



Standard Bank

SUSTAINABILITY REPORT 2024

MALAWI

📍 MULANJE MOUNTAIN

A photograph of two antelope, likely reedbuck, standing in a savanna landscape with tall green grass and a dirt path. A stylized white outline of a shield or crest is superimposed over the animals, with a dotted pattern filling the interior of the shield. The text "DRIVING MALAWI'S GROWTH" is overlaid in white capital letters across the center of the image.

DRIVING MALAWI'S GROWTH

NYALA

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ABOUT THIS REPORT

This sustainability report was prepared in reference to the Global Reporting Initiative (GRI) Standards. IFRS S1, IFRS S2 outlines Standard Bank Plc's sustainability performance for the period 1 January – 31 December 2024.

Standard Bank Plc is a publicly listed company on the Malawi Stock Exchange, with its headquarters in Lilongwe, Malawi. This report covers Standard Bank Plc's Malawi operations, and all disclosures pertain to this entity unless explicitly stated otherwise.

The scope of this report has been determined based on control, financial materiality, and strategic relevance to the bank's sustainability goals. The reporting cycle is annual, ensuring continued transparency and accountability. The third Standard Bank Plc Sustainability Report presents a comprehensive overview of our sustainability performance for the year ending 31 December 2024.

This Report outlines our commitment to delivering on the Bank's Sustainability Strategy and managing Environmental, Social and Governance (ESG) risks effectively. It introduces 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 also provides insight into our ESG governance structures, how we address material topics and risks, as well as how our sustainability journey complements the disclosures in the 2024 Annual Integrated Report. There were no restatements of information from previous reports during the reporting period. The data presented remains consistent with previously reported figures. At this stage, this report has not undergone external assurance; however, Standard Bank Plc is working towards obtaining assurance in future reporting cycles as it recognizes the importance of independent verification. The highest governance body and senior executives are involved in reviewing and strengthening sustainability reporting practices to ensure credibility.

For further inquiries or additional information regarding this report, please contact email: Customercare@standardbank.co.mw

REPORTING STANDARDS AND FRAMEWORKS

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 & 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 strengthen our internal systems and disclosure processes to move toward full compliance with IFRS S1 and S2 in future sustainability reporting.



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.

Who We Are

Standard Bank Plc is Malawi's first and one of its largest commercial banks, proudly serving the nation for over 54 years. As part of the Standard Bank Group, which has operated across Africa for more than 160 years, our purpose is clear: Driving Malawi's Growth.

We aim to empower individuals, communities, and businesses by offering financial solutions that improve wealth, financial literacy, and access to capital.

Our strategy is built on six value drivers that combine financial performance with positive social and environmental outcomes. These value drivers help us track our impact, shape our goals, and ensure that sustainability is integrated into everything we do.



OUR PURPOSE AND STRATEGIC PRIORITIES

We have three strategic priorities and six value drivers against which we assess our progress

Our Strategy



Figure 1: Our purpose and strategic priorities

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 Credit Committee (BCC) and Board Risk Committee (BRC) oversee ESG risks and positive impact initiatives

EXECUTIVE LEADERSHIP

The Country Leadership Council (CLC), led by the CE, 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. ESG is not a separate initiative but embedded into our corporate governance and enterprise risk management frameworks.

BOARD OF DIRECTORS



CHRISTOPHER KAPANGA
Chairperson



PHILLIP MADINGA
Chief Executive



PATRICK MWEHEIRE
Executive Director



SHARON TAYLOR
Non-Executive Director



SHADRECK ULEMU
Independent Non-Executive Director



DAVID PINTO
Independent Non-Executive Director



NORAH NSANJA, FCG
Company Secretary



RACHEL SIBANDE, PHD
Independent Non-Executive Director



ALEX MKANDAWIRE
Non-Executive Director



MARGARETH ANNE CHIRWA
Non-Executive Director



CHRISTINA CHITHILA
Independent Non-Executive Director



MAZIKO SAUTI-PHIRI
Independent Non-Executive Director



GLADSON KUYERI
Independent Non-Executive Director

EXECUTIVE LEADERSHIP



PHILLIP MADINGA
Chief Executive



FRANK CHANTAYA
Head, Corporate and
Investment Banking



CHARITY MUGHOGHO
Head, Personal and Private
Banking



GRAHAM CHIPANDE
Head, Business and
Commercial Banking



ZANDILE TEMBO
Regional Head, People and
Culture



JOHN MHONE
Chief Financial Value
Management Officer



KONDWANI MLILIMA
Chief Risk Officer



ALVIN ALFONSO
Chief Information Officer



TAMANDA NG'OMBE
Head, Brand and Marketing



NORAH NSANJA
Head, Legal and
Governance



DANIEL MBOZI
Head, Operations



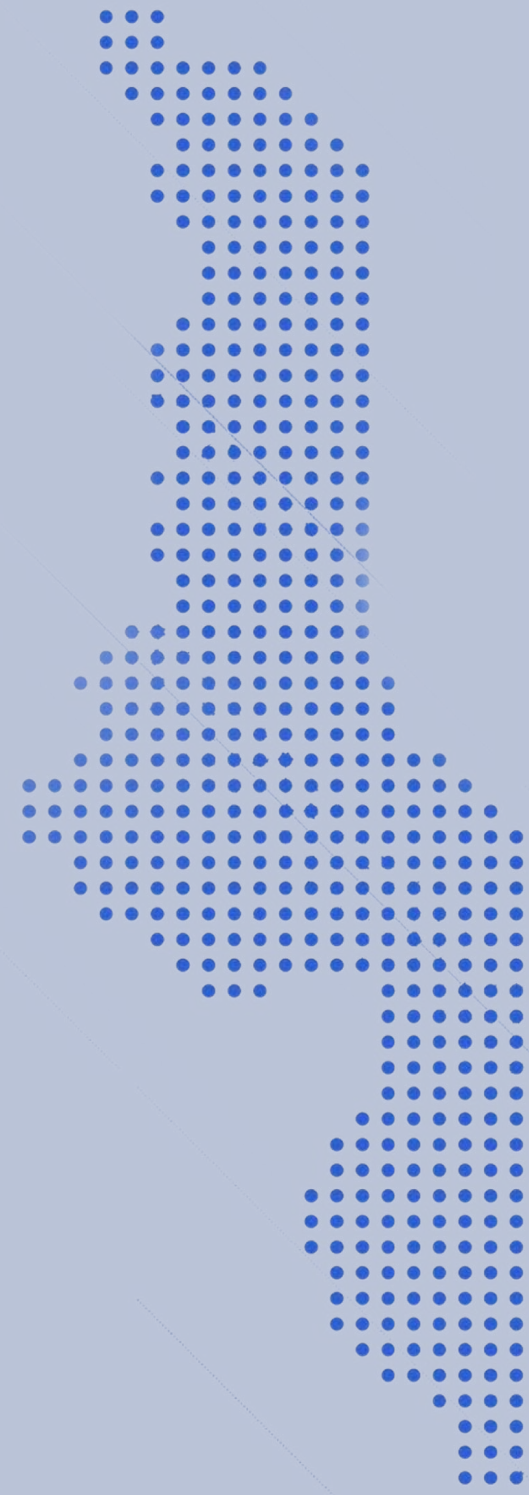
CHIKONDI KAPYPEYE
Head, Compliance



CHUMA SILUTONGWE
Regional Head, Internal Audit



EWEN HIWA
Head, Client Coverage PPB





STANDARD BANK FOOTPRINT



CHRISTOPHER KAPANGA
BOARD CHAIRPERSON

I am pleased to present our third Sustainability Report. At Standard Bank Plc, our purpose is to drive Malawi's growth in a way that meets the development needs of the present and future. The Board and Executive Management remain fully committed to ensuring that sustainability is central to our business operations and governance practices.

2024 Review

This year's report reflects our deepening commitment to transparency and accountability. We have refined our focus and taken deliberate steps to advance sustainability across the Bank. In 2024, we transitioned from the Social, Economic and Environmental (SEE) framework to a Positive Impact model, which reflects our conviction that real impact begins with understanding Malawi's development priorities and responding with relevant financial solutions.

IMPACT AREAS

WE STREAMLINED OUR IMPACT AREAS FROM **SEVEN TO FOUR**



ENTERPRISE
GROWTH AND
JOB CREATION



INFRASTRUCTURE
DEVELOPMENT
AND THE JUST
ENERGY
TRANSITION



CLIMATE CHANGE
MITIGATION AND
RESILIENCE



FINANCIAL
INCLUSION

We also formally distinguished philanthropic efforts also known as Corporate Social Investments (CSI) from business-driven positive impact activities, aligned with our goal to create shared value.

Additionally, we restructured our sustainability framework around two strategic pillars:

MAXIMIZING POSITIVE IMPACT

Providing products and services that meet Malawi's development needs

EFFECTIVELY MANAGING ESG RISK

Minimizing and mitigating risks across our operations, supply chain, and financing activities

As part of the Board's role, we continue to provide oversight to ensure that stakeholder needs, environmental and social impacts, and long-term value creation remain at the forefront of our decisions.

This year's report highlights several key developments. We have financed impactful projects in renewable energy, sustainable agriculture, and inclusive finance, while also implementing carbon reduction measures internally. These include server virtualization for energy efficiency, solar backup power at offsite ATMs, and motion sensors at our regional offices.

We also share disclosures on ethics and conduct, board composition, financial crime prevention, data privacy and cybersecurity, stakeholder engagement, and fair treatment of customers. We continue to invest in our employees, recognising them as our most valuable asset.

Looking forward, we aim to integrate sustainability even more seamlessly into our core business. Climate risk management will remain a priority, and we will continue to pursue collaborative partnerships to grow Mother Malawi.

**PHILLIP MADINGA**

CHIEF EXECUTIVE

This year's Sustainability Report captures our efforts to embed sustainability across all areas of our business. Guided by our purpose **DRIVING MALAWI'S GROWTH**, we remain focused on creating long-term value for our clients, communities, and stakeholders.

A Sustainable 2024

We took further steps to integrate sustainability into our strategic and operational decision-making. It is not a standalone initiative — it is how we do business.

We advanced **sustainable finance** by supporting infrastructure, renewable energy, climate resilience, and inclusive growth. Our Vehicle and Asset Finance offer was expanded to include renewable energy solutions for homeowners and business clients, and we are exploring how to promote electric vehicle financing. We also disbursed a **MWK5.6 Billion in Green Loan** for the purchase of a CO₂ recovery plant.

Beyond financing, we focused on ethical and responsible practices. We proactively managed ESG risks through our risk framework, which includes the code of ethics and conduct, environmental and social risk governance standards, climate risk policy, and whistleblowing mechanisms.






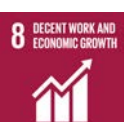

Inclusion remained a priority. We held over **20 SME Clinics**, reaching more than 100 small businesses, and collaborated with the International Organisation for Migration to deliver financial health sessions to more than **500 rural women** that were displaced. The Phuka Hub supported **32 women agripreneurs** with business training, climate smart agriculture training and connecting them to markets.

As we look ahead, we recognise that sustainability is a continuous journey.

**WE ARE COMMITTED TO EVOLVING OUR
APPROACH IN RESPONSE TO NEW CHALLENGES,
WHILE REMAINING ROOTED IN OUR PURPOSE.**

I thank all our clients, partners, employees, and communities for their continued trust and collaboration.

OUR SUSTAINABLE BUSINESS IMPACT AT A GLANCE

IMPACT AREAS		OUR CONTRIBUTIONS TO GLOBAL SDGs	OUR FOCUS	IMPACT
1	Enterprise growth and job creation	 <p>Increase small enterprises' access to financial services, including affordable credit, and their integration into value chains and markets</p>	<ul style="list-style-type: none"> Facilitate African trade and investment Strengthen the agriculture value chain Support game-changing tech startups solving real-world problems 	<ul style="list-style-type: none"> Guarantees to the value of MWK 178 810 469 012,16 Letters of Credit to the value of MWK88 436 136 347 All women Phuka Hub Cohort impacted 32 women from Agribusiness sector UNDP and Standard Bank PLC Zantchito partnership to disburse USD 1,450,000 to about 5000 young idea-stage entrepreneurs from 2024 to 2025 MWK987m Agriculture loans disbursed to 10 Co-operatives
2	Infrastructure development and the Just Energy Transition	 <p>Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all</p>  <p>Achieve universal access to affordable, reliable and modern energy services, and increase substantially the share of renewable energy in the global energy mix</p>	<ul style="list-style-type: none"> Enable Malawi's just energy transition and support improved access to affordable energy Provide finance for critical infrastructure in sectors such as water transport, and telecommunications 	<ul style="list-style-type: none"> Financing Gas Cylinder project with EUR191 468,76 impacting over 10,000+ households and covering over 10 sites in Malawi MWK28B drawn down for various infrastructure facilities MWK22B financing for the telecommunications sector
3	Climate change mitigation and resilience	 <p>Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters</p>  <p>Mobilise and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems</p>	<ul style="list-style-type: none"> Partner with our clients to support their transition journey and strengthen their resilience Provide sustainable finance solutions to incentivise sustainable business practices Provide climate smart agriculture financing solutions Provide green-aligned solutions for homeowners and business owners 	<ul style="list-style-type: none"> Sustainable financing of MWK8,1B Climate Smart Agriculture financing MWK2,8B
4	Financial Inclusion	 <p>Support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of SMEs, including through access to financial services</p>  <p>Facilitate access to adequate, safe and affordable housing</p>	<ul style="list-style-type: none"> Support SME owners with access to finance, capacity building, networking and access to markets Provide solutions tailored for women and young people Provide access to finance for affordable housing and provide financial health sessions for personal clients 	<ul style="list-style-type: none"> Partnership with International Organisation for Migration (IOM) to offer financial health sessions to over 500 rural Malawi women who were displaced Covered over 4,500 clients with Financial Fitness sessions through Employee Value Banking offering Conducted over 22 SME clinics

OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY IS EMBEDDED IN OUR PURPOSE AND STRATEGY



OUR APPROACH TO SUSTAINABILITY IS DEFINED BY TWO PILLARS



OUR APPROACH IS GUIDED BY LOCAL AND GLOBAL STANDARDS AND FRAMEWORKS



Figure 2: Our approach to sustainability



OUR APPROACH TO SUSTAINABILITY

At Standard Bank Plc, our approach to sustainability is 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.

We have embedded Sustainability across our organisation and supported by our strategic priorities, governance structures, and business practices. It is implemented through two complementary pillars.

We aim to drive sustainable growth in Malawi by:

- Creating value for the society, the economy, and the environment.
- Proactively managing ESG risks in our operations and client engagements.
- Leading in sustainable finance and enabling a just energy transition.
- Collaborating with stakeholders on transition and development pathways.
- Advocating for enabling policy and regulatory frameworks.
- Minimising our operational footprint and enhancing transparency in business practices.

Sustainability Unit Progress

In 2024, we made progress toward operationalizing the Bank's Sustainability Unit. Key roles and responsibilities defined, focusing on ESG risk oversight, transaction screening, and stakeholder partnerships. Once fully functional, this unit will further embed sustainability across business operations and client engagement processes.



Stakeholder Engagement

At Standard Bank Plc we recognise the pivotal role our stakeholders play in our success to driving Malawi's growth. We are committed to fostering transparent, respectful, and meaningful engagement with all our stakeholders, including customers, employees, shareholders, regulators, and the broader community.

Standard Bank Plc is committed to engaging with stakeholders in a transparent and inclusive manner to strengthen relationships, gather insights, and respond to material issues. In 2024, our stakeholder engagement efforts targeted the following groups:

- Clients and prospective customers
- Regulators and government stakeholders
- Employees
- Communities and civil society
- Shareholders and investors

Across all engagements, we promoted open dialogue on economic recovery, sustainability, financial empowerment, and responsible business practices. These interactions informed our strategic decisions and supported inclusive economic growth.



Stakeholder Engagement Focus for 2024

 CLIENTS	 STAKEHOLDERS	 REGULATORS AND GOVERNMENT	 EMPLOYEES	 COMMUNITIES
Key Concerns Raised	Key Concerns Raised	Key Concerns Raised	Key Concerns Raised	Key Concerns Raised
Service delivery delays: Debit card activation, mobile on-boarding, Bank-to-wallet reversals.	AGM logistics and governance: Venue rotation, Font size, Board appointments.	ESG reporting and sustainability leadership.	Career growth, psychological safety, communication gaps.	Access to education, healthcare, and youth/women empowerment.
Our Response	Our Response	Our Response	Our Response	Our Response
Introduced card activation reminders and improved email clearance processes; registration integrated at on-boarding; engaged Airtel for automated reversal process.	AGM venue now alternates between Lilongwe and Blantyre; governance process remains in line with Bank Articles and Companies Act.	Enhanced ESG disclosures; sponsored e-waste and mining forums; led Growth Conversations and sustainability dialogues.	Held leadership open days, launched career pathways, and introduced women's development programs.	Invested MWK468.3M in CSI initiatives focused on STEAM education, health, biodiversity, and inclusion.
Key Outcomes	Key Outcomes	Key Outcomes	Key Outcomes	Key Outcomes
We advanced MWK390B in loans and advances. Supported a savings culture through MWK915B in deposits.	Recorded MWK86B in profit after tax. Paid MWK25B in 2024 which was paid out of 2023 profits (Dividends for 2024 will be paid out in 2025).	MWK80.3B paid as Government taxes. MWK25B invested in infrastructure.	MWK 27.4M paid to our employees in wages and other benefits. MWK791M invested in employee learning and development.	MWK468.3M invested in Corporate Social Investment (CSI).

In addition to routine engagement activities, Standard Bank Plc invested in thematic platforms designed to amplify dialogue on national development priorities. These platforms served as critical touchpoints to address stakeholder concerns, share expert insights, and foster collaborative solutions.

Key Stakeholder Engagements



Our flagship platform for national dialogue, Growth Conversations brings together industry leaders and policymakers to discuss economic transformation and sustainability.

In 2024

- The Economic and Sustainability Forum (theme: **“Towards economic recovery and growth, embracing sustainability”**) launched the 2023 Sustainability Report.
- A special edition at the 17th International Construction Conference addressed infrastructure finance, the “Buy Malawi” strategy, and sector partnerships. It featured the Minister of Transport and Public Works and was facilitated by Standard Bank’s CE.
- The CE was the key note speaker at the 2024 inaugural Mining Indaba that focuses on Malawi’s mining potential.



Image 1: Tamanda Ng'ombe, Head of Brand and Marketing during the digital launch of Growth Conversations platform.



MONEY MATTERS 4 WOMEN

As part of International Women's Month 2024 (theme: Inspire Inclusion), Standard Bank launched **“Money Matters for Women”** to empower women through financial education.

Digital Series

- Students
- Young professionals
- Entrepreneurs
- Women nearing retirement

Reach (Viewers)

68.2K

Engagements

22.2K

High Tea Event

64 Clients

27 Staff

- Wills & Inheritance
- Succession Planning
- Wealth Creation

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 2024, we are members of the following associations:

ECAM	Focus Area
Employers Consultative Association of Malawi	Employee engagement practices, labour relations, and employment policy support.

ECAMA	Focus Area
Economics Association of Malawi	Policy and legislation advocacy, macroeconomic insights, and industry best practices.

MCCCI	Focus Area
Malawi Confederation of Chambers of Commerce and Industry	Private sector advocacy, industry benchmarking, and contributions to legislative development affecting the business environment.

ICAM	Focus Area
Institute of Chartered Accountants in Malawi	Employee engagement practices, labour relations, and employment policy support.

BAM	Focus Area
Bankers Association of Malawi	Banking sector policy advocacy, financial sector reforms, regulatory engagement, and promotion of ethical and professional banking practices.

Our Awards in 2024

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 2024, we are members of the following associations:

IMM Institute of Marketing in Malawi	ECAMA Employers Consultative Association of Malawi Awards
Internationally Adapted Campaign of the Year	1 st Employer of the Year
"We Believe in Malawi"	1 st Managing Crisis and Workplace Wellness
Local Marketing Campaign of the Year - Private Banking	1 st Industrial Relations and Employee Engagement
"Only the Best Will Do"	1 st Youth Employment and Skill Developments
Internal Engagement Initiative of the Year	1 st Gender Equity and Diversity
"Pakwathu Project"	1 st Human Resource Management and Development
	3 rd Labour Laws Compliance
	3 rd Essential Occupational Safety and Health
ICSA Innotec Consultancy Services Africa	
Corporate Shared Value Investment Award	

MAXIMISING BUSINESS POSITIVE IMPACT

In 2018, the Standard Bank Group adopted Social, Economic, and Environmental (SEE) impact as one of six value drivers used to assess performance and long-term impact. At that time, the Group identified seven core areas of impact, informed by:

- The global priorities of the UN Sustainable Development Goals (SDGs)
- The African Union's Agenda 2063
- The Paris Climate Agreement

Standard Bank Plc adopted this approach in 2021, in alignment with the Group. The company has since published Report to Society editions in 2021, 2022, and 2023 based on these impact areas.

In 2023, the Group refined the value driver from "SEE Impact" to Positive Impact and streamlined its focus areas from seven to four. These impact areas represent where we can make the most meaningful contribution to Malawi's development, while managing the associated risks.

These areas closely align with our core business and mapped to relevant SDG targets. Each area is supported by measurable strategies and tracked targets to ensure we continually increase our positive contribution and minimise unintended negative outcomes.



Our Positive Impact Objectives


- To ensure that our business activities respond to Malawi's key challenges and contribute to improving the prosperity of its people.
- To understand the broader impact of our decisions — across the value chain and in society — and manage the associated ESG risks effectively.

This approach is embedded in the way we work:

- Our people recognise that achieving positive impact is core to our business and how we define success
- Key metrics and targets are applied across the Group and reported to Management and the Board
- ESG risk management is integrated into our enterprise risk management framework



Pillar 1: Enterprise Growth and Job Creation

2024 IMPACT	HEADLINE METRICS
Expanded markets for SMEs	<div>MWK178.8BN Guarantees</div> <div>MWK88.4BN Letters of Credit</div> <div>USD 546K Africa–China trade</div> <div>50 SMEs Introduced to the Africa China Offering</div>
Deepened SME Finance & Skills	<div>2,684 New SMEs Banked</div> <div>22 CLINICS UNLOCKED MWK 200M credit for SMEs</div> <div>+500 MICRO MANUFACTURERS EMPOWERED Through business training in collaboration with MRA & SMEDI</div>
Unlocked Women-led Agribusiness	<div>32 Female entrepreneurs graduated Phuka Hub</div>
Seeded Youth Innovation	<div>  <div>USD 1.45M FUND Impacting 5,000 Idea-stage start-ups</div> </div>
Strengthening the Agriculture value chain	<div>MWK987M Agri-loans to 10 co-operatives</div>

OUR FOCUS

1. Facilitate Africa Trade & Investment
2. Strengthen the Agriculture Value Chain
3. Incubate game changing Tech Start ups

TARGET 17-3	TARGET 8-3	TARGET 9-3
 <div>MOBILIZE FINANCIAL RESOURCES FOR DEVELOPING COUNTRIES</div>	 <div>PROMOTE POLICIES TO SUPPORT JOB CREATION AND GROWING ENTERPRISES</div>	 <div>INCREASE ACCESS TO FINANCIAL SERVICES AND MARKETS</div>

Businesses play a vital role in sustainable development by generating employment, fostering inclusive economic growth, and driving innovation. Strengthening cross-border trade is essential for Malawi's economic advancement. In this context, Standard Bank Plc is dedicated to nurturing the growth of businesses in key sectors that propel Malawi's development and job creation.

The United Nations highlights that micro, small, and medium-sized enterprises (MSMEs) form the backbone of economies, representing two-thirds of global employment. Standard Bank Plc acknowledges the unique contribution of MSMEs as catalysts for economic growth and job creation, offering customised financial and non-financial solutions to support their expansion in an increasingly globalised market.

Enhancing agricultural value chains is crucial for the sector's development and for empowering agribusinesses to flourish, ultimately leading to sustainable livelihoods. Standard Bank Plc partners with businesses across the agricultural value chain to create long-term strategies that boost productivity and resilience.

Agriculture in Malawi has been the backbone of the nation's economy since the country gained independence in 1964. This sector accounts for 30% of the national GDP and provides employment for 64% of the workforce.

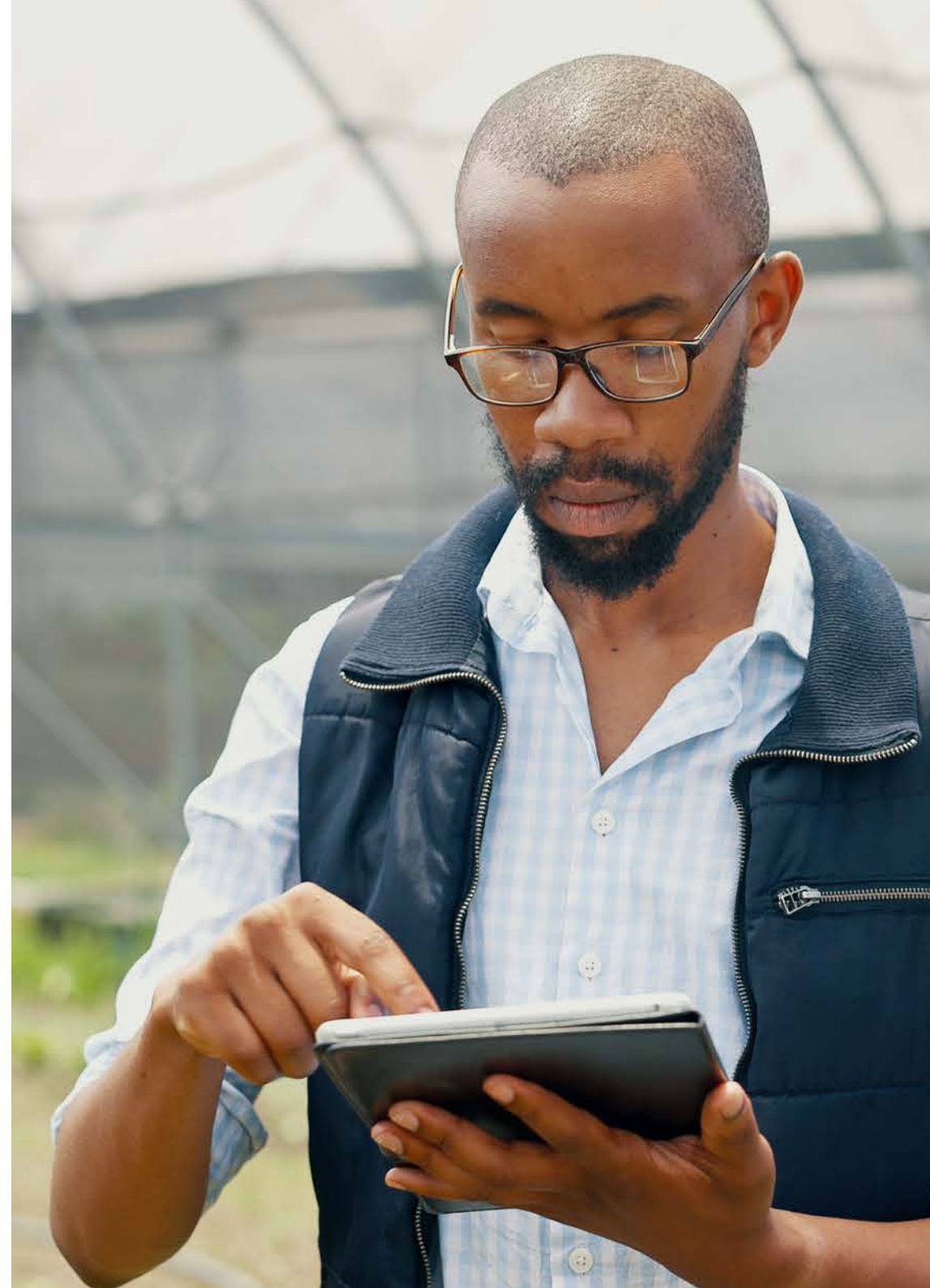
Increase access of SMEs to financial services through Zantchito Project

The Zantchito entrepreneurship and Access to Finance Project, is a collaborative initiative between United Nations Development Program (UNDP) and the European Union (EU). It is a business incubation programme that supports idea-stage entrepreneurs in Malawi.

In 2024, Standard Bank Plc successfully secured a long-term agreement where the Bank will be providing Financial Facility management services to UNDP to manage the grant. These funds are paid to Standard Bank Plc, who then makes direct payments to suppliers who will provide any product or service to these incubates for them to produce their prototypes/ bring their ideas to life. Before disbursement, the Bank performs several verifications and reports to UNDP to make sure funds are disbursed to reliable suppliers according to the agreement. Further, the Bank tracks funds disbursed in line with each incubate's budget and utilization.

In addition to making these disbursements, the Bank is also providing other services like fit for financing workshops and marketing campaigns.

Zantchito will disburse USD 1,450,000 to about 5,000 young idea stage entrepreneurs from 2024 to 2025. So far MWK 156,985,225 was disbursed between September to December 2024 under the first and second tranche.



Supporting SMEs in the Agriculture Value Chain

Agriculture stands as one of Malawi's most significant and rapidly expanding sectors, possessing the potential to enhance employment opportunities and stimulate economic development. Investment and growth within the agricultural sector are at least twice as effective in alleviating poverty compared to growth in any other sector.

Enhancing the distribution of food and agricultural products, along with the adoption of superior inputs and climate-smart agricultural practices, could yield a disproportionately large positive effect on social stability, economic growth, investment, and national revenue throughout Malawi. Standard Bank Plc collaborates with enterprises across the agricultural value chain to develop sustainable solutions focused on boosting productivity, profitability, and resilience against climate risks.

In 2024 the Bank's Phuka Hub Cohort 3, in partnership with GIZ and Winrock, focus was on women led agricultural enterprises in the following value chains: Soy, Groundnuts, Banana, Chilli, Honey, Rice and Aquaculture with impact in Ntchisi, Dowa, Kasungu, Nkhatabay, Mzimba, Rumpi and Karonga.

A total of 154 applications were received through an online link and 32 enterprises were selected through a screening process done by Synergy Labs. Training services were provided by Equip Group Consulting. The programme was launched on 3rd October 2024, training and coaching started immediately the week following the launch. The trainings were implemented using a hybrid approach with some sessions being implemented over Zoom and others physically in scheduled bootcamps. The Bank conducted a graduation ceremony for the cohort that took place on 5th December 2024.

The training syllabus covered a diverse range of topics such as Business model canvas & Product Development, Sales and Marketing, Financial Management, Investment readiness, Growth planning, Operations Systems and Compliance.



Image 2: Graham Chipande, Head of Business and Commercial Banking, discussing opportunities in the sector

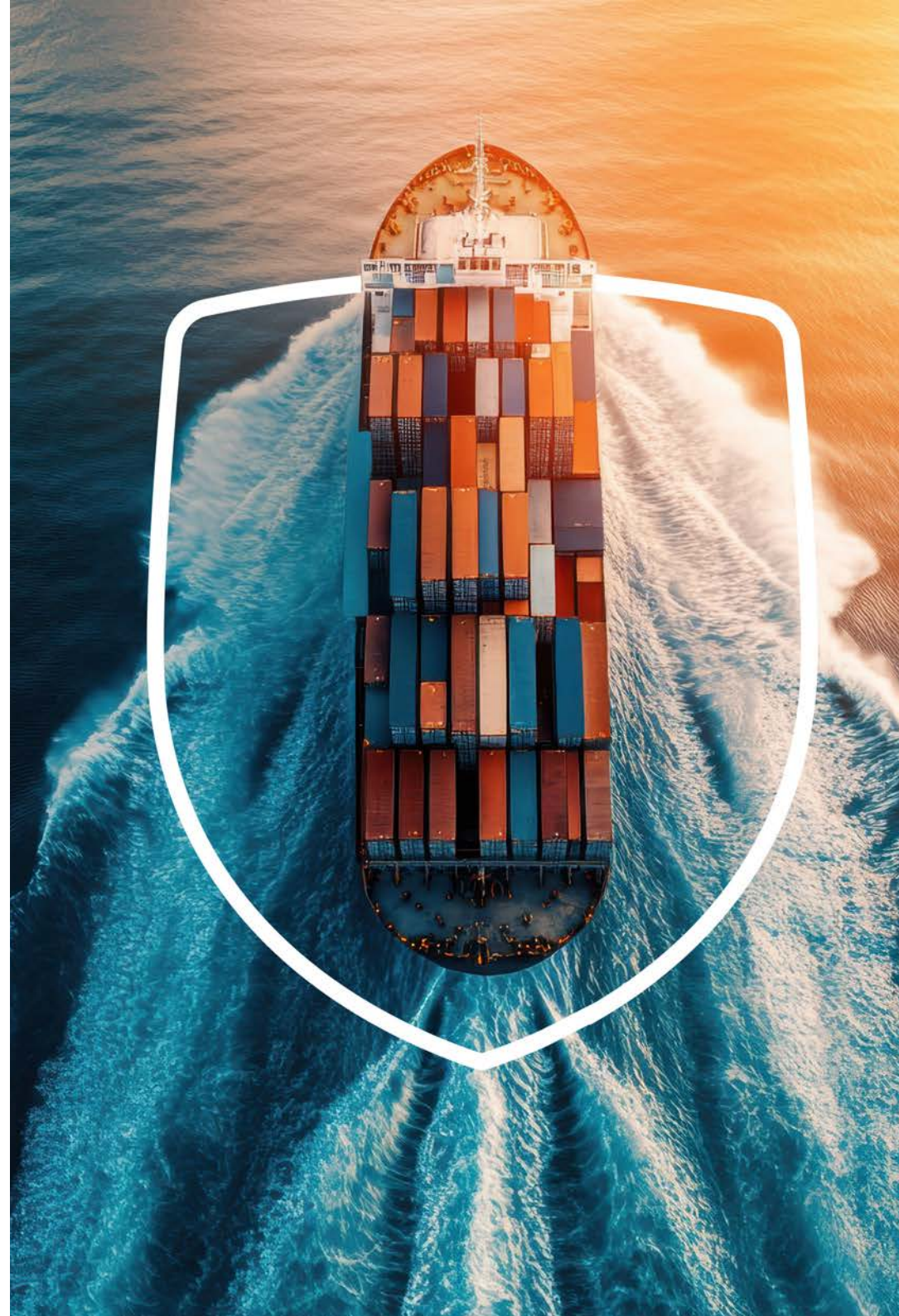
Facilitating Africa Trade and Investment

Malawi's economic growth and development depends on the strengthening of cross-border trade allowing Malawian business access to investments and goods, larger markets and new products. As Malawi's largest Bank by assets, Standard Bank Plc is dedicated to using its pan African presence and extensive client network to lead in promoting intra-Africa trade, and in connecting Malawi to the rest of the world.

We work with our clients to integrate Malawian businesses into regional and global supply chains. We believe that the African Continental Free Trade Area (AfCFTA) plays a transformative role in boosting intra-African trade, and we are partnering with governments and the private sector to support its success.

Trade

Trade finance facilitates international trade by providing financing and risk mitigation services to importers, exporters and other participants in the global supply chain.



Traditionally, trade finance has relied heavily on manual processes, paper-based documentation and lengthy transaction cycles. But automation, digitisation and data-driven solutions offer opportunities to improve operational efficiency, reduce costs and fraud risk and enhance transparency. We have digitised specific trade financing processes to improve risk management and offer better credit scoring in applications, thereby reducing decision times and providing customers with working capital more quickly.

Standard Bank Plc uses ecosystem-led structures to improve access to trade finance for Malawi's SMEs.

The Bank has trade working capital products tailored to different businesses' particular needs. The products enable businesses to access credit when they need it, using the assets they have, as alternatives to more traditional forms of collateral.

Examples include:

- Purchase order financing allows a business to fulfil orders despite constraints in cashflows.
- Invoice discounting supports businesses to better manage their cashflow.
- Distributor financing provides solutions tailored for smaller distributors.
- Inventory financing enables larger business customers to access favourable terms using inventory as collateral.

Letters of credit and guarantees have facilitated Africa's trade in sectors such as general supply, agriculture, wholesale, telecommunications, and the medical industry. These financial instruments have played a key role in developing critical infrastructure, agricultural production, provision of medical supplies, domestic manufacturing, and job creation for Malawi.

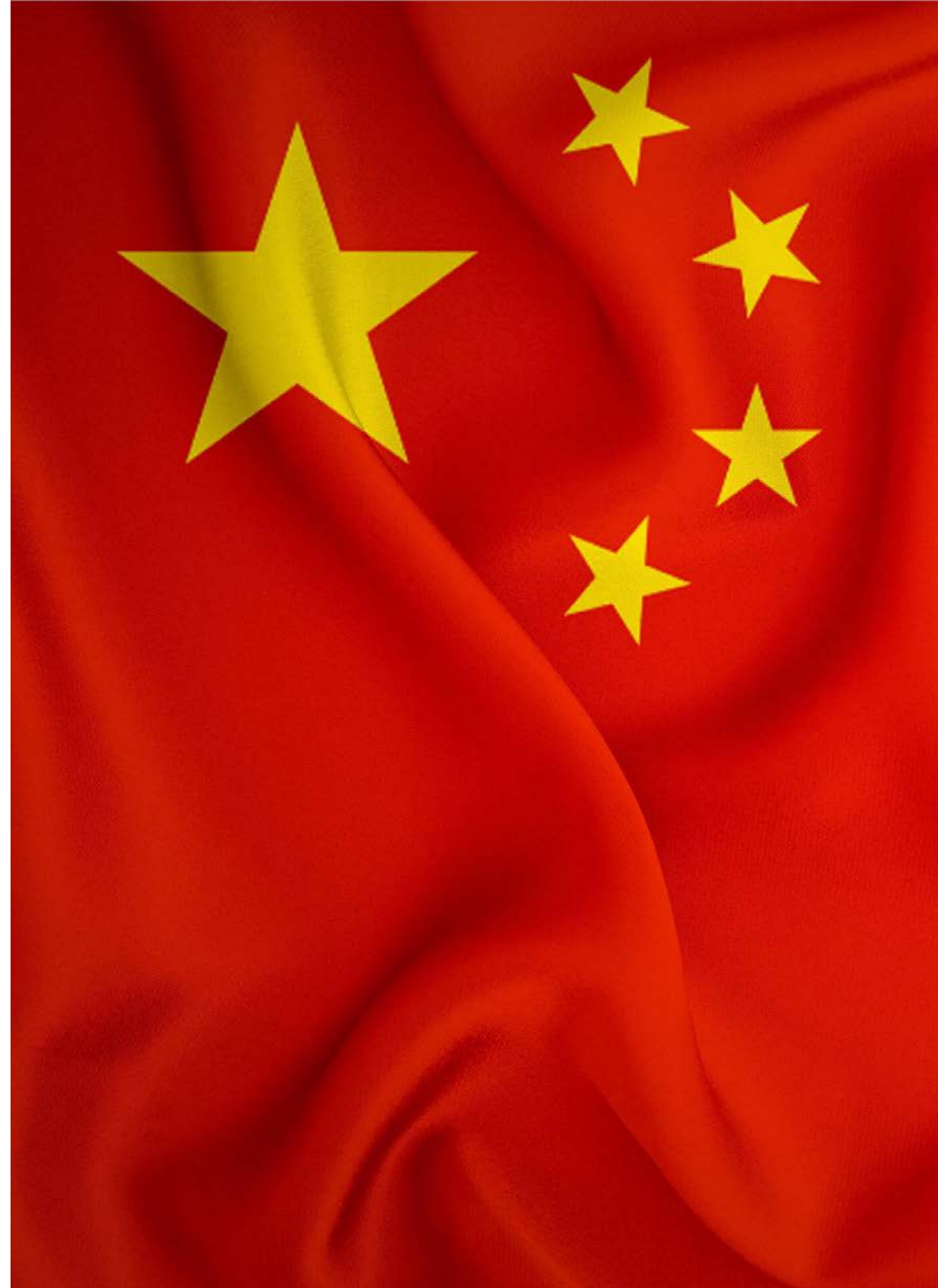


The Africa-China Import solution has successfully facilitated the acquisition of essential resources and technologies from China, empowering various Standard Bank clients.

Africa-China Trade

China plays a crucial role in driving Africa's growth and has been Africa's largest trading partner since 2009. Chinese investment in Africa has substantially enhanced Africa's ability to import and deploy the technology and skills required to build its own economies, while increasing Africa's ability to attract investment from other markets. Standard Bank's 15-year strategic partnership with ICBC has enabled us to develop a world-leading Africa-China trade and investment platform, giving African businesses access to the world's largest and most dynamic market and broadening China's relationships with Africa.

Standard Bank Plc leverages off the Group investment in building infrastructure and relationships to help African and Chinese businesses access trade opportunities. Our solutions include letters of credit, forex solutions, supply chain finance, cross-border payment solutions, logistics support and matchmaking for importers and exporters.

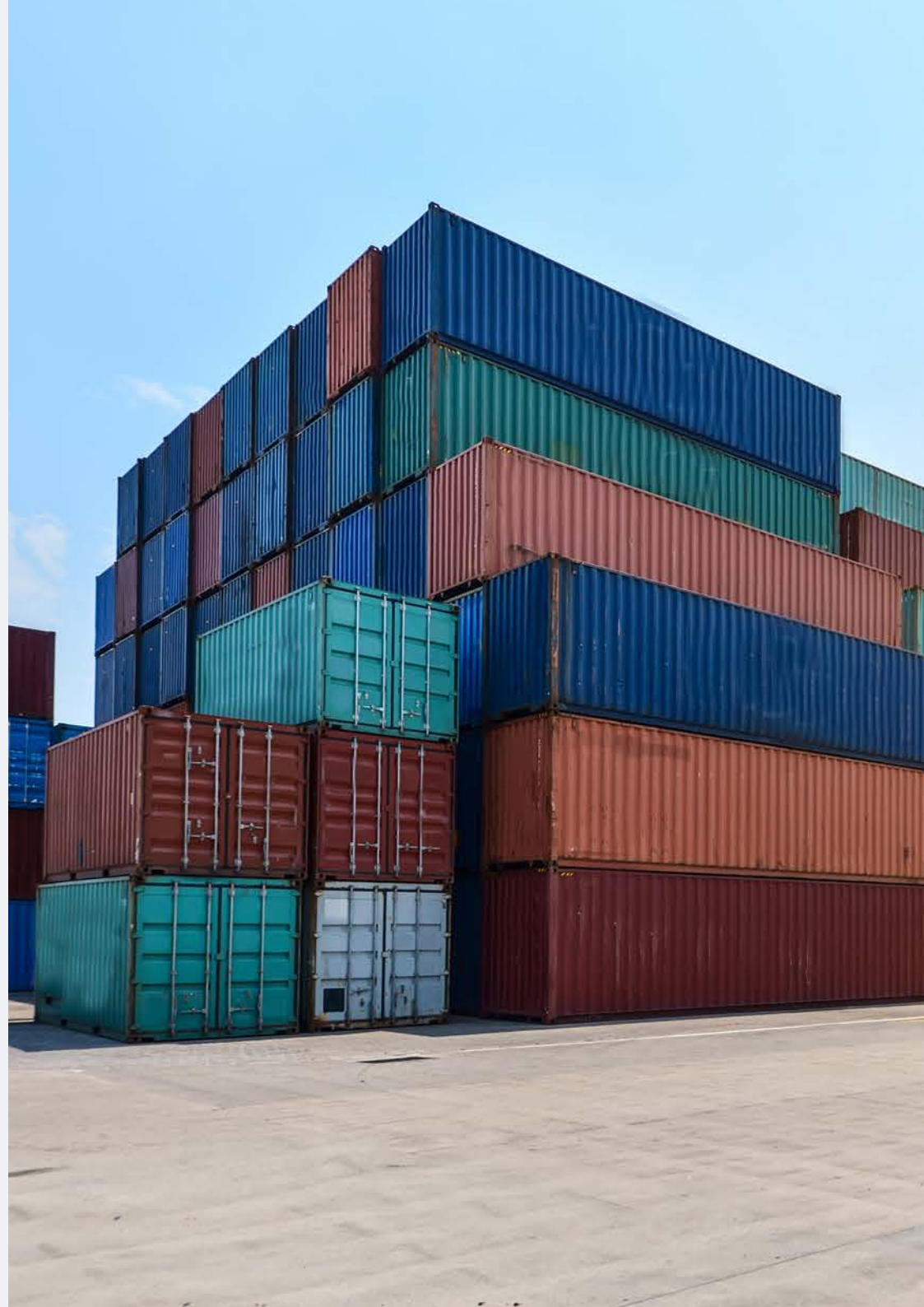


Support for Malawian Importers

Our Africa China Trade Solutions (ACTS) enables Malawian importers to source and validate quality goods safely and efficiently from the most competitive suppliers in China.

BENEFITS OFFERED BY THE SOLUTION

1 CONNECTS AFRICAN IMPORTERS	2 ENSURES PRODUCT QUALITY
<p>Standard Bank connects african importers with dedicated trade partners in China and guarantees them access to the best suppliers in China.</p> <ul style="list-style-type: none"> Our Chinese import partner, nominated by the Industrial and Commercial Bank of China Limited (ICBC), currently has over 5 000 suppliers that meet the import needs of Standard Bank Plc's clients. If an importer requires something beyond the capacity of our import partner's supplier base, our partner will assist in sourcing new suppliers, who will be subjected to validation and verification. 	<ul style="list-style-type: none"> Our import partner ensures the quality of the goods from its recommended Chinese suppliers meets the expectations of our clients and rectifies any quality issues on behalf of the Malawian importer. Our import partner provides support in handling shipping logistics and providing finance based on a letter of credit from Standard Bank Plc and ICBC.
3 PROVIDES EXCELLENT PAYMENT TERMS	
<ul style="list-style-type: none"> Our clients pay a 20% deposit of the confirmed invoice and settle the balance post-production, a materially better arrangement than many of our Malawian businesses can negotiate individually. Our import partner helps our clients arrange their travel to China and meet a range of suppliers, while providing translators to facilitate trade negotiations and discussions, and helping our clients negotiate the best prices and trade terms. 	



Impact Story: Mechanising Malawi through Africa-China Imports

The Africa-China Import solution has successfully facilitated the acquisition of essential resources and technologies from China, empowering various Standard Bank clients.

In 2024 Standard Bank Plc facilitated transactions across different sectors of the economy like Construction, Transport, Agriculture and Small & Medium Enterprises.

The Bank supported a key General Dealers client that is in the agriculture sector. Business earnings were being negatively impacted by the high transportation costs that it was incurring when transporting agricultural commodities. The Bank was approached to find a solution. Two Sino-trucks with 30 tonne long beds and trailers were successfully sourced, constructed, imported, and delivered to the client using the Africa China Import solution. The client is now able to move goods with ease hence enabling quick access to market and create employment opportunities as the business grows.

The Bank also assisted a Malawian construction company, which was seeking to acquire a concrete boom truck. The Bank offered assurances about the import solution's reputation, and after speaking with our China team and seeing their feedback, the customer expressed great satisfaction with both the quotation the customer obtained and the degree of customer involvement the solution provides. The machine was procured to the specifications of the client and shipped to the port of destination.

265 Energy is no new client to the Africa China Import solution. Through the solution the Bank previously imported 3kgs gas cylinders and accessories for the client and they became a pioneer in this sector within the country. 265 Energy was looking to expand their business and had plans to procure Gas Tank Cylinders to act as distribution points for the gas and they were planning to plant them in different parts of the country to make availability of the gas. Through the import solution we managed to assist the client by sourcing, procuring and designing the gas tanks and shipped to the client.

These are just a few of the many deals that were done under the import solution helping our clients expand their business or find solutions for issues affecting their businesses. By not only addressing sector specific challenges but also client centric pain points in their businesses we enabled clients to access critical goods and resources that solve their business problems and satisfy their import needs. The import solution has empowered businesses and communities alike.



Support for Malawian exporters

Our Africa-China Trade Solution enables Malawian export businesses to connect with the right partners in China. Together with ICBC, we identify and communicate the commercial potential of trade opportunities to government authorities in Malawi and China, drawing on our on-the-ground presence in Malawi and China. We collaborate with trade associations and trade promotion agencies to promote Africa's competitive export offerings.

Our services for Malawian exporters include:

- Market intelligence and pre-screening for export opportunities.
- Introduction to vetted Chinese importers.
- Support to obtain the required documentation to become a verified exporter to China.
- Pre-export financing and assistance with payment and collections to help mitigate the risk of cross border payments.
- Trade finance solutions including letters of credit and guarantees.
- Seamless transaction processing and safe and secure payments through the ICBC payments platform.
- Foreign exchange services to enable businesses to manage currency fluctuations.
- Support from English and Mandarin-speaking employees in China and Malawi.
- Access to Renminbi currency to reduce multiple currency conversion.

Through the Africa-China Export Solution we are still in the early stages of establishing a tangible, end-to-end export deal to the Chinese market. However, significant groundwork has already begun.

To facilitate the export of goods from Malawi, we are actively engaging with government agencies such as the Malawi Investment and Trade Centre (MITC). These Partnerships help us understand the requirements and processes necessary to successfully penetrate international markets, with particular focus on China.

In collaboration with ICBC, Standard Bank Plc has hosted virtual matchmaking events such as FOCAC allowing our clients to connect with Chinese businesses. These platforms enable clients to showcase their products, gain market insights, and understand the specific requirements of Chinese importers. Furthermore, through our partnership with ICBC, Standard Bank Plc has facilitated participation in China international import expo (CIIE). At this prestigious event, our clients had the opportunity to display their products at exhibition booths, interact with other businesses and network with potential Chinese importers.

In addition, we conducted a Virtual Matchmaking session for three clients with Chinese businesses at the Forum on China Africa cooperation (FOCAC) through Africa-China Banking solution. The clients attended and interacted with Chinese businessmen online. The clients also attended the China International Import expo (CIIE) in China, showcased their products and gained market insights to export to the Chinese market.

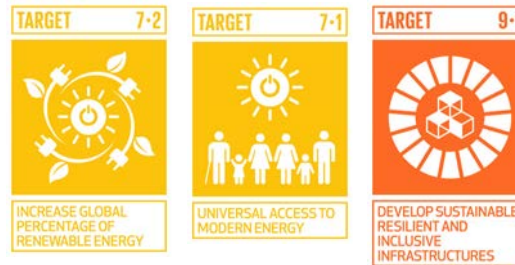
Even though there were no finalised export trade deals to China during this period, the insights gained by our clients from their participation in the CIIE have proven invaluable. These experiences provided a clearer understanding of the export process, market requirements, and the expectations of Chinese importers.

Additionally, the matchmaking opportunities and lessons learned from the previous sessions have better equipped us to organise more effective future matchmaking events.

Pillar 2: Infrastructure Development and the Just Energy Transition

OUR FOCUS

1. Enable Malawi's just energy transition
2. Finance critical transport, water & Telecoms infrastructure



2024 IMPACT

Clean Cooking Financing

EUR 191K

LPG cylinder facility (265 Energy) impacting 10,000 households

Renewable Energy Finance

MWK 5.9BN

Energy projects impacting over 400,000 households

Nation building infrastructure and telecommunications financing

MWK 28BN

Disbursed for roads & utilities

MWK 22BN

To the telecoms sector improving network capability and reach into rural areas



Infrastructure Development

Infrastructure serves as a vital facilitator of trade and sustainable economic growth and development, while energy consumption underpins economic activity, productivity, and output.

For sustainable growth, Malawi's economy requires robust and dependable infrastructure, in telecommunications, transport water and energy. This support is essential for other critical sectors of the economy, including, agriculture, health, education and alleviation of poverty.

Standard Bank Plc collaborates with various partners throughout Malawi to enhance the development of dependable and integrated transport infrastructure. This initiative aims to improve market accessibility and expand both import and export capabilities.

Telecommunication is essential for overcoming geographical barriers, enhancing market and information accessibility, fostering innovation, and improving access to fundamental services such as education and healthcare. Addressing the digital divide is vital for mitigating socioeconomic disparities and facilitating inclusive economic development.

In 2024, Standard Bank Plc obtained first position for the Partnership for purpose category during the 2024 Corporate Shared Value awards. This was in recognition for the financing MK34.5 billion Kenyatta Drive and Mzimba Street Road rehabilitation project financed through an agreement between the Roads Fund Administration (RFA), Standard Bank Plc, Old Mutual Investment Group Limited and Continental Asset Managers using local currency.

Key Award

Standard Bank was awarded “**Corporate Shared Value Investment Award 2024**” from ICS Africa for financing the Mzimba - Kenyatta Road in Lilongwe.

Enabling Malawi's Just Energy Transition

Less than 3% of the population in Malawi has access to clean cooking solutions. Malawi's energy access is among the lowest in Sub-Saharan Africa. More than 84.7% of the total population in Malawi lives in rural areas and has access only to wood and paraffin as major energy resources.

According to the World Bank the overall electrification rate for Malawi has moved from 12% in 2021 to 24% in 2024, rural access is now between 3-5%. The energy poverty is widespread in Malawi, and those with access to electricity often experience blackouts and brownouts. However, Malawi has a large resource of renewable hydropower energy, but it remains largely untapped. Additionally, Malawi has a high solar potential, with an average daily energy inflow of 6.76 kWh/m²/day.

UNCTAD's 2023 special report on access to electricity in sub-Saharan Africa notes that access to energy (reliable and affordable access to cooking facilities and electricity) is vital to economic and human development and is crucial to achieve almost all the UN SDGs, including good health and access to healthcare, access to quality education, safe drinking water and sanitation.

In view of the foregoing Standard Bank Plc is clear on the role that we will play financing renewable energy to drive the energy transition, we will do this by:

- Investing in energy infrastructure development.
- Providing full banking solutions across multiple products.
- Offering sector expertise to support our clients.
- Providing digital platforms to enable homeowners and business owners to access energy solution providers.

Impact Story: Improving Access To Alternative Energy Supply

265 Energy Limited entered the alternative energy supply industry as a gas distributor in 2018, providing a range of domestic gas appliances and services. The business found significant success in the urban centres of Malawi and grew exponentially. By 2020 however, 265 Energy had identified a gap in the market; many potential customers were unable to switch over to using gas because, the entry price was simply too high for the average Malawian. To start using Liquefied Petroleum Gas (LPG), also known as Cooking Gas, a person must first purchase the cylinder and/or gas cooker unit which comes at a considerable cost.

265 Energy through the assistance of The U.S. Agency for International Development (USAID) and The Foreign Commonwealth and Development Office (FCDO) worked together to have affordable high-quality cylinders produced that could distribute in Malawi, most importantly, through Standard Banks Africa-China Trade solutions (ACTS), Standard Bank Plc was also able to facilitate the production and importation of the new cylinders for 265 Energy.

By the conclusion of December 2024, 265 Energy plans to inaugurate an additional 10 outlets, which will elevate the total to 21 locations nationwide. The expansion has been significantly supported by financial contributions from Standard Bank and grant funding from the United Nations Development Programme (UNDP). This funding has been crucial for the procurement of essential infrastructure and inventory, including bulk storage tanks and LPG cylinders. As a result, 265 Energy have successfully penetrated previously underserved markets, solidifying its position as the leading LPG distributor in Malawi.



Image 3: 265 Energy Gas Cylinder

Through our Africa – China trade solutions we managed to develop a tailored strategy that addressed each aspect of their requirements. This included identifying reputable suppliers, negotiating favourable terms, ensuring quality control (the cylinders were manufactured and subjected to AFROX Malawi Limited's certification process to ensure that they met all safety and regulatory requirements for use and refill. The cylinders passed with flying colours and received international ISO 14245:2019 certification) and managing logistics. Our client centric approach ensured that the solution not only met but exceeded expectations.

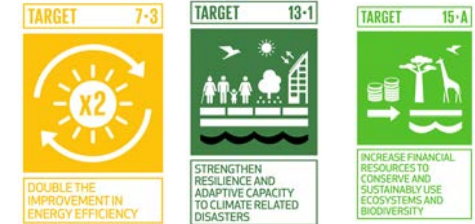
After contacts were made with our ACTS team a decision was made that the best product for the client was the 3kg size cylinder & cooker tops. The 3Kg gas cylinder and cooker tops were selected as a good entry point as it is the most affordable for a new customer, it is portable, and it can meet the needs of most households. After importation, Within the first few weeks it was clear that there is indeed demand for gas, and Malawians would love to switch to a safer, cleaner, cooking option immediately.

Standard Bank Plc continues to play a pivotal role in the just energy transition for Malawi through its partnership with Renewable Energy Industries Association of Malawi (REIAMA) the Bank provided MWK7M as sponsorship for the 2024 National Energy Conference and delivered a keynote address on how Standard Bank Plc is leveraging energy for socioeconomic transformation through its facilities.

Pillar 3: Climate change mitigation and resilience

OUR FOCUS

1. Partner on low carbon transitions
2. Offer sustainable finance & climate smart Agri solutions
3. Green solutions for homes & SMEs



2024 IMPACT	HEADLINE METRICS
Green Finance Scaled	MWK 8.16BN in Green loans
Climate Smart Farming	MWK 2.8BN to resilient Agri inputs, irrigation and renewable energy
Digitization	91% of transactions were Paper-free 287,501 TRANSACTIONS totaling K14 billion were processed from May to November 2024, highlighting BOL-to-Wallet's rapid growth since launch.
Solar & Micro Irrigation uptake	MWK 46M financing for households
Upskilling our people to better support our clients on their transition journey.	42% completion by members of staff on ESG and Sustainability training

Sustainable Finance Solutions

Standard Bank Plc is at the forefront of promoting sustainable economic development through its comprehensive sustainable financing initiatives. By integrating environmental, social, and governance (ESG) principles into its financial products and advisory services, the Bank supports clients in navigating regulatory landscapes while fostering ethical and environmentally responsible business practices. The team offers innovative solutions across project and corporate finance, helping businesses align with global sustainability standards.



Impact Story: Press Cane Ltd funding for Carbon Dioxide Recovery plant

Standard Bank Plc has availed a Sustainable Finance solution through the MK5.66bn green loan facility to Press Cane Ltd with SBM being the lender and Standard Bank of South Africa being the sustainability coordinator. Press Cane Ltd is investing in a Carbon Dioxide recovery plant.

Press Cane Limited is an ethanol distillery company and the largest ethanol producer in Malawi with an installed annual production capacity of 21mn litres of ethanol. Carbon dioxide (Co2) is a by-product of Press Cane's ethanol production process which traditionally released into the environment. To reduce the Co2 emission and reduce its carbon footprint, Press Cane Ltd is investing in the Carbon dioxide recovery plant which once commissioned will trap the Co2 by-product of the production process and repurpose the Co2 for sale to off-takers in Malawi and the region hence achieving its sustainability goal on Greenhouse gas emissions and reduction of carbon footprint. The carbon dioxide plant will also achieve their revenue diversification goal and generate foreign currency through sale of the Co2 to regional markets.

The green loan facility was a structured four-year facility with a one-year capital moratorium during the plant installation period allowing the client to start capital repayment when the plant is operational. The facility was classified as a green loan based on use of proceeds basis, which is for the climate change mitigation measure. Standard Bank Plc provided marginal upfront pricing benefit to client and hence assist in achieving a cost-effective funding solution for the project. The facility will require the client to provide an impact and allocation report to the Sustainability coordinator on an annual basis.

The transaction demonstrates Standard Bank Plc capacity to partner with key local corporates such as Press Cane and assist them to fulfil their bespoke Sustainable Finance products allowing them to achieve sustainability goals and reduce their carbon footprint while achieving revenue diversification and Forex earnings.



Digitalisation – Less Paper, More Online

Reducing the usage of paper, cheques, and foot traffic is a crucial step towards sustainability in today's digital age. By transitioning to electronic payments and digital documentation, the Bank and customers can significantly decrease their environmental footprint. This shift not only conserves natural resources and reduces waste but also enhances efficiency and convenience. Embracing these practices helps mitigate the impact on forests, lowers carbon emissions from transportation, and minimizes the need for physical storage space. Ultimately, adopting digital solutions fosters a more sustainable and eco-friendly future, benefiting both the environment and society.

Digital payments as a percentage of all transactions for our corporate clients was at 98% in 2024 with BOL to Wallet accounting for K14b in transaction. Below are the notable achievements on digital transactions:

- Transactability Training Orientation for Public Private Partnership Commission (PPPC).
- BOL payroll transactability was done for 6 new corporates with over 10,000 transactions per month.
- MRA MyBills implementation was completed for SICPA.

BOL to Wallet

In its pursuit of enhancing financial inclusion through digital transformation, the Bank developed a last-mile solution aimed at improving client experience and reaching unbanked populations.

Launched in May 2024, the solution has seen exponential growth in both the number of transactions and their total value. From May to November 2024, there were 287,501 transactions amounting to K14 billion.

This solution has been adopted by several international organisations that play a crucial role in advancing the Malawi 2063 agenda and the United Nations Sustainable Development Goals (SDGs). The top five organisations, each with over twenty thousand transactions, include Palladium, the United Nations Development Programme, The Registered Trustees of Family Health, DAPP, and GIZ Office.



Standard Bank

BOL TO WALLET

Simply Better for Payments

 **Success is just a click away**

- 2 factor authentication
- Beneficiary Validation
- Transaction reports
- Available 24hours from Monday to Saturday

Call 248 or email CIBclientservices@standardbank.co.mw

Standard Bank Plc is licensed and regulated by the Reserve Bank of Malawi

Impact Story: BOL to wallet facilitating Digital Transactions

Palladium collaborates with governments, businesses, and investors to address the world's most pressing challenges, with a mission to catalyse a prosperous future for all. The organisation is dedicated to improving global conditions through collaborative models and systemic approaches, believing that social progress and commercial growth are interdependent. This synergy is what Palladium defines as "Positive Impact."

For nearly six decades, Palladium has empowered its clients to recognise the interconnectedness of global issues by developing strategies, fostering partnerships, mobilizing capital, and implementing programmes that yield lasting social and financial benefits.

Palladium advocates for innovative thinking, new methodologies, and effective solutions to meet future demands. With a global presence in over 90 countries, the organisation is committed to creating a better world and actively works towards making that vision a reality.

In Malawi, Palladium has partnered with various organisations to enhance the lives of local communities in areas such as health, early childhood development, climate-smart agriculture, sustainable reforestation, and economic resilience for rural women and youth.

Through the BOL to Wallet platform, Palladium has facilitated over one hundred thousand transactions, streamlined project implementation and significantly improved the lives of local Malawians.



Helping agribusiness clients strengthen climate resilience

CLIMATE SMART-AGRIC SOLUTION	2024 OUTCOMES
Smart Energy Installing renewable energy and supporting integrated farming activities.	 MWK16.7M
Smart Equipment Dairy farming milking equipment.	 MWK250M
Smart Practice Production of organic fertiliser and resilient seed.	 MWK751M
Smart Water Irrigation systems to support cane growers in Dwangwa.	 MWK1.7B

Agriculture plays a vital role in Malawi's economy; it accounts for approximately 30% of Malawi's Gross Domestic Product (GDP). The sector employs about 64% of the labour force in the country.

Agriculture generates over 80% of Malawi's national export earnings. It supports direct and indirect employment, economic growth, poverty reduction, food security, and nutrition.

In Malawi, smallholder farmers dominate the agricultural sector. Approximately 2 million smallholder farm families cultivate about 4.5 million hectares of land. They produce around 80% of Malawi's food and 20% of its agricultural exports. Whilst, the commercial farming sector, which includes estates, is much smaller in comparison. While exact percentages can vary, commercial farms occupy a significantly smaller portion of the agricultural landscape. These figures highlight the critical role smallholder farmers play in Malawi's agriculture and economy. Hence Standard Bank Plc is committed to partnering with smallholder farmers and helping them strengthen their climate resilience.

Climate change significantly impacts agriculture in Malawi in several ways:

- **Changes in Rainfall Patterns:** Unpredictable rainfall and prolonged droughts disrupt planting and harvesting schedules, leading to reduced crop.
- **Increased Frequency of Extreme Weather Events:** More frequent and severe floods and storms damage crops, soil, and infrastructure, making farming more difficult.
- **Pest and Disease Outbreak:** Warmer temperatures and changing weather patterns can lead to increased pest and disease outbreaks, further threatening crop production.
- **Soil Degradation:** Climate change can exacerbate soil erosion and degradation, reducing the land's fertility and productivity.
- **Water Scarcity:** Droughts and changing rainfall patterns can lead to water shortages, affecting both crop irrigation and livestock farming.

These challenges highlight the need for climate-resilient agricultural practices and support systems to help small holder farmers adapt and sustain their livelihoods.

Standard Bank Plc partners with small holder as well commercial farmers in implementing effective climate-resilient agricultural practices. By adopting these practices, farmers can enhance their resilience to climate change, ensuring sustainable agricultural production and food security:

- **Diversified Cropping System:** Planting a variety of crops can reduce the risk of total crop failure due to extreme weather events or pest outbreaks. Crop diversification also helps improve soil health and resilience.
- **Conservation Agriculture:** This involves minimal soil disturbance, maintaining soil cover, and crop rotation. These practices help improve soil structure, enhance water retention, and reduce erosion.
- **Agroforestry:** Integrating trees and shrubs into agricultural landscapes can provide shade, reduce soil erosion, and improve water retention. Trees also sequester carbon, contributing to climate mitigation.
- **Water Management:** Efficient irrigation systems, rainwater harvesting, and water conservation techniques ensure that crops receive adequate water even during dry periods. Drip irrigation and mulching are examples of effective water management practices.
- **Climate-Smart Crop Varieties:** Using crop varieties that are tolerant to drought, heat, and pests can help maintain yields under changing climate conditions. These varieties are often developed through traditional breeding or modern biotechnology.
- **Integrated Pest Management (IPM):** Combining biological, cultural, mechanical, and chemical tools to manage pests in an environmentally and economically sustainable way. IPM reduces reliance on chemical pesticides and helps maintain ecological balance.
- **Soil Health Improvement:** Practices such as cover cropping, organic farming, and the use of compost and manure improve soil fertility and structure, making it more resilient to climate impacts.

Our Service offerings

- Climate smart agriculture financing solutions.
- Sponsoring of and participation in agribusiness sustainability events and educational farmer days.
- Development of skills and expertise in respect of sustainable agriculture and climate change, through training initiatives and specialist agriculture events.
- Guiding clients through the Sustainability Client Academy and leveraging the resources of our incubators.



Pillar 4: Financial Inclusion

OUR FOCUS

1. Expand finance for SMEs, women & youth.
2. Promote affordable housing.
3. Deliver financial health programmes.



2024 IMPACT	HEADLINE METRICS
Financial-Health Coaching	<div>4,500 Clients Trained</div> <div>33 STAFF CERTIFIED as FFS®</div> <div>500+ Rural women who were displaced reached via IOM partnership</div>
Provide solutions tailored for women and young people	<div>100 WOMEN-LED SMEs Participated in a Bank and ImpactHER capacity session, generating 30% leads.</div> <div>200+ WOMEN ENTREPRENEURS Attended the Entrepreneur Expo, where Graca Machel Trust (GMT) and the Women Creating Wealth (WCW) Programme partnered with SBM for a special presentation.</div>
Affordable-housing access	<div>13 NEW MORTGAGES Total value at MWK 676M</div>
Malawi Police Service partnership	<div>Employee value banking offer launched enabling concessionary loans and flexible access to banking services</div>
SME Supplier Enablement (Import Readiness)	<div>50+ SMEs TRAINED on import opportunities via Africa-China Import Solution</div> <div>MK 21BN DISBURSEMENT by Unayo, which also registered 187,000 merchants.</div> <div>+22 SME CLINICS unlocking facilities worth >MK200m</div>

Financial Health and Inclusion

Financial health and inclusion are essential elements of individual well-being, significantly influencing productivity, poverty alleviation, economic development, and resilience to financial shocks. Currently, Malawi's financial inclusion rate is at 19%, which is below the Sub-Saharan Africa average of 21%. In response to this disparity, Standard Bank Plc has introduced innovative initiatives aimed at enhancing financial literacy and accessibility.

In November 2023, Standard Bank Plc launched a Financial Management Masterclass intended to equip individuals with vital financial skills. More than 20 staff members from PPB Malawi received certification, enabling them to incorporate financial management into their client interactions. The programme specifically targeted underserved populations, including women and youth, through collaborations with organisations such as the International Organisation for Migration (IOM). This partnership facilitated the participation of over 500 individuals from districts like Salima, Mangochi, Mzimba, and Dedza in tailored financial literacy sessions.

The financial fitness masterclass caters to all age groups, from young individuals to retirees. For instance, it encourages youth to adopt a saving culture from an early age and provides them with a practical understanding of financial concepts, complementing school curricula. The course is based on a wealth framework comprising five key pillars:



CREATE & BUILD
Strategies for generating income



LIVE & ENJOY
Guidelines for responsible spending



SAVE & INVEST
Methods for wealth accumulation



SHARE & LEGACY
Strategies for securing future generations and community contributions



PLAN & PROTECT
Approaches to safeguarding hard-earned assets

In summary, the wealth framework serves as a comprehensive guide for individuals, families, and communities on their wealth creation journey. It functions as a compass for making and growing money judiciously, promoting wise spending and living within one's means. This framework empowers individuals to save and invest for the future, protect their assets, and ultimately leave a legacy for their loved ones while finding avenues to contribute to their communities.

Impact Story: Financial Health Sessions

In 2024, Standard Bank Plc's PPB team experienced a significant transformation, highlighted by the successful implementation of Financial Fitness Sessions. These initiatives engaged over 4,400 participants from various sectors, including public service professionals (teachers, nurses, soldiers, police officers), private industries (telecommunications, construction, agriculture, and international organisations), as well as specialized fields such as mining, oil, and gas. Notably, we expanded our outreach to rural communities that are often marginalized in financial literacy programs. This initiative is in alignment with the National Financial Literacy and Capability Strategy (2024–2030), introduced by the Reserve Bank of Malawi, and supports the overarching MW2063 Vision aimed at fostering a wealthy and self-reliant nation.

Standard Bank Plc's active involvement in this launch underscores our commitment to utilizing financial education to create opportunities, secure futures, and alleviate poverty. A significant partnership with the International Organisation for Migration (IOM) targeted five districts, where participants shared transformative testimonials. These endeavours reflect Standard Bank Plc's unwavering dedication to empowering Malawians through financial literacy, contributing to the vision of a prosperous and inclusive Malawi.

SME Clinics

At Standard Bank Plc, we recognise the vital role that Small and Medium Enterprises (SMEs) play in driving economic growth and job creation across Malawi. Our SME clinics are designed to support these businesses by providing them with the tools, knowledge, and resources they need to thrive.

Our SME clinics align with our broader purpose of driving Malawi's growth and our vision to be the leading business and commercial Bank in Malawi.

By offering targeted support to SMEs, we aim to turn possibilities into opportunities for the businesses that power our vibrant economy.

Key Objectives:

- **Capacity Building:** We provide training and mentorship to help SMEs enhance their business skills and capabilities.
- **Access to Finance:** Our clinics offer guidance on accessing financial products and services tailored to the unique needs of SMEs.
- **Market Access:** We facilitate connections between SMEs and larger markets, helping them expand their reach and grow their customer base.
- **Innovation and Technology:** We introduce SMEs to innovative solutions and digital platforms that can streamline their operations and improve efficiency.
- **Impact:** Through our SME clinics, we have empowered numerous businesses to overcome challenges, achieve sustainable growth, and contribute to the broader economic development of their communities. Our commitment to supporting SMEs is a testament to our belief in their potential to transform Africa's economic landscape.

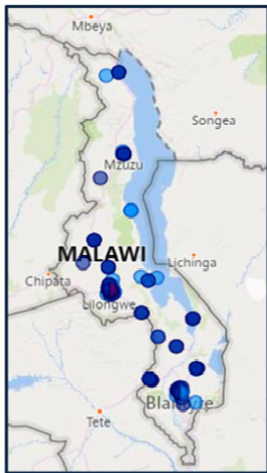
By investing in the success of SMEs, we are not only fostering entrepreneurship but also creating a ripple effect that benefits society as a whole.



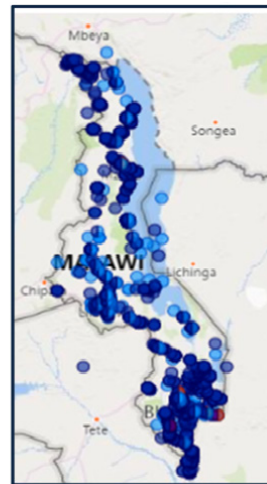
Impact Story: Unayo reaching the unreachable

Unayo and FARMSE have collaboratively provided last-mile financial services and significantly impacted financial inclusion in communities and locations that have traditionally been underserved throughout Malawi for the past three years.

WHERE WE STARTED WITHOUT RURAL FUNDING



HOW FAR WE HAVE COME WITH US\$1M FARMSE FUNDING



UNAYO MILESTONES

FINANCIAL INCLUSION

364,060 new users registered directly through support from FARMSE. Social cash transfers have benefited over 1,500,000 individuals.

FINANCIAL LITERACY

236 rural district Trainings conducted during the partnership.

MSWAHARA ON UNAYO

849 Chiefs nationwide are being paid Mswahara every month.

ECONOMIC GROWTH

Recruited 1,300 Merchants dedicated to FARMSE beneficiaries 109 Cooperatives registered on Unayo 67 Producers disbursing K35bn.

KUTAKATA LOANS

A total of MK12 million+ in behaviourally scored micro loan offers made available to Merchants.

TIYENI MOM'MO

Provided and income generating activity to 6,000+ women and young people who onboarded 247,500 new users onto Unayo.










In 2024

The Bank has partnered with the Government of Malawi through the National Local Government Finance Committee (NLGFC) to implement 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”.

The Bank using Unayo will provide social cash transfer programme (SCTP) for scalable, and climate smart enhanced public works programme in Dedza, Rumphi, Chikwawa, Mulanje, Nsanje, Neno, Mwanza, Zomba and Mzimba.

Through Unayo the Bank will deliver monthly social cash transfers totalling MK12,3bn to 56,466 beneficiaries for 4 to 24 months; MK22,2bn beneficiaries for 4 to 24 months; and MK19,7bn to 88,165 beneficiaries for 4 to 24 months.

1 % OF PROFIT AFTER TAX CHANNELED INTO HIGH IMPACT PROGRAMMES

Pillar (SB Focus)	2024 Spend	UN SDG Links	Key Outcomes
 HEALTH Improve women's & community health	MWK 276M	<div> <div>TARGET 3-1</div>  <div>REDUCE MATERNAL MORTALITY</div> </div> <div> <div>TARGET 3-D</div>  <div>IMPROVE EARLY WARNING SYSTEMS FOR GLOBAL HEALTH RISKS</div> </div>	<ul style="list-style-type: none"> MWK 210M Zomba HDU Expansion. MK 25M Maternity equipment Makhwira Health Centre, Chikwawa.
 EDUCATION & SKILLS Improve access and quality of education	MWK 127.9M	<div> <div>TARGET 4-1</div>  <div>FREE PRIMARY AND SECONDARY EDUCATION</div> </div> <div> <div>TARGET 4-3</div>  <div>EQUAL ACCESS TO AFFORDABLE TECHNICAL, VOCATIONAL AND HIGHER EDUCATION</div> </div>	<ul style="list-style-type: none"> MK 49.6M Secondary school scholarships. MK 20M University students support.
 YOUTH & SUSTAINABLE DEVELOPMENT Amplifying youth initiatives and environmental conservation	MWK 162.2M	<div> <div>TARGET 13-B</div>  <div>PROMOTE MECHANISMS TO RAISE CAPACITY FOR CLIMATE PLANNING AND MANAGEMENT</div> </div> <div> <div>TARGET 8-6</div>  <div>PROMOTE YOUTH EMPLOYMENT, EDUCATION AND TRAINING</div> </div>	<ul style="list-style-type: none"> MK 100M Climate resilience investment. MK 20M University students support.

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 Bank allocates 1% of its 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.

FOCUS AREAS OF SOCIETY

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.

CSI Pillar: Health and Women

At Standard Bank, 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 Bank 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 Women's Health

In 2024, Standard Bank provided great support for women's health by supporting various initiatives that improved access and quality of healthcare, as well as awareness on key health related issues that affect women. In particular, the Bank made its flagship investment in health infrastructure and equipment at Zomba Central Hospital; equipment upgrade at Makhwira Health Centre in Chikwawa; and supported a breast cancer awareness drive in Lilongwe.

The Bank's flagship investment in health was at Zomba Central Hospital, one of the two public tertiary hospitals in the Southern Region in Malawi. It caters to a catchment area of 4.6 million people and receives patients from 35 health centres from six districts. The hospital conducts an average of 630 deliveries per month with some of those cases developing into life threatening complications requiring urgent intervention and close monitoring. Women who develop these cases receive advanced care and support in the High Dependency Unit (HDU).

In 2024, the Bank completed the extension and renovation of the HDU and purchased equipment to furnish the ward. The equipment purchased was worth MK 98,115,778.51 and included patient beds, oxygen regulators, cardiotocograph machine, to mention a few. The Bank coordinated the delivery and installation of the equipment to the hospital with a planned handover organised for early 2025.

The second key investment in health was the adoption of Makhwira Health Centre in Chikwawa District. The Bank adopted the health centre through the Mother's Fun Run initiative coordinated by Nations Publications Limited. The Mother's Fun Run is a fundraising initiative that aims to raise funds for health facilities across the country. The initiative raises awareness on challenges in maternal health care in different districts and mobilises funds through various partners.



Image 3: Standard Bank donating to Makhwira Health Centre

In 2024, Mothers Fun Run fundraising initiatives went to Chikwawa District with a focus on the district hospital and the health centres. The Bank decided to adopt a health centre by purchasing equipment worth MK25 million to furnish the maternity wing. Makhwira Health Centre is a critical healthcare facility in the lower shire as it serves a catchment population of approximately 67,000 people in east Bank zone of Chikwawa. Due to its central location and proximity of the main district hospital, Makhwira serves as a referral hospital for three other centres: Mfera, Masenjele, and Mapela.

The third initiative in women's health was the Breast Cancer awareness campaign coordinated in partnership with Think Pink Malawi. Think Pink Malawi has conducted awareness campaigns since 2014 that improves access to information about the causes, signs and symptoms, and treatment options for breast cancer and cervical cancer. In Malawi, breast cancer is the third most common cancer in women with very low survival rates from the time of diagnosis (average of 5.6 months) and only 9.5% of patients survive beyond 18 months. This initiative provides a safe space for individuals to access information about cancer and access free screening services. The Bank was one of the partners this year providing items for fundraising and supporting the awareness activities online worth MK5.2 million.

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



Image 4: Standard Bank 2024 Mothers Fun Run

CSI Pillar: Education

Education is a key driver in the socio-economic development of any nation. In Malawi it is one of the key drivers to our Malawi 2063 Vision to be an inclusively wealthy and self-reliant industrialized middle-income country by the year 2063. As a Bank, we align ourselves with the development agendas of the nation and supporting education is one of the focus areas. As a driver for growth, we partner with other corporate institutions, government, academia, and non-governmental institutions to improve access and quality of education, skills development, trainings, and mentorship.

Impact Story: Improving Access To Education Through Scholarship Programmes

At Standard Bank, we are dedicated to creating opportunities for young people to access education. While Malawi provides free primary school education, the burden of supporting students through secondary and tertiary levels falls on parents and guardians. Unfortunately, a staggering number of underprivileged students lack the necessary support for school fees and basic amenities, which are essential for their educational experience. At Standard Bank we have partnered with government and tertiary institutions to provide scholarships for talented students across the country.



Image 5: Standard Bank partnering with Press-Trust for Merit Scholarship

Standard Bank – Press Trust Merit Scholarship

Programme: Standard Bank partnered with Press-Trust to support a second cohort of students under the Merit Scholarship Programme that was launched in 2020. In 2024, the Bank reaffirmed its commitment to this scholarship by welcoming a new group of top-performing students from the 20 leading educational districts nationwide. The current cohort consists of 46 students, 50% of which are girls, and six students are special needs.

The Bank has generously contributed MK 49.6 million towards the scholarship programme, covering students' school fees, examination fees, and essential items such as school shoes, bags, and stationery. This scholarship fund will support these students from 2024 through to the completion of their secondary education in 2027.

Malawi University of Science and Technology (MUST) Endowment Fund: Standard Bank is a proud partner in supporting the MUST Endowment Fund, a sustainable financing mechanism that addresses the academic and student needs of Malawi University of Science and Technology (MUST). The Fund provides scholarships to students and finances academic equipment and projects undertaken by the university.

In 2022, Standard Bank signed a Memorandum of Understanding (MOU) with MUST to contribute to the Endowment Fund over a four-year period. By 2024, the Bank had contributed MK20 million, bringing the total contribution to MK60 million. As a result, Standard Bank was among the sponsors for the 460 students who received scholarships from the Endowment Fund.

Girls STEAM Camp: In July 2024, the Bank proudly supported the Girls STEAM Camp organised by Malawi University of Science and Technology (MUST). This initiative aimed to inspire young girls to pursue careers in Science, Technology, Engineering, Arts, and Mathematics (STEAM) and encourage them to embrace these subjects. The two-week camp hosted 102 girls from various secondary schools across the country. The Bank contributed MK15 million towards the camp, which facilitated the Technology and Arts workshops. Additionally, the Bank fully funded the participation of nine girls in the camp.

International Day of the Girl Child - Mentorship Programme: On October 11, 2024, in celebration of the International Day of the Girl Child, the Bank conducted its annual girls' mentorship programme. The Bank invited 127 girls to its branches across five districts: Lilongwe, Blantyre, Mwanza, Balaka, and Mzuzu. The participants had the opportunity to spend the day with our staff, gaining insights into the workings of the Bank.

The day concluded with lunch and a career talk with women employees, offering valuable guidance and inspiration.

Standard Bank is committed to supporting education initiatives that improve the access and quality of education for the future generations. We believe in the transformative power that education must support the socio-economic development and prosperity of Malawi as a whole.



Image 6: International Day of the Girl Child

Standard Bank

Standard Bank

Standard Bank

Standard Bank

Standard Bank



VISION

world class centre of science and
technology education
entrepreneurship

MISSION

conduct
education, research
partnership
economic
Malawi and

CORE VALUES

- Commitment
- Professionalism
- Integrity
- Competitiveness
- Openness to change
- Entrepreneurship
- Innovation

T: Where Excellence Reigns

Standard Bank is committed to supporting education initiatives that improve the access and quality of education for the future generations. We believe in the transformative power that education must support the socio-economic development and prosperity of Malawi as a whole.

CSI Pillar: Youth & Sustainable Development

Standard Bank believes that investing in our youth and women strategically places us at a better place to achieve our development aspirations as Malawi. Over 50% Malawi's population is under the age of 18 years, which makes it a largely youthful nation. This increases the need for resources such as education and health care that support the growing youth demographic. Aside from this, young people need job and income generating opportunities that allow them to be pro-active and beneficial members of society. The Bank looks at investing in sustainable solutions and programmes that encourage youth participation and increase their chances for a brighter future.

Women make up 51% of the country's population and are one of the most vulnerable groups in our society. The Bank takes a keen interest in supporting women's initiatives that address different challenges that they meet in society by supporting their access to financing, healthcare, education, and job opportunities. The Bank champions women involvement internally and advocates from women's rights and opportunities in the workplace.

Impact Story: Investing in young people through “JOY OF THE ARTS”

Joy of the Arts” is a Standard Bank initiative that supports the growth of the Arts, Music, and Culture industries. The initiative partners with already existing entities that provide a platform for young people to showcase, develop their talent and provides an opportunity for knowledge transfer. Standard Bank has been in the business of promoting arts, music, and culture over the years with key initiatives such as Joy of Jazz. We believe in the joy that these industries bring to people and have decided to broaden the scope with “Joy of the arts”. We have a focus on creative industries, which include but are not limited to Art, Crafts, Music, Film, Theatre, Photography, Fashion, Dance, Poetry, and the list goes on. The focus is on initiatives that provide a platform to showcase and develop young talent; create opportunities for knowledge transfer; and in some cases, serve as an income stream for those in the industries.



Image 8: Tourism Month Photography and Poetry Challenge

Tourism Month Photography and Poetry Challenge: The Bank donated prizes for the Photography and Poetry challenge hosted by the Ministry of Tourism in the month of September to celebrate Tourism Month. The challenges focused on creating content around the global theme: "Peace and Tourism". The Bank provided prizes for the winners of the photography challenge worth MK4.5 million and a school fees scholarship worth MK4.5 million to three students.

Through the "Joy of the Arts" initiative, Standard Bank continues to champion the creative industries by nurturing young talent and providing platforms for artistic expression and growth. By investing in diverse areas such as music, theatre, photography, poetry, arts, and crafts, Standard Bank not only contributes to the cultural enrichment of the community but also supports the economic empowerment of young creatives. As we look forward to more impactful partnerships and events, the "Joy of the Arts" remains a testament to the transformative power of creativity and the Bank's commitment to sustainable development.

Art and Craft in the Park: The Bank partnered with Wildlife Environmental Society of Malawi (WESM) to host a curated event that had 53 creative exhibitors in Arts and Crafts over a three-day period from 2nd – 4th October 2024. This event provided artists with opportunity to raise revenue, showcase their talent, and find new customers. The exhibitors collectively sold MK33 million worth of Arts and Craft items to local and international patrons of the event. The Bank donated to MK6 million towards the event commissioned custom artworks worth MK 2 million to exhibiting artists.

UNIMA Theatre Festival: The Bank donated MK15 million towards the second edition of the University of Malawi Theatre Festival on the 24th – 26th November 2024. The event attracted over 2,500 attendees on featuring performances from 32 theatre groups from across Malawi. The performances included those from professional performance groups, university groups, secondary school clubs, and amateur performers. The festival also featured workshops on different disciplines such as scriptwriting, acting, traditional dances, visual arts and graphic design that received an overwhelming attendance of 120 people.



Image 9: UNIMA Theatre Festival Drama performance

“Joy of the Arts” is a Standard Bank initiative that supports the growth of the Arts, Music, and Culture industries. The initiative partners with already existing entities that provide a platform for young people to showcase, develop their talent and provides an opportunity for knowledge transfer.

As a financial institution operating within Malawi, it is crucial for our Bank to recognise and respond to the pressing challenges posed by climate change and environmental degradation. By investing in climate resilience and environmental conservation initiatives, we can achieve multiple strategic and societal benefits such as ensuring economic stability by reducing climate related risks on business.

Malawi is particularly vulnerable to the impacts of climate change, such as droughts, floods, and soil erosion. By supporting environmental conservation initiatives, we contribute to preserving natural resources, protecting biodiversity, and ensuring the well-being of future generations. This aligns with our broader mission of fostering sustainable development and improving the quality of life for all Malawians. Embracing climate resilience and environmental conservation initiatives is not only a strategic move for our Bank but also a moral imperative. It positions us as a forward-thinking institution committed to sustainability and responsible banking, ultimately leading to a resilient and prosperous future for Malawi.

In view of this the Bank in 2024 initiated partnership engagements with World Vision Malawi to support their reforestation programme Mbwenzera Nkhalango to align with the Bank's Mtengo Wanga initiative, a Memorandum of Understanding is being drawn up to be closed in 2025.

Impact Story: Climate Resilience and Environmental Conservation

Standard Bank is committed to ensuring that its internal governance systems, operations, and procedures are aligned with environmental and social issues affecting us locally and globally. The Bank has been on a journey to align its business offerings and strategic directions to the Sustainable Development Goals and United Nations for Responsible Banking (UN RB). One of the key drivers of this change and alignment is making sure that our staff are informed and educated in the upcoming trends and understand how to ensure we are operating sustainably.

The Bank last year sponsored employees to attend three ESG and Sustainability Conferences to support in integrating ESG in the Bank's governance structures where Bank representatives were keynote speakers as well as panelists.

Conferences attended:

- Malawi's Inaugural (ESG) Environmental Social Governance Integration and Investment Forum by ICS
- Corporate Shared Value Conference and Awards by ICS
- ESG and Sustainability Conference by PALGNET
- Bankers Association of Malawi Annual Meeting

In addition, the Bank sponsored the ministry of Natural Resources and Climate Change on the launch of E-Waste Policy Launch a key policy that sets out guidelines on how to reuse, redesign, reduce and recycling of all electronic waste.



Image 10: E-Waste Policy Launch

ESG and Risk Management Framework

Our governance structures at both the Board and Management levels ensure effective oversight of our dual sustainability strategy pillars: maximizing positive impact and managing ESG risks. This dual approach enables Standard Bank Plc to deliver sustained positive community impacts and robustly manage potential ESG risks, safeguarding our sustainability objectives.

Board and sub-committee structures are responsible for identifying, assessing, and managing material ESG risks across the following domains:

ENVIRONMENTAL	SOCIAL
<ul style="list-style-type: none">Nature and Biodiversity.Climate-related risks and opportunities.	<ul style="list-style-type: none">Human rights.Labour practices.Health and safety.Financial inclusion.Community impacts.
GOVERNANCE	
<ul style="list-style-type: none">Ethical Conduct.Customer Fairness.Financial crime preventionCybersecurity.Information security.Tax practices.	

Standard Bank PLC is firmly committed to upholding the highest standards of legal and regulatory compliance. We operate within a clearly defined compliance framework that includes rigorous internal controls, regular staff training, compliance audits, and oversight from the Board Audit and Board Risk Committees. Our governance structures are designed to foster a culture of accountability and ethical conduct across the business.

Despite these strong measures, like many institutions operating in complex and regulated environments, instances of non-compliance may occasionally occur. In such cases, we treat all breaches with the utmost seriousness, ensuring swift remediation and review of affected systems or processes.

In 2024, the Bank received four regulatory fines. Each instance was thoroughly investigated, with corrective actions implemented to address identified weaknesses and prevent recurrence. While these were not financially material, they served as important learning opportunities to strengthen our compliance practices and reinforce the Bank’s commitment to continuous improvement. Standard Bank PLC remains committed to aligning with all legal and regulatory obligations and enhancing its systems to mitigate future compliance risks.

EFFECTIVELY MANAGING RISK

Governance and Accountability

Ultimate responsibility for ESG risk management resides with our Board of Directors, supported by clear accountability structures across strategic, tactical, and operational levels.

ESG risk management is embedded enterprise-wide and is guided by established policies, standards, guidelines, and frameworks, aligning ESG goals with business strategies and governance requirements.

Three Lines of Defence Model

We utilise the internationally recognised Three Lines of Defence model to foster transparency, accountability, and effective risk governance:

FIRST LINE

Business Units

Heads of business units and corporate functions integrate ESG and climate risks into operations, client on-boarding, transaction monitoring, and third-party risk management. They promote an ESG-aware culture and regularly report ESG risks, ensuring alignment with sustainability targets and client support for climate adaptation.

SECOND LINE

Risk Management and Control

The Chief Risk Officer, Head of Compliance, and Head of Legal and Governance independently oversee ESG risk management, reporting directly to the Board. The Sustainability SteerCo, meeting monthly, defines accountability for the sustainability strategy, including governance, social and environmental issues, and climate-related risks.

THIRD LINE

Internal Audit

Internal Audit performs risk-based assessments, providing assurance to the Board on the effectiveness of our ESG risk governance, processes, and consistent application of policies.

Strategic and Tactical ESG Oversight

Strategic Level (Board of Directors)

Our Board comprises highly qualified, diverse members providing strategic direction and oversight on ESG performance, ensuring effective sustainability governance. The board of directors has ultimate responsibility for ESG oversight, with clearly defined roles and responsibilities. The Chair of the Board is an independent, non-executive director, responsible for providing strategic direction and leadership on governance matters. Board members are nominated based on clear criteria that include professional experience, diversity (gender, age, professional background), and alignment with our sustainability objectives.

A formal nomination process ensures transparency, with multiple candidates considered against these diversity metrics.

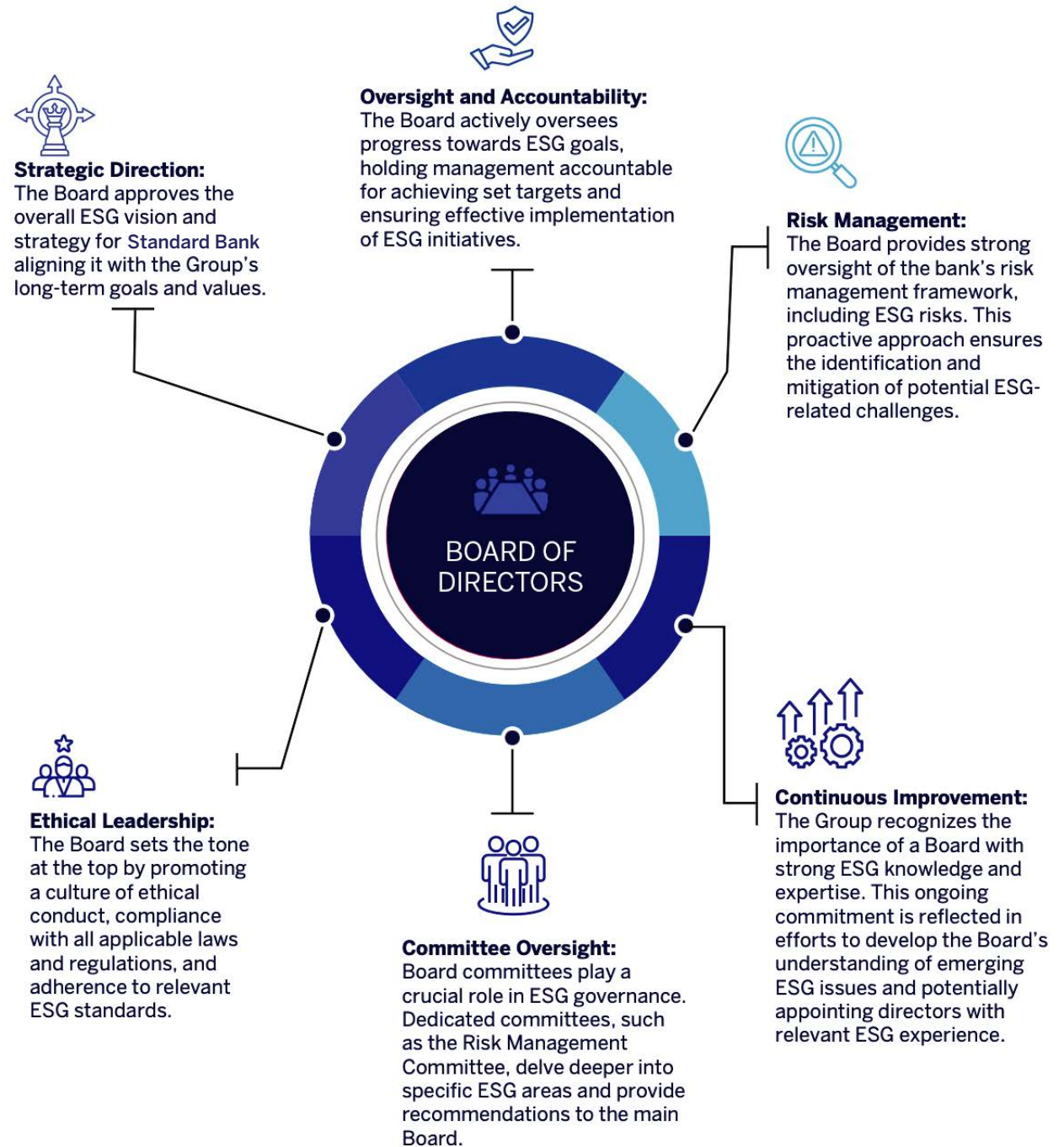


Figure 3: Strategic and Tactical ESG Oversight

Tactical Level

The Country Leadership Council (CLC) is responsible for the operationalization of the Bank's ESG risk governance framework. It ensures that structures, policies, and oversight mechanisms are effective in managing ESG-related risks across:

GOVERNANCE ISSUES

- Ethics and Conduct.
- Prevention of Financial crime.
- Information Security and Cybersecurity.
- Engagement with diverse stakeholders.

SOCIAL ISSUES

- Respect for human rights.
- Labour practices, Health and Safety.
- Financial inclusion.
- Our impacts on communities.

ENVIRONMENTAL ISSUES

- Impacts on natural resources.
- Biodiversity.
- Climate-related risks and opportunities.

The CLC monitors compliance with set targets, reviews performance, and ensures timely reporting to the Board. It ensures that ESG accountability is embedded at all management levels through structured reporting and inclusion of ESG metrics in performance evaluations.

Subcommittees have been established to facilitate ongoing monitoring and improvement.



ESG Oversight Committees

To effectively operationalize our sustainability strategy and risk governance, Standard Bank Plc relies on a suite of specialized management committees. These committees provide structured oversight, ensure strategic alignment, and enable the Bank to respond proactively to emerging ESG-related risks and opportunities. Working under the guidance of the Board of Directors and the Country Leadership Council, each committee plays a distinct yet complementary role in advancing the Bank's environmental, social, and governance commitments.

These committees ensure that ESG considerations remain embedded across lending, risk, and compliance, investment, and sustainability functions. They support decision-making through regular monitoring, policy execution, and coordination across business units, reinforcing the Bank's commitment to responsible finance, regulatory compliance, and long-term value creation.

RISK MANAGEMENT COMMITTEE (RMC)

Assists the Country Leadership Council (CLC) in identifying, measuring, and monitoring ESG and non-financial risks. It promotes compliance culture and oversees alignment with the Code of Ethics, climate risk monitoring, and human rights principles.

CREDIT RISK MANAGEMENT COMMITTEE (CRMC)

Ensures integration of environmental and social (E&S) risks into the credit process, including transaction screening, client on-boarding, and due diligence. It aligns all decisions with the Bank's and Group's risk appetite and ESG policies.

SUSTAINABILITY SteerCo

Chaired by a senior executive, the SteerCo tracks progress on the sustainability strategy, monitors ESG targets, and ensures integration of social, environmental, and economic factors into operational decisions. It facilitates alignment with the Bank's development goals.

CREDIT COMMITTEES (CIB, BCB, PPB)

Review credit applications across segments, factoring in E&S risk assessments to ensure alignment with ESG standards and the Bank's positive impact objectives.

Sustainability Management

In 2024, Standard Bank Plc introduced the Sustainability Manager role as a dedicated function to drive the execution of its sustainability agenda. This newly established position reports to the Chief Risk Officer and is pivotal in steering both the strategic and tactical implementation of the Bank's sustainability strategy.

The Sustainability Manager plays a critical role in:

IDENTIFYING ESG-RELATED RISKS AND NEGATIVE IMPACTS	Across operations, lending, and client engagements.
COORDINATING MITIGATION AND REMEDIATION ACTIONS	To address adverse impacts in line with global standards.
ENHANCING THE BANK'S POSITIVE ESG CONTRIBUTIONS	Particularly in areas such as financial inclusion, climate finance, and community development.
UNLOCKING ESG-RELATED OPPORTUNITIES	That align with business growth, innovation, and sustainable development goals.

By integrating these responsibilities, the role ensures that the Bank not only meets its regulatory and ethical obligations but also maximizes long-term value creation through sustainable finance and impactful social investment.

Through this strengthened governance capability, Standard Bank Plc advances effective ESG risk management while contributing to positive economic, environmental, and social outcomes across Malawi.

ESG Risk Management In Operations

The Bank's enterprise-wide risk management framework defines accountability structures and escalation mechanisms to ensure the effective oversight and execution of ESG risk management. This approach is reinforced by policies such as the Environmental and Social (E&S) Risk Policy, Code of Ethics and Conduct, Climate Policy, Whistleblowing Policy, and an Exceptions List.

E&S risks refer to potential adverse impacts on people and the environment arising from the Bank's own activities or from those of the clients and projects it finances. These risks can translate into credit, operational, reputational, or business risks.



Comprehensive Risk Identification: 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 not yet to be completed, the Bank 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), SDGs, and group-wide ESG focus areas.
- Sector-specific risks and regulatory requirements.
- Input from select 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 Bank 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.



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

Standard Bank Plc integrates Environmental and Social (E&S) considerations throughout all business operations, recognizing that responsible practices extend beyond financial returns.

Our comprehensive E&S risk management approach aligns with Malawi's regulatory environment and leverages the Standard Bank Group's global expertise, customised to our local context.

We proactively identify, assess, and mitigate ESG and climate-related risks across our operations and client engagements. Integrating ESG considerations into our decision-making ensures alignment with our sustainability goals, high governance standards, reduced environmental impact, and enhanced social well-being, contributing to our long-term resilience.

Standard Bank Plc manages E&S risks through its Environmental and Social Management System (ESMS), 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.

These instruments align with regulatory requirements in Malawi, and with global best practices such as:

- 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 ensuring implementation of the ESMS. Standard Bank Plc draws upon this centralised expertise and its associated tools.

Stage 1: E&S Screening

All corporate clients and relevant transactions are screened for E&S risks using the Bank'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 Bank 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.

2024 SCREENING RESULTS	Assessment Type	Total	Low	Medium	High
	Client Risk Assessment	52	50	2	0
	Transaction Risk Review	52	50	2	0
	Annual Reviews	102	100	0	2
	Total Screened	154	150	2	2

Types of Risk Assessments

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 We Screen For

Before any facility is approved, we test prospective clients and transactions against a three-pillar checklist. The goal is to identify material Environmental, Social and Governance (ESG) risks early, determine the right level of due-diligence, and embed mitigating covenants in our loan documents.

PILLAR	WHAT WE EXAMINE	REFERENCE STANDARDS
Social/ Human-Rights	<ul style="list-style-type: none"> Fair pay, safe working conditions and protection of vulnerable / migrant labour. Absolute prohibition of child, forced or compulsory labour. Community health & safety; land acquisition, displacement & livelihood restoration. Gender-based violence & harassment (GbVH) mitigation measures. Protection of cultural heritage and Indigenous Peoples' rights. Human-rights risks in the supply chain. 	<ul style="list-style-type: none"> UN Guiding Principles on Business & Human Rights. IFC Performance Standards 1-8. Equator Principles v4.
Governance	<ul style="list-style-type: none"> Existence of a board-approved ESMS and transparent ESG reporting. Antibribery / corruption controls; sanctions, fines or enforcement history. Track record of ESG-related litigation, strikes or NGO campaigns. 	<ul style="list-style-type: none"> OECD Guidelines for Multinational Enterprises. ISO 37001. SBG Code of Ethics.
Environment & Climate	<ul style="list-style-type: none"> Impacts on biodiversity, critical habitats and endangered species. Air, water, soil pollution and hazardous-material management. Resource efficiency (energy, water) and GHG-reduction targets. Alignment with SBG Climate Policy and Paris-aligned sector pathways. 	<ul style="list-style-type: none"> IFC EHS Guidelines. Paris Agreement. SBG Climate Policy.

Recommendations or conditionality's may be embedded in loan agreements as conditions precedent or subsequent.

Exceptions List

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

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

EXCEPTIONS

1. Harmful child labour or any form of forced labour.
2. Production or trade in illegal products, banned agro chemicals, ozone depleting substances, PCB 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 & gas exploration, mountaintop removal mining.
9. Diamonds not certified under the Kimberley Process.



High-Risk Sector Guidelines

When a transaction falls into a sector known for elevated ESG exposure, we apply “enhanced due-diligence” (EDD). This goes beyond normal credit evaluation and usually involves specialist consultants, site visits, public-consultation review and board-level approval.

MINING & METALS	OIL & GAS	THERMAL-COAL POWER	LARGE INFRASTRUCTURE	INDUSTRIAL & CHEMICALS	AGRICULTURE / FORESTRY
EDD Trigger Points & Mandatory Checks <ul style="list-style-type: none"> Uranium extraction. Tailings & closure liabilities. 	EDD Trigger Points & Mandatory Checks <ul style="list-style-type: none"> Shale/fracking. Trans-national pipelines. Spill response. Decommissioning plans. 	EDD Trigger Points & Mandatory Checks <ul style="list-style-type: none"> Any company operating coal plants. No new coal capacity. 	EDD Trigger Points & Mandatory Checks <ul style="list-style-type: none"> >15-metre dams. New or uprated nuclear plants. Linear infrastructure in protected areas. 	EDD Trigger Points & Mandatory Checks <ul style="list-style-type: none"> Refineries, smelters, hazardous-substance manufacture. 	EDD Trigger Points & Mandatory Checks <ul style="list-style-type: none"> Primary-forest clearance. Palm or Soy expansion. Commercial logging.
Key Alignment Requirements <ul style="list-style-type: none"> ICMM Principles. IFC PS 3-6. 	Key Alignment Requirements <ul style="list-style-type: none"> IPIECA. SBG Climate Policy. 	Key Alignment Requirements <ul style="list-style-type: none"> SBG “No New Coal” commitment. 	Key Alignment Requirements <ul style="list-style-type: none"> World Commission on Dams. IAEA. 	Key Alignment Requirements <ul style="list-style-type: none"> Basel & Rotterdam Conventions. 	Key Alignment Requirements <ul style="list-style-type: none"> RSPO / RTRS. FAO Zero-Deforestation.



Stage 2: E&S diligence

When either the Client-Risk Assessment (CRA) or the Transaction-Risk Assessment (TRA) returns a Medium or High rating, Standard Bank Plc activates a structured Environmental & Social (E&S) due-diligence process. The intent is to go beyond paper-based compliance and obtain credible evidence—through analysis, site work and third-party assurance—that borrowers can identify, avoid, mitigate and monitor the E&S impacts linked to their operations and any assets we finance.

Purpose

Our E&S due diligence

- Verifies that clients have adequate people, systems and capital to manage material environmental, health and safety, labour and community risks.
- Aligns every qualifying transaction with the Equator Principles (EP), IFC Performance Standards (IFC PS), World Bank EHS Guidelines, and the Standard Bank Group Climate Policy.
- Embeds the Precautionary Principle—taking a conservative stance where impacts are uncertain but potentially severe.

GESR and Its Responsibilities

Group Environmental & Social Risk (GESR) is Standard Bank Group's centre of excellence for E&S risk management. It provides policy, tools and sign-off authority for all entities within the Group, including Standard Bank Plc (Malawi).

To deliver the due-diligence objectives outlined above, GESR:

1. Sets Scope & Depth

Determines the required level of inquiry (desktop review, focused site visit, or full third-party study) in proportion to the risk score generated by the internal E&S screening tool.

2. Performs Technical Reviews

Undertakes or commissions desk-based evaluations on every medium/high-risk client and on all non-project transactions.

3. Leads Project Finance Reviews

For project-related transactions, applies EP, IFC PS and WB EHS requirements in partnership with Business and Credit teams.

4. Assigns EP Category

Classifies each project as Category A, B or C, and escalates all high-risk (Category A/B) deals for Head-of-GESR approval before they enter Credit Committee.

Equator Principles Workflow

For transactions that qualify as Project Finance under the Equator Principles, the Bank follows the six step protocol below to ensure transparency and lender oversight throughout construction and early operation:

Step	Primary Owner	Deliverable
1. Independent E&S Consultant (IESC) appointed	Client (Bank consents)	Contract establishing duty of care to lenders
2. Scope of Work agreed	GESR + Client + IESC	E&S Due-Diligence Plan (ESDD)
3. Gap Analysis completed	IESC	Report benchmarking project against EP / IFC PS / WB EHS standards
4. Action Plan drafted	IESC + Client	Environmental & Social Action Plan (ESAP) with deadlines/KPIs
5. ESAP embedded in loan docs	Bank Legal	Conditions precedent/subsequent and regular reporting covenants
6. Ongoing monitoring	IESC	Quarterly reports during construction; bi-annual reports for at least two years of operations

Supporting Tools & Measures

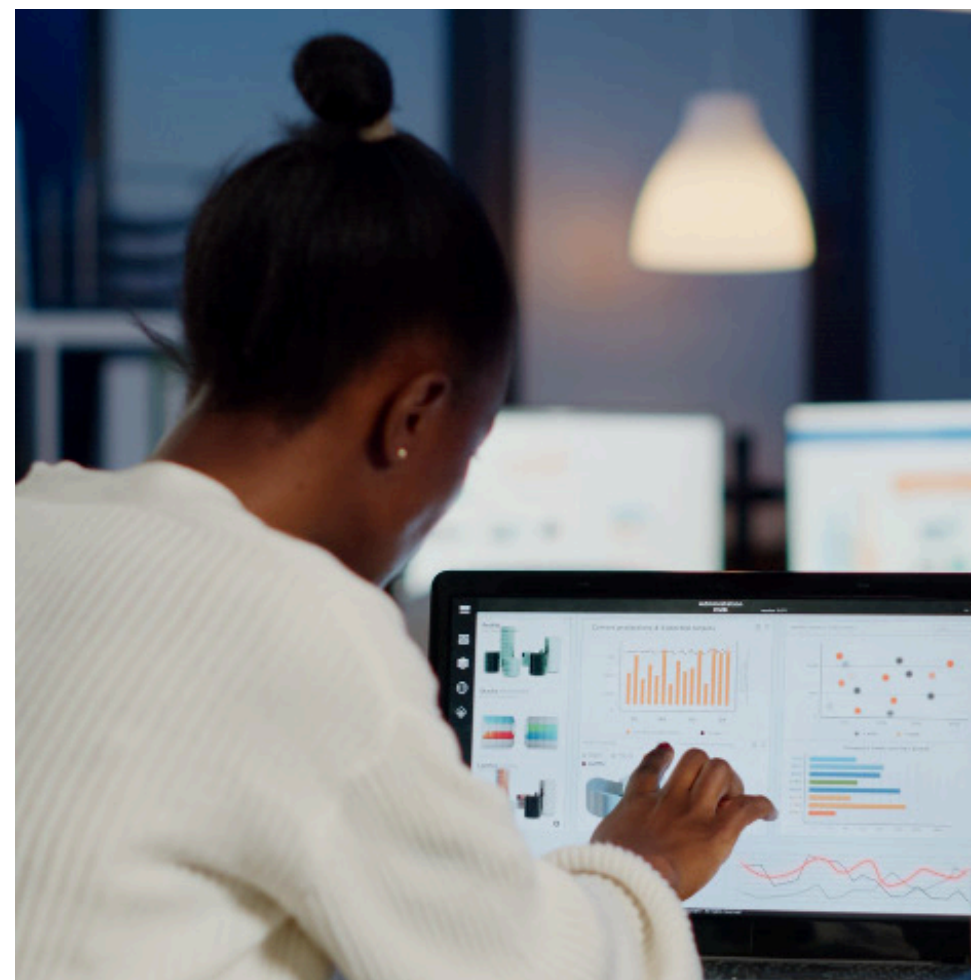
To execute and track these requirements, the Bank deploys a suite of proprietary instruments that complement statutory and voluntary frameworks:

1. Sector specific questionnaires (biodiversity, resettlement, gender based violence and harassment, climate risk, etc.)
2. Integrated site inspection protocols and photo audit templates.
3. A central E&S covenant tracking dashboard shared with Business, Credit and Legal.
4. Escalation triggers that immediately flag non compliance for corrective action, senior management attention or credit remediation steps.

Together, these elements ensure that higher risk relationships are underpinned by actionable data, time bound mitigation measures and lender supervision—thereby safeguarding communities, ecosystems and the Bank's balance sheet.

Monitoring, Controls, and Grievance Mechanisms

Standard Bank Plc's Environmental and Social Management System (ESMS) sits at the heart of our “three lines of defence” model. It translates the Equator Principles, IFC Performance Standards, World Bank EHS Guidelines and our own Climate Policy into day to day practice. The framework contains three mutually reinforcing pillars: Risk Monitoring, Internal Controls and Grievance / Whistle blowing Mechanisms. Together they give the Board real time visibility of emerging ESG risks, ensure prompt remediation, and provide safe channels for stakeholders to raise concerns.



E&S Monitoring

Regular, data driven monitoring is the backbone of our programme; it allows Standard Bank Plc to pick up emerging issues early and keeps lending decisions in line with our risk appetite statement.

CLIENT LEVEL CHECKS

- Front line credit teams re screen every corporate and project finance client at least annually using the digital CRA/TRA tool.
- Category A & B projects submit quarterly E&S compliance certificates; independent consultants visit sites bi annually during construction and annually thereafter.

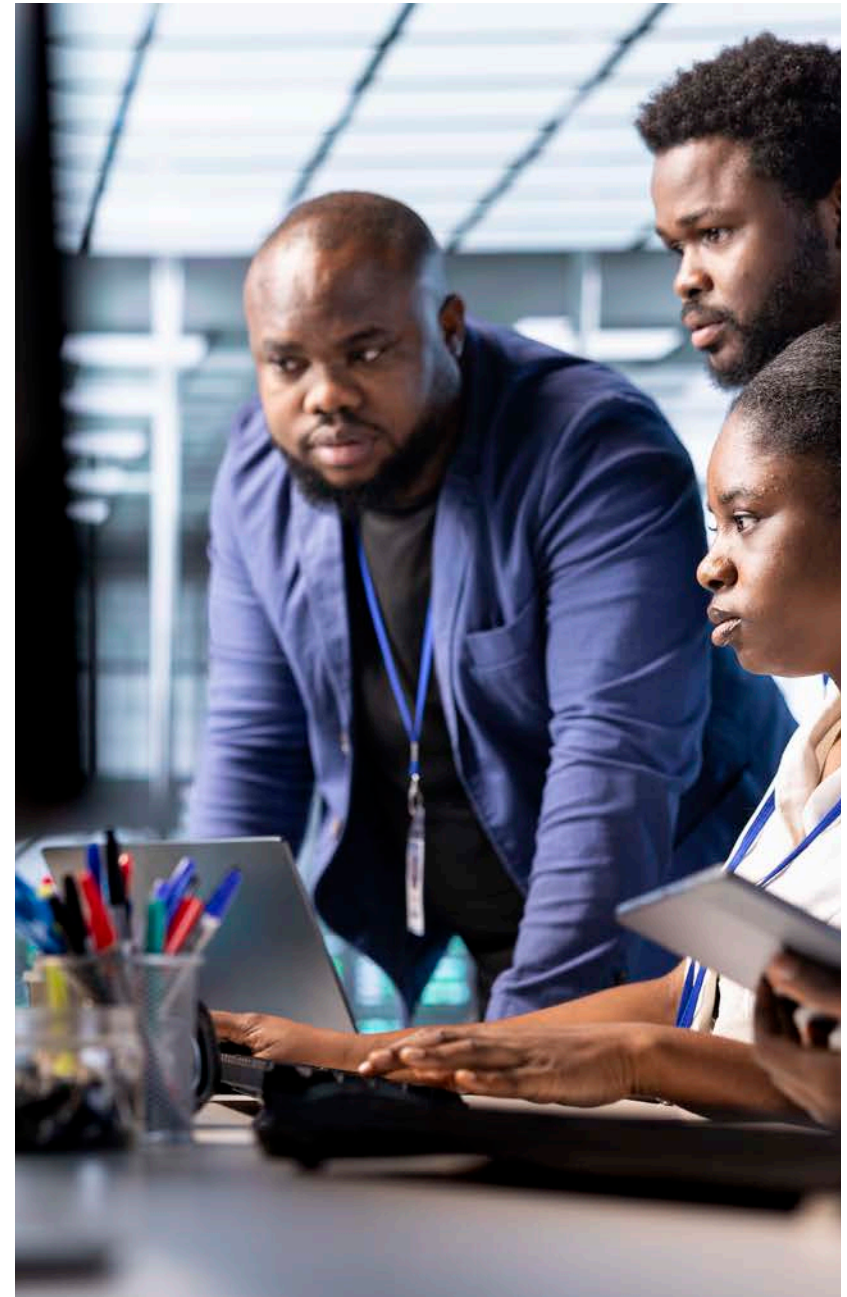
PORTFOLIO LEVEL ANALYTICS

- Quarterly ESG “heat maps” highlight sector concentrations, high risk counterparties and policy exceptions.
- Semi annual climate stress scenarios go to the Group Portfolio Risk Management Committee.

THEMATIC REVIEWS

- GESR or the Board Risk Committee can trigger deep dives (e.g., water scarcity, modern slavery) when new risks surface.

Any red/amber breach is escalated to the Board within 48 hours for Category A projects.



Grievance Mechanisms

Transparent grievance channels strengthen relationships with staff, customers and host communities.

1. INTERNAL WHISTLE BLOWING

A 24/7, multi lingual hotline and anonymous digital portal are overseen by the Ethics Office; HR and Internal Audit enforce a strict no retaliation policy.

2. CLIENT COMMUNITY MECHANISMS

For every Category A—and any significant Category B—project, clients must run an IFC compliant Community Grievance Mechanism (CGM).

Minimum expectations include:

- i. **Multiple intake channels (in person, telephone, written/digital);**
- ii. **No retaliation guarantees.**
- iii. **Documented response times (acknowledge ≤ 7 days, resolve ≤ 30 days); and**
- iv. **A transparent appeals process.**

The Bank tests each CGM during site visits and may order third party audits where grievances are recurrent or complex.

3. TRACKING & ESCALATION

Grievances (internal or external) are logged in the ESMS portal and analysed quarterly by the Sustainability SteerCo. Material community disputes reach the Chief Executive and Chair of Board Risk within 72 hours.

Internal Controls

Controls translate policy into everyday practice:

- **Loan covenants bake in ESAP milestones, annual GHG disclosures and incident reporting clauses.**
- **Risk appetite triggers (e.g., coal exposure limits, overdue ESAP items > 90 days) drive automated alerts in the loan admin system.**
- **Incident management uses a Tier 1–3 system; Tier 1 events demand Board approved root cause analysis within 30 days.**
- **Training – annual ESG e learning for all credit staff; classroom refreshers for high risk sector bankers every two years.**
- **Assurance – Operational Risk Committee receives quarterly “E&S control effectiveness” dashboards, Board Audit Committee tracks closure of audit findings.**

Equator Principles Activity – 2024

No new Equator Principles transactions have closed in 2024 to date, but all previously approved Category A & B projects continue under quarterly compliance certificates and independent site inspections. Mid year reporting will update stakeholders as the current pipeline advances.

By anchoring these activities in our purpose—Malawi is our home; we drive her growth—Standard Bank Plc ensures that every lending decision safeguards people, protects the environment, and supports sustainable economic progress across the country.

Human Rights Assessment & Monitoring

Standard Bank Plc's vision is to be the leading Financial Institution in Malawi and has made its commitment based on the purpose that is Driving Malawi's Growth, and to offer all its clients a differentiating banking experience while creating value for the society. This commitment implies that the Bank's growth is achieved in a sustained and responsible manner.

To fulfill 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 Bank'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.



Respect for human rights underpins our license to operate in Malawi. We integrate respect for human rights into our day-to-day operations and in the way we do business. This includes:

- **Providing a work environment for our people that respects their human rights.** This commitment is reflected in our people policies and practices, including our code of ethics and conduct and policies governing diversity and inclusion, harassment in the workplace, discrimination in the workplace, sexual harassment in the workplace, occupational health and safety and whistleblowing among others.
- **Exercising due diligence in deciding who we do business with and understanding the potential human rights impacts of our business relationships,** purchasing, lending and investing.
- **Combating financial crime and corruption in all its forms, including extortion, bribery and money laundering.**
- **Monitoring ESG risk in our supply chain.**
- **Encouraging our clients, suppliers and business partners to avoid human rights infringements in their businesses.**
- **Integrate human rights due diligence into every EP Category A and relevant Category B project via independent consultants.**
- **Continually scan media, NGO reports and litigation for red flags on non project clients.**
- **Embed contractual safeguards—referencing IFC PS 2 and ILO conventions—where risks can be managed, and commission specialist audits if they cannot.**

Ethics, Conduct and Fair Results for Clients

Code of Ethics and Conduct

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.

The code is based on three pillars, linked to our purpose and values.

CONDUCT IN THE MARKET	PERSONAL CONDUCT	SOCIETAL CONDUCT
How we do business	Our responsibilities to one another and the Group	Our impact on society and the environment
<ul style="list-style-type: none"> We treat our clients fairly. We communicate effectively and proactively with our clients. We are responsive to client complaints. We value the right to privacy and take all reasonable steps to ensure we process personal information lawfully. We use data and artificial intelligence responsibly. We proactively detect and prevent financial crime. We support the orderly, fair and transparent functioning of financial markets and do not engage in anticompetitive behaviour. We ensure commission payments are legitimate and legal. We keep appropriate records. We ensure the accurate public reporting of our financial statements and transparency on tax matters. 	<ul style="list-style-type: none"> We promote diversity and inclusion. We do not tolerate unfair discrimination, bullying or harassment. We support our employees to develop their skills and careers. We ensure performance management processes enable constructive feedback and employee development. We recognise and reward our people fairly, and we incentivise ethical behaviour. We encourage innovation and collaboration to achieve better client outcomes. We take responsibility for how we represent the Bank in public. We ensure that gift and entertainment giving or receiving is carefully managed and declared to prevent impropriety. We take all reasonable steps to prevent or fairly manage potential conflicts of interest. We protect the Bank's physical and information assets. We maintain a healthy and safe work environment. We enjoy freedom of association and collective organisation. 	<ul style="list-style-type: none"> We understand and manage our social, economic and environmental impacts. We strive to create shared value for our stakeholders, including shareholders, clients, employees and the societies in which we operate. We respect human rights. We promote financial inclusion. We engage constructively with our stakeholders. We are responsible for our procurement practices and third-party relationships. We commit to reducing our operational and financed carbon emissions in line with the Group's climate policy and the Paris Agreement. We undertake corporate social investment that creates sustainable benefits for our communities.

Our code of ethics and conduct aligns with global and national regulatory and governance standards in Malawi. It helps us ensure that we conduct ourselves lawfully and within the legal frameworks of Malawi in which we operate. It aims to empower us to make principle-based decisions, and to encourage honest and robust discussion to determine the appropriate course of action in any situation.

Employee Responsibilities

All employees are required to read, understand and attest to follow the code on joining the Bank. All employees must complete mandatory online training on the code and related policies and attest to having done so.

Training use case studies and includes practical scenarios designed to deepen employee understanding. Employees may also be required to undertake role specific training to understand and manage relevant conduct risks within the context of their business units and responsibilities.

In 2024, 99.3% of employees completed this training based on the Bank's code of ethics and conduct, with modules on business conduct, personal conduct, client conduct and managing the compliance risks associated with our conduct.

Managing risk incidents and breaches

Executives are responsible for monitoring and interrogating conduct and implementing mitigating and remedial actions when material concerns or issues arise.

Employees are regularly reminded, via training and communication campaigns, to report any behaviour contrary to the code.

Effective consequence management practices are in place for unethical behaviour. A breach of the code is a violation of terms of employment. Breaches may be subject to disciplinary action, up to and including dismissal.

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 Bank's clients, the market, or the Bank 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. 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 Bank 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 Bank'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.



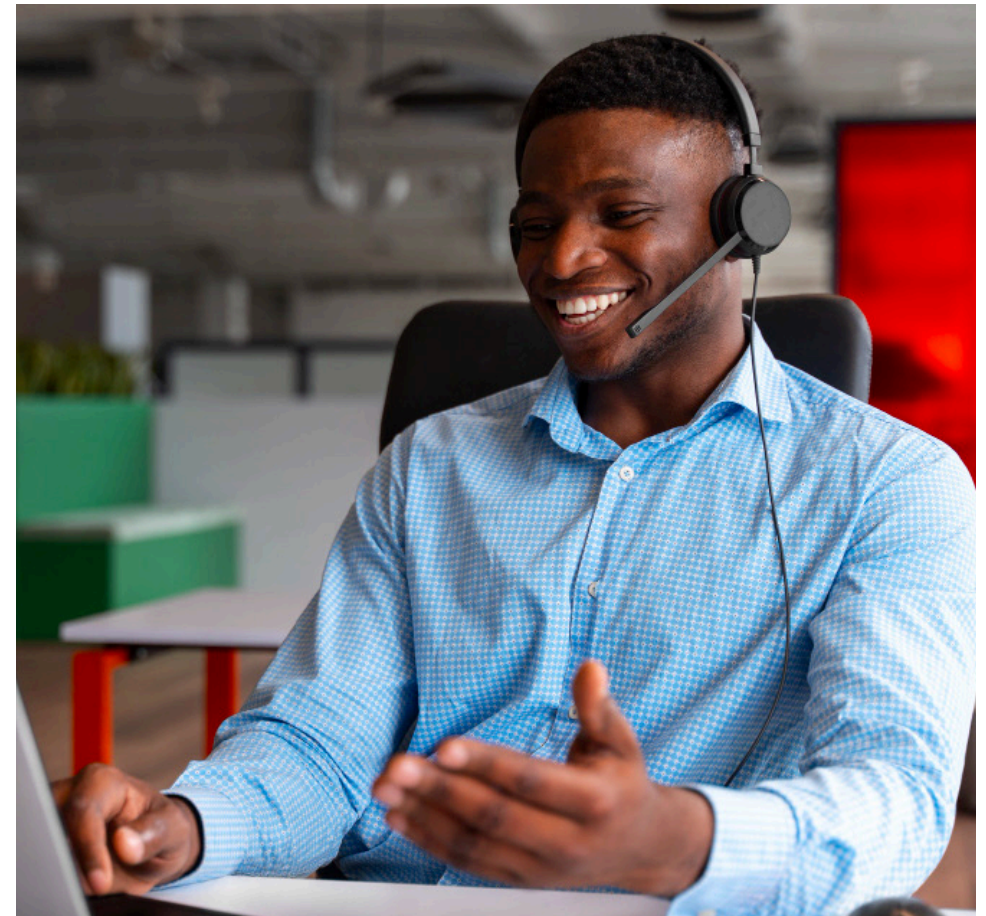
Whistleblowing

We have a comprehensive process in place to enable employees and external stakeholders to raise concerns if they become aware of behaviours or actions that they believe are not in line with the Bank's values and code of ethics and conduct.

The Bank's whistleblowing policy allows whistleblowers to raise concerns and make disclosures in good faith without fear of victimisation or prejudice. The Bank is not obliged to protect a whistleblower if they make a disclosure in bad faith or maliciously make a false disclosure, unfairly or unjustly dishonour another, or conceal their own involvement in criminal activities and/or their own unethical behaviour.

ISSUES

- Behaviour that is not in line with the Bank's values and code of ethics and conduct.
- Behaviour that is likely to cause financial harm or reputational damage to the Bank.
- Failure to comply with the applicable country domiciled law.
- Abuse of human rights.
- Any instance or suspected instance of injustice.
- Discrimination, harassment, victimisation, bullying or sexual misconduct.
- Danger to the health and safety of an individual.
- Adverse social or environmental impacts arising from projects or activities financed by the Bank.
- Abuse of power or authority.
- Fraud, theft, bribery or corruption.
- Abuse of Bank or client resources and assets.
- Misrepresentation of information.
- Mismanagement or maladministration.
- Deliberately concealing information about any of the above.



WHISTLEBLOWING CHANNELS

The Bank provides various reporting options, including an independent whistleblowing hotline 4455 (Deloitte Tip-offs Anonymous)

Email Address: whistleblowingline@tip-offs.com
Website: <https://www.tip-offs.com/MakeReport.aspx>

operated on a confidential and anonymous basis.

Employee Responsibilities

Information on our whistleblowing policy and processes is readily available to all employees. We actively encourage employees to use these channels through regular email communications and training interventions. Internal reports and disclosures are treated on a case-by-case basis. Employees may raise concerns or report issues via:

- The Manager Investigations.
- Line management or a member of the executive management team.
- The whistleblowing hotline.

External Stakeholders

External stakeholders are encouraged to use the whistleblowing hotline.

We encourage employees and external parties to use SBG's internal whistleblowing reporting options in the first instance. If a whistleblower is not satisfied that a raised concern has been adequately addressed via internal whistleblowing reporting options, they may opt for external options:

- Public Protector (or similar per jurisdiction).
- The Public Service Commission (or similar per jurisdiction).
- A prescribed person or body, who a whistleblower reasonably believes will appropriately deal with the matter.

Whistleblowing Referrals received in 2024

Total referrals	9
Total referrals finalised and closed	5
Types of referrals investigated (%)	
	%
Unethical behaviour	100%
Human rights	0
Service related	0%
Top 5 categories of cases finalised and closed (%)	
	%
No merit	20%
Banking related concerns, referred to operations	0%
No investigations performed	40%
Referral to People and Culture for assessment and recommendations	20%
Investigations resulted in internal/external action	20%

Fair Outcomes for clients

We are dedicated to prioritizing our clients in every aspect of our business. We actively engage with them and evaluate their experiences through various methods, including surveys, online communication platforms, voice branch, social media, and face-to-face interactions. We monitor a net promoter score for both personal and business clients, as well as a client satisfaction index specifically for our Corporate and Investment Banking clients.

We ensure that clients receive clear, transparent, and relevant product information, encompassing details about features and associated risks.

Fair Pricing

We offer our clients transparent information about fees and costs. Our pricing reviews incorporate client insights gathered from surveys, complaints, and feedback from relationship managers, along with data on the competitive landscape, regulatory guidelines, and service costs.

Additionally, second-line functions such as compliance and risk are involved in the pricing approval process to guarantee fair treatment for all clients.



Product design and delivery

The Bank is dedicated to delivering our products and services with integrity, fairness, and due diligence, prioritizing the interests of our clients. We ensure that clients receive clear, transparent, and relevant product information, encompassing details on features and associated risks. All necessary disclosures are provided prior to, during, and at the conclusion of the contract for any product or service.

We are committed to presenting information that is factually accurate, articulated in plain language, and devoid of misleading content, ensuring it is suitable and appropriate given the client's established or reasonably assumed level of knowledge.

Timely information is provided to clients, allowing them sufficient opportunity to make informed decisions. We rigorously identify client needs and product eligibility through a comprehensive and objective evaluation process, considering clients' circumstances and their capacity to manage associated costs or risks.

Our products undergo continuous review, monitoring, and performance reporting to assess their suitability. We proactively identify and implement product modifications and enhancements based on regular feedback from employees, including those on the front lines, as well as from clients. We consistently analyse client experience metrics and complaint data to pinpoint potential areas for improvement. Additionally, we offer specialized product training for sales personnel and third-party suppliers in authorised roles.

Advertising and Marketing

Our brand and marketing function is responsible for overseeing the Bank's advertising and communications campaigns, ensuring adherence to regulatory compliance, client relevance, brand alignment, and clarity. This function collaborates with business, legal, and compliance teams to facilitate the advertising approval process, thereby promoting fair client outcomes and compliance with disclosure requirements.

While the development of advertising is outsourced, no external supplier is authorised to place advertisements on our behalf without following the Bank's established approval process.

Furthermore, clients retain the right to opt out of all forms of digital and direct marketing.

We distinguish between marketing materials and critical operational communications. For instance, in the event of a banking system outage, we will continue to provide essential information to clients who have opted out of direct marketing, including updates on the outage status, alternative banking options, and progress on issue resolution.

Resolving Client Complaints

Our complaints management system is founded on the principles of fairness, accessibility, responsiveness, and efficiency. The policy is crafted to serve our clients while adhering to applicable regulatory obligations across the Bank. It clearly delineates the roles and responsibilities of all stakeholders and documents the requirements for complaints management procedures. This policy is applicable to all Bank employees and reflects the Bank's minimum standards, which may be enhanced by additional local jurisdiction requirements or specific business policies and procedures.

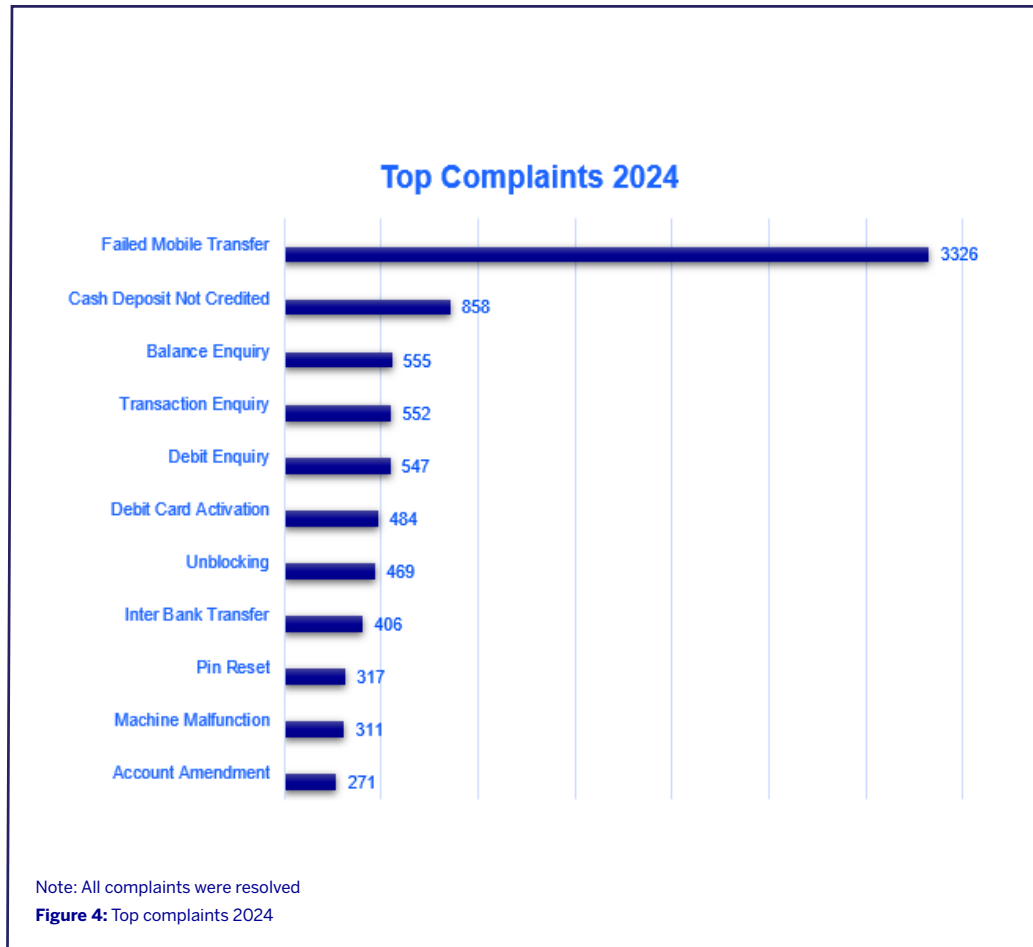
Each business area is equipped with a complaints management framework and a complaint resolution system (CRS) that facilitates the capture and management of complaints. The complaints management procedures for each area are publicly accessible.

Business areas maintain comprehensive management information regarding all complaints, utilizing this data for root cause analysis to ensure that appropriate actions are taken to address any areas of concern.

Employees tasked with capturing, managing, and resolving complaints receive relevant training. In instances of client compensation, the principles of fair treatment and all pertinent legislation are considered.



When the Bank is not able to resolve the complaint the customer may escalate to the Reserve Bank of Malawi, in 2024 the Bank was penalised by the regulator over one customer incident.



All complaints should be resolved within agreed timelines, in 2024 the Bank launched the Service in motion campaign whose aim is to instil discipline of responding to the customer promptly before the sun sets. If a complaint has not been resolved the customer may escalate to the Chief Executive. If they have not been fully assisted by the Bank they may escalate to the regulator.



Salesforce has significantly enhanced the client experience at Standard Bank Plc, particularly in our Voice Branch which is the call centre. Below are key improvements:

- **Unified Platform:** Standard Bank has implemented a common Salesforce platform across 18 countries, which allows for a consistent and seamless client experience.
- **Enhanced Digital Engagement:** The collaboration with Salesforce has enabled Standard Bank to deliver personalized and instantly available solutions through digital channels. This means clients can access services and support in the way that suits them best.
- **Improved Customer Insights:** With Salesforce's Customer 360 platform, Standard Bank can build a single source of truth across the entire customer journey. This helps the Bank respond quickly to changing customer needs and provide more tailored services.
- **Increased Efficiency:** The integration of Salesforce has streamlined various processes, making it easier for client-facing employees to manage interactions and resolve issues more efficiently.

These improvements have collectively contributed to a more responsive, personalized, and efficient client experience at Standard Bank Plc.

Since Standard Bank Plc's update with Salesforce, customer feedback has shown significant improvements:

- **Faster Case Resolution:** The Bank has been able to close cases 86% faster, which has greatly enhanced customer satisfaction.
- **Increased Customer Satisfaction:** There has been a 28% boost in customer satisfaction, indicating that clients are happier with the services provided.
- **Unified Customer View:** The implementation of Salesforce's Customer 360 platform has allowed Standard Bank to build a single source of truth across the entire customer journey, enabling more personalized and responsive service.

These changes reflect a more efficient, responsive, and customer-centric approach, leading to better overall experiences for clients.

Protecting client information

Our business operations are fundamentally reliant on the integrity of the Bank's data and information assets, as well as the safeguarding of client privacy. Information is a critical asset for the Bank 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 Bank's systems for financial gain, either directly through assaults on payment systems or indirectly through data theft or extortion.

We are committed to safeguarding the personal information of clients, third parties, and employees. We recognise data privacy rights as a fundamental human right and implement robust processes to uphold the right to privacy. This necessitates ongoing vigilance regarding information risk, cyber risk, client privacy, technology risk, and third-party risk. We allocate resources to enhance our people, processes, technology, and organisational controls to protect our information assets. The board and executives place significant emphasis on information risk, data privacy, and cybersecurity.

We manage data privacy, information security, and cybersecurity within a comprehensive framework of policies and standards:

- The code of ethics and conduct mandates that all employees maintain the confidentiality of client information, safeguard the Bank's intellectual property, and disclose information regarding intellectual property only on a need-to-know basis.
- The enterprise-wide risk management framework identifies cyber and information risk as critical risks requiring management.
- The information risk governance standard outlines the Bank's high level policy objectives and commitment to implementing good information risk management, information security and data privacy risk management practices across the organisation, ensuring alignment among interconnected risk types such as cyber risk and technology risk.
- Acceptable use of information assets policy describes what is required of the general user to ensure the secure use of the Bank's information assets and to ensure responsible and ethical behaviour when accessing and using these information assets. This policy applies to all employees, third parties, including independent service providers.
- The cyber resilience standard delineates roles and responsibilities for managing cyber risk and facilitates accurate measurement and reporting of cybersecurity controls.
- The information risk policy establishes principles and minimum requirements for managing risks associated with all types of information assets, in all formats, owned or entrusted to the Bank throughout their lifecycle. This policy applies to all employees and third parties.

- The data privacy operating standard governs the processing of all personal information related to prospective, existing, and former data subjects, including clients, employees, third parties, and both natural and juristic persons. It addresses the protection of personal information from origination through use, retention, and disposal.

Data privacy principles

We are committed to protecting the personal information of clients, third parties and employees. We apply robust processes to give effect to the right to privacy. Our data privacy approach incorporates the requirements of all relevant privacy legislation and regulations and industry standards and codes in Malawi.

We adhere to the following principles when processing personal information:

- Privacy is top of mind in all our business activities and projects and remains our responsibility.
- We always keep our clients informed and ensure they know what personal information we need, and why we need it.
- We do not process clients' personal information beyond the purpose for which we originally collected it.
- We only collect the personal information that we need, we collect it lawfully and process it based on the lawful grounds provided by legislation.
- We empower and enable our clients to access and update their personal information at any time. Requests from data subjects to amend or delete their personal information may be made via our client service channels or directly to the information officer.
- We treat the personal information we collect through our various channels as private and confidential. Our privacy statement and cookie notice apply when using these channels. We ensure that third parties acknowledge and comply with set minimum requirements.

Cyber Security

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 Bank's growth is achieved in a sustained and responsible manner.

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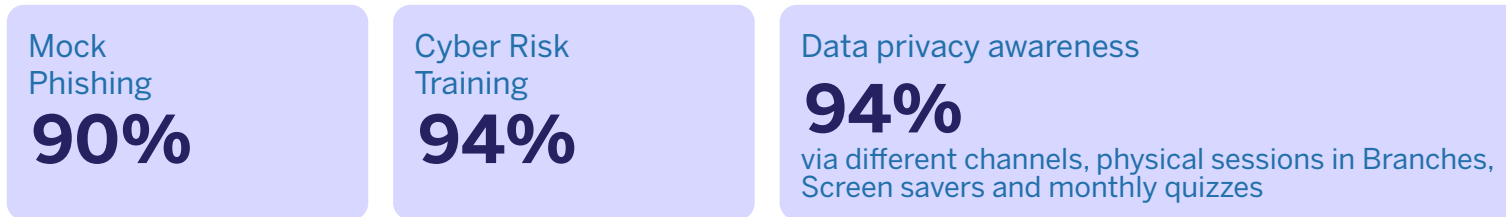
Standard Bank Group has pursued certification of specific technology infrastructure where it is regulated:

- ISO27000 certification for the Shared Africa Regions Core Banking Platform of which Standard Bank Plc uses.

These are re-audited periodically to maintain the certification.

The Bank 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 Bank maintains dedicated cyber insurance cover for additional protection against common cyber threats.

Information, privacy and cybersecurity training completed during 2024 (% of Bank employees)



Employee responsibilities

All employees are required to:

- Protect information and comply with relevant policies, including the information risk policy, acceptable use of information assets policy and cyber resilience standard.
- Lawfully process personal information as documented in country-specific privacy statements.
- Complete mandatory compliance training, including mandatory information security and mandatory biannual cybersecurity awareness training.
- Use Bank information assets, including mobile devices, appropriately and responsibly.
- Ensure data privacy is incorporated into how we design and run our core business processes.
- Attest to having read and understood the Bank acceptable use of information assets policy and other applicable policies every time they log in to their Standard Bank computer. Attestation includes confirmation that noncompliance with group policies may result in disciplinary action, including termination of employment.
- Report security violations and noncompliance with group policies.
- Report any information risk or cybersecurity concerns.

The Banks intranet and our risk management chatbot provide direct links to relevant policies. Employees can also access support via the risk chatbot, which is able to answer various questions related to information risk and data privacy. All employees have access to a 'report phishing' function in Microsoft Outlook, which they are regularly reminded to use if they receive a suspicious email.

We conduct regular awareness raising and training. Communication channels include email, townhalls, and masterclasses and workshops in which we address specific business needs. Courses on topics such as information risk management, data privacy and card payment data protection are available to all employees on our employee training platform and are required training for specific roles. Information and cyber-related learning paths are also available to employees.

Disciplinary or legal action may be taken against any employee who does not comply with group information risk and cyber risk policies. Where such non-compliance constitutes gross misconduct, it may result in dismissal.

Third party responsibilities

Standard Bank Plc takes a proactive approach to managing third-party risk. The Bank'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 Bank'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 Bank 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 Bank'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 Bank policies. The Bank'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 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.

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

Reliability of digital transaction channels

The stability, security and speed of our IT systems is fundamental to our ability fulfill 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 our 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 our 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.

Impact Story: Finacle Pakwathu Project – System Stability

Standard Bank Group embarked on a project to split the Finacle Cloud 1 environment in South Africa to country specific databases, which enabled each country to attain its own independent environment. The Cloud 1 decoupling started in May 2023 for the six countries namely: Malawi, Zimbabwe, Zambia, Lesotho, Eswatini and Mauritius. Malawi went live on decoupled environment on 11 November 2023. Further, Malawi opted to localise its decoupled Finacle instance as part of adhering to regulatory requirements.

This includes moving all data from the decoupled environment onto configured on-premises infrastructure. This decision has offered the following benefits:

- Decrease the time to develop and deploy enhancements on the core banking system as Malawi would not be on the Group queue for development.
- Increase the core banking system's operational response times.
- Adhere to regulatory and compliance requirements to host the core banking system in country.

The Finacle localisation project was named 'Pakwathu' and went live on 7 September 2024 with no major data or customer issues. Since the go live in the localised environment the system has been stable.



Combating Financial Crime

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

The Bank's programmes to combat financial crime are designed and managed by the Bank's Compliance team. The functions of Compliance include training, advising, monitoring and reporting. Compliance has oversight of the Bank'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 Bank.

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 Bank 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 our employees can use the knowledge gained from compliance training to make informed decisions in their daily work, that they are aware of and sensitive to risks and are informed about the reporting processes they must follow if they become aware of any suspicious activity. Employees in roles that are assessed as being exposed to a higher level of risk from a money laundering and terrorist financing perspective are required to complete role-specific training on an annual basis.

Training includes behavioural science and scenario-based learning, culminating in assessments with randomised questions which are designed to check understanding and competency. We use data analysis and feedback to continually improve our 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 is borne out by 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. We aim to maintain a minimum 98% completion rate for mandatory training. We review the outcomes of regulatory inspections to ensure that enhancements to our risk management and compliance programmes are developed and 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.

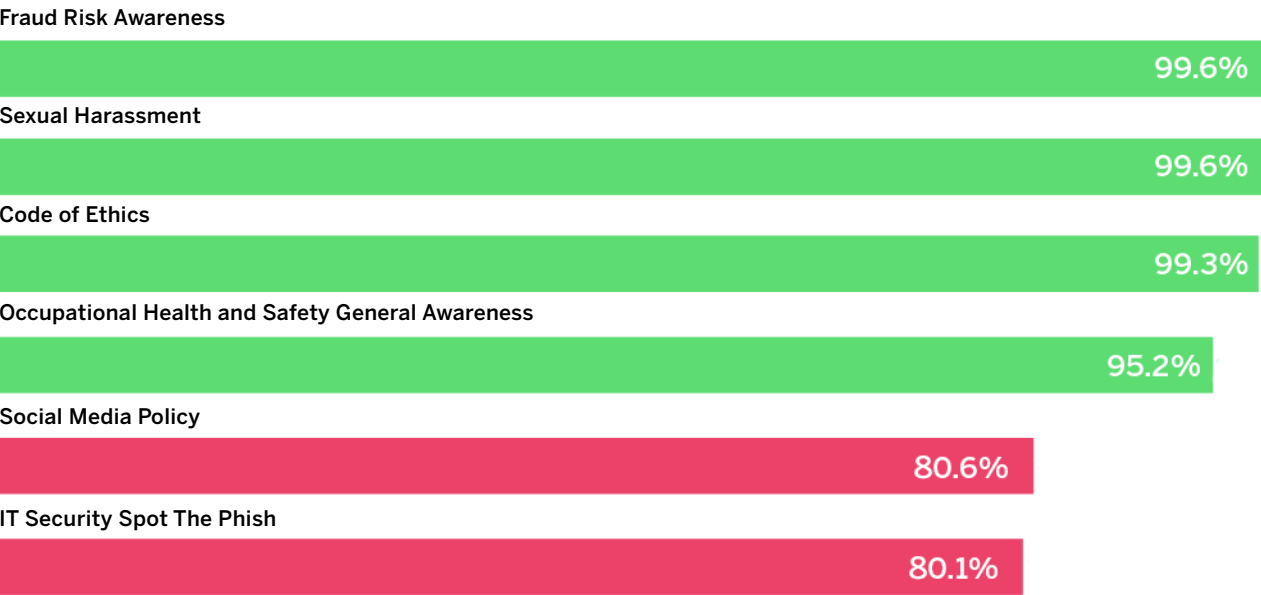
Compliance metrics 2024

External Vendors Training

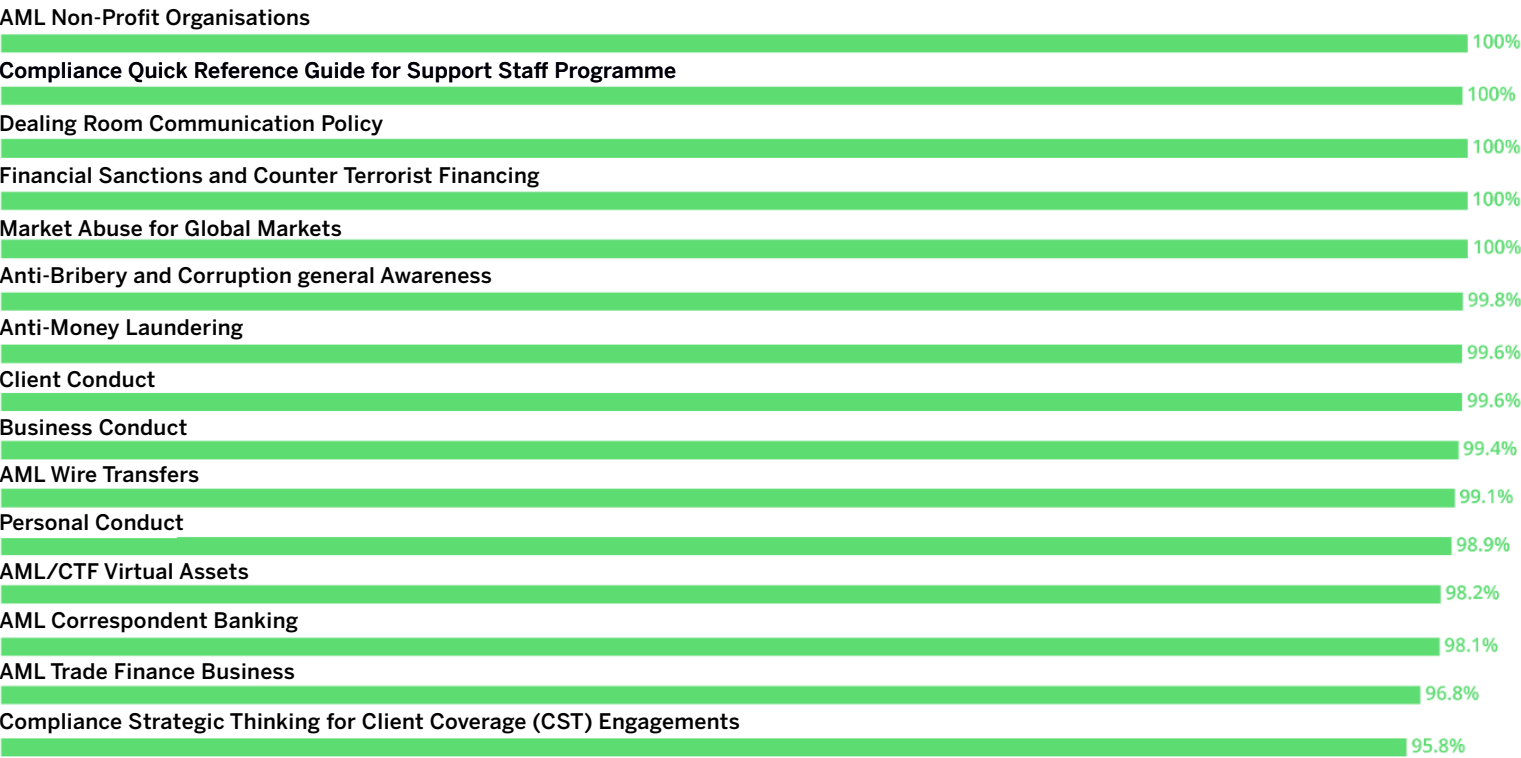
296 independent service providers undertook training on the Standard Bank independent service provider training portal.



Risks Trainings



Compliance Trainings



Money Laundering Control Policy

Our Money Laundering Control Policy is informed by the FATF recommendations and is designed to comply with statutory and regulatory obligations in Malawi.

AML/CTF legislation is continually evolving, and our operations align their AML/CTF risk management and compliance programmes to these changes as they occur. Standard Bank Plc and business units are responsible for the drafting and maintenance of a RMCP in accordance with the group's policies and standards as well as local legislative requirements. The board is accountable for ensuring compliance with the Standard Bank Plc RMCP.

Our framework, policies and processes ensure that:

- All reasonable measures are taken to ensure that risks arising from money laundering, terrorist financing, proliferation financing and contravention of financial sanctions are well understood, mitigated, and proactively managed.
- Appropriate levels of client due diligence are applied to mitigate risks effectively. Client identification and verification, and periodic reviews to ensure that client details remain current and accurate, are carried out in accordance with the risk-based approach to compliance. Our client due diligence measures include the requirement to identify and verify the ultimate beneficial owner of all corporate clients, as well as the requirement to have a full understanding of the ownership and control structure of legal entities such as trusts and partnerships.
- We protect the Bank's reputation and integrity by taking all reasonable measures to prevent the use of its products and services for money laundering and terrorist financing purposes, or for the circumvention of financial sanctions.
- Our client due diligence procedures include screening for sanctioned individuals and entities and known or suspected terrorists placed on lists issued by applicable competent authorities, e.g. the Office of Foreign Assets Control (OFAC) and the UN.
- We have policies and procedures in place to ensure that all clients that are high risk from an AML/CTF perspective are identified as part of our on-boarding processes, including foreign politically exposed persons (PEPs) and local PEPs with adverse media. These clients are subject to enhanced due diligence, and establishment of these relationships is signed off by senior management. We detect, investigate and report suspicious activity and all other reportable transactions to the Financial Intelligence Authority.
- As per legislative requirements, we retain all relevant documents for a minimum of seven years.
- Our external auditors review our money laundering and terrorist financing risk management processes at least every 3 years as per regulatory requirements.

Employee responsibilities

All board members, employees and contractors are required to complete AML/CTF training and comply with AML/CTF requirements. All employees, board members, and third-party service providers have access to the training platform to enable completion of mandatory training.

Specialised training is provided to areas that are assessed as being higher risk from an AML/CTF perspective. Examples include AML/CTF risks inherent to trade finance activity, and training in relation to the vulnerabilities of non-profit organisations from a terrorist financing perspective.

All employees must report suspicious or unusual transactions to the Compliance Officer as per the Financial Crimes Act, 2017.

Third-party responsibilities

Third-party agents and service providers are required to complete AML/CTF training and comply with all AML/CTF requirements. Any external third-party performing services on the bank's behalf is required to comply with the bank's anti-financial crime policies.

Account closures

Banks are required by national and international laws to take steps to prevent themselves from being used for the purposes of money laundering, terrorist financing or other unlawful activities. This requires banks to take a risk-based approach to customer due diligence prior to establishing a new relationship with a customer, to conduct enhanced due diligence on high-risk customers such as politically exposed persons, to conduct ongoing monitoring of these customers' transactions to understand the source and application of funds, and to report suspicious transactions to the FIA. Banks are required to have policies, procedures and risk assessment tools in place to govern the closing of a customer's Bank account or the exiting of a customer relationship. Standard Bank Plc continues to aim to ensure that we conduct our business in such a way that it is not prejudiced against anyone based on his or her political, racial, and/or any other inclination or affiliation.

Anti-bribery and corruption policy

We manage our bribery and corruption risk in accordance with local and international statutory and regulatory requirements, while benchmarking our frameworks against global best-practice guidance such as the OECD's Guidance for Multinational Enterprises, the ISO 37001 International Standard, and guidance issued by the Wolfsberg Group, the UN and the World Bank. The Bank has a zero-tolerance approach to bribery and corruption. We prohibit bribery and corruption in any form and ensure that an anti-bribery and corruption culture is maintained.

We establish and maintain reasonable and proportionate measures to prevent bribery and corruption, and to detect, report, monitor and respond appropriately to any incidents that may occur.

We conduct business with integrity, transparency and openness, and in compliance with applicable laws and values and code of ethics and conduct.

The policy applies to all employees of the Bank, and third parties acting on behalf of the Bank. It emphasises that the Bank prohibits the giving or receiving of bribes, and the making of facilitation payments by any associated person. Facilitation payments are usually relatively small payments made to facilitate or expedite routine action by public officials, to which the payer of the facilitation payment has a legal or other entitlement for example, the issuing of a required permit or licence. It also provides guidance to employees regarding the appropriate response to payments extorted under duress. The policy reflects the Bank's minimum requirements in respect of ABC controls, including but not limited to aspects such as gifts, entertainment, donations and procurement.

The Bank conducts periodic ABC risk assessments. All business units of the Bank are within scope, with a focus on areas that are perceived to be higher risk. The outcomes of this risk assessment, which include the action plan detailing areas and controls that need to be enhanced, are shared with the relevant board committees that take overall responsibility for the ABC compliance programme. The Bank monitors the effectiveness of the ABC controls on an ongoing basis and continually improves the effectiveness of the ABC compliance programme.

Our guidelines governing the provision of funding to political parties, charitable causes and sponsorships include specific provisions to guard against the risk that such contributions could be used inappropriately, by the Bank, our employees or third parties to obtain a business advantage.

Employee responsibilities

All employees are required to adhere to the Bank's policies and procedures, and all regulatory requirements to prevent bribery and corruption.

Employees are required to detect, report, monitor and respond appropriately to any incidents that may occur.

- Pre-employment screening is conducted prior to the appointment of any employee.
- All employees must complete mandatory ABC general awareness training annually.
- Employees in roles that are considered higher risk also receive specialised, role-specific training on an annual basis.
- Every employee must attest to the fact that they understand how the ABC policy applies to their roles and responsibilities.
- Employees are required to report any requests for bribes or facilitation payments. Reporting channels include line managers, forensic services and the whistleblowing hotline. We allow for anonymous reporting. We prohibit victimisation and protect anyone who makes a report in good faith from suffering prejudice.

Third-party responsibilities

Risk-based due diligence is conducted prior to the appointment of any third party. The Bank's ABC policy requirements are made available to our third parties as required. ABC training and communication is made available to third parties, following a risk-based approach.

Incidents

The Bank has not been subjected to any kind of legislative or regulatory sanction for bribery and corruption infringements during the last five years.

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 Bank has policies and processes in place to mitigate fraud risk and is committed to continuous improvement. We subscribe to a 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 Bank's readiness to manage fraud risks effectively.

An always secure environment is a top priority for the Bank. 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 Bank. 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.

Incidents

As banking evolves, with enhanced digital platforms, real time rapid payments and online origination, fraudsters have introduced more sophisticated modus operandi. During 2024 there was an increase in banking scams through phishing, vishing and fraudsters harvesting sensitive information through global data breaches. The increase in online shopping has seen a rise in card-not-present fraud, as fraudsters use stolen card data to perpetrate fraud via online shopping sites. Fraudsters also impersonate known parties and convince the victim to process payments.

Standard Bank Plc risk policies, frameworks and governance, supported by digitised reporting mechanisms, ensure up to date fraud incident reporting to internal risk committees, external regulatory bodies and to relevant police authorities.

Market Abuse Framework

The Bank seeks to maintain the highest standards of professional conduct when undertaking financial market transactions, communicating with market participants and handling confidential information. The Market Abuse policy sets out the Bank's approach in preventing, managing, mitigating, monitoring and reporting instances of market abuse. Our market abuse control framework aims to ensure that the Bank and our employees support the orderly, fair and transparent functioning of the financial market, encourage its integrity and contribute to the enhancement of financial stability in the markets within which we operate. The framework aims to ensure that there are adequate and effective controls in place to prevent, manage and/or mitigate market abuse risk.

Market abuse includes insider trading, unlawful publication of inside information, prohibited trading practices and publishing of false, misleading or deceptive statements, promises and/or market forecasts.

Incidents of non-compliance with the market abuse policy are investigated by the group market abuse surveillance compliance function with the assistance of Bank forensic services, operational risk and other relevant functions. Failure to adhere to the policy may lead to disciplinary action and possible dismissal.

Employee responsibilities

- 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.
- Employees must be aware of and adhere to all market abuse related laws and regulations that apply within the jurisdictions in which they are located, act or transact or where they facilitate transactions on behalf of others.
- Any employee who reasonably suspects that conduct could lead to or has led to possible market abuse or non-compliance with this policy, must timeously notify the group market abuse surveillance compliance function, or the independent anonymous ethics and fraud hotline.
- Employees must complete mandatory training on the market abuse policy and related policies.
- Report to the Compliance function and the Compliance Manager, any actual and potential instances of market abuse.
- Report non-compliance, including perceived or potential non-compliance, and any associated procedures, to Compliance; and co-operate with any regulatory, internal or external audit or internal investigation in respect of this policy.

Prevention of the facilitation of tax evasion policy

As banking evolves, with enhanced digital platforms, real time rapid payments and online origination, fraudsters have introduced more sophisticated modus operandi. During 2024 there was an increase in banking scams through phishing, vishing and fraudsters harvesting sensitive information through global data breaches. The increase in online shopping has seen a rise in card-not-present fraud, as fraudsters use stolen card data to perpetrate fraud via online shopping sites. Fraudsters also impersonate known parties and convince the victim to process payments.

Standard Bank Plc risk policies, frameworks and governance, supported by digitised reporting mechanisms, ensure up to date fraud incident reporting to internal risk committees, external regulatory bodies and to relevant police authorities.

Employee responsibilities

- All employees must complete annual compliance on personal conduct, including a section on tax evasion.
- Areas of the Bank that are perceived as being higher risk receive specialised training.
- The Bank's employees are not permitted to provide tax advice.
- All employees are required to:
 - Identify transactions considered as higher risk for tax evasion and refer these to the corporate offences advisory team (within group financial crime compliance) and group tax for consideration.
 - Report suspicion of the facilitation of tax evasion to Bank forensic services. Concerns can also be reported via the whistleblowing hotline.
 - File a suspicious transaction report (or suspicious activity report) where tax evasion or the facilitation of tax evasion is suspected or identified.

Third-party responsibilities

- Risk-based due diligence is conducted prior to the appointment of any third party.
- Specific contractual clauses regulate adherence to relevant tax legislation by third parties of the Bank and provide the Bank with contractual remedies should such activity be detected.

Incidents

The Bank has not been subjected to any investigation or regulatory sanction for facilitation of tax evasion during the past five years.

Conflicts of interest framework

A conflict of interest arises in any activity or transaction to which the Bank is a party, or for which the Bank provides services, where:

- The interests of the Bank and our client conflict or are incompatible.
- The personal interests of an employee or agent of the Bank conflict or are incompatible with those of our client.
- The personal interests of an employee or agent of the Bank conflict or are incompatible with those of the Bank.

Our conflicts of interest control framework ensures that conflict of interest risk is adequately managed. The framework provides for processes, procedures and mechanisms to identify, prevent and manage conflicts of interest to:

- Ensure the fair treatment of clients.
- Maintain a sound financial environment.
- Prevent the misuse of need-to-know information.
- Protect the good reputation of Standard Bank Plc and the industry.

We take all reasonable steps to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of clients. Measures include appropriate and prior disclosure to our clients, subject to applicable confidentiality constraints, and disclosure of the steps taken to mitigate such conflicts.

The Bank has implemented relevant policies and procedures under the framework. Thus includes the conflicts of interest policy which aims to ensure that the Bank and all our employees comply with the applicable statutory and regulatory obligations by ensuring that all reasonable steps have been taken to prevent or fairly manage potential conflicts of interest and mitigate the effect that such conflicts could have on our clients and the Bank.

The policy reflects the minimum requirements that need to be adhered to, to ensure that all reasonable steps are taken to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of our clients.



Employee and third-party responsibilities

- All employees, consultants, contractors, suppliers, other associated persons and other third parties must always act honestly and with integrity, must be alert to potential conflicts of interest and must fairly manage all conflicts of interest.

All employees must:

- Comply with the Bank outside business interests (OBI) policy.
- Obtain approval before entering into an OBI, and declare any OBI held by themselves or their related parties.
- Promptly report any concerns about a potential conflict of interest to the relevant compliance functions.
- Complete annual mandatory training on the conflicts of interest policy and related policies.
- All employees and board members must report their outside business interests and personal account trading details every year. Designated independent service providers must report their personal account trading details every year. This information is tracked and reported along with compliance training data. We require a 100% completion rate for declaration of outside business interests and personal account trading.

Exchange control

Standard Bank Plc is committed to upholding and promoting compliance with exchange control legislation in Malawi. Our exchange control policy is designed to enable compliance with applicable exchange control statutory and regulatory obligations in the Bank. Breaches of exchange control legislation must be reported to line management, compliance and exchange control compliance.

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 Bank's tax matters and governance, including oversight of reporting on income, tax expenses, the management of tax risk and setting the Bank's tax risk profile.

This responsibility is delegated to the audit sub-committee, which is responsible for approving the Bank's tax strategy which directs our approach to tax matters. To respond effectively to any changes to the business strategy of the Bank, our tax strategy is updated and approved by the Bank'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 Bank contributes to 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 Bank, we ensure that due consideration is given to the Bank's business, corporate, social and sustainability strategies.

The Chief Finance and Value Management Officer (CFVMO) and the Manager Taxation 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 Bank to ensure that corporate governance, compliance and tax risk management requirements are met.

The Bank tax governance standard and supplementary Bank tax policies are localised from 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 Bank'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.

We commit to the following fundamental principles, as contained in our tax strategy:

- **Compliance:** We are committed to ethical outcomes and accurate, transparent and timely compliance with the tax laws of the countries where we operate.
- **Clients:** We embrace the Standard Bank strategy which focuses on client centricity and ensure that all client tax reporting to tax authorities and to clients are accurate, complete, timely and in a user-friendly format to comply with all regulations across the group.
- **Shareholder Value:** We 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:** We only engage in transactions that have commercial and economic substance and 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 for purposes of ensuring compliance with the arm's length principle. This requires that related parties agree to transact under the same terms and conditions which would have been agreed 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 Bank has no tolerance for any of our employees or any person or entity acting on our behalf to be involved in or implicated in any way in bribery or any corrupt practice, including the facilitation of tax evasion.
- **Tax Havens:** The Bank operates in jurisdictions that may be defined as tax havens for commercial and 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 that is applicable in Malawi.

Identifying, managing and monitoring tax risks

We manage our tax risks by:

- Evaluating compliance with our tax risk control framework by performing tax risk self-assessments every second year, following a risk-based approach.
- Any material shortcomings and required actions are reported to the Bank's audit sub- committee.
- Tax compliance reviews also form part of all internal audit reviews where appropriate. Any material operational tax risk is tracked at the relevant IFC committee and/or managed as part of the non-financial risk taxonomy under the enterprise risk management framework to ensure shortcomings are timeously resolved.
- Providing continuous tax and Value Added Tax (VAT) training and guidance to business.
- Ensuring employees in the tax function have the required skills and qualifications.
- Obtaining external tax opinions from senior counsel or an external tax adviser where the tax treatment of a transaction is uncertain or applying for an advanced tax ruling from the tax authorities.
- Monitoring the adherence to the SOPs and relevant CFVMO attestations and reporting any 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, process or procedure, or significant changes thereto, and of any transaction affecting the legal entity structure of the Bank to ensure compliance with all tax regulations.
- Continuously reviewing and enhancing our 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 Malawi Revenue Authority on a regular basis to discuss relevant tax matters and to 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 Bankers Association of Malawi and other relevant industry forums.
- Where disputes occur, we manage these professionally.
- We support the fundamental principles underlying multilateral moves toward greater transparency.

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

The taxes presented herein are actual cash contributions made during the year to MRA and are in the form of:

- Valued Added Tax (VAT)
- Corporate Tax
- Withholding Tax (WHT)
- Pay As You Earn (PAYE)
- Dividend Tax
- Other Duties including import duties



Insight into Standard Bank 2024 Tax Contributions

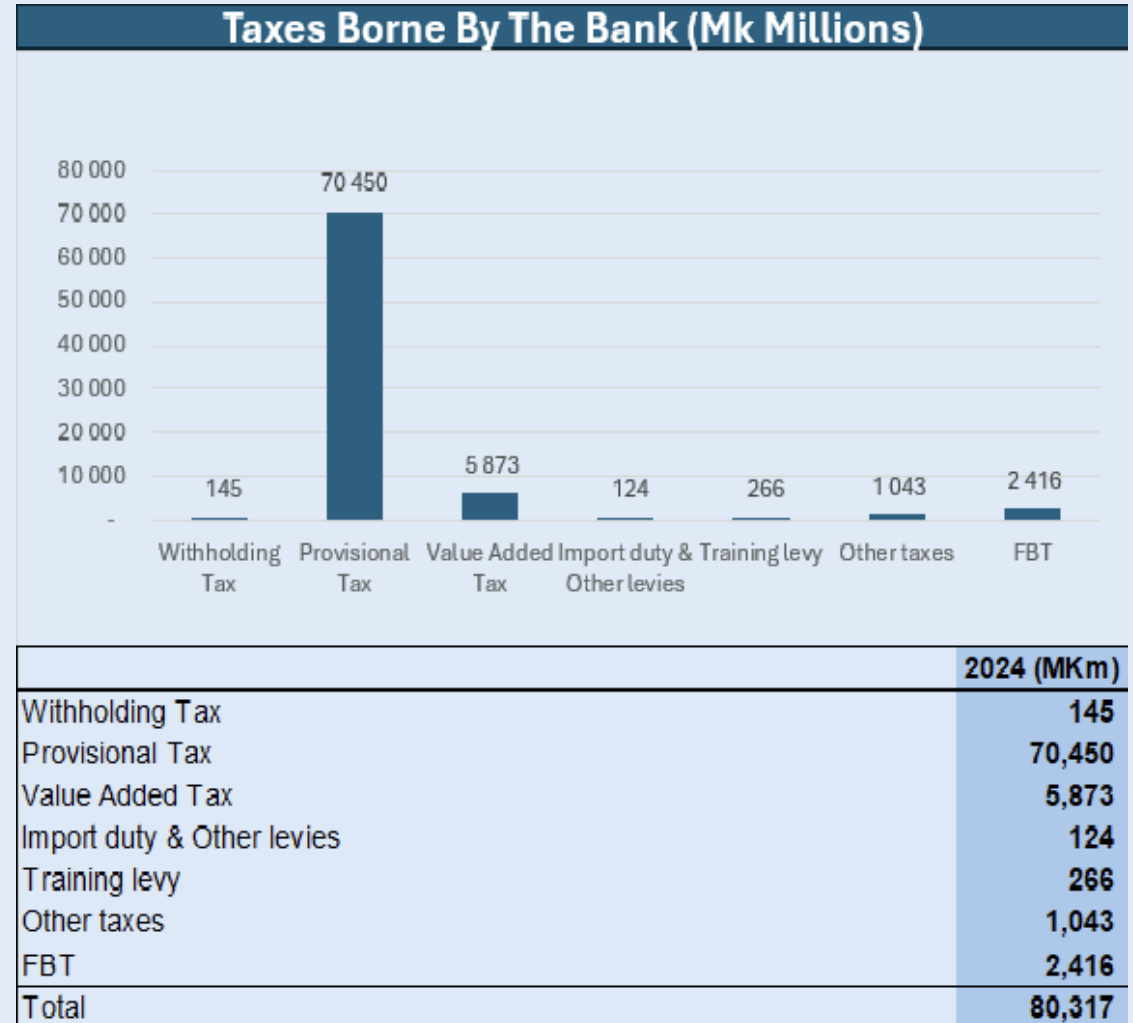


Figure 4: Standard Bank Plc Tax Contributions

PROCUREMENT AND SUPPLIER RELATIONS

SUPPLIERS	2022	2023	2024
Local	79%	97%	94%
Foreign	21%	3%	6%

2024 BREAKDOWN LPO's		
CURRENCY	TOTAL PO's	%AGE
GBP	4	0,13%
ZAR	60	2,00%
USD	128	4,26%
MWK	2810	93,60%

In 2024, the Bank sustained its established trend of supporting local supplier entities through deliberate prioritization and extension of supply opportunities to local firms in alignment with the Malawi2063 vision of industrialisation. As a result, the Bank continued to grow the percentage of its local providers (94% in 2024). The Bank's third party/external supplier spend trend above (i.e. local Vs foreign supplier spend) over the past three (3) years' period (2022 to 2024) emphasises the Bank's unyielding commitment to driving the growth and development of Malawian businesses.



Procurement policy

Standard Bank's procurement policy is based on the Bank's code of ethics and conduct, and the principles of value optimisation, fair and effective competition, accountability, sustainability and risk management. It provides guidance on the sourcing and selection of suppliers and ensures that procurement processes are conducted in line with sound corporate governance principles.

The Bank encourages and promotes procurement from local suppliers while ensuring alignment with Bank standards of quality, sustainability and commerciality.

We strive to procure goods and services that minimise negative impacts on the environment and communities and protect the health and safety of workers.

The Bank engages with a range of third parties. These include suppliers of goods and services, technology partners, big techs, fintech's, software providers, hardware providers and professional services. Significant outsourcing engagements include cash handling services, premises-related services and mobile network providers.

Third-party responsibilities

Our third-party risk management framework incorporates regulatory requirements, internal policies and the Bank code of ethics and conduct. It ensures a consistent standardised approach to third-party risk management across the Bank.

The risk assessment process includes determination of whether a third party will provide a service that potentially risks harming the health and safety of persons or directly impacting or harming the natural environment. If such risks may be present, the third party must complete a detailed risk assessment and due diligence process, which assesses potential social and environmental risks and impact. Third parties may also be asked to provide evidence of the policies and practices they have in place to mitigate such risks.

The nature of information required is dependent on the nature of the risk, the type of product or service and the type of relationship. We engage third parties on an ongoing basis to actively manage potential risks and third-party performance.

All third parties are required to comply with our anti-financial crime requirements. Protection of information is included in all aspects of our third-party risk management framework.

Data protection and data privacy clauses are included in contract agreements with third parties. Where third parties provide digital solutions, they must ensure security requirements are met, in line with the cyber resilience standard. Contracts also include a 'Right to Audit' clause, allowing for periodic assessments of the third parties. Disciplinary or legal action may be taken against any third parties who do not comply with the Bank information risk and cyber risk policies.

Our third-party contracts specify that Standard Bank may, by notice, immediately terminate an agreement if:

- We determine that the third-party has acted dishonestly or in bad faith in respect of the agreement.
- Has engaged in any activity which may negatively affect our reputation.
- Has offered, promised or made any gift or bribe to solicit any favour.
- Is involved with any prohibited activity; or has made any intentional or negligent misrepresentation to Standard Bank.

Third-party due diligence

The Bank supplier risk committee reviews third-party reputational risk matters relating to ethics, conduct, conflicts of interest, anticompetitive behaviour, human rights, and bribery and corruption. Our digital solution, which has been implemented across the Bank, includes automated real time due diligence on third parties. Relevant employees have received training on the system, including the on-boarding process for third parties. We undertake daily screening of third parties for adverse matters, with a focus on human rights, environmental issues, corruption, fraud and money laundering.

Third-party code of conduct

We require third parties to attest to the group's third-party code of conduct, which is based on the group code of ethics and conduct, or to attest that their company has a code of conduct aligned to the Bank requirements. The code aims to ensure that all third parties who engage with the Bank are aware of our minimum requirements and governing principles in relation to ethical conduct.

The code requires all our third parties to respect basic human rights and establish a clean and safe working environment. This includes:

- Not allowing forced labour, child labour or discrimination.
- Paying appropriate wages.
- Regulating working hours.
- Ensuring all health and safety laws and regulations are adhered to in the workplace.
- Ensuring vulnerable categories of workers, such as migrant workers, are protected.
- Respecting everyone's freedom of association.

The Bank strives to ensure that the products and services we procure minimise the risk of harm to the environment and to the health and safety of workers and communities. Third parties must follow good environmental and social practice, relevant to their sector or products supplied. All suppliers, consultants and contractors to the group are required to comply with all applicable environmental and social legislation and to follow internationally accepted environmental and social practices as these apply to their sector and to the goods or services supplied. This should include prudent management of the risks arising from climate change, as they relate to third parties' operational activities.



Total Number of Staff

831

Employee Engagement

eNPS: +69

Invested in Staff Learning and Development

MWK 800M

Workforce diversity

Women in Leadership
Positions

38%

Women as a percentage
of total staff

45%

Employee Retention

111%

Workforce Productivity

5.5

Standard Bank Plc Workforce Profile

Standard Bank Plc maintained a stable workforce throughout the 2024 reporting period, with no significant fluctuations in recruitment trends, temporary staffing, or outsourced workforce arrangements. 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 December 31, 2024, 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.

Category	Total	Male	Female
Permanent Employees	831	461	370
Temporary Employees	19	15	4

Extended Workforce and Business Partnerships

Standard Bank Plc collaborates with a group of non-permanent workers whose contributions are essential to business operations but who do not fall under direct employment agreements. Throughout the reporting period, the engagement of contractors, consultants, and outsourced service providers remained stable, with no significant changes observed in their numbers or roles.

There were no significant fluctuations in the number of non-employee workers during the reporting period. The organisation continued to rely on a stable base of outsourced service providers, independent consultants, and temporary staff, ensuring consistency in operational support. No major changes in contractor numbers were observed, and outsourced worker arrangements remained aligned with ongoing business needs. The continuity of non-employee workforce engagement demonstrates Standard Bank Plc's sustained approach to workforce planning and operational efficiency.



Diversity and Inclusion

Our competitive advantage depends on the creation of a work environment where all our people feel a strong sense of belonging, are enabled to realise their full potential and can bring their whole selves to work. When our people feel empowered and experience the conditions for psychological safety, we can leverage their diverse perspectives to provide better solutions for our clients. Respect is one of our core values. We respect each other and what we stand for and recognise that there are obligations corresponding with our individual rights.



Gender

We aim to ensure full and effective participation of women across our workforce and equal opportunities for leadership at all levels of decision-making. We have targets for the representation of women in senior leadership and provide regular updates to the board on progress.

We make a significant investment in leadership development for current and future leaders. In 2024, 43% of participants in our various programmes were women. We believe that men are strong partners in fostering gender equality. We facilitated men's dialogue sessions for employees across the Bank to provide opportunities for men to reflect on their role in creating an inclusive and supportive environment, and as allies in the prevention of gender-based violence, workplace harassment and bullying. By recognising that men are not immune to the pressures imposed by societal views of masculinity, we can collectively challenge harmful stereotypes and create a healthier, safe and more supportive work environment for all.

In addition to providing platforms for men to support women in gender equality, in 2024 we introduced the Barbershop Discussion Forum. The Barbershop forum is where our men engage in candid dialogue on real issues affecting men's lives. The topics covered everything from leading with gender sensitivity, gambling, financial distress and workplace harassment. This platform provides a space for men to connect on shared experiences while fostering both personal and professional growth.



Developing Female Leaders

We provide opportunities for women in leadership positions to gain global exposure through participation in global business and leadership development programmes.

For example:

- 3 female leaders attended the 2024 Ignite Women Development programme.
- 62 female employees from the general staff compliment enrolled in the Divas Women Leadership Development programme to undergo Coaching and Mentoring for 6 months from August 2024 to January 2025.
- 5 women underwent short-term cross border assignments for their exposure and development in 2024. The countries visited were Botswana, Namibia, Uganda, Nigeria and Mauritius.

Women represent 33% of Standard Bank Plc board members. Board Technology and innovation committee and Board Credit Committee are chaired by women. Board succession planning supports our target of 40% female board representation by 2025.

Women represent 38% of leadership, which we define as executive, senior managers and managers.

Our approach to succession has a deliberate focus on identifying women across our various talent pipelines.

Our targeted development interventions support women with high potential to become future leaders within the Bank. 53% of those promoted across the Bank in 2024 were women, as were 52% of new hires.

Gender & Workforce Level

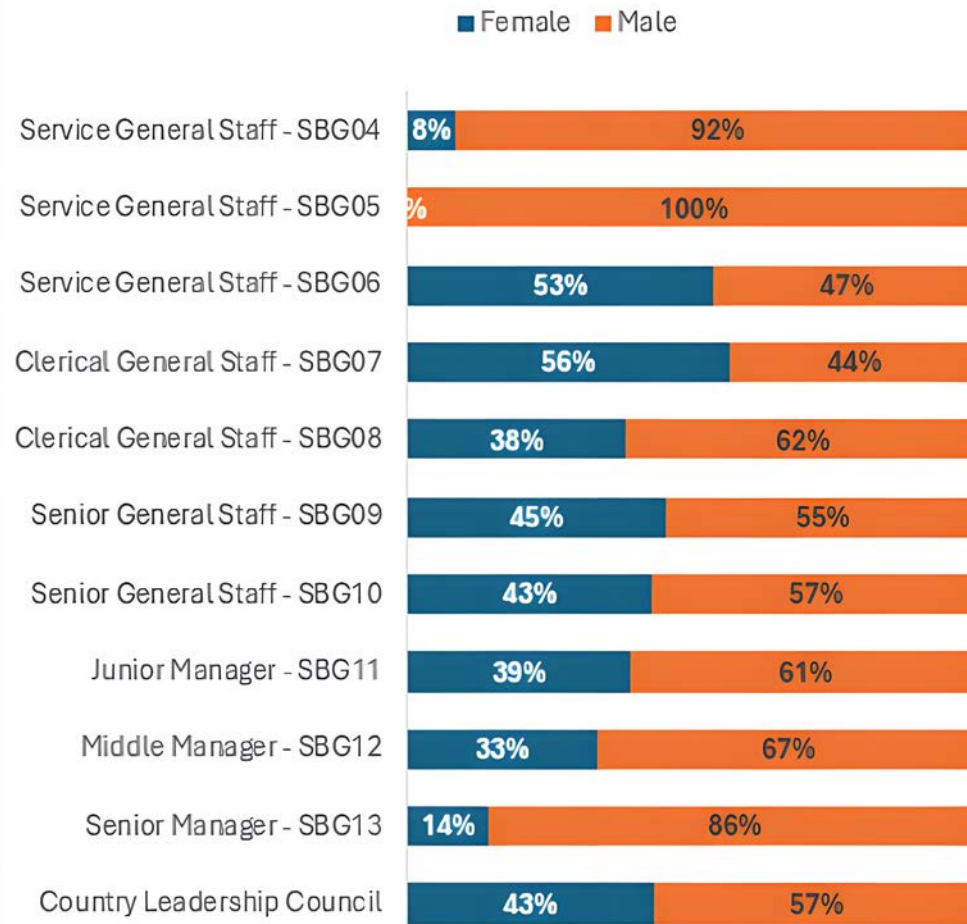


Figure 5: Gender and Workforce Level

The Employee Relations Framework

Fair labour practices are at the core of our value proposition. Our employees have the right to equitable and just working conditions. The Bank's employee relations governance framework provides for constructive employer-employee relationship practices. The framework is founded on our international and Malawi regulations and obligations, our values, code of ethics and conduct as well as our commitment to maintaining and developing fair employment practices in all our operations. The framework provides a general set of employee relations operating principles, which are incorporated into the policies and procedures of the Bank.

The employee relations framework includes our commitment to ensuring:

- Protection of human rights, fair employment practices, and the principles of non-discrimination.
- The right to fair labour practices in the employment of employees and throughout the duration of their employment with the Bank.
- Freedom to express concerns arising in the workplace through established whistleblowing procedures without fear of retaliation or victimisation.
- The right to a safe and healthy working environment and the expectation of decent work that is productive and delivers a fair income.
- Protection against discrimination in employment and occupation, including recognition of the principle of equal remuneration for work of equal value.

Freedom of association and the freedom not to associate, including the right to collective organisation and representation. The observance of freedom of association provides for, among others:

- Recognition of collective organisation for employees to form and join unions of their choice, (or the right not to), and to exercise organisational rights (or the right not to) as provided for in terms of the relevant laws.
- Collective bargaining through representatives of choice for the purposes of reaching agreement on terms and conditions of employment in terms of the relevant laws and country level agreements. The structure and form of collective bargaining is determined by labour market factors within the country and captured in agreements between the Bank and recognised unions.

In Malawi, 79% of our employees belong to a recognised trade union for the purpose of collective bargaining.

Performance management

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 performance philosophy is underpinned by a growth mindset where our people can be challenged to continuously learn and grow in their careers.

Regular and constructive performance coaching conversations help drive personal improvement, growth and business contribution. Our performance approach runs annually and includes:

Agreement on clearly defined and measurable individual and team goals based on the bank's business strategy and priorities.	Employees request feedback from their peers, managers and direct reports throughout the year to obtain a multidimensional view of their performance.	People Day sessions, during which leadership teams of business areas and functions review and discuss overall performance and ratings, strengths of and development opportunities for team members in their peer groups. While no formal ranking takes place, these sessions ensure relative performance for people in similar roles are discussed to ensure fairness and parity across the team and prevent any individual bias in performance rating.	Final performance conversations with team members and their leaders, during which the final performance rating for the year is confirmed.
Regular informal performance conversations to track and review progress against goals.			If an employee does not agree with their rating, they can lodge a formal grievance process for the rating to be reviewed to ensure a fair outcome.
An informal or formal mid-year performance conversation, including any necessary recalibration.	A year-end review process, which includes the opportunity for everyone to perform a self-review, before engaging in a formal performance conversation with their leader.		The final outcomes of these performance reviews help to inform the decisions with respect to remuneration.

Our performance management approach is enabled by an advanced technology platform to support our people through their performance journey in an intuitive and agile way, including functionalities such as capturing goals, tracking conversations and outcomes, and enabling real-time feedback. Our reward and remuneration decisions and processes consider and promote desired behaviours and conduct as key part of the performance review process.

Employee Engagement

Employee Engagement is one of our six value drivers. Our goal is to ensure that our employees are fully committed to our purpose, empowered to excel, experience a strong sense of pride, engage in meaningful work, and are passionate about contributing to our success.

We implement various employee listening initiatives, allowing our team members to express their opinions about their work environment and current concerns. This approach ensures that we stay responsive to their changing needs.

Our annual 'Are You a Fan' survey measures the key drivers of employee engagement across the Bank. We use the eNPS as our headline engagement measure. The score ranges from -100 to +100 and is calculated by subtracting the percentage of detractors (scoring 0 to 6) from the percentage of promoters (scoring 9 to 10).

- 98% of employees participated in this survey in 2024 – this in itself is an indicator of high levels of engagement.
- Standard Bank Malawi's eNPS rose by 13 points to +69, the highest recorded result since the inception of the survey in 2018. This is well ahead of global and Africa benchmarks for companies in the financial services industry. This measure includes whether employees would recommend the Bank as a good place to work, and how they feel about working at Standard Bank.
- The organisational alignment score was 95%. This reflects the level of organisational pride and our people's understanding of their contribution to the group's purpose.
- The employee engagement dimension score was 90%. This reflects how our people experience a range of workplace factors relating to leadership, psychological safety, learning, development and career opportunities, how well teams are functioning and whether employees feel recognised for their contribution.

In 2024, the top scoring questions reflected

- A deep connection to our purpose.
- Our ability to work in teams to achieve common goals.
- Working effectively with other teams across business units and geographies.
- Leadership Effectiveness.

Feeling heard, our measure for psychological safety, remains our lowest scoring question at 81%, a drop from 85% in 2023. We will continue to work on creating the right conditions for our people to feel comfortable to share their views.

Team Insights

While individual responses are anonymised, we share the full survey results with employees, executives and the board. Leaders are responsible for analysing their team's results to assess what is working well and where there is room for improvement. This information is used to help shape their people strategies for the year ahead.

Future Ready Skills Development

Developing our people is one of Standard Bank's core values. This is informed by our strategic priorities with focus on Capabilities, Conditions of learning and our clients. The primary objective is to address significant upskilling and reskilling demands of the business, to enhance our peoples' performance in current roles and increase critical skills to fill 'increasing demand' jobs. We also intend to enable a future ready workforce by enhancing a positive culture of learning.

In 2024, we invested about K800 million in employee training, offering a wide range of training programmes and dedicated learning resources to create bespoke learning content. On average, each employee spent 110 hours on learning, which is above the global benchmark.

Employee Engagement insights

Results are analysed by various dimensions to identify trends and insights for specific employee segments. Comprehensive analyses are done from a gender, age group and workforce level.

Are You A Fan Survey	2024	2023	2022
eNPS: I would recommend Standard Bank as a good place to work	+69	+56	-3
Organisational Alignment	95%	97%	82%
Engagement Dimension	90%	92%	80%

Self-directed Learning through Learning Management Systems (Degreed)

We offer our people instant access to abundant online learning opportunities through our MyLearning platform popularly known as Degreed. We provide guidance to help individuals select the learning pathways that will best support their personal growth journeys. Leaders can view the skills profiles of individual team members to help guide them in how to build relevant skills and competencies.

Foundational Enterprise-wide Skills Development

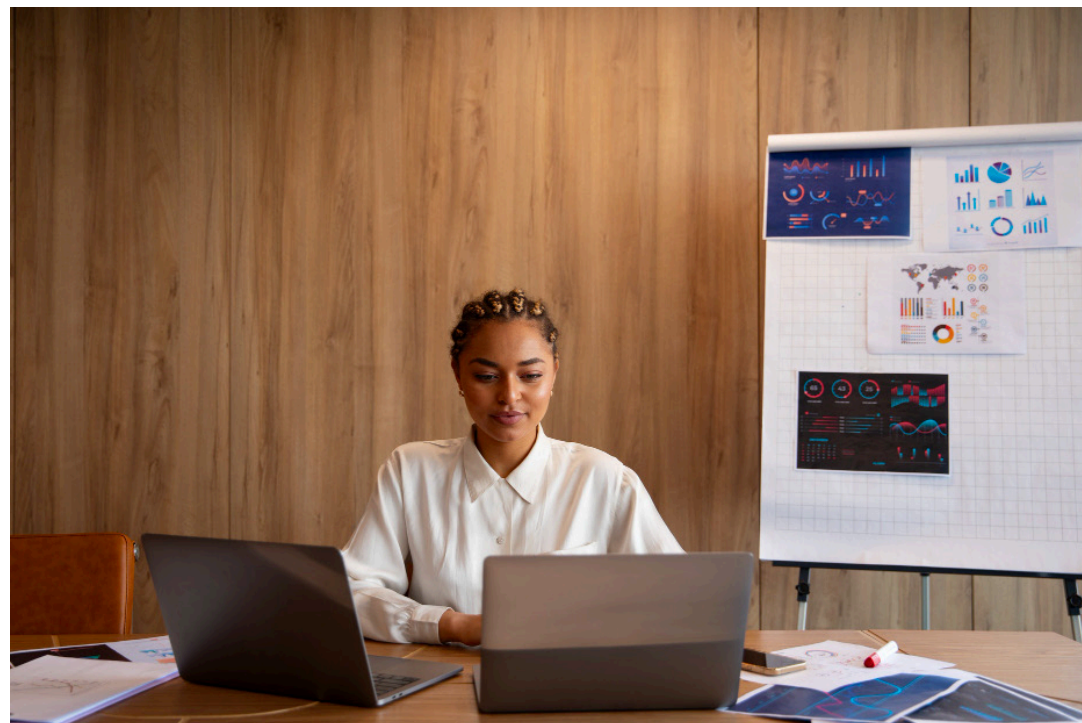
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Fit-for-purpose learning to enhance core capabilities

We provide a range of bespoke learning programmes across business areas to help build specific skills in line with skills development priorities for business to addresses skills demands now and critical skills needs of the future. This is done by prioritising Future Skills for all employees to remain future fit. We use the partnering approach with business and across the entire value chain to align skills development initiatives appropriately. We also accelerate leadership effectiveness for the different personas through adoption of transformative learning experiences.

Many of these programmes result in our people gaining formal and accredited qualifications for critical functions. In 2024 we invested in maturing our capability academies. These offer role-based learning journeys focused on high-demand job families. These academies are offered for a range of critical skills, including non-financial risk, digital and technology, client relationship management, risk, client experience, data science, and behavioural economics.



Youth Development – Graduate Trainee Program

The Bank invested in Youth Development through Graduate Trainee Program. A total of ten graduates (6 female and 4 male) were recruited to undergo rigorous training and coaching to build our leadership pipeline. Our programme is part of a Regional Graduate Trainee Programme which spans across Kenya, Tanzania, Uganda and Malawi.

The Graduate Trainee Programme ran an integrated approach working with regional teams and several short term and long-term attachments and exposures to gain practical and experiential learning. Our 10 graduates have undertaken a comprehensive learning journey, gaining insights into all business sections and corporate functions of the Bank as well as being enrolled in the Toastmasters programme. They also had the opportunity to engage with the Bank's leadership on several key projects and presented their ideas on Leveraging AI in the Bank to the Chief Executive, County Leadership Council and Board. In 2024 our graduates had the opportunity to attend the Standard Bank Group's Future Movers Summit in South Africa.

The Summit featured inspiring keynote addresses from distinguished leaders such as Nonkululeko Nyembezi, the Group's Board Chair, and Group Chief Executive Sim Tshabalala. The three-day conference enabled them to connect with fellow graduates from across the African region and gaining a deeper understanding of the Bank's purpose, operations, initiatives, and impact.



Leadership development and Succession Planning

We have established a comprehensive talent management and succession framework designed to facilitate effective succession planning for critical roles throughout the Bank. This approach emphasises the importance of diverse successor representation, considering factors such as gender and a particular focus on nurturing the Bank's young talent pipeline.

Identified successors are equipped with personalized development plans aimed at enhancing their leadership competencies, technical skills, and other individual growth needs. The Chief Executive hosts an annual People Day, providing the Country Leadership Council an opportunity to evaluate the effectiveness of our succession pipelines for key positions, with findings presented to the HR Board Committee.

Significant progress has been made in refining and broadening our succession pipelines, evidenced by improved coverage ratios and increased representation of women.

Building Leadership capabilities is critical for the Bank. A total of 66 leaders from different business units and departments were enrolled for relevant Group Leadership Centre development programmes in 2024. 67% successfully completed the learning pathways for the Leadership programmes against the target of 60%. Our Leaders are committed to consistently applying these skills effectively.



Employee attraction and retention

Talent Acquisition

To maintain a competitive edge, our talent acquisition strategies prioritise the alignment of skills with roles essential for achieving our strategic objectives. We facilitate meaningful career opportunities for our employees while actively engaging and attracting external candidates whose skills and capabilities enhance our existing workforce.

We utilise advanced technology to streamline the application process for high-volume positions, ensuring a human-centred experience for job seekers. Our digital platforms, including LinkedIn and our careers website, effectively promote our employer brand. A comprehensive ecosystem of recruitment channels enables us to generate a high-quality candidate pool that meets the business's skill demands. We also encourage referrals from our current employees.

Hiring activity		Number	% Male	% Female
Total number of hires	2024	65	51%	49%
	2023	48	48%	52%
	2022	81	58%	42%
Open positions filled by internal candidates (internal hires)		83	48%	52%
Employees across all levels who were promoted to take on bigger roles		15	47%	53%

Turn Over

Total Turnover by workforce level past 5 years
5.13%

Voluntary turnover by workforce level past 5 years
5.4%

Employee Benefits

We recognise that offering employee-centric benefits is key to attract, motivate and retain employees. The bank's benefits framework ensures a consistent approach across the Bank, whilst factoring in local market practices and legislation. It ensures that:

- **Benefits are market-competitive and relevant to local markets, customs, practices and/or culture.**
- **Coverage for core benefits is consistent throughout the group.**
- **We ensure full regulatory and tax compliance in the establishment and delivery of benefits in every jurisdiction.**
- **Fairness and equity prevail across different employee workforce levels.**

In addition to core benefits applicable to all employees, individuals have options to take up voluntary benefits based on their particular needs and circumstances.

Other Benefits

- **Retirement benefits**
- **Medical cover/medical aid scheme**
- **Benefits for temporary incapacity, permanent incapacity and/or income replacement**
- **Death benefit/group life assurance cover**
- **Vacation leave, sick leave and family responsibility/compassionate leave**
- **Parental leave** (includes maternity and/or paternity leave i.e., leave for the primary and/or secondary caregiver)
- **Funeral cover**
- **Study reimbursement/study assistance**
- **Long service awards**

Highlight on Leadership Summit

Our leaders are the captains of our big blue ship! They steer us in the right directions amidst the turbulence and uncertainty. Investing in a strong leadership presence not only shapes our organisational culture and strategy execution, but ultimately ensures we achieve sustainable growth and long-term success. We held 2 Leadership Summits in 2024. The first was themed “Atsogo Summit” and the second was themed “Leading in a BANI (Brittle, Anxious, Non-linear and Incomprehensible) World”. The summits each brought together over 160 Leaders from all the departments across the Bank. The agenda involved cascading the Banks strategy, a review of past performance and deliberations by the leaders on the key focus areas that would enable us to achieve our aspiration towards being the number one Bank in Malawi.



Highlight on H.E.A.R.T Culture Journey – Cultivating Our Employee Experience

We believe that our people are the heart of our organisation. Each and every one of our people pumps life into the Bank, igniting our business and fuelling our journey for growth. Through the H.E.A.R.T Culture Journey, we drive our people agenda with passion, ensuring that we uphold our key pillars of being 'Driven to Win', 'Human at Heart' and 'Malawian to our Core'.

H.E.A.R.T is an acronym that stands for 'Honest & meaningful conversations', 'Empathy', 'Accountability', 'Reliable' & 'Teamwork'. The H.E.A.R.T culture defines the way we work and interact on a daily basis. Through H.E.A.R.T, we drive numerous initiatives aimed at enhancing employee experience, driving the right behaviours and living the Bank's values to the fullest. These initiatives touch on career growth, leadership development, learning, recognition and appreciation, fostering open communication, and employee wellbeing. Notable initiatives include the Career Week, Leadership Open House, Barbershop Focus Group Discussion Forum for Men, Learning Challenges and Wellness Webinars.

Highlight on The Habits Framework

The Habits Framework refers to a set of principles and habits designed to guide our decisions, choices, and actions as leaders. It is a Standard Bank Group driven initiative and encompasses a set of consistent guidelines for how each of us shows up every day. Underpinned by the themes of inclusion, cognitive capacity, goal attainment, growth mindset, self-efficacy and psychological safety, habits activation is leader-led and has been used to structure the activation journey for everyone in the Bank.

The Habits Activation for Key Leaders (Country Leadership Council) kicked off in August 2024, covering the following pillars: Act with Courage, Inspire Excellence and Deliver with Purpose. These were completed in October 2024. Next level is the Key Leader Direct Report cohort which kicked off in November 2024 with the first pillar of Act with Courage. 64 Key Leader Direct Report delegates were enrolled.

Highlight on Character First

The Character First initiative, which was launched in June 2023, and it continues to embed a clear set of principles and core values into our culture. The essence of Character First is to build the foundation that we need to exhibit the right behaviours and uphold the highest levels of integrity in all our actions. The Bank actively engaged employees in various initiatives associated with Character First. This encompassed monthly meetings with Character First Champions, the publication of their testimonials, and the dissemination of Character First puzzles. Staff success stories emphasising key character traits and inspirational messages to motivate our staff members to uphold the highest levels of integrity were shared to all staff members on a weekly basis.

Highlight on ECAM awards won in 2024

In 2024, Standard Bank Malawi Plc was crowned Employer of the Year by the Employee Consultative Association of Malawi. Additionally, the Bank received top honours in several categories as follows:



Human Resource Management



Youth Employment and Graduate Development



Industrial Relations and Employee Engagement



Gender Equity



Managing Crises



Essentials of Occupational Safety and Health



Labour Laws Compliance



Occupational Safety and Health

Standard Bank Plc is 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 2024, 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 2024, one session was conducted to upskill fire wardens and another for first aiders.

Promotion of Worker Health

The bank ran awareness sessions on cancer and heart disease. A “Fruity Friday” campaign promoted healthy eating, and the bank’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 2024.

Third-party Responsibilities

The Bank's third-party risk tool is used to assess OHS risks as part of our on-boarding of third parties. We provide our service providers and contractors with information on their health and safety responsibilities and how their activities may impact the group's operations. OHS clauses are incorporated into contractual agreements as and when required.

Emergency Situations

As part of emergency preparedness, the safety, health and environmental (SHE) risk team in collaboration with the Bank physical security conducts regular support visits to premises. We require a minimum of two evacuation drills per year at all our sites.

Incidents

Each area of the business is required to report OHS metrics for their area. OHS incidents are investigated by the relevant manager and OHS representatives in the business area, with guidance from the Bank's SHE risk team. Information regarding incidents, injuries and ill-health is collated at Bank level and reviewed quarterly by the Bank SHE risk oversight committee, which also reviews risk mitigation strategies.

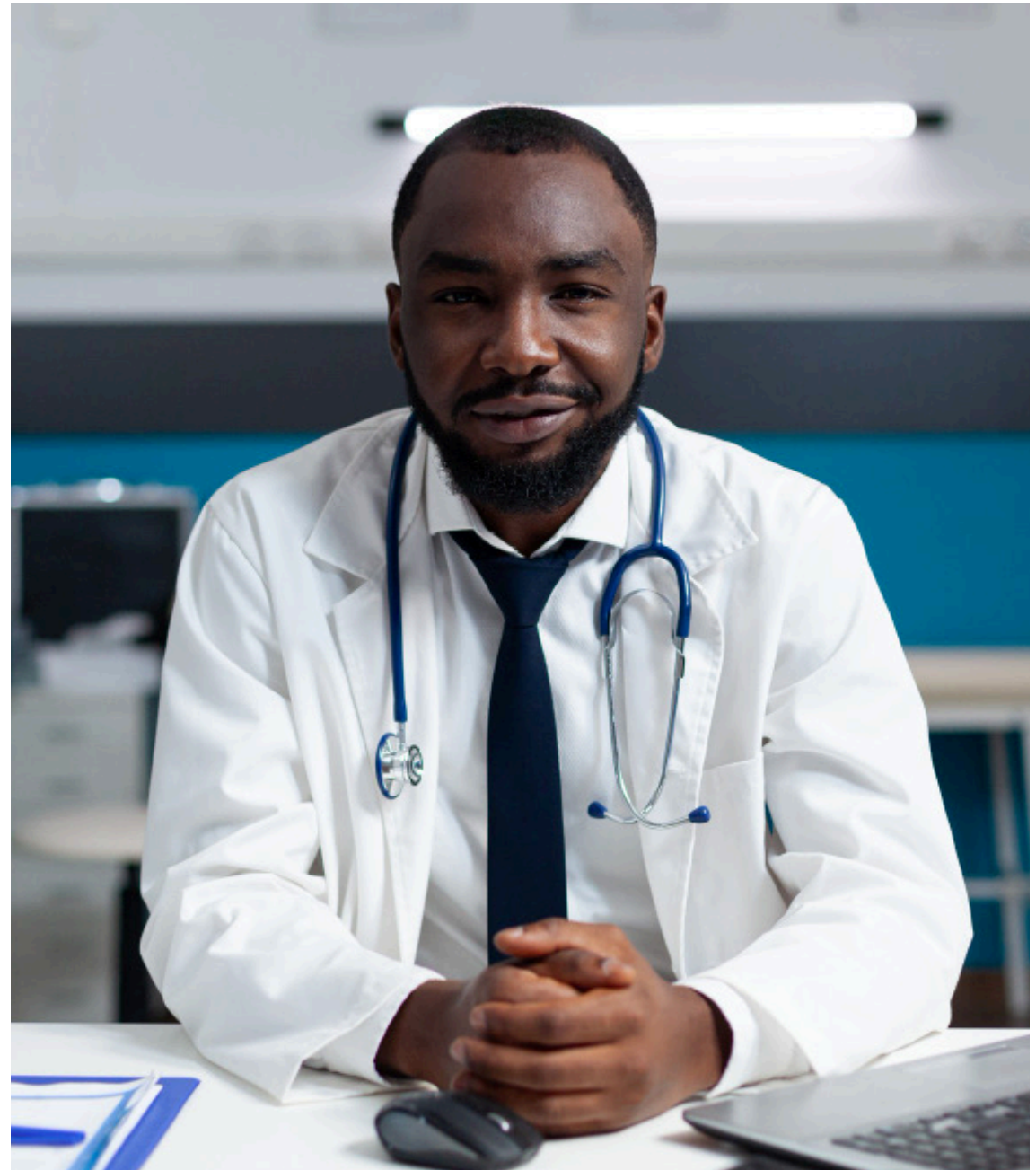


Incidents

In 2024 there were zero injuries or fatalities on duty reported to the SHE team.

In addition to the OHS processes, the Bank ran a sessions and campaigns on various health issues to raise awareness as detailed below:

- Cancer awareness which was attended by 84% of the members of staff.
- Heart diseases awareness attended by 73% members of staff attended.
- A Fruity Friday campaign was done in 2024 where all members of staff were given a fruit to promote healthy eating.
- The Bank has an in-house gym at the head office in Lilongwe and the regional office in Blantyre, which is patronised by staff members free of charge, in 2024 average member patronage of the gym was 12%.



Impact Story: Conduct Culture Assessment for Personal and Private Banking (PPB)

In 2024 Standard Bank Plc participated in the Conduct Culture Assessment Personal and Private Banking (PPB). The assessment started with interviews with senior Malawian PPB leadership, as well as regional Group leadership, to understand their sentiments of conduct culture within Standard Bank Plc and to develop some initial hypotheses to test via questions asked in the Virtual Focus Groups (VFGs).

Oliver Wyman hosted 3 one-hour long Virtual Focus Groups, with a total of 301 PPB colleagues, and used live polls to capture staff sentiment on various topics including strategy and leadership; people and culture; business processes; performance and training & development.

Findings from the VFGs were supported by a top-down desktop analysis, conducted to understand the structures and processes within which staff operate. This was performed in specific areas including customer complaints handling, sales target allocation and scorecards, and conduct risk training.



The results of the conduct culture assessment were distilled into three themes related to the leadership and psychological safety, conduct culture initiatives, and sales target pressure and job insecurity. The finding included:

- The Bank cultivates a strong sense of belonging and encourages a positive conduct culture, with leadership openness fostering improved staff communication. However, there are opportunities to enhance psychological safety and the disciplinary process, as concerns about potential repercussions persist and some staff still feel their voices are unheard.
- While the business processes are widely acknowledged for their role in fostering a positive conduct culture, a considerable number of staff have reported awareness of misconduct within the Bank. This suggests a need to refine certain initiatives, such as improving recognition and reward systems, to further bolster the conduct culture.
- Employee misconduct appears to be driven by the pressure to meet sales targets and a lack of resources to achieve them, thereby creating a high-stakes environment where not meeting these targets is perceived as a threat to job security.

Once the assessment results were played back to leaders, actions to address key outcomes were co-created with the leadership team to ensure an improvement of staff's day-to-day conduct within the Bank. These actions include:

- A focus on enhancing the sales target allocation and scorecards for staff.
- Developing and implementing a culture strengthening programme to educate and build behaviours that encourage upward feedback.
- Psychological safety and a culture of accountability.
- Improving several structural elements including enhancing conduct risk training and consequence management.

The conduct culture assessment has allowed for an in-depth understanding of staff sentiment on the ground, including the structures in which they operate. With leadership open and responsive to the findings; and having agreed to the actions required; the next step is to begin the work in creating an improved working environment for all PPB staff.

2025 AND BEYOND: DEEPENING ESG INTEGRATION AND IMPACT

STRENGTHENING ESG REPORTING AND TARGET-SETTING

To support our ambition of becoming fully “in accordance with” the GRI Standards by 2026, we will:

- Develop verifiable ESG targets and performance benchmarks aligned to each material topic, supporting better internal measurement and external accountability.
- Lay the foundation for independent assurance of key ESG disclosures, starting with climate finance, diversity, and energy-related metrics.

ENHANCING PRODUCT DESIGN AND PROCUREMENT

The Bank will continue to evolve its services and supplier relationships in line with sustainability goals by:

- Embedding ESG screening in procurement practices and engaging vendors on improving their sustainability performance.
- Scaling sustainable finance products focused on clean energy, green buildings, agriculture resilience, and inclusion.
- Continue to leveraging partnerships to co-create solutions with clients that address shared ESG challenges and unlock climate-smart opportunities.

DOUBLE MATERIALITY AND STAKEHOLDER ENGAGEMENT PROCESS

While we have made progress in aligning our impact areas with Malawi’s national development goals and global ESG priorities, we recognise the need for a more structured and inclusive approach.

In 2025, we will conduct a double materiality assessment that captures both financial materiality (risks and opportunities affecting the business) and impact materiality (the Bank’s effects on society and the environment). This process will strengthen how we define and prioritise ESG material issues in future reporting cycles.

RESPONDING TO REGULATORY SHIFTS AND GLOBAL STANDARDS

Standard Bank Plc will continue to monitor and align with evolving ESG frameworks and regulatory expectations including:

- GRI Standards (full compliance by 2026).
- IFRS S1 and S2 for sustainability and climate risk disclosures.
- National development frameworks and climate adaptation strategies.



Image 11: Sustainability Manager - Alinane Chalamba Tembo

ENTRENCING ESG IN INTERNAL OPERATIONS

Building on our success in integrating ESG into lending and risk functions, we will now enhance ESG alignment within our own operations by:

- Setting internal KPIs for resource efficiency, occupational health, and inclusive workplace practices.
- Reviewing and improving the Bank’s own environmental and social footprint, including energy, water, paper use, and procurement processes.
- Introducing ESG-linked performance metrics across key business units and embedding these into strategic scorecards.

ESG-SPECIFIC STAKEHOLDER ENGAGEMENT AND COMMUNICATION

Beyond general stakeholder engagement, the Bank will prioritise ESG-specific dialogue and accountability mechanisms by:

- Conducting targeted consultations with clients, investors, regulators, and civil society on material ESG issues and sector-specific risks.
- Tracking stakeholder feedback systematically and using it to inform disclosure priorities, product design, and ESG performance targets.
- Institutionalising a grievance and feedback mechanism for ESG-related concerns, with escalation channels and transparency in follow-up actions.

CONTINUE TO DRIVE POSITIVE IMPACTS AGENDA

We will continue to support our positive impacts agenda through our work with small and medium enterprises by expanding tailored financial services, enabling greater access to local and international markets, and strengthening SME resilience through advisory services and digital tools. We will further our environmental stewardship by financing clean energy solutions, promoting renewable energy adoption, and improving energy efficiency within our operations. In line with our social responsibility commitments, we will broaden financial inclusion by reaching underserved communities, enhancing access to essential banking services and financial education, and upholding the highest standards of labour practices and human rights across our supply chain.

Recognising the importance of a skilled and future-ready workforce, we will invest in workforce development initiatives that empower our people and youth with critical skills in sustainability, technology, and finance. Our ESG governance will be reinforced by embedding sustainability considerations into our risk management frameworks and decision-making processes, while maintaining strong board-level oversight and alignment with global and local reporting standards.

As innovation remains central to our approach, we will leverage digital platforms and collaborative partnerships with public and private stakeholders to develop sustainable solutions that address Malawi’s unique challenges. We are also committed to continuous improvement by regularly reviewing our strategy, engaging stakeholders, and adapting to the evolving sustainability landscape. These actions reflect our long-term ambition to be a trusted financial partner that creates shared value for our clients, communities, and the country at large.

- As Standard Bank Plc looks to the future, we remain firmly committed to embedding sustainability deeper into our operations, disclosures, and stakeholder relationships. Having successfully integrated ESG into our risk management and governance structures, the next phase of our journey will focus on deepening implementation, enhancing reporting, and entrenching accountability.

ACTS	Africa-China Trade Solutions	Standard Bank's platform supporting trade between Africa and China, offering sourcing, logistics, letters of credit, and financing.
AfCFTA	African Continental Free Trade Area	A regional free trade agreement aimed at boosting intra-African trade and economic integration.
BOL	Business Online	Standard Bank PLC's digital banking platform used to enable secure, paperless transactions.
CIIE	China International Import Expo	A key trade event where Standard Bank clients showcase Malawian products to the Chinese market.
CSI	Corporate Social Investment	Voluntary contributions made by companies to support social causes, typically in education, health environment, and youth empowerment.
CSR	Corporate Social Responsibility	A business model focused on ensuring the company contributes positively to society.
CSV	Corporate Shared Value	A business approach that enhances company competitiveness while simultaneously advancing the economic and social conditions in communities.
ESAP	Environmental and Social Action Plan	A plan created under the Equator Principles to address environmental and social risks.
MRA	Malawi Revenue Authority	Collaborated with Standard Bank on trade and tax capacity-building for SMEs.
MUST	Malawi University of Science and Technology	Education partner receiving endowment and scholarship support from the Bank.

GLOSSARY OF TERMS

ESG	Environmental, Social, and Governance	A framework used to assess corporate performance in sustainability and ethical practices.
ESMS	Environmental and Social Management System	Standard Bank's internal platform for environmental and social risk tracking and management.
FCDO	Foreign, Commonwealth and Development Office	UK Government department supporting global development; partnered with the Bank on LPG initiatives.
FOCAC	Forum on China-Africa Cooperation	Platform for facilitating dialogue and partnerships between China and African countries.
GETF	Green Energy Transition Facility	A performance-based grant facility used to scale renewable energy infrastructure.
GRI	Global Reporting Initiative	A global standard-setting organization for sustainability reporting.
HDU	High Dependency Unit	A hospital unit for critical patient care; the Bank invested in its upgrade at Zomba Central Hospital.
ICBC	Industrial and Commercial Bank of China	A strategic partner in facilitating Africa-China trade through ACTS.
UNDP	United Nations Development Programme	Development partner on entrepreneurship, climate, and SME resilience projects.
LPG	Liquefied Petroleum Gas	A clean energy source promoted via 265Energy and supported by the Bank's financing.
MK / MWK	Malawian Kwacha	Local currency used throughout the sustainability report.

GLOSSARY OF TERMS

NSO	National Statistical Office	Source of national data on energy access and electrification.
PAT	Profit After Tax	Used as a basis for allocating 1% of net income to Corporate Social Investment.
PPB	Personal and Private Banking	Refers to Standard Bank's service segment that caters to individual and high-net-worth client.
REIAMA	Renewable Energy Industries Association of Malawi	Partner on energy sector conferences and advocacy efforts.
SB / SBM	Standard Bank / Standard Bank Malawi PLC	The reporting entity leading ESG implementation and sustainability strategy.
SDG / UN SDG	Sustainable Development Goals (United Nations)	The Bank maps its initiatives to SDGs such as SDG 7, 8, 9, and 13.
SME	Small and Medium Enterprise	Key target group for financial services, job creation, and economic growth initiatives.
SMEDI	Small and Medium Enterprises Development Institute	Government partner on SME capacity-building and training.
UNDP	United Nations Development Programme	Development partner on entrepreneurship, climate, and SME resilience projects.
USAID	United States Agency for International Development	U.S. government agency funding renewable energy access projects like 265Energy.
WESM	Wildlife and Environmental Society of Malawi	Partner for youth and environmental engagement through creative events.

GRI INDEX

Statement of Use	Standard Bank Malawi Plc has reported the information cited in this GRI content index for the period 1st January 2024 to 31st December 2024 with reference to the GRI Standards	
GRI 1 Used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	SBM Sustainability Report 2024-About This Report - p.4 SBM Sustainability Report 2024-Standard Bank PLC-Our FootPrint- p.8
	2-2 Entities included in the organization's sustainability reporting	SBM Sustainability Report 2024-Standard Bank PLC-Our FootPrint- p.8
	2-3 Reporting period, frequency and contact point	SBM Sustainability Report 2024-About This Report- p.4
	2-4 Restatements of information	SBM Sustainability Report 2024-About This Report- p.4
	2-5 External assurance	SBM Sustainability Report 2024-About This Report- p.4
	2-6 Activities, value chain and other business relationships	SBM Sustainability Report 2024-Standard Bank PLC-Who We Are- p.5 SBM Sustainability Report 2024-Standard Bank PLC-Our FootPrint- p.8
	2-7 Employees	SBM Sustainability Report 2024-Our People-Standard Bank PLC workforce Profile-p.96
	2-8 Workers who are not employees	SBM Sustainability Report 2024-Our People-Standard Bank PLC workforce Profile-p.96
	2-9 Governance structure and composition	SBM Sustainability Report 2024-Standard Bank PLC-Governance Structures- p.6 SBM Sustainability Report 2024-Effectively Managing Risk-Governance and Accountability-p.54 to p.57
	2-10 Nomination and selection of the highest governance body	SBM Sustainability Report 2024-Effectively Managing Risk-Strategic and Tactical ESG Oversight-Strategic Level (Board of Directors)-p.55

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GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	SBM Sustainability Report 2024-Effectively Managing Risk-Strategic and Tactical ESG Oversight-Strategic Level (Board of Directors)-p.55
	2-12 Role of the highest governance body in overseeing the management of impacts	SBM Sustainability Report 2024-Effectively Managing Risk-Strategic and Tactical ESG Oversight-Strategic Level (Board of Directors)-p.55 to p.57
	2-13 Delegation of responsibility for managing impacts	SBM Sustainability Report 2024-Effectively Managing Risk-Sustainability management- p.58
	2-14 Role of the highest governance body in sustainability reporting	SBM Sustainability Report 2024-Effectively Managing Risk-Strategic and Tactical ESG Oversight-Strategic Level (Board of Directors)-p.55
	2-15 Conflicts of interest	SBM Sustainability Report 2024-Effectively Managing Risk-Ethics, Conduct and Fair Results for Client-Conflict of Interest Framework-p.88-89
	2-16 Communication of critical concerns	SBM Sustainability Report 2024-Reporting of risk breaches and incidents-p.79
	2-19 Remuneration policies	SBM Sustainability Report 2024-Our People-The employee relations Framework-p.101
	2-20 Process to determine remuneration	SBM Sustainability Report 2024-Our People-Performance Management-p.102
	2-22 Statement on sustainable development strategy	SBM Sustainability Report 2024-Reporting Standards & Frameworks-United Nations Sustainable Development Goals (UN SDGs)-p.5 SBM Sustainability Report 2024-Our Sustainable Business Impact at a Glance-p.11 SBM Sustainability Report 2024-Our Approach to Sustainability-p.12 to p.13
	2-23 Policy commitments	SBM Sustainability Report 2024-Effectively Managing Risk-ESG Risk Management In Operations-p.58 SBM Sustainability Report 2024-Human Rights Assessment and Monitoring-p.68 SBM Sustainability Report-Ethics, Conduct and Fair Results for Clients-Code of Ethics and Conduct-p.69 SBM Sustainability Report-Ethics, Conduct and Fair Results for Clients-Whistleblowing-p.71 SBM Sustainability Report-Ethics, Conduct and Fair Results for Clients-protecting Client Information-p.76 SBM Sustainability Report-Ethics, Conduct and Fair Results for Clients-Money Laundering Control Policy-p.83 SBM Sustainability Report-Ethics, Conduct and Fair Results for Clients-antibribery and corruption Policy-p.84 SBM Sustainability Report-Ethics, Conduct and Fair Results for Clients-Effectively Managing Risk-Anti Fraud Policy-p.85 SBM Sustainability Report 2024-Ethics, Conduct and Fair Results for Clients-Tax Governance and Policy-p.90 SBM Sustainability Report-Ethics, Conduct and Fair Results for Clients-Effectively Managing Risk-Procurement Policy-p.93

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GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	SBM Sustainability Report-Ethics, Conduct and Fair Results for Client-p.69 to p.92
	2-25 Processes to remediate negative impacts	SBM Sustainability Report 2024-Effectively Managing Risk-Sustainability Management-p.58 SBM Sustainability Report 2024-Effectively Managing Risk-Monitoring, Controls, and Grievance Mechanisms-p.65 to p.67 SBM Sustainability Report-Ethics, Conduct and Fair Results for Clients-Whistleblowing-p.71 SBM Sustainability Report-Ethics, Conduct and Fair Results for Clients-Market Abuse Framework-p.86 to p.88 SBM Sustainability Report 2024-Occupational Safety and Health-Prevention and Mitigation of Occupational Health and Safety Impacts -p.113
	2-26 Mechanisms for seeking advice and raising concerns	SBM Sustainability Report 2024-Effectively Managing Risk- ESG Oversight Committee -p.57
	2-28 Membership associations	SBM Sustainability Report 2024-Key Stakeholder Engagements-Membership of Associations-p.17
	2-29 Approach to stakeholder engagement	SBM Sustainability Report 2024-Key Stakeholder Engagements-p.16
	2-30 Collective bargaining agreements	SBM Sustainability Report 2024-Our People-The Employee Relations Framework-p.101
GRI 3: Material Topics 2021	3-1 Process to determine material topics	SBM Sustainability Report 2024-Effectively Managing Risk-Comprehensive Risk Identification: Material Topics and ESG Risk Integration-p.59
	3-2 List of material topics	SBM Sustainability Report 2024-2024 Review-p.9
	3-3 Management of material topics	SBM Sustainability Report 2024-Our Approach to Sustainability-p.12-16 SBM Sustainability Report 2024-Maximising Business Positive Impact-p.18-p.19 SBM Sustainability Report 2024-Corporate Social Investment-p.44-p.48 SBM Sustainability Report 2024-Our People-p.95-p.114

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GRI STANDARD	DISCLOSURE	LOCATION
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	SBM Sustainability Report 2024-Effectively Managing Risk-Our Approach to Environmental and Social (E&S) Risk-p.60
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	SBM Sustainability Report 2024-Our sustainable Business Impact at a Glance-p.11 SBM Sustainability Report 2024-Corporate Social Investment-p.44 SBM Sustainability Report 2024-Ethics, Conduct and Fair Results for Clients-Insight into Standard Bank 2024 Tax Contributions-p.92 SBM Sustainability Report 2024-Procurement and Supply Chain Relations-p.93
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	SBM Sustainability Report 2024-Maximising Business Positive Impact-p.18-p.43 SBM Sustainability Report 2024-Corporate Social Investment-p.44-p.48
	203-2 Significant indirect economic impacts	SBM Sustainability Report 2024-Maximising Business Positive Impact-p.18-p.43 SBM Sustainability Report 2024-Corporate Social Investment-p.44-p.49
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	SBM Sustainability Report 2024-Pocurement and Supply Chain Relations-p.93
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	SBM Sustainability Report 2024-Ethics, Conduct and Fair Results for Clients-Combating Financial Crime-p.81
	205-2 Communication and training about anti-corruption policies and procedures	SBM Sustainability Report 2024-Ethics, Conduct and Fair Results for Clients-Compliance metrics 2024-p.82

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GRI 207: Tax 2019	207-1 Approach to tax	SBM Sustainability Report 2024-Ethics, Conduct and Fair Results for Clients--Tax Governance and Policy-p.90
	207-2 Tax governance, control, and risk-management	SBM Sustainability Report 2024-SBM Sustainability Report 2024-Ethics, Conduct and Fair Results for Clients-Identifying, managing and monitoring tax risks-p.91
	207-3 Stakeholder engagement and management of concerns related to tax	SBM Sustainability Report 2024 Ethics, Conduct and Fair Results for Clients--Engaging with tax and regulatory authorities-p.91
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	SBM Sustainability Report 2024-Our People-Employee attraction and retention-p.108
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	SBM Sustainability Report 2024-Our People-Employee Benefits-p.109

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GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	SBM Sustainability Report 2024-Our People-Occupational Safety and Health-p.113
	403-2 Hazard identification, risk assessment, and incident investigation	SBM Sustainability Report 2024-Our People-Occupational Safety and Health-Hazard Identification, Risk Assessment, and Incident Investigation-p.113
	403-3 Occupational health services	SBM Sustainability Report 2024-Our People-Occupational Safety and Health-Occupational Health Services-p.113
	403-4 Worker participation, consultation, and communication on occupational health and safety	SBM Sustainability Report 2024-Our People-Occupational Safety and Health-Worker Participation, Consultation, and Communication on Occupational Health and Safety-p.113
	403-5 Worker training on occupational health and safety	SBM Sustainability Report 2024-Our People-Occupational Safety and Health-Occupational Health and Safety Management System-p.113
	403-6 Promotion of worker health	SBM Sustainability Report 2024-Our People-Occupational Safety and Health-Promotion of Worker Health-p.113
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SBM Sustainability Report 2024-Our People-Occupational Safety and Health-Prevention and Mitigation of Occupational Health and Safety Impact-p.113
	403-8 Workers covered by an occupational health and safety management system	SBM Sustainability Report 2024-Our People-Occupational Safety and Health-Workers Covered by an Occupational Health and Safety Management System-p.113
	403-9 Work-related injuries	SBM Sustainability Report 2024-Our People-Occupational Safety and Health-incidents-p.113
	403-10 Work-related ill health	SBM Sustainability Report 2024-Our People-Occupational Safety and Health-incidents-p.113

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GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	SBM Sustainability Report 2024-Our People-Employee Engagement-Future Ready Skills Development-p.104
	404-2 Programs for upgrading employee skills and transition assistance programs	SBM Sustainability Report 2024-Our People-Employee Engagement-Future Ready Skills Development-p.104
	404-3 Percentage of employees receiving regular performance and career development reviews	SBM Sustainability Report 2024-Our People-Employee Engagement-Performance management-p.102
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	SBM Sustainability Report 2024-Our People-Diversity and Inclusion-p.98 to p.99
GRI 407: 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	SBM Sustainability Report 2024-Our People-The Employee Relations Framework-p.101
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	SBM Sustainability Report 2024-413-Corporate Social Investment (CSI)-p.44 to p.51
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	SBM Sustainability Report 2024-Ethics, Conduct and Fair Results for Clients-Advertising and Marketing-Resolving Client Complaints-p.74 to p.75
	417-3 Incidents of non-compliance concerning marketing communications	SBM Sustainability Report 2024-Ethics, Conduct and Fair Results for Clients-Advertising and Marketing-Resolving Client Complaints-p.74 to p.76
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SBM Sustainability Report 2024-Ethics, Conduct and Fair Results for Clients-Protecting Client Information-p.76 to p.79