



**Standard Bank**

SUSTAINABILITY  
DISCLOSURES REPORT 2025



KEEP

GROWING

STANDARD BANK PLC  
SUSTAINABILITY DISCLOSURES  
REPORT 2025



Mt. Mulanje

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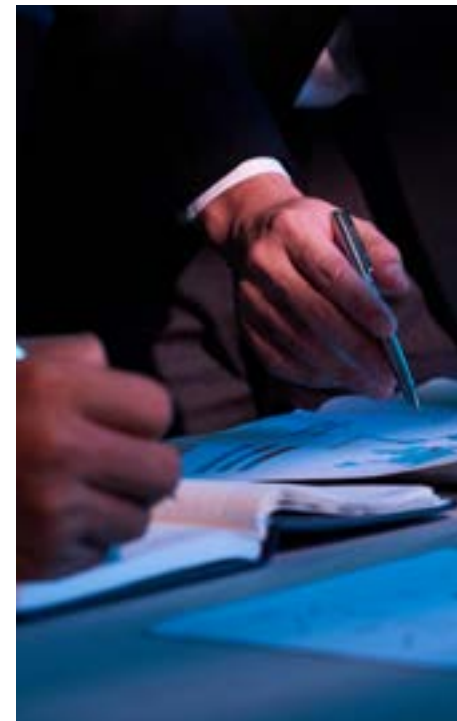
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# INTRODUCTION

# 1

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# About this Report



This sustainability report was prepared in reference to the Global Reporting Initiative (GRI) Standards and outlines Standard Bank PLC's sustainability performance for the period 1<sup>st</sup> January to 31<sup>st</sup> December 2025.

The scope of this report has been determined based on control, financial materiality, and strategic relevance to the Group's sustainability goals. The reporting cycle is annual, ensuring continued transparency and accountability. The fourth Standard Bank PLC Sustainability Report presents a comprehensive overview of our sustainability performance for the year ending 31<sup>st</sup> December 2025.

This Report outlines our commitment to delivering on the Group's Sustainability Strategy and managing Environmental, Social and Governance (ESG) risks effectively. It outlines our sustainability framework, demonstrating how we create long-term, positive impact for Malawi's economy and society.

In alignment with our purpose, Driving Malawi's Growth, we focus on four core impact areas:

**Enterprise Growth  
and Job Creation**

**Infrastructure  
Development and  
the Just Energy  
Transition**

**Climate Change  
Mitigation and  
Resilience**

**Financial  
Inclusion**

Our objectives are to facilitate access to essential services, support economic transformation, and embed ethical, responsible business practices throughout our operations.

This Report provides insight into our ESG governance structures, how we address material topics and risks, and how our sustainability journey complements the disclosures in the 2025 Annual Report. The data builds on previously reported figures, with one restatement included to ensure accuracy and consistency. At this stage, the report has not undergone external assurance; however, Standard Bank PLC is preparing for assurance in future reporting cycles, recognising the importance of independent verification in strengthening credibility. The Board and senior executives remain actively engaged in guiding and overseeing these improvements, ensuring that our sustainability disclosures continue to evolve in line with global best practice.

# Restatement

During the reporting period, the information disclosed in the 2024 Sustainability Report on pages 11 and 21 has been restated as follows:

“UNDP and Standard Bank PLC Zantchito partnership disbursed USD90,000 to about 558 SMEs for the foundational stage, 423 at the prototype development stage, and 220 young idea-stage entrepreneurs in 2024, under a four-year partnership project scheduled for completion in 2027”.

The following data points have been updated in this report:

- Disbursement amount from USD1,450,000 to USD90,000

For further information or queries contact:  
[malawisustainability@standardbank.co.mw](mailto:malawisustainability@standardbank.co.mw)

# Board Chairperson's Statement



**Alex Mkandawire**  
Board Chairperson

I am proud to present the 2025 Sustainability Report, our fourth edition to stakeholders on responsible and inclusive practices. This report reflects our commitment to create value for our shareholders and simultaneously delivering our purpose **“Malawi is Our Home; We Drive her Growth.”**

We continue to make strides, embedding our sustainability strategy into our business processes. Anchored by our two pillars of **Maximising positive impact and Effectively managing risk**, we ensure that our operations drive meaningful outcomes while safeguarding the environment. This dual focus has provided a clear and actionable framework for our initiatives, ensuring that we not only contribute meaningfully to environmental and social progress but also mitigate potential challenges with foresight and responsibility.

Through our strategic investment in SMEs, women-led enterprises, youth development, health and education, we are helping build a more inclusive economy. Our work in sustainable finance, agriculture, and ESG risk management reflects a growing alignment with global calls for climate action and responsible investment. And our commitment to transparency and governance

underscores our role as a dependable partner to investors, clients, government, development institutions, suppliers, and the people of Malawi.

To complement our sustainability strategy, we have also taken a bold step to adopt a climate policy that embeds climate risk considerations into our governance, risk management, and business operations. This underscores our commitment to aligning with international best practices, including the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). It reaffirms our role as a trusted partner in safeguarding financial stability while contributing to Malawi's long-term climate resilience and inclusive growth.

Sustainability is a shared journey. I extend gratitude to our employees, partners, clients and communities for their collaboration. Together, we are unlocking opportunities for an equitable and inclusive society. As we deepen our impact, we remain steadfast in our mission to be a catalyst for sustainable development because inclusive and resilient growth leaves no Malawian behind.

# Chief Executive's Statement

Guided by our purpose, Driving Malawi's Growth, we aim to be more than a bank. We strive to be a responsible business that delivers economic, social, and environmental value, ensuring that our impact extends far beyond financial services.

In 2025, we undertook several significant changes that shaped our operations and stakeholder engagement. The Group implemented a major corporate action by approving a 1-for-5 share subdivision, increasing the number of ordinary shares from 234.7 million to 1.2 billion and converting shares to a no-par-value structure. This move improved market liquidity, and it is a clear testament to our commitment to a shared value and sustainable growth.

We channelled MK31.4 billion to women-led businesses and initiatives to drive financial inclusion, MK102.4 billion into the manufacturing sector to spur Small and Medium Enterprises (SMEs), MK18 billion for infrastructure, toward rehabilitating roads that help to enhance our mobility and MK86.5 billion into climate-smart projects that enforce resilience against environmental challenges. Through our Corporate Social Investment, we gave back MK837 million to communities under the pillars of education, health, youth empowerment, and climate resilience.

In 2025, we refined our values to remind ourselves of who we are and how we serve. We are **Deeply Committed**

to our purpose and to the communities we support, **Boldly Pioneering** innovation to shape Malawi's financial future, and acting as **Trusted Stewards** of resources, relationships, and responsibilities. **Guided by Empathy**, we ensure our decisions reflect care and understanding, while **Unfailingly Honourable** in all that we do. The values have been instrumental in shaping how we engage with clients, communities, and stakeholders, and strengthening our role as a partner in driving inclusive and sustainable progress.

As we reflect on the Group's progress, it is clear that sustainability is not a destination but a journey. Our commitment to creating value for society, the economy, and the environment, while proactively managing ESG risks, positions us as a trusted partner in Malawi's sustainable development.

We will continue to promote sustainable finance, collaborate with stakeholders on development pathways, and advocate for enabling policy frameworks. At the same time, we will minimise our operational emissions footprint and enhance transparency in our business practices.

Together, with our employees, customers, suppliers, and communities that we serve, we are building a future defined by shared prosperity.



**Phillip Madinga**  
Chief Executive

# Who We Are

## Our Purpose

Malawi is our home and we drive her growth

## Our Vision

To be the undisputed number one financial services organisation in Malawi, delivering superior value to all stakeholders and improving the lives of its people and the communities in which we operate.

## Our Focus Areas

- a) Transform client experience.
- b) Execute with Excellence
- c) Drive sustainable growth and value

# Our Core Values

## Our values remind us of who we are, that we are

- Deeply committed
- Boldly pioneering
- Trusted stewards
- Guided by empathy
- Unfailingly honourable

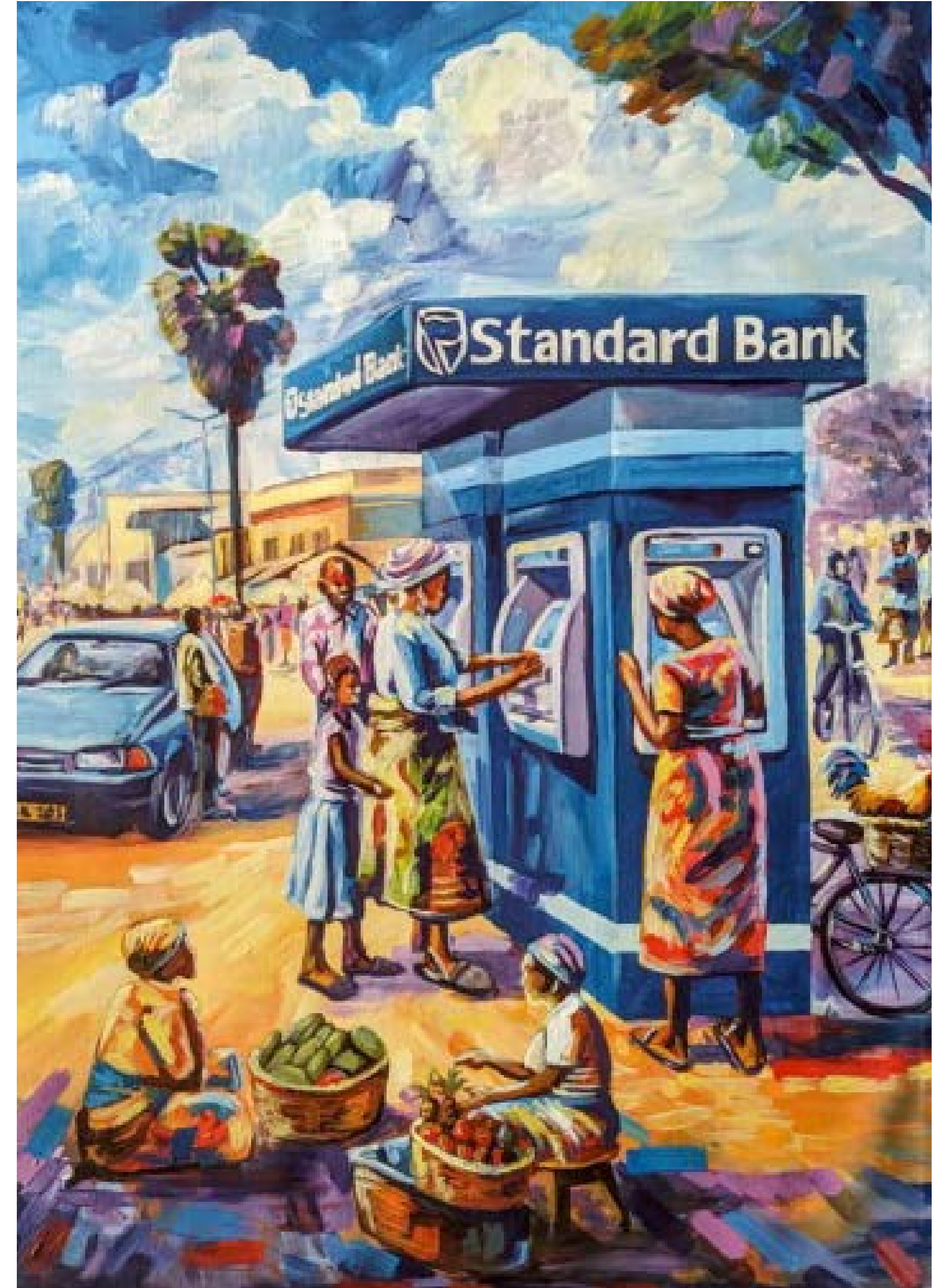
## Our habits guide on how we deliver solutions to customers

- Act with courage
- Inspire excellence
- Deliver with purpose

## Facts About Standard Bank PLC as of 31<sup>st</sup> December

As of 31<sup>st</sup> December 2025, Standard Bank PLC operated through a defined network of branches, digital platforms and piloted its agency banking solution with full rollout expected in 2026. Agency banking involves collaborations with established businesses, such as chain stores as well as SMEs that provide selected services including deposits, withdrawals, balance enquiries, and basic banking. During the year, the Group decommissioned Unayo, a digital solution, and migrated services to Business Online, a platform that enables efficient disbursement of funds across multiple channels, improving accessibility for a wider range of customers.

CATEGORY / SEGMENT	2025 FIGURES	2024 FIGURES
Total assets	MK1.94 trillion	MK1.33 trillion
Total equity	MK348.74 billion	MK259.79 billion
Market capitalisation	MK4.98 trillion	MK1.52 trillion
Shareholders	3,273	2,300
Employees	823	833
Branches	27	27
Digital platforms	Retail Online, Enterprise Online, Business Online, Mobile App, and 247 Mobile (USSD)	Retail Online, Enterprise Online, Business Online, Mobile App, and 247 Mobile (USSD)
Corporate and Investment Banking customers	380	326
Personal and Private Banking customers	351,301	208,029
Business and Commercial Banking customers	27,902	13,400
ATMs	84	83
Deposit taking ATMs	21	21
Cash Deposit Machines (CDMs)	14	18
Point of Sale (POS) Machines	2,942	2,358
Loans	MK496.2 billion	MK378.3 billion



## About Standard Bank PLC

Standard Bank PLC, established in 1969 and headquartered in Lilongwe, is a publicly listed subsidiary of Stanbic Africa Holdings and the Standard Bank Group. The Group's head office is located in Johannesburg, South Africa, and it operates in 21 Sub-Saharan African countries, including Malawi, as well as four global centres (Beijing, Dubai, London, and New York), and two offshore hubs (Jersey and Isle of Man).

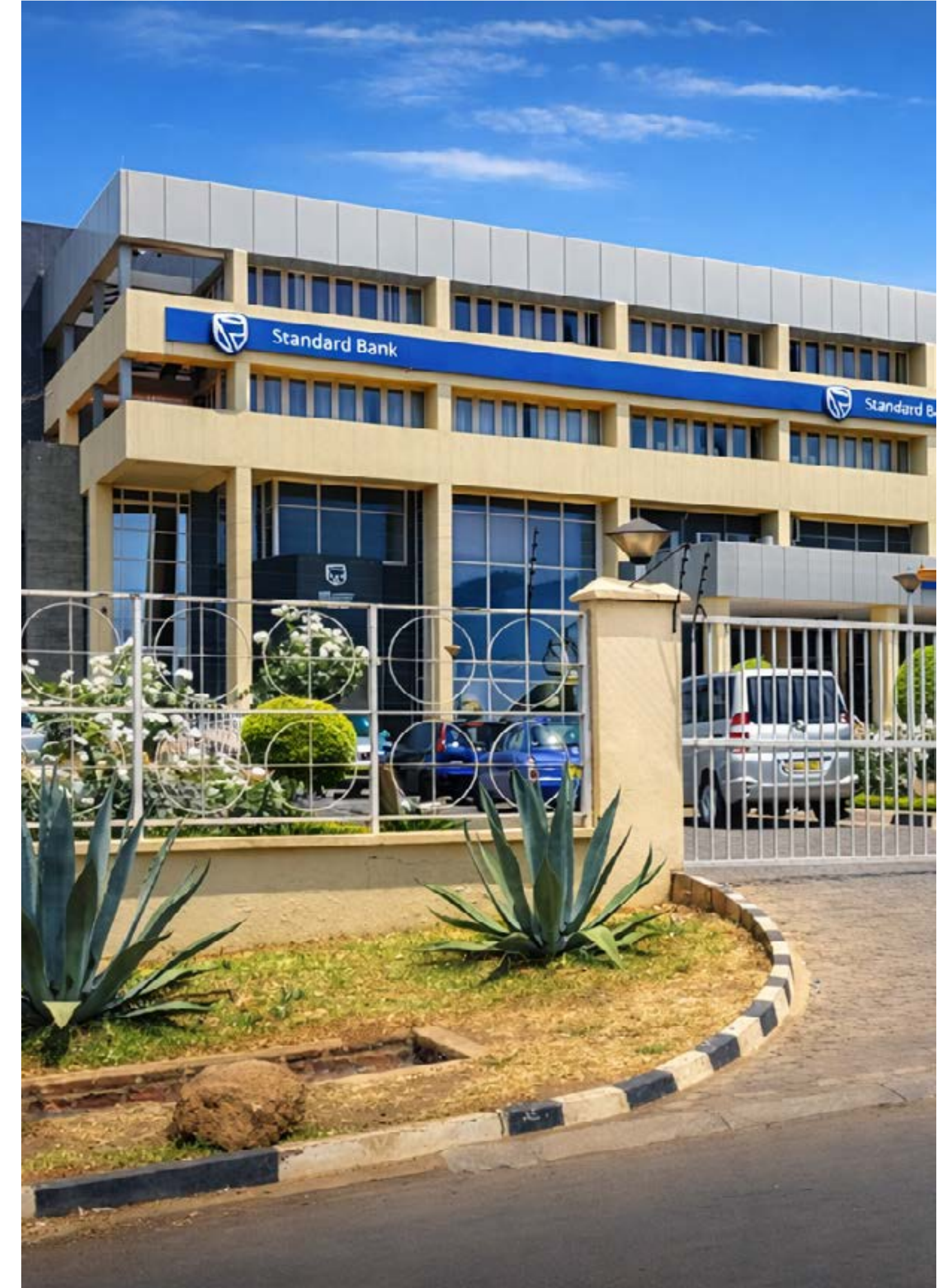
**Operating in the financial services sector, Standard Bank PLC creates value through four primary segments: Personal and Private Banking, Business and Commercial Banking, Corporate and Investment Banking, and Treasury and Capital Management.** These services are enabled by a range of suppliers and support services, including customer care systems, digital payment platforms, IT infrastructure, Facilities management, Credit factory, Global Markets, Bancassurance and professional advisory services such as Legal and Internal Audit. Regulatory oversight and capital support from the Group delivers financial products and services to personal customers, Small and Medium Enterprises, commercial as well as corporate clients, supported by its subsidiary, Standard Bank Bureau De Change. This integrated value chain ensures that operations in Malawi are aligned with group-wide standards while remaining responsive to local market needs.

Its comprehensive product offering includes a wide spectrum of retail services such as current, savings,

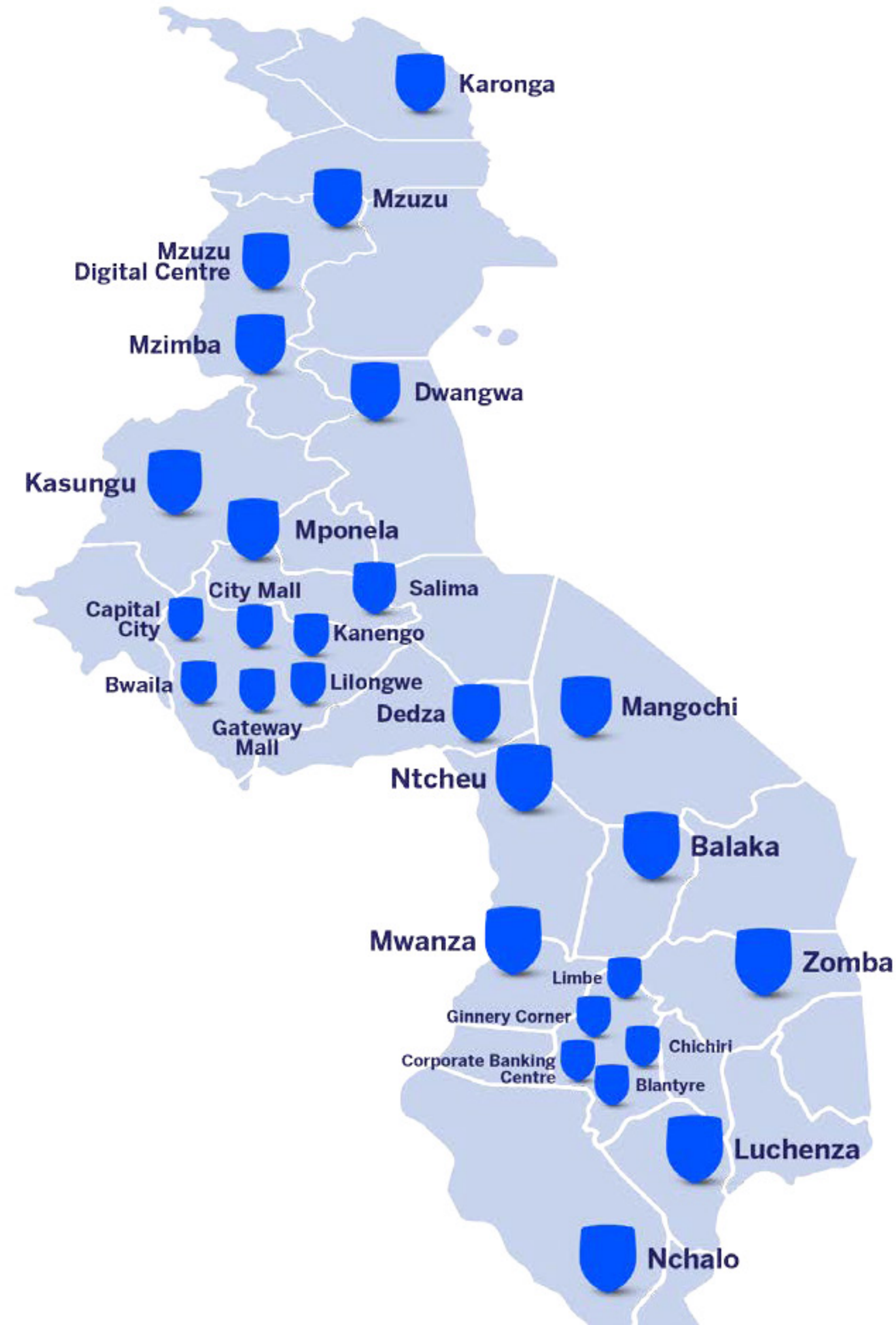
fixed and call deposit accounts; debit and credit cards; mortgages and consumer loans; and a range of insurance products. For business and institutional clients, Standard Bank PLC provides Small and Medium Enterprises (SMEs) and corporate lending, trade and vehicle financing, foreign exchange, cash management, investment and advisory services, project and structured finance, equities and commodities trading, and treasury solutions.

**The Group leverages multi-channel digital platforms such as USSD (\*247#), mobile and internet banking via “247 Online” and “247 Mobile” to offer 24/7 access, cardless withdrawals through Quickash, airtime and bill payments, and seamless loan top-ups.** With a nation-wide presence including 27 branches and extensive digital reach it serves individual consumers, SMEs, large corporates, financial institutions, and public sector clients across urban and rural Malawi.

The Group's business relationships extend to include partnerships with development partners such as the United Nations Development Programme (UNDP), Malawi Investment and Trade Centre (MITC) as well as Non-Governmental Organisations that include World Vision. The bank is also in partnership with the Malawi Local Government Finance Committee, Small and Medium Enterprises Development Institute (SMEDI) and many others.



# Our Footprint



# Membership of Associations

Standard Bank PLC maintains active participation in various industry and professional associations to remain abreast of best practices, influence policy, and promote sectoral collaboration. Our memberships serve as platforms for dialogue, advocacy, and capacity building that support our sustainability, governance, and operational objectives.

As of 2025, we are members of the following associations:



## Employers Consultative Association of Malawi

Employee engagement practices, labour relations, and employment policy support.



## Economics Association of Malawi

Policy and legislation advocacy, macroeconomic insights, and industry best practices.



## Malawi Confederation of Chambers of Commerce and Industry

Private sector advocacy, industry benchmarking, and contributions to legislative development affecting the business environment.



## Institute of Chartered Accountants in Malawi

Professional accounting standards, financial reporting oversight, audit regulation, and capacity building for accountants and auditors.



## Bankers Association of Malawi

Banking sector policy advocacy, financial sector reforms, regulatory engagement, and promotion of ethical and professional banking .

# Our 2025 Accolades



- 1. Internationally Adapted Campaign of the Year Award**  
– Financial Fitness Academy
- 2. Local Marketing Campaign of the Year Award (Product)**  
– Yours 247



- 1. Large Taxpayer Award -**  
Financial services
- 2. Commissioner General's Special Recognition -** Domestic taxes
- 3. Station Level Award -** Customs and Excise (KIA)



- 1. Impact Funder of the Year**
- 2. MW2063 Accelerator**



- 1. Bank of the Year -**  
Recognised for excellence and committed to growth



**Most Efficient Financial Institution 2025**



- 2025 Internal Audit Awareness Month**  
1<sup>st</sup> Place



- 1. Best Bank in Malawi**
- 2. Best Investment Bank in Malawi**



**Best Bank in Malawi**



- 1. Labour Law Compliance**  
1<sup>st</sup> Place

- 2. Workplace Health and Wellness**  
1<sup>st</sup> Place

- 3. Industrial Relations and Employee Engagement**  
3<sup>rd</sup> Place

- 4. Youth Employment and Skills Development**  
3<sup>rd</sup> Place

# 2025 Snapshot

Our commitment to inclusive growth, a resilient future and thriving communities.

1

### FINANCIAL HEALTH & INCLUSION

Student accounts <b>15,993</b>	Financial education participants <b>5,081</b>
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### MORTGAGES FOR AFFORDABLE LOANS

Affordable housing loan book	<b>No. 452</b> MK17.8 billion
Affordable housing loans issued in 2025	<b>No. 36</b> MK2.7 billion
Women mortgage customers	<b>No. 172</b> MK6.7 billion

2

### ENTERPRISE GROWTH & JOB CREATIONS

Driving SME growth, enabling jobs and supporting sustainable livelihoods.

### SOLUTIONS FOR SMEs

Number of SMEs	SMEs that accessed loans	Digitally enabled SME clients
<b>26,087</b>	<b>812 SMEs</b> MK16 billion	<b>9,987 SMEs</b>

Building a sustainable Malawi for generations to come.

Purpose-led. Africa-focused.  
Creating value that lasts.

3

### CLIMATE CHANGE MITIGATION & ADAPTATION

Green financing disbursed	<b>MK17.5</b> billion
Climate-smart agriculture disbursed	<b>MK83</b> billion

4

### INFRASTRUCTURE DEVELOPMENT

Finance mobilised for infrastructure

**MK18**  
billion

Dedicated to the rehabilitation of roads across Malawi.

5

### CORPORATE SOCIAL INVESTMENT

CSI spending	<b>MK837</b> million
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STANDARD BANK PLC

SUSTAINABILITY DISCLOSURES REPORT 2025

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# OUR SUSTAINABILITY STRATEGY


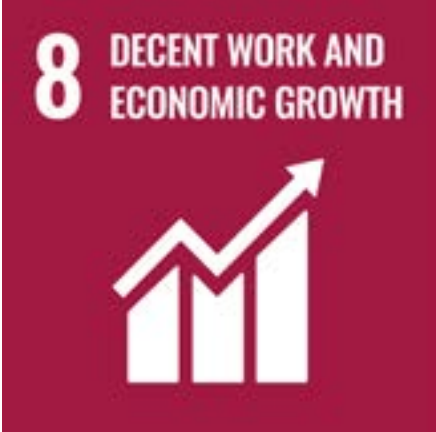


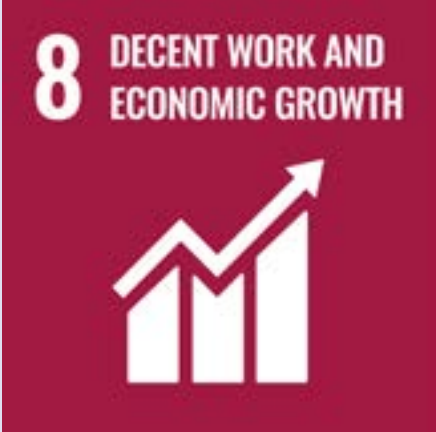







Standard Bank PLC’s sustainability strategy is underpinned by our purpose: **Malawi is our home, we drive her growth**. As one of the largest banks, we are committed to driving sustainable and inclusive economic growth across Malawi. This is reflected in our strategic priorities. We measure our progress in terms of six value drivers:

STRATEGIC PRIORITIES	VALUE DRIVERS
<p><b>Transform Client Experience</b></p>	<p><b>Client focus</b> We understand our clients, provide them with the products and services they need to make life better, respond to their changing expectations, and achieve fair outcomes for them.</p> <p><b>Employee engagement</b> Our employees believe in our purpose and their role in achieving it. They are productive, motivated and engaged. They feel valued and respected. They reflect the diversity of the communities in which we work. We support them to learn, grow and adapt to the changing world of work.</p>
<p><b>Execute with Excellence</b></p>	<p><b>Risk and conduct</b> We operate with integrity and hold ourselves to high ethical standards. We understand the risks and opportunities facing our business and have robust policies and processes to manage them. We ensure the security of our information and that of our clients and we guard against cyber-threats.</p> <p><b>Operational excellence</b> Our systems are reliable, resilient and trusted and we are always available to our customers when they need us. Our digital channels are always-on and always secure.</p>
<p><b>Drive Sustainable Growth</b></p>	<p><b>Financial outcomes</b> We deliver sustainable earnings growth and value to our shareholders.</p> <p><b>Positive impact</b> We understand the needs and challenges of the people of Malawi and deliver solutions to address these. We balance social, economic and environmental considerations to drive sustainable growth.</p>



# Our Sustainability Framework

SB IMPACT AREA	SDG TARGETS
<p><b>Financial health and inclusion</b></p> <p>We aim to:</p> <ul style="list-style-type: none"> <li>• Ensure people have convenient access to relevant and affordable financial products and services that they can use effectively, with access to support and advice.</li> <li>• Provide tailored solutions for under-served individuals and communities, including women and the youth.</li> <li>• Enhance client trust and confidence in our products and services by communicating clearly and transparently.</li> <li>• Provide effective financial education to empower individuals to manage their finances effectively, and raise awareness of the benefits offered by digital solutions.</li> <li>• Provide home loans for affordable housing.</li> <li>• Promote financial health for homeowners with solutions to reduce electricity costs.</li> </ul>	  
<p><b>Business growth and job creation</b></p> <p>We aim to:</p> <ul style="list-style-type: none"> <li>• Provide convenient, accessible and relevant financial services for SMEs, including affordable credit.</li> <li>• Provide tailored solutions for female entrepreneurs and business owners.</li> <li>• Support access to training and capacity building.</li> <li>• Support businesses to access value chains and markets and enable cross-border trade.</li> <li>• Support businesses across the agricultural value chain and enable small-scale producers to access markets.</li> <li>• Support game-changing tech startups solving real-world problems.</li> </ul>	 
<p><b>Climate mitigation and adaptation</b></p> <p>We aim to:</p> <ul style="list-style-type: none"> <li>• Partner with our clients and understand their climate-related risks and opportunities and develop solutions to support adaptation and resilience.</li> <li>• Support clients to mitigate negative environmental impacts.</li> <li>• Support sustainable, climate-smart agriculture.</li> <li>• Support nature conservation and sustainable use of biodiversity and ecosystems.</li> <li>• Reduce emissions from our own operations.</li> </ul>	  
<p><b>Infrastructure development</b></p> <p>We aim to:</p> <ul style="list-style-type: none"> <li>• Support economic growth and human development by financing the development of large-scale infrastructure projects in sectors such as energy, water, transport and telecommunications, including utility scale and decentralised renewable energy.</li> <li>• Support greater regional integration by enhancing connectivity among African countries, thereby promoting intra-African trade and strengthening economic ties.</li> </ul>	 

# Our Sustainability Approach

Our strategy is designed to solve for the challenges in Malawi for a sustained economic growth. Our approach to Sustainability is defined by two pillars, Maximizing Positive Impact and Effectively Managing Risk.

## 1 Maximising Positive Impact

We aim to provide growth opportunities by providing products and services that meet the development needs of Malawi.

## 2 Effectively Managing Risk

We aim to minimise risks (including climate-related financial risks), arising from our business and those of clients that we finance.

### Impact Areas

The impact areas represent the practical levers through which we embed sustainability into our processes, decision-making, and performance. This transition connects our strategic intent with the actions that drive the growth of Malawi:

#### 1. Enterprise and Job Creation

In line with UN Sustainable Development goal number 9, we intend to facilitate trade in Africa, strengthen the agriculture value chain, facilitate game changing tech start-ups that solve real world problems.

#### 2. Infrastructure Development and the Just Energy Transition

In line with UN Sustainable Development Goal 7 and 9, we enable Malawi's energy transition and support improved access to affordable energy. We also provide finance for critical infrastructure such as transport, water and telecommunications.

#### 3. Climate Resilience

In line with UN Sustainable Development goal 13 and 15, we partner with our clients to support their transition journeys and strengthen their resilience. We provide sustainable finance solutions to incentivise sustainable business practices. We provide climate smart agriculture financing solutions as well as provide green aligned solutions for homeowners and business owners.

#### 4. Financial Inclusion

In line with the UN Sustainable Development goals 8 and 11, we support SME owners and access to finance capacity building, networking and access to markets. We provide solutions tailored for women and the youth and we provide access to finance for affordable housing and provide solutions for borrowers who get into difficulty.

### Corporate Social Investments (CSI)

Our CSI aligns with UN Sustainable Development goals.

The Group allocates up to 1% of the Bank's prior year Profit After Tax (PAT) every year towards CSI aligned with impact driven community investment.

# Local and Global Standards and Frameworks

Our approach is guided by local and global standards and frameworks



We have identified 8 SDGs to which we can make a significant contribution



We adhere to the Equator Principles



We adhere to the IFC Performance Standards on Environmental and Social Sustainability

King IV™

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



Our impact areas are informed by the priorities of Agenda 2063



We commit to net zero emissions by 2040



We are signatories to the UN Global Compact



We publish a TCFD-aligned climate-related financial disclosures in our Sustainability report. We measure our greenhouse gas (GHG) emissions according to the GHG Protocol



MALAWI STOCK EXCHANGE

We apply the standards for listed companies set out in 2024



Our impact areas are aligned to the Malawi 2063 Agenda

At Standard Bank, our sustainability reporting is a cornerstone of our commitment to transparency and accountability. To ensure that our disclosure practices are robust, transparent, and aligned with international best practices, we engage in a process of continuous improvement. To achieve this, we rely on a range of established reporting standards and frameworks that guide our efforts and set benchmarks for our performance. The following reporting standards and frameworks form the backbone of our approach to sustainability disclosures.

### Global Reporting Initiative (GRI) Standards

Following the Malawi Stock Exchange’s 2024 introduction of sustainability reporting requirements, Standard Bank PLC has begun aligning its disclosures with the Global Reporting Initiative (GRI) Standards—a globally recognised framework for reporting on material environmental, social, and governance (ESG) impacts. As part of our commitment to transparency and accountability, we will continue to strengthen our alignment with the GRI Standards in future reporting cycles by deepening stakeholder engagement, refining materiality assessments, and improving data quality across our impact areas.



### IFRS S1 and IFRS S2 Standards

In line with the evolving global sustainability disclosure standards issued by the International Sustainability Standards Board (ISSB) under the IFRS Foundation, Standard Bank PLC is progressively aligning its reporting with IFRS S1 and IFRS S2. IFRS S1 outlines requirements for disclosing sustainability-related risks and opportunities that could reasonably affect enterprise value, while IFRS S2 provides specific guidance on climate-related disclosures. As part of our ongoing commitment to transparency and accountability, we have begun integrating key elements of these standards into the current reporting cycle.

Over the next financial year, we will continue to strengthen our internal systems and disclosure processes as part of our journey toward alignment with IFRS S1 and IFRS S2. We recognise that full compliance is a multi-year requirement, and our focus is on progressively enhancing our reporting in line with evolving global trends and best practices.



### United Nations Sustainable Development Goals (UN SDGs)

This Report also integrates the United Nations Sustainable Development Goals (SDGs) to benchmark our sustainability performance against recognised global priorities. By incorporating the SDGs, we enhance the comparability of our disclosures and underscore our commitment to supporting global sustainable development objectives.





# ESG Risk Management

## ESG Risk Management and Due Diligence

Managing ESG is one of the critical objectives of our Sustainability Strategy, reflecting our belief that sustainable business practices are essential to creating long-term value for our organization, the country that we operate in, Malawi and Africa as a whole. This focus helps us build a more inclusive, responsible, and future-ready business.

## ESG Principles and Frameworks

Our ESG principles and frameworks establish a cohesive approach to identifying, measuring, managing, and reporting ESG risks. They promote informed risk-taking, enable the growth of green finance, and strengthen trust, reputation, and long-term sustainability. The principles align with our core values, ethics, and commitment to prudent risk management.

### Environmental Principles

We are committed to minimizing both the direct and indirect environmental impacts arising from our operations, business relationships, and financing activities. We promote sustainable resource use by advancing energy and water efficiency, reducing greenhouse gas emissions, and integrating environmentally responsible practices across the value chain. In addition, we aim to actively support green finance initiatives that contribute to positive environmental outcomes and accelerate the transition to a low-carbon economy.

















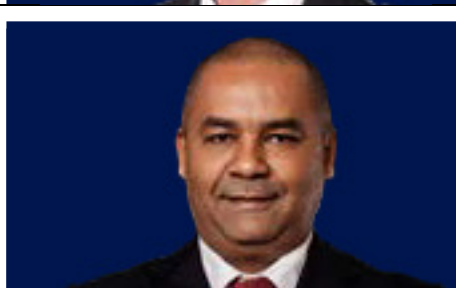
### Social Principles

We seek to enhance social well-being by fostering economic development and promoting social inclusion in the communities where we operate. We aim to achieve social principles by ensuring that our business activities respect human rights, uphold fair labour practices, and contribute to improved quality of life. Through ongoing engagement with internal and external stakeholders we work to address social concerns, strengthen relationships, and create shared value for society.

### Governance Principles

Governance, ethics, and accountability underpin our approach to responsible business. We prioritise transparency and meaningful stakeholder engagement in its decision-making processes, ensuring that governance practices remain robust and credible. We sustain structures and define responsibilities that support the oversight, governance, and execution of ESG risk management.

# Board of Directors








<p><b>Christopher Kapanga</b> <sup>65</sup> Chairperson</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration</p> <p><b>APPOINTED AS DIRECTOR</b> February 2023 <b>APPOINTED AS BOARD CHAIRPERSON</b> June 2023 up to August 2025</p>	
<p><b>Alex Mkandawire</b> <sup>63</sup> Chairperson</p> <p> BAC up to 10 August 2025</p>	<p><b>QUALIFICATIONS</b> Fellow Member of the Association of Chartered Certified Accountants</p> <p><b>APPOINTED</b> June 2021. <b>APPOINTED AS BOARD CHAIRPERSON</b> August 2025</p>	
<p><b>Phillip Madinga</b> <sup>54</sup> Executive Director</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration</p> <p><b>APPOINTED</b> June 2021</p>	
<p><b>Norah Nsanja FCG</b> <sup>41</sup> Company Secretary</p>	<p><b>QUALIFICATIONS</b> Fellow, Chartered Governance Institute; MSc Finance and Financial Law</p> <p><b>APPOINTED</b> June 2019</p>	
<p><b>Gladson Kuyeri</b> <sup>55</sup> Director</p> <p> BTIC  BRC</p>	<p><b>QUALIFICATIONS</b> Master of Communications Management</p> <p><b>APPOINTED</b> June 2022</p>	
<p><b>Christina Chithila</b> <sup>52</sup> Director</p> <p> BAC</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration; Chartered Management Accountant</p> <p><b>APPOINTED</b> June 2023</p>	
<p><b>Maziko Sauti-Phiri</b> <sup>63</sup> Director</p> <p> BHCC  BRC</p>	<p><b>QUALIFICATIONS</b> Master of Laws</p> <p><b>APPOINTED</b> June 2023</p>	
<p><b>Keith Fuller</b> <sup>64</sup> Director</p> <p> BCC</p>	<p><b>QUALIFICATIONS</b> Master in Agricultural Management</p> <p><b>APPOINTED</b> August 2025</p>	
<p><b>Ronald Ngwira</b> <sup>52</sup> Director</p> <p> BAC</p>	<p><b>QUALIFICATIONS</b> Msc Project Management</p> <p><b>APPOINTED</b> October 2025</p>	







<p><b>Sharon Taylor</b> <sup>57</sup> Director</p> <p> BHCC</p>	<p><b>QUALIFICATIONS</b> Bachelor of Commerce</p> <p><b>APPOINTED</b> June 2020 up to 10 June 2025</p>	
<p><b>Patrick Mweheire</b> <sup>55</sup> Executive Director</p> <p> BCC</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration</p> <p><b>APPOINTED</b> June 2022 up to November 2025</p>	
<p><b>Rachel Sibande PhD</b> <sup>39</sup> Director</p> <p> BTIC  BHCC  BRC</p>	<p><b>QUALIFICATIONS</b> PhD in Computer Science</p> <p><b>APPOINTED</b> June 2021</p>	
<p><b>David Pinto</b> <sup>52</sup> Director</p> <p> BAC</p>	<p><b>QUALIFICATIONS</b> BCom Management Finance</p> <p><b>APPOINTED</b> May 2017 up to November 2025</p>	
<p><b>Shadreck Ulemu</b> <sup>66</sup> Director</p> <p> BTIC  BHCC  BCC</p>	<p><b>QUALIFICATIONS</b> Master of Electronic Engineering</p> <p><b>APPOINTED</b> May 2017</p>	
<p><b>Margareth Chirwa</b> <sup>45</sup> Director</p> <p> BTIC  BCC</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration; Fellow Member of the Association of Chartered Certified Accountants</p> <p><b>APPOINTED</b> June 2022</p>	
<p><b>Priscilla Sani-Chimwele</b> <sup>40</sup> Director</p> <p> BHCC  BCC</p>	<p><b>QUALIFICATIONS</b> Master of Arts in Development Management</p> <p><b>APPOINTED</b> October 2025</p>	
<p><b>Phyllis Manguluti</b> <sup>52</sup> Director</p> <p> BAC</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration</p> <p><b>APPOINTED</b> October 2025</p>	

 BHCC  BTIC  BRC  BCC  BAC  Committee Chairperson



# Country Leadership Council

<p><b>Phillip Madinga</b> <sup>54</sup> Chief Executive</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration</p> <p><b>Joined</b> January 2020</p>	
<p><b>Norah Nsanja FCG</b> <sup>41</sup> Head, Legal and Company Secretary</p>	<p><b>QUALIFICATIONS</b> Fellow, Chartered Governance Institute; MSc Finance and Financial Law</p> <p><b>Joined</b> May 2012</p>	
<p><b>John Mhone</b> <sup>42</sup> Chief Finance and Value Management Officer</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration; Fellow Member of the Association of Chartered Certified Accountants</p> <p><b>Joined</b> October 2009</p>	
<p><b>Frank Chantaya</b> <sup>49</sup> Head, Corporate and Investment Banking</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration</p> <p><b>Joined</b> April 2008</p>	
<p><b>Kondwani Mlilima</b> <sup>52</sup> Chief Risk Officer</p>	<p><b>QUALIFICATIONS</b> Master of Arts Economics</p> <p><b>Joined</b> October 2002</p>	
<p><b>Ewen Hiwa</b> <sup>44</sup> Head, Client Coverage</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration</p> <p><b>Joined</b> September 2021</p>	
<p><b>Charity Mughogho</b> <sup>55</sup> Head, Personal and Private Banking</p>	<p><b>QUALIFICATIONS</b> Master of Science in Strategic Management</p> <p><b>Joined</b> December 1995</p>	

<p><b>Daniel Mbozi</b> <sup>54</sup> Head, Operations and Real Estate</p>	<p><b>QUALIFICATIONS</b> Chartered Management Accountant</p> <p><b>Joined</b> May 2004</p>	
<p><b>Tamanda Ng'ombe</b> <sup>42</sup> Head, Brand and Marketing</p>	<p><b>QUALIFICATIONS</b> Master of Corporate Strategy</p> <p><b>Joined</b> April 2024</p>	
<p><b>Graham Chipande</b> <sup>39</sup> Head, Business and Commercial Banking</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration</p> <p><b>Joined</b> September 2008</p>	
<p><b>Chikondi Kapyepye</b> <sup>44</sup> Head, Compliance</p>	<p><b>QUALIFICATIONS</b> Chartered Governance Professional; MSc Finance and Financial Law</p> <p><b>Joined</b> January 2006</p>	
<p><b>Alvin Alfonso</b> <sup>50</sup> Chief Information Officer</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration</p> <p><b>Joined</b> May 2017</p>	
<p><b>Hope Nedi</b> <sup>35</sup> Interim Head, People and Culture</p>	<p><b>QUALIFICATIONS</b> Master of Business Administration</p> <p><b>Joined</b> February 2016</p>	



## Governance Structures

Sustainability governance at Standard Bank PLC is rooted in our core values and fully aligned with regulatory requirements, including listing requirements set by Malawi Stock Exchange that require adherence to GRI standards.

### Oversight Structure Includes:

#### Board of Directors

Responsible for overall strategic direction and oversight of sustainability performance.

#### Board Subcommittees

The Board Risk Committee (BRC) oversees ESG risks and positive impact initiatives.

#### Country Leadership Council

The Country Leadership Council (CLC), led by the Chief Executive, manages day-to-day ESG implementation, including adherence to the Code of Ethics, ESG risk policies, and climate risk policies.

These structures ensure accountability, promote ethical conduct, and align sustainability practices with our business priorities.

## Board Diversity and Inclusion

The gender composition of the Board of Directors and the Country Leadership Council 7 female: 10 male and 5 female: 8 male, respectively, reflects progress in advancing diversity and inclusion within the Group. While female representation demonstrates meaningful participation, the numbers also highlight our continued efforts to achieve greater balance and equity. We remain committed to fostering an inclusive environment where all employees are empowered to contribute meaningfully, ensuring that gender diversity is not only measured in numbers but embedded in leadership opportunities, decision-making processes, and organisational culture. This distribution underscores both the strides made and the imperative to strengthen initiatives that promote parity, aligning with the Group's broader sustainability and social impact agenda.

## Statement on Board ESG related Competencies

The Board of Directors of Standard Bank PLC collectively brings expertise across finance, risk management, legal, digital transformation, and governance. Competencies are mapped to material impacts to ensure effective oversight of the Group's strategic priorities. A roadmap is in place to strengthen Board capacity on ESG issues, including climate-related risks and opportunities. Training programmes are informed by identified strategic requirements and include structured sessions to build knowledge in sustainability, stakeholder engagement, and climate governance. This approach ensures that the Board remains equipped to guide the Group in addressing material impacts responsibly and transparently.

## Stakeholder Representation

Stakeholder views are incorporated into governance through mechanisms such as the Annual General Meeting, where shareholders exercise their rights and provide input on key decisions. In the past year, engagement included discussions on share splits and the integration of ESG elements into governance priorities. The Board also considers feedback from stakeholder engagements, including customers, regulators, and development partners, to inform its oversight and decision-making.

## Nomination and Selection of the Highest Governance Body

The nomination and selection of members of the Board of Directors follows a structured process. Candidates are proposed by the Nomination Committee and approved by shareholders at the Annual General Meeting. The process applies formal criteria including independence, diversity, professional competencies, and stakeholder input. Consideration is given to gender balance, sectoral expertise, and alignment with the Group's strategic priorities. Shareholders' views are taken into account during approval to ensure transparency and accountability.

## Chairperson of the Highest Governance Body

The Chairperson of the Board of Directors is a non-executive and independent member. This independence ensures impartial oversight of management and alignment with shareholder interests. In cases where a dual role might arise, measures are applied, including recusal from specific decisions and the appointment of an independent lead director to safeguard objectivity.

## Delegation of Responsibility for Managing Impacts

Responsibility for managing impacts is delegated across senior executives. The entire Country Leadership Council is accountable for risk-related impacts and representatives sit on both the Country Leadership Council and the Board Risk Committee. The CLC is responsible for reporting on ESG issues to the Board, ensuring that sustainability topics are integrated into governance oversight. Other executives, including the Chief Risk Officer, Chief Information Officer, Head of People and Culture, and Head of Compliance, hold responsibility for specific impact areas and report to the Board or its committees on a quarterly basis.

## Role of the Highest Governance Body in Sustainability Reporting

The Board of Directors reviews and approves the sustainability report, including the material topics identified and the internal controls applied to reporting. The process follows the Group's impact assessment framework, with supporting committees providing assurance and oversight.

## Conflicts of Interest

The Group maintains a conflict-of-interest policy requiring directors and senior executives to disclose any cross-board memberships, related-party relationships, or controlling shareholder interests. Where conflicts arise, recusal and approval processes are applied to safeguard objectivity. Material conflicts are reported to the Board and disclosed transparently.

## Communication of Critical Concerns

Critical concerns are reported through multiple channels, including a hotline managed via the call centre, grievance procedures for staff through line managers, and independent whistleblowing mechanism. Concerns are escalated through a formal process that includes review by relevant business segments and, where necessary, referral to the Reserve Bank. This mechanism has been extended to suppliers and other stakeholders to report conduct issues. All grievances are logged, investigated, and summarised for Board review.



# MATERIAL SUSTAINABILITY ISSUES

# 3

**Material Topics and ESG Risk Integration** | **Stakeholder Engagement** | **Grievance Mechanisms**

## Material Topics and ESG Risk Integration

Annually, we categorise risks into strategic, financial, and non-financial domains, prioritizing high-impact risks to ensure targeted management attention and proactive mitigation. Standard Bank PLC has identified material sustainability topics based on a high-level consideration of its strategic objectives, sectoral exposure, stakeholder feedback, and external sustainability priorities. While a comprehensive assessment of operational impacts and a fully inclusive stakeholder engagement process are yet to be completed, the Group acknowledges these as critical steps toward strengthening its sustainability approach.

### Current topic selection has been guided by:

- Alignment with national development priorities (e.g., Malawi 2063 Agenda), SDGs, and group-wide ESG focus areas.
- Sector-specific risks and regulatory requirements.
- Input from selected stakeholders, including regulators, employees, and community partners, through informal engagements and programme feedback.
- Emerging ESG risks and issues flagged through credit screening, reputational assessments, and climate policy frameworks.

The Group recognises existing limitations in how it assesses the full scope of its operations including indirect impacts and value chain risks as well as in the depth of its stakeholder engagement and internal prioritization processes. To address these gaps and enhance alignment between impact, risk, and strategy, Standard Bank PLC plans to conduct a full-scale double materiality assessment.

This process will combine impact and financial materiality perspectives, and will include systematic stakeholder consultations, ESG risk mapping across the value chain, and prioritization of sustainability issues based on significance and likelihood. This upcoming initiative will inform the refinement of material topics, improve the robustness of ESG disclosures, and support stronger integration of sustainability into decision-making across the organisation.



# Stakeholder Engagement

Stakeholder engagement is a core component of our sustainability strategy and supports informed decision making, risk management and long-term value creation. We continue to actively engage with diverse stakeholders to understand their perspectives, expectations and concerns related to our environmental and social governance performance. Key stakeholder groups include investors, clients, employees, government, regulators, service providers, communities and industry partners.

We recognize that meaningful dialogue with stakeholders is essential for building trust and aligning our operations with societal expectations. Through structured engagement platforms, collaborative initiatives, and continuous feedback mechanisms, we ensure that diverse perspectives inform our decision-making processes. This approach not only strengthens accountability but also enables us to co-create solutions that drive long-term resilience, innovation, and sustainable growth.

## Clients

We undertake several initiatives to ensure we continue to live our customer-centricity principle and remain closely connected to customer needs and expectations. Through the customer service surveys, we capture our customers' voice across products and service touchpoints. In the Personal and Private Banking (PPB) segment, our net promoter score (NPS) improved from 37 in 2024 to 45 in 2025 (against a threshold of 40), reflecting a meaningful increase in customer satisfaction and perception of our

service quality. There was a marginal decrease in Customer Service Index (CSI) of our Corporate and Investment Banking segment from 8.2 in 2024 to 8.0 in 2025, primarily reflecting client feedback that emphasised the need for more frequent and consistent engagement. The net promoter score for our Business and Commercial Banking section was slightly below margin in 2025 at 26 against a threshold of 27 contributed by customer feedback on long loan turnaround times especially for small and medium enterprises.

Beyond quantitative feedback, we strengthened customer engagements through nationwide roadshows. These are designed to listen directly to our customers, reinforce our service strategy, and align frontline execution with customer expectations. Activities include direct customer visits to business premises and workplaces, staff training and engagement sessions, and tag-along visits with branch colleagues during sales and service engagements. These engagements covered all branches, ensuring consistent messaging and execution across our network.

Concerns raised by our customers in 2025 were mostly foreign exchange related challenges arising from ongoing supply constraints. This was followed by failed Bank-to-wallet transactions, where customers expressed dissatisfaction with turnaround times for reversals.



## Employees

Employee engagement is measured and strengthened through structured tools such as Open-Door days and surveys, which provide employees with a voice in shaping the workplace culture. These mechanisms capture insights on organisational effectiveness, leadership, wellbeing, and inclusion, ensuring that feedback is systematically integrated into People and Culture strategies.

One of the most important tools is the Are You a Fan (AYAF) survey, a holistic assessment that evaluates organisational, cultural, and engagement factors. In 2025, AYAF delivered strong outcomes: An employee Net Promoter Score (eNPS) of +59, showing that most employees would recommend the Group as a great place to work.

- An Engagement Index score of 63.7%, well above the benchmark baseline of 51.5%, placing employees in the highly engaged range.
- A 93% participation rate, providing a robust and representative view of employee sentiments.
- Open-Door days and surveys are not only diagnostic tools but also strategic enablers of workplace sustainability and employee wellbeing, guiding targeted actions to strengthen culture and performance.

## Shareholders

Engagements with shareholders is a key element of our sustainability and governance framework. It supports transparent communication, accountability and ensure long term value creation. We maintain regular and structured dialogue with shareholders. In 2025, the Group continued to engage with shareholders through investor briefings and minority shareholder engagement. The engagements with minority shareholders are aimed at creating a platform for them to express their views about the Group. In ensuring continued retention of shareholder value, the Group undertook a successful subdivision of the company shares. The share split of 1 to 5 was aimed at increasing liquidity of the stock and to drive greater access to the company's shares.

## Suppliers and service providers

Supplier engagement remains a cornerstone of our procurement and supply chain strategy. Through dedicated Vendor Days, the Group brings all suppliers together in a single forum, creating opportunities for transparency, fairness, and collaboration. These sessions ensure that expectations, goals, timelines, and compliance standards are communicated consistently, reducing misunderstandings and reinforcing equal treatment across the supplier base. By engaging suppliers collectively, the Group fosters open dialogue, saves time and resources compared to multiple one-on-one meetings, and gains clearer insights into supplier capabilities and professionalism. Vendor Days also strengthen relationships by demonstrating openness and partnership, while providing a platform to proactively identify risks. This approach not only enhances efficiency but also reinforces the Group's commitment to sustainability, ethical practices, and long-term supplier trust.



# Stakeholder Engagement Focus for 2025

 <b>CLIENTS</b>	 <b>SHAREHOLDERS</b>	 <b>REGULATORS AND GOVERNMENT</b>	 <b>EMPLOYEES</b>	 <b>COMMUNITIES</b>
<p><b>Key Concerns Raised</b></p> <ul style="list-style-type: none"> <li>• Delayed card activation for foreign exchange (forex) transactions.</li> <li>• Delay to reverse failed Bank-to-wallet transactions.</li> <li>• Long loan Turnaround Time (TAT)</li> </ul>	<p><b>Key Concerns Raised</b></p> <ul style="list-style-type: none"> <li>• Shareholders raised no material concerns</li> </ul>	<p><b>Key Concerns Raised</b></p> <ul style="list-style-type: none"> <li>• ESG reporting and sustainability leadership.</li> <li>• Climate related financial risk policy and framework.</li> </ul>	<p><b>Key Concerns Raised</b></p> <ul style="list-style-type: none"> <li>• Psychological safety (feeling heard).</li> <li>• Recognition (feeling appreciated).</li> </ul>	<p><b>Key Concerns Raised</b></p> <ul style="list-style-type: none"> <li>• Climate change and disasters.</li> <li>• Health and sanitation.</li> <li>• Food security.</li> <li>• Access to quality education.</li> </ul>
<p><b>Our Response</b></p> <ul style="list-style-type: none"> <li>• Customers are asked to inform the Group prior to travelling.</li> <li>• Implemented an autoreversal capability on failed Bank-to-wallet transactions and there is a significant improvement on TNM users, however, we are working on a similar seamless solution for Airtel users.</li> <li>• Increasing the base on digital loan offers.</li> </ul>	<p><b>Our Response</b></p> <ul style="list-style-type: none"> <li>• Ongoing engagement</li> </ul>	<p><b>Our Response</b></p> <ul style="list-style-type: none"> <li>• Adopted the Climate Risk policy as part of the risk management framework.</li> <li>• Sustainability disclosure dialogues.</li> </ul>	<p><b>Our Response</b></p> <ul style="list-style-type: none"> <li>• Competitive and equitable compensation and benefits structure through regular market benchmarking, improved benefit offerings, and increased reward transparency.</li> <li>• Reinforcing leadership and cultural excellence by equipping leaders to foster psychological safety, encourage open dialogue, and recognise contributions more consistently.</li> <li>• Enhanced recognition programmes and enhanced feedback mechanisms ensure employees feel heard, valued, and appreciated.</li> </ul>	<p><b>Our Response</b></p> <ul style="list-style-type: none"> <li>• CSI in health and education sectors and climate resilience support programmes.</li> <li>• Disaster response.</li> </ul>
<p><b>Key Outcomes</b></p> <ul style="list-style-type: none"> <li>• Facilitated Bank-to wallet transactions                             <ol style="list-style-type: none"> <li>1. Volume: 7.2million (2024: 5.2 million)</li> <li>2. Value: MK317 billion (2024: MK148 billion).</li> </ol> </li> </ul>	<p><b>Key Outcomes</b></p> <ol style="list-style-type: none"> <li>1. Recorded MK121.7 billion in profit after tax. (2024: MK86.4 billion).</li> <li>2. Paid dividends amounting to MK38 billion in 2025 which was paid out of 2024 profits.</li> </ol>	<p><b>Key Outcomes</b></p> <ul style="list-style-type: none"> <li>• MK107 billion paid as Government taxes (2024: MK102 billion).</li> <li>• MK18 billion invested in infrastructure.</li> </ul>	<p><b>Key Outcomes</b></p> <ul style="list-style-type: none"> <li>• MK52.2 billion paid to our employees in wages and other benefits.</li> <li>• MK1.1 billion invested in employee learning and development.</li> </ul>	<p><b>Key Outcomes</b></p> <ul style="list-style-type: none"> <li>• MK837 million invested in Corporate Social Investment (2024: MK419 million)</li> </ul>



## SUPPLIERS

### Key Concerns Raised

1. Coupa and Aravo System challenges.
2. Selection of awarding contracts and fairness.

### Our Response

- We arranged physical and online training for vendors that are struggling to use the systems.
- We shared clarity on the Group's Procurement Policy and processes.

### Key Outcomes

- MK139.7 billion procurement spend.
- 85% of procurement cost was towards local suppliers.



## Grievance Mechanisms

Standard Bank PLC maintains grievance mechanisms that enable employees, suppliers, customers, and other stakeholders to raise concerns in a confidential and accessible manner. Critical concerns can be reported through a hotline managed via the call centre, grievance procedures through line managers, and an anonymous whistleblowing channel administered independently. Issues are escalated through a formal process that includes review by relevant business segments and, where necessary, referral to the Reserve Bank. Staff grievances can be escalated to higher levels if not resolved at line management, while suppliers and other external stakeholders may also report conduct issues through the hotline 4455 for both Airtel and TNM lines. Grievances are logged, investigated, and summarised for Board review, ensuring transparency and accountability. These mechanisms are designed to uphold human rights, safeguard against misconduct, and provide stakeholders with confidence that their concerns are heard and addressed.



# MAXIMISING POSITIVE IMPACT AND MANAGING RISK



**Financial Inclusion** | **Enterprise and Job Creation** | **Infrastructure Development** | **Climate Resilience** | **Managing ESG Risk**

Our purpose drives our commitment to creating meaningful change across four critical areas that respond to the needs of Malawians. We focus on financial inclusion, enterprise growth and job creation, infrastructure development, and just energy transition and climate resilience. In addition, our Corporate Social Investment (CSI) agenda is intentionally aligned with the positive impact framework, addressing pressing societal needs in health, education, and youth development.

## Financial Inclusion

<h3>We aim to</h3>	<ul style="list-style-type: none"> <li>Ensure people have convenient access to relevant and affordable financial products and services that they can use effectively, with access to support and advice.</li> </ul>
	<ul style="list-style-type: none"> <li>Enhancing client trust and confidence in our products and services by communicating clearly and transparently; ensuring information is factually correct and in plain language; and ensuring clients have clear information about our products' features, risks and fees.</li> </ul>

<h2>Impact Metrics</h2>	
<p><b>Access to Banking</b></p> <ul style="list-style-type: none"> <li>Number of active low-cost account holders (Blue customers).</li> </ul>	58,121
<p><b>Services tailored for under</b></p> <ul style="list-style-type: none"> <li>Number of student accounts.</li> </ul>	15,993
<p><b>Financial Education</b></p> <ul style="list-style-type: none"> <li>Number of participants in financial literacy initiatives for unbanked, underbanked, or under-served customers (Financial Fitness Academy).</li> </ul>	5,081
<p><b>Mortgages for affordable loans</b></p> <ul style="list-style-type: none"> <li>Number and value of affordable housing loan book.</li> <li>Number and value of affordable housing loans issued in financial year (2025).</li> <li>Number and values of affordable mortgage customers who are women.</li> </ul>	<p>No. 452 MK17.8 billion</p> <p>No. 36 MK2.7 billion</p> <p>No. 172 MK6.7 billion</p>

### Five for One Share Split on the Malawi Stock Exchange

We facilitated the successful execution of Standard Bank PLC's 5-for-1 share split in July 2025, a strategic move aimed at broadening investor participation and deepening financial inclusion. Through this initiative, the total number of shares increased from 234.7 million to approximately 1.2 billion ordinary shares, while the share price adjusted from MK12,050 to MK2,410, making ownership more accessible to a wider pool of investors. The share split enhanced market liquidity and reinforced Standard Bank PLC's position as one of the most valuable counters on the Malawi Stock Exchange.



### Financial Fitness Academy (FFA)

Our Financial Fitness Academy is designed to empower individuals and businesses with the knowledge to make informed financial decisions. Through tailored modules on the FFA online platform, participants gain practical skills in budgeting, saving, investing, and responsible borrowing. The Academy also builds awareness around financial inclusion, encouraging more Malawians to engage with the formal financial system. By collaborating with schools, communities, and business partners, the Academy serves as a catalyst for sustainable economic growth, helping people strengthen their financial resilience and unlock opportunities for wealth creation. Since its launch in 2025, we have delivered 113 sessions, reaching 5,081 people across various organisations. These sessions focused on practical areas that align with real life needs, covering topics such as *Create and Build*, *Live and Enjoy*, *Save and Invest*, *Share and Legacy*, and *Plan and Protect*. Participants were guided on how to manage income effectively, make informed financial decisions, and plan for both short term and long term goals.

The impact has been significant, with many attendees reporting improved financial awareness and a shift in mindset towards long term financial planning. Participants have demonstrated greater confidence in budgeting, saving, investing, and protecting their finances, while also appreciating the importance of legacy planning. Beyond influencing positive financial behaviour, the Academy has strengthened trust in Standard Bank PLC as a partner committed to empowering individuals and organisations through sustainable financial well being. This initiative continues to position Standard Bank PLC as a leader in driving financial literacy and inclusion, ensuring that more people are equipped to build secure and prosperous futures.



# Support for Resilient Livelihood

## Provision of Electronic Payment Services for Social Cash Transfer Programme (SCTP), Scalable and Climate Smart Enhanced Public Works Programme in Chikwawa, Nsanje and Mulanje.

The Standard Bank PLC - National Local Government Finance Committee (NLGFC) Project, is a collaborative initiative between Standard Bank PLC and NLGFC, aimed to digitize financial services for beneficiaries, improving efficiency and financial inclusion. The project followed a structured phased rollout, from procurement and pilot testing to the full-scale launch and user onboarding. The overall project was a success, achieving its primary objective of providing digital payment access to beneficiaries.

The Government of Malawi through the National Local Government Finance Committee is implementing Social Support for Resilient Livelihoods Project (SSRLP) with support from the World Bank and Multi Donor Trust Fund (MDTF). The SSRLP Project is one of the key instruments that the Government is using to contribute to the overall objective of the Malawi National Social Support Program (MNSSP II), which is to reduce poverty and vulnerability of the poor and marginalized groups. The SSRLP Project objective is “to improve resilience among the poor and vulnerable population, and to strengthen the national platform for safety nets in the Republic of Malawi”. This section restates the project objectives and presents the technical approach and methodology to deliver NLGFC’s project requirements.

The objectives were to provide an integrated electronic payment (e-payment) system to deliver monthly social cash transfers totalling MK12.4 billion to 56,466 beneficiaries for 4 to 24 months across Lot 1; MK22.3 billion to 95,618 beneficiaries for 4 to 24 months across Lot 2; and MK19.7 billion to 88,165 beneficiaries for 4 to 24 months.

The scope considered multiple access points, cash pay-out within 15 days, monthly reconciliation, location of distribution points, numbers in village clusters, tailor-made training strategies during Know Your Customer (KYC) and ongoing sessions to enhance financial literacy, deployment of mobile merchants to locations experiencing poor network by guiding beneficiaries to areas within 5km radius of network availability.

## Impact

- Beneficiaries reached year to date: 100,883.
- Value disbursed to the 100,883 beneficiaries: MK7.2 billion.
- Number of beneficiaries who received phones: 29,918.
- Number of Unayo Merchants disbursing funds: 50.
- Number of Unayo Merchants who attended Financial Literacy training: 46.



# Enterprise and Job Creation

At Standard Bank PLC, we see Enterprise growth and Job creation as twin engines for sustainable economic development. When enterprises thrive, they not only generate wealth but also expand opportunities for employment, innovation, and social progress. Our vision is to build an ecosystem where small and medium enterprises (SMEs), female entrepreneurs, agricultural producers, and technology startups can flourish, unlocking inclusive prosperity across communities and borders.

## We aim to

Provide convenient and accessible financial services that empower SMEs with affordable credit, ensuring that businesses of all sizes can scale and compete. Recognizing the vital role of women in entrepreneurship, we are committed to delivering tailored solutions that support female business owners in overcoming barriers and achieving success.

Beyond finance, we believe in strengthening capacity through training, skills development, and access to markets. By connecting enterprises to value chains, enabling cross-border trade, and supporting agricultural producers, we create pathways for businesses to grow sustainably while generating jobs that uplift communities. We champion innovation by supporting game-changing tech startups that are solving real-world problems. These enterprises not only drive economic transformation but also inspire new models of growth that are resilient, inclusive, and future-focused.

## Impact Metrics

• Number of SME clients.	26,087
• Number of SME clients that accessed loans and total loan value.	812 SME clients MK16 billion
• Number of digitally enabled SME clients.	9,987 SME clients



## Spotlight Initiative: Phuka SME Awards

The Phuka SME Awards recognize and finance high-potential MSMEs, offering incubation support and seed capital, in partnership with Small and Medium Enterprises Development Institute (SMEDI) and Synergy Labs.

**Phuka Incubation Hub, launched in 2022, is our in-house incubation program designed to nurture innovative businesses through structured cohorts.** Each cohort provides mentorship, business development support, and access to funding opportunities. We collaborate with partners who share our vision, including Centre for Agriculture and Transformation (CAT) for the second cohort and WINROCK International and GIZ for the third cohort, while working closely with Business Development Service (BDS) providers to deliver specialized support. Our 2024 cohort focused on women in agriculture, reinforcing our commitment to inclusivity and sector-specific growth.

**In 2025, we introduced the Phuka SME Awards, a national platform created in partnership with SMEDI to celebrate and recognize outstanding SMEs.** These awards foster visibility, inspire innovation, and strengthen networks within Malawi's business landscape. By combining incubation and recognition, Phuka creates a holistic support system that empowers entrepreneurs to scale and thrive.

Through strategic partnerships and innovative approaches, Phuka contributes to building a resilient entrepreneurial ecosystem that drives inclusive economic growth and positions SMEs as engines of job creation and transformation.

### Impact

Phuka Incubation Hub has delivered three cohorts since 2022:

- **Cohort 1:** 72 participants completed the program (67% men, 33% women).
- **Cohort 2 :** 46 entrepreneurs graduated, with MK10 million awarded to the top pitching participant.
- **Cohort 3 (Women in Agriculture):** 32 women enrolled, 28 graduated, and 3 winners received transformative awards—one secured MK10 million, while two received USD 5,000 grants from Winrock International.

In 2025, we launched the Phuka SME Awards in partnership with SMEDI, creating Malawi's first national platform to celebrate SME excellence. Nine award categories recognized outstanding businesses, and seven SMEs received prizes, boosting visibility and growth.

These results demonstrate systemic impact, mobilizing resources, fostering partnerships, and driving inclusive economic growth. Our initiatives have empowered entrepreneurs, promoted gender inclusion, and strengthened Malawi's private sector.



## 2025 Phuka SME Awards Selection Criteria



CATEGORY	REWARD	NAME
Technology and Best SME	MK9 million	PayChangu
Manufacturing and Best Female Led SME	MK9 million	Thanthwe holdings
Green Business	MK2 million	Enviro solutions 4 progressive Innovations
Mining	MK2 million	Gemstone Lab and Exports
Creative Arts	MK2 million	Akhada Baskets
Agriculture	MK2 million	Fecko Investment (Usingini Upland Coffee)
Furniture and Joinery	MK2 million	Milanzi Interiors

Our selection criteria were designed to recognize SMEs that demonstrate innovation, sustainability, and measurable impact across key sectors.

- **In Agriculture**, applicants were required to be engaged in production, processing, or marketing, with at least two years of registration, evidence of growth, and job creation.
- **In Tourism**, eco-lodges and tour guides were expected to show sustainable practices in conservation and cultural heritage, with proven community and economic benefits.
- **For Mining**, small-scale operators and gemstone processors were required to comply with environmental and safety standards, demonstrate innovation, and job creation with at least two years of registration.
- **The Technology and Innovation category** celebrated FinTech, Green Tech, Cybersecurity, Product Development, and Women in Tech, requiring impactful solutions that fostered growth and sustainability.
- **In Creative Arts**, achievements in visual arts, photography, film, poetry, fashion, and design were recognized for their cultural influence and contribution to Malawi's development.
- **In Green Business**, entrants were expected to integrate sustainable practices such as renewable energy, waste reduction, and climate change mitigation, with measurable environmental impact and at least one year of proven operational sustainability.



## Zantchito Entrepreneurship and Access to Finance

The Zantchito Entrepreneurship and Access to Finance Programme, funded by the European Union and implemented in partnership with UNDP, positions Standard Bank PLC as a key implementing partner driving access to finance for SMEs. The initiative directly addresses one of the most critical barriers facing startups and early-stage businesses in Malawi: securing funding due to limited financial literacy and lack of banking readiness.

By combining financial access with capacity-building interventions, the programme equips entrepreneurs with the skills and confidence to engage with formal financial institutions, while fostering resilience and competitiveness in the SME sector. We deliver Fit for Finance workshops, equipping entrepreneurs with practical skills in financial management, credit understanding, and banking processes. These workshops prepare businesses to engage confidently with financial institutions and manage resources effectively.

Through strategic partnerships and capacity-building interventions, Zantchito creates pathways for startups to access sustainable financing beyond initial grants, fostering resilience and long-term growth in Malawi's private sector.

### Impact

Under Zantchito Entrepreneurship and Access to Finance, Standard Bank PLC has:

- **Managed disbursement of over MK1 billion** in grants from Zantchito, enabling entrepreneurs to bring their ideas to life.
- **Delivered Fit for Finance workshops to 176 startups**, strengthening their financial literacy and banking readiness.

These achievements demonstrate systemic impact, building financial capacity, and driving inclusive economic growth. By improving readiness to access finance and equipping entrepreneurs with essential skills, Zantchito is transforming Malawi's entrepreneurial landscape and contributing to national development priorities.

## Access to Markets and Enabling Trade - Africa China trade

At Standard Bank PLC, we believe that the sustainable growth of our clients is central to the growth of the economies in which we operate. Through our Africa–China Banking Solution, we deliberately create platforms that enable our clients to access international markets, expand their reach, and strengthen their operational capacity.

**We facilitated client participation at the China–Africa Economic and Trade Expo, where three of our clients Atupele Investments, Saeed Investments and Dalitso General Dealers, were hosted at the Standard Bank PLC booth over several days.** This opportunity allowed them to showcase their products, engage directly with Chinese buyers, and build meaningful commercial relationships. Such exposure not only enhances brand visibility but also opens pathways to new export markets, reinforcing our commitment to helping clients move beyond domestic trade into global value chains. The clients were presented on our Standard Bank PLC booth that gave our clients the opportunity to be in the front line of visibility to Chinese buyers who were in attendance.

**By leveraging our strong strategic relationship with Industrial and Commercial Bank of China (ICBC), we provide our clients with a credible and structured matchmaking platform that connects them with potential business counterparts in China.** This partnership enables us to support clients in identifying buyers, distributors, and strategic partners, thereby reducing entry barriers into the Chinese market and increasing the likelihood of successful cross-border trade engagements.

In addition to market access opportunities, **our Africa–China Banking Solution offers tailored import solutions designed to support business expansion and capacity building.** We assist clients in sourcing reliable suppliers for goods, machinery, and inputs required to upscale operations, improve productivity, and enhance competitiveness within their respective sectors. Through these solutions, clients are able to increase production capacity, improve efficiency, and position themselves for sustainable growth. We assisted one of our clients to successfully import a cement pump truck which added capacity to the company to tackle bigger construction projects.

Overall, our approach reflects Standard Bank PLC's long-standing commitment to walking the growth journey with our clients, not only by providing banking solutions, but by enabling access to international opportunities, fostering strategic partnerships, and supporting the long-term development of their businesses through Africa–China trade corridors.



# Infrastructure Development

Malawi’s industrialization agenda seeks to transform the economy from consumption and import dependence to production and export-led growth, anchored in strong linkages between manufacturing, agriculture, mining, and services. Human capital development and the strategic use of natural resources will drive this shift, supported by policies such as the Agricultural Finance Policy and revitalized credit facilities to strengthen value chains. However, progress has been hindered by high production costs, weak infrastructure, limited skills, policy unpredictability, and inadequate support for SMEs. To overcome these challenges, Malawi aims to revamp manufacturing through public-private partnerships, invest in reliable energy, modern transport networks, storage and logistics facilities, and digital systems, while promoting value addition in mining. Infrastructure development will be the backbone of this transformation, enabling competitiveness, reducing costs, and unlocking inclusive wealth creation and self-reliance.

services for thousands of residents. Beyond health access, the new transport corridors have reduced travel time, improved mobility for businesses and commuters, and stimulated commercial activity along the route. The project also contributed to job creation through the construction value chain and strengthens Malawi’s positioning under MW2063 Agenda by delivering resilient infrastructure that supports equitable economic participation and sustainable urban development.

We played an essential role in bridging this public financing gap by mobilising long term capital as a Joint Lead Arranger. **The Group successfully raised MK21 billion toward the project’s total MK34.5 billion financing package, directly reinforcing government ambitions under MW2063 to build resilient infrastructure and integrated transport systems.**

This project demonstrates the Group’s commitment to sustainable development by ensuring that essential transport corridors are built using financing structures grounded in local currency, thereby reducing sovereign exposure to external debt shocks.

**The Group’s strategic partnership with RFA and co financiers reflects a long-term sustainability approach, supporting infrastructure that unlocks equitable economic participation, improves environmental efficiency through reduced congestion, and strengthens the institutional capacity of Malawi’s road financing ecosystem.** It also aligns with Standard Bank PLC’s purpose “Malawi is Our Home, We Drive Her Growth” and the Group’s broader commitment to sustainable finance solutions that contribute to national development priorities.

<b>We aim to</b>	Support Malawi’s economic growth and human development by financing the development of large-scale infrastructure projects in sectors such as energy, water, transport and telecommunications. We also aim to support greater regional integration by promoting intra-African trade and strengthening economic tie.
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<b>Impact Metrics</b>	
<b>Positive action towards infrastructure development</b>	MK18 billion dedicated to the rehabilitation of roads across Malawi.
<ul style="list-style-type: none"> <li>Finance disbursed for infrastructure.</li> </ul>	

## Sustainable Infrastructure Financing: Saulosi Klaus Chilima Highway and Mzimba Street

The Saulos Klaus Chilima Highway and Mzimba Street were officially opened on 13 September 2025, marking a milestone in Malawi’s transport infrastructure development. The six lane highway serves as a critical enabler of trade facilitation and inclusive socio-economic growth in Lilongwe, easing congestion in the capital’s rapidly expanding urban core.

Importantly, the roads provide improved connectivity to essential facilities such as Kamuzu Central Hospital, the only referral hospital in the central region, thereby enhancing access to healthcare



# Climate Resilience

Malawi is highly vulnerable to climate change, with its economy and population heavily dependent on rain-fed agriculture and rapidly expanding informal urban settlements that lack basic services, leaving millions exposed to floods, droughts, and heat stress.

## Agriculture and Rural Livelihoods

- Over 80% of Malawians depend on agriculture for their livelihoods, making the country extremely climate sensitive.
- Rain-fed farming dominates about 95% of cropland, similar to the broader sub-Saharan trend, leaving farmers highly exposed to rainfall variability and droughts.
- Climate change has already led to erratic rainfall, prolonged dry spells, and flooding in the past years, reducing yields of staple crops like maize and threatening food security.

### We aim to

Partner with our clients to understand their climate risks and provide solutions to help them manage and mitigate climate risks and improve their resilience.

### Impact Metrics

#### Positive action for the environment and nature

- Value of Green financing disbursed.
- Climate-smart agriculture finance mobilised (including renewable energy solutions, sustainable water and energy solutions, and support for sustainable practices).

MK17.5 billion

MK83 billion



## Sustainable Finance Solutions

The Group operates a sustainable finance team offering green, social, transition bonds and loans, ESG advisory, and structuring for sustainable projects.

Malawi is aligned to the broader Standard Bank Group agenda to mobilise R450 billion in sustainable finance by 2028, up from R250 billion by 2026, including significant funding for renewable energy and climate-smart agriculture.

## Impact Story

### Financing of Mamaland Nature Based Project

A USD10 million (MK17.5 billion) Bridge Loan Facility to Mamaland, a subsidiary of Mota Engil that is developing Malawi's largest nature-based project under a Government Concession. The facility was provided to Mota Engil who will advance funds to Mamaland for initial capex requirements. This transaction reinforces Standard Bank PLC's close partnership with Mota Engil, one of Africa's largest and most innovative infrastructure construction and concession companies.

Mamaland, is developing a 555,000-hectare reforestation project which aims to address significant environmental and socio-economic challenges arising from severe deforestation in the region. Between 1990 and 2020, Malawi lost 31% of its forest cover, due to high population growth, rapid deforestation and widespread soil erosion, prompting the need for the restoration and sustainable management of forest reserves. The project focuses on Miombo woodlands forest in 14 government managed reserves aggregating to 555,000 hectares with Mamaland being granted a 40-year concession for the land.

By planting native species, assisting natural regeneration processes, and engaging with local communities to reduce their dependence on project area forest biomass, the project intends to reforest and promote ecological recovery in the project areas. The project has a potential to sequester CO<sub>2</sub> over the life of the project

### Key Highlights of the deal:

- This funding aligns with the Positive Impact pillar of the Sustainability Strategy specifically in the area of Climate Change and Adaption.
- The funding will also count towards the broader Standard Bank Group targets of R450 billion by 2028 and towards the Group's sub-target of R100 billion of Green Financing.
- This is the first transaction where we are facilitating financing of a nature-based project.

### Environmental Impact

- Reforestation of 555,000 hectares of Miombo woodlands across 14 government-managed reserves.
- Restoration of degraded ecosystems and biodiversity through native species planting and natural regeneration.
- Potential to sequester ~40 million tons of CO<sub>2</sub> over the project's life, significantly contributing to Malawi's climate change mitigation goals.

### Climate Finance and Carbon Market Development

- The project will generate foreign currency revenues from carbon credit offtake agreements with global multinationals and tech giants.
- Positions Malawi as a player in global carbon markets, creating a sustainable revenue stream for the country.

### Socio-Economic Benefits

- Engagement with local communities to reduce dependence on forest biomass, promoting alternative livelihoods.
- Job creation during planting, maintenance, and monitoring phases.
- Long-term community development through capacity building and sustainable resource management.

### Strategic Financial Innovation

- First transaction by Standard Bank PLC financing a nature-based project through carbon credits.
- Aligns with Standard Bank PLC's Positive Impact Strategy under the Climate Change and Adaptation pillar.
- Contributes to the broader Standard Bank Group's Sustainable Finance targets (R450 billion by 2028 and R100 billion Green Financing sub-target).
- Demonstrates innovative project finance structure: bridge loan leading to a larger limited recourse term debt facility.

### Governance and Partnerships

- Reinforces Standard Bank PLC's partnership with Mota Engil, a leading infrastructure and concession company in Africa.
- Supports Malawi's government concession model for sustainable land management.



## Sustainable Partnerships

### Climate and Environmental Responsibility Mtengo Wanga – “My Tree” Initiative



Standard Bank PLC’s Mtengo Wanga (my tree) initiative aims to amplify and support initiatives that restore Malawi’s natural forest cover, through partnerships that champion conservation and knowledge transfer. The Group partnered with World Vision International in Malawi on a climate resilience and forest restoration programme to support the regeneration of forests, forest-based enterprises, and knowledge transfer through student engagement. The Group has funded the project worth MK240 million, over three years with an ambitious target to restore 200 hectares of land and benefit 10,000 community members, 40% of which are school going children.

Recognizing the complexity of climate change challenges, the programme adopts a multi-level approach, engaging schools, households, and communities in a variety of initiatives that promote community stewardship and long-term impact. It aims to empower 4,000 children across four community primary schools by enhancing their awareness and participation in climate change mitigation through the establishment of environmental clubs and school woodlots. Learners gain practical skills in tree care and develop an appreciation for the role of forests in sustaining healthy livelihoods and promoting the prosperity of their communities.

At the community level, the initiative strengthens local forest governance by building the capacity of community structures responsible for forest management and tree propagation. This includes promoting the development of by-laws to improve stewardship of community-managed forests. Furthermore, the programme supports the creation of forest-based enterprises, beginning with beekeeping initiatives, to foster sustainable economic opportunities and improve income for households.

*“Our partnership with World Vision International in Malawi reflects a shared commitment to driving Malawi’s growth through climate resilience. This collaboration seeks to create lasting impact—not only for today’s communities but for generations to come—by cultivating an appreciation for forests and advancing sustainable forest management. Ultimately, these efforts will enable communities to use forests for food, timber for shelter, and resources for enterprise. This is the Malawi we envision for all.”*

— Phillip Madinga,  
Chief Executive, Standard Bank PLC

## Climate-related Financial Disclosures

The Group fully recognises the impact of climate related risks on its strategy. Key sectors that exhibit heightened vulnerability to climate risks include Agriculture, Electricity, Gas and Water, the Construction and Tourism Sectors. While these sectors remain critical drivers of Malawi's economic growth, Standard Bank PLC continues to adopt a prudent and responsible approach to support our clients on their decarbonisation journeys, managing our exposures to climate risk and supporting strategic investments that stimulate national development.

To mitigate the effects of climate related shocks, particularly in highly exposed sectors such as agriculture. The Group has participated in several transformative transactions. These include:

- **Irrigation financing initiatives**, aimed at reducing drought related risks across agricultural value chains.
- **Infrastructure financing**, including key road projects and essential chemical treatment facilities that strengthen climate resilience and enhance service delivery.
- **Solar and renewable energy financing**, supporting the diversification of Malawi's energy mix, improving energy security, and reducing reliance on climate sensitive hydroelectric power.
- **Tourism infrastructure financing**, targeted at improving the resilience and competitiveness of tourism assets affected by climate.

Overall, the Group remains committed to actively supporting these and other priority sectors. This commitment is guided by a balanced approach that recognises both the growth potential of these industries and the significant climate related risks. Standard Bank PLC will therefore continue to adopt a cautious yet enabling stance, promoting economic growth while strengthening risk management and long term portfolio resilience.

## Operational Footprint

Mitigating climate impact is not just a commitment, it is woven into the way we operate every day. We recognize that our environmental footprint, from the energy we consume to the emissions we produce, directly impacts the communities we serve and the planet we share.

Our journey begins with energy. Across our branches, offices, and ATMs, we carefully monitor electricity use, seeking opportunities to reduce reliance on non-renewable sources. Solar-powered ATMs and sensor-controlled lighting at our Head Office are practical examples of how innovation helps us cut consumption while ensuring reliable service for customers.

## Environmental Compliance

No material fines or sanctions for environmental non-compliance were recorded in 2025.



# Managing ESG Risk

We commit to aligning our strategy with the United Nations Sustainable Development Goals (UN SDGs), the Paris Climate Agreement, the UN Guiding Principles on Business and Human Rights, and sustainable banking frameworks in line with our commitments to support the 2063 agenda for Malawi.

Our approach focuses on maximising positive impact while responsibly managing any potential negative effects of our activities, products, and services. We actively identify and address risks across key areas, including:

- Environmental and social risk management in lending and investment activities
- Fair treatment of customers to ensure trust and transparency
- Information security, data privacy, and cybersecurity to protect stakeholders
- Combating financial crime through compliance and governance measures
- Employee engagement to foster a responsible and inclusive workplace

Through these efforts, we aim to build a resilient, ethical, and sustainable financial system that supports long-term growth and prosperity.

## E&S Screening for new lending (Corporates, Commercial and Small and Medium Enterprises)

We have introduced a digital E&S risk-screening tool to strengthen the way we assess new lending across our corporate, commercial, and SME portfolios. This tool enables a more consistent, data-driven evaluation of environmental and social risks at the earliest stages of the credit process. By integrating E&S considerations directly into our lending workflows, we enhance our ability to identify potential risks, flag sensitive sectors, and ensure that financing decisions align with our sustainability commitments.

Beyond improving risk management, the tool also supports more efficient decision-making and promotes responsible lending practices in the Group. It empowers relationship teams with insights, improves transparency, and ensures that clients are evaluated against a standardized set of E&S criteria. Ultimately, this digital capability helps us advance sustainable finance and support clients in transitioning toward more sustainable business models.

## Our Approach to Environmental and Social (E&S) Risk

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Standard Bank PLC manages E&S risks through its Environmental and Social Management System (ESMS), which is supported by:

- The E&S governance standard
- E&S risk policy
- Human rights statement
- Exceptions list, restricted activities list
- High-risk sector guidelines
- Climate policy

The instruments adhere to the following international and internal standards and principles:

- The UN Guiding Principles on Business and Human Rights
- The IFC Performance Standards
- The Equator Principles
- The World Bank Group Environmental, Health and Safety (EHS) Guidelines

The Group's Environmental and Social Risk (GESR) unit is responsible for updating and implementing the Environmental and Social Management System (ESMS). Standard Bank PLC utilizes this centralized expertise and its associated tools.

## E&S Screening

All corporate clients and SMEs and relevant transactions are screened for E&S risks using the Group's digital screening tool. Screening is conducted prior to on-boarding or approval of transactions and is revisited during the annual credit review process.

The Group applies the Equator Principles and IFC Performance Standards where relevant. The level of due diligence is based on the nature of the product, transaction size and term, and associated risks.

## Types of Risk

### Client Risk Assessment (CRA)

Reviews governance systems, past ESG incidents, labour practices, community impact, and media reputation.

### Transaction Risk Assessment (TRA)

Evaluates the E&S risks linked to sector, activities, financial structure, and project footprint.



Issues for which we screen:

### Governance risks

- Appropriate ESMS and E&S governance systems and policies in place, including environmental authorisations, licenses and permits where required
- Material ESG-related incidents or issues in the past year, including tax-related and cybersecurity issues
- Appropriate controls in respect of fraud and corruption, and any negative incidents, including fines or penalties
- Fines, penalties or accusations of human rights violations (including child or forced labour)
- Focus of NGO campaigns, lawsuits, strikes or protests in relation to an E&S issue in the past year.

### Social risks, including human rights risk

- Protection of workers' rights, fair treatment of workers and safe and healthy working conditions
- Protection of vulnerable categories of workers, such as migrant workers
- Workplace practices in respect of gender equity, discrimination and freedom of association (for Equator Principles transactions)
- Child labour, and forced and compulsory labour
- Risks to communities, including health and safety
- Safeguarding of personnel and property in accordance with relevant human rights principles and minimising risk to affected communities
- Risk of gender-based violence and harassment (GbVH) and the implementation of appropriate mitigation measures
- Adverse impacts on communities and people from land acquisition, restrictions on land use, resettlement and livelihood changes, displacement or forced eviction. Where avoidance is not possible, impacts on affected communities must be minimised and livelihoods and standards of living of displaced persons improved or restored
- Risks to cultural heritage and/or archaeological resources
- Adverse impacts on indigenous people. If unavoidable, engagement must take place with the impacted community and action taken to minimise, restore and/or compensate for adverse impacts in a culturally appropriate manner commensurate with the nature and scale of such impacts
- Social risks within the supply chain.

### Environmental risks

- Physical and transition climate risk and alignment to SBG's climate policy
- Appropriate emissions reduction targets and initiatives
- Climate change risk assessment (CCRA) (for Equator Principles transactions)
- Impacts on landscapes, biodiversity, ecosystems, critical habitats and endangered/IUCN Red-Listed species
- Impacts on surface water, groundwater and air quality
- Pollution from business and/or project activities
- Proper storage and management of hazardous substances
- Sustainable use of resources, including energy and water, and the minimisation of GHG emissions
- Proper storage of all forms of waste, in line with national legislative requirements
- Direct and indirect impacts on biodiversity and ecosystem services
- Integration of conservation needs and development priorities to promote the sustainable management of living natural resources.

## Escalation processes when requirements are breached

If clients are not compliant with the E&S requirements, we work with them to close the gaps and achieve the necessary standards over time, with ongoing monitoring and reporting. If there is no progress toward meeting requirements within agreed timeframes, remedies may include additional monitoring and revised action plans, specialist or independent intervention or re-evaluation of the loan. We are committed to taking appropriate steps where we discover, or are made aware, that we have contributed to or caused actual or perceived human rights abuses or environmental damage. This may include constructive engagement to promote better practice, or termination of the business relationship.

### Exceptions List

Certain activities are incompatible with our purpose and values. The bank therefore applies absolute exclusions irrespective of potential financial returns.

We will not finance directly or indirectly any project or corporate whose core activity involves:

1. Harmful child labour or any form of forced labour.
2. Production or trade in illegal products, banned agro chemicals, ozone depleting substances, Polychlorinated Biphenyls (PCBs) containing equipment, or unbonded asbestos.
3. Radioactive materials (medical and quality control isotopes excepted).
4. Cross border movement of hazardous waste that is non compliant with the Basel Convention.
5. Arms, munitions and military hardware (excluding sporting / hunting rifles).
6. Racist, hate based or neo-Nazi media.
7. Illegal logging or trading illegally harvested timber; unsustainable fishing or commercial whaling.
8. Arctic oil and gas exploration, mountaintop removal mining.
9. Diamonds not certified under the Kimberley Process.

## E&S Screening in 2025

RISK TYPE	TOTAL	LOW	MEDIUM	HIGH
<b>Client Risk Assessment</b>	94	92	1	1
<b>Transaction Risk Assessment</b>	52	50	1	1
<b>Annual reviews</b>	94	92	1	1
<b>Total</b>	147	142	2	3

As part of our sustainability due diligence, we assessed 147 credit facilities in 2025 (compared to 154 in 2024) using the Environmental and Social (E&S) assessment tool. Of these, one facility was flagged as high under the client risk assessment. The assessments reflect our continued commitment to managing ESG risk and ensuring that financing decisions are socially responsible. Remedial measures to address identified gaps are currently underway in collaboration with the respective client.

# ETHICS AND CONDUCT



**Commitment to Ethical Standards | Supply Chain and Outsourcing | Protecting Client Information | Conflicts of Interest  
Market Abuse | Personal Account Trading**

# Commitment to Ethical Standards

We strive to uphold the highest standards of integrity, transparency, and accountability in all operations. Ethical conduct is embedded in our culture, ensuring that decisions are guided by fairness, honesty, and respect for stakeholders. The Group has no tolerance for illegal, unethical or dishonest behaviour which is conducted knowingly. We strive to meet clients' expectations for fair outcomes and market integrity by doing the right business the right way, thereby upholding the trust of all our stakeholders. Our **Code of Ethics and Conduct** guides our decision-making, behaviours and interactions with our diverse stakeholders. It informs how we conduct ourselves in terms of how we treat one another, our clients and other stakeholders and how we manage our impact on society and the environment.

In managing conduct risks, the Group follows a culture-led approach based on the following key three principles:

- Alignment to the Group's values, ethics and conduct
- Alignment to Group's strategy
- Integration with policies, procedures, business processes and the existing Risk Management framework.

The culture-led approach is supported by, inter alia the Conduct Risk Management Framework. The framework considers global best practice, industry standards, emerging regulatory trends and integrates culture (which relates to the way we do business) and Conduct risk.

The code of ethics and conduct is applicable to all our employees (full-time and part-time), consultants and suppliers. It applies to our board members, including non-executives, and to employees of our subsidiary. The code informs our policies, standards and risk management controls. Adherence to the values, principles and behaviours described in the code is an integral part of the Group's performance management process. Our incentives and reward structures align with the values, principles and expected behaviours specified in the code, and promote employee behaviour that creates fair client outcomes and maintains market integrity. Our code helps us ensure that we conduct ourselves lawfully and within the legal frameworks of Malawi. It aims to empower us make principle-based decisions, and to encourage honest and robust discussion to determine the appropriate course of action in any situation.

## Conduct Risk Management

Our code of ethics and conduct is underpinned by a robust framework for conduct risk management. Conduct risk refers to the potential for harm to the Group's clients, the market, or the Group itself due to inappropriate conduct and behaviour in business operations. This encompasses governance structures, business models, product development, sales practices, fair treatment of clients, and remuneration and incentive frameworks. We are dedicated to fulfilling clients' expectations for equitable outcomes and market integrity by conducting business ethically, thereby maintaining the trust of all stakeholders. It is imperative that every employee exemplifies the highest standards of integrity and assumes responsibility for their actions in accordance with our values and code of ethics and conduct.

Focus areas in 2025 included achieving fair outcomes for customers, combating financial crime, ensuring objective and equitable treatment for all customers, responsible lending and financial inclusion. In relation to the latter, we continue working to ensure that customer vulnerabilities are appropriately identified and considered in the design and delivery of products and services, in line with our commitment to inclusivity and client-centricity. We also continue to monitor customer complaints and whistleblowing reports, to identify emerging trends and areas for improvement.

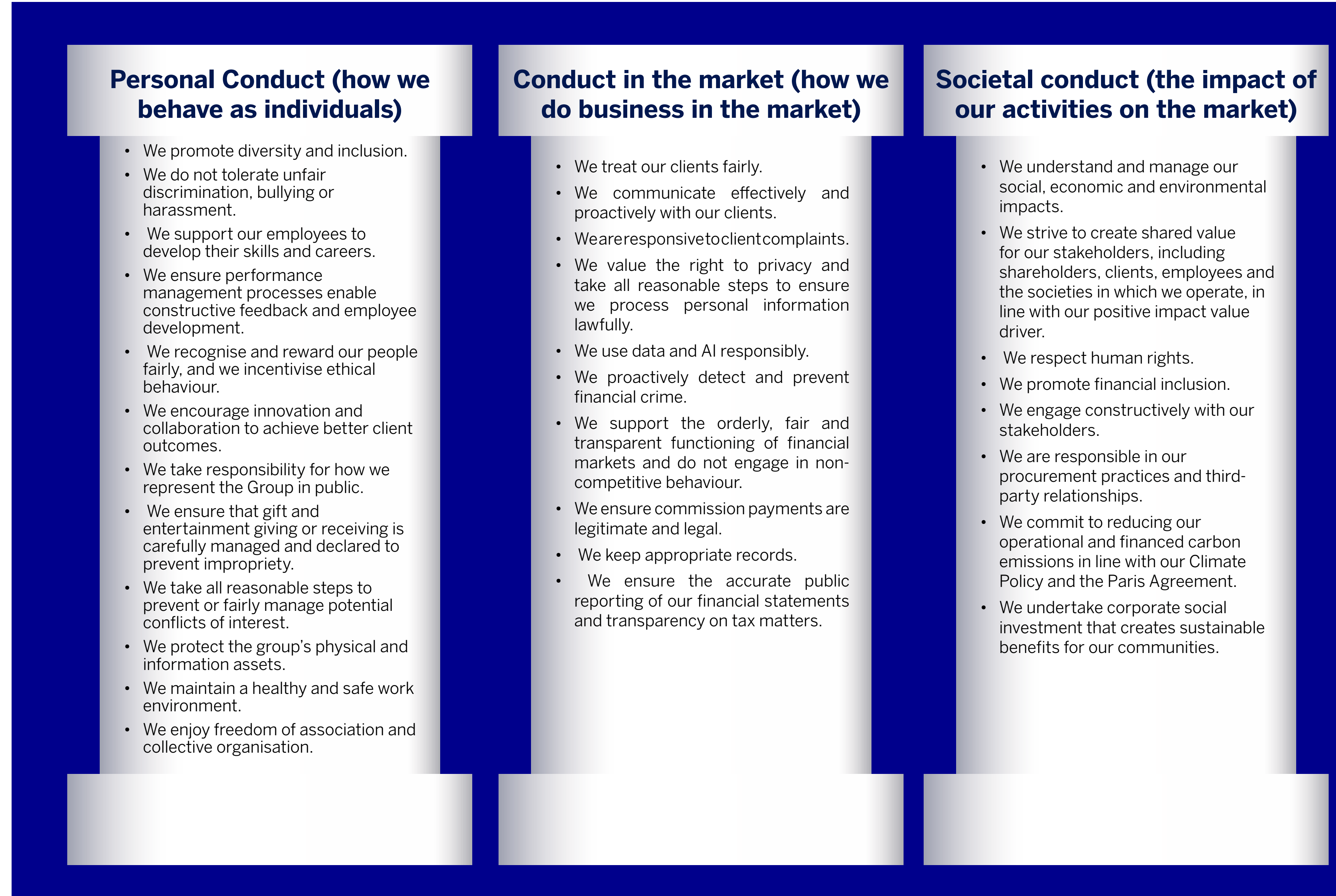
Conduct risk management is integrated into relevant policies and processes and managed as part of the Group's non-financial risk management framework. Our conduct risk policy sets out the requirements for timely identification, reporting, escalation and remediation when conduct risk is identified. All Business Units (BU) and corporate functions regularly assess the impact of changes on conduct risk exposure arising from new product development, third-party relationships, regulatory trends, business models and material system and process changes.

Conduct risk is governed by risk committees within BU and corporate functions, together with the Risk Management Committee and Board Committees. Conduct oversight committees are responsible for:

- Promoting sound culture and conduct standards.
- Identifying emerging trends in conduct and behaviour.
- Aligning conduct risk management with regulatory requirements and business objectives.
- Monitoring and interrogating conduct risk management information and indicators.
- Identifying conduct risk specific to their business and taking appropriate risk mitigating actions.
- Reporting conduct risk management information and material control issues to enable the board and executive management to exercise oversight and management.

We have a culture-led approach to managing conduct. We expect employees to uphold the highest level of integrity and take accountability for their actions in line with our values and code of ethics and conduct. The group has no tolerance for illegal, unethical or dishonest behaviour which was knowingly conducted.

## Our Code of Ethics is based on 3 Pillars



We are resolute in our commitment to treating all clients with objectivity and fairness, ensuring that policies are applied equitably to all individuals, irrespective of their differences. We maintain a zero-tolerance policy towards any form of unfair discrimination. The Group strictly prohibits illegal, unethical, or dishonest behaviour that is knowingly perpetrated. Our approach to managing conduct is culture-driven, with conduct risk management seamlessly integrated into all pertinent group policies and processes, forming a critical component of the Group's non-financial risk management framework. Our conduct risk policy delineates the requirements for the timely identification, reporting, escalation, and remediation of identified conduct risks.

### Monitoring compliance

We monitor the effectiveness of our business conduct and ethics management processes by observing early warning indicators of conduct risks, analysing trends in conduct incidents, reviewing risk control self-assessment data and assessing progress on action plans.

- Each BU and corporate function assesses the effectiveness of conduct risk controls against the governance, non-financial risk and financial crime risk control assessment matrix.
- Each BU and corporate function is required to submit quarterly conduct dashboards to executive management. The dashboards include information about risks, complaints and grievances received via various channels, investigations, breaches and remedial actions taken.
- Executives are responsible for monitoring and interrogating conduct dashboards and implementing mitigating and remedial actions when material concerns or issues arise.
- The social, ethics and sustainability management and board committees provide oversight of the dashboards.
- Internal audit undertakes audits on various risk subjects, including employee conduct, fraud, money laundering, bribery and corruption. It also assesses risk culture as part of the audit process, including elements of the SBG code of ethics and conduct. Outcomes are reported to the relevant board committees.

METRIC OUTCOMES OF MISCONDUCT INVESTIGATIONS, 2025	
• Disciplinary cases as % of employees	5.46%
• Referrals resulting in written warnings	14
• Referrals resulting in targeted coaching	0
• Number of dismissals due to misconduct	4
• Dismissals as % of total employees	0.49%

### Supply Chain Governance

Vendor selection and performance monitoring are managed by the Group’s procurement team under strict contractual obligations.

All outsourcing arrangements adhere to ethical practices, data security requirements, and service-level agreements to safeguard customer trust and operational integrity. This approach enables the Group to leverage specialized expertise, maintain agility in technology adoption, and foster local supplier development, aligning with its sustainability and inclusion objectives.

SUPPLIERS	2025	2024	2023
Local	85%	94%	97%
Foreign	15%	6%	3%

2025 LPO BREAKDOWN		
CURRENCY	NO. OF PO'S	%
EUR	1	0,03%
GBP	5	0,16%
MK	2929	94,12%
USD	111	3,57%
ZAR	66	2,12%

In line with our purpose to support the growth of Malawi we consistently prioritize sourcing from domestic suppliers. Between 2023 and 2025, local suppliers accounted for the majority of procurement, though their share declined slightly from 97% in 2023 to 85% in 2025, reflecting a gradual increase in foreign supplier participation. This shift highlights both the resilience of local supply chains and the growing integration of international partners to meet specialized needs.

The 2025 Local Purchase Order (LPO) breakdown further demonstrates our strong reliance on local suppliers. Of the total purchase orders issued, 94% were denominated in Malawian Kwacha underscoring our commitment to supporting domestic markets. Our procurement practices demonstrate a deliberate balance between supporting Malawi's domestic economy and leveraging on international expertise, aligning with our sustainability strategy to drive inclusive growth and long-term resilience.

## Supply Chain and Outsourcing

We operate a structured procurement and outsourcing framework designed to ensure transparency, compliance, and operational resilience. The Group's supply chain strategy emphasises local economic participation, supporting SMEs by breaking large contracts into smaller packages and encouraging subcontracting to promote inclusive growth.

Key Outsourced Services:

- **Information Technology (IT):** Outsourcing of infrastructure management, core banking system support, cybersecurity, and digital platform enhancements to specialised technology vendors.
- **Consulting Services:** Engagement of external consultants for strategic projects, including sustainability advisory, digital transformation, and marketing campaigns such as the "Yours247" initiative.
- **Professional Services:** Outsourced legal, audit, and risk management services to maintain independence and compliance with regulatory standards.



# Protecting Client Information

Our business operations are fundamentally reliant on the integrity of the Group's data and information assets, as well as the safeguarding of client privacy. Information is a critical asset for the Group and must be protected in accordance with its value, sensitivity, purpose, and regulatory obligations. We maintain a strict policy against sharing confidential or sensitive information with unauthorised individuals or competitors, upholding a zero-tolerance stance towards unlawful information processing activities. We foster a culture of accountability, ensuring that all employees are committed to their responsibilities regarding information risk. Additionally, we require that third parties recognise and adhere to established minimum compliance standards.

## Risk types

- **Information Risk:** The risk of accidental or intentional unauthorised use, access, modification, disclosure, dissemination, or destruction of information resources, which would compromise the confidentiality, integrity, and availability of information. Such risks would potentially harm the organisation.
- **Data Privacy Risk:** The risk of accidental or intentional compromise and/or unlawful processing of personally identifiable information throughout its lifecycle, which may result in harm to the organisation and/or the data subject.
- **Cyber Risk:** The threat of digital attacks targeting the Group's systems for financial gain, either directly through assaults on payment systems or indirectly through data theft or extortion.

## Data Privacy and Protection

Our ability to operate responsibly as a financial institution depends on the integrity of the Group's data and information assets and on the protection of client privacy. We continue to invest in people, processes, technology and organisational controls to safeguard these assets. This includes the effective management of information risk, cyber risk, data privacy, technology risk and thirdparty risk.

We are committed to:

- Protecting the personal information of all our data subjects, including clients, employees and third parties.
- Treating data privacy rights as fundamental human rights and applying robust processes to safeguard these rights.
- Promoting a culture of accountability in which every employee understands and fulfils their information risk responsibilities.
- Ensuring that confidential or sensitive information is not disclosed to unauthorised persons.
- Maintaining zero tolerance for unlawful information processing activities.
- Ensuring acceptable risk exposure from third parties through ongoing assessment of their compliance with Group minimum requirements.

## Data Privacy Risk

Data privacy risk refers to the risk of accidental or intentional compromise, or the unlawful processing, of personally identifiable information at any point in its lifecycle. Such compromise may harm both the business and the data subject.

## Information Risk Principle

Data privacy risk must be managed proactively and holistically—embedded as privacy by design—in accordance with applicable legislation. Information must be classified based on sensitivity and protected throughout its entire lifecycle, regardless of where it resides or the form it takes. All information footprints must be documented.

## Data Privacy Principles

We are committed to protecting the personal information of clients, third parties and employees. Our approach to data privacy is guided by all relevant privacy legislation, regulations, industry standards and codes applicable across the countries in which the Group operates. We apply structured, robust processes to ensure the right to privacy is upheld in all our operations.

## Training and Awareness

We conduct regular awareness and training activities through various platforms, including email communications, video clips, masterclasses and targeted workshops. Courses on data privacy and data protection are available on the employee training platform, with specific modules mandated for certain roles. Information security and cyber related learning paths are also available to all employees.

## Third-Party Risk Management

We proactively manage third-party risk to ensure the protection of information shared with or processed by external partners.

- The Third-Party Risk Management team ensures information protection requirements are embedded across the lifecycle of thirdparty engagements.

- Data privacy, data protection and cybersecurity clauses are included in all contracts, alongside right to audit provisions enabling periodic assessments.
- Third parties providing digital solutions must meet security requirements aligned to the Group's Cyber Resilience Standard.

### **How Standard Bank PLC Complies With the Malawi Data Protection Act, 2024**

Standard Bank PLC has embedded the requirements of the Malawi Data Protection Act, 2024 into its information risk and data privacy management frameworks. Compliance is achieved through a combination of policies, processes, technology controls, training, and accountability structures implemented across the organisation. The information below outlines how each data protection principle and data subject right is operationalised within the Group.

#### **Lawfulness, Fairness and Transparency**

We ensure all processing activities have a valid legal basis and are documented within privacy notices, product disclosures and internal registers. We maintain transparent communication with clients and employees about how their information is collected, used and stored.

#### **Purpose Limitation**

All personal data collected is tied to defined business purposes, and we prohibit unauthorised secondary use. New processing purposes are screened through impact assessments and internal approval processes to ensure compatibility and compliance.

#### **Data Minimization**

Our data collection forms, onboarding requirements, and system integrations are designed to capture only the information required for the specific service or regulatory obligation. Regular housekeeping routines ensure redundant or excessive data is not retained.

#### **Data Accuracy**

We maintain rigorous KnowYourCustomer (KYC) refresh processes, client information quality reviews and system controls to ensure information remains current. Data subjects can update their information through branches, digital channels and contact centre platforms.

#### **Storage Limitation**

Retention schedules aligned with Group standards and local regulatory requirements govern how long data can be stored. Automated data purging and secure archiving processes ensure information is kept only for as long as necessary.

#### **Data Integrity and Confidentiality**

We apply strong information security controls, including encryption, access control, network monitoring, multifactor authentication, and secure configuration standards. Our cyber resilience programme ensures continuous testing, monitoring and incident response readiness.

#### **Valid Consent Management**

Where consent is the legal basis for processing, we implement clear, auditable consent capture mechanisms. Withdrawal of consent is managed through established customer support and channel processes.

#### **Transparency to Data Subjects**

At onboarding and during product use, we provide privacy notices outlining processing purposes, rights, storage periods, and channels for complaints. These notices are updated periodically and aligned to Group and regulatory requirements.

#### **Handling of Sensitive Personal Data**

Processing of sensitive data (e.g., biometric, health, political affiliation) is restricted and subject to enhanced security controls, need-to-know access, and case specific legal or regulatory justification.

#### **Protection of Children and Incapacitated Persons**

Where products or services involve minors or persons lacking legal capacity, we require verifiable consent from parents or legal guardians and implement age verification controls.

#### **Safeguards for Criminal Offence Data**

Processing of criminal record or law enforcement related data only occurs when required by law, with strict controls to limit access to authorised person.

## How We Support Data Subject Rights

- **Right of Access:** We provide clients and employees with the ability to request access to their personal information through clearly defined channels.
- **Right to Data Portability:** Where technically feasible, we provide personal data in structured and machine-readable formats or transmit it directly to another institution upon request.
- **Right to Rectification:** We enable individuals to correct or update inaccurate or incomplete information, with updates applied across systems following validation.
- **Right to Erasure:** We evaluate and process requests for deletion of personal data where legally permissible, guided by retention laws, regulatory obligations and risk controls.
- **Right to Restriction of Processing:** Temporary suspension of processing is facilitated through configurable system controls and manual governance processes during disputes or pending accuracy verification.
- **Right to Object:** We honour objections to processing based on legitimate interest or public interest grounds, including objections to direct marketing.
- **Right Not to Be Subject to Automated Decision Making:** Where decisions involve automated processing, we ensure human oversight, meaningful review mechanisms, and transparent explanations to affected individuals.

## Embedded Controls and Governance Supporting Compliance

- **Data Protection Officer:** Provides oversight, regulatory engagement, compliance monitoring and advisory support.
- **Data Privacy Impact Assessments (DPIAs):** Conducted for new products, technologies and high-risk processing.
- **Information Risk and Cybersecurity Policies:** Govern access, security, incident response, and data handling practices.
- **Training and Awareness:** Mandatory annual training and targeted campaigns for employees and contractors.
- **Third-Party Risk Management:** Ensures vendors handling Bank data comply with security and privacy standards, including contractual provisions and periodic assessments.
- **Incident Reporting and Breach Management:** Aligned to Group standards and regulatory timelines, including mandatory breach notification to MACRA when required.

## Regulatory and Industry Engagement on Data Protection

As part of our commitment to promoting responsible data privacy practices across the financial sector, Standard Bank PLC actively engages with the Data Protection Authority housed under the Malawi Communications Regulatory Authority (MACRA). These engagements strengthen our understanding of the evolving regulatory environment and contribute to national efforts aimed at enhancing data protection awareness, capacity and compliance.

## 2025 Initiatives:

Participation in the Data Protection Awareness Workshop for the Financial Sector

We were invited by MACRA to contribute to a panel discussion at the Data Protection Awareness Workshop for the Financial Sector, where we shared insights on privacy by design, responsible data processing, and sector specific compliance challenges. Our participation helped shape industry dialogue on emerging risks, regulatory compliance expectations and practical approaches for enhancing data subject rights and information security controls.

## Impact of Our Engagements

These engagements:

- Reinforce our positioning as a key industry partner in advancing Malawi's data protection agenda.
- Support our ongoing alignment with regulatory expectations and emerging supervisory practices.
- Enhance sector wide awareness of the importance of data privacy, cybersecurity and ethical data governance.
- Enable proactive identification of regulatory changes, ensuring readiness and alignment with the evolving compliance landscape.
- Demonstrate Standard Bank PLC's leadership in advocating for responsible and sustainable digital financial practices.

### Cybersecurity

Standard Bank PLC’s vision is to be the leading Financial Institution in Malawi and has made its commitment based on the purpose that Malawi is our home and drive her growth, and to offer all its clients a differentiating banking experience while creating value for the society. This commitment implies that the Group’s growth is achieved in a sustained and responsible manner.

To fulfil its mission towards employees and the communities it serves, Standard Bank Group adheres to a Human Rights declaration, which is embraced by Standard Bank PLC This declaration reflects the Group’s dedication to upholding the human rights of all individuals.

Human rights are fundamental and universal entitlements that support the inherent freedom, dignity, and equality of every person, as articulated in the United Nations Universal Declaration of Human Rights and the International Labour Organisation’s Declaration on Fundamental Principles and Rights at Work. Standard Bank PLC utilises these universal standards as a foundational framework for defining its approach to human rights.

The Group has a cybersecurity incident response team (CSIRT) including representatives from business, risk and technology as part of the response. Additionally, we have business continuity processes in place for all business areas, including their IT systems and tests conducted at least annually. Cyber incident response playbooks are in place for all common cyber incidents. The Group maintains dedicated cyber insurance cover for additional protection against common cyber threats.

Information, Privacy and Cybersecurity Training Completed during 2025 (% of bank employees)		
Mock phishing	Cyber risk training	Data privacy awareness
97%	98%	100%

### Whistleblowing Policy

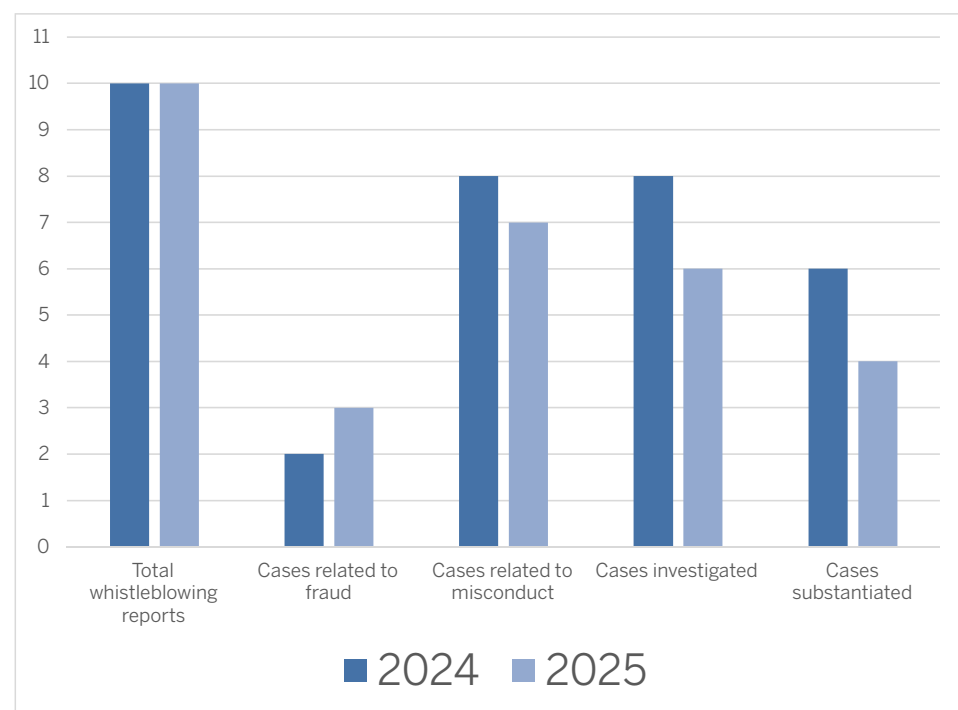
Our Whistleblowing Policy is designed to ensure full compliance with applicable statutory and regulatory obligations across the Group. The policy reinforces our commitment to maintaining an ethical culture aligned with our principles and policies, and to promote acceptable ethical behaviour and choices. It ensures that all employees understand what whistleblowing is and the process to be followed, while strengthening our culture of openness, transparency, and accountability. The whistleblowing policy provides protection to all who report fraud and unethical behaviour from victimisation and prejudice. The bank encourages whistleblowers to raise concerns in good faith, and we provide a disclosure framework that extends to external parties. The bank has 24-hour toll free- hotline from two major mobile operators TNM and Airtel as re-routing numbers to our external agent Deloitte and touché in South Africa where reports can be received. No record such as call logs are kept by the re-routing number hence a whistleblower cannot be traced. Whistleblowers can also report through the Group’s website as well as on email.

## Conflicts of Interest

We are committed to the highest standards of integrity, transparency, and accountability. Our Conflict-of-Interest Policy ensures that employees, management, and directors act in the best interests of the Group and its stakeholders at all times.

The policy requires that:

- 1) Disclosure: Employees and directors promptly declare any personal, financial, or business interests that could compromise, or be perceived to compromise, their impartiality in decision making.
- 2) Avoidance: Employees and directors avoid situations where private interests conflict with professional responsibilities, particularly in areas such as procurement, lending, investments, and client relationships.
- 3) Management: Where conflicts cannot be avoided, they must be managed through appropriate oversight, recusal from decision making, or other safeguards to protect the integrity of the process.
- 4) Accountability: Breaches of the policy are subject to disciplinary action and may result in reputational, financial, or legal consequences.



# Market Abuse

The Market Abuse Control Policy is designed to ensure that applicable statutory and regulatory obligations are complied with across the Group. The policy aims to ensure that: the roles and responsibilities of all internal stakeholders are clearly set out; and the Group and its employees support the orderly, fair and transparent functioning of the financial market, encourage its integrity and contribute to the confidence in and the enhancement of financial stability in the markets where the Group operates.

This policy sets out the Group's approach in preventing, managing, mitigating, monitoring, and reporting instances of market abuse.

The Group is committed to the prevention of any instances of market abuse, including, but not limited to insider trading, market manipulation, unlawful disclosure of material non-public information, misuse of information

and misleading/distorting trading behaviour which may impact the financial markets in which it operates and provides services to clients.

The Group ensures that it has processes and controls to ensure employees identify and limit access to Material Non-Public Information (MNPI), confidential information and inside information and to ensure that employees do not disclose confidential information, unless required in the course of business.

a) Employees: When undertaking financial market transactions, communicating with market participants, or handling confidential information, employees must consider whether their conduct, or the conduct of other parties, could amount to any actual or potential instances of market abuse. If any employee is unsure, they are required to consult Compliance.

b) Reporting: Any dealing or engagement where there is a suspicion of market abuse is reported to the Compliance function for further investigation.

c) Non-Compliance: Failure to comply with the policy may lead to disciplinary action and possible dismissal. In addition, an employee may personally incur liability for civil or criminal penalties, which include fines, payment of damages or imprisonment.



# Personal Account Trading

The Personal Account Trading Policy is designed to ensure that applicable statutory and regulatory obligations are complied with across the Group. The policy aims to ensure that conflicts of interests are managed fairly. The Group and its employees limit the sanctions which may result from the misuse of Group and/or client information which is deemed to be material non-public information (MNPI) within the scope of any relevant market abuse regulatory framework; and there are adequate, and effective controls for Personal Account Trading.

- a) **Employees:** Key policy controls include categorising employees according to exposure to MNPI. Designated employees must obtain pre-trade approval before conducting PAT. All employees must refer to the restricted list before conducting PAT. When trading for their personal account, employees must refrain from entering into any transactions that could give rise to a conflict of interest and/or result in the violation of any compliance requirement.
- b) **Disclosures:** All employees are required to accurately disclose full details of internal or external broker trading accounts; employees are required to declare any fully discretionary/fully managed and non-discretionary external broker/third-party broker trading accounts opened in their name; all employees are required to declare disclosable related party trading accounts; and new employees are required to declare trading accounts within thirty calendar days of joining the Group.
- c) **Closed Period:** All employees are subject to the Group closed periods. Employees are prohibited from trading in Standard Bank PLC relevant assets during the closed period.
- d) **Non-Compliance:** Failure to comply with the policy may lead to disciplinary action and possible dismissal. In addition, an employee may incur personal liability for civil or criminal penalties that include fines, payment of damages or imprisonment.

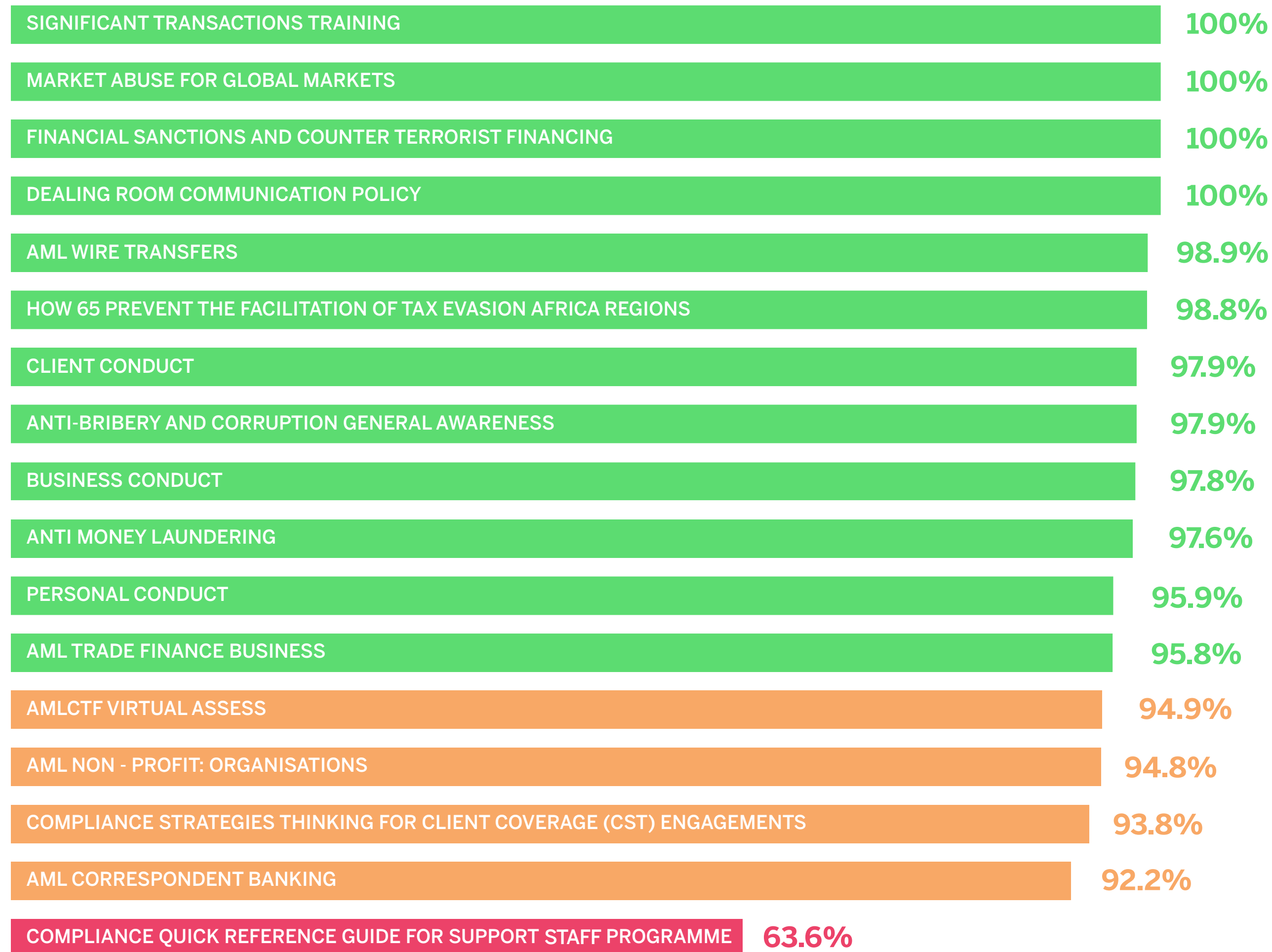
POLICY REQUIREMENT/ DECLARATIONS	COMPLIANCE RATE
Outside Business Interest	100%
Personal Account Trading	100%
Gifts and Entertainment	125
Training	96%



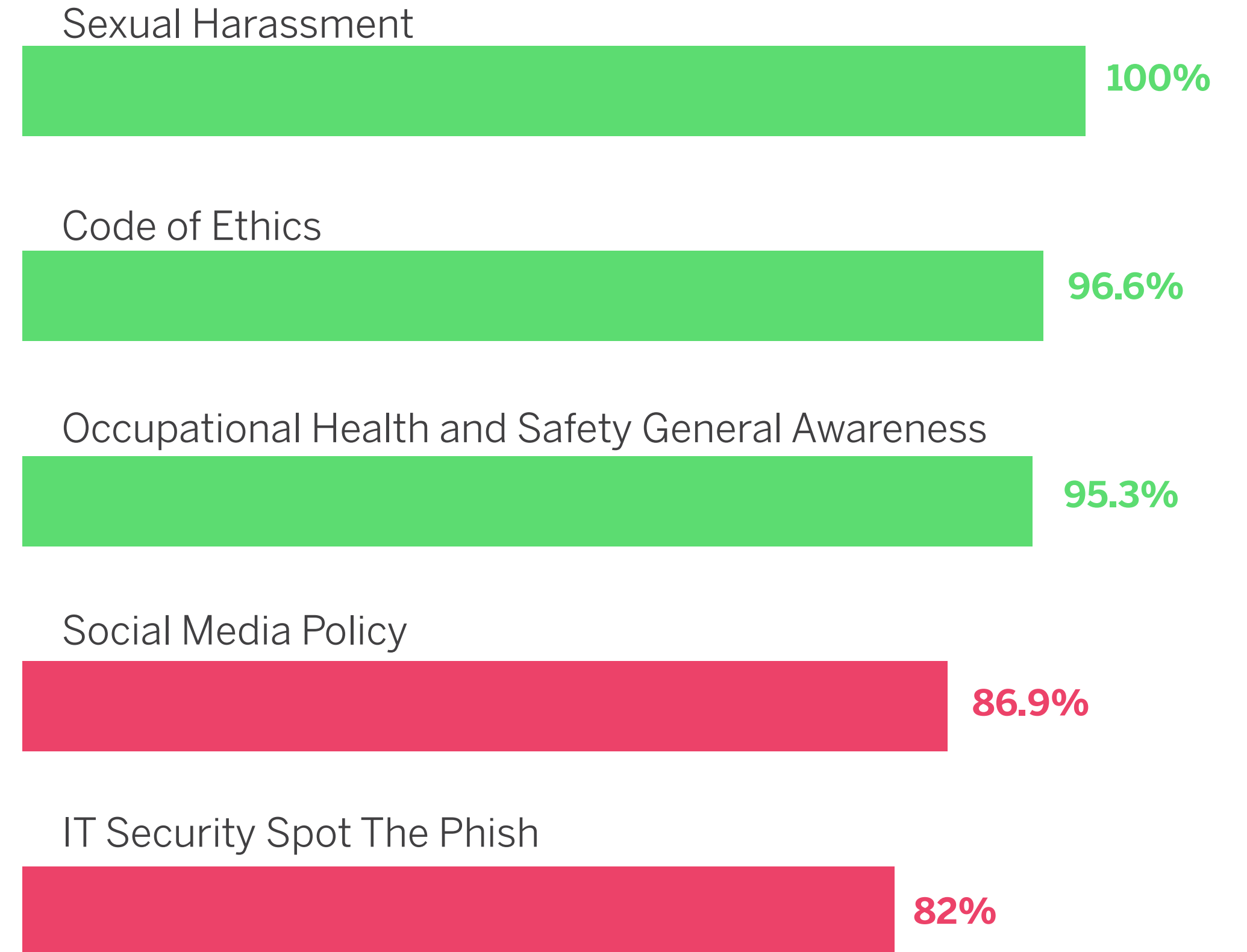
# Employee Compliance Status 2025

The Group continues to strengthen its culture of integrity and accountability through targeted compliance training. In 2025, 804 and 799 members of staff completed Compliance and Risk trainings, respectively.

## Compliance Trainings



## Risk Trainings



# COMBATING FINANCIAL CRIME AND FRAUD



**Combating Financial Crime Governance | Money Laundering Control | Anti-Bribery and Corruption (ABC) Policy | Anti-Fraud Policy  
Prevention of the Facilitation of Tax Evasion (PFTE) Policy**

# Combating Financial Crime Governance

The Compliance function proactively supports senior management and business through effective compliance risk management practices, ensuring that all business is conducted within statutory, supervisory, and regulatory requirements, thereby mitigating regulatory sanctions and reputational risk.

The Group's programmes to combat financial crime are designed and managed by the Compliance team. The functions of Compliance include training, advising, monitoring, and reporting. Compliance has oversight of the Group's measures in respect of anti-money laundering (AML), counter-terrorist financing (CTF), counter-proliferation financing (CPF), anti-bribery and corruption (ABC), prevention of the facilitation of tax evasion, and investigation of fraud perpetrated against the Group.

## Employee Responsibilities

Employees take individual responsibility for acting to combat financial crime in all its forms. They must report concerns or incidents internally using appropriate channels, including the independent and confidential whistleblowing hotline and suspicious transaction reporting to the Financial Intelligence Authority.

The Group requires all employees, board members, and contractors to undertake mandatory annual compliance training to ensure awareness of our anti-financial crime policies and processes.

- Board members receive specialised training, online or in person.
- Employees must complete annual compliance training.

Our objective is to ensure that employees can use the knowledge gained from compliance training to make informed decisions in their

daily work, remain sensitive to risks, and understand the reporting processes they must follow if they become aware of suspicious activity. Employees in roles assessed as being exposed to higher levels of risk from a money laundering and terrorist financing perspective are required to complete role specific training annually.

Training includes behavioural science and scenario based learning, culminating in assessments with randomised questions designed to check understanding and competency. We use data analysis and feedback to continually improve training and identify areas needing further attention. Targeted training is provided when necessary to address specific issues or facilitate behaviour change. Our goal is to empower employees with the knowledge to make informed decisions in their roles.

This approach has resulted in improved regulatory compliance and fewer audit findings. We use a dashboard to monitor real time compliance training completion across all business units. This monitoring is part of our risk and conduct key performance indicators, with a target of maintaining a minimum 98% completion rate for mandatory training. We review regulatory inspection outcomes to ensure enhancements to our risk management and compliance programmes are implemented.

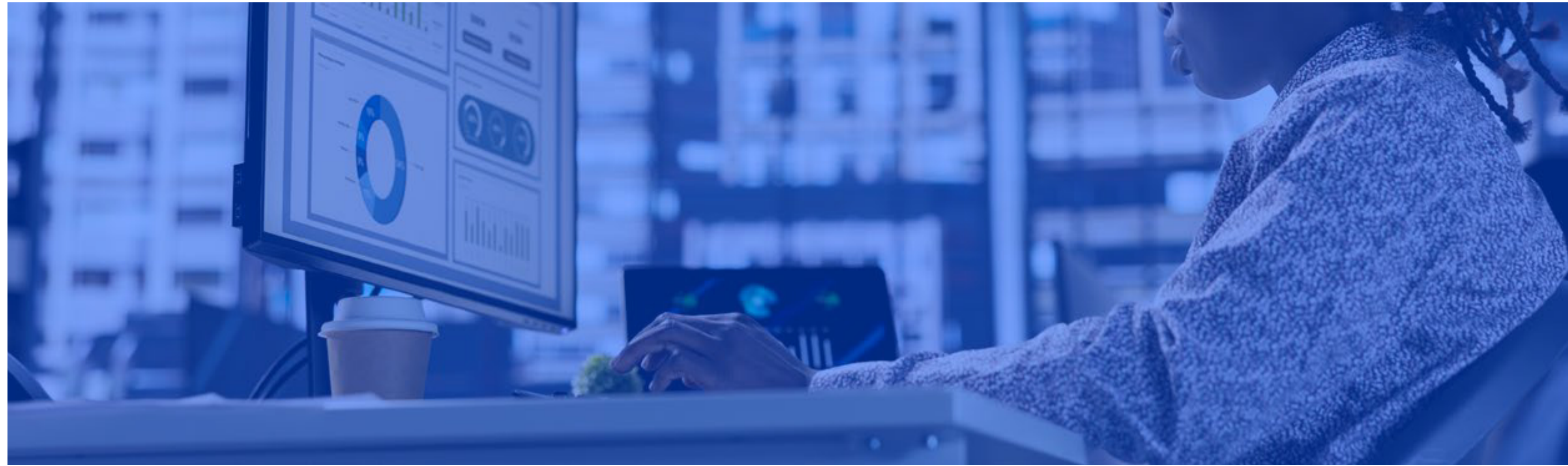
## Third Party Responsibilities

We require specific categories of third parties to undergo relevant mandatory compliance training and, where applicable, role specific training courses according to the service they provide and the potential associated compliance risks.



# Money Laundering Control

Our Money Laundering Control Policy is informed by the Financial Action Task Force (FATF) recommendations and complies with statutory and regulatory obligations in Malawi. AML/CTF legislation is continually evolving, and our operations align risk management and compliance programmes to these changes. Standard Bank PLC and its business units are responsible for drafting and maintaining a Risk Management and Compliance Programme (RMCP) in line with Group policies, standards, and local legislative requirements. The board is accountable for ensuring compliance with the RMCP.



## Framework and Processes

- Risks from money laundering, terrorist financing, proliferation financing, and contravention of financial sanctions are proactively managed and mitigated.
- Client due diligence is applied to ensure effective risk management, including identification and verification of ultimate beneficial owners and full understanding of ownership structures.
- Measures are taken to protect the Group’s reputation by preventing misuse of products and services for money laundering or terrorist financing.
- Clients are screened against sanctioned lists (e.g., OFAC, UN) and high risk clients such as politically exposed persons (PEPs) are subject to enhanced due diligence, with senior management approval required.
- Suspicious activity and reportable transactions are detected, investigated, and reported to the Financial Intelligence Authority.
- Documents are retained for a minimum of seven years in line with legislative requirements.
- External auditors review AML/CTF risk management processes at least every three years.

### Employee Responsibilities

- All board members, employees, and contractors must complete AML/CTF training and comply with requirements.
- Specialised training is provided for higher risk areas such as trade finance and non-profit organisations vulnerable to terrorist financing.
- Employees must report suspicious or unusual transactions to the Compliance Officer as required by the Financial Crimes Act, 2017.

### Third Party Responsibilities

- Third party agents and service providers must complete AML/CTF training and comply fully with the Group’s anti financial crime policies.
- Any external party performing services on behalf of the Group is required to adhere to.

### Account Closures

- Banks are required by national and international laws to take steps to prevent misuse of their services for money laundering, terrorist financing, or other unlawful activities. This requires a risk-based approach to customer due diligence prior to establishing new relationships, enhanced due diligence for high-risk customers such as politically exposed persons, and ongoing monitoring of transactions to understand the source and application of funds. Suspicious transactions must be reported to the Financial Intelligence Authority (FIA).

# Anti-Bribery and Corruption (ABC) Policy

Our Anti-Bribery and Corruption Policy underscores our zero-tolerance approach to bribery and corruption. We ensure compliance with all applicable laws, provide mandatory training, and maintain transparent reporting channels. By embedding these principles into Compliance and Risk Management framework, we safeguard stakeholder trust, uphold our reputation, and reinforce our commitment to ethical business practices.

## Principles of the Anti-bribery Policy

### Principle 1: Reasonable and Proportionate Measures to Manage Fraud.

We have implemented fit-for-purpose measures across all client segments, solutions, platforms, legal entities, and corporate functions to predict, prevent, detect, and respond appropriately to fraud. This includes adopting and actively managing the Fraud Risk Management (FRM) Framework, which provides procedures, standards, methodologies, and controls to mitigate fraud risk. In addition, we ensure that adequate resources including funding, human capital, technology, and equipment are allocated to support the effective implementation of this policy and framework.

### Principle 2: All employees and third parties must fulfill the mandatory anti-fraud awareness and training requirements.

To support this, the Group provides appropriate training materials, communication, and guidance on the Fraud Risk Management (FRM) Framework and related fraud topics to employees and suppliers. Employees are required to fulfil these requirements as part of their compliance obligations, while third parties are expected to meet fraud risk awareness and training standards communicated through notifications or contractual agreements.

### Principle 3: All employees and third parties must report all suspected or actual fraud incidents identified.

We require all employees and third parties to promptly report any attempted, suspected, or actual fraud, as well as breaches of the Anti-bribery Policy or related unethical behaviour. While individuals are not expected to prove allegations, they must demonstrate sufficient grounds for concern. All reports are treated confidentially and in line with data privacy requirements, with investigations progressed as required by law. Reports are made through designated internal channels, and third parties are encouraged to use the independent whistleblowing line 4455 available to both TNM and Airtel users.

### Principle 4: Safe Environment for Reporting Fraud.

We are committed to providing safe and secure platforms for reporting unethical behaviour, including fraud. Employees, associated persons, and third parties who raise concerns in good faith are protected from victimisation or retaliation, with any acts of reprisal treated as gross misconduct. Anonymous reporting is supported through our whistleblowing platform and policy.



# Anti-Fraud Policy

Fraud is defined as unlawful and intentional misrepresentation committed to secure an unfair or unlawful gain. We have zero tolerance for internal and external fraud. Fraud risk management is treated as a top risk and is aligned to our 'always secure' agenda. We continue to invest and prioritise anti-fraud initiatives to maintain a fit-for-purpose fraud risk management capability.

The Group has policies and processes in place to mitigate fraud risk and is committed to continuous improvement. We subscribe to three lines of defence model in the fight against fraud.

1. First line consists of operational teams responsible for day-to-day fraud prevention and detection.
2. Second line acts as an independent and objective function that provides oversight, guidance, and support to the first line.
3. Third line serves as an independent and objective assurance function that evaluates the Group's readiness to manage fraud risks effectively.

An always secure environment is a top priority for the Group. We continuously enhance our proactive detection and prevention capabilities and provide ongoing awareness-raising for clients. We offer a 24/7 fraud reporting platform, use strong authentication methods, and ensure we have the latest fraud prevention technologies and methods. We continue to invest in raising customer and employee awareness on fraud risk through various communication platforms for maximum reach. Our initiatives educate customers and employees on current scams and emerging fraud threats, warn them what to look for, and provide information on how to protect themselves.

## Employee responsibilities

- All employees and associated persons must report all attempted, suspected and actual fraud. Reporting channels include line managers, the fraud lines, the whistleblowing hotline or the incentivised FraudStop platform.
- Employees reporting fraud in good faith are protected from victimisation or suffering any form of prejudice.
- Employees must complete mandatory anti-fraud training every two years. The board is provided with annual refresher training on the principles of the anti-fraud policy.

## Third-party responsibilities

With the evolution of banking and the move away from traditional distribution channels, third parties play a vital role in the day-to-day activities of the Group. We follow a robust third-party risk management programme which includes the enhanced due diligence of third parties' fraud risk posture. Third parties are responsible for raising concerns and reporting all attempted, suspected and actual fraud via the reporting channels.





## Prevention of the Facilitation of Tax Evasion (PFTE) policy

We have a zero-tolerance approach to the facilitation of tax evasion.

Our PFTE policy ensures that reasonable procedures to prevent the facilitation of tax evasion are in place. The board is accountable for ensuring compliance with the PFTE policy and processes. We conduct periodic risk assessments, monitor the relevant controls and institute appropriate responses to the outcomes of monitoring processes. All allegations of facilitation of tax evasion are investigated and actioned. We raise awareness of our facilitation of tax evasion policy and processes with our employees, clients, suppliers and service providers through explicit clauses in relevant agreements. Employees are not permitted to provide tax advice. Employees undergo compliance training on our PFTE policies and processes.

### **Incidents:**

The Group has not been subjected to any investigation or regulatory sanction for facilitation of tax evasion during the reporting period.

# OUR PEOPLE



[Our Values](#) | [Our People](#) | [Workforce Profile](#) | [Employee Study Scheme](#)  
[Employee Representative Body](#) | [Employee Wellbeing](#) | [Occupational Health and Safety](#)  
[Psychosocial Support](#)

# Our Values

In 2025, the Group undertook a review and refresh of our values to ensure that they continue to reflect the best of who we are and what we stand for. We undertook deep and broad consultation among our people, reflected on the Group's 163-year history and examined our future aspirations.

We believe these values are a powerful statement of what we stand for. They resonate with our people and provide a non-negotiable standard for every Standard Bank employee.

## WE ARE

DEEPLY  
COMMITTED

BOLDLY  
PIONEERING

TRUSTED  
STEWARDS

GUIDED BY  
EMPATHY

UNFAILINGLY  
HONOURABLE

Standard Bank PLC employs over 850 people in Malawi and we strive to provide a work environment in which all our people feel a strong sense of belonging, are enabled to realise their full potential and can bring their whole selves to work. We assess our performance in relation to our employee engagement value driver using some of the metrics below:

	SCORE	TARGET
<b>Employee engagement:</b>		
Employee net promoter score	+59	>+48
Employee engagement index score	54%	50% to 60%
<b>Workforce diversity:</b>		
<b>Women in leadership:</b>		
Executive and senior management	39.5%	39%



Total number of staff

# 894



Employee Engagement

# eNPS: +59

Women in leadership positions

# 69



Women as a percentage of total staff

# 45%

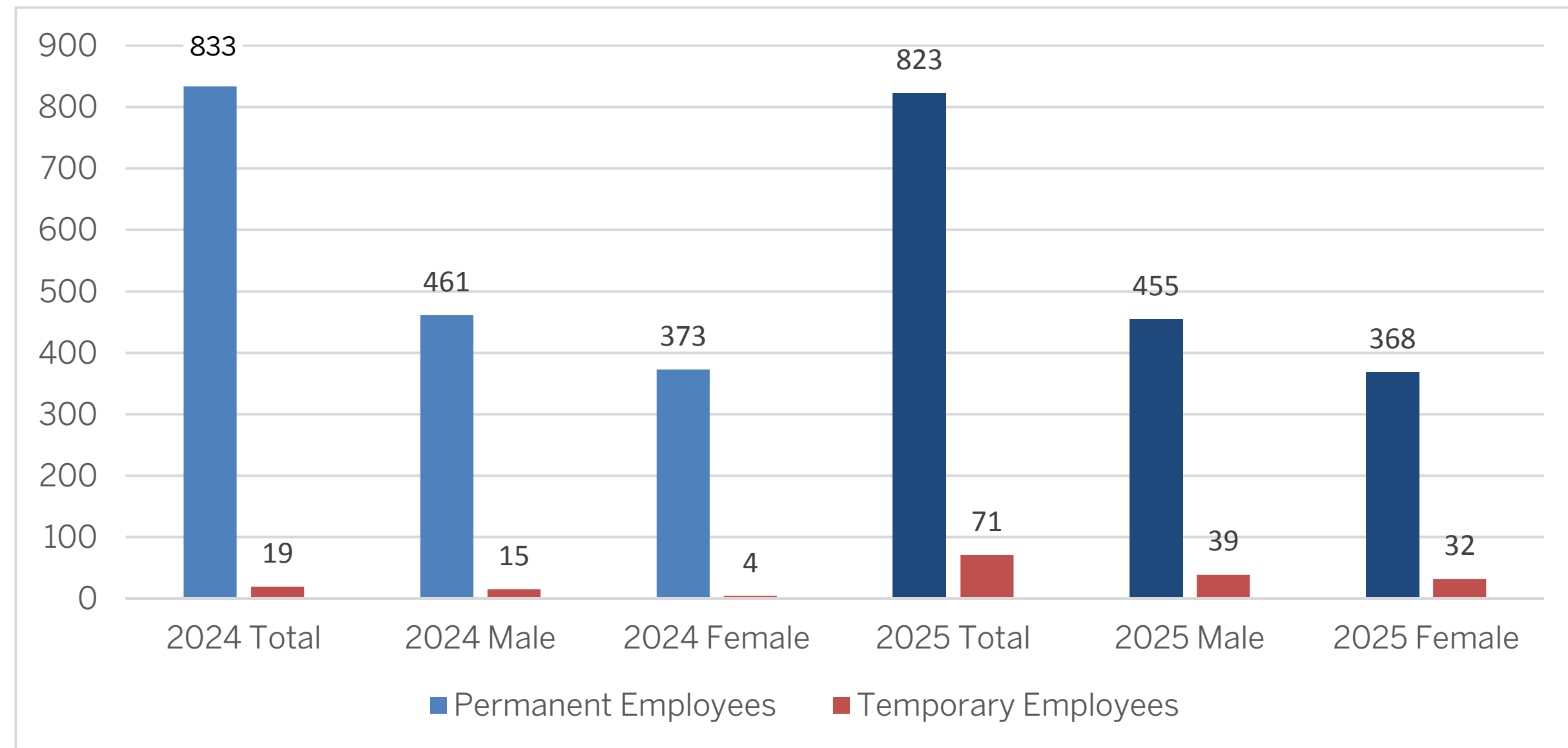
# Workforce Profile

Standard Bank PLC maintained a stable workforce throughout the 2025 reporting period, with no significant fluctuations in recruitment trends. The organisation continued to uphold its commitment to employment stability, ensuring a consistent workforce structure aligned with long-term operational needs and sustainability objectives.

Standard Bank PLC compiled employee data using a headcount methodology rather than full-time equivalents (FTE), ensuring accuracy in reporting workforce composition. The numbers reflect the workforce as of 31<sup>st</sup> December, 2025, rather than an average across the reporting period. Employees were categorised according to contractual agreements and operational roles, providing transparency in workforce disclosures.

Throughout the reporting period, Standard Bank PLC experienced no major workforce fluctuations. Recruitment levels remained steady, aligning with long-term workforce planning. The organisation did not undergo any workforce reductions, nor were there significant expansions beyond normal operational growth. The stability of employment conditions reflects Standard Bank PLC's commitment to sustaining a reliable and well-managed workforce that supports its strategic and sustainability objectives.

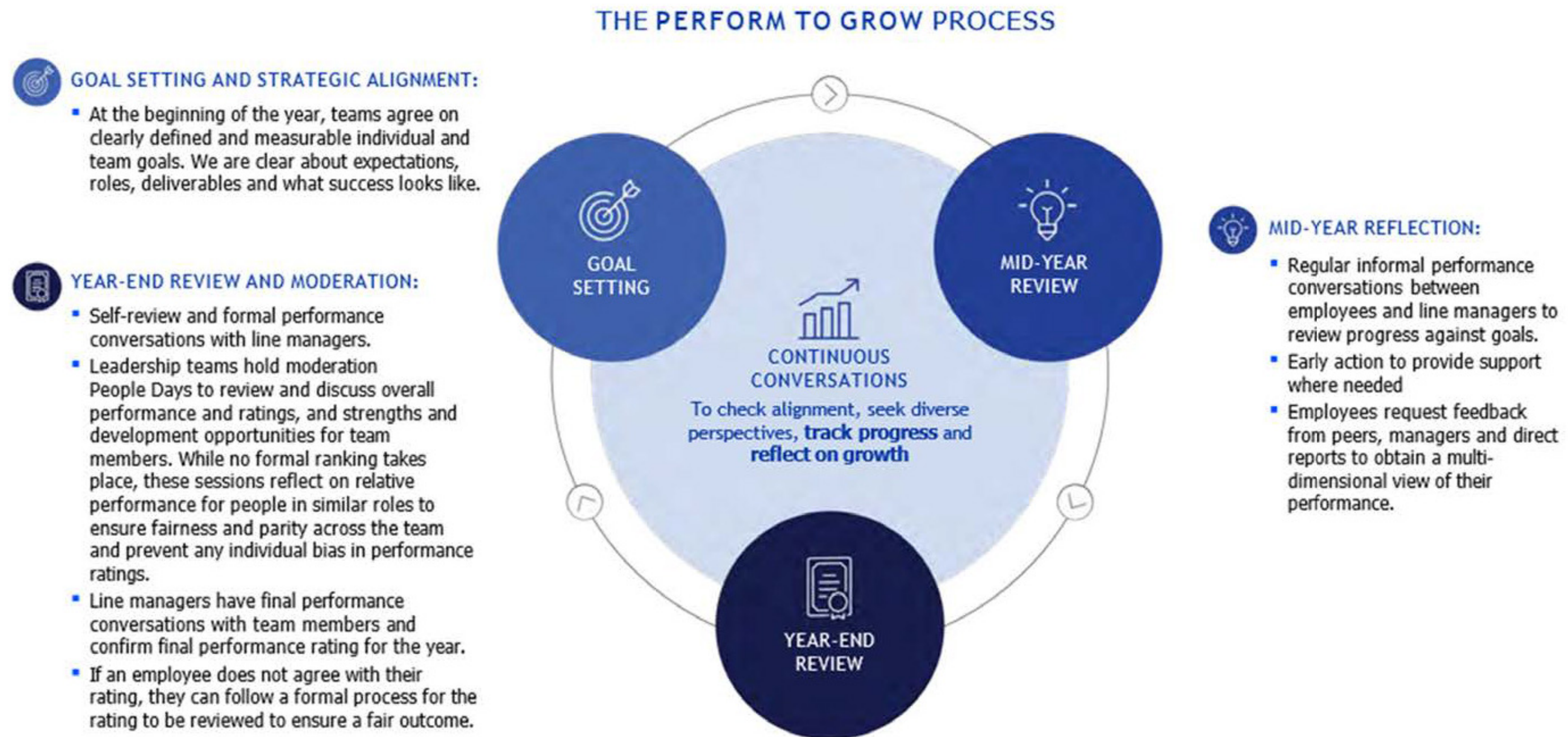
## Employee Distribution (2024 vs 2025)



## Perform to Grow

Our performance management framework ensures that our people have clarity about how they can perform at their best and be recognised for their contribution. Our philosophy, 'Perform to Grow', is underpinned by a growth mindset where our people can be challenged to continuously learn and grow in their careers.

We believe that performance includes not just what we do, but how we do it. Our values-based behaviours form part of our performance rating descriptors. Performance reviews, continuous discussions and feedback formally include an evaluation of these behaviours and how they were demonstrated. Regular and constructive performance coaching conversations help drive personal improvement, growth and business contribution. Our performance approach runs annually.



## Skills Development - Training and Capacity Building

As part of our commitment to building a strong and sustainable leadership pipeline, we have implemented a series of strategic initiatives designed to enhance leadership capability across all levels of the organization. These initiatives include:

- **Leadership Training Programs:** Comprehensive programs aimed at equipping leaders with the skills to navigate complex business environments.
- **Branch Manager Development Programs:** Focused on strengthening operational leadership and driving performance at branch level.
- **Executive Development Programs:** Delivered in partnership with world-class institutions such as Harvard Business School and Stellenbosch University, ensuring our leaders are exposed to global best practices.
- **Executive Coaching:** Personalized coaching interventions to accelerate leadership growth and effectiveness.
- **Multi-Geography Exposure:** Cross-border assignments in countries such as Kenya, Zambia, Mauritius, and Nigeria, fostering cultural agility and regional expertise.
- **Leadership 360 Development Tools:** Providing leaders with holistic feedback to support continuous improvement.

### Impact on Leadership Strength

These initiatives have significantly strengthened our leadership bench by:

- a.) Enhancing strategic thinking and decision-making capabilities among senior leaders.
- b.) Building agility and adaptability through exposure to diverse markets and cultures.
- c.) Improving collaboration and innovation across geographies.
- d.) Creating a robust succession pipeline, ensuring business continuity and resilience.
- e.) Driving employee engagement and confidence in leadership, reflected in improved leadership effectiveness scores.

## Employment and Diversity

We continue strengthening diversity and inclusion across our workforce through clear governance structures, inclusive policies, and proactive representation efforts. Our commitment is reflected in the steady increase of women representation at managerial decision-making levels, rising from 35.2% in 2023 to 37.8% in 2024, and reaching 39.5% in 2025. This progress demonstrates our focus on expanding opportunities for women in leadership and ensuring balanced perspectives in key organizational decisions. In addition, our investment in youth skills development such as internships, and interest-free study loans supports equitable access to career growth for employees at all levels. Together, these initiatives reinforce our contribution to the social pillar of ESG by fostering a fair, diverse, and inclusive workplace where all employees can thrive.

### Employee Study Scheme

As part of our commitment to fostering continuous learning and career advancement, we supported our employees in 2025 through 19 interest-free study loans totalling MK82.41 million. This investment in our people demonstrates our dedication to building a culture of ongoing professional development, strengthening future skills, and empowering employees to pursue further education without financial barriers. By enabling lifelong learning and supporting personal growth, our study scheme contributes meaningfully to our broader ESG agenda, reinforcing our focus on talent sustainability, equitable opportunities, and long-term workforce capability.

### Employee Representative Body

A total of 434 employees, representing 54% of our workforce, are active members of the Staff Union. Our Union is affiliated with the Commercial, Industrial and Allied Workers Union (CIAWU), the nationally recognized mother body of unionism in Malawi. Wage negotiations are conducted collaboratively with union leadership, following all required procedures and established industrial-relations protocols. Employees invited to disciplinary hearings are also accorded the right to engage Union representatives for support and representation.

In 2025, the Union leadership underwent training aimed at enhancing their labour relations capability, negotiation skills, and knowledge of employee rights frameworks, strengthening their ability to advocate effectively on behalf of members. This continued investment ensures a healthy social partnership, promotes constructive dialogue, and reinforces our commitment to fair and transparent employee relations.

# Employee Wellbeing

## Physical Wellbeing

We have a Sports Committee that promotes various physical activities, including football, volleyball, netball, tennis, and several other wellness focused sports. In addition, individual departments organize their own wellness initiatives to encourage regular physical activity among staff. These include hiking, walking among others.

We also run men's health programs, such as the Barbershop initiative, which includes organized walks and other wellness engagements. Each year, employees are provided with free Be More Race materials to support their participation in the annual event and promote a culture of fitness and wellbeing among employees.

## Financial Wellbeing

Each year, we deliver financial wellness labs aimed at helping employees build strong money-management skills; the most recent sessions were held in March. In 2025, we also hosted a targeted Retirement Preparation Seminar for employees expected to retire in 5-years time. The seminar equipped participants with comprehensive guidance on financial readiness for retirement, including sessions on financial planning, provisions of the Pension Act, pension payment directives, and available pension products. Additional insights were provided on the Tikolore annuity, medical cover options, and key health and wellness considerations essential for life after employment. The programme was facilitated by specialists from the Standard Bank Pension Fund, NICO Asset Managers, NICO Pension, NICO Life, MASM, and Work Safe Africa, ensuring employees received holistic support for a smooth and informed transition into retirement.



# Occupational Health and Safety

We are committed to providing a safe, healthy, and inclusive working environment for all employees. Our approach is guided by both local regulations and global standards, including ISO 45001.

Below is a summary of our occupational health and safety practices, aligned to GRI 403 disclosures:

## Occupational Health and Safety Management System

We conduct regular occupational health and safety training. In 2025, 95.2% of our staff participated in safety awareness training. All incidents are reported to the Line Manager and Security Manager. Every unit has a trained fire warden and first-aider. Hazardous areas are clearly marked, and routine fire drills are conducted quarterly.

## Hazard Identification, Risk Assessment, and Incident Investigation

Incidents are promptly reported, and proactive measures are in place to identify and address hazards. Regular fire drills, hazard markings, and trained safety personnel help ensure a responsive risk management system.

## Occupational Health Services

All employees undergo a health check. Our OHS management system aligns with ISO 45001, with risk management plans regularly reviewed and updated. This enables hazard identification and integration of action plans with defined mitigation targets. Efficiency is monitored through internal audits and support visits.

## Worker Participation, Consultation, and Communication on Occupational Health and Safety

Fire wardens and first aiders participate in consultative and feedback sessions. In 2025, one session was conducted to upskill fire wardens and another for first aiders.

## Promotion of Worker Health

The Group ran awareness sessions on cancer and heart disease and the Group's in-house gym free for staff continues to support physical wellness.

## Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships

Each unit's fire warden and first aider conduct monthly site inspections to identify and mitigate risks. Quarterly OHS committee meetings are held at all sites to review risks and discuss upcoming projects. Health and safety representatives provide feedback at these sessions to ensure continued improvements.

## Workers Covered by an Occupational Health and Safety Management System

All employees at Standard Bank PLC are covered by our occupational health and safety management system.

## Work-Related Ill Health

There were no reported cases of work-related ill health in 2025.

# Psychosocial support as part of Employee Value Proposition

As part of our Employee Value Proposition, we have strengthened our commitment to employee wellbeing by partnering with three licensed psychosocial support providers—House of Therapy, Dr. Mathero Nkhalamba, and St. John of God Hospitaller Services—to deliver comprehensive mental health and counselling services to our people and their families. These partners offer a wide range of evidence-based interventions, including individual, family, couples and group therapy, trauma and grief counselling, stress, anxiety and depression management, addiction support, psychoeducation, and broader wellness programs, accessible both in-person and virtually. By providing confidential, professional support aimed at improving resilience, reducing absenteeism, and enhancing overall emotional and social wellbeing, our psychosocial offering contributes meaningfully to a healthier, more productive workforce and reinforces our alignment to ESG priorities focused on workplace wellness and social sustainability.

# PROCUREMENT AND THIRD PARTY RELATIONSHIPS



Third Party Responsibilities | System Reliability

## Third Party Responsibilities

Standard Bank PLC takes a proactive approach to managing third-party risk. The Group's procurement process integrates information protection at every stage of the procurement value chain. Effective third-party risk management ensures that information security is prioritised and facilitates the implementation of a comprehensive third-party risk management framework.

Third parties are on-boarded through a thorough process that evaluates them across multiple risk dimensions. The Group's external party information risk management policy sets forth minimum expectations for third parties regarding the safeguarding of our information, applicable to all external entities, including independent service providers.

All third parties that process or access Group information must review and acknowledge the policy as part of the procurement on-boarding process. Additionally, data protection and privacy clauses are incorporated into contracts with third parties. For those providing digital solutions, it is imperative that security requirements align with the cyber resilience standard. Contracts also feature a 'right to audit' clause, enabling periodic evaluations of third-party compliance. Legal action may be pursued against any third party that fails to adhere to the Group's information risk and cyber risk policies.

## Reporting of Risk Breaches and Incidents

All information risk incidents are reported, escalated, and handled in accordance with relevant Group policies. The Group's Non-Financial Risk Management Policy requires that all operational risk incidents are identified and reported within stipulated time frames and recorded in the risk marketplace (RMP).

- All employees are responsible for reporting level 1 and 2 operational risk incidents as soon as possible and at least within 48 hours after the incident has been identified.
- Other incidents are reported within 30 days of discovery.
- Incidents are centrally recorded in the RMP system to enable root cause analysis, reporting, and appropriate closure.

The Data Privacy Officer is responsible for ensuring that data privacy breaches are reported to regulators in a timely manner and in accordance with regulatory requirements. The regulator and data subjects are notified in instances where there are reasonable grounds to believe that the personal information of a data subject has been accessed or acquired by an unauthorised person.

## System Reliability

The stability, security, and speed of our IT systems is fundamental to our ability to fulfil our purpose, execute our strategy, and foster trust with our clients.

### **Our priorities include:**

- Improving the reliability of the group's critical business processes and services.
- Maintaining a strong security posture by driving key initiatives focused on access management, cyber hygiene, third party devices, firewalls, and endpoint security tools.
- Implementing advanced level observability (the ability to measure a system's current state based on the data it generates).
- Streamlining processes for real time decision making and production oversight.
- Using a risk sensitive approach to change management, baseline service availability, and performance levels.
- Fully understanding the root causes of incidents, implementing effective mitigation, and ensuring no repeat causes.
- Working with strategic third party partners on system health reviews.
- Sustaining a culture of "back to basics," especially on execution in technology.

Core elements of our approach to strengthening system stability and security include recognition that we are one united team, bringing together a wealth of diverse experience and skills; a focus on transparency and open communication; a commitment to escalate any issues rapidly to ensure fast recovery; and a strong sense of accountability and pride in our work.

TAX

9

# Tax Governance and Policy

Standard Bank PLC is committed to full compliance with tax laws and full disclosure to tax authorities in terms of our statutory obligations.

Our board is ultimately responsible for the Group's tax matters and governance, including oversight of reporting on income, tax expenses, the management of tax risk, and setting the Group's tax risk profile.

This responsibility is delegated to the audit sub-committee, which is responsible for approving the Group's tax strategy that directs our approach to tax matters. To respond effectively to any changes to the business strategy of the Group, our tax strategy is updated and approved by the Group's audit sub-committee at least every second year.

Our tax strategy is aligned to our business strategy, supporting only bona fide commercial transactions with a business purpose and economic substance. The Group contributes to the development and growth of Malawi. This is reflected in the compensation and benefits we provide our employees, dividends paid to our shareholders, meeting our tax obligations at all levels of government, and investments we make in our communities. When providing any internal tax advice to the Group, we ensure that due consideration is given to the Group's business, corporate, social, and sustainability strategies.

The Chief Finance and Value Management Officer (the CFVMO) and the Taxation Manager are responsible for executing the mandate from the board. The tax governance standard sets out the roles and responsibilities of the tax function and other business and support areas in the Group to ensure that corporate governance, compliance, and tax risk management requirements are met.

The Group's tax governance standard and supplementary tax policies are localised from the overall group tax governance standard and approved at the various subsidiary boards and/or the Internal Financial Control (IFC) committees across the Group. The supplementary tax policies deal with specific aspects of tax risk such as transfer pricing, indirect taxes, withholding taxes, remuneration-related taxes, and client tax reporting. The Group's tax governance standard and all other tax policies/standards are updated at least every second year to ensure alignment with our tax strategy and regulatory changes.

Standard Operating Procedures (SOPs) ensure that our approach to tax is well embedded, and compliance obligations are effectively monitored. The SOPs are continuously updated to respond to changes in the business or applicable legislation. They are approved and attested by the CFVMO on a quarterly, biannual, and/or annual basis to ensure compliance. All tax governance documents are available through a central repository to relevant employees.

## Fundamental Principles (Tax Strategy)

- **Compliance:** Commitment to ethical outcomes and accurate, transparent, and timely compliance with the tax laws of the countries where we operate.
- **Clients:** Embrace the Standard Bank PLC strategy of client centricity, ensuring that all client tax reporting to tax authorities and to clients is accurate, complete, timely, and user friendly.
- **Shareholder Value:** Maximise sustainable shareholder value by undertaking legitimate and responsible tax optimisation in line with the spirit and purpose of, and complying with all relevant laws, rules, and regulations.
- **Tax Planning:** Engage only in transactions with commercial and economic substance that do not carry the prospect of material reputational risk.
- **Cross-Border Related Party Transactions:** We apply the Organisation for Economic Co-operation and Development (OECD) transfer pricing guidelines to ensure compliance with the arm's length principle. This requires that related parties transact under the same terms and conditions that would apply between non-related entities for comparable uncontrolled transactions.
- **Tax Advice:** We do not provide tax advice to clients or counterparties.
- **Prevention of the Facilitation of Tax Evasion:** The Group has zero tolerance for any employee or any person/entity acting on our behalf being involved in, or implicated in, bribery or corrupt practices, including the facilitation of tax evasion.
- **Tax Havens:** The Group operates in jurisdictions that may be defined as tax havens for commercial, not tax, reasons. Our commercial operations in low-tax jurisdictions (Isle of Man, Jersey, and Mauritius) have substance and are subject to controlled foreign company legislation applicable in Malawi.

## Identifying, Managing and Monitoring Tax Risks

### We manage our tax risks by:

- Evaluating compliance with our tax risk control framework through self-assessments every second year, following a risk-based approach.
- Reporting any material shortcomings and required actions to the Group's audit sub-committee.
- Including tax compliance reviews in internal audit reviews where appropriate.
- Tracking material operational tax risks at the relevant IFC committee and/or managing them under the non-financial risk taxonomy within the enterprise risk management framework to ensure timely resolution.

- Providing continuous tax and Value Added Tax (VAT) training and guidance to business units.
- Ensuring employees in the tax function have the required skills and qualifications.
- Obtaining external tax opinions from senior counsel or external advisers where tax treatment is uncertain, or applying for advanced tax rulings from tax authorities.
- Monitoring adherence to SOPs and CFVMO attestations, reporting shortcomings to the internal financial control committee and other relevant risk committees.
- Ensuring tax team review of any new product, business venture, operating model changes, processes, or significant changes thereto, and any transaction affecting the Group's legal entity structure to ensure compliance with tax regulations.
- Continuously reviewing and enhancing tax systems and processes.

## Engaging with Tax and Regulatory Authorities

We are committed to fostering transparent, constructive, and cooperative relationships based on open and honest disclosure and building mutual trust wherever possible.

- We engage in full, open, and early dialogue with the Malawi Revenue Authority on a regular basis to discuss relevant tax matters and achieve certainty, where possible, over tax positions.
- We attend tax authority and National Treasury/regulator workshops to engage on policy and technical amendments.
- We submit comments and recommend tax proposals and/or policy changes aimed at enabling conducive tax environments through the Bankers Association of Malawi (BAM) and other relevant industry forums.
- Where disputes occur, we manage them professionally.

- We support the fundamental principles underlying multilateral moves toward greater transparency.

## Annual Returns and Tax Contributions

We file our annual returns for both Bureau and Bank to the Malawi Revenue Authority (MRA). The tax contribution comprises taxes borne directly by the Group and others collected from our stakeholders on behalf of MRA.

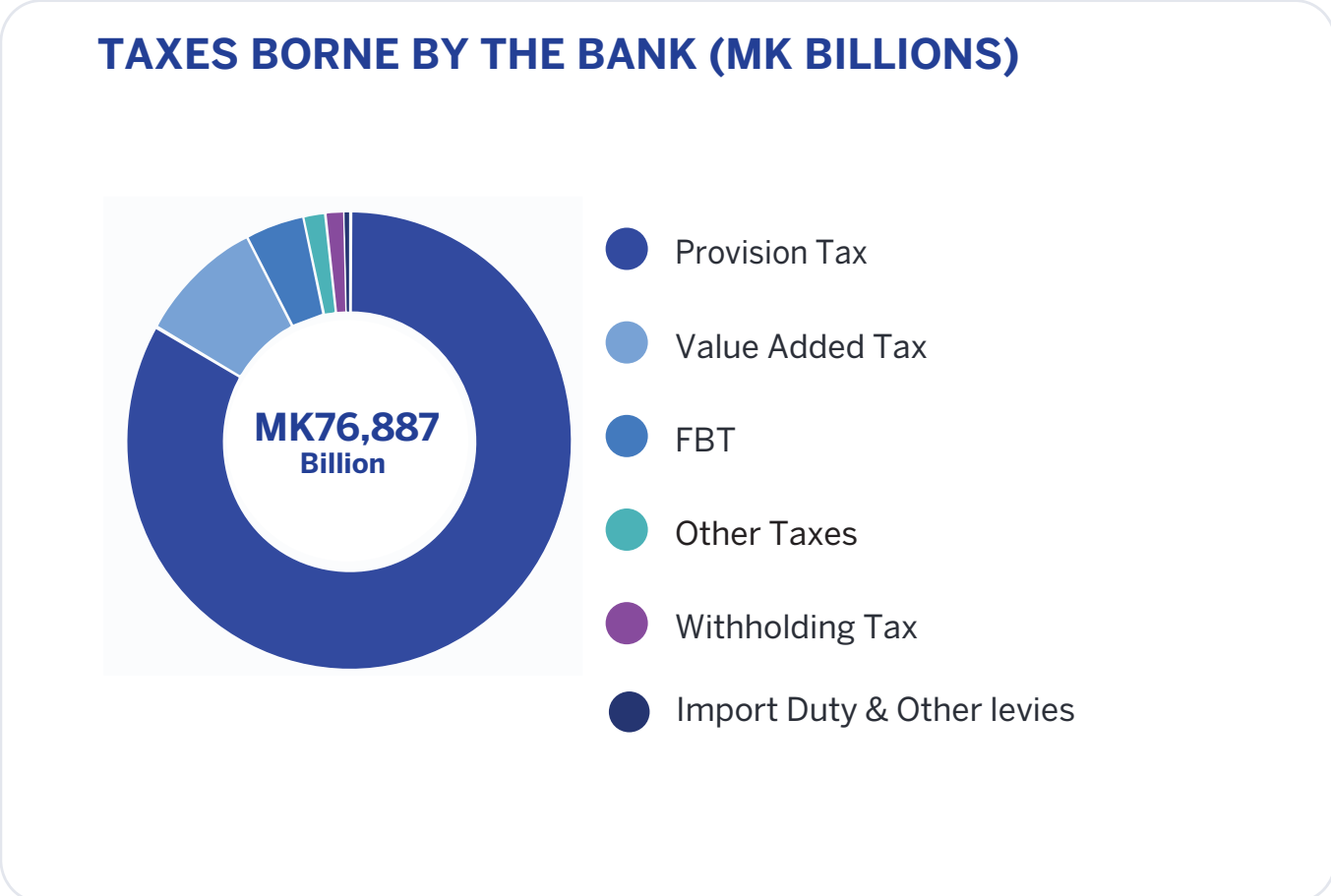
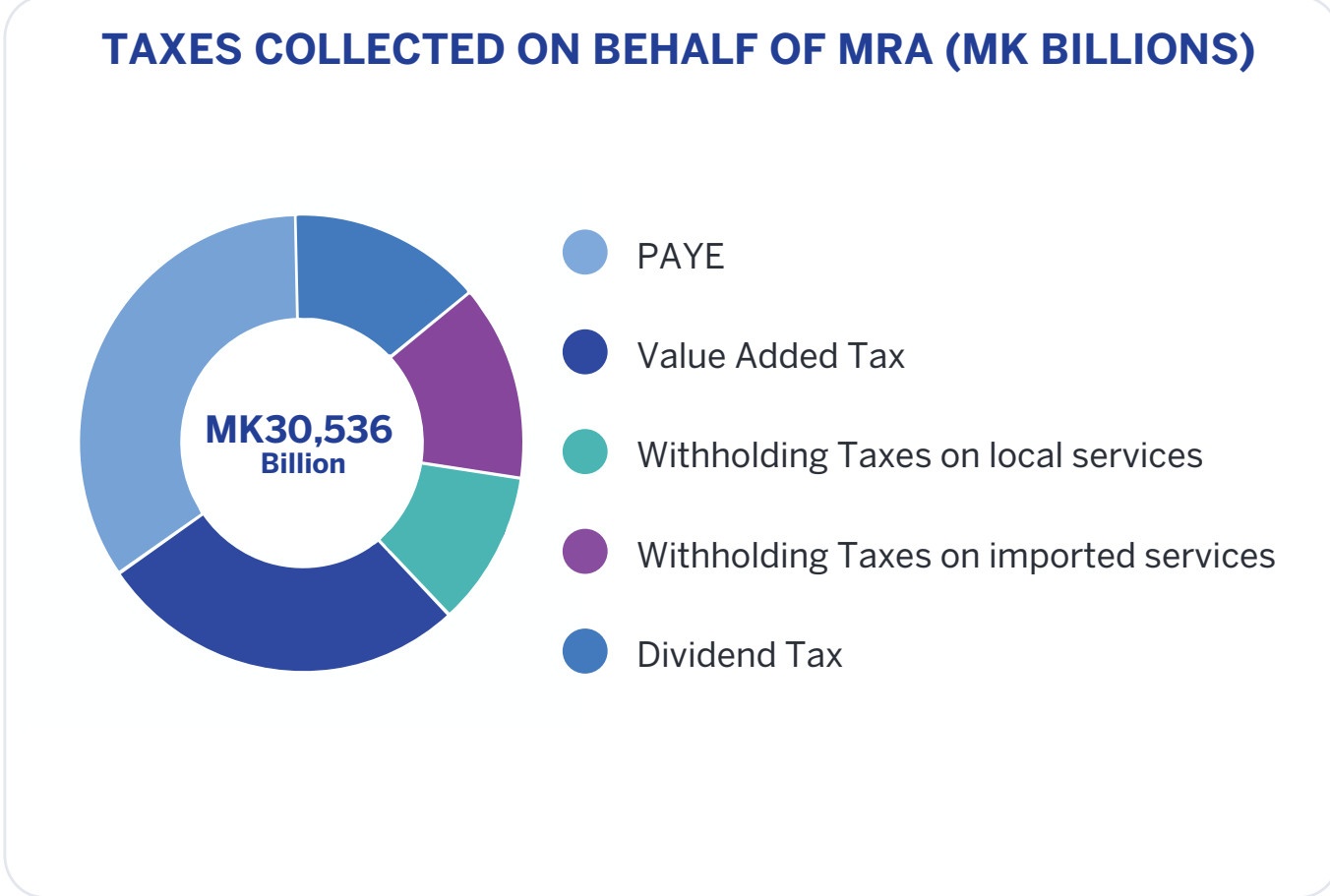
The taxes presented herein are actual cash contributions made during the year to MRA.



# Total Tax Contribution


2025 TOTAL TAX CONTRIBUTION  
 **MK107**  
 Billion

2024 TOTAL TAX CONTRIBUTION  
 **MK102**  
 Billion



	2024	2025
Withholding Taxes on imported services	2 782	4 195
Withholding Taxes on local services	2 571	4 075
Dividend Tax	2 481	3 712
Value Added Tax	5 392	7 639
PAYE	8 221	10 916
<b>Total</b>	<b>21 448</b>	<b>30 536</b>

	2024	2025
Withholding Tax	145	963
Provision Tax	70 451	64 121
Value Added Tax	5 873	7 020
Import duty & Other levies	124	96
Training levy	266	345
Other taxes	1 043	1 123
FBT	2 416	3 219
<b>Total</b>	<b>80 320</b>	<b>76 887</b>



## Awards

- **Large Taxpayer Award** - Financial services.
- **Commissioner General's special recognition** - Domestic taxes.
- **Station Level Award** - Customs and Excise (KIA).

# CORPORATE SOCIAL INVESTMENTS (CSI)

# 10

Health | Education | Climate Resilience and Environmental Conservation | Youth Empowerment

# Corporate Social Investment

## CSI spending in millions of Kwacha



Standard Bank PLC is an active corporate citizen that is dedicated to the socio-economic development and wellbeing of the Malawian people. To demonstrate this commitment to the wider community, the Group allocates up to 1% of the Bank’s prior year Profit after Tax (PAT) towards Corporate Social Investments. Corporate Social Investments are philanthropic donations that support the development and growth of specific areas in society. Standard Bank PLC focuses on making donations in four areas of society namely: Health; Education; Climate Resilience Environmental Conservation; and Youth, Women and Sustainable Development.

- **Health:** We support positive health initiatives and promote the health and wellbeing of society by financing health infrastructure, equipment, and medication.
- **Education:** We support access to inclusive and quality education and the promotion of skills development and lifelong learning opportunities that position Malawi to harness the opportunities of the fourth industrial revolution.
- **Climate Resilience and Environmental Conservation:** We invest in initiatives that enhance climate resilience of vulnerable communities and promote environmental conservation of Malawi’s forest cover, greenery, and biodiversity.
- **Youth, Women and Sustainable Development:** We promote activities that uplift the socio-economic status of youth and women by investing in sustainable initiatives/ projects.

# Our Work in Health

At Standard Bank PLC we are passionate about the health and well-being of the people of Malawi. Our keen interest in the health sector comes from the foundation that a thriving nation is built by healthy people who can contribute towards various aspects of the economy and development agendas.

The Group works to support government efforts by donating towards initiatives that make healthcare accessible, and affordable. We have a focus on primary health care, health promotion, and prevention of disease and/or awareness drives. Through partnerships we support the development of public healthcare systems, community-based healthcare programmes, health infrastructure and equipment.

## Impact Story

### Supporting Health Infrastructure

Standard Bank PLC has a keen interest in supporting the health infrastructure in Malawi in line with the country's aspirations as outlined in Malawi's long-term national development blueprint commonly referred to as Malawi Vision 2063. The vision articulates Human Capital Development and Healthcare as being key to Malawi's development aspirations to become a wealthy, self-reliant, and industrialised upper middle-income nation by 2063. The Group's contribution to health aligns not only with the country's aspirations but with Standard Bank PLC's purpose which is to "Drive Malawi's Growth".

The Group has invested in several health infrastructure projects this year with the aim of supporting the Government's efforts in improving the quality and access to healthcare across the country. The Group has a key focus on reinforcing the health systems that keep our people healthy and benefit the most vulnerable populations.

The Group completed the renovation and extension of the Maternity Ward - High Dependency Unit (HDU) project at Zomba Central Hospital. The impactful project that started in 2024 was completed and handed over in June 2025. The flagship initiative

included the purchase of state-of-the-art equipment worth **MK100.6 million** to furnish the newly constructed facility. The equipment included patient beds, oxygen regulators, cardiocograph machine, to mention a few. The operationalisation of the HDU will support healthcare at a hospital that averages about 630 deliveries every month and services referrals from 35 surrounding health centres. The most critically ill mothers now have a facility that supports their needs, their children and provides a safe working environment for the health practitioners supporting the HDU ward.

The second infrastructure investment was a **MK30 million** equipment donation to Bua Health Centre in Kasungu as part of our partnership with Nations Publications Ltd. 2025 marked 10 years of participating in this impactful fundraising drive to equip crucial health centres and district hospitals in Malawi's district. In 2025, the Group partnered with NPL to support Kasungu's health system by equipping the health centre with key maternity equipment to reduce referrals to district hospital. The Group further supported their awareness campaign by sponsoring 10 passionate staff members in a sleepover challenge. This awareness campaign drove awareness on the state of hospitals and further advanced the fundraising agenda for the Kasungu district.

Finally, the Group reached out to the local community through its branch network in Blantyre. Through Limbe Branch staff members, the Group donated **MK7 million** worth of medical equipment to Limbe Health Centre situated in the Blantyre, Limbe Central Business District (CBD). Limbe Health Centre serves as a primary health facility providing free and minimally charged healthcare for the vulnerable populations in the area.

Standard Bank PLC continues to support health care initiatives that improve access to quality health care for all. The Group continues to invest in areas beyond maternal health care that promotes the well-being of all people.



# CSI Our Work in Education

At Standard Bank, we believe strongly in the transformative power of education to uplift society and support Malawi in achieving its Vision 2063—an ambition to build an inclusively wealthy, self-reliant, and industrialised upper-middle-income nation by the year 2063. Education remains a vital gateway to national development and a key driver of sustainable economic growth. Guided by this conviction, the Group invests in a broad range of educational initiatives, including school bursary programmes, infrastructure development, mentorship, and support for informal and vocational learning.

Within the formal education system Standard Bank PLC funds two school scholarship programmes for university and secondary school students. For secondary school students, the Group has a medium-term partnership with Press Trust to run a merit scholarship programme for students across various government and private secondary schools in the country. The fund is currently supporting 42 students (50% girls; 6 special needs students) with school fees, amenities such as school bags, exercise books, school shoes etc. to support their education journey. The funds spent on the support in 2025 were **MK51.7 million**.

For university students, the Group has partnered with Malawi University of Science and Technology (MUST) for their student Endowment Fund that supports the most vulnerable students with tuition fees, accommodation, and upkeep. The university launched the fund in 2021 as a sustainable long-term financial solution for needy students. Standard Bank PLC was one of the first partners on this journey and invested MK80 million over four years starting in 2022 – 2025. The Standard Bank PLC contributed **MK20 million** to its fund made its first sponsorship disbursement in 2025 with six students supported.

The Group also supports the development of “Future Ready Skills” by engaging in partnerships that nurture young talent. In 2025, the Group partnered with UN Women, Ministry of Education and Imosys to implement the “Robotics for Good Youth Challenge” – a UN-based global robotics competition focusing on disaster response. The competition focused on teaching students how to leverage Artificial Intelligence and Robotics for disaster response. Through this partnership, 64 secondary students aged between 13 – 19 years were hosted for a 10-day bootcamp to develop innovative solutions for local and global challenges. The Group’s contribution of **MK15 million** supported the bootcamp ensuring that students’ needs were met during the learning process.

For informal education, the Group organized its annual girl mentorship programme called “Bring A Girl Child to Work” that focuses on empowering secondary school students on their education journey and encouraging their consideration for careers in banking. The mentorship sessions were hosted at Standard Bank PLC branches in Karonga, Ntcheu, Dedza, Lilongwe, Blantyre and Mangochi. We hosted 100 students that came from various government and private schools within the districts and were accompanied by teachers. Standard Bank PLC partnered with Plan International to host Child Protection training with branch staff in preparation for hosting girls at the branch.

## Spotlight Initiative Making Sure Every Young Mind is Fed!

Standard Bank PLC believes in the potential of education to transform Malawi and facilitate its growth. In a continued effort to uplift Malawi’s education sector and support vulnerable communities, Standard Bank PLC made a significant contribution of **MK200 million** to Mary’s Meals, a leading school-feeding charity organisation. The donation comes at a critical time as many families struggle with rising food insecurity, which often forces children to attend school on an empty stomach—or miss classes altogether.

Through this partnership, Standard Bank PLC is helping to ensure that **2,945 students** at South Lunzu Primary School in Blantyre receive a nutritious meal each school day for the next 2 years. For many of these learners, this meal is not only a source of nourishment but also a powerful incentive to remain in school, concentrate in class, and pursue their dreams with renewed energy.

Mary’s Meals has been serving schools meals in Malawi since 2002. The organization feeds approximately 1.3 million children, majority being in the Southern Region of the country. The school-feeding programme aims to provide meals for children supporting their educational journey by addressing hunger, improving school attendance, and enhancing education outcomes for institutions across the country. The school feeding programme helps children focus on their education and not where their next meal will come from, ensuring that they get the best out of their learning experience.

This donation is one of shared purpose: a bank committed to driving meaningful socio-economic change and an organisation dedicated to feeding the future of Malawi. Together, they are keeping hungry minds fed and giving thousands of children the chance to learn, grow, and thrive.

Note: This donation was made in collaboration with business therefore only a portion of the funds came from the CSI budget (1% prior year PAT).



# Our Work in Climate Resilience and Environmental Conservation

Standard Bank PLC focus on climate resilience and environmental conservation is firmly anchored in its purpose of Driving Malawi Growth. As a predominately agriculture-based economy, Malawi's environmental sustainability and climate stability are critical to economic performance and national food security. In the recent years, the country has faced multiple climate-related disasters that have displaced communities, disrupted businesses, and undermined livelihoods. These challenges underscore the urgent need for coordinated and sustained action to safeguard communities, strengthen resilience, and support long-term prosperity.

Standard Bank PLC's approach to environmental conservation is focused on both preventative and mitigative strategies, implemented in collaboration with government, international NGOs, and community structures. This coordinated approach recognises the current climate-related challenges facing the nation, while also emphasising the importance of equipping communities with the knowledge, resources, and systems needed to adopt climate-resilient behaviours. By empowering communities to safeguard their natural environments, the Group aims to support long-term ecological sustainability and strengthen overall resilience.

## Spotlight Initiative

### "Mtengo Wanga" – My Tree

Standard Bank PLC's Mtengo Wanga (my tree) initiative aims to amplify and support initiatives that restore Malawi's natural forest cover, through partnerships that champion conservation and knowledge transfer. The Group partnered with World Vision International in Malawi on a climate resilience and forest restoration programme to supports the regeneration of forests, forest-based enterprises, and knowledge transfer through student engagement. The Group has funded the project worth MK240 million over three years with an ambitious target to restore 200 hectares of land and benefit 10,000 community members, 40% of which are school going children. In 2025, we invested **MK80 million** into this initiative as 1st year of activating this project.

Recognizing the complexity of climate change challenges, the programme adopts a multi-level approach, engaging schools, households, and communities in a variety of initiatives that promote community stewardship and long-term impact. It aims to empower 4,000 children across four community primary schools by enhancing their awareness and participation in climate change mitigation through the establishment of environmental clubs and school woodlots. Learners gain practical skills in tree care and develop an appreciation for the role of forests in sustaining healthy livelihoods and promoting the prosperity of their communities.

At the community level, the initiative strengthens local forest governance by building the capacity of community structures responsible for forest management and tree propagation. This includes



promoting the development of by-laws to improve stewardship of community-managed forests. Furthermore, the programme supports the creation of forest-based enterprises, beginning with beekeeping initiatives, to foster sustainable economic opportunities and improve income for households.

*"Our partnership with World Vision International in Malawi reflects a shared commitment to driving Malawi's growth through climate resilience. This collaboration seeks to create lasting impact—not only for today's communities but for generations to come—by cultivating an appreciation for forests and advancing sustainable forest management. Ultimately, these efforts will enable communities to use forests for food, timber for shelter, and resources for enterprise. This is the Malawi we envision for all."*

— Phillip Madinga,  
Chief Executive, Standard Bank

## Spotlight Initiative

### Donation of MK200 Million to DoDMA

Standard Bank PLC has demonstrated its continued commitment to national stability and humanitarian support through a donation of **MK200 million** to the Department of Disaster Management Affairs (DoDMA), following the Government of Malawi's declaration of a **State of Disaster due to hunger** in 2025. This contribution was made in direct response to President Arthur Peter Mutharika's nationwide appeal for assistance as the country faced escalating food insecurity. The donation underscores Standard Bank PLC's long standing role as a responsible corporate citizen and reflects its solidarity with government in addressing urgent humanitarian needs. It further reaffirms the Group's broader commitment to supporting food security initiatives and strengthening Malawi's resilience to recurrent climate and agriculture related shocks.

Note: It would be important to note that the contribution did not solely come from the CSI budget therefore is not accounted for in the total amount reported.



# Our Work In Youth Empowerment

Standard Bank PLC's focus on youth empowerment is grounded in Malawi's demographic reality, where young people below the age of 35 years constitute 60% of the population. This youthful population represents both a significant opportunity and a national imperative: if young people are equipped with the skills, resources, and economic pathways they need to thrive, they can become a powerful driver of social and economic transformation. Standard Bank PLC therefore invests in youth-centric initiatives as a strategic contribution to Malawi's long-term development, recognising that supporting young people in building sustainable livelihoods strengthens the country's human capital, enhances economic inclusion, and fuels future economic growth.

Standard Bank PLC's focus on youth empowerment is also strongly aligned with the aspirations of Malawi Vision 2063 (MW2063), which positions young people at the centre of the nation's long-term transformation agenda. MW2063 envisions Malawi as "an inclusively wealthy and self-reliant industrialised upper-middle-income country by 2063", a goal that relies heavily on building a vibrant, skilled, and economically active youthful population. With its emphasis on human capital development, private sector dynamism, and mindset change as key national enablers, MW2063 underscores the need for strategic investments that unlock youth potential and accelerate job creation across creative, industrial, and entrepreneurial sectors.

Standard Bank PLC's approach in 2025 has focused on equipping young people through education, informal skills development and economic empowerment by leveraging on arts, music and culture. Our investment in young people through our Education programmes is highlighted in the education section of this report. The other empowerment approach through arts, music and culture is detailed in this section.

Standard Bank PLC continues to play a pivotal role in youth empowerment by leveraging arts, music, and culture as engines for economic opportunity. Through our Joy of the Arts initiative,

## Spotlight Initiative Empowering the Youth Through "Joy of the Arts"



the Group invests in platforms that equip young creatives with the skills, networks, and professional exposure needed to transform their talents into viable sources of income. Joy of the Arts has a key focus on initiatives that promote knowledge transfer, provide a platform to display talents, and creating income generating opportunities. The Joy of the Arts initiative was launched in 2024 and continued in 2025 with donations made to six platforms. The platforms ranged from secondary and university properties to industry forums and national competitions. The initiatives engaged young people from the ages of 12–35 with a balanced involvement from girls in activities.

The Group engaged universities on key initiatives speaking to art and culture. The Group donated **MK40 million** towards Malawi University of Science and Technology (MUST) Cultural and Research Innovation Festival hosted in Thyolo. The 3-day festival featured a full-day research conference followed by 2 days of cultural celebration through music, exhibitions, fashion, dances and food. The 2025 festival was hosted under the theme: "Integrating Malawi's Cultural Heritage into Tangible Technological Development". The conference attracted participants from various universities and presented 47 academic papers; whilst the festival showcased 42 cultural acts and attracted over 2,000 attendees across the three days.

The second university supported under Joy of the Arts was University of Malawi (UNIMA) for their UNIMA Theatre Festival hosted in Zomba. The Group supported the Theatre Festival with a donation of **MK25 million** towards the 3-day festival hosted by the School of Arts, Communication and Design. The festival showcased 32 theatre performances and hosted workshops in traditional dance, acting, scriptwriting and many more. The festival creates a platform for both students at the university, secondary school drama groups, and professional theatrical works to showcase their work.

Aside from the university involvement, the Group also engaged secondary schools in the promotion of Arts and Culture by supporting the National Secondary School Drama Competition hosted by Association for the Teaching of English in Malawi (ATEM). The Group allocated **MK20 million** towards this secondary school competition that engaged all six education districts in the country and engaged 60 schools nationwide. The competition looks to promote arts and culture whilst teaching students the importance of self-expression and using it as a medium to disseminate information. In 2025, the competition was hosted under the theme: "Combating Human Trafficking and Empowering the Youth through Theatre".

Standard Bank PLC has always had an interest in the growth and professionalism of Malawi's Music industry hence its support for the inaugural Malawi Music Business Summit with **MK12 million**. The summit serves as a crucial platform for uniting key stakeholders across the music value chain to facilitate knowledge-sharing and empower young industry participants.

The 2025 edition specifically focused on enhancing artists' capacity to engage in international markets, featuring regional and international experts who provided insights on global music distribution, cross-border business practices, and industry trends. In addition to its financial contribution, Standard Bank PLC actively participated as a foreign exchange and financial inclusion partner, reinforcing our dedication to fostering a sustainable and commercially vibrant creative sector.

Standard Bank PLC also contributed **MK10 million** to "Art in the Park", a visual arts platform hosted by the Wildlife and Environmental Society of Malawi (WESM). The initiative provides an important marketplace for visual artists to showcase and sell their work while simultaneously supporting environmental conservation efforts. During the most recent edition, 42 artists participated and collectively generated **MK46 million** in sales, with 10% of the proceeds channelled directly towards WESM's environmental initiatives. In addition to its sponsorship, The Group purchased artwork exhibited at the event, which is now displayed in the High-Dependency Maternity Ward at Zomba Central Hospital, further reinforcing its commitment to uplifting artists and enhancing public spaces.

The Group's sustained involvement in promoting arts, music, and culture is driven by the sector's potential to empower young people and contribute to Malawi's socio-economic development. Through the Joy of the Arts initiative, Standard Bank PLC provides a dedicated platform designed to nurture emerging talent, strengthen creative value chains, and enable young Malawians to leverage their cultural heritage as a viable pathway to income generation and national growth.

# CSI Pictorial Highlights



LOOKING AHEAD

11

# LOOKING AHEAD



**Kondwani Mlilima**  
Chief Risk Officer, Standard Bank PLC

## We continue to strengthen our responsible finance practices by

### Enhancing ESG integration across all business lines

We aim to continue embedding Environmental, Social, and Governance (ESG) principles into every aspect of our operations. Business strategies will be aligned with sustainability goals, risk management frameworks will incorporate ESG considerations, and accountability will be driven through transparent reporting. By integrating ESG across all business lines, we will not only meet regulatory expectations but also position ourselves as a trusted partner committed to long term value creation for our stakeholders.

### Expanding financial inclusion through digital innovation

Digital innovation remains central to enhancing access to financial services. We aim to continue investing in platforms and tools that make banking more accessible, affordable, and user friendly, particularly for the marginalised in society. By leveraging mobile banking and online platforms, we enable more clients to participate in the formal financial system. Our financial inclusion drive supports economic empowerment and foster resilience in local communities.

### Collaborating with stakeholders to promote sustainable economic development

We continue to collaborate with regulators, the government, industry partners, civil society, and community organisations to promote inclusive growth. Through partnerships and dialogue, we will share best practices, support capacity building, and align our initiatives with national and regional development priorities. These collaborations strengthen trust, enhance impact, and ensure that our responsible finance practices contribute meaningfully to broader economic and social progress.

# APPENDICES

# 12

# GLOSSARY OF TERMS

ACRONYM	FULL NAME	DESCRIPTION
<b>ACTS</b>	Africa-China Trade Solutions	Standard Bank PLC's platform supporting trade between Africa and China, offering sourcing, logistics, letters of credit, and financing.
<b>AfCFTA</b>	African Continental Free Trade Area	A regional free trade agreement aimed at boosting intra-African trade and economic integration.
<b>AYAF</b>	Are You a Fan	Structured feedback exercise designed to capture employee engagement.
<b>BOL</b>	Business Online	Standard Bank PLC's digital banking platform used to enable secure, paperless transactions.
<b>CIIE</b>	China International Import Expo	A key trade event where Standard Bank PLC clients showcase Malawian products to the Chinese market.
<b>CSI</b>	Corporate Social Investment	Voluntary contributions made by companies to support social causes, typically in education, health, environment, and youth empowerment.
<b>CSR</b>	Corporate Social Responsibility	A business model focused on ensuring the company contributes positively to society.
<b>CSV</b>	Corporate Shared Value	A business approach that enhances company competitiveness while simultaneously advancing economic and social conditions in communities.

<b>ESAP</b>	Environmental and Social Action Plan	A plan created under the Equator Principles to address environmental and social risks.
<b>MRA</b>	Malawi Revenue Authority	Collaborated with Standard Bank on trade and tax capacity-building for SMEs.
<b>MUST</b>	Malawi University of Science and Technology	Education partner receiving endowment and scholarship support from the Group.
<b>eNPS</b>	Employee Net Promoter Score	A metric that measures employee loyalty and engagement.
<b>ESG</b>	Environmental, Social, and Governance	A framework used to assess corporate performance in sustainability and ethical practices.
<b>ESMS</b>	Environmental and Social Management System	Standard Bank PLC's internal platform for environmental and social risk tracking and management.
<b>FCDO</b>	Foreign, Commonwealth and Development Office	UK Government department supporting global development; partnered with the Group on LPG initiatives.
<b>FOCAC</b>	Forum on China-Africa Cooperation	Platform for facilitating dialogue and partnerships between China and African countries.
<b>GETF</b>	Green Energy Transition Facility	A performance-based grant facility used to scale renewable energy infrastructure.

<b>GRI</b>	Global Reporting Initiative	A global standard-setting organization for sustainability reporting.
<b>HDU</b>	High Dependency Unit	A hospital unit for critical patient care; the Group invested in its upgrade at Zomba Central Hospital.
<b>ICBC</b>	Industrial and Commercial Bank of China	A strategic partner in facilitating Africa-China trade through ACTS.
<b>IFRS</b>	International Financial Reporting Standards	Globally recognized accounting rules issued by the International Accounting Standards Board.
<b>UNDP</b>	United Nations Development Programme	Development partner on entrepreneurship, climate, and SME resilience projects.
<b>LPG</b>	Liquefied Petroleum Gas	A clean energy source promoted via 265Energy and supported by the Group's financing.
<b>MK</b>	Malawian Kwacha	Local currency used throughout the sustainability report.
<b>MITC</b>	Malawi Investment and Trade Centre	Government statutory mandated to promote and facilitate investment, support exports, allocate land to investors, and regulate special economic zone
<b>NSO</b>	National Statistical Office	Source of national data on energy access and electrification.

<b>NPS</b>	Net Promoter Score	A metric that measures customer loyalty and satisfaction.
<b>PAT</b>	Profit After Tax	Used as a basis for allocating 1% of net income to Corporate Social Investment.
<b>PPB</b>	Personal and Private Banking	Refers to Standard Bank PLC's service segment that caters to individual and high-net-worth clients.
<b>REIAMA</b>	Renewable Energy Industries Association of Malawi	Partner on energy sector conferences and advocacy efforts.
<b>SB / SBM</b>	Standard Bank / Standard Bank PLC	The reporting entity leading ESG implementation and sustainability strategy.
<b>SDG / UN SDG</b>	Sustainable Development Goals (United Nations)	The Group maps its initiatives to SDGs such as SDG 7, 8, 9, and 13.
<b>SME</b>	Small and Medium Enterprise	Key target group for financial services, job creation, and economic growth initiatives.
<b>SMEDI</b>	Small and Medium Enterprises Development Institute	Government partner on SME capacity-building and training.

<b>UNDP</b>	United Nations Development Programme	Development partner on entrepreneurship, climate, and SME resilience projects.
<b>USAID</b>	United States Agency for International Development	U.S. government agency funding renewable energy access projects like 265Energy.
<b>USD</b>	United States Dollar	Official monetary currency of the United States of America.
<b>WESM</b>	Wildlife and Environmental Society of Malawi	Partner for youth and environmental engagement through creative events.
<b>NSO</b>	National Statistical Office	Source of national data on energy access and electrification.
<b>PAT</b>	Profit After Tax	Used as a basis for allocating 1% of net income to Corporate Social Investment.
<b>PPB</b>	Personal and Private Banking	Refers to Standard Bank PLC's service segment that caters to individual and high-net-worth clients.
<b>REIAMA</b>	Renewable Energy Industries Association of Malawi	Partner on energy sector conferences and advocacy efforts.
<b>SB / SBM</b>	Standard Bank / Standard Bank PLC	The reporting entity leading ESG implementation and sustainability strategy.

**TCFD**

Task Force on Climate-related  
Financial Disclosures

A framework for organisations to disclose climate-related risks and opportunities

# GRI Index

**Statement of use**

Standard Bank PLC has reported the information cited in this GRI content index for the period reporting 1<sup>st</sup> January 2025 to 31<sup>st</sup> December 2025 with reference to the GRI Standards.

**GRI 1 used**

GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 2:</b> General Disclosures 2021	2-1 Organizational details	Page 11
	2-2 Entities included in the organization's sustainability reporting	Pages 5, 11
	2-3 Reporting period, frequency and contact point	Pages 5, 6
	2-4 Restatements of information	Page 6
	2-5 External assurance	Page 5
	2-6 Activities, value chain and other business relationships	Page 11
	2-7 Employees	Pages 30, 68, 70
	2-8 Workers who are not employees	Not available
	2-9 Governance structure and composition	Page 25
	2-10 Nomination and selection of the highest governance body	Page 24
	2-11 Chair of the highest governance body	Pages 6, 25
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 25
	2-13 Delegation of responsibility for managing impacts	Pages 25, 26

2-14 Role of the highest governance body in sustainability reporting	Page 26
2-15 Conflicts of interest	Pages 25, 56
2-16 Communication of critical concerns	Page 25
2-17 Collective knowledge of the highest governance body	Not available
2-18 Evaluation of the performance of the highest governance body	Not available
2-19 Remuneration policies	Not available
2-20 Process to determine remuneration	Not available
2-21 Annual total compensation ratio	Not available
2-22 Statement on sustainable development strategy	Pages 6, 46
2-23 Policy commitments	Page 46
2-24 Embedding policy commitments	Pages 25, 46
2-25 Processes to remediate negative impacts	Page 25
2-26 Mechanisms for seeking advice and raising concerns	Page 25
2-27 Compliance with laws and regulations	Page 45, 66
2-28 Membership associations	Page 12
2-29 Approach to stakeholder engagement	Page 30

	2-30 Collective bargaining agreements	Not available
<b>GRI 3:</b> Material Topics 2021	3-1 Process to determine material topics	Pages 18, 27
	3-2 List of material topics	Pages 18, 27
	3-3 Management of material topics	Pages 18, 25, 46
<b>GRI 101:</b> Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Not available
	101-2 Management of biodiversity impacts	Page 83-84
	101-3 Access and benefit-sharing	Not available
	101-4 Identification of biodiversity impacts	Not available
	101-5 Locations with biodiversity impacts	Not available
	101-6 Direct drivers of biodiversity loss	Not available
	101-7 Changes to the state of biodiversity	Not available
	101-8 Ecosystem services	Not available
<b>GRI 102:</b> Climate Change 2025	102-1 Transition plan for climate change mitigation	Not available
	102-2 Climate change adaptation plan	Not available
	102-3 Just transition	Not available
	102-4 GHG emissions reduction targets and progress	Not available

<b>GRI 102:</b> Climate Change 2025	102-5 Scope 1 GHG emissions	Not available
	102-6 Scope 2 GHG emissions	Not available
	102-7 Scope 3 GHG emissions	Page 45
	102-8 GHG emissions intensity	Not available
	102-9 GHG removals in the value chain	Not available
	102-10 Carbon credits	Page 45
<b>GRI 103:</b> Energy 2025	103-1 Energy policies and commitments	Page 45
	103-2 Energy consumption and self-generation within the organization	Page 45
	103-3 Upstream and downstream energy consumption	Not available
	103-4 Energy intensity	Not available
	103-5 Reduction in energy consumption	Page 45
<b>GRI 201:</b> Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 13-14
	201-2 Financial implications and other risks and opportunities due to climate change	Not available
	201-3 Defined benefit plan obligations and other retirement plans	Page 72
	201-4 Financial assistance received from government	Not available

<b>GRI 202:</b> Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	<b>Not available</b>
	202-2 Proportion of senior management hired from the local community	<b>Not available</b>
<b>GRI 203:</b> Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	<b>page 34, page 81-83</b>
	203-2 Significant indirect economic impacts	<b>Not available</b>
<b>GRI 204:</b> Procurement Practices 2016	204-1 Proportion of spending on local suppliers	<b>Page 30</b>
<b>GRI 205:</b> Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	<b>Page 58-63</b>
	205-2 Communication and training about anti-corruption policies and procedures	<b>Page 58-63</b>
	205-3 Confirmed incidents of corruption and actions taken	<b>Page 58-63</b>
<b>GRI 206:</b> Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<b>Not available</b>

<b>GRI 207:</b> Tax 2019	207-1 Approach to tax	Page 78
	207-2 Tax governance, control, and risk management	Page 78
	207-3 Stakeholder engagement and management of concerns related to tax	Page 78
	207-4 Country-by-country reporting	Page 11, 78
<b>GRI 301:</b> Materials 2016	301-1 Materials used by weight or volume	Not available
	301-2 Recycled input materials used	Not available
	301-3 Reclaimed products and their packaging materials	Not available
<b>GRI 302:</b> Energy 2016	302-1 Energy consumption within the organization	Not available
	302-2 Energy consumption outside of the organization	Not available
	302-3 Energy intensity	Not available
	302-4 Reduction of energy consumption	Not available
	302-5 Reductions in energy requirements of products and services	Not available
<b>GRI 303:</b> Water and Effluents 2018	303-1 Interactions with water as a shared resource	Not available
	303-2 Management of water discharge-related impacts	Not available
	303-3 Water withdrawal	Not available
	303-4 Water discharge	Not available

	303-5 Water consumption	Not available
<b>GRI 305:</b> Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Not available
	305-2 Energy indirect (Scope 2) GHG emissions	Not available
	305-3 Other indirect (Scope 3) GHG emissions	Not available
	305-4 GHG emissions intensity	Not available
	305-5 Reduction of GHG emissions	Not available
	305-6 Emissions of ozone-depleting substances (ODS)	Not available
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not available
<b>GRI 306:</b> Effluents and Waste 2016	306-3 Significant spills	Not available
<b>GRI 306:</b> Waste 2020	306-1 Waste generation and significant waste-related impacts	Not available
	306-2 Management of significant waste-related impacts	Not available
	306-3 Waste generated	Not available
	306-4 Waste diverted from disposal	Not available
	306-5 Waste directed to disposal	Not available

<b>GRI 308:</b> Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Not available
	308-2 Negative environmental impacts in the supply chain and actions taken	Not available
<b>GRI 401:</b> Employment 2016	401-1 New employee hires and employee turnover	Not available
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Not available
	401-3 Parental leave	Not available
<b>GRI 402:</b> Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Not available
<b>GRI 403:</b> Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 74-75
	403-2 Hazard identification, risk assessment, and incident investigation	Page 74-75
	403-3 Occupational health services	Page 74-75
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 74-75
	403-5 Worker training on occupational health and safety	Page 73-74
	403-6 Promotion of worker health	Page 73-75
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Not available
	403-8 Workers covered by an occupational health and safety management system	Not available

	403-9 Work-related injuries	Not available
	403-10 Work-related ill health	Not available
<b>GRI 404:</b> Training and Education 2016	404-1 Average hours of training per year per employee	Page71-73
	404-2 Programs for upgrading employee skills and transition assistance programs	Page71-73
	404-3 Percentage of employees receiving regular performance and career development reviews	Page71-73
<b>GRI 405:</b> Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page71-73
	405-2 Ratio of basic salary and remuneration of women to men	Page71-73
<b>GRI 406:</b> Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 51
<b>GRI 407:</b> Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 73
<b>GRI 408:</b> Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Not available
<b>GRI 409:</b> Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Not available

<b>GRI 410:</b> Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	<b>Not available</b>
<b>GRI 411:</b> Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	<b>Not available</b>
<b>GRI 413:</b> Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	<b>Pages 18, 44</b>
	413-2 Operations with significant actual and potential negative impacts on local communities	<b>Not available</b>
<b>GRI 414:</b> Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	<b>page 45-46</b>
	414-2 Negative social impacts in the supply chain and actions taken	<b>page 45-46</b>
<b>GRI 415:</b> Public Policy 2016	415-1 Political contributions	<b>Not available</b>
<b>GRI 416:</b> Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	<b>Not available</b>
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	<b>Not available</b>
<b>GRI 417:</b> Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	<b>Not available</b>
	417-2 Incidents of non-compliance concerning product and service information and labeling	<b>Not available</b>
	417-3 Incidents of non-compliance concerning marketing communications	<b>Not available</b>





Standard Bank