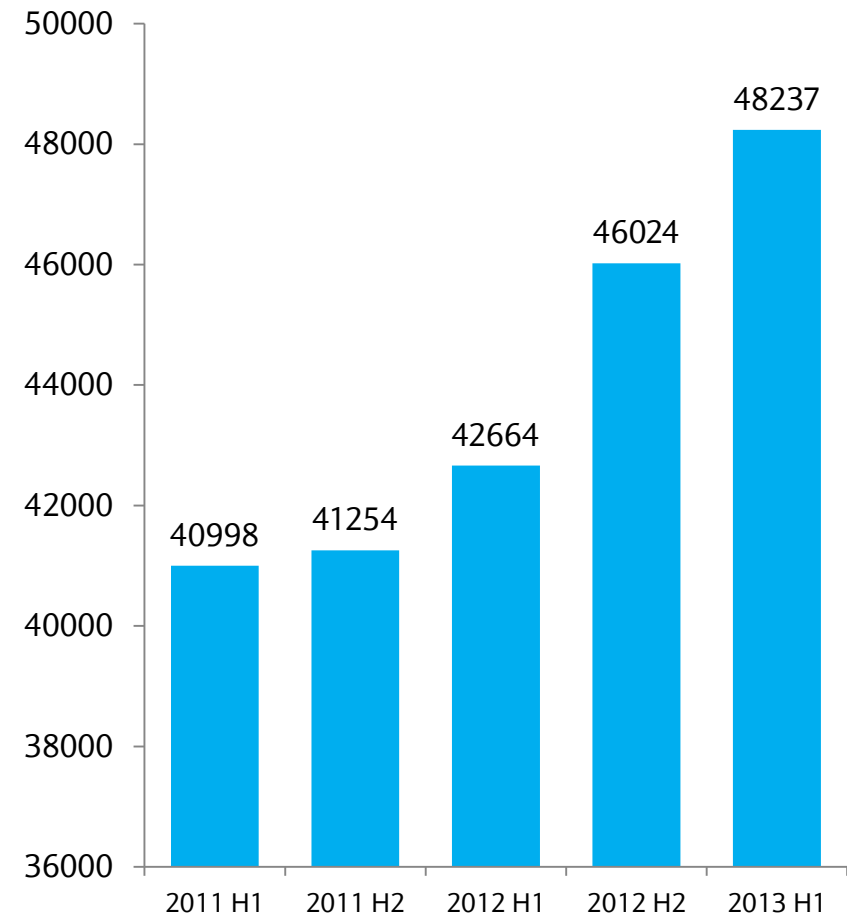


Strong sales momentum in 2012 and 1H13

Production (Rm)

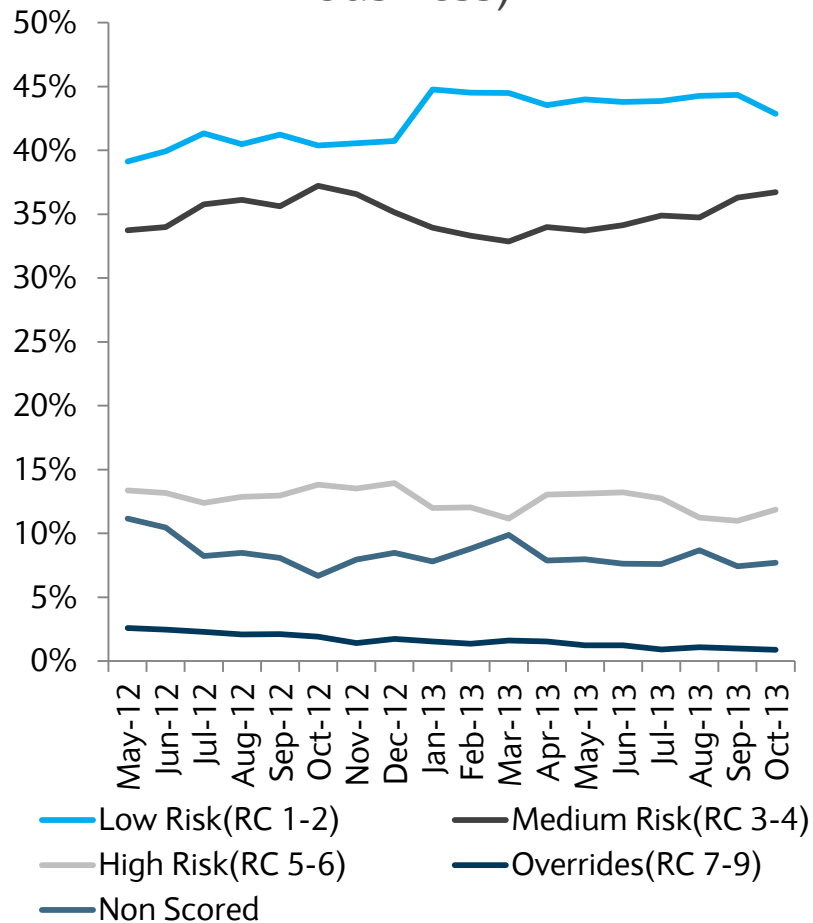


Customer loans (Rm)

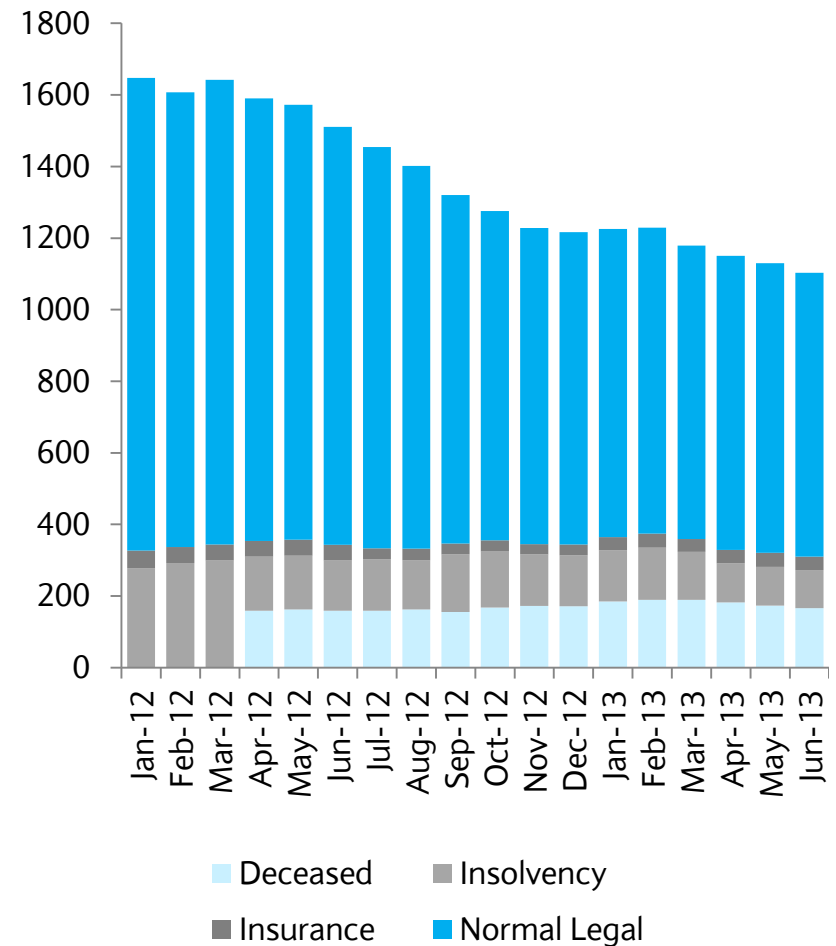


Bulk of deals booked in the better risk categories

Bookings by risk category (% of scored business)

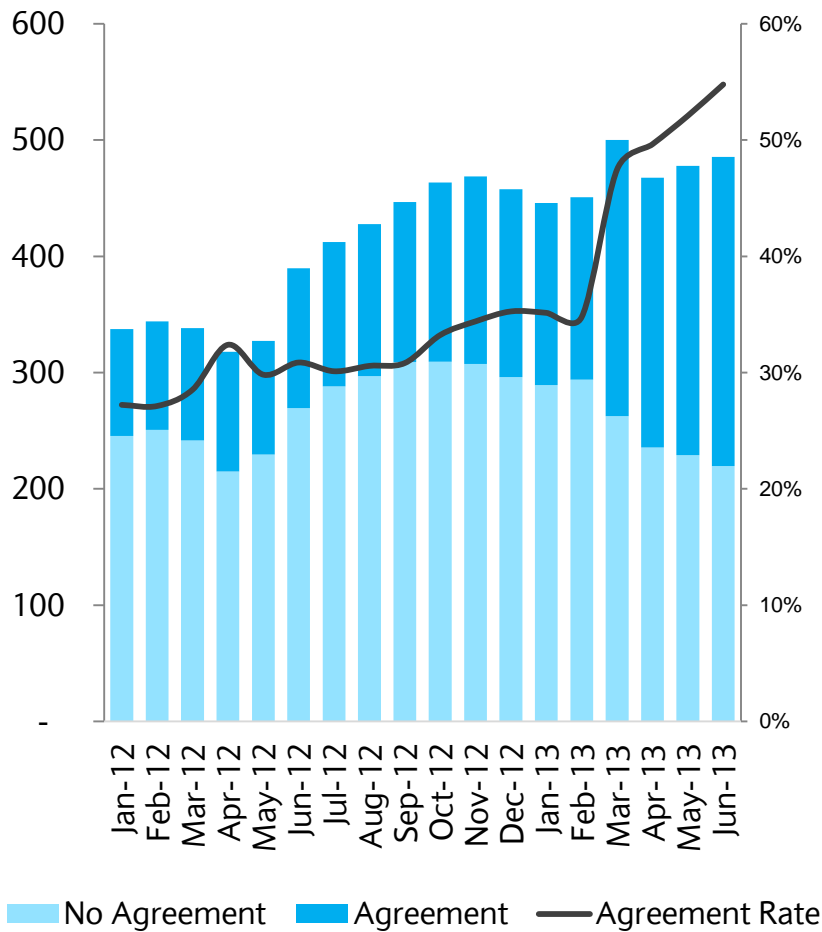


Legal book segmented (Rm)

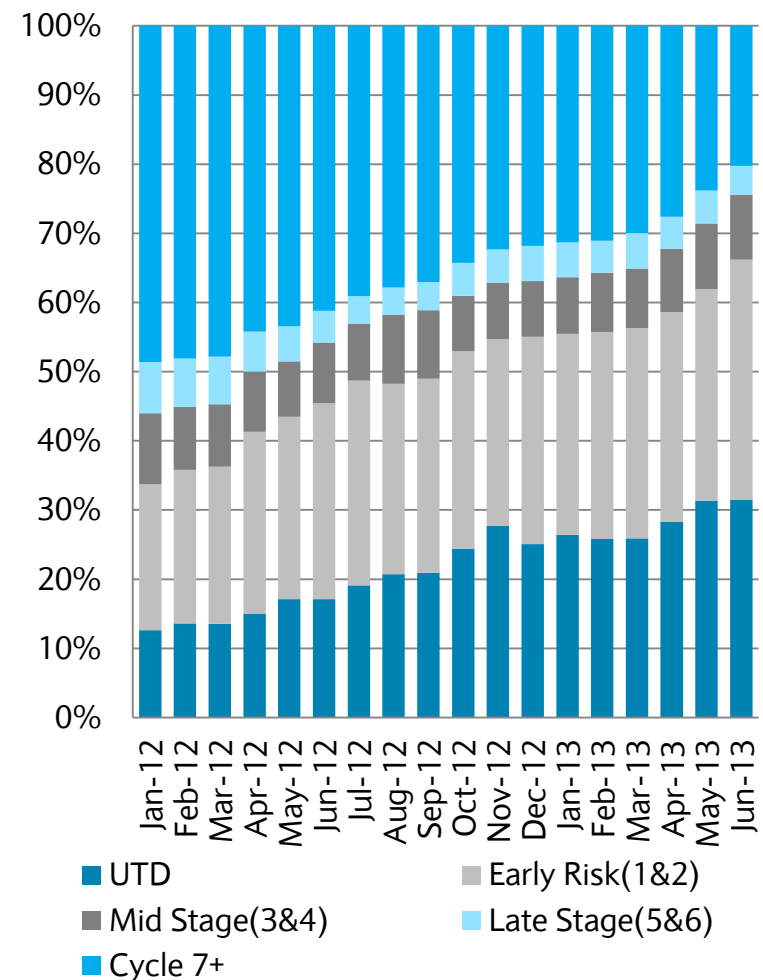


Debt counselling book also improving

Total book (Rm)

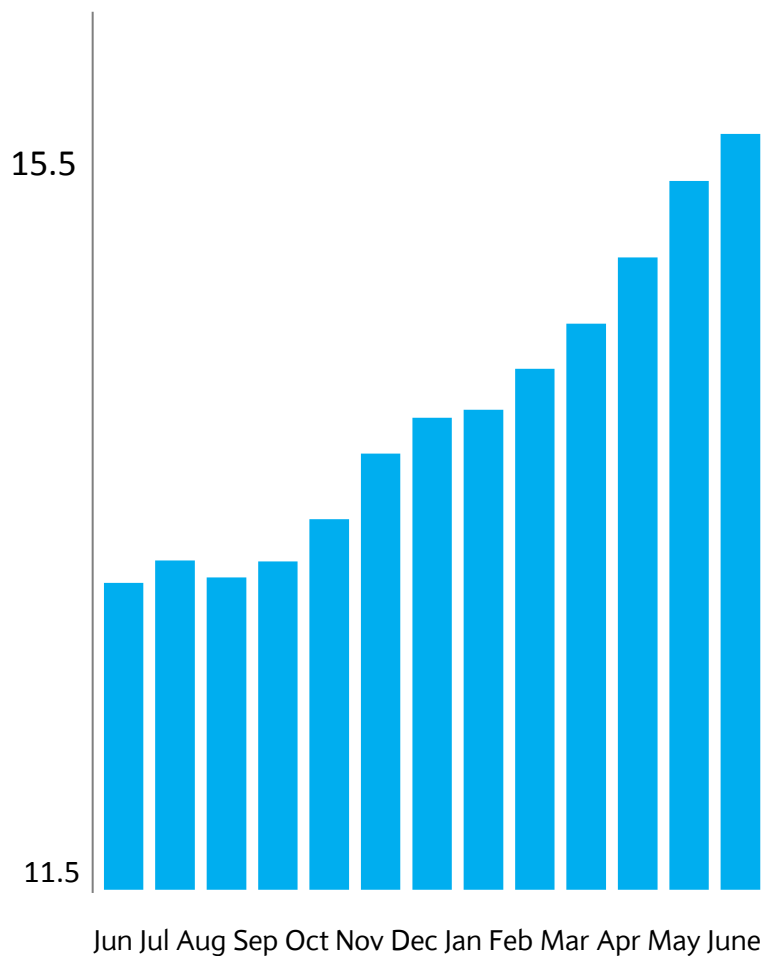


Total up to date book (UTD)

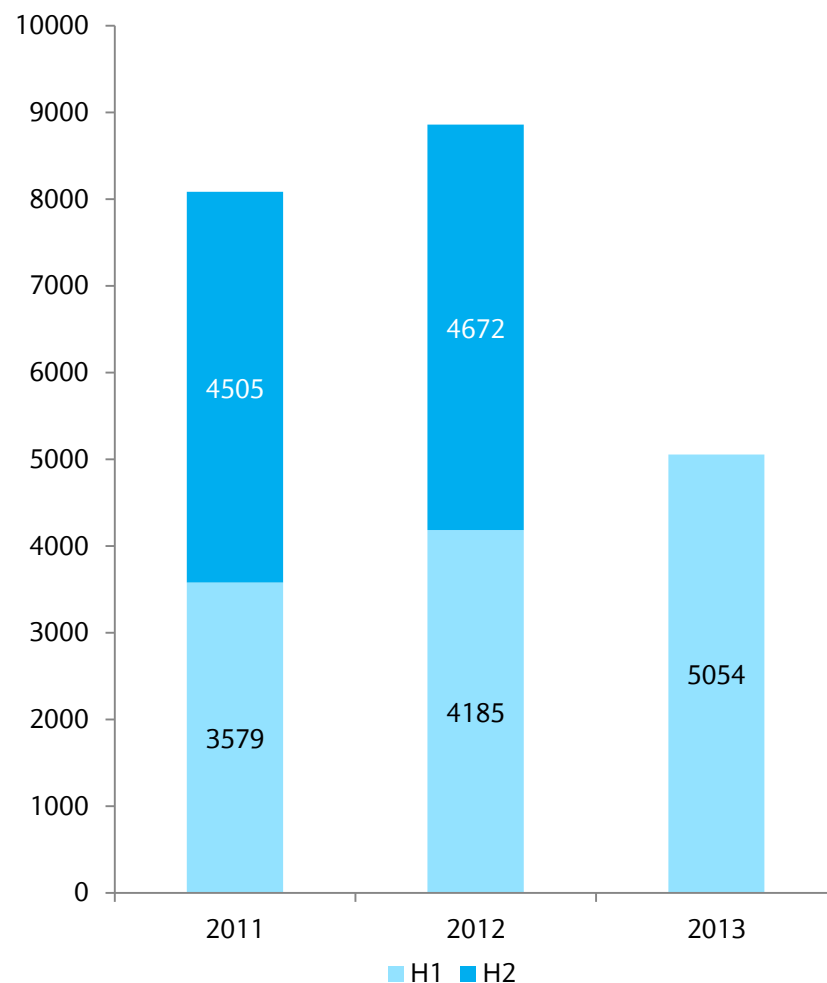


Strong CAF growth

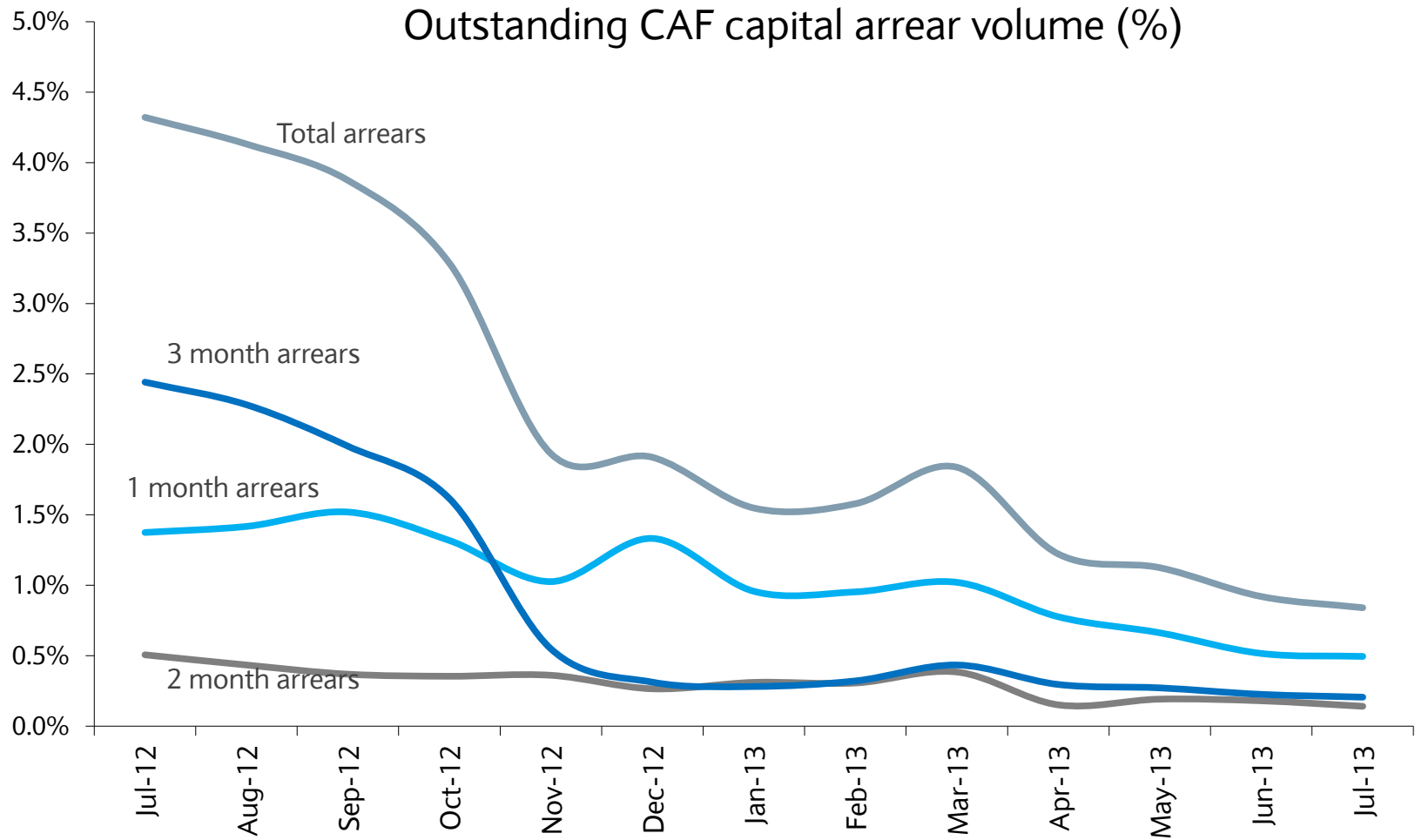
Total CAF Book (Rbn)



CAF production (Rm)



...and improving CAF arrears



All 4 businesses poised for further growth

Vehicle and Asset Finance

- High quality book
- World class collections and recovery processes
- Digitization and automation
- Investment in people and enabling technology
- Business growth through collaboration partners
- Appetite for responsible expansion and growth



Absa Vehicle Management Solutions

- Re-entering public service tenders
- Expand product range to non-traditional areas
- Leverage Absa investments to expand footprint

Commercial Asset Finance

- High quality book
- Open market opportunity
- Investment in people and technology
- New business growth through collaboration partners
- Appetite for responsible expansion and growth



Absa Fleet Card

- Investment in systems & technology
- Re-entering public service tenders
- Corporate market opportunity
- New business growth through collaboration partners

Card



Absa Card is 4 businesses

Payment Acceptance



Bank 6 of top 7
Retail merchants

Commercial Card



Number 3
By number of cards

Consumer Credit Cards



1.6m
Consumer accounts

Prepaid Cards



270k
Contactless cards
Market leader in prepaid



Traditional
point of sale



Contactless /
NFC



Online /
Ecommerce



Mobile point
of sale



Commercial
charge card
Travel lodge
card



Value added
services



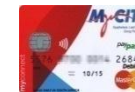
Barclaycard
and Absa
branded
cards
Licensed
partnership
cards



Absa & Co-
branded
Prepaid



Gift cards

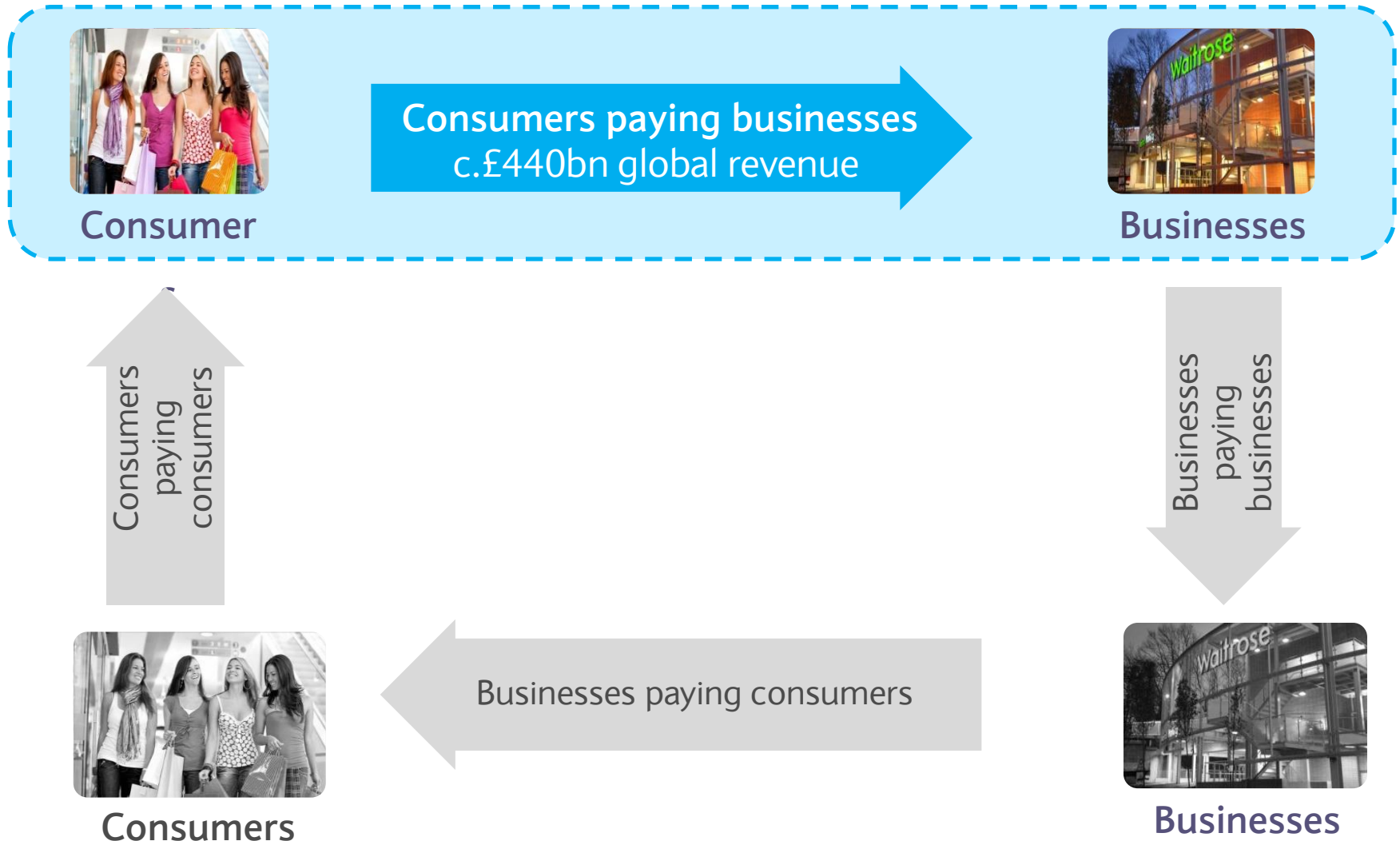


Top-up
contactless
transport e.g.
Rea Vaya (City of
Johannesburg,
City of Cape
Town)



- Diversified portfolio of lending and payments businesses
- Source of new customers for our retail and business bank
- Significant benefit from Barclaycard

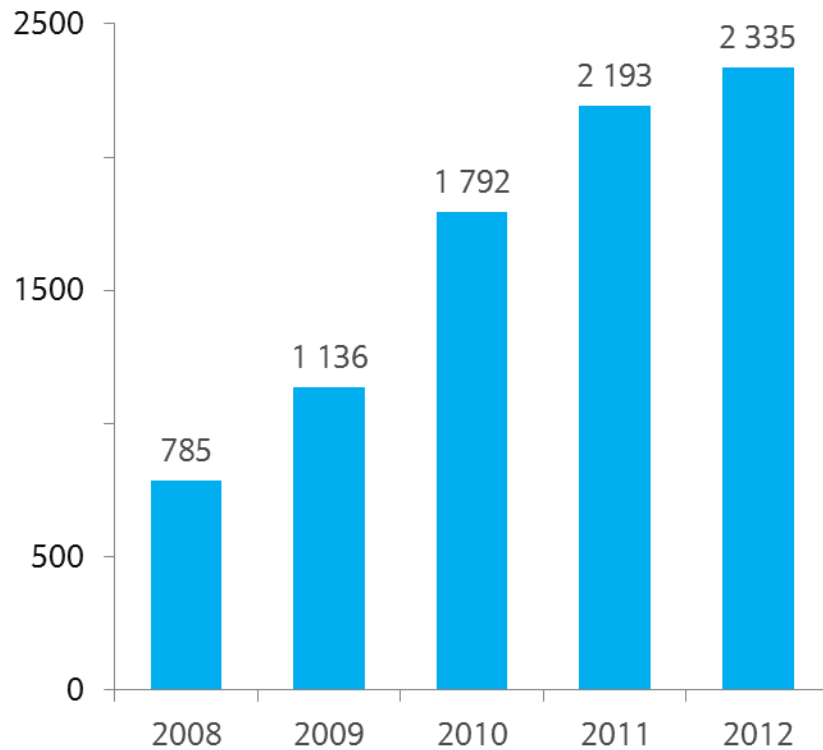
Absa Card and Barclaycard enable consumers to make payments and businesses to take payments



Very attractive franchise

Profit before tax (Rm)

CAGR 24%



Pre tax
ROA (%)

5.8

8.5

12.0

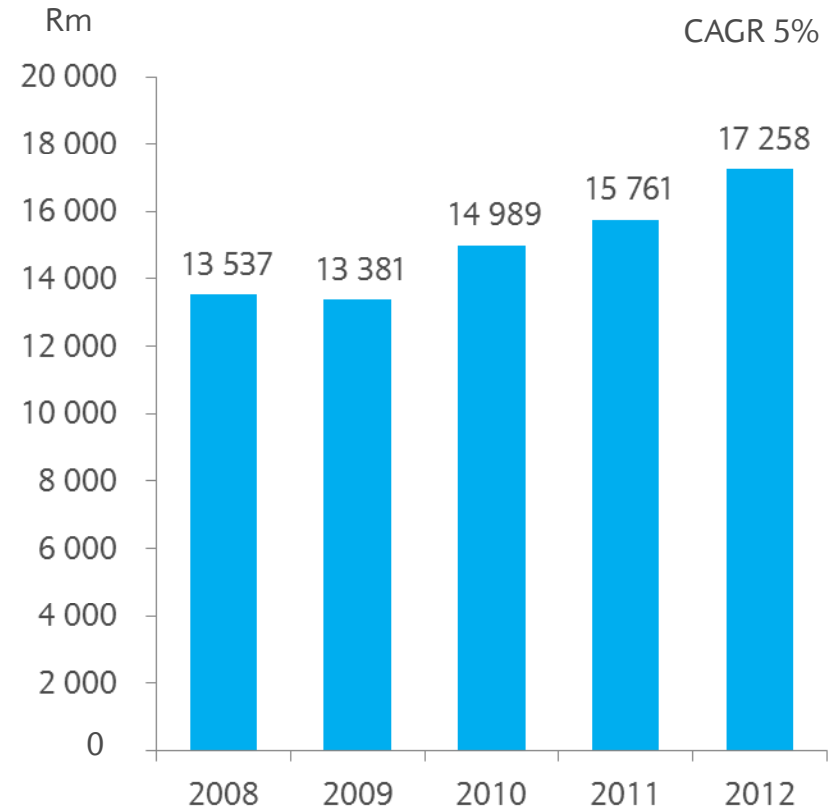
13.9

13.5

Trading volumes
Issuing volumes
(Rbn)

Receivables (Rm)

CAGR 5%



58.6

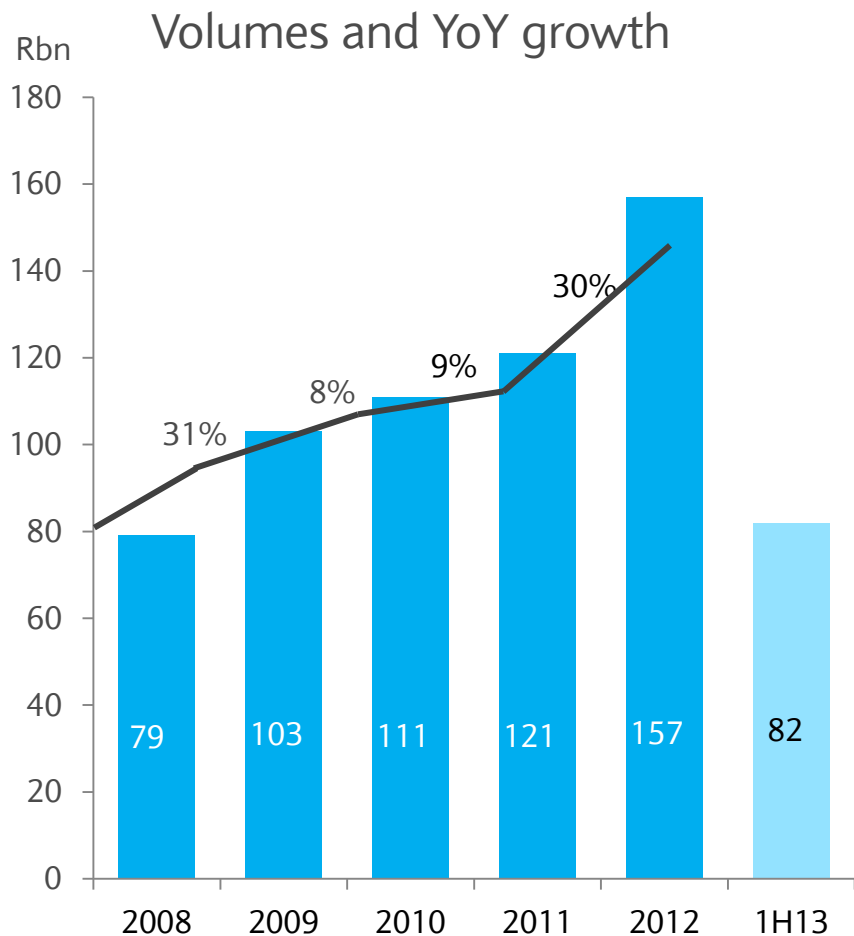
54.6

58.0

59,7

63,4

Strong growth in payment acceptance



- Largest acquirer in Africa
- Barclaycard is #8 globally



Live with Payment Pebble, a “killer app”

Why it's a
"killer app"?

With your Payment Pebble....get paid
where you least expect it.
The Absa Payment Pebble turns a
smartphone or tablet into a mobile point

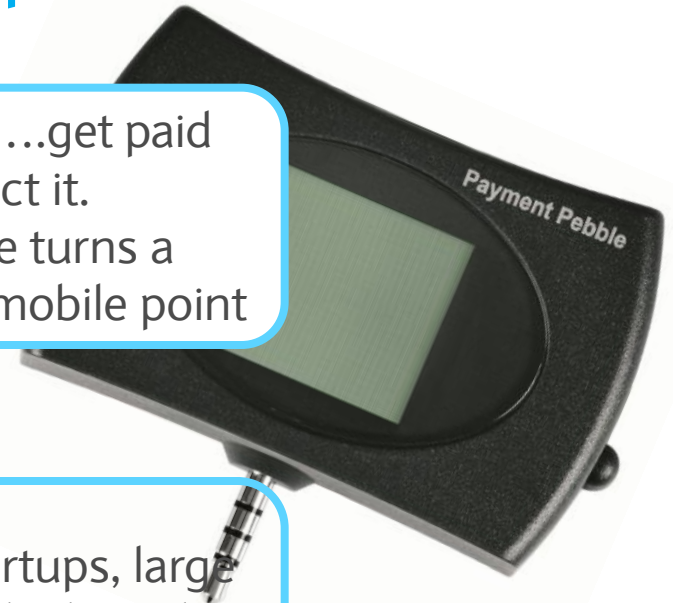
Who is it
for?

Mobile merchants, small startups, large
corporates, food franchises, locksmiths,
plumbers, market vendors, tradesmen

Who are we
signing?

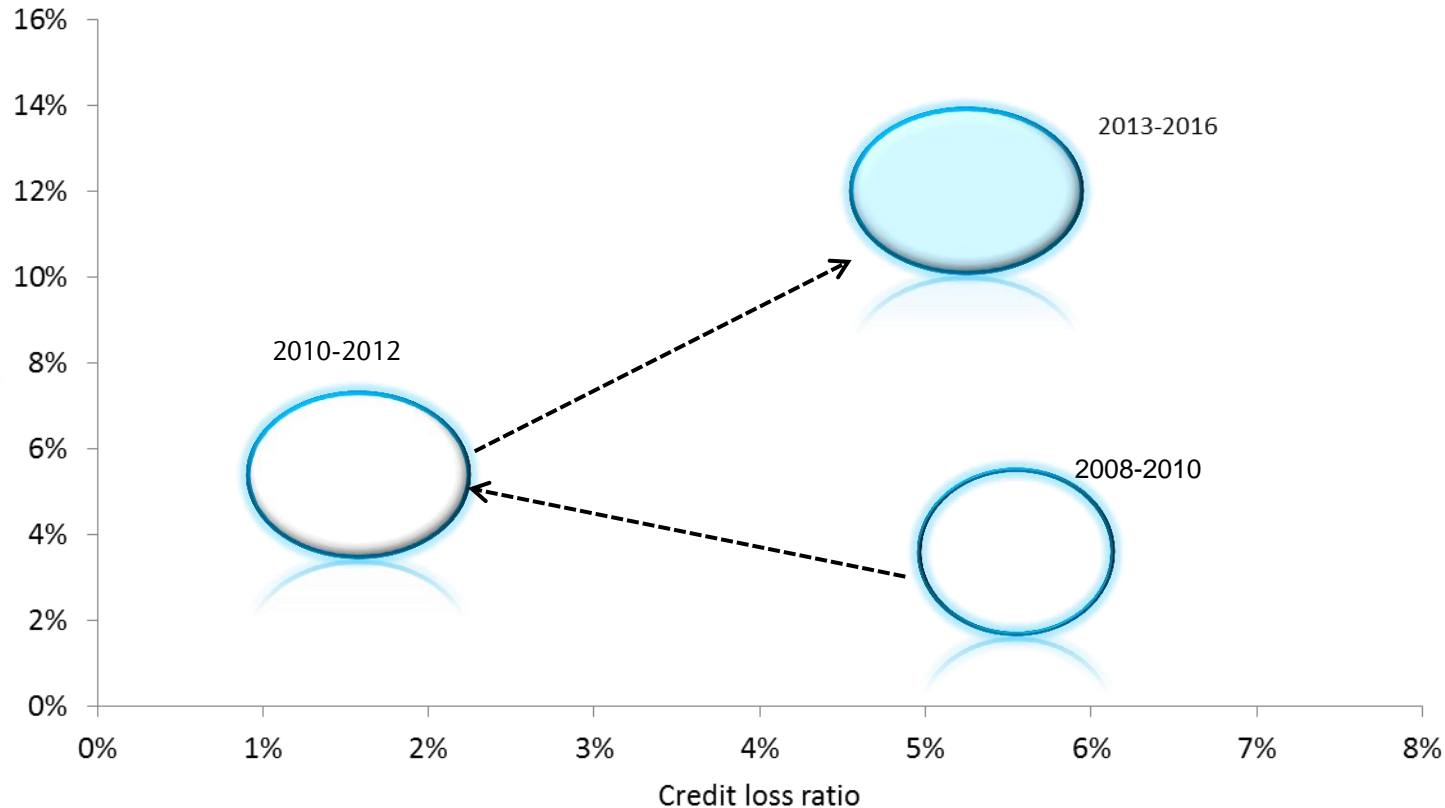
Corporates in mobile
telecoms, couriers,
fast food franchises,
services industries

Aggressive small, medium
merchant sales strategy
through business bank
enterprise channels



Exciting transition in consumer issuing

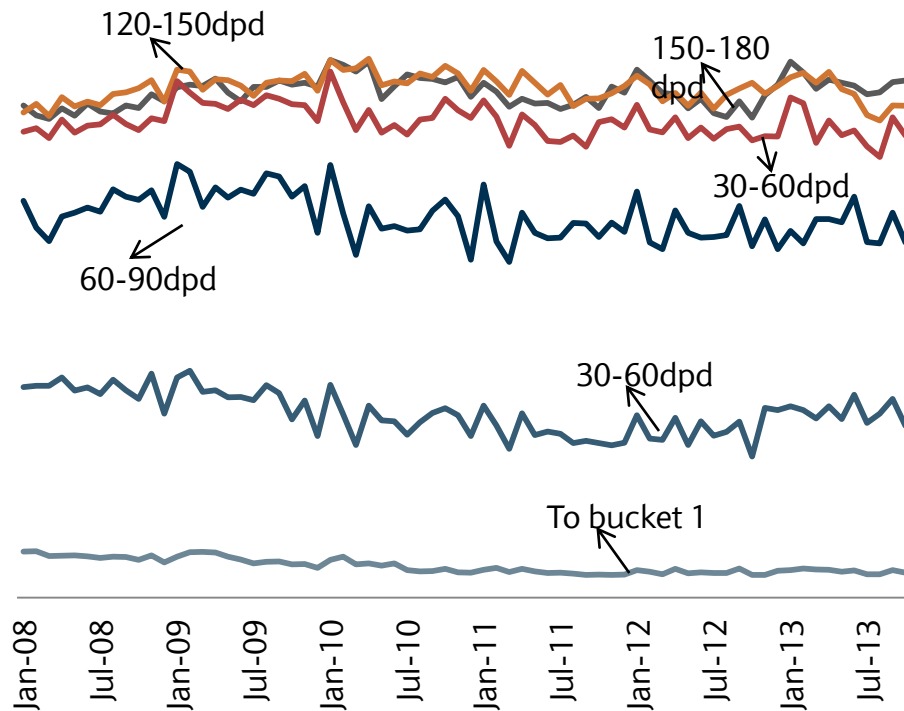
Receivables growth rate and credit quality



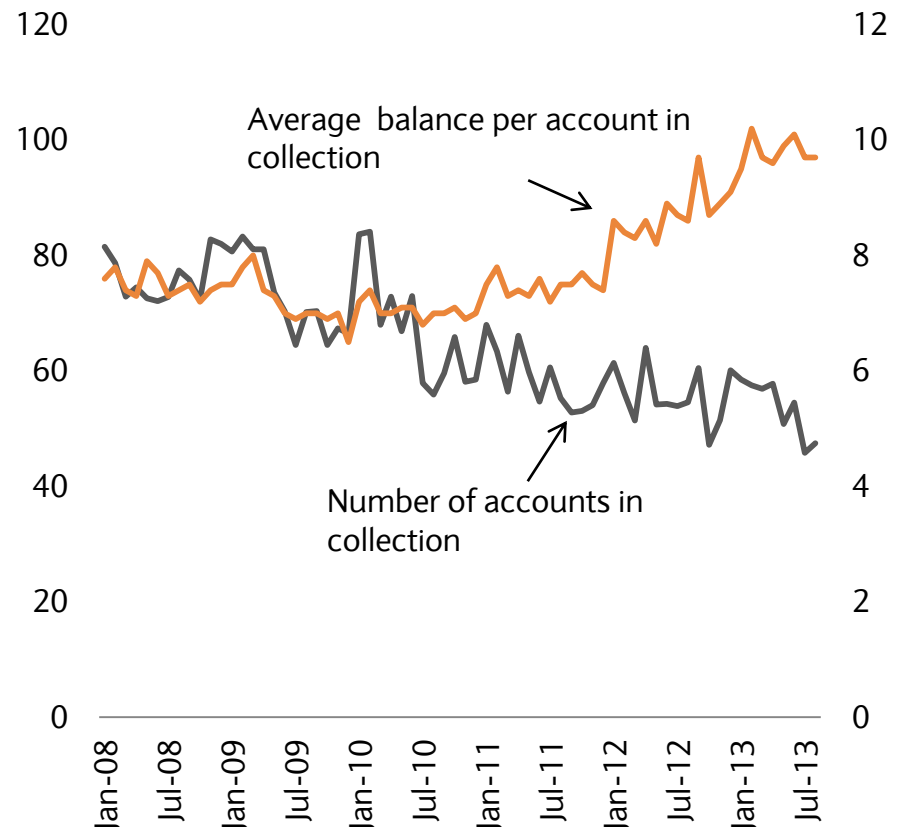
Note: Bubble size represents average book size during period.

Delinquency roll rates are stable and accounts in collections have been falling

Delinquent balance roll rates



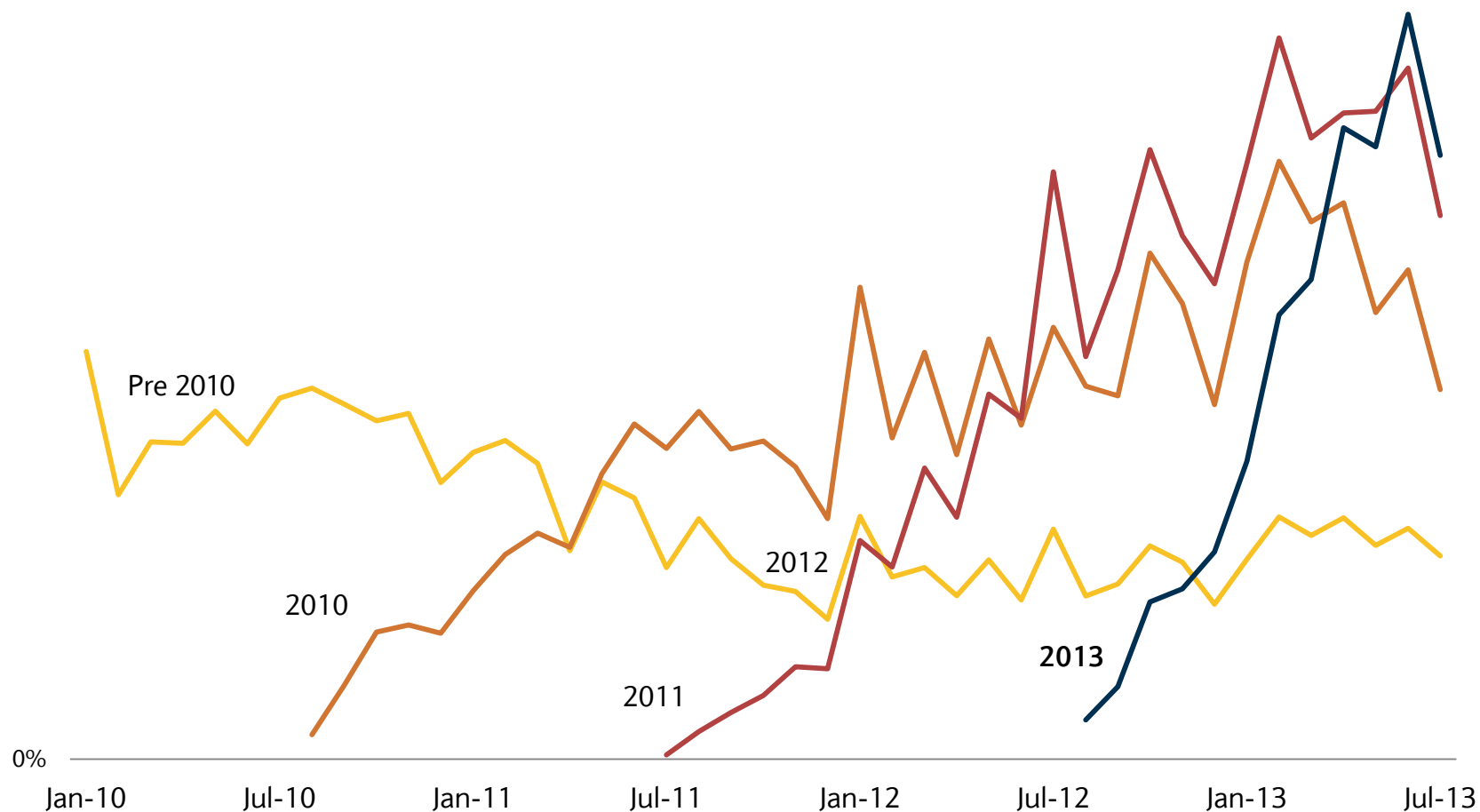
Collections volumes (K)



Note: dpd is days past due.

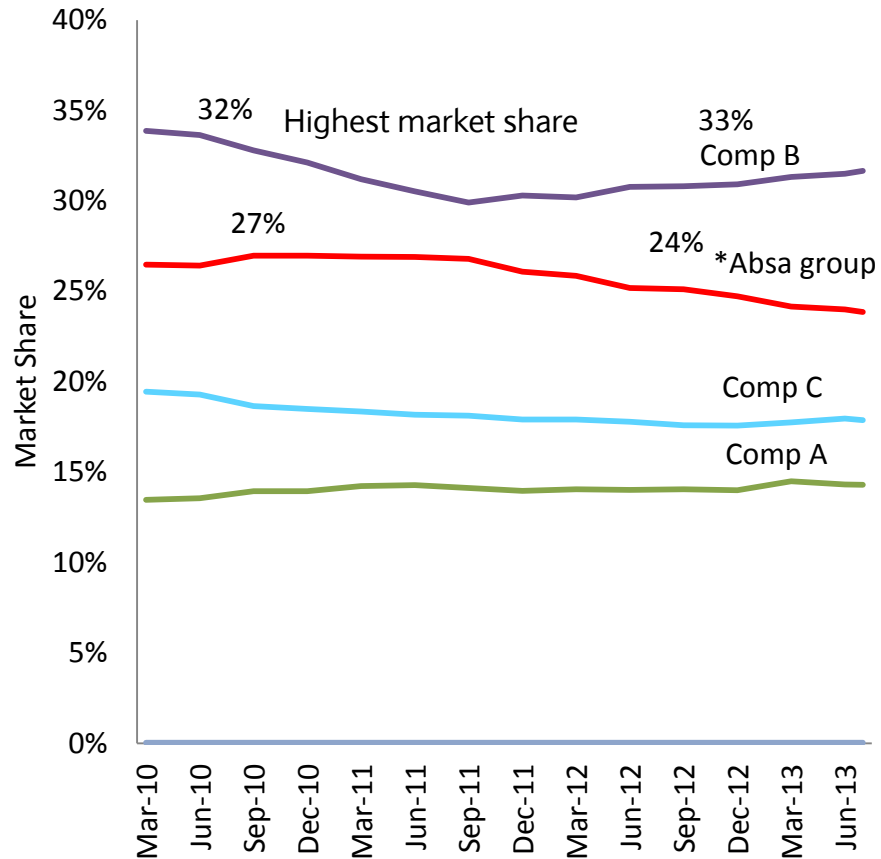
Early vintage loss curves show seasoning

New vintages season at higher charge-off rates (%)



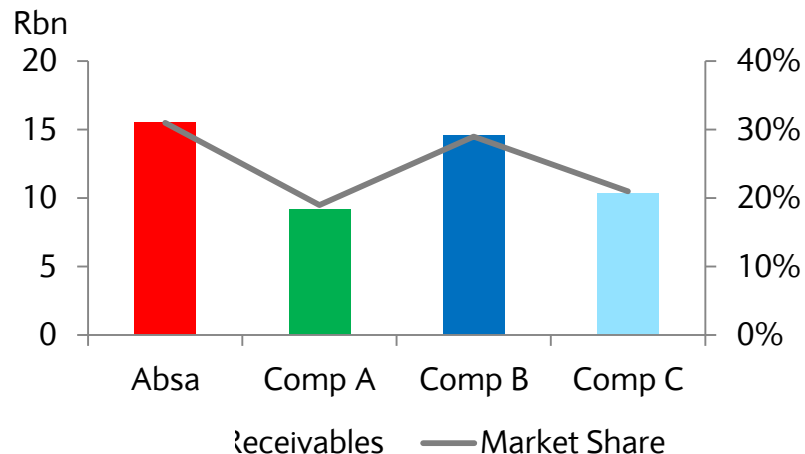
SARB data indicates the market has outpaced us on the issuing side, but we are the leader in our core segment

Credit Card market share

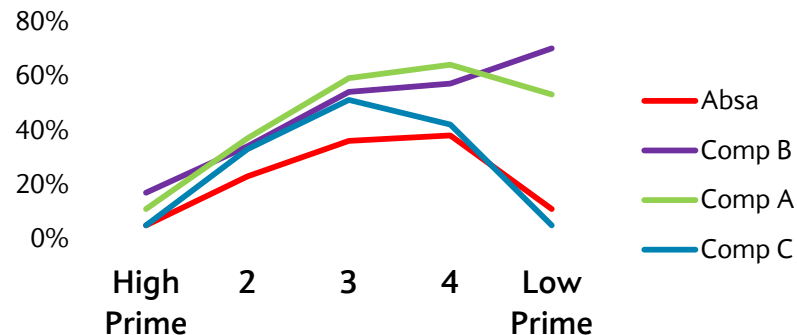


*Market share excluding Edcon

Credit Card receivables: proprietary offerings of the top 4 banks



Receivables growth by credit segment

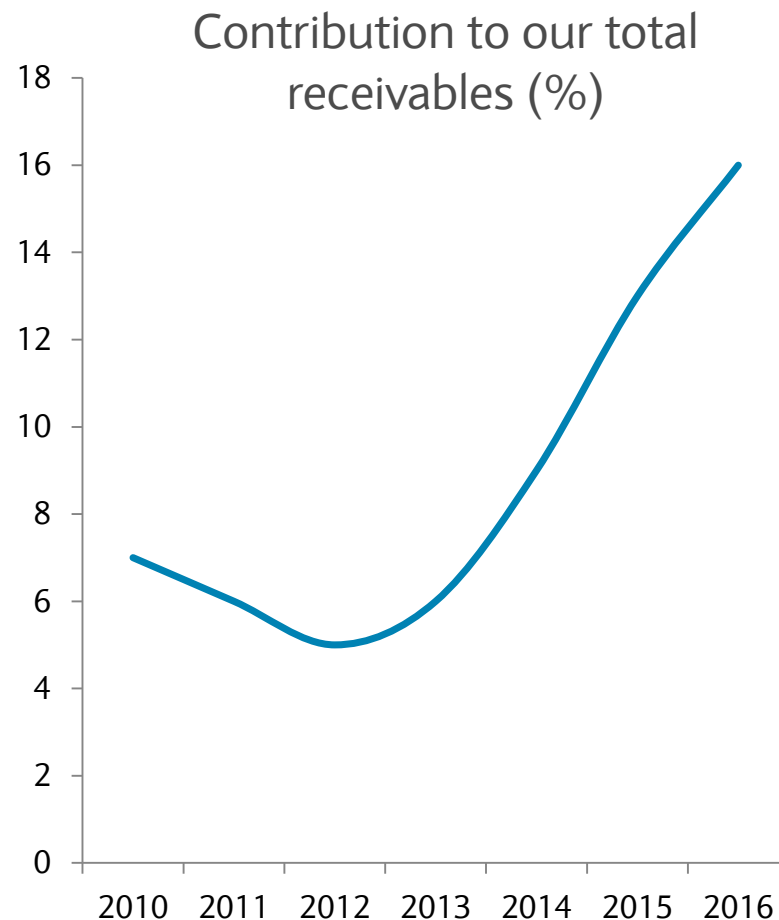


Non bank market co-brand opportunity

Today

- Co-brand products 11% of the total market receivables
- Virgin Money a 5% share and Woolworths Financial Services 12% of co-brand balances.
- We have 17% share of co-brand balances through them.

Future



We just launched Avios

- Offer a Platinum MasterCard and earn Avios for day to day expenses
- Take out the card and access all of the benefits regardless of primary bank
- Average cardholder will earn enough Avios for a domestic reward flight redemption in 12 months

Earn

- 1 Avios for every R10 spent
- Double Avios at Pick n Pay and BP
- Swap Smart Shopper Points
- Fuelling at BP



Facebook campaign Prominent TV advertising Targeted print ads



We will add co brands to Virgin Money and Avios

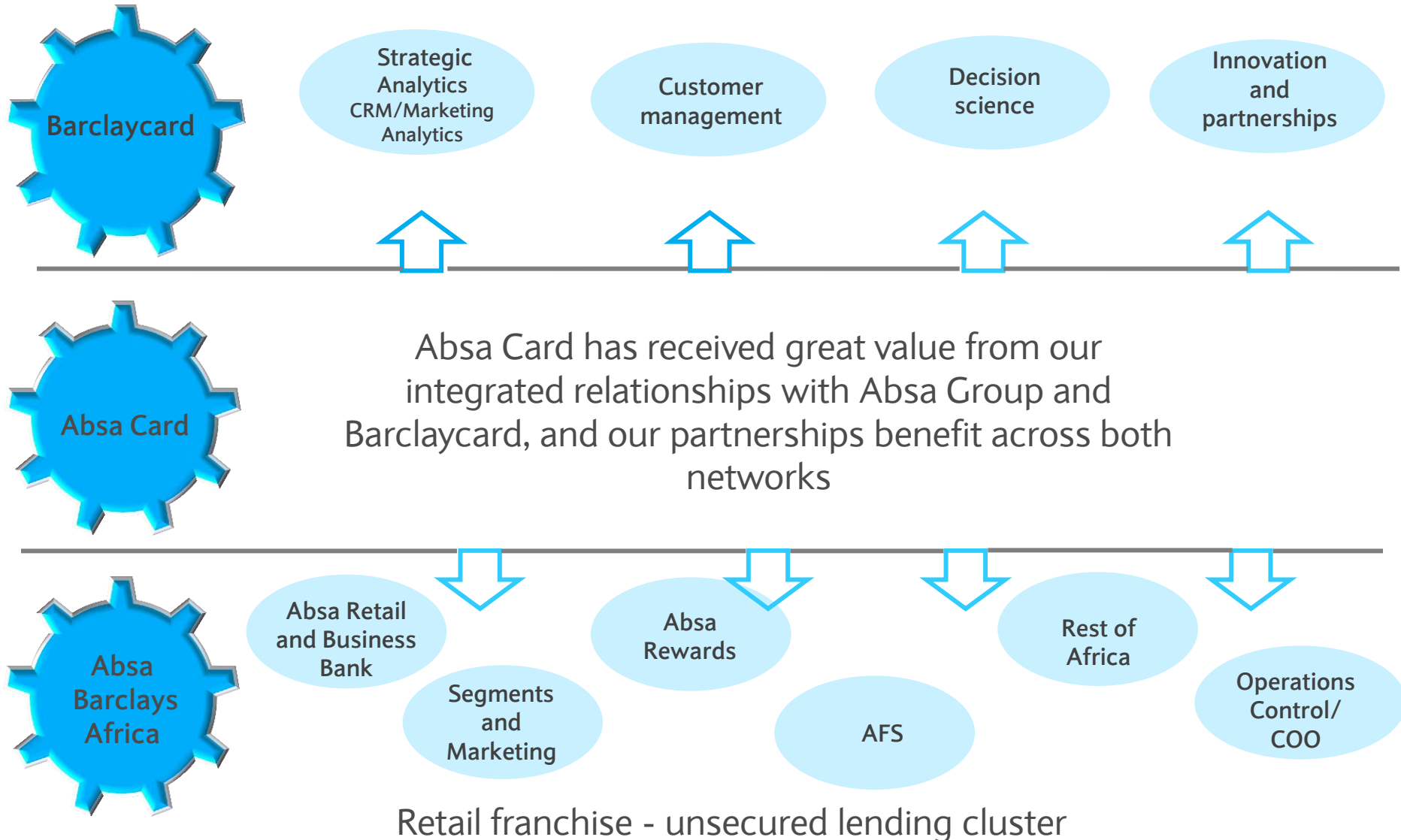
- No monthly or annual fee
- No initiation or purchase fees.
- Simple flat fee structure
- Virgin Money partner Discounts.
- Automatic Travel Insurance on air ticket purchases
- Free Lost Card protection
- Develop robust pipeline of new product launches to further grow our co-brand presence
- New co-brand with a leading global airline to be launched in 1Q14
- New co-brand with a leading retailer to be launched in late 2014



Increased focus on the Virgin Money portfolio

- acquisition campaign
- attention on existing customer management is driving our balance growth

Play to our core global Barclaycard and Absa strengths

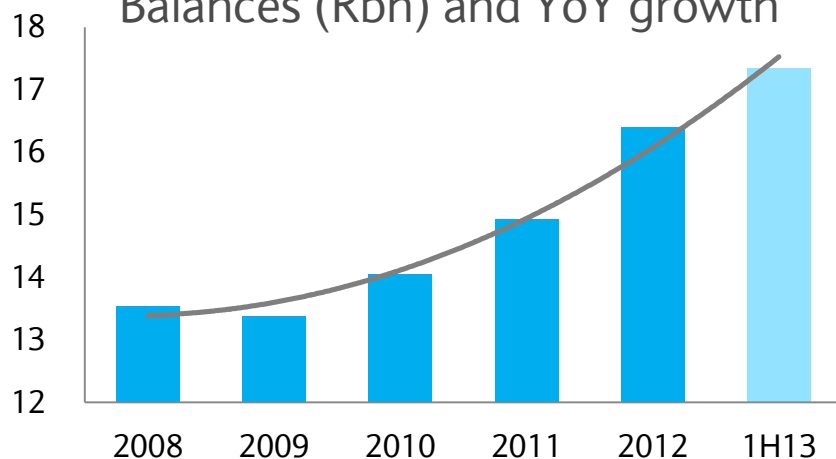


Lots of opportunity in core retail propositions business

- We have world class credit risk management capabilities supporting our card business, developing leading edge predictive risk models and strategies
- Our Marketing Analytics team is at the heart of our business, using transactional and behavioural data to build strategies for acquisition and utilisation campaigns.

Generating good growth in our core business

Balances (Rbn) and YoY growth



2014 Growth opportunities

New business

Significantly improved risk and product segmentation with a new scorecard implemented in March
Simplify our product continuum

Limit management

Revised strategy and targeting will yield considerable upside
Reassessment of customer credit lines

Dormancy and retention

Re-activate our dormant base
Pro-active retention strategy to sustain positive net growth

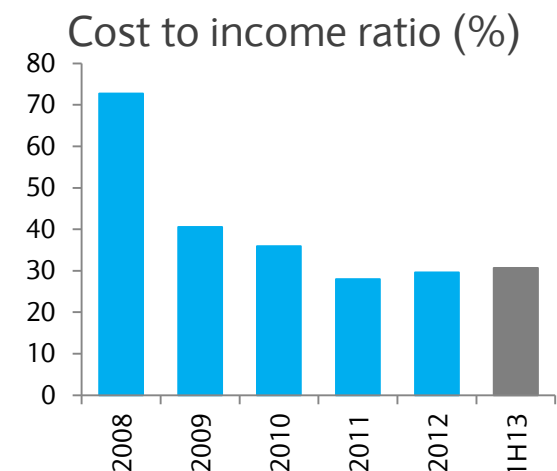
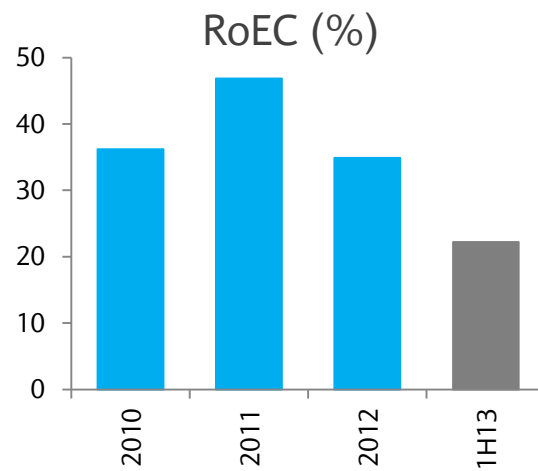
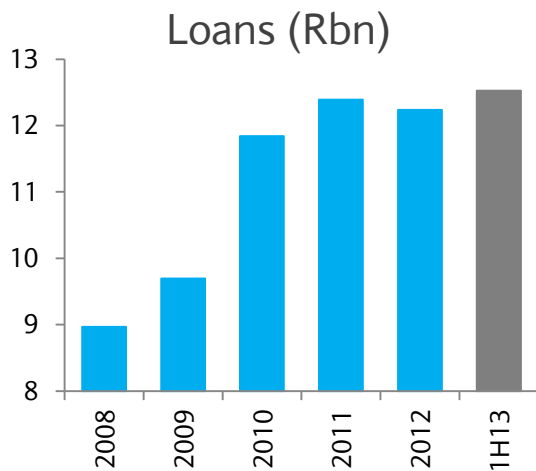
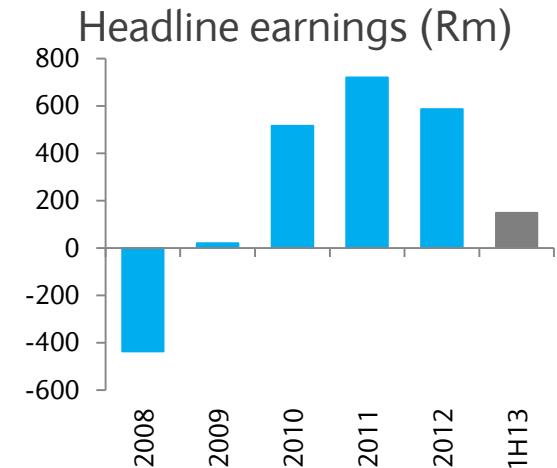
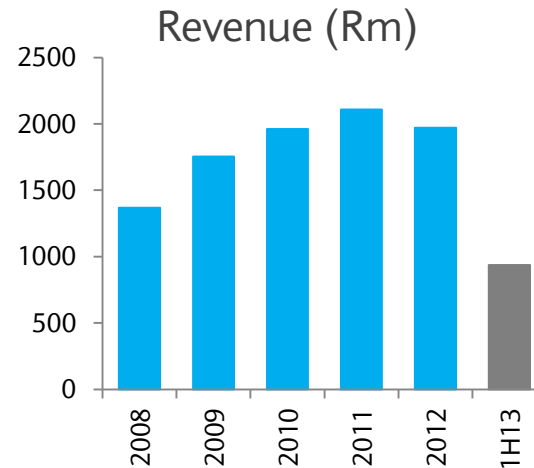
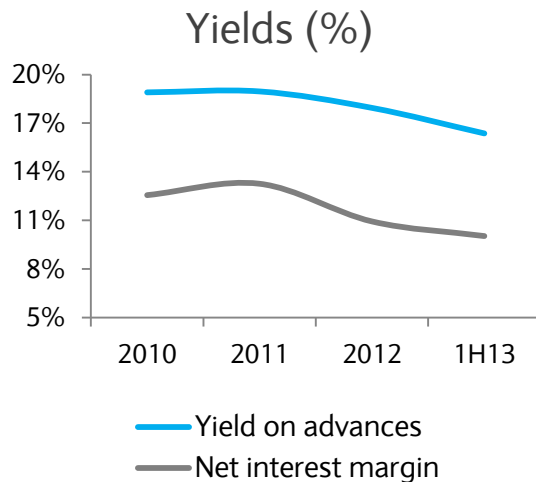
Customer engagement

- Meaningful engagement with every customer and improved 'on-line' account servicing capability
- Capability to automate customer engagement journey through system enhancements

Personal Loans

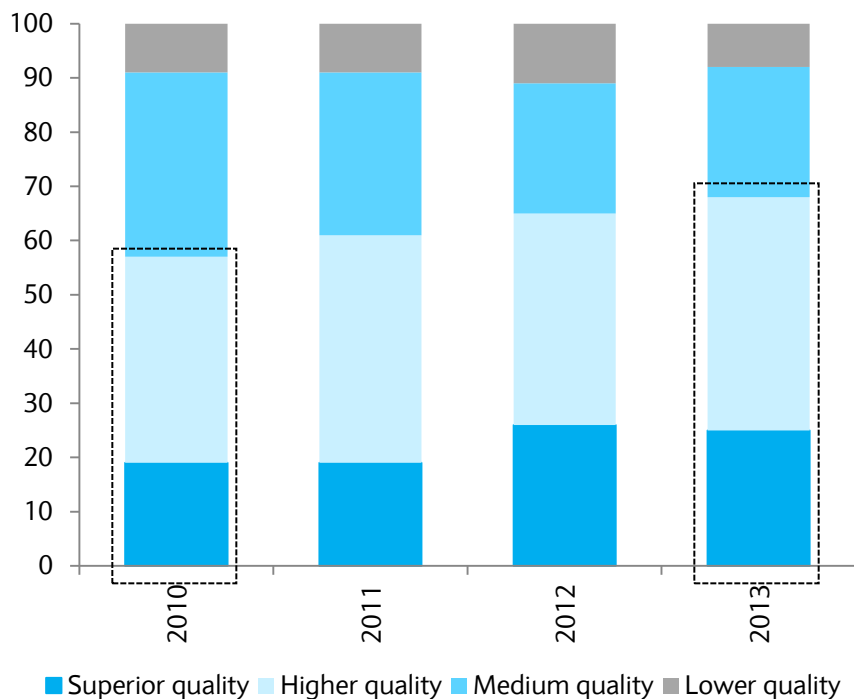


Financial health of the business remains sound

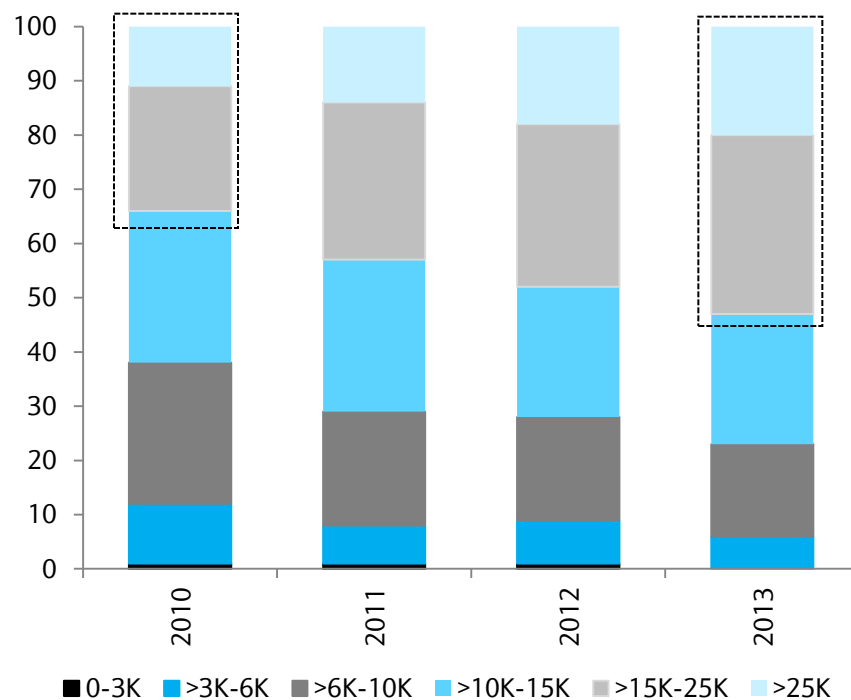


Strategy focused on low risk, high income existing customers

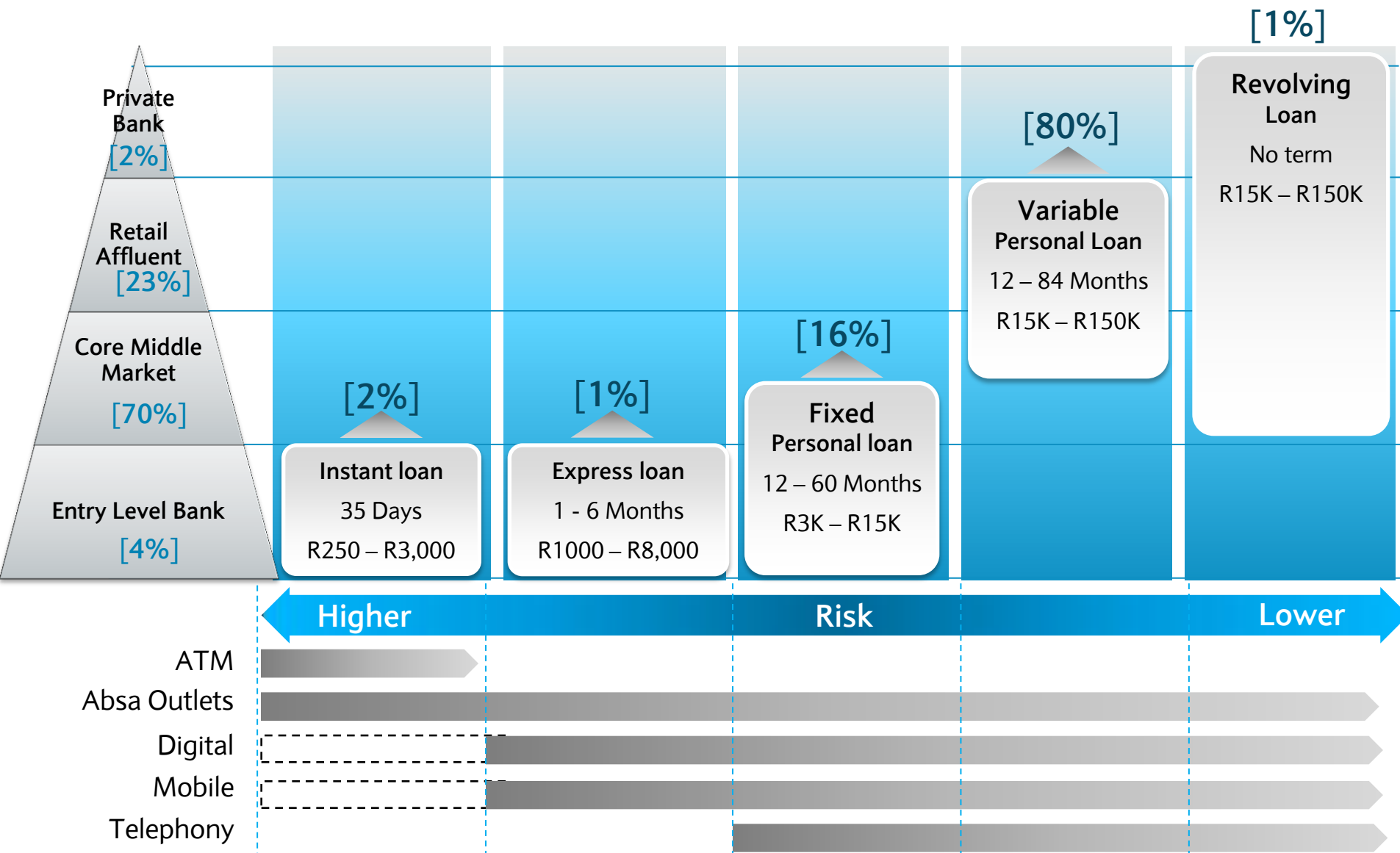
Risk mix of new bookings (%)



Income of Absa loan customers (%)

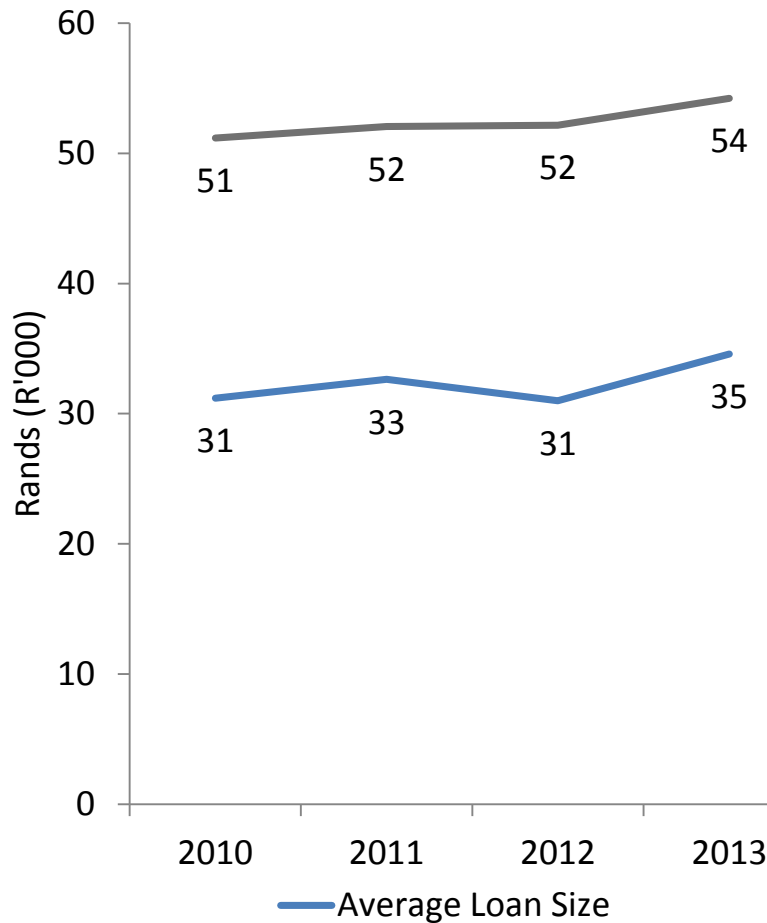


Book largely middle and affluent

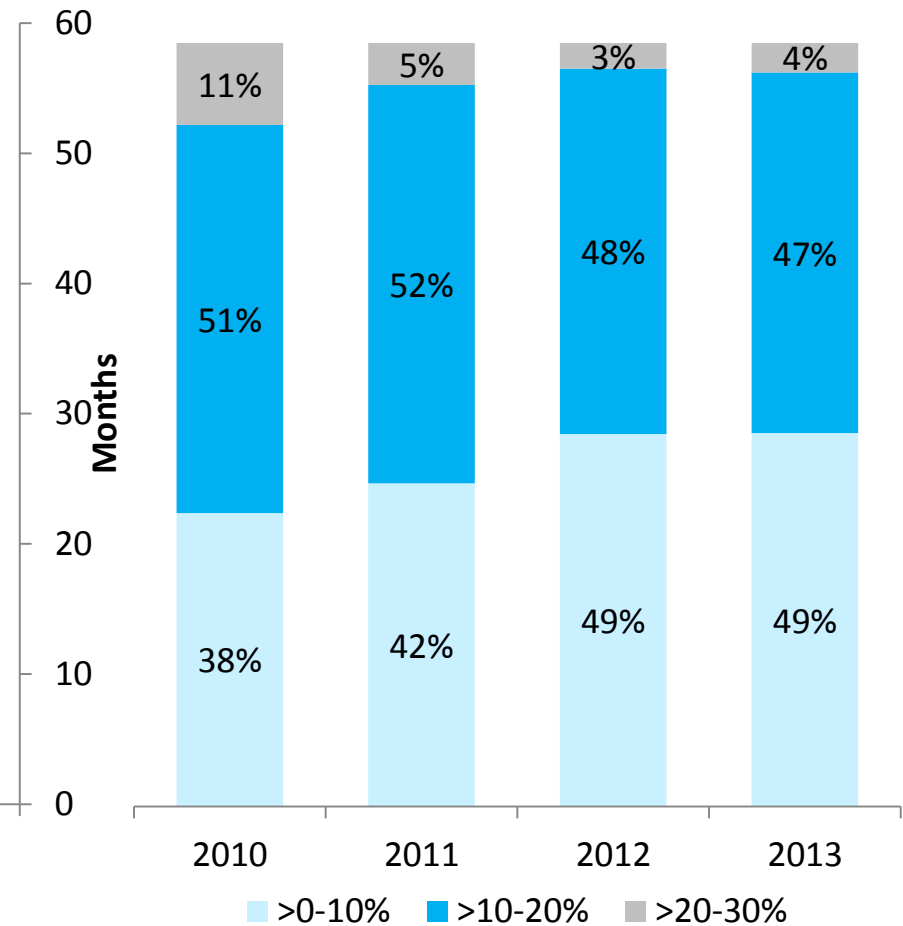


Increase in higher ticket sizes off the back of robust credit risk assessment

Portfolio - Term and loan size



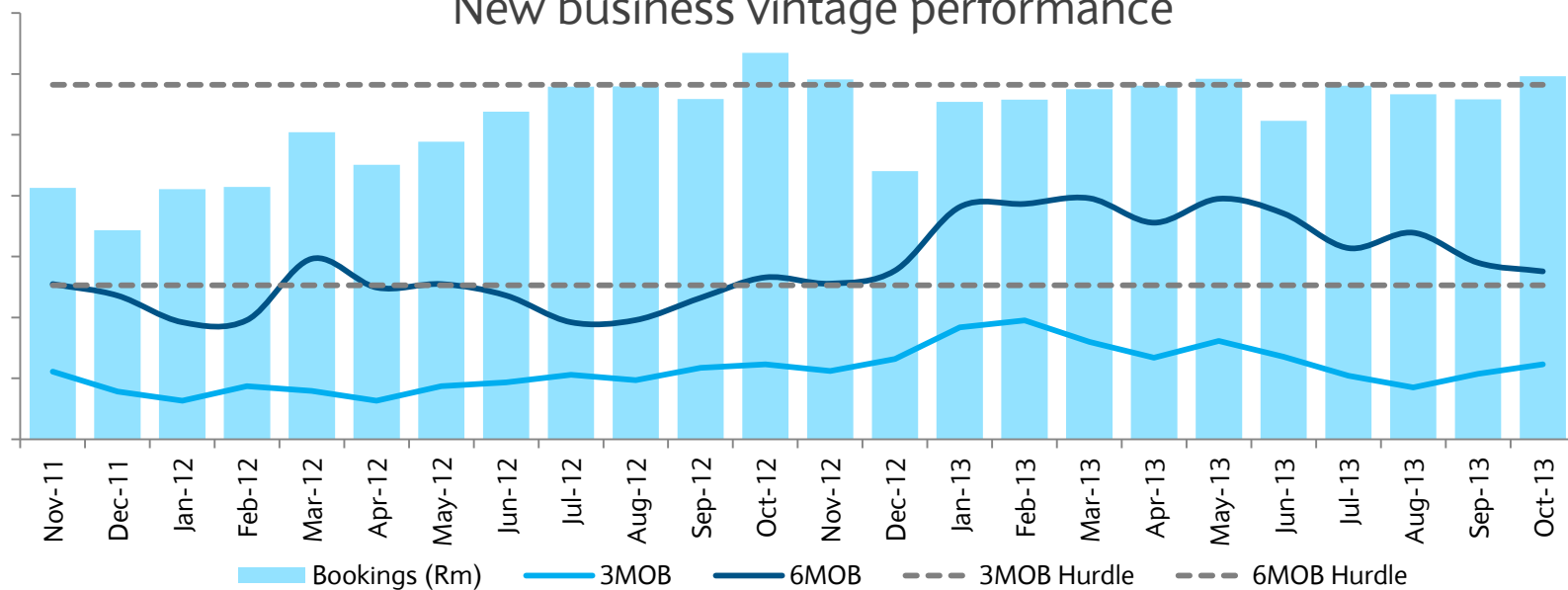
Instalment to income



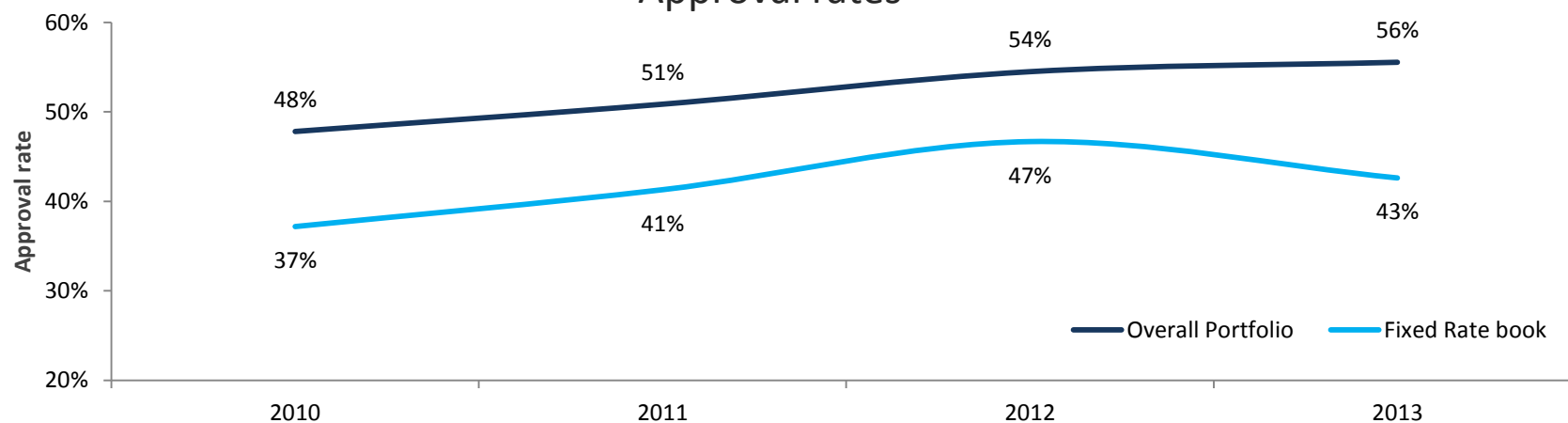
Source: PL Risk Management

New business remains healthy, driven by de-risking

New business vintage performance



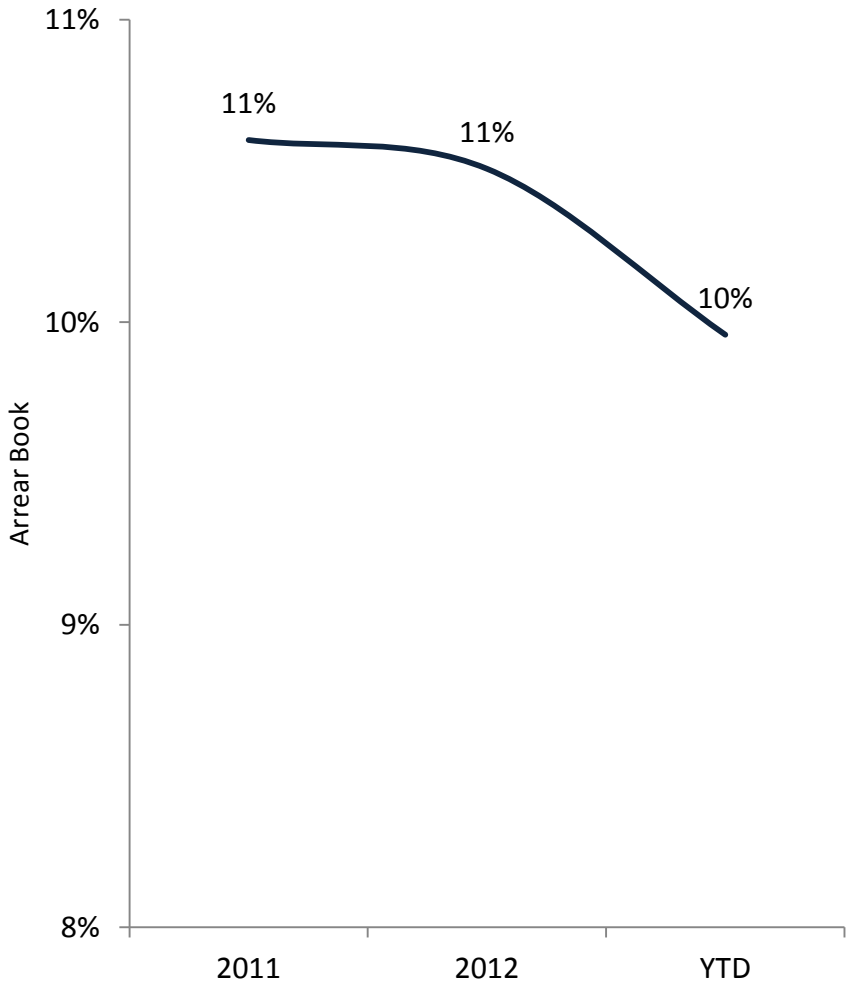
Approval rates



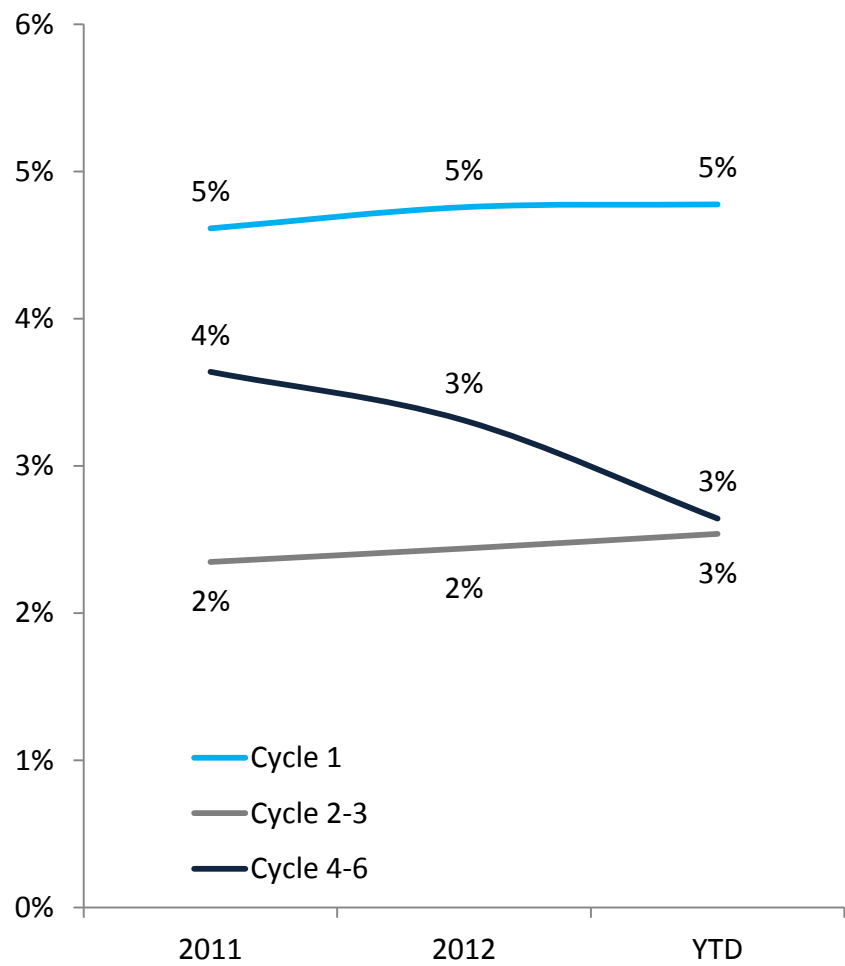
Source: PL Risk Management

Collections strategies enhanced

Delinquency trend



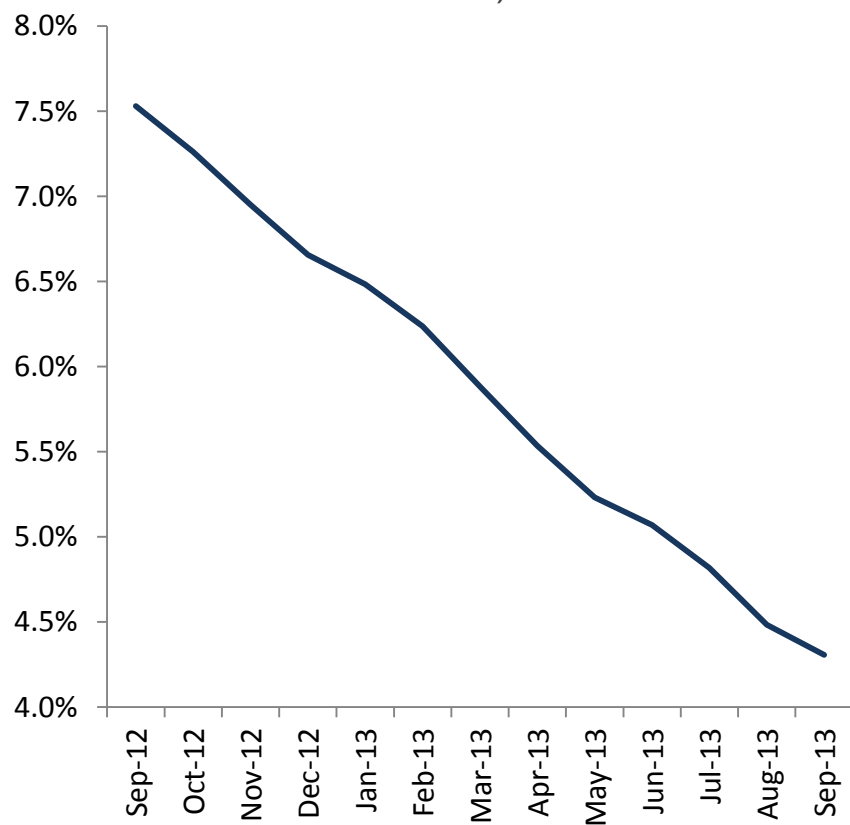
Delinquency by Cycle



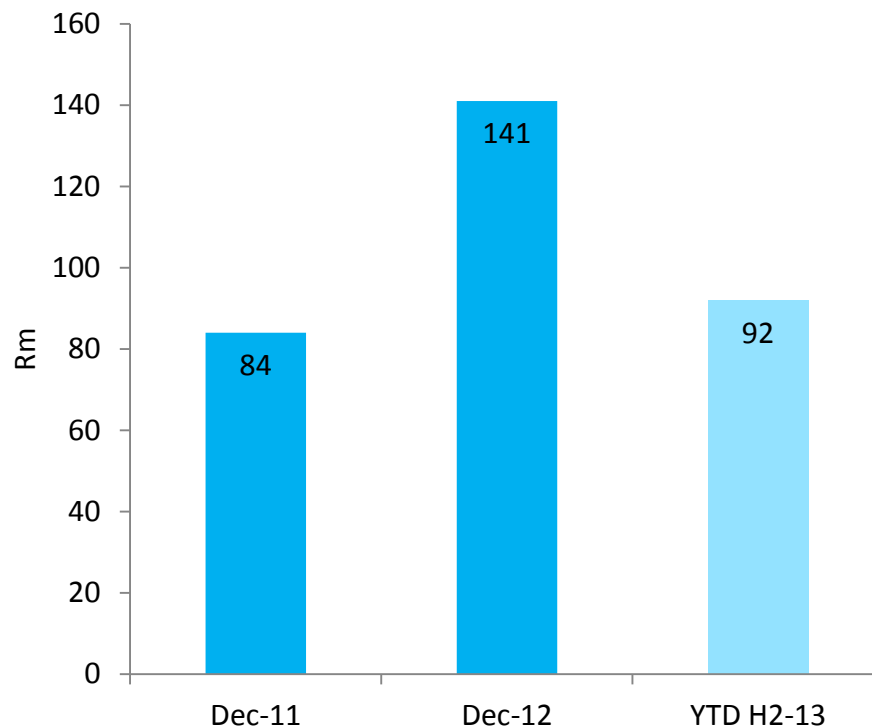
Source: PL Risk Management

Limited exposure to debt counseling

Absa % to Industry
(in relation to loans portfolio of all Banks (Absa, FNB, Nedbank, SBSA) under debt review)

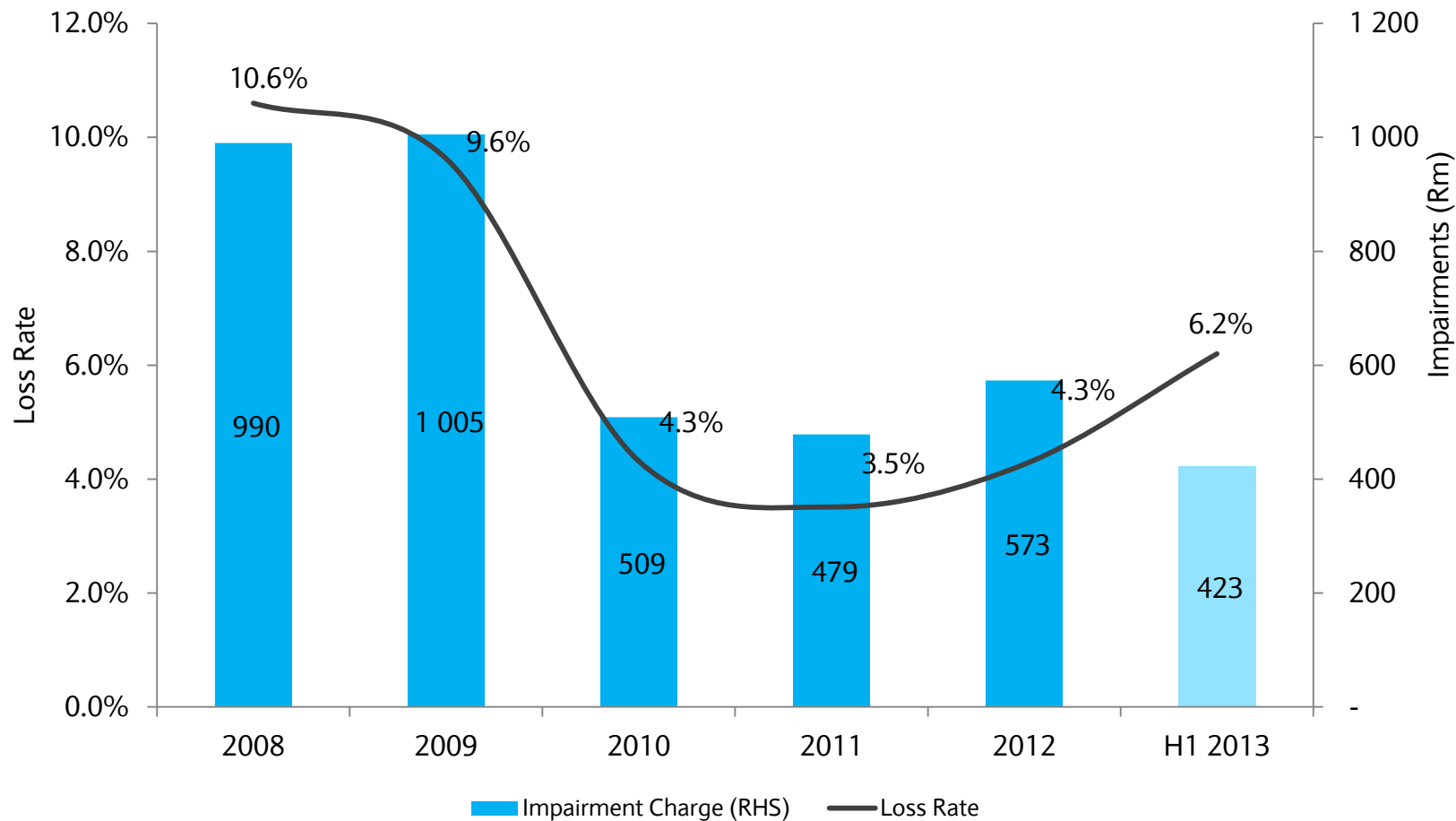


Fixed rate DC inflows



Credit loss rate on our portfolio remains low

Impairment and credit loss rates



Source: PL Risk Management

Note: * Normalised CLR of 4.3%

Topical issues

- Credit amnesty
- NCA affordability rules
- Deterioration in customer health
- Credit life insurance
- In duplum
- Emolument orders

Strategic aligned to RBB / Group

Personal Loans ambition

To be the **'Go-To'** bank for personal loans, making lives much easier

Translated to 3 focus areas and 6 strategic initiatives

Ensuring every existing
qualifying customer
borrows from us

Ensuring correct segment
/ risk mix

Deliver propositions
digitally

1 Create targeted “on – us” / “off – us” segment strategies

2 Customer experience transformation

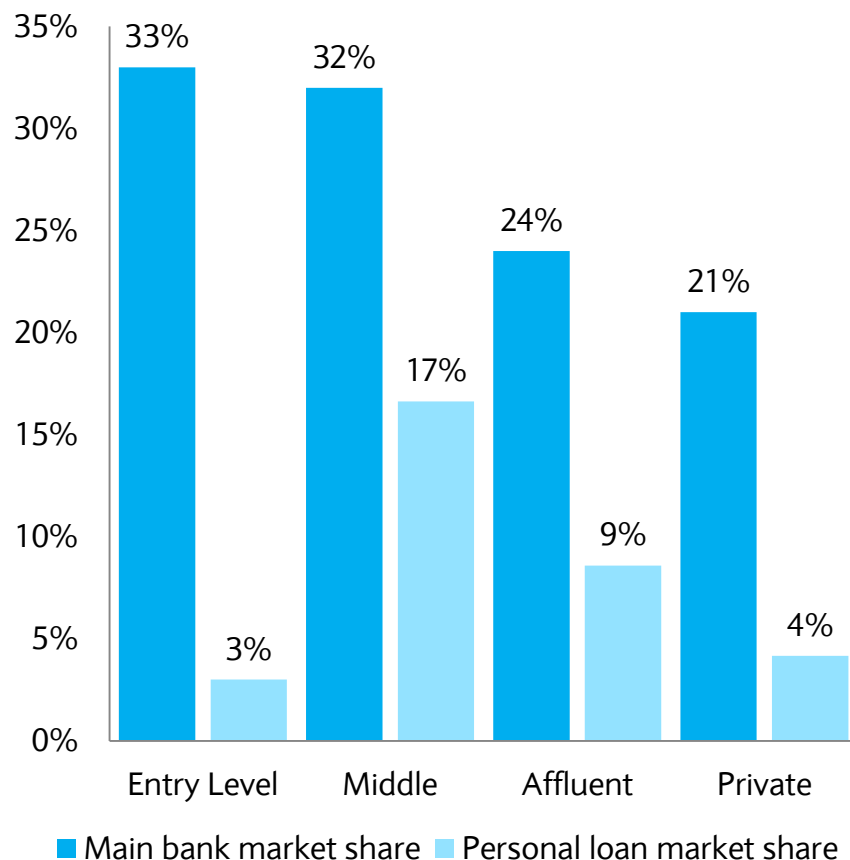
3 Enhanced multi-channel access, easy to borrow

4 Transformation of the portfolio mix

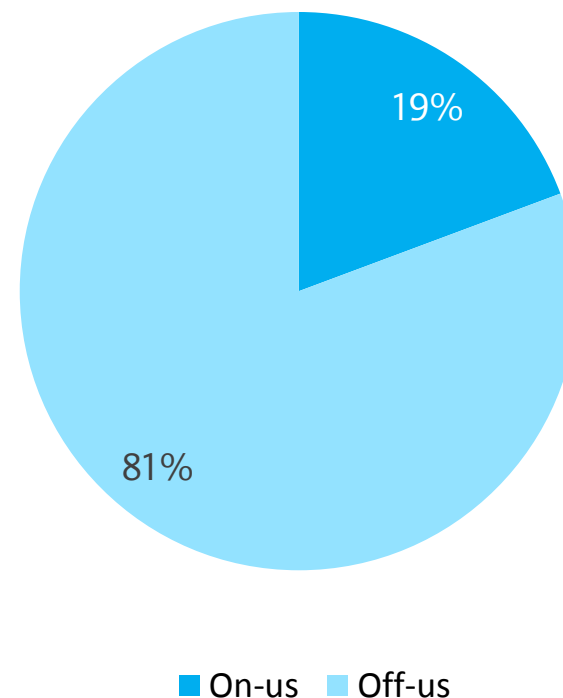
5 Maintain and control quality of the portfolio; Collections and recoveries; and operational control

6 Develop and establish a world class / engaged consumer lending team

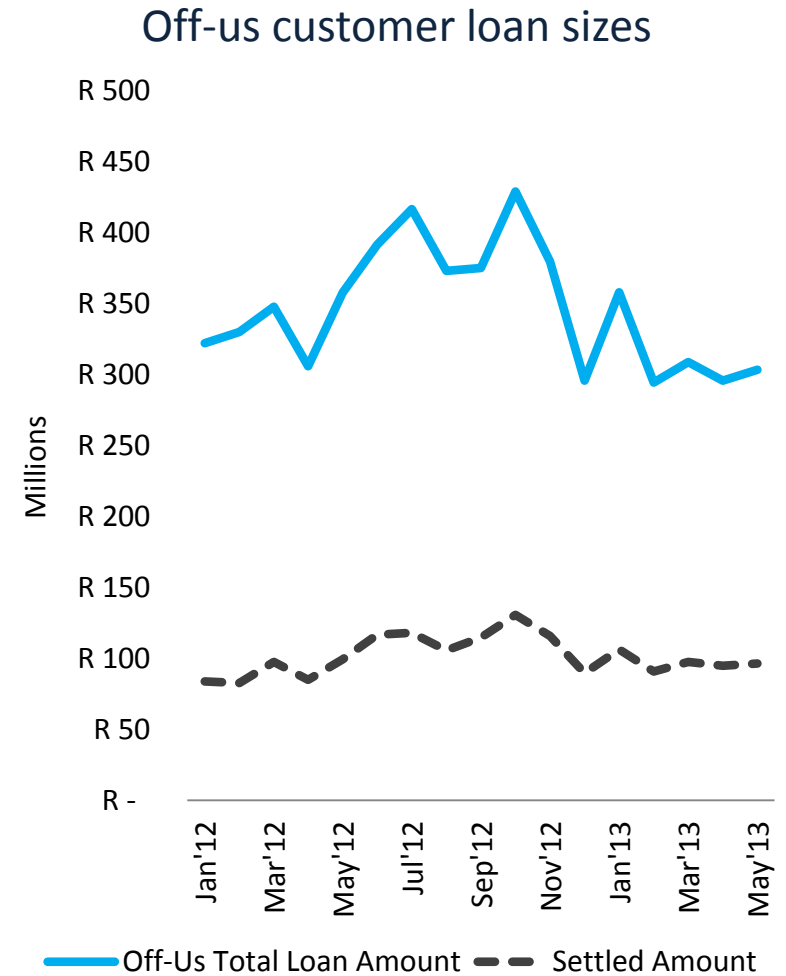
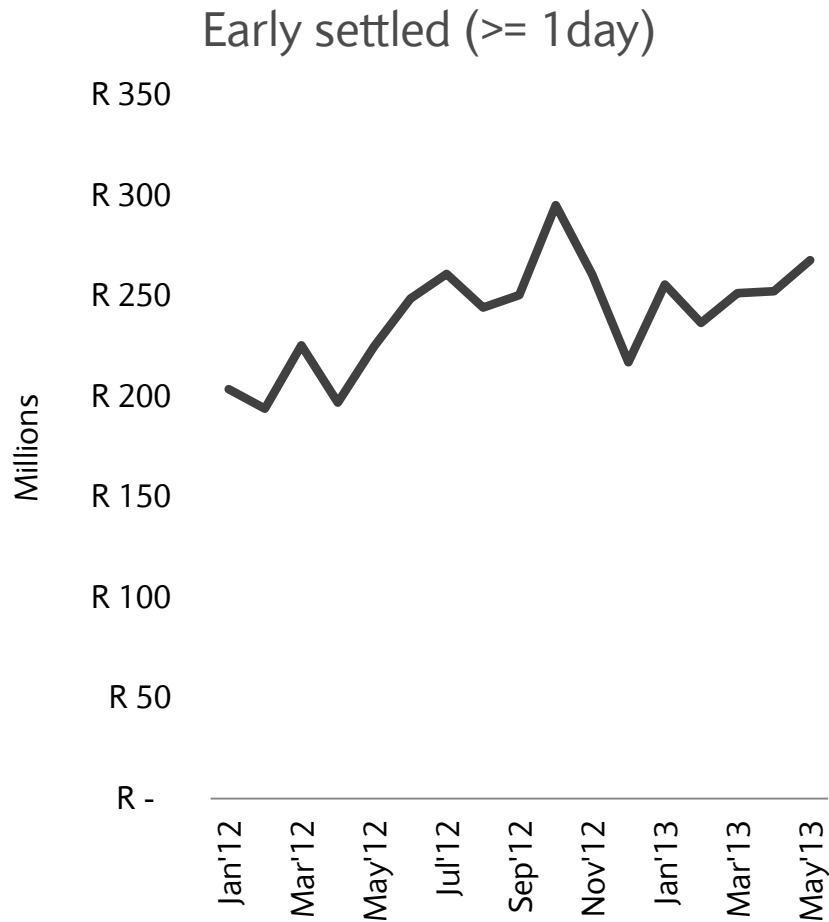
Significant opportunity within existing customer base



Absa share of customer PL borrowing
(average for 6 months to August 2013)



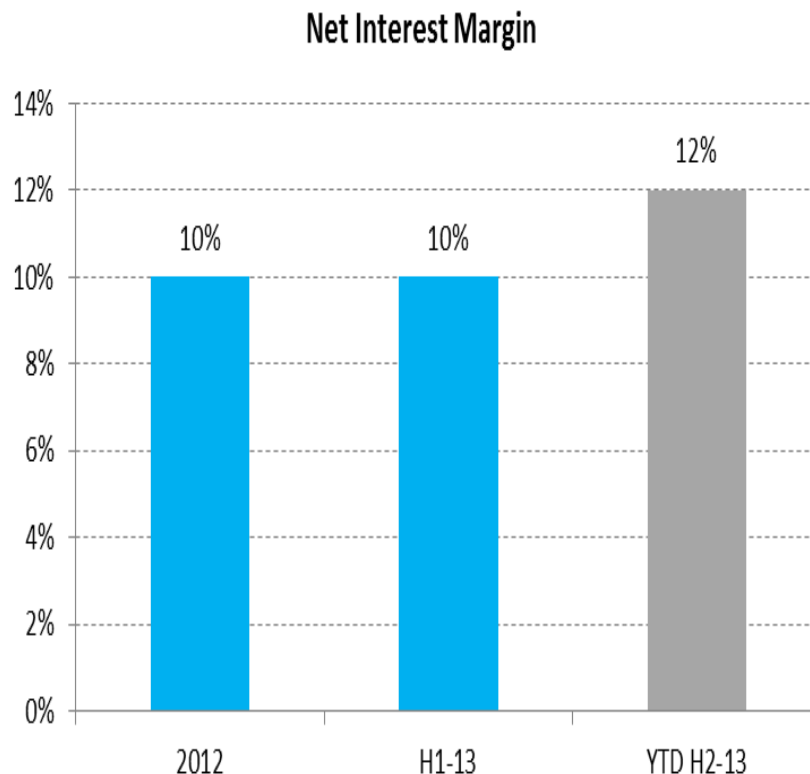
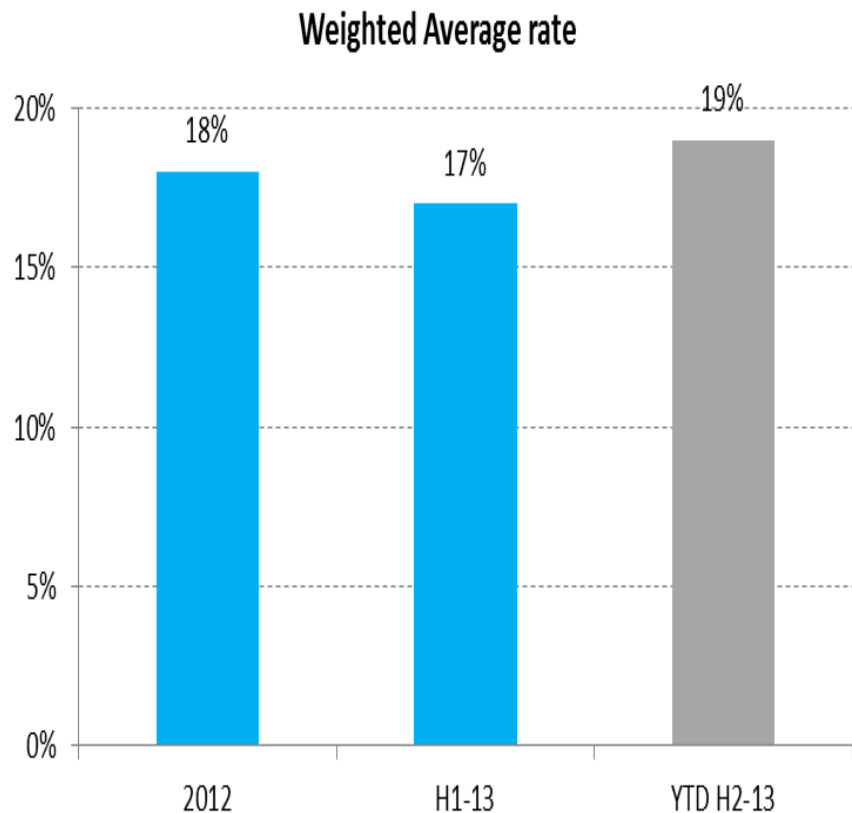
Large retention opportunity



How we will improve share of wallet from existing customers



Pricing optimization remains a key focus area

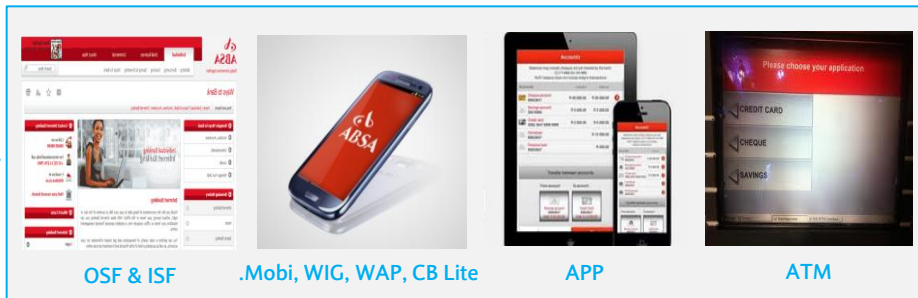


Digital programme and analytical capabilities are key enablers

Our billboard ambition

“Get a loan in less than 10 minutes and less than 10 steps” – to fulfil your personal needs

Across all
Digital
Channels



Existing customer log on

Just 4 key entries!

Visible Credit
Limit

“You could
qualify for a
Loan up to
R10,000 loan!
Click to Apply”

Loan Amount R5,000
Loan Term 12
Credit Protection ☒
Revolving % 25%

Personal loans story: Be the 'Go-To' bank for personal loans, making lives much easier

Delivery through Barclays STAIRs framework

Speed

- Instant lending across all channels

Transparency and information

- Visible credit limits at touch points
- Credit score management facilitating customers to maintain a quality credit profile
- Alternate limit suggestion when required in Digital Channels
- Automated "Existing Customer Management" (ECM) triggers for product continuum management and Top-ups

Access

- Create alternative channels such as 3rd Party
- Better rates for low risk customers
- Providing instant loans through all channels

Impact to date

...making customers lives much easier - LIMME

Customer experience

- NPS Score 48, up from 44 (2012)
- CSM Score 66%, up from 62% (2012)
- Complaints declined 30% from 2012
- "Not taken up" (NTU) rates down from 15% (2012) to 10%

Customer engagement

- Contribution from Retail Affluent (RA) / Private Bank (PB) increased from 12.5% (2012) to 14.7% (2013)
- Sales increased by 14% YTD
- Re-establishing channels/expansion of other

Book growth

- Advances book growth grew 3% YTD
- Positive balance sheet trajectory

Watch list

- Macro economic contagion risk
- Credit quality
- Regulatory risk

'Go-To' vision

50%



50% of monthly flow to be top-ups from current levels of 38%

Increase share of wallet by 25%.



35% of business through non-Face to Face channels (including digital)



Instant lending, to all targeted customers across all channels (incl. digital) addressing "key moment's" needs - Application outcome/payout within 10min



Increase in low risk, high value segments; R1bn in sales per month

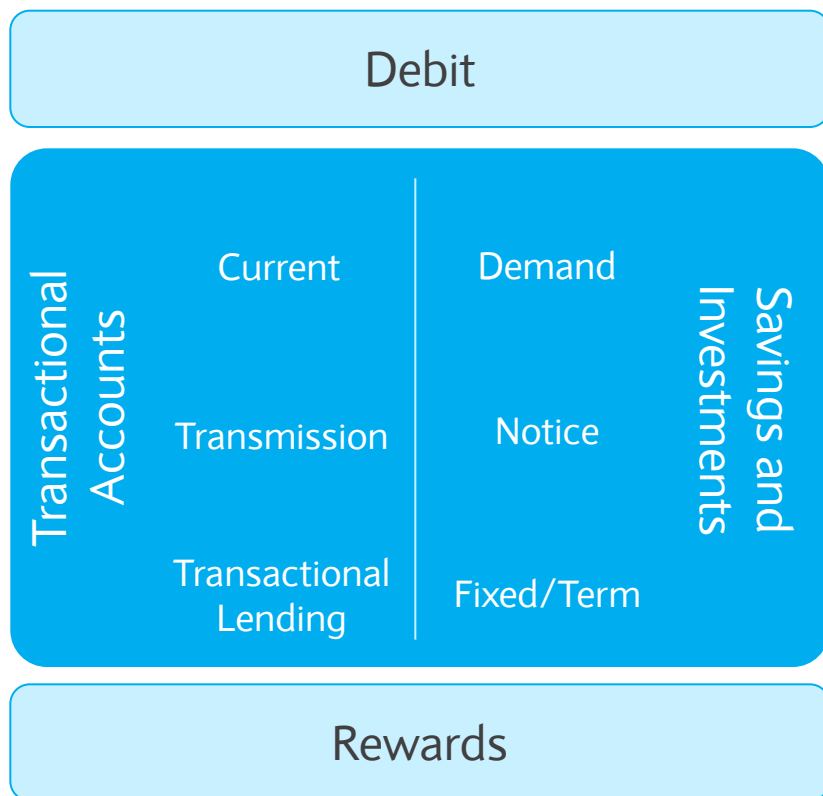
Why we will win

- New team / Exco in place with strong analytical capabilities across value chain
- Well positioned with healthy portfolio (saw the signs and acted)
- Clear on plan, opportunities and execution
- Collaboration using UK / US credit analytics

Transactional banking and deposits



Introducing our retail transactional franchise



Consumer Segment Primary Accounts

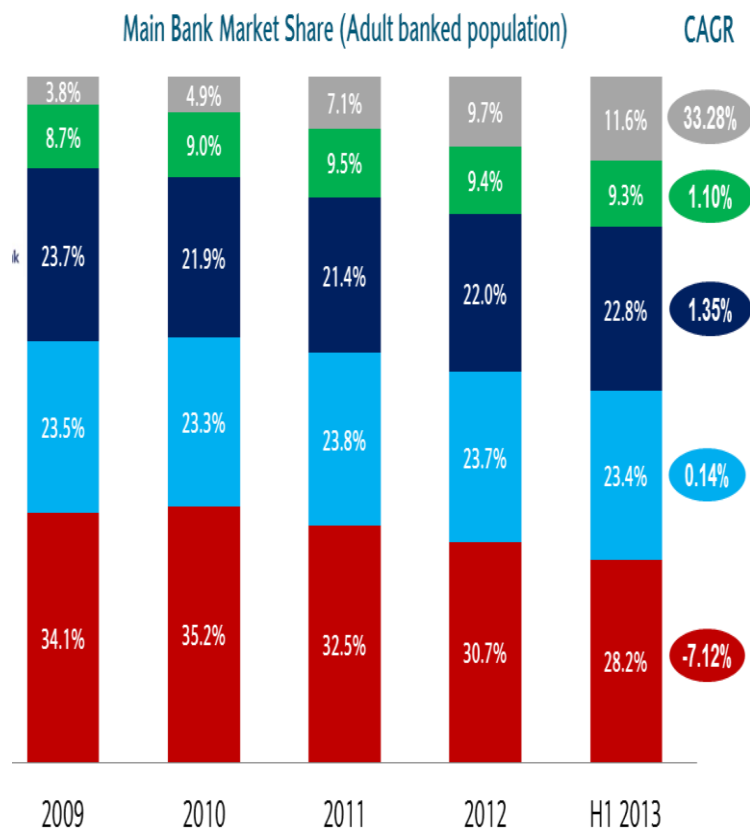
Financial headlines

| | FY 2012 | H1 2013 |
|---------------------------|------------|------------|
| Revenue (Rbn) | 9.6 | 4.6 |
| Accounts (m) | 10.5 | 10.1 |
| Transactional (m) | 7.5 | 7.2 |
| Savings & investments (m) | 2.9 | 3.0 |
| Rewards (m) | 1.0 | 1.3 |
| Liabilities (Rbn) | 107.6 | 104.6 |

Note: "Accounts" denotes accounts not customers. Majority of S&I customers also hold a transactional account

Key challenges coming into 2013

Retail Market share declines



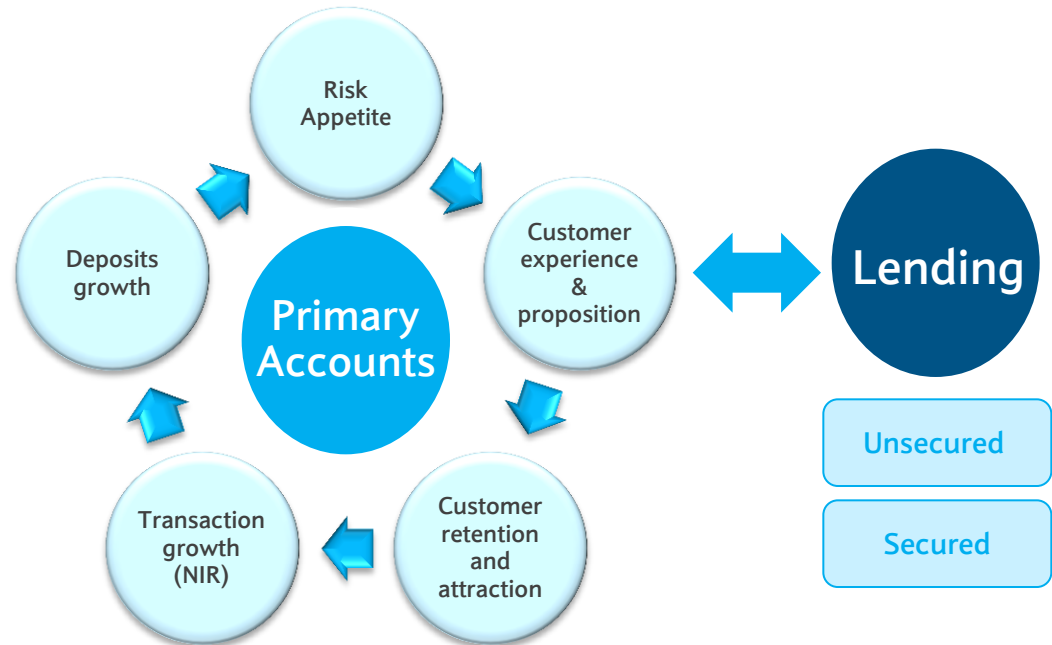
where day-to-day banking transactions are done (Source: Ampps, Adult banked population 15+ yrs, CAGR calculated 2010 – 2013, AMPS 2013 A – r 2013)

- Primary customer account growth, slowing rates of acquisition
- Dormant and inactive account clean-up
- Loss of social grants tender
- Silent attrition and customer-initiated closures
- Deposits growth

Tailwinds in Retail impact transactional franchise

Broader Absa challenges for primary account growth

- Brand positioning
- Sales channels effectiveness
- Marketing effectiveness
- Service and experience, customer advocacy, Net Promoter Score
- FICA remediation impact
- Credit risk appetite



How we chose to address:

1. Leadership
2. Transactional turnaround deep-dive and war room
3. Re-build deep product management capabilities
4. Re-shaping our value propositions (Transform)
5. Support broader transformation in Retail

Back to basics - key findings driving management actions

- New to Transactional sales measurement and incentives drive sale and activation behaviour – onboarding customer contact is also key.
- In middle to affluent segments, inactive Transmission accounts require intensive upgrade management.
- Transmission accounts can be retained and re-activated more effectively in entry-level segments
- Need to address slowing rate of acquisition to deal with natural churn
- Significant under-exploited opportunity in proactive retention and upgrades across the base
- Opportunity to grow overdrafts
- Risk appetite and credit-linked offers to primary customers critical – fully link.
- Inadequate student closure rules and upgrade management

Our 2013 early turnaround agenda focused on three core themes

Go-To-Market

- Kick starting primary account sales in our network
- Get back into market
- Build new and differentiated propositions (e.g. Demand, Notice, Features Store, PEP, Family Banking)

Re-engage

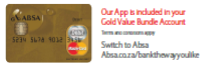
- Fix and restart broken customer contact processes
- Getting back to basics on big data and executing like clockwork
- Drive use of debit cards and strengthen Rewards proposition
- Fully link asset houses, to drive primary accounts (“Plus” offers)

Speed & transparency

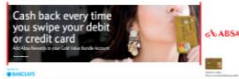
- Simplify account opening and switching processes for customers in all channels
- Build out new transactional distribution channel alternatives
- Make savings one-click

Key successes in 2013 driven by early turnaround agenda...

Back in market with price leadership and packages



Our App is included in your Gold Value Bundle Account
Switch to Absa
Absa.co.za/bankshowyoualle



- Gold Value Bundle
- Rewards incl. Debit
- The App
- 2 New TV Ads
- ATMS

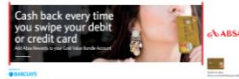
Increased
market
awareness

Key successes in 2013 driven by the early turnaround agenda

Back in market with price leadership and packages



Our App is included in your Gold Value Bundle Account
Switch to Absa
Absa.co.za/bankshowyouall



- Gold Value Bundle
- Rewards incl. Debit
- The App
- 2 New TV Ad's
- ATMS

Increased market awareness

Reactivated our sales network

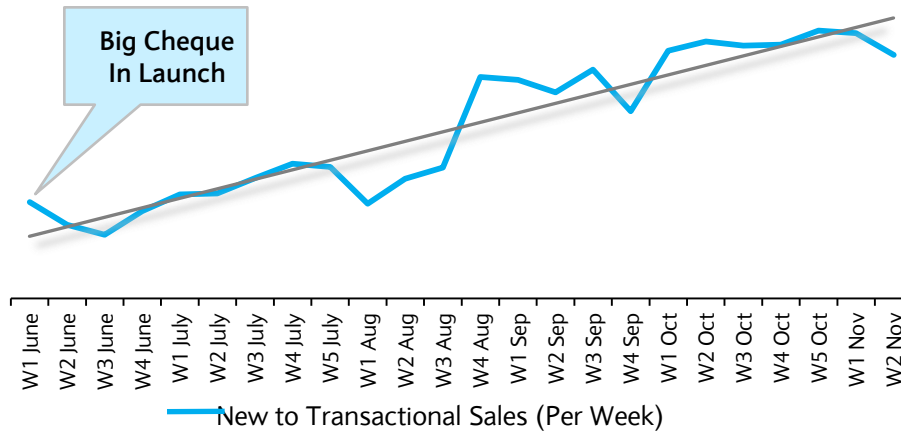
- Big Cheque In
- Primary account drive (70k)
- New incentives and management information



Uptick in primary account sales
Shift in mix between New to Transactional and existing – from <10% to circa 30%

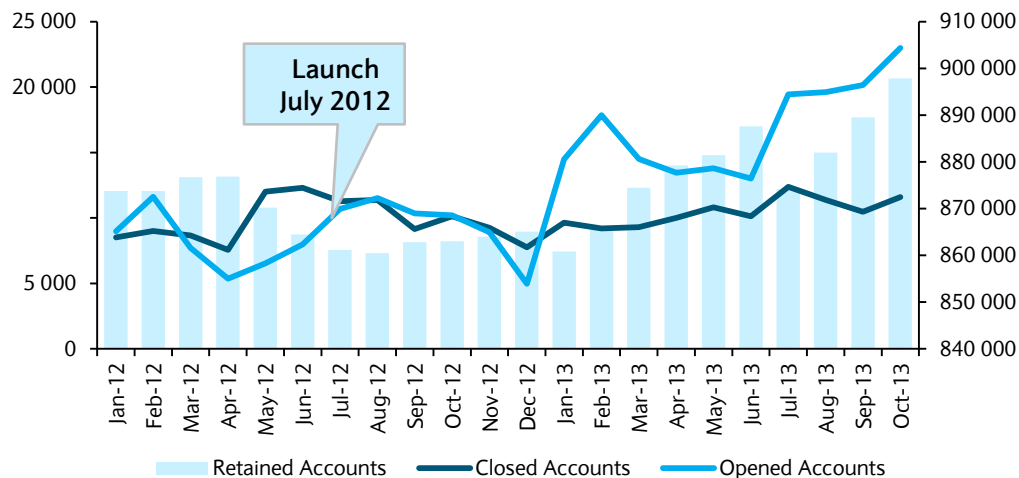
Key successes in 2013: New to transactional account growth and positive impact of new packaged offerings

New to Transactional growth



- Measuring new to transactional sales (NTT)
- New to transactional shift from less than 10% of cheque sales to 31%

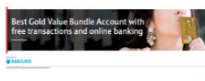
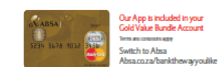
Value Bundle launch improves retained accounts



- Successfully employed our unique Value Bundle offering as our main front-book transactional product since July 2012
- Boost to monthly management fee growth

Key successes in 2013 driven by the early turnaround agenda

Back in market with price leadership and packages



- Gold Value Bundle
- Rewards incl. Debit
- The App
- 2 New TV Ad's
- ATMS

Increased market awareness

Reactivated our sales network

- Big Cheque In
- Primary account drive
- New Incentives and Management Information



Uptick in primary account sales
Shift in mix between New to Transactional and existing – from <10% to circa 23%

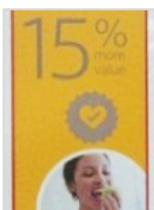
Started to re-engage our customers

- 54 customer engagement interventions through Acquisition, Lifecycle, and Retention



Increase in engagement and take-up

Fantastic new Rewards deals with major retailers



- 5% fuel
- 15% pharma
- 15% retail

On track with membership targets



sasol
reaching new frontiers



Consistent market presence with liabilities

- Fixed, Notice, Demand
- In market

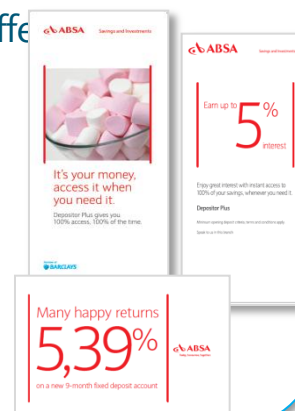


Market awareness drives sales and market share gains



Competitive liabilities offered

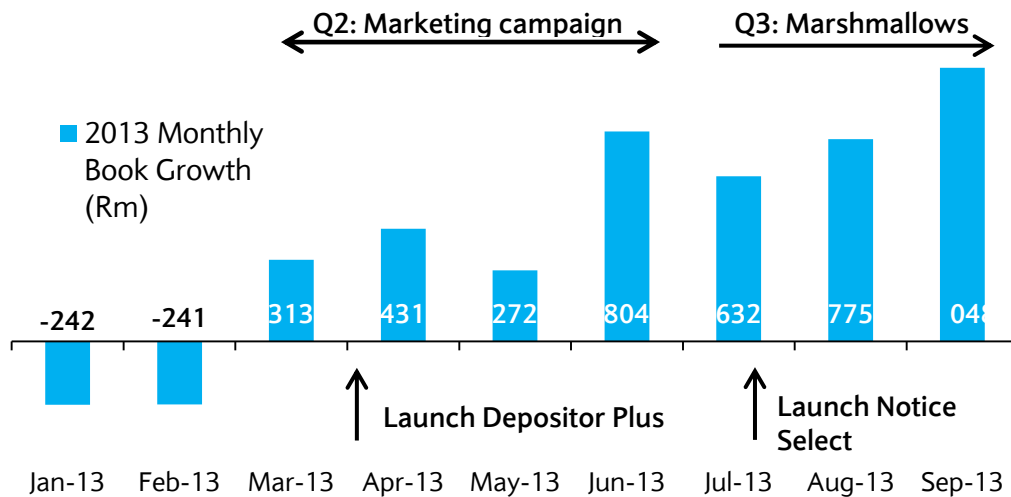
- 2 new offerings; Depositor Plus and Notice Select



New products drive stronger growth in liabilities

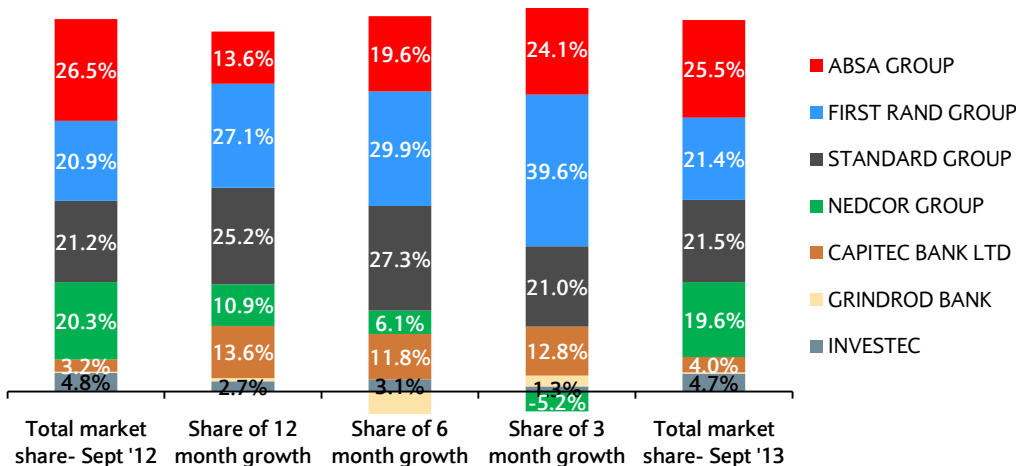
Savings and investments

Strong book growth in 2nd half of 2013



- New product launches: Depositor Plus and Notice Select
- Reposition S&I within the Group and in market with Marshmallow campaign
- Resulting in market share stability

Market share gains and proactive margin management



- Market share stabilised at 25.5%
- Secured a strong share of the growth in the deposits in last quarter
- S&I margin increased 2 basis points YoY, with proactive management to balance acquisition strategy

Key successes in 2013 driven by the early turnaround agenda

Pricing - revenue optimisation

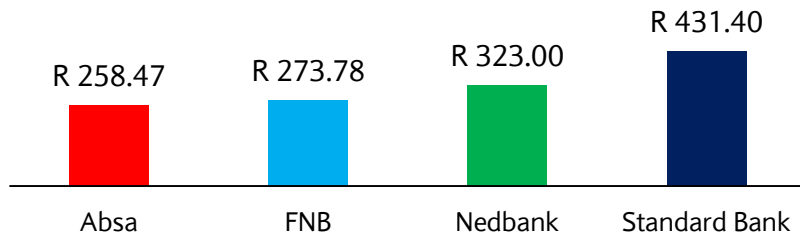
- Best value bundle in market
- R181m NIR uplift YTD
- Sekulula



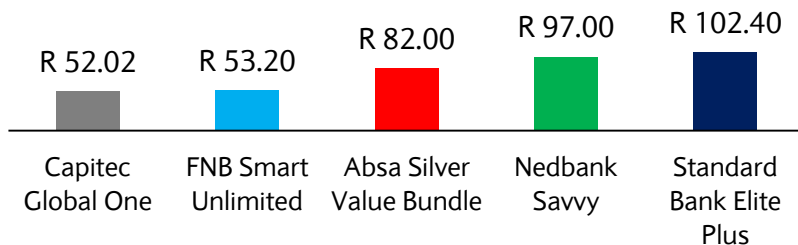
NIR uplift
through
revenue
recovery

Value leadership and competitiveness

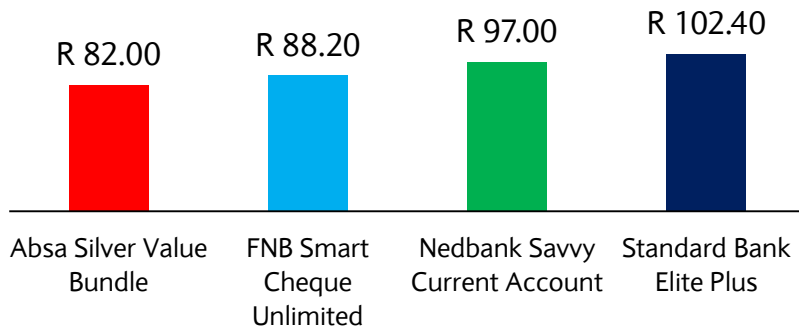
FinWeek bundled comparison



Solidarity mainstream comparison



Solidarity bundled pricing comparison



FinWeek

- Gold Value Bundle the most competitive amongst four large banks' Gold offers

“... we applaud Absa for the simplified nature of their pricing structure...extremely easy to follow and understand...”

Solidarity

- Silver Value Bundle most competitive compared to the other main banks' bundled options

Key successes in 2013 driven by the early turnaround agenda

Pricing - revenue optimisation

- Best value bundle in market
- R181m NIR uplift YTD
- Sekulula



sassa



NIR uplift through revenue recovery



Account opening and onboarding

- New tactical switching process
- Switch option on App.



Speed and convenience for customers, ease of doing business



Workplace Banking

- New value propositions
- Edcon pilot
- Pod progress

Good start to new strategy



Leveraging retailer partnerships

- Launched PEP Money Transfers
- Simple bank account ready for launch.



1,400 PEP Stores and 6,000 Absa ATMs countrywide

Family Banking



- First to market family proposition with shared a/c
- Link up to 4 primary accounts



Reason to engage, launched without IT spend

We recently reset our ambition and statements of strategic intent

Ambition

To be the 'Go-To' transactions, savings and deposits banking partner in South Africa, the financial hub in our customer's lives.



Statements of strategic intent

1. Grow Primary Accounts

Dominate primary account growth in 18 months, focusing on a Middle and Retail Affluent with killer offerings and relentless activation focus

2. Speed Up and Simplify

Fast, transparent access through simplified propositions and e2e processes making it *damn* easy to do business with us.

3. Innovate

To be deliberate in making customer lives easier by building unique, value added services that provide easy one-click access to payments and rewards.

4. Engage Customers

Do better product management in order to maximise opportunities and engage customers to retain accounts and increase usage

5. Drive Deposit Growth

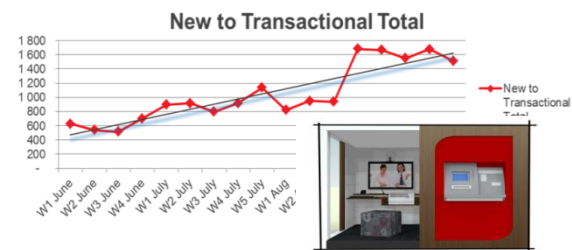
Establish ourselves as the destination for savings and deposits defined by a competitive rate, market presence and market driven product features, both organically and inorganically

Our 7 key strategies for turnaround

1

Strategic sales drive on primary accounts

- Continue focus on sales turnaround
- New to transactional focus
- Conversion of secondary to primary
- Workplace banking
- 2013 run-rates sustained



2

Simplified product continuum and 'Go-To' market

- New radically simplified product continuum
- New everyday account
- Strong Go-to-Market
- Overdrafts growth plan
- Launches 1Q14



3

Fully link asset houses

- Conditional sales and offers (Plus)
- Embed transactional account
- Backbook cross-sell (acquisition and retention)
- First launched 4Q13 personal loans



Our 7 key strategies for turnaround

4

Product and customer engagement

- New retention and activation centre
- Closure and dormancy rules
- Onboarding and activation
- Lifecycle management – upgrade strategy and use



5

Digital engagement

- Digital sales / engagement platform
- Account opening and onboarding process (Instant Account)
- Middle market and retail affluent
- Switching
- Digital marketing



6

Rewards Go 2.0

- Competitive positioning
- Re-position Absa Rewards as loyalty option of choice
- Activate and retain primary card usage.
- App functionality



Our 7 key strategies for turnaround

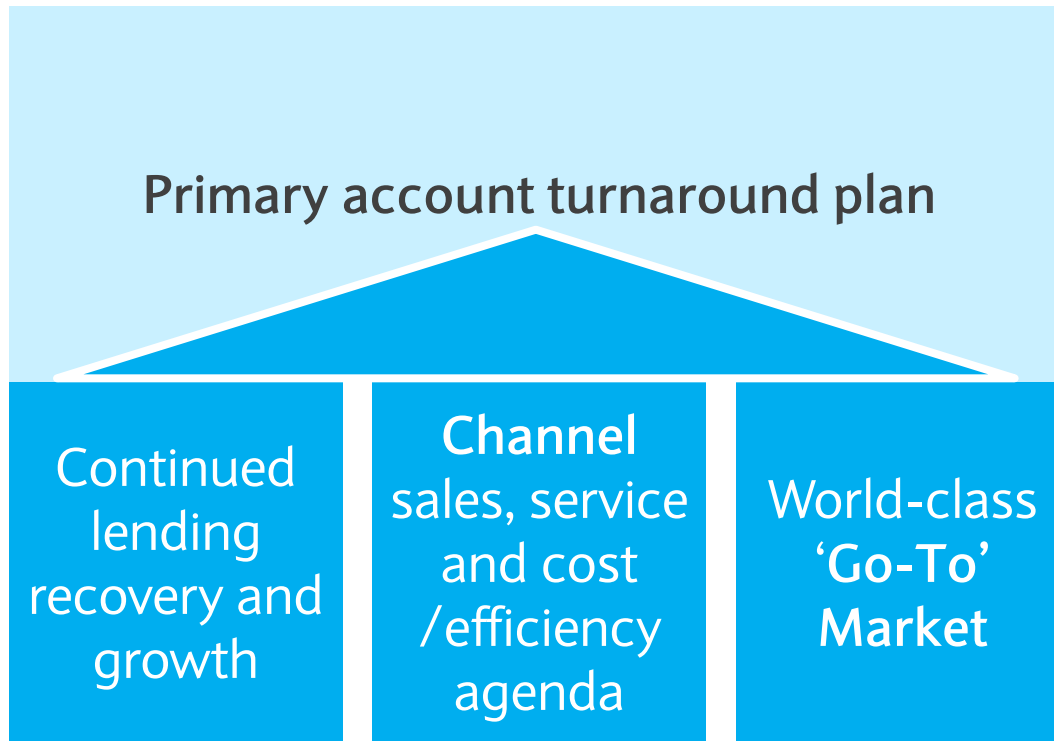
7

Deposit break-out

- Inorganic opportunities – retailers and aggregators
- Click 2 Save – radical digitisation
- New Moneybuilder account
- Consistent market presence



What does success look like?



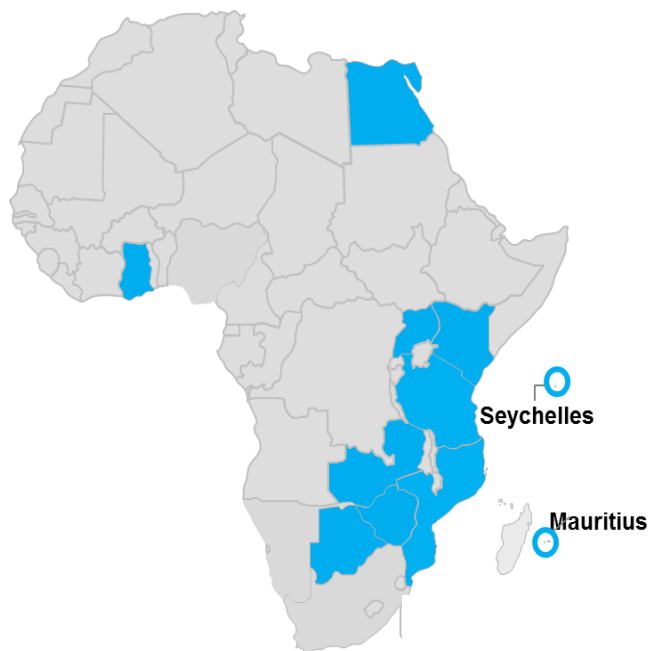
- Net active account growth
 - Sustain strong growth in new to transactional account sales
 - Reduction in normalised account closures
 - Retention of transmission accounts
- Upgrades
- Overdraft growth

Retail

Rest of Africa



Rest of Africa – a strong retail franchise



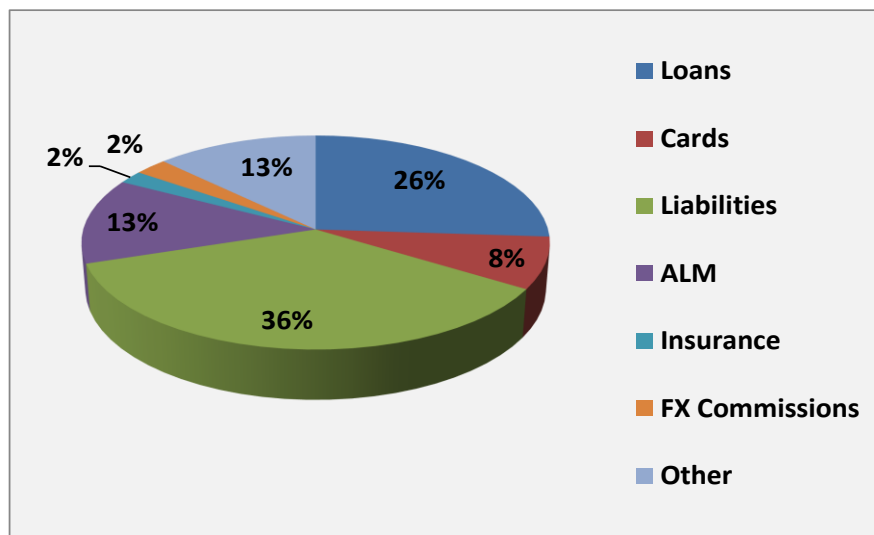
| | Region | Total |
|------------------|----------------|--------|
| About Us | Presence Since | 1864 |
| | | |
| Footprint | Customers | 3.1m |
| | Branches | 549 |
| | ATM's | 1,354 |
| Financial / FY12 | Income | R6,7bn |
| | PBT | R1,1bn |
| | Assets | R23.2 |
| | Deposits | R47.9 |
| | CIR | 77% |
| | LLR | 1.9% |
| | LDR | 49% |

- Unique competitive advantage – **top 3 in 8 markets**
- Loyal customer base – estimated **1 out of every 8 bankable customers** in target market bank with us
- Talented, engaged and committed teams in every market
- Highly relevant and **innovative product suite**
- Ability to **leverage Corporate and Business Banking** relationships

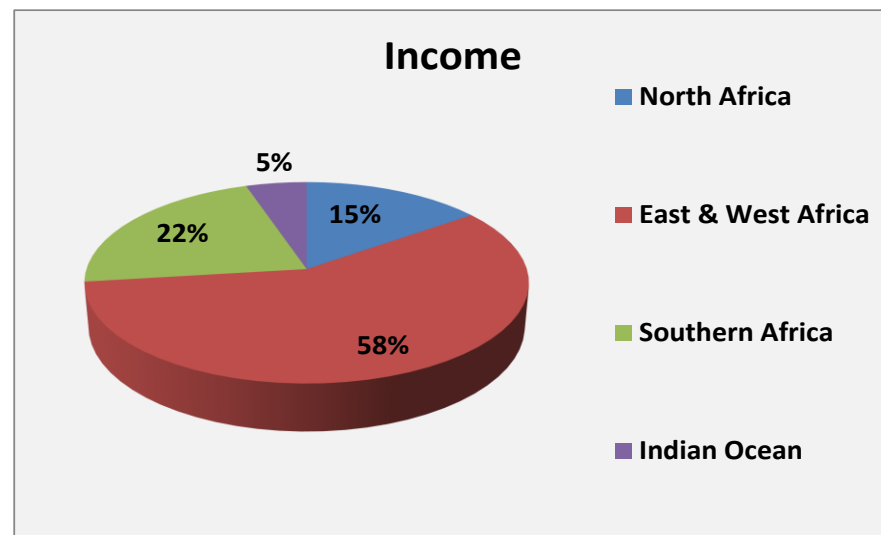
Note: Financial information included in this presentation refers to the FY12 performance of Barclays Africa, including Zimbabwe and Egypt, which are not part of BAGL

Income composition and geographical split

FY12 income diversification by product

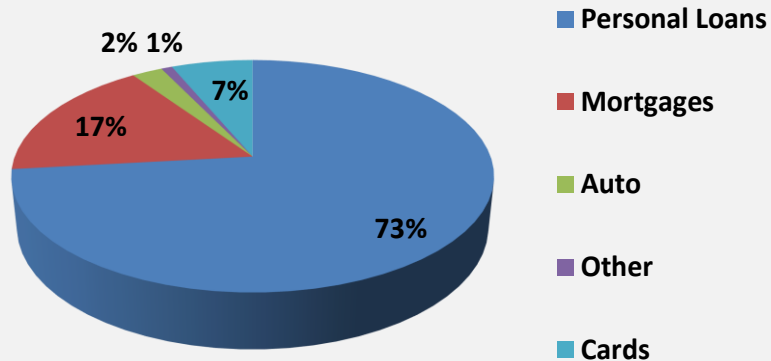


FY12 regional contribution to income

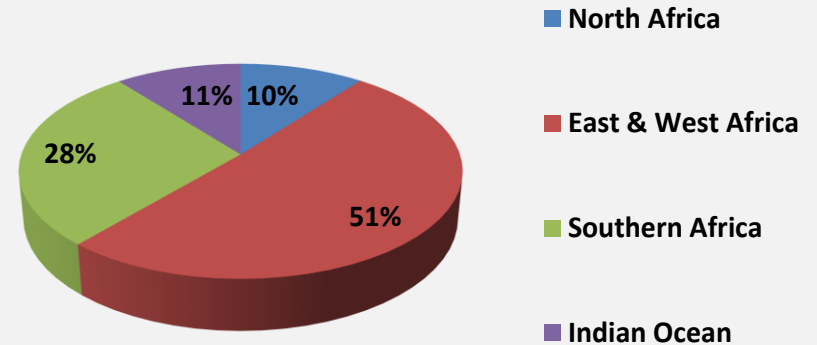


Customer assets and liabilities composition

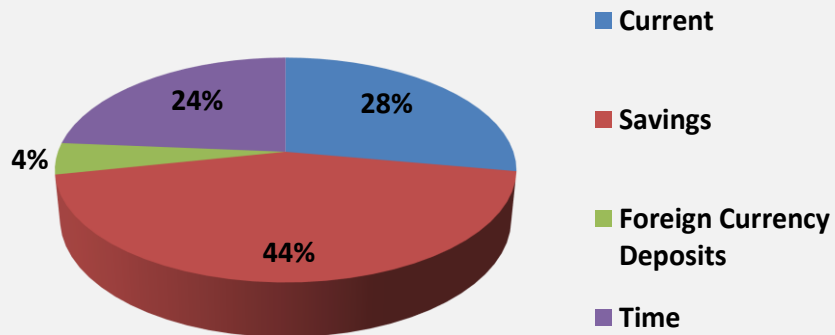
Product Contribution - Customer Assets



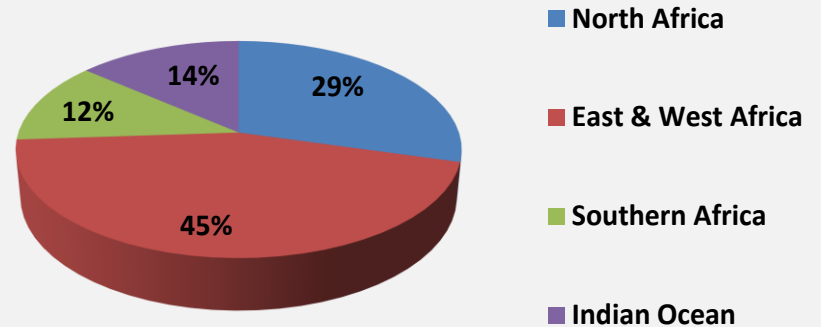
Region Contribution - Customer Assets



Product Contribution - Customer Liabilities



Region Contribution - Customer Liabilities



Barclays Africa Country Retail Directors

Zahid Mustafa - Kenya

7 years in Barclays
18 years in Banking



Omar Baig - Egypt

3 years in Barclays
23 years in Banking



Jeremy Stockdale - Mauritius

21 years Barclays
22 years in Banking



Nazim Mahmood - Uganda

6 months in Barclays
15 years in Banking



Valeta Mthimkhulu - Zimbabwe

14 years in Barclays
15 years in Banking



Bruno Meiller - Mozambique

3 months in Barclays
9 Years in Banking



Peo Motshegare - Botswana

6 years in Barclays
10 years in Banking



Nii – Amankra Tetteh Ghana

7 years in Barclays
11 years in Banking



Kumaran Pather - Tanzania

18 months in Barclays
15 years in Banking



Sima Shakalima - Zambia

12 years Barclays
13 years in Banking



Fabiola Horner - Seychelles

23 years in Barclays
25 years in Banking



Musa Jallow - Tanzania – NBC

2 months Barclays
14 years in Banking



Rajal Vaidya
Barclays Africa Retail Director
6 years in Barclays,
23 years in banking

Barclays Africa Regional Retail Team

Vimal Kumar
Director, Lending
2 years in Barclays
18 years in Banking



Sanjiv Mullick
Director, Premier & Investments
2 years in Barclays
25 years in Banking



Ranjit Bedi
Director, Bancassurance
5 years in Barclays
16 years in Banking



Max Yau
Director Cards Acq & Debit
25 years in Barclays & in Banking



Tshepo Dlamini
Head of Gov. & Control
9 years in Barclays
9 years in Banking



Claudia Gwinnutt
Associate
2 years in Barclays
2 years in Banking



Aupa Monyatsi
Director, Cust. Network
8 years in Barclays & in Banking



Brighton Banda
Head of Assets

1.5 years in Barclays
13 years in Banking



Satrajit Saha

1 years in Barclays
13 years in Banking



Charles De Winnaar

2 month in Barclays
13 years in Banking



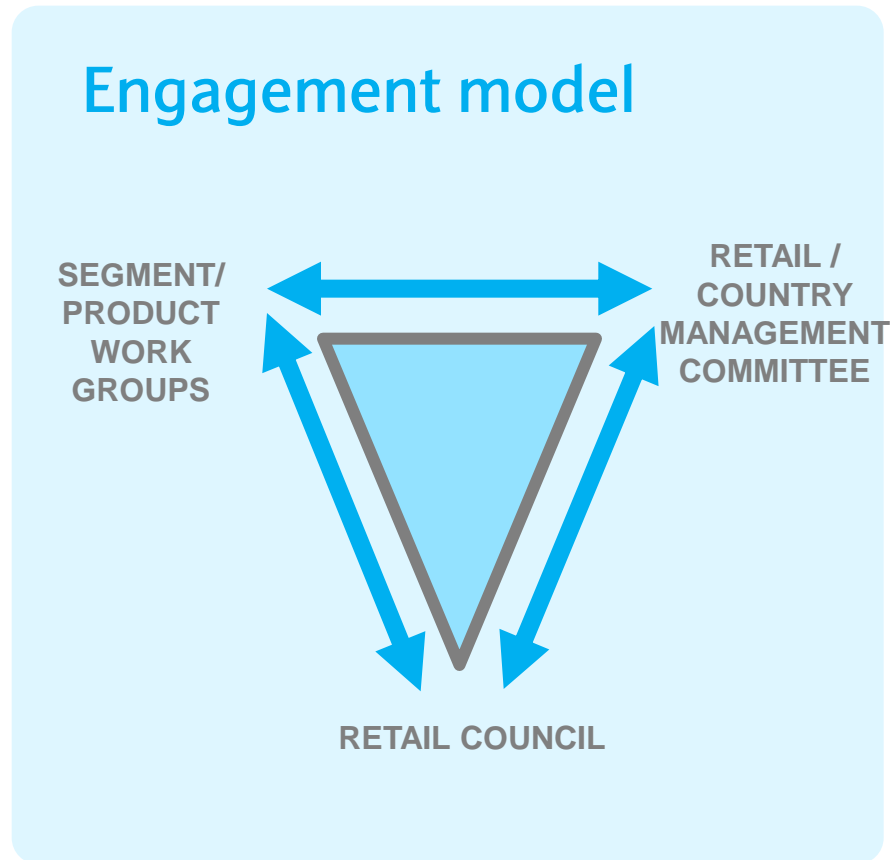
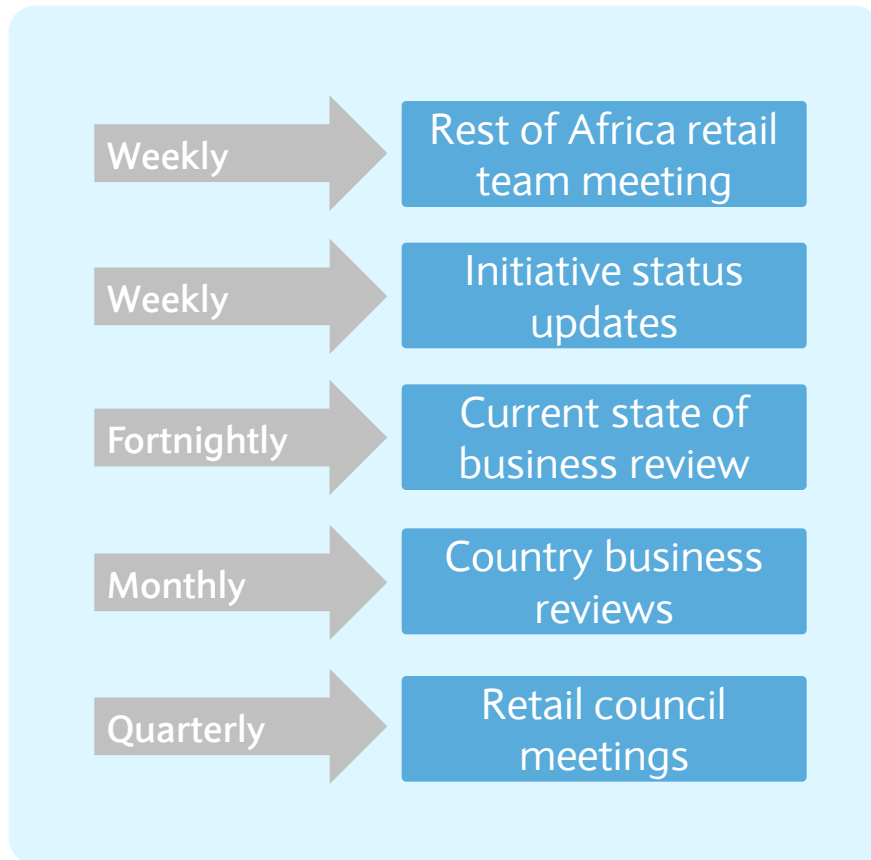
Plowden Kambirienda

20 years in Barclays & Banking



TBC Head of Branch Sales

Our management process



Our ambition

- We will be the **leading Pan-African** Franchise to **bank with**, **work for** and **invest in**
- We will be agile and **deliver innovative customer solutions** in a **controlled manner** while **ensuring sustained profitability** in all our markets

Statements of strategic intent

Customer

We will offer **best in class** financial solutions backed by superior service to become the 'Go-To' Bank for Personal, Prestige, Premier Customers and Barclays Direct

Channel

Always accessible for every financial solution

We will do this by:

- Offering the best customer experience anytime, any place
- Building the most innovative Digital banking solutions in Africa

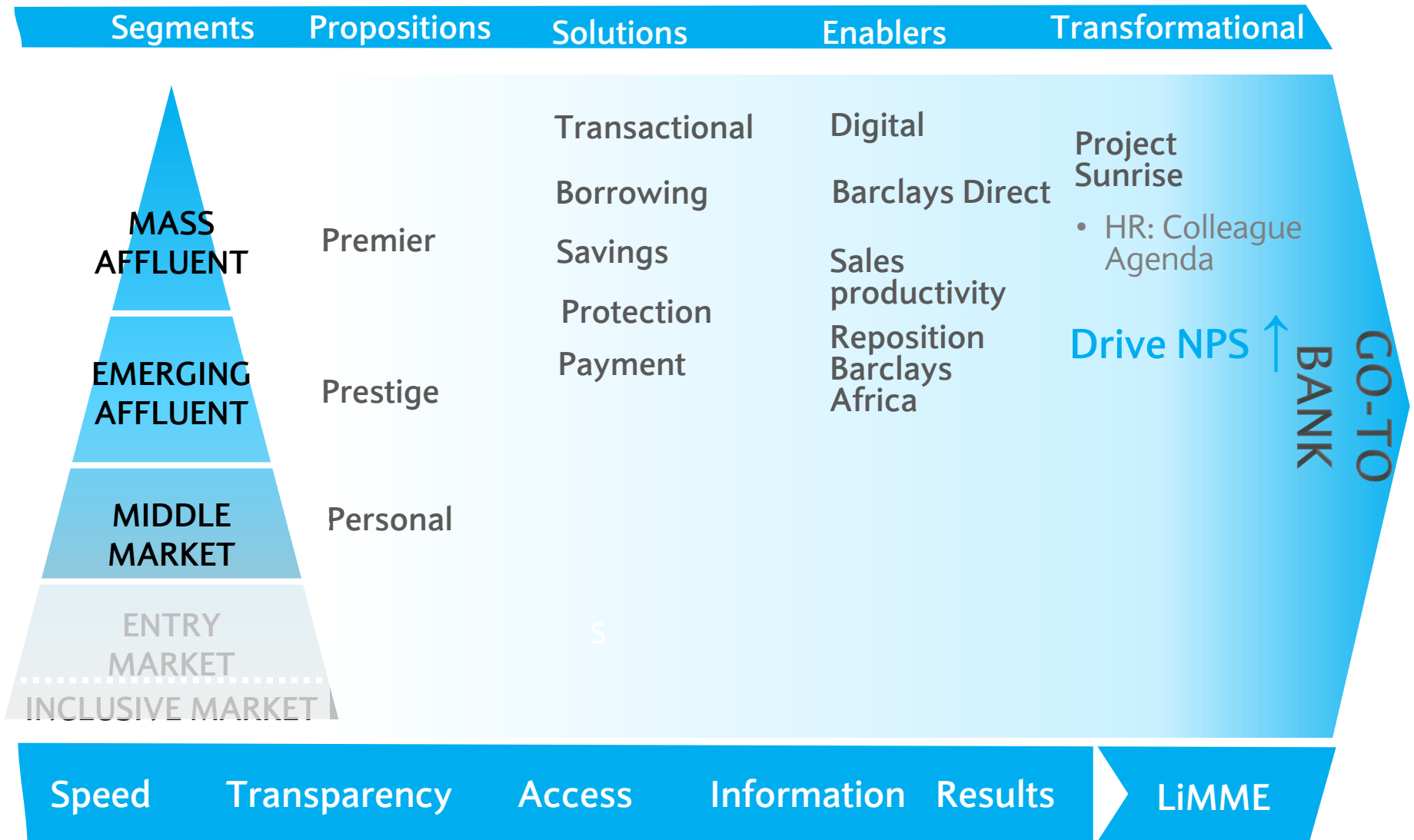
Brand

Africa's trusted Global Financial Solutions Partner, fuelling the progress of our Customers, and Communities we serve, exceeding their everyday Lifecycle

People

- **Customer focused culture** where the empowered, imaginative and inspired thrive.
- Barclays Africa will be the Employer of Choice by developing its People and providing an environment which is fair, diverse, innovative and global

Barclays Africa Retail strategy



Achieved traction against our strategy...

2011 – Council Initiatives

RETAIL

CARDS

| | |
|--------------------------------------|---------------------------------|
| ✓ Barclays Direct * | ✓ Worldmiles |
| ✓ Clearly Barclays | ✓ Chip & Pin |
| ✓ Cross Sell Program | ✓ Secured Card |
| ✓ Attrition Management | |
| | Prepaid Cards * |
| Premier * | ✓ Utility |
| ✓ Bill Payment | ✓ Redesign App form |
| ✓ One Branch | ✓ Credit Limit Increase |
| ✓ Management Information | ✓ Card upgrade & Premier X sell |
| ✓ Barclays Premier League activation | ✓ Reduce inactive accounts |
| ✓ Branch Scorecard | Surrogate Program |
| Digital Handbook | |

2011/2012 – Alpha Initiatives

RETAIL

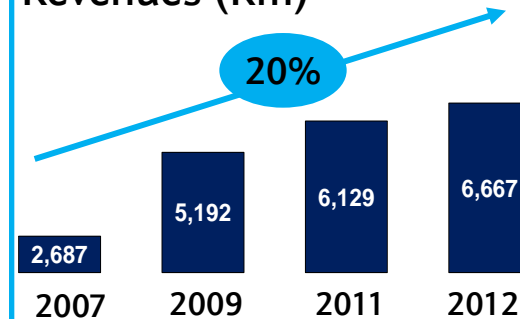
CARDS

| | |
|-----------------------------------|---|
| ✓ Self Service points of contact | ✓ X-Border Alliance platform |
| | Customer Lifecycle Management * |
| | ✓ Expansion of Credit Universe |
| Bancassurance * | Branch power acquisition * |
| | ✓ Corporate Cards – Debit & Credit |
| ✓ Diversified non-interest income | ✓ Activation – Credit and Debit |
| | E-Commerce * |
| | Emerging payment opportunities * |

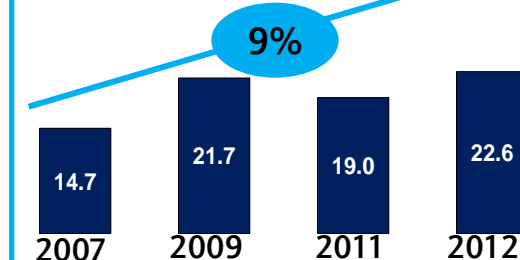
Note: * Initiatives that are still in progress / being prioritised for 2013; financial data includes all 12 countries

Financial Results

Revenues (Rm)

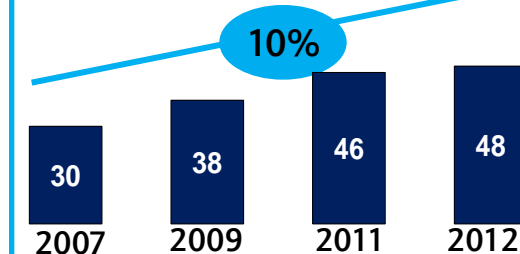


Assets (Rbn)



Excluding Mauritius Non resident balances

Liabilities (Rbn)



Built on our success...we are executing key initiatives underpinning our 'Go-To' bank vision (1 of 2)

1

Premier



To continue to build a world class Premier Business through the delivery of a holistic relationship based value proposition

2

Prestige



Develop and launch the most comprehensive and competitive Emerging Affluent segment proposition across all markets

3

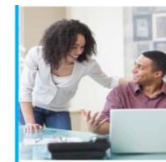
Personal



To redefine and deliver the most compelling personal proposition covering product, channel and transactional capability in all markets

4

Barclays Direct



Embed and scale up the Barclays Direct proposition across all our markets in Africa

5

Mortgage



To fully leverage the mortgage opportunities across all markets by building the right level of capabilities to grow the product

6

Bancassurance



To deliver a step change in meeting our customers protections

Built on our success...we are executing key initiatives underpinning our 'Go-To' bank vision (2 of 2)

7

Emerging payments



Build greater transactional relationship with customers through the delivery of a mobile payment solution

8

Debit/Prepaid



Build new solutions for our customers through the delivery of enhanced Debit Card product and a new Prepaid card solution

9

Digital



To enable customers to live their lives and ambitions by offering the very best digital financial solutions

10

Sales productivity



Build and embed a consistent sales management process, tool and productivity and performance measures across all our markets

11

Reposition Barclays Africa



To make Barclays Africa the most loved financial services brand on the continent, through helping our customers achieve their ambitions – in the right way

12

Project sunrise

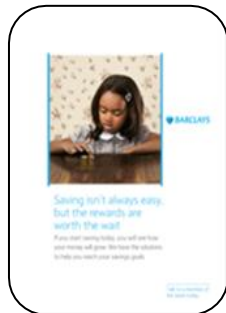


Repositioning of the branch network to ensure the delivery of an enhanced customer experience

Customers are at the heart of everything we do



Barclays Direct now
live in 11 markets

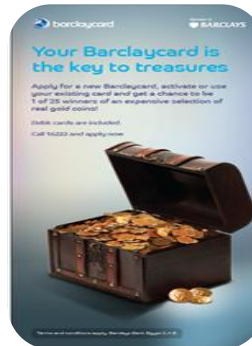


Deposit Mobilisation Campaigns launched in Ghana and Zambia, to support lending ambitions with the theme: **'Saving isn't always easy, but the rewards are worth the wait'**

Revised **credit protection model** on unsecured loans will be implemented in all markets by Q1 2014 - this is a market and continent first



Credit Card usage and Loan on Phone campaigns launched to drive book growth



Revamped **Prestige Banking Proposition** is in the process of being launched across all markets

Everyone asks for loan insurance. Barclays pays for yours.

Get an unsecured loan from Barclays and we'll pay the loan insurance for you. So you'll not only save on monthly repayments, you'll also enjoy security and peace of mind. And that's not all, you also stand the chance of winning a home theatre system and a table in our monthly draw, in the grand prize of two tickets to attend a Barclays Premier League match. Visit us in branch or call 402 1000 to find out more.

BARCLAYS



Worldmiles Platinum Card debit/credit is now live in 8 markets

New business and sales

Landing the Ackermans
account from one of our major
competitors in Botswana



CASA 277 000 new to
bank accounts opened
YTD



United Nations - won the tender to
provide banking services to all UN
agencies in Uganda

Zambia Government has
chosen Barclays to
provide a card payment
processing solution to
help with their tax
collection throughout
the country



Acquiring turnover
growing at **18% YoY**



29% growth in new card
sales YTD

Gross Loans sales at over
R1bn pm with **15%
growth YoY** (excluding
businesses where we
closed Lending
temporarily)



Digital roadmap

Delivered so far...



Mobile Banking:
Botswana, Ghana,
Kenya, Mauritius,
Tanzania, Zambia and
Zimbabwe

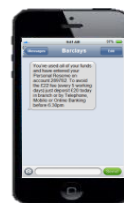


Pingit:
Botswana,
Ghana, Kenya
and Zambia



Hello Money:
Botswana,
Ghana,
Kenya,
Zambia and
Zimbabwe

Pitch in:
Live in all markets



SMS alerts:
Botswana, Ghana,
Mauritius,
Seychelles,
Tanzania, Zambia
and Zimbabwe



Internet Banking:
Botswana, Egypt,
Ghana, Kenya,
Mauritius, Seychelles,
Tanzania, Zambia and
Zimbabwe



Universal Bill Payment: Botswana,
Tanzania

Coming Soon ...



Personalised Debit Card



Universal Bill Payment

Colleague MyZone



Branch Demos



Kiosks in Branch

In summary

- Unique competitive advantage – **top 3 in 8 markets**
- Healthy **CASA ratio of 72%**
- **2011/2012 Initiatives** have been successful in building our financial momentum – **Revenue growth of 20% CAGR** between 2007 and 2012
- Mature **management process and engagement** model
- Continued success in 2013 through new business wins and sustained growth
- Strategy and priorities aligned to support our vision of **becoming the Go-To Bank**

Business Banking



Business Banking Africa management structure



Roy Ross
Head: Business Banking Africa



Happy Ralinala
Head: Business Banking SA



Tezza Bryant
Head: Coverage Africa



Craig Robertson
Head: Coverage Africa



Jan Moganwa
Head: Product & Customer Solutions Africa



Ekow Duker
Head: Customer Experience & Analytics Africa



Pieter Steyn
Head: Commercial Property Finance Africa



Banie Claasen
Head: Retail Sector & Acquisitions Africa



Noah Naidoo
Head: Business Model Implementation Africa



Brienne van der Walt
Head: Agriculture Africa



Liza Bergh
Head: Business Governance & Regulatory Support

Absa Experience
3 years

Banking Experience
10 Years

Qualifications
Diploma, MBA

Experience/ Expertise
Regional Executive

Succession coverage

Appointment (Internal /External)
Internal

Absa Experience
9 years

Banking Experience
33 Years

Qualifications
Bcom, Adv. Exec Progr.

Experience/ Expertise
Leading Coverage

Succession coverage

Appointment (Internal /External)
Internal

Absa Experience
3 months

Banking Experience
15 Years

Qualifications
Bcom, Exec Progr.

Experience/ Expertise
Head Business Banking (Tanzania)

Succession coverage

Appointment (Internal /External)
External

Absa Experience
2 months

Banking Experience
14 Years

Qualifications
Bcom, MBA

Experience/ Expertise
Executive Head, Bus Transactional

Succession coverage

Appointment (Internal /External)
External

Absa Experience
6 years

Banking Experience
10 Years

Qualifications
B.Sc &M.Sc , MBA

Experience/ Expertise
Head Equity Portfolio Mngm

Succession coverage

Appointment (Internal /External)
Internal

Absa Experience
6 years

Banking Experience
6.5 Years

Qualifications
Bcom, Honours, CA

Experience/ Expertise
Head of Business Support Corporate Development Succession coverage

Appointment (Internal /External)
Internal

Absa Experience
13 Years

Banking Experience
13 Years

Qualifications
Bcom, Honours, MBA

Experience/ Expertise
Head Product Sales, GM Large & Medium Business

Succession coverage

Appointment (Internal /External)
Internal

Absa Experience
2 months

Banking Experience
15 Years

Qualifications
Bcom, MBL, AMP

Experience/ Expertise
Director Business Banking , Strategy & Acquisition

Succession coverage

Appointment (Internal /External)
External

Absa Experience
4 years

Banking Experience
11 years

Qualifications
Bcompt (Honours) , CA

Experience/ Expertise
COO: CIBW Head of Change: CIBS

Succession coverage

Appointment (Internal /External)
Internal

Absa Experience
8 years

Banking Experience
8 years

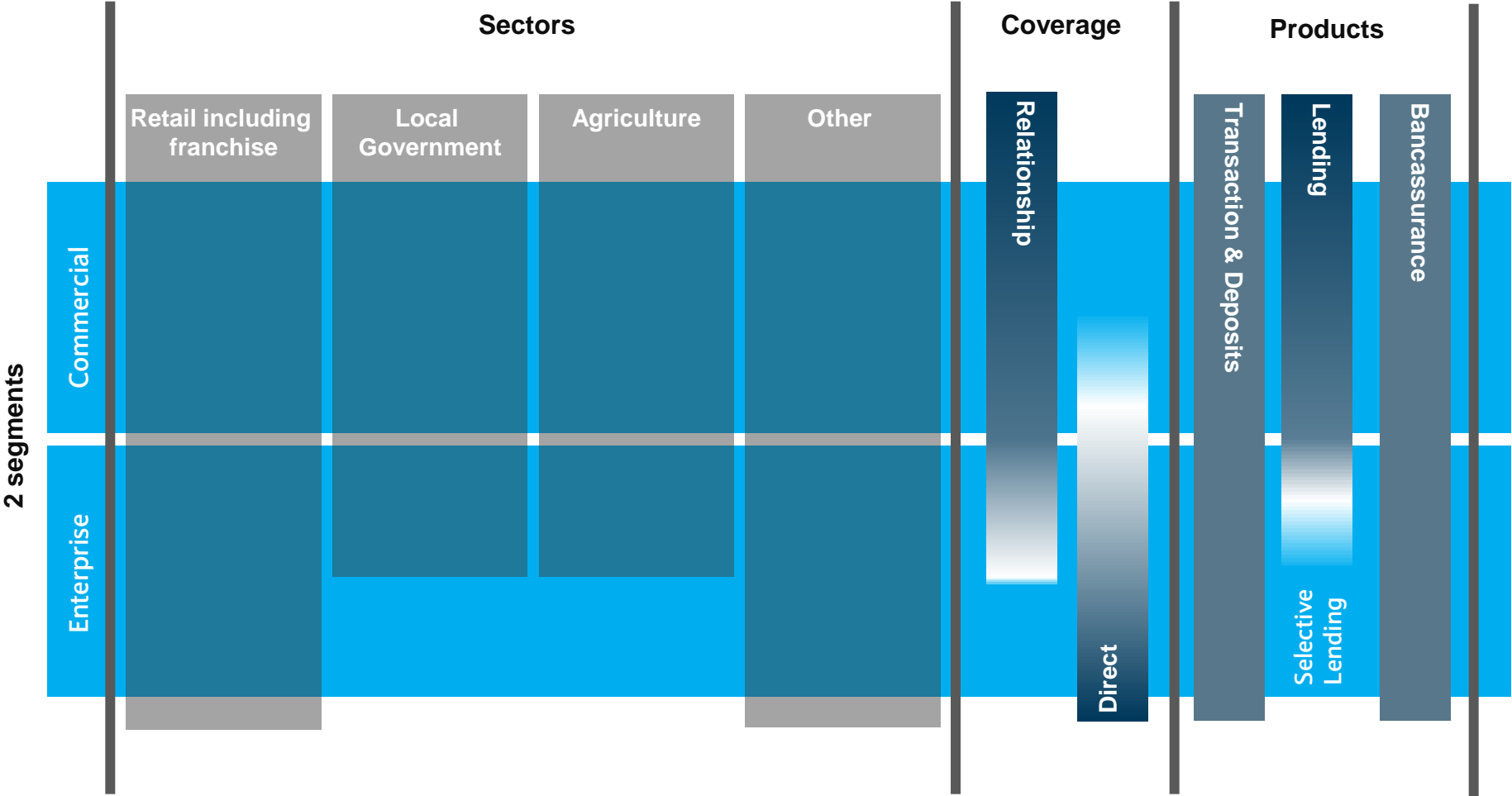
Qualifications
Bcompt (Honours) , CA Experience/ Expertise Risk, Internal Audit & Fin Crime

Succession coverage

Appointment (Internal /External)
Internal

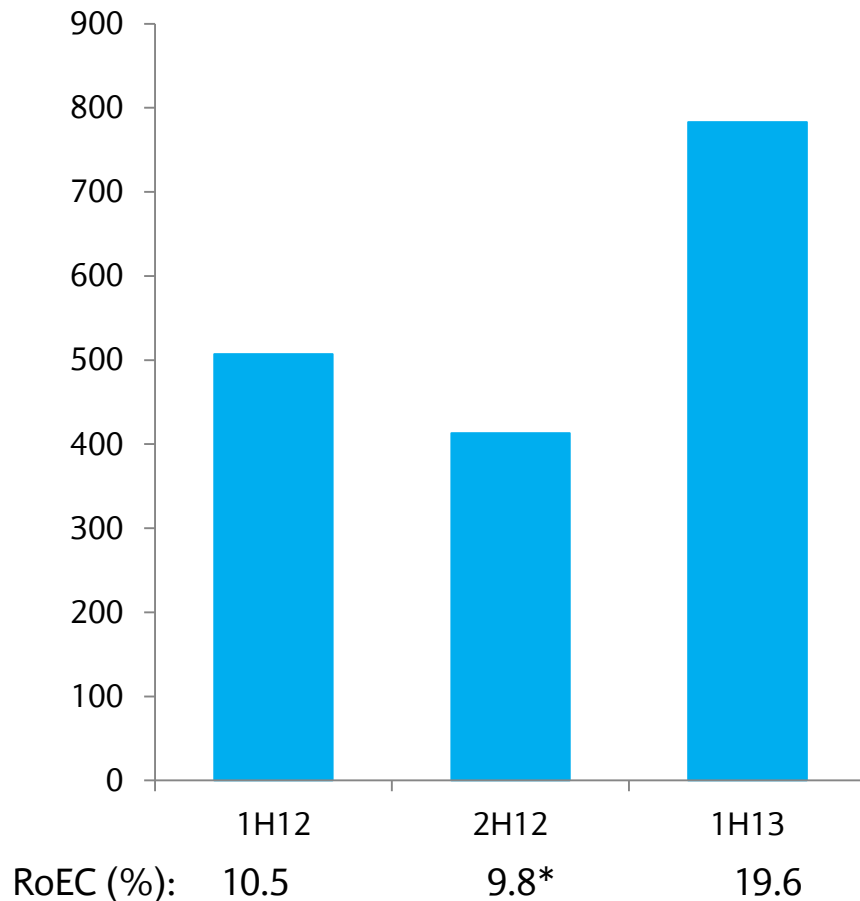
Our strategy on a page

To put world class banking solutions within reach of every business in our **targeted** markets



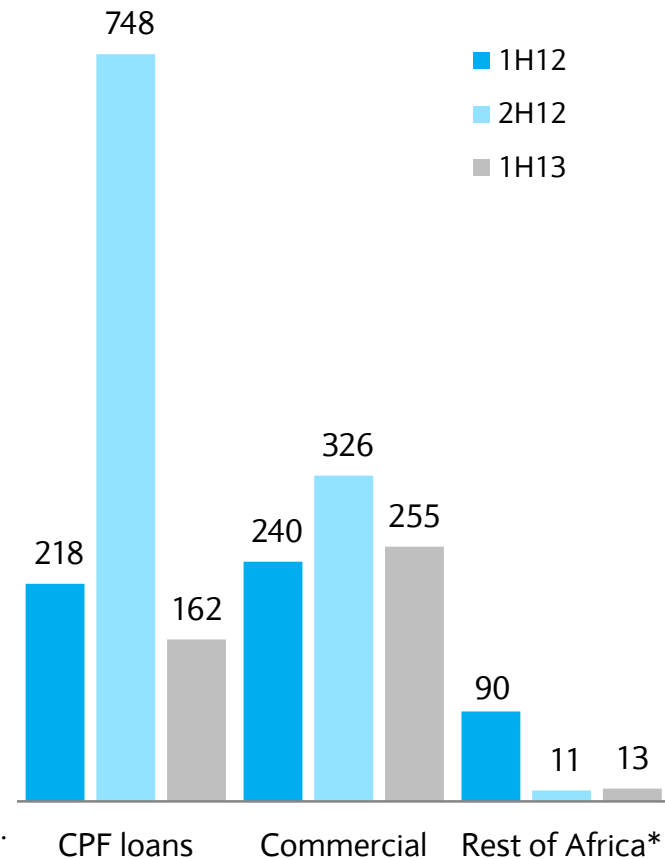
Strong 1H13 growth off a low base

Headline earnings (Rm)



Note: * FY12

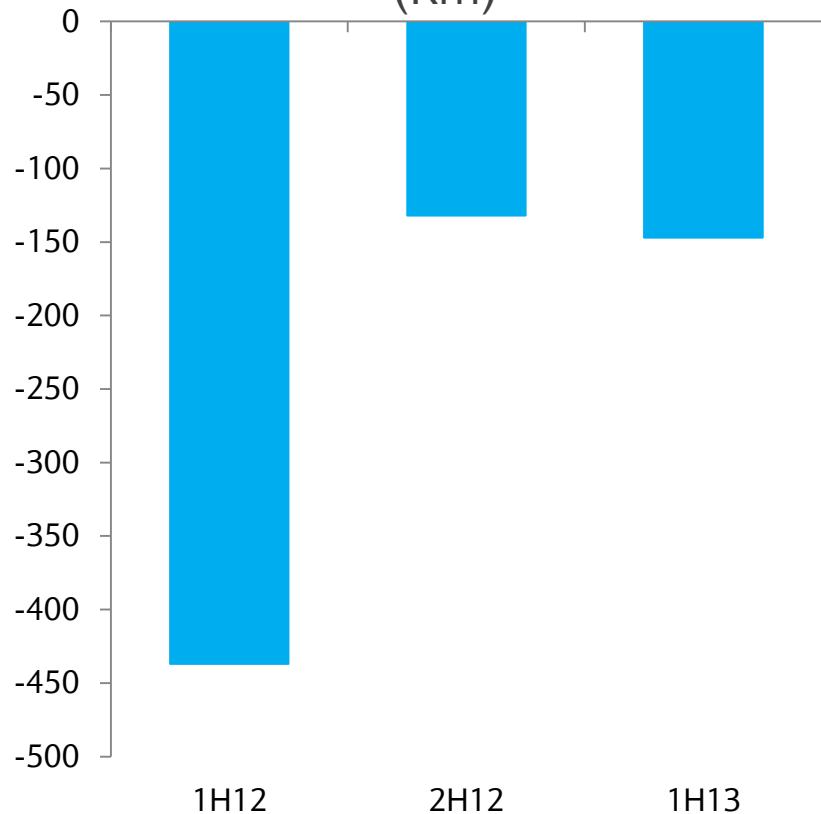
Credit impairments (Rm)



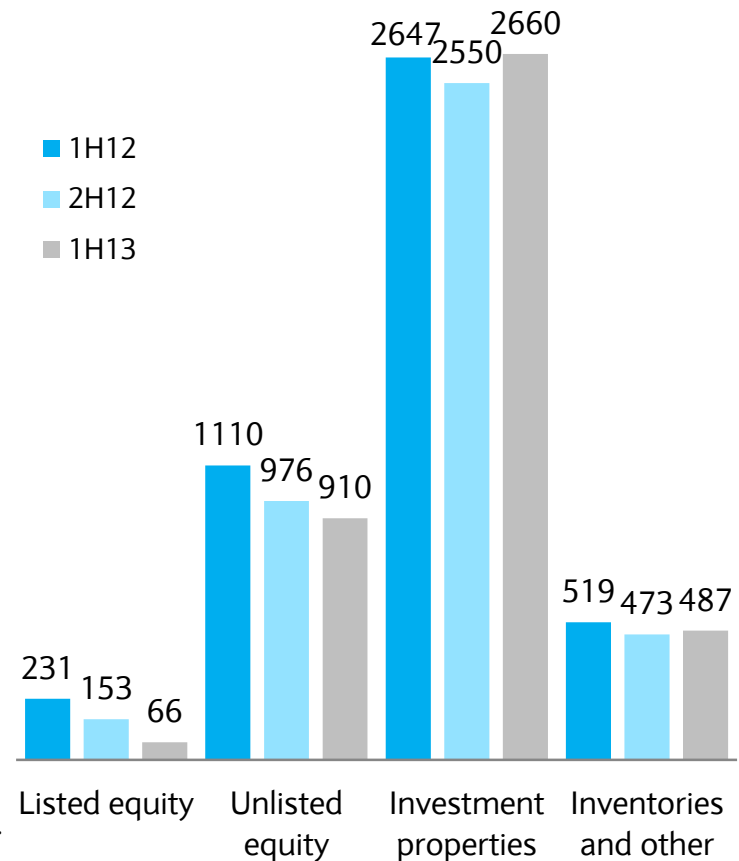
Note: * Barclays Bank Mozambique, National Bank of Commerce (Tanzania) and Absa Namibia.

More stable equity portfolio

Headline earnings from Equities and Africa*
(Rm)



Value of Equity portfolio (Rm)



Note: * Barclays Bank Mozambique, National Bank of Commerce (Tanzania) and Absa Namibia.

Key challenges

- Client attrition
- Declining market share
- Uncompetitive online capability
- Subdued asset growth
- Poor revenue growth

Addressing these challenges

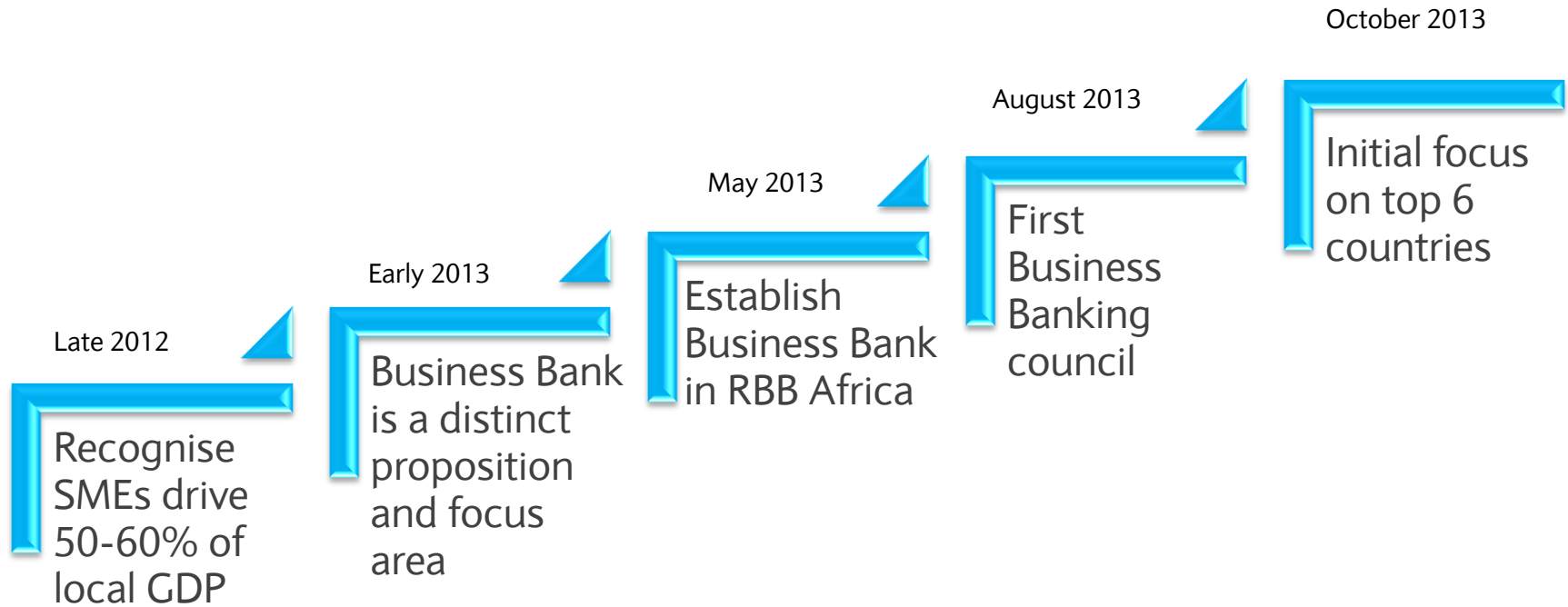
Barclays Africa Business Banking

| Council Initiatives | <div> <div>Core alignment</div> <div>Other alignment</div> </div> | | | |
|---|---|--------------|--------|-------------|
| | Speed | Transparency | Access | Information |
| 1. Alignment with the retail branch network. | | ✓ | | |
| 2. Business Banking architecture and operating model | | | ✓ | ✓ |
| 3. Design credit framework for Business Banking in Africa | | | | |
| 4. Develop online capabilities for Business Banking and recommend solutions | ✓ | | | ✓ |
| 5. Value Chain CVP | | | | |
| 6. Establish a strategic China focus | | | | |
| 7. Identify & execute actions required to re-ignite the sales engine | | | ✓ | ✓ |
| 8. TAT for on-boarding / account opening | | ✓ | ✓ | |
| 9. CRM solution for Business Banking | ✓ | | | |

Business Banking South Africa

| Council Initiatives | <div> <div>Core alignment</div> <div>Other alignment</div> </div> | | | |
|---|---|--------------|--------|-------------|
| | Speed | Transparency | Access | Information |
| 1. Leading Digital Proposition for Business Banking | | | | |
| 2. Organizational Quick Wins | | ✓ | | |
| 3. Barclays Operating Client | ✓ | ✓ | | |
| 4. Analysis & redesign of the credit origination lifecycle, end-to-end in SA | | ✓ | | |
| 5. Develop a simple, single workflow across Business Bank that improves service | | ✓ | ✓ | ✓ |
| 6. Refine the relationship model and build the required capability and capacity | | | ✓ | |
| 7. Enhanced Service and Sales through collaboration with branch network | ✓ | | | |
| 8. Primary Banking and X-Sell | ✓ | | | |
| 9. Define and execute client attrition and retention model | | | ✓ | ✓ |
| 10. Develop a workable Business Banking strategy for Barclays Africa | | | | |

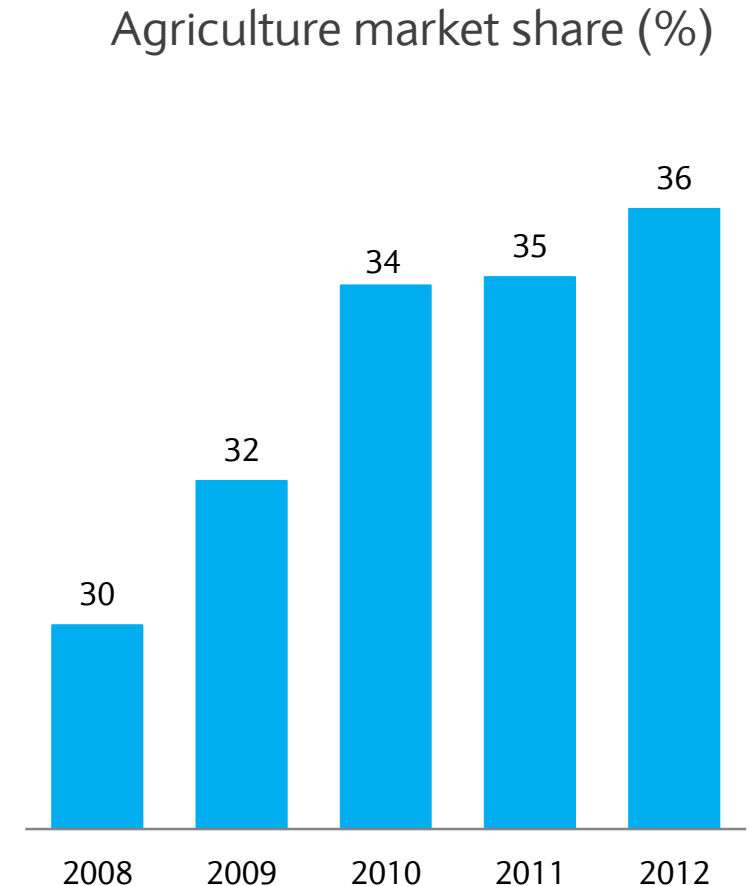
We created Business Banking Africa as a focused business unit in 2013



Progress as we continue to unlock the market opportunity

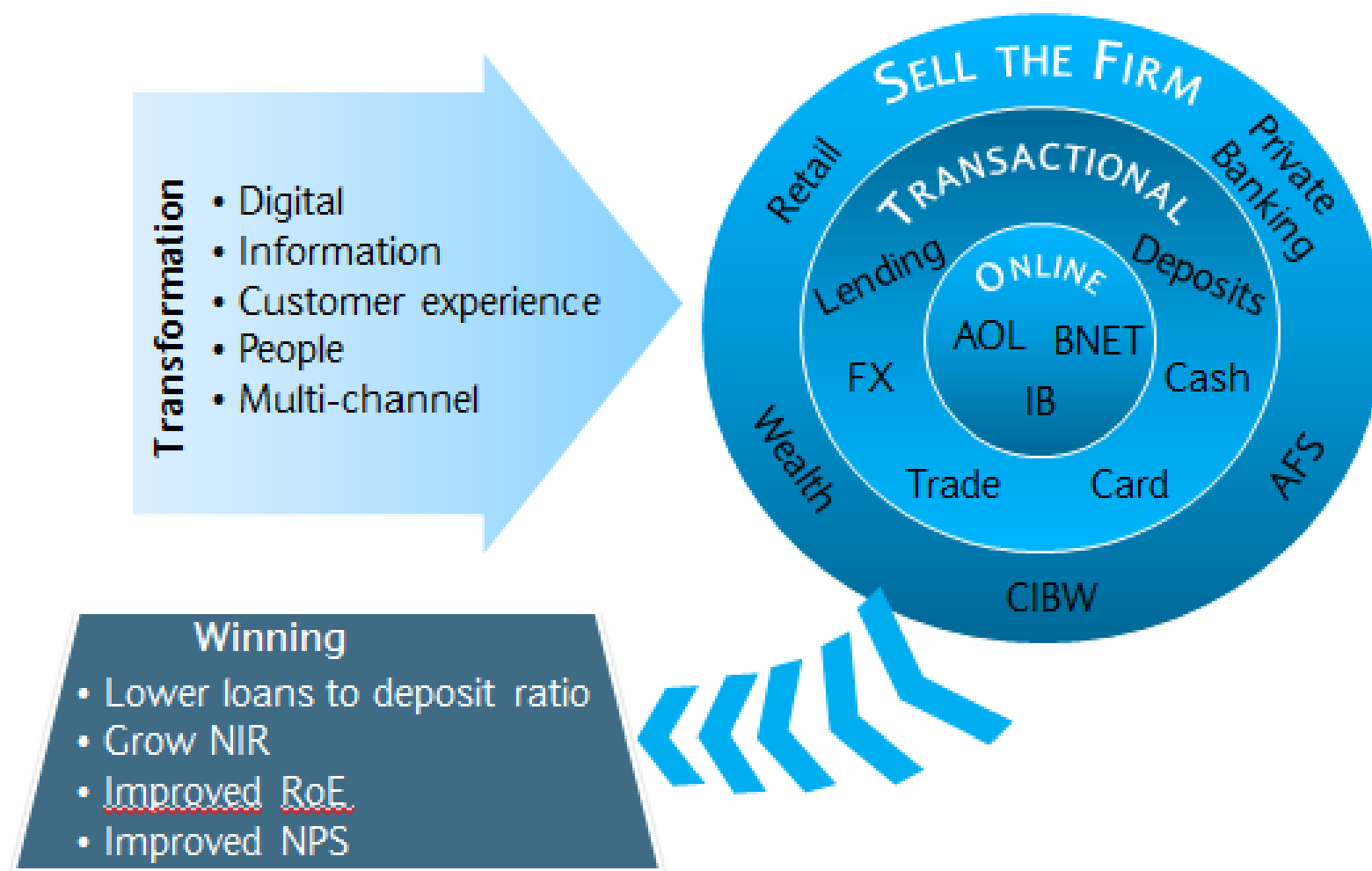
Benefits of sector focus – agriculture

- Focus on core customers
- Growing asset book
- Geographic and commodity diversity
- Good returns



Source: Equidem Management Sciences

Repositioning our transactional franchise



Our journey to becoming the 'Go-To' business bank

- Investing in people
- Digital and Transactional banking franchise
- Improving Net Promoter Score
- Core focus on risk management
- Growing rest of Africa franchise

IT & Operations



A complex legacy (2012)

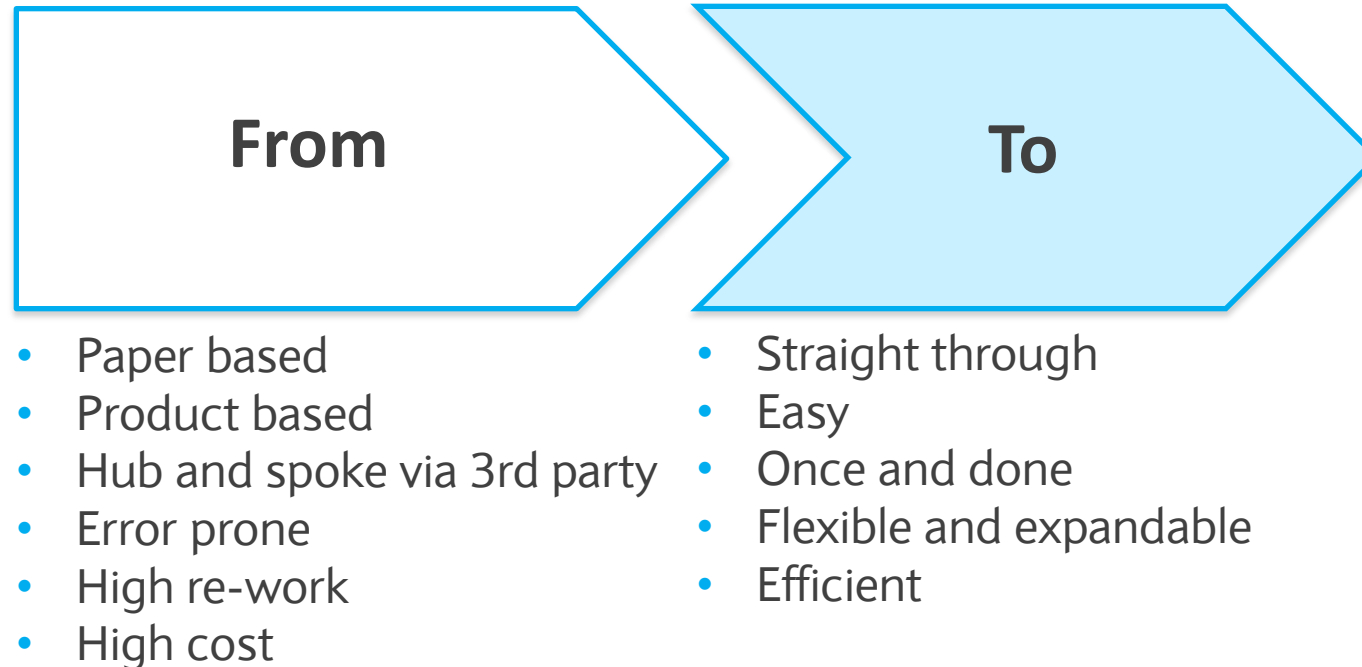
- Multiple independent factories and shops
- Confusing to insiders, baffling to customers
- High cost
- Control breakages

Required a decisive response with a simple set of actions

- Aligning operations, technology and enabling services to customers and business priorities
- Focus on value creation, as defined by the client
- Minimise the rest

The heavy lifting (2013 to 2015)

Example: Client on-boarding in Retail



Key COO priorities

Professionalise Operations Management

- Invest in our people
- Scale and synergy
- Africa Hubs

Core Competencies

- Barclays Shared Services
- Global Centres of Excellence
- Outsource

Radical Digitisation

- Re-define and re-build customer processes to be cheaper and faster through the coalescence of:
 - ✓ Advances in consumer technology
 - ✓ Desire for speed and transparency
 - ✓ Information and data
 - ✓ Convenience

RBB Africa Story

