



Standard Bank

STANDARD BANK NAMIBIA LIMITED

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2023

for the year ended 31 December 2023

**Namibia**  
Namib desert



Click to enter

## OUR ESG REPORT

(this report)

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Highlights our ability to create and preserve value, and mitigate value erosion in the short, medium and long term.

By creating value, we help Namibia and her people grow and meet the challenges presented by climate change and by making a just energy transition.

**We are purpose led:**

NAMIBIA IS OUR HOME,  
WE DRIVE HER  
GROWTH

Our purpose defines our approach to value creation and the long-term outcomes we strive for.

# CONTENTS

## PURPOSE OF THIS REPORT

Our reporting suite 4

## ABOUT STANDARD BANK NAMIBIA

Who we are 5

Our company structure 6

Our purpose 7

Our values 7

How we serve our clients 8

Message from the Chief Executive Officer 9

## ENVIRONMENT, SOCIAL AND GOVERNANCE

ESG reporting 12

Message from Head of Legal and Governance 15

Our approach to sustainability 17

## ESG GOVERNANCE

Engaging our stakeholders 19

Our material issues 23

Value created in 2023 24

Compliance 25

Fair outcomes for clients 28

Protecting client information 29

System stability 32

Combating financial crime 33

Procurement and third-party relationships 38

Tax governance and policy 39

## OUR PEOPLE

Diversity and inclusion 41

Employees 42

Leadership development and succession planning 43

Employee attraction and retention 44

Occupational health and safety 45

## SOCIETY AND THE ENVIRONMENT

Environmental and social risk management 46

Managing our ESG risks and opportunities 47

Corporate social investment 50

## OUR POSITIVE SEE IMPACT AREAS

Financial inclusion 52

Job creation and enterprise growth 55

Sustainable finance and climate change 60

Infrastructure 64

Education 66

Health 73

## ANNEXURES

78

### READING THIS REPORT

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



Indicates interactive content



Refers readers to further information within this report



Refers readers to additional information in our suite of reports



Refers readers to other online information

### PRINTING THIS REPORT

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



### NAVIGATING THIS REPORT

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

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

*Download or update to the latest version:*

### NAVIGATION AID

Back Print Access to main sections

Previous page Next page Contents

# PURPOSE OF THIS REPORT

## Our reporting suite

Our stakeholders are drawn from all levels of Namibian society and are active across all sectors of the Namibian economy. They, therefore, have diverse interests and require different information from the group. To engage with all interested parties as effectively as possible, we produce two reports annually:

To meet the information needs of our diverse stakeholders, we produce a suite of reports.

### The Annual report

Our primary report to stakeholders provides an assessment of our ability to create value over time, and information relevant to our shareholders, including our annual financial statements.

### Environmental, social and governance (ESG) report

Our ESG report covers our material focus areas related to our strategy and an assessment of our SEE impacts in the areas where we believe we have the greatest impact and opportunity. ESG material provides an overview of the processes and governance structures relating to social and environmental matters.

### Assurance statement

We have adopted a combined assurance model that includes a series of internal policies, procedures and controls that are in place to ensure that accurate data is provided across our reporting suite, and it forms part of the year-end audit.

The board is responsible for the report.

### Feedback

We encourage our stakeholders to share their views with us. If there is something you would like to know or feedback that you would like to share, please get in touch with [Sigrid.Tjijorokisa@standardbank.com.na](mailto:Sigrid.Tjijorokisa@standardbank.com.na)

We also report on the NSX in Namibia and issue NENS announcements if an event occurs.

# ABOUT STANDARD BANK NAMIBIA

Standard Bank's first branch opened in Lüderitz in 1915, making us one of Namibia's oldest companies. Since its early days as a 'diamond rush town' to its most recent role as a focal point for the nearby development of a green hydrogen project, Standard Bank Namibia Limited (SBN) has maintained a presence in the town.

## Who we are

Standard Bank Namibia has grown and prospered by meeting Namibians' banking and financial needs for more than 100 years. As one of the pioneering financial institutions in the country, we are deeply involved with all facets of Namibian life.

Over the decades, we have remained steadfast in our mission of adding value to the business, industrial and commercial sectors and Namibian people we serve in the nation's larger centres and rural towns. Our success, as befits one of the nation's pioneering enterprises, goes beyond our economic contribution and is also measured through our involvement with the communities in which we operate and to whose welfare we contribute through our long-established corporate social investment (CSI) programmes.

In addition to our long-term CSI investments, which includes our contributions to health, education, and socioeconomic development, we sponsor sports and other programmes, adding further value to the Namibian people.

Our commitment to Namibia is born from our deep understanding of our clients' needs and aspirations, backed by the service and relationships we have built over the years.

Today, well over 100 years since we entered Namibian markets, our strong service ethic is still an operational strength and underpins our customer-centric approach to business. By placing customers at the centre of everything we do, we have been able to supply the solutions and services that our customers want and have made a difference in their everyday lives, supporting Namibia's ongoing development.

We achieve our objectives by providing the physical branch network, digital platforms, and banking solutions, ensuring our stakeholders have constant and consistent access to our services.

Our long-held business objective is to make banking accessible to all Namibians. The introduction and ongoing development of digital service platforms and our wide range of banking solutions enable unbanked people to move from a cash-based economy into the digital space. With our low-cost banking services available 24 hours a day, 365 days a year, they experience the freedom to conduct their everyday banking from their homes.

As the needs of our customers evolve, so we are at the front of delivering digital services that meet their requirements with our proactive solutions for individuals, small- and medium-sized companies, and the corporate and public sectors.

We maintain our reputation as a leading financial service supplier by upholding the highest standards of corporate governance while being committed to sustainable development. We are committed to moving Namibia forward and driving her growth.

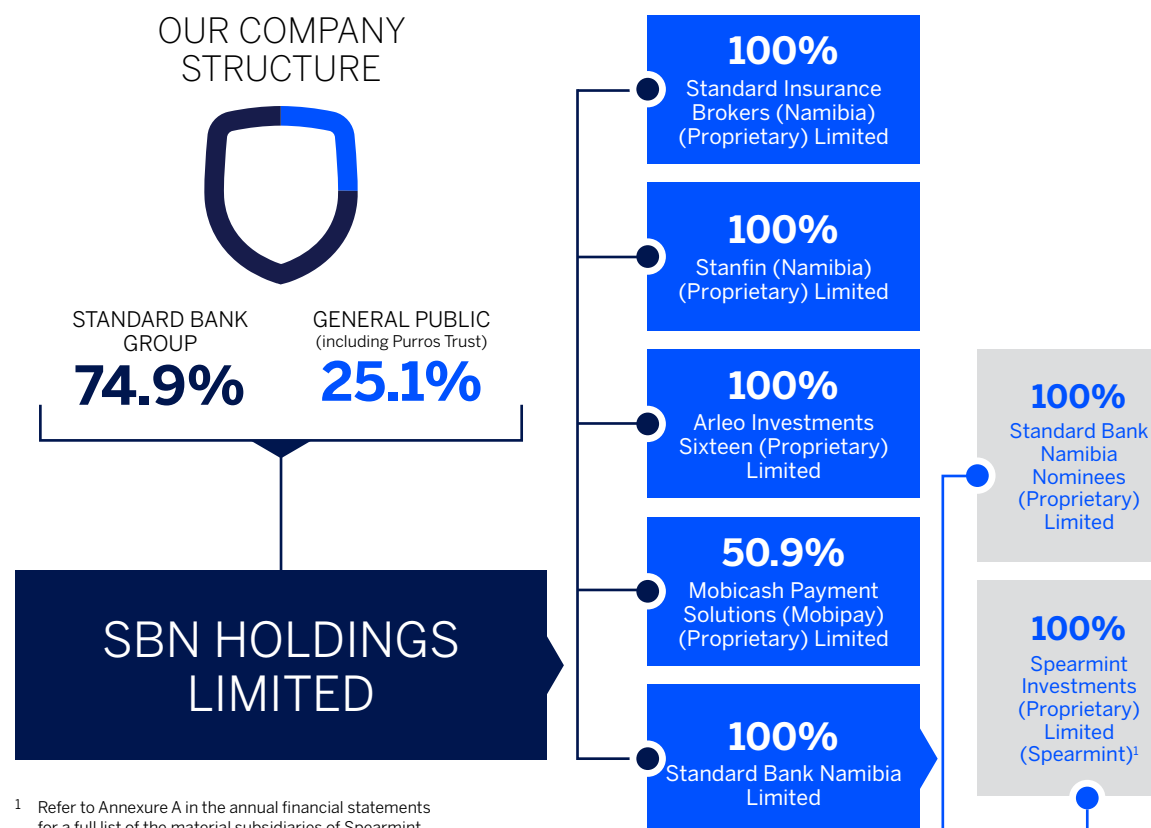
### **Proudly part of the Standard Bank Group**

Although Namibia is our home, and we drive her growth, we are proud to be part of the Standard Bank Group (SBG). This membership benefits our local and international customers by enabling us to offer services beyond our borders and access to a group with a presence in 20 African countries and strong international links. We can also interact, advise and assist global companies investing in Namibia.

# Our company structure

## Our listings and shareholders

Headquartered in Windhoek, with a total of 1 427 employees – including 101 temporary employees, SBN Holdings listed on the Namibian Stock Exchange in November 2019. Our shares are held by the Standard Bank Group (74.9%), and the public and the Purros Trust, the SBN staff empowerment scheme, hold the remaining equity of 25.1%. SBN Holdings Limited also has listed debt on the Johannesburg Stock Exchange.



# Living our purpose

## Our purpose

### Namibia is our home, we drive her growth

We achieve this through an integrated approach to creating value.

Our strategy evolves to meet the needs of our customers and is based on one constant, namely achieving sustainable growth for the group and providing value for all our stakeholders. We continuously evaluate our operating context, consider matters that could impact our viability and adjust our operations as required to meet measurable outcomes.

Our purpose underpins our strategy and informs our strategic priorities, enabling us to fulfil our purpose. We achieve this through our ongoing work towards delivering on our 2025 Ambition, which is focused on achieving our financial targets and transforming us into a digital organisation that takes us beyond banking.

*"Our transformation will take us far from the traditional banking services on which we built our reputation to the new era in which we will meet clients on digital platforms, making us part of their daily experiences as they shop, meet one another, socialise and do business."*

## Our values

Our values are our shared beliefs about who we are, what we stand for, and what we want to achieve. They are the principles and ideals that help us decide what is most important.

### Our strategic priorities are to:

1

#### Transform client experience

and measure this success by increasing the focus on clients and achieving increased levels of employee engagement with clients

2

#### Execute with excellence

by evaluating risk and conduct and delivering consistently high levels of service

3

#### Drive sustainable growth and value

and measure success by evaluating financial outcomes and SEE impact.

### Our targeted outcomes

- serve our customers
- deliver to our shareholders
- respect each other
- work in teams
- uphold the highest levels of integrity
- grow our people
- be proactive
- constantly raise the bar.



## How we serve our clients

### Our focused client market segments



#### Personal & Private Banking (PPB)

The Personal & Private Banking segment offers tailored and comprehensive banking, investment, insurance and beyond financial services solutions.

We serve clients across Namibia ranging from high net worth and affluent to main market by enabling their daily lives throughout their life journeys.



#### Business & Commercial Banking (BCB)

The Business & Commercial Banking segment provides broad based client solutions for a wide spectrum of small- and medium-sized businesses as well as large commercial enterprises.

Our client coverage extends across a wide range of industries, sectors and solutions that deliver the necessary advisory, networking and sustainability support required by our clients to enable their growth.

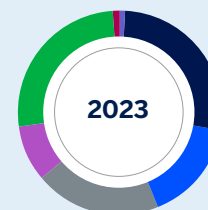


#### Corporate & Investment Banking (CIB)

The Corporate & Investment Banking client segment serves large companies (multinational, regional and domestic), governments, parastatals and institutional clients across Namibia. Our clients leverage our in-depth sector and regional expertise, our specialist capabilities and our access to global capital markets for advisory, transactional, risk management and funding support.

- **CIB serves:** large companies, governments, parastatals and institutional clients, in Africa and internationally.
- The **Client Coverage Unit** has day-to-day contact with customers. This support includes market research and initiates any requirements that clients may request.
- **Three product houses, namely:**
  - **Investment Banking** which provides innovative corporate advisory services, large structured medium and long-term loans, revolving credit facilities, mergers and acquisitions and other related services.
  - **Global Markets** As a primary trading unit, Global Markets provides clients with risk-management instruments and trading-related projects. Among other services, risk-management products include derivatives and forward-hedged contracts designed to mitigate the vagaries of changing interest rates and fluctuating commodity prices.
- **Transactional Products and Services** meet a variety of clients' requirements. These vary from collecting payments to assisting with internet transactions on our dedicated channel.
- Short-term loans and advances, overdrafts, short-term lending products, and other requirements are often requested by clients. The unit also offers off-balance sheet transactions, including letters of credit, performance guarantees and bit-bonds.

Its portfolio includes:



	2023
■ Sovereign and public sectors	1%
■ Financial institutions	27%
■ Consumers	16%
■ Real estate	20%
■ Power and infrastructure	9%
■ Mining and metals	26%
■ Oil and gas	1%

CIB has **370 groups** represented by **850 individual clients**.



“ESG issues are top of the global agenda, and Standard Bank is no exception. We are committed to listening to diverse views, understanding competing priorities, and working together with stakeholders to create relationships based on trust, mutual respect and shared value creation.”

## Message from the Chief Executive

**Erwin Tjipuka** – Chief executive Standard Bank Namibia

I am immensely honoured to assume leadership of Standard Bank Namibia during this pivotal moment in both the bank’s trajectory and the broader context of our nation.



As our country endeavours to reconstruct our economy in a sustainable and inclusive way, SBN looks to foster cohesion among us as individuals within this organisation. We are on a journey to recalibrate, reconnect and revitalise, building a more inclusive environment. I am humbled to be part of this journey as I am passionate about this sector and ensuring that SBN becomes an environment that embraces transformation and nurtures talent.

In the coming year, we will build on our cultural journey and continue to deliver on our commitment to Namibia, its citizens (and our customers) and our employees. This commitment is encapsulated in our purpose: Namibia is our home, we drive her growth. Our vision is to help

Namibia achieve the National Development Plan 2, Vision 2030, its Sustainable Development Goals (SDGs), and Harambee 2. In reality, this means we are moving aggressively to integrate the ethos of being a corporate citizen by upholding our commitment to respecting human rights, including those of people involved with SBN. This commitment includes our employees, our suppliers and service providers, and the people impacted by the projects and businesses we finance.

Standard Bank Namibia links its success to that of the country, so we remain committed to engaging and supporting the government in terms of its economic and social plans to build an economy where all Namibians can benefit. As part of our commitment to meeting the SDGs, for example, we contribute

through SBG to the expert working groups on Illegal Wildlife Trafficking, Modern Slavery and Human Trafficking, and Terrorist Financing and Corruption. We also participate in several Targeted Operations Groups focusing on specific operational matters.

As part of our interaction with key stakeholders, we are active members of banking and insurance associations in Namibia, and other broader business associations and industry work groups set up by regulators or the government. These memberships enable us to continue to contribute to public policy debates and policy-making processes to ensure the development of our economy and society.

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The same applies to our interaction with other stakeholders, including the community, clients, staff and trade unions.

For our customers, SBN remains committed to developing and providing financial solutions to ordinary citizens (including a specific focus on the unbanked), small, medium and micro enterprises (SMMEs) and larger companies to contribute towards growing the economy, building the SMME sector and creating much-needed jobs.

In supporting Africa's just energy transition and Namibia's emerging green economy, SBN is developing a range of financial solutions and funding mechanisms. This becomes even more important as Namibia positions itself as a critical source of renewable energy, with the potential to become a global green hydrogen hub.

We aim to achieve net zero carbon emissions from its operations by 2040 and its portfolio of financed emissions by 2050, aligning with the Paris Agreement. Standard Bank Namibia plans to mobilise N\$1.6 billion by 2026 for sustainable

finance. In terms of providing finance for more green projects, we are involved in several green projects.

As part of SBN's commitment to expanding financial services and making such services more accessible to the unbanked through digital banking solutions, our instant money service on the PayPulse App creates value for the people of Namibia. Our insurance division launched a new product in 2023 with the advent of the 'Flexi-Funeral' policy. The launch of the Flexi-Funeral plan was accompanied by the introduction of SBN's new quality management system – MOBILITY.

We support the move towards sustainability and green energy by introducing insurance for solar plants. We partnered with Falcon Insurance Brokers to enter this market.

**While striving to meet our customers' needs, our success is linked to the country's success.**

## **So we ask ourselves, "What can we do for Namibia, for our community?"**

Our involvement in a range of initiatives impacts the lives of ordinary Namibians, bringing about more financial inclusion and improving health and education outcomes.

We have also been associated with numerous youth through various youth empowerment development initiatives. Our commitment to our nation and catering to the needs of our customers would not be possible without our employees' unwavering commitment and abilities. We have embarked on a cultural journey to ensure we recommit to building SBN into an organisation which embraces the nurturing of our employees.

Part of that is growing our skills pipeline, mentoring our employees, ensuring they have access to upskilling and reskilling and ensuring a diverse workplace. We are committed to meeting our targets around ensuring that women occupy 40% of executive and senior management positions and that 26% of positions in senior management are occupied by Namibians.

As I continue to immerse myself in SBN and the transformation of our society, I am confident that we will persistently actualise our purpose: Namibia is our home, we drive her growth, and we will meet the expectations of our stakeholders as the prominent national financial services provider.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Our ESG activities are central to our commitment to Namibia, our home. Our well-defined ESG policies and activities ensure Standard Bank Namibia is a responsible corporate participant in Namibian society. These initiatives are supported by governance measures that direct our operations, who we do business with and what we finance.





## ESG reporting

This report aims to provide all our stakeholders with an overview of our business, how we operate in society, how we serve our customers and how we support the communities in which we are present.

These stakeholders and other interested parties regard reports as essential tools for helping to evaluate a company's local, regional and global impact. Our analysis and reporting in ESG documents provide valuable insights that help create long-term value for stakeholders by understanding our sustainability matters.

Rating companies routinely analyse performance across ESG areas to identify possible financial risks due to poor environmental performance and weak social or internal governance practices.

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### Using metrics to track progress

Tracking our ESG performance is achieved by using metrics, the numbers and statistics that appear throughout the report in the form of graphs, tables and graphics that provide readers with views of performance statistics and indicators.



## We are because you are

**For 118 years, Standard Bank Namibia has been an integral part of Namibia.**

We serve Namibians through good times and bad, and we are part of the changes that transform the country. As we move towards the Fourth Industrial Revolution, there is an increased focus on the environment we operate in, the people we serve, and the way we do business.

This ESG report is aligned with the Standard Bank Group's reporting disclosures. We support SBG's commitment to the UN Sustainable Development Goals, the Paris Agreement, and the African Union's Agenda 2063.

We also adhere to Namcode, the corporate governance code launched in 2014. We work continuously to increase our positive SEE impacts arising from our business activities on society and Namibia in general and minimise any negative consequences caused by our activities.

As a leading financial institution, we are determined to meet the expectations of Namibians by ensuring that we become sector leaders in conducting our environmental, social and corporate governance (ESG) affairs.

Standard Bank Namibia's growth and prosperity is inextricably linked to the future and development of Namibia and her people – **'we are because of you'**.

As part of enabling the growth and prosperity of Namibia and her people, we align our business and our ESG pillars, policies and practices with

- Namibia's national initiatives – National Development Plan 6
- the ESG elements of the Vision 2030 strategy
- Harambee 2
- the UN's Sustainable Development Goals.

## National Development Plan (NDP) 6

The NDP 6 is a strategic development framework to guide Namibia's socioeconomic progress.

### Key aspects of NDP 6 are:

- Reducing poverty, address inequalities and improve living standards
- Promoting economic growth and diversification by supporting various sectors, including agriculture, mining, manufacturing, and the services industry
- Increasing investment in developing infrastructure, such as roads, energy, and water supply
- Enhancing access to quality education and health for all Namibians
- Promoting Initiatives to enhance governance, promote good governance practices, and strengthen public institutions
- Prioritising regional development and decentralisation so development benefits reach all parts of the country
- Incorporating monitoring and evaluation mechanisms for monitoring and evaluating progress toward NDP 6 goals and objectives.

## Vision 2030

Namibia's Vision 2030 is a long-term development strategy to transform the country into a prosperous and industrialised nation by 2030. It sets a framework to achieve sustainable development, improve living standards, and reduce poverty and inequality.

### The key elements of Vision 2030 include:

- Achieving social progress by improving the quality of life of Namibians by addressing poverty, inequality, and unemployment and ensuring access to education, healthcare, and social services
- Achieving sustained and inclusive economic growth through industrialisation, infrastructure development, and diversification of the economy, and promoting sectors such as agriculture, mining, tourism, and manufacturing
- Developing a robust infrastructure, including transport, energy, and information and communication technology, which supports economic growth and development
- Promoting good governance through the rule of law and accountability ensures efficient and transparent administration
- Committing to environmental sustainability through a commitment to environmental conservation and sustainable resource management
- Encouraging international cooperation and partnerships focused on supporting development goals and addressing global challenges.

## The Harambee Prosperity Plan 2 (Harambee 2)

The period between 2021 and 2025 is covered by Harambee 2, founded on the concept of creating One Namibia, One Nation and peace, reconciliation, security and stability. The plan aims to accelerate development in clearly defined areas.

### The fundamental components of the plan are to:

- Improve accountability and transparency and enhance the performance of public services while enhancing security and the rule of law
- Strengthen the management of natural resources, increase productivity in the economy's priority sectors and create employment opportunities
- Improving the life quality for all Namibians, especially vulnerable members of society – working to reduce hunger, poverty, and the delivery of urban land housing and sanitation and, improving the access to quality education and sports and reducing gender-based violence and violence against children
- Using infrastructure development as a catalyst for economic growth and creating employment opportunities
- Enhance economic diplomacy for economic recovery and promoting peace and development.

## The UN Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs), established in 2015, is a comprehensive framework that addresses global challenges and fosters sustainable development by 2030. There are 17 interconnected social, economic and environmental goals calling for action to end poverty, protect the planet, and ensure prosperity for all.

### The SDGs recognise the challenges of pressing global issues such as poverty, inequality, climate change, environmental degradation, and insufficient access to healthcare and education.

Each goal comprises specific targets and indicators to measure progress, providing a roadmap for governments, businesses, civil society, and individuals to contribute to achieving sustainable development. The goals range from eradicating poverty and hunger to ensuring quality education, promoting gender equality, fostering sustainable

cities and communities, and combating climate change. They highlight the principle of leaving no one behind by addressing the needs of the most vulnerable and marginalised populations worldwide. Equity, inclusivity and sustainability are inherent in these objectives.

# Message from Head of Legal and Governance

**Sigrid Tjijorokisa** – Head of Legal and Governance: Standard Bank Namibia

Standard Bank Namibia's journey of prioritising the alignment of its objectives with the national sustainability goals has been moving ahead rapidly.



Our growing commitment and understanding of what it means to embrace ESG policies and activities fully shows this is no longer an add-on activity but an integral part of our operations.

This translates into the kinds of products and services we offer our customers and how we engage with key stakeholders in our broader ecosystem. So, everything we are and do is about how we can positively impact the communities and country we serve in terms of protecting the environment, promoting diversity and inclusion and fostering trust and stability. This report encapsulates our commitment and growing interest in ESG principles, highlighting how they're shaping the development of our products and solutions.

A key part of this has been partnering with our clients to mitigate emissions, build climate resilience, and provide innovative and sustainable finance solutions that support their climate journeys. Such initiatives have included, among others, the funding of the establishment of a fully operational biomass production plant, including the entire value chain from harvesting to packaging and transportation. This biomass project is a source of renewable energy and addresses the challenges of bush encroachment. Another initiative linked to bush encroachment has been the support provided by our

CIB division, which assists companies involved in producing sustainable charcoal. In Namibia, charcoal is made from invader bush, which negatively impacts the biosphere and the agricultural sector, as the blackthorn bush absorbs vast quantities of water in an arid country. It also injures animals and has little nutritional value for grazing farm animals. The charcoal production process is undertaken in a sustainable manner, with international environmental organisations providing oversight.

Standard Bank Namibia also issued its debut Green Bond Issuance, which speaks to our commitments to address climate change and supports renewable energy projects in the Namibian economy. The bank is targeting more issuances as it intends to play a vital role in sustainable funding solutions in Namibia.



As part of our commitment to grow SMMEs, we, together with the Oshana Regional Council, hosted the second SMME Finance Symposium in May 2023 in Oshakati. The symposium aimed to build scalable and globally competitive SMMEs and help share information on financial literacy. At the core of the symposium are ideas about existing opportunities, such as cashless payment conveniences through PayPulse, which SMMEs can access through the bank to promote the generation of sustainable income to improve access to markets, technology and finance. The app allows anyone, no matter who they may bank with, to create a virtual wallet from which to pay for bills and services and send or withdraw money. As part of providing affordable services to our citizens, our insurance division launched a new product in 2023 with the advent of the 'Flexi-Funeral' policy. This service, unique in Namibia, allows Namibians to control aspects of their coverage, including the size of premiums, family coverage and benefits.

Our commitment to the communities we serve, mainly our focus on youth development, is reflected in our support of initiatives geared towards the importance of education and building resilient communities. Recently, I was privileged to attend the USAID Forum for African Women Educationalists Namibia (Fawena) chapter, which assists orphans and vulnerable children. As part of our partnership, we donated N\$806 000 to ensure they continue their amazing work in promoting the importance of education.

In support of the Never Walk Alone charity, we donated N\$400 000 so that they can continue their incredible work in providing shoes to children who walk long distances to school. Many learners walk to school without shoes – many share their shoes with their siblings – meaning they take turns wearing a single pair of shoes during the week.

Our Buy-A-Brick Initiative, which we started in 2015 in partnership with the Shack Dwellers Federation of Namibia, is committed to eliminating shacks and providing decent housing for the people of Namibia.

Linked to our commitment to providing decent housing and addressing rising unemployment, we have been involved in the innovative MycoHab project, which combines Standard Bank Namibia's financial support, input from MIT researchers in the USA, and Redhouse Studio, a leading US architectural design company. The spin-off from the MycoHab project is enormous and could offer employment and other opportunities the initiative is now a separate legal entity. We also support health initiatives aiming to bring improved healthcare outcomes to the people of Namibia.



We look forward to **sharing our ESG journey** as we continue to explore products, solutions and interventions that contribute towards building a country that is more resilient and can deal with future transitions.

# Our approach to sustainability

**Driving sustainable growth and value** by achieving strong financial outcomes and positive social, economic and environmental impact.

## Maximising positive social, economic and environmental impact

- The success and longevity of our business depends on our ability to understand the priority issues, challenges and opportunities for individuals, businesses and communities in our markets across Africa, and to **deliver effective, accessible and competitive solutions** to address these.
- We achieve **positive impact** by helping individuals, businesses, governments and other entities to save, borrow, invest and insure, facilitating financial inclusion and enabling inclusive, job-creating growth and human development. In doing so, we grow our client base, earnings and market share and support our **long-term financial viability**.

## Effectively managing risk

- Our efforts to achieve positive impact are underpinned by careful **identification, management and mitigation** of environmental, social and governance (ESG) risks.
- This includes risks within our own operations and risks arising from our business activities, including our **client relationships and the projects and businesses** we finance or invest in.
- We have incorporated **ESG risk management** into our policies, processes, and governance structures across the group.
- We engage our diverse **stakeholders** to identify and manage our ESG risks.

We categorise our impact in relation to SDGs.

## UN SDGs





# ESG GOVERNANCE

Ensuring regulatory compliance ensures that SBN operates within its regulatory environment and within the licenced framework. To achieve the goals set out in the SDGs and NDP 6, SBN's licence ensures that it is properly governed to achieve these goals. Namibia has ratified various international treaties to confirm financial stability in the country, which is achieved by adhering to regulatory prescripts and compliance with local and international legislation.

Standard Bank Namibia's ESG risk governance framework is integrated with SBG's group risk management framework and provides executive management and the board with a comprehensive view of our ESG risks.

It defines structures and accountability for the oversight, governance and execution of ESG risk management, including:

## Environmental issues,

including impacts on nature and biodiversity and climate-related risks and opportunities.

## Social issues,

including respect for human rights, labour practices, health and safety, financial inclusion and our impacts on communities.

## Governance issues,

including conduct, fair treatment of customers, prevention of financial crime, information security, cybersecurity and tax practices.

All identified material risks are prioritised and monitored through quantitative or qualitative measures. Breaches of risk thresholds are escalated to the appropriate governance structures. The SBG ESG risk management framework is supported by group policies and standards: [human rights statement](#), our [third-party code of conduct](#), [E&S risk governance standard and policy](#), exceptions list, [group climate policy, and climate strategy and implementation plan](#) [whistleblowing policy](#) and related policies and processes.



Standard Bank Namibia's ESG philosophy aligns with SBG's philosophy in relation to the risk management framework. A full list of the international and national policies we adhere to can be found on [page 79](#).

# Engaging our stakeholders

Our stakeholders are those individuals, groups and organisations that materially affect or could be materially affected by our business activities, products, services and performance.

They provide us with the resources and capital we need to achieve our strategy and purpose; influence the environment in which we operate our business; and confer legitimacy on our activities. They include our clients and partners, employees, regulators, shareholders, service providers, and the communities in which we operate. Proactive engagement with our stakeholders shapes our strategy and informs identification of our material issues, enabling us to manage and respond to stakeholder concerns and minimise reputational risk.

## Governance of stakeholder engagement

The SBN board oversees our stakeholder relations, ensuring a proper response to our stakeholder issues.

## How we engage

We listen to and actively engage with all legitimate stakeholders. Executives and managers engage regularly with diverse stakeholders on relevant issues. They report material stakeholder priorities and concerns to relevant group and board committees.

Our guidelines and policies govern our engagements with specific groups of stakeholders. These guidelines and policies ensure that we have an appropriate mandate for engagement, and that potential conduct and reputational risks are managed.



## Stakeholder engagement principles

Stakeholder engagement aligns with SBG stakeholder engagement principles.

### We are committed to:

Constructive engagement, listening to concerns and suggestions with an open mind	Responding appropriately to legitimate concerns
Ensuring that our code of ethics and conduct and our values underpin and inform our engagements	Being transparent in our engagements
	Being accessible.



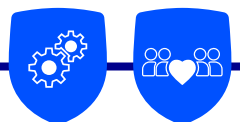
## Quality of relationships

We assess the quality of our relationships and engagements with our stakeholders based on various relationship metrics which we track over time. The complexity and diversity of these relationships mean that there is no single metric, and relationship quality for each group fluctuates over time and with each engagement.

### Stakeholder engagement in 2023

#### CLIENTS

284 615



#### How we engage

Client surveys, online communication channels, call centres, social media and in-person. We use these to focus on and monitor:

- Employee conduct
- Responsibility toward customers and responsible product development
- Consumer education
- Financial inclusion with a focus on women and SMEs
- Role of financial sector in supporting infrastructure development
- Crypto-currencies, central bank digital currencies
- AI, machine learning, frontier technologies and impacts on banks and society.

#### How we measure the quality of the relationship

- Net promoter score (NPS) and client satisfaction index (CSI).

#### Key issues and our response

##### Their priorities are

- Having access to affordable and personalised solutions
- Being able to access reliable digital channels
- Access to solutions on demand
- Integrity and confidentiality
- Safeguarding personal information
- Secure systems.

##### Our response

- Providing digital solutions that are affordable, convenient and customisable
- Improving and maintaining system stability and security
- Providing client-centric solutions backed by strong relationship management and personalised conversations
- Offering systems that are underpinned by leading technology and security.

#### EMPLOYEES



#### How we engage

Employee surveys, online communication channels and in-person engagement.

#### How we measure the quality of the relationship

- Employee Net Promoter Score (eNPS)
- Emotional promoter score
- Organisational alignment score
- Engagement dimensions score (work satisfaction)
- Diversity and inclusion
- Average learning hours per person
- Workforce return on investment.

#### Key issues and our response

##### Their priorities are

- Having safe, environmentally-friendly working conditions
- Access to the technology required to complete tasks
- Opportunities for advancement expected of a major financial institution
- Wages, salaries and benefits that reflect the status of SBN
- Training and opportunities to undertake approved tertiary education programmes
- Financial assistance to reach educational goals.

##### Our response

- The provision of safe, conducive working conditions by complying with, and often exceeding the requirements of employment and safety, health and environment (SHE) regulations and legislation
- Providing access to state-of-the-art technology expected of a leading financial institution
- Adopting a policy that considers internal appointments before conducting external searches for staff
- Offering qualifying staff opportunities to pursue advancement through bespoke internal training programmes, work experience in countries where SBG has a presence, and, where applicable, bursaries and assistance for tertiary studies that align with the bank's business strategy and needs.

## GOVERNMENT AND REGULATIONS



Including central banks and relevant government departments and regulators in the jurisdictions in which we operate.

### How we engage

We monitor policy and regulatory developments in Namibia and relevant related countries and provide evidence-based submissions to support the policy making process. Our regulators in Namibia include the Namibia Financial Institutions Supervisory Authority (NAMFISA), the Bank of Namibia.

### How we measure the quality of the relationship

- Constructive and positive engagements.

### Key issues and our response

#### Their priorities

- Financial inclusion for Namibians
- Adherence and compliance with regulations and statutes
- Management of customer complaints
- Cloud computing risk
- Platform business risk
- Exchange controls.

#### Our response

- We ensure that we comply with the increasing volume of regulations as they are introduced into the Namibian financial sector.
- Anti-money laundering and combating the financing of terrorism (AML/CFT) controls, and other specific measures (We continued to work with the Namibian government to support the strengthening of AML controls to meet FATF requirements.)
- Cybersecurity and data protection
- Climate change, including its social implications, management of associated financial risk, greenwashing, regulation of sustainable finance and ESG
- Employee conduct
- Responsibility toward customers and responsible product development
- Consumer education
- Financial inclusion with a focus on women and SMEs
- Role of financial sector in supporting infrastructure development
- Cryptocurrencies, central bank digital currencies
- AI, machine learning, frontier technologies and impacts on banks and society.

## SHAREHOLDERS AND INVESTORS



### How we engage

Investor, analyst and credit agency meetings, conferences, roadshows, presentations, NENS announcements in Namibia and annual general meetings.

### How we measure the quality of the relationship

- Shareholder value created – ROE, earnings growth, net asset value growth, and dividends
- Investor and other market participants, feedback
- AGM voting outcomes
- ESG ratings.

### Key issues and our response

#### Priorities

- Sustainable competitive solutions and services
- Growth through sustainable strategies and increasing, effective digitisation
- Access to appropriate skills and talent
- Specialised skills to ensure market share growth.

#### Our response

- Introduction of effective, interactive digital solutions
- Offering broad-based, value-added offerings to unbanked individuals
- Forming effective partnership offering customer access to services where they love to shop
- Building a skilled employee base of digitally-empowered people.

## COMMUNITIES AND CIVIL SOCIETY



Non-governmental organisations (NGOs), community representatives

### How we engage

Various communication channels including in-person discussions.

### How we measure the quality of the relationship

- Constructive engagements, media monitoring.

### Key issues and our response

#### Our response

- Dedicating at least one per cent of our after-tax profits to CSI programmes
- Addressing the needs of various segments of the population
- Identifying primary needs in the housing, education, health and environmental sectors
- Supporting of flagship projects (MycoHab, Buy-A-Brick) on an ongoing basis.

#### Their priorities

- Involving business in addressing social and economic inequalities
- Positively impacting the quality of life for disadvantaged Namibians
- Partnering with businesses to create and monitor effective socioeconomic interventions
- Using their presence (business associations and organisations) to create partnerships that address local issues and enable financial education.



## Accolades

Standard Bank Namibia is undeniably generating significant value for its stakeholders, notably investors and all Namibians, through our dedicated efforts to bolster the country's economy to fulfil our purpose: Namibia is our home, we drive her growth. This is achieved through an integrated approach to creating value and this commitment is vividly exemplified by the exceptional performance of SBN Holdings, which emerged as the top-performing local share on the Namibian Stock Exchange in 2023, as per data from Simonis Storm. Our value to society and our economy is reflected in the remarkable surge of 91.6% in our share price, underscoring the tangible impact of the bank's endeavours in driving growth and prosperity within Namibia.

Our accolades include the coveted EMEA awards for the Best Bank and Best Investment Bank in Namibia, the Golden Arrow awards, received for BCB and PPB at the PMR Africa Awards, the Diamond Arrow award in the credit card domain, and Bank of the Year Award from The Banker magazine in London.



## INDUSTRY BODIES AND TRADE ASSOCIATIONS



### How we engage

We are active members of banking and/or insurance associations in our countries of operation, and engage in broader business associations, and industry work groups set up by regulators or government. These memberships enable us to contribute to public policy debates, support evidence-based policy making, contribute to processes such as the development of global standards and frameworks, and work collectively to enable positive impact. Our trade association membership policy governs employee participation and accountabilities in such bodies. We pay membership fees, which are managed at country level. We do not provide funding for lobbying on specific issues.

### How we measure the quality of the relationship

- Constructive dialogue and active participation.

### Key issues and our response

- We are an active member of the Bankers Association of Namibia, Namclear and PAN, and participate in broader industry workgroups as needed.
- Through the Bankers Association of Namibia, we benefit from an industry association that promotes its members' views on legislation, regulation and other issues.
- Nationally, we are an active member of the Namibia Chamber of Commerce and Industry (NCCI), which is drawn from all Namibian business sectors. We participate in regional and local NCCI meetings and contribute to discussions and formulate answers to national and regional business concerns and issues. We leverage our participation in Chambers of Commerce to keep us at the forefront of local business.
- We support the position adopted by many African regulators and business leaders that Namibia has the right to determine its own response to the climate crisis, and a right to responsibly develop our resources in pursuit of sustainable development. We support calls for the establishment of a fund for 'loss and damage' to assist emerging market economies to mitigate and adapt to climate change, and regulatory action to prevent greenwashing.



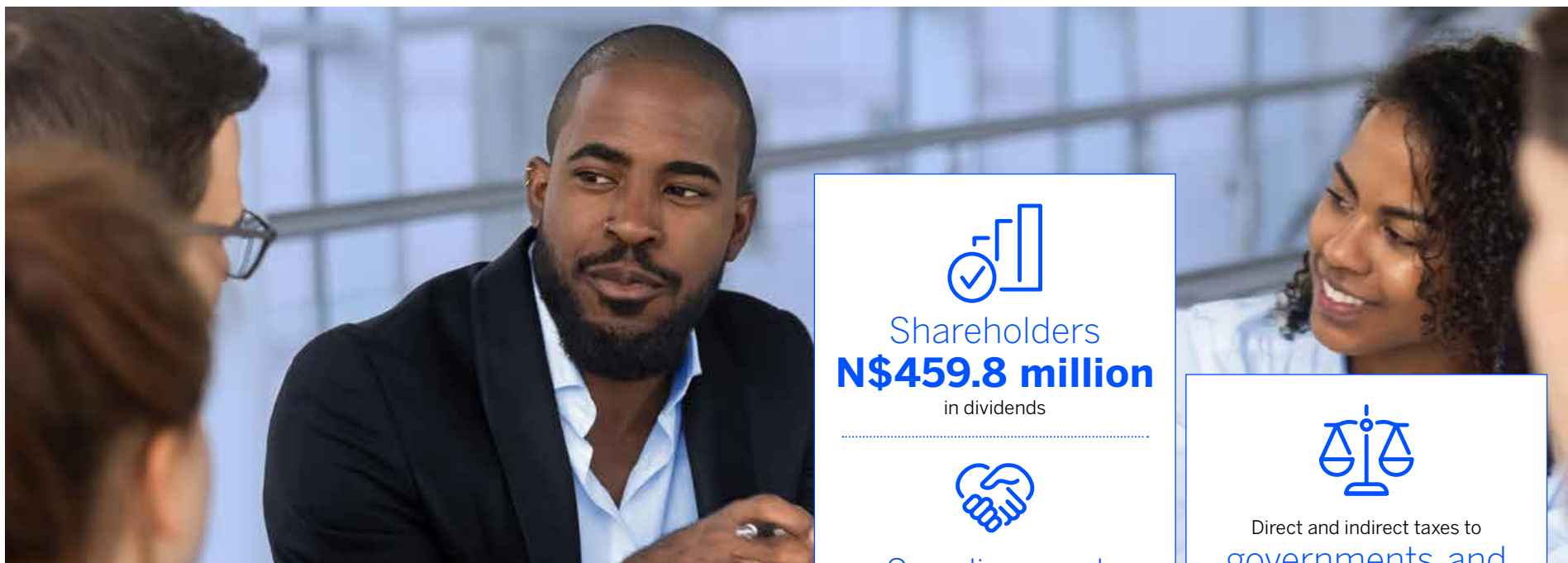
## Our material issues

Material issues are the sustainability factors that matter most to our internal and external stakeholders, and that impact on our ability to create value in the short, medium and long term.

We have adopted the principle of double materiality, assessing issues both in terms of:

- **Financial materiality:** how sustainability/ESG issues impact our value drivers, competitiveness and enterprise value.
- **Impact materiality:** how our business impacts on people, the environment, and the economy.

We align our material issues with those of SBG.



## Value created in 2023

We create value for all our stakeholders, including employees, suppliers, governments, the community and shareholders by achieving our purpose of sustainably driving Namibia's growth.

During 2023, we paid



Employees  
**N\$855.3 million**

in salaries and other benefits



Shareholders  
**N\$459.8 million**  
in dividends



Suppliers and  
service providers  
**N\$1.12 billion**



CSI spend  
**N\$7.2 million**



Direct and indirect taxes to  
governments and  
regulators  
**N\$345.8 million**  
in taxes



Reinvested  
**N\$206.0 million**  
in our future growth.

# Compliance

## Managing risk incidents and breaches

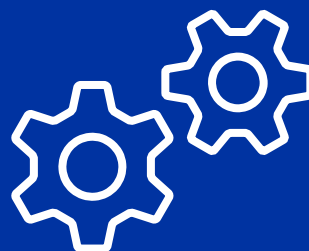
Executives are responsible for monitoring and interrogating conduct dashboards and implementing mitigating and remedial actions when material concerns or issues arise. Employees are regularly reminded, via training and communication campaigns, to report any behaviour contrary to the code.

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.

## Employee responsibilities

All employees are required to read, understand and attest to follow the code on joining SBN. All employees must complete mandatory online training on the code and related policies and attest to having done so. Training uses 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. Financial advisory and intermediary services (FAIS) representatives and key individuals are required to obtain accreditation to ensure appropriate awareness and management of conduct risk. All employees are encouraged to participate in online training seminars on ethics and conduct.

In 2023, 20% of employees completed training based on the group code of ethics and conduct.



Conduct risk is governed by **conduct oversight committees** within client segments and corporate functions, together with the social and ethics management committee and group social and ethics committee.

## Conduct risk management

Our code of ethics and conduct is supported by our comprehensive approach to conduct risk management.

Conduct risk is the risk of inappropriate execution of business activities resulting in adverse impacts to our clients, markets or the group itself. It encompasses governance arrangements, business models, product development, sales practices, treating clients fairly and remuneration and incentive structures.

All client segments and corporate functions must **regularly assess the impact of changes on conduct risk exposure** arising from new product development, third-party relationships, regulatory trends, business models and material system and process changes.

## Monitoring compliance

All areas of the business submit quarterly reports to executive management. They include information about risks, complaints and grievances received via various channels, investigations, breaches and remedial actions taken. The reports are reviewed by the social and ethics management committee and group social and ethics board committee. Conduct risk remained within risk appetite, as assessed by the various lines of business.



## Respecting human rights

Standard Bank Namibia is committed to respecting the human rights of people involved in and impacted by our business. This commitment includes our employees, our suppliers and service providers, and the people impacted by the projects and businesses we finance. We define human rights as the basic and universal rights that underpin each person's inherent freedom, dignity, and equality, as outlined in the UN Universal Declaration of Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work. We align with the UN Principles for Business and Human Rights in terms of understanding our role in ensuring that human rights are respected.

We integrate respect for human rights into our day-to-day operations and in the way we do business.

### This includes:

2 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

5 Monitoring ESG risk in our supply chain

1 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)

3 Combating financial crime and corruption in all its forms, including extortion, bribery and money laundering

4 Adhering to the Equator Principles in project financing

6 Encouraging our clients, suppliers and business partners to avoid human rights infringements in their businesses.

We require all employees to report any alleged or suspected human rights violations to the appropriate leadership structures or via the group's [whistleblowing hotline](#). We take appropriate steps where we discover, or are made aware, that we have caused or contributed to actual or perceived human rights abuses. This may include disciplinary action, exiting a business relationship, or constructive engagement to promote better practice.

## Whistleblowing

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

If an employee has any concerns about a behaviour or incident that they believe deviates from the group's values or code of ethics and conduct, they are required to report these. Employees and external stakeholders should report any actual and/or suspected acts of unlawful, irregular or unethical behaviour by the group, our employees, suppliers or third parties, under the provisions of the group's whistleblowing policy. We encourage our stakeholders to raise concerns and make disclosures in good faith, and in a transparent manner, without fear of victimisation or prejudice.

Whistleblowers are encouraged to use available reporting channels and provide sufficient information to enable an investigation to take place. A whistleblower is not expected to prove the truth of an allegation but will need to show that there are enough grounds of concern that it is reasonable to suspect unlawful, irregular or unethical conduct. Our whistleblowing policy provides for the protected disclosure of any attempted, suspected or actual unlawful, irregular or unethical behaviour that employees come across.

### Whistleblowing channels

The group provides various channels for employees and other stakeholders to report concerns about unethical or unlawful behaviour.

#### Employees

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:

- Forensic services or the SBN head of investigations and fraud risk
- People and Culture
- Line managers
- The group's independent, confidential **whistleblowing hotline**
- Persons or bodies external to the group, as defined by the policy.

#### External stakeholders

External stakeholders are encouraged to use the whistleblowing hotline. Emails can be sent to: [whistleblowingline@tip-offs.com](mailto:whistleblowingline@tip-offs.com). External stakeholders may also make a report to a legal representative, with the object of and while obtaining legal advice, to relevant regulatory bodies or a prescribed person or body that the whistleblower reasonably believes would usually deal with these matters.

## Whistleblowing metrics 2023

### COMPLAINTS RECEIVED VIA WHISTLEBLOWING HOTLINE

	2023
Total complaints received	11
Whistleblowing hotline cases investigated	5
Complaints found to be valid	1
Whistleblowing hotline cases still under investigation	1

### OUTCOME OF INVESTIGATIONS\*

	2023
Dismissals	0
Warnings	2
Suspension	0
Not guilty	0
Resignation	0
Counselling	0
Demotion	0

\* Outcomes of all cases investigated, via whistleblowing and other channels.

### TYPES OF COMPLAINTS INVESTIGATED (%)\*\*



	2023
Unethical behaviour	1
Misconduct	3
Retail fraud	0
Bribery and corruption	0
Theft	0
Other fraud (card issuing, cyber etc)	0

\*\* All whistleblowing complaints received, via the hotline and other channels.



## Fair outcomes for clients

We are committed to placing our clients at the centre of our business. We engage our clients and assess their experiences with us through surveys, online communication channels, our call centres, social media and in-person contact.

We track a  **net promoter score** for personal and business clients, and a  **client satisfaction index** for CIB clients.

### Product design and delivery

Standard Bank Namibia is committed to providing our products and services honestly, fairly, with due skill, care and diligence, and in the interest of clients. We provide clients with clear, transparent and appropriate product information, including information on features and risks. We provide all relevant disclosures before, during and at final contract for the product or service. We ensure information provided to clients is factually correct, in plain language and not misleading, and adequate and appropriate in the circumstances, taking account of the established or reasonably assumed level of knowledge of the client. We provide information timeously to give the client reasonably sufficient time to make an informed decision. We ensure client needs and eligibility of products are identified through a robust and objective evaluation process and consider clients' individual circumstances and ability to bear associated costs or risks when providing products and services.

### Fair pricing

We provide our customers with clear information regarding fees and costs payable. Relevant committees oversee pricing considerations, annual pricing reviews and other business as usual reviews.

### Advertising and marketing

Customers may opt out of any and all forms of digital and direct marketing. We differentiate between marketing material and critical operational communication. For example, should our banking systems experience an outage, we will still communicate relevant information to clients such as the status of the outage, alternative means of banking, and progress on resolving the issue

We measure real-time client experience on a monthly basis. While sample sizes are relatively small, this provides a sense of trends. We measure, how well clients have achieved their intended purpose in an interaction, and Banker Ratings. We also monitor experience scores such as app ratings.

### Resolving customer complaints

Our complaints management system is modelled on the principles of fairness, accessibility, responsiveness and efficiency. Our complaints management policy is designed to comply with applicable regulatory obligations across the group, ensuring that the roles and responsibilities of all stakeholders are clearly set out and the requirements for complaints management procedures are documented.



**71%**  
of complaints resolved  
in 72 hours

**5-day  
(4.95)**  
average turnaround time  
to resolve complaints

Our policy is to  
acknowledge a  
complaint within  
**24 hours**  
(same day).

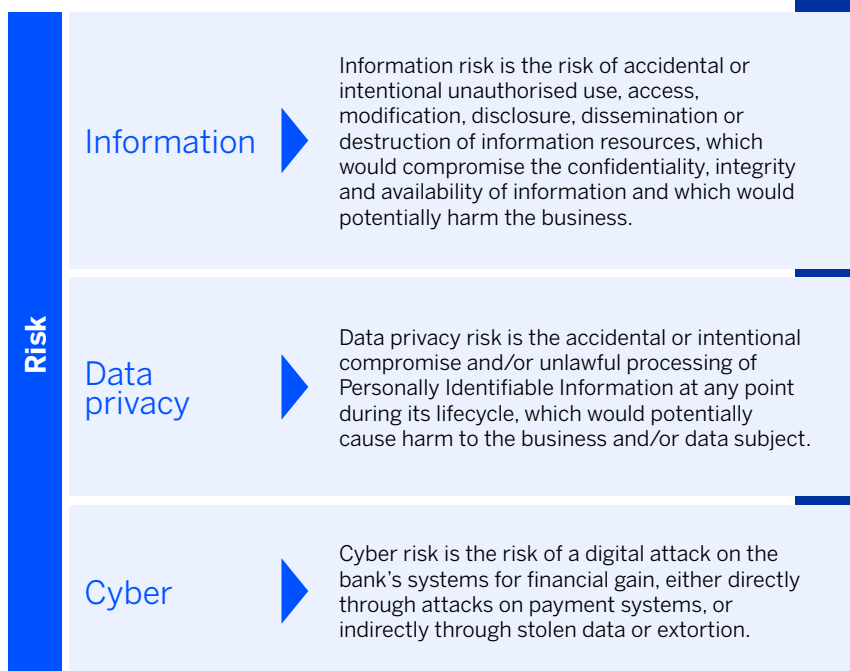
## Protecting client information

We promote a culture of accountability and compliance, where all employees are encouraged and committed to their information risk responsibilities and ensure that third parties acknowledge and comply with SBN minimum requirements.

### Information security, data privacy and cybersecurity

Standard Bank Namibia's ability to do business depends on the integrity of our data and information assets and the protection of client privacy.

Information is a valuable asset and must be protected according to its value, sensitivity, purpose and regulatory requirements. We do not share confidential or sensitive information with unauthorised people or competitors. We have zero-tolerance for the misuse and misplacement of personal information.




We manage data privacy, information security and cybersecurity within the framework of the following policies and standards:

- **The code of ethics and conduct** requires all employees to protect the confidentiality of client information, protect SBN intellectual property and disclose information on intellectual property to relevant parties on a need-to-know basis only.
- **Risk governance standard** sets out minimum requirements for information risk management and the philosophy of information risk, including data privacy risk, to be adopted across the group. It ensures alignment between interconnected risk types, such as cyber risk and technology risk.
- **The cyber resilience standard** defines roles and responsibilities for managing cyber risk and enables accurate measurement and reporting of the status of cybersecurity controls.
- **The information risk policy** sets out principles and minimum requirements to manage risk to all types of information assets, in all formats, owned by or entrusted to SBN throughout the information lifecycle, including information in motion, information in use and information at rest. It applies to all employees and third parties, including independent service providers.
- **The data privacy** operating standard applies to the processing of all personal information relating to prospective, existing and former data subjects, including clients, employees, third parties, natural persons or juristic persons. It deals with the protection of personal information throughout its lifecycle, from originate through to use, retain and dispose.



## 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 regulation and industry standards and codes, across our countries of operation. This includes General Data Protection Regulation (GDPR) and Namibia's Protection of Personal Information Act and Code of Banking Practice. Legislative and regulative requirements per jurisdiction are identified and embedded into applicable risk management processes.

 **The SBN privacy statement** incorporates national legislative and regulatory requirements. Both statements provide clarity for data subjects (including clients, prospective clients and third parties) in terms of how we use, respect and treat personal information; and how they may exercise their rights in relation to their personal information.

## Cybersecurity

Cyber risk issues and trends are reported monthly to relevant management and risk forums. We gather cyber threat intelligence to enable risk mitigation and inform improvements to the cyber resilience programme. We continue to invest in improved capabilities to predict, prevent detect and respond to cyber incidents.

The cyber resilience programme employs a **continuous testing/continuous monitoring strategy to stress test security capabilities.**

### Testing includes:

#### People testing

Monthly awareness campaigns for employees on the latest threats and risks. All employees are required to complete mandatory cybersecurity awareness training biannually.

#### Technology testing

External vulnerability assessments against our digital footprint, red team assessments of the network and penetration testing of our systems.

#### Response testing

Cyber incident response simulations, disaster recovery testing.

## SBN employees completed the following information privacy and cybersecurity training in 2023



Mock Phishing simulations



Data privacy awareness



Cyber risk training



Data privacy 101



**Knowbe4 privacy edition:** Keep it secret keep it safe



**Privacy series:** Protection of personal information

We conduct regular awareness raising and training. Communication channels include email, video clips, and masterclasses and workshops addressing 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.

SBN employs dedicated cybersecurity experts. Security skills are continuously developed to keep up with the latest technology trends, tools and techniques used by attackers. We have pursued certification of specific technology infrastructure where it is regulated, including PCI-DSS certifications.

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



### Third-party responsibilities

Third-party risk management ensures that protection of information is included in all aspects of the third-party risk management framework and drives implementation of the third-party risk management framework.

Data protection and data privacy clauses are also included in contract agreements with third parties. Where third parties provide digital solutions, the third party 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. Legal action may be taken against any third-party that does not comply with group information risk and cyber risk policies.



Total Complaints

**31**

### Cyber-security and data privacy metrics 2023

#### Reporting of risk incidents and breaches

All information risk incidents must be reported, escalated and handled in accordance with relevant policies. All employees are responsible for reporting level 1 and 2 operational risk incidents as soon as possible and, at least, within 48 hours after

the incident has been identified. Other incidents must be reported within 30 days of discovery. Incidents are centrally recorded in the risk marketplace (RMP) system to enable root cause analysis, reporting and appropriate closure.

Data privacy officers are responsible for ensuring that data privacy breaches are reported to regulators in a timely manner and in accordance with regulatory requirements.



## System stability

### Reliability of digital transaction channels

The stability, security and speed of our IT systems is integral to our ability to deliver against our purpose and strategy.

Our approach to underpinning system stability and security recognises that we are a united with diverse experience and skills, focusing on transparency and open communication. We are committed to escalate any issues rapidly to ensure fast recover, and we have a strong sense of accountability and take pride in our work.

We experienced no significant outages in 2023.

Our response and recovery times have significantly improved since early 2022. We can successfully failover (switch to a standby system) in the event of near misses, mitigating the risk of outages and impacts to the client.

When outages are experienced, we ensure communication is effectively directed to impacted customers. This includes two-way communication on our mobile, in-platform communications via internet banking and the mobile app, clear communication of alternative channels should one or more channels experience difficulties, and information about available helplines.

## Combating financial crime

Standard Bank Namibia implements programmes to combat financial crime, which are designed and managed by the SBN compliance department. The functions of the compliance department include oversight of the group's measures in respect of anti-money laundering (AML), counter-terrorist financing (CTF), counter proliferation financing (CPF), anti-bribery and corruption (ABC), prevention of the facilitation of tax evasion and fraud detection and risk mitigation.

### Employees take individual responsibility for acting to combat financial crime in all its forms.

Employees are required to report concerns or incidents internally using appropriate channels, including the independent and confidential whistleblowing hotline. We report suspicious and unusual transactions to the relevant authorities in accordance with local regulatory requirements.

### Employee and third-party responsibilities

All employees, board members and contractors are required to undertake mandatory compliance training to ensure awareness of our anti-financial crime policies and processes.

### Compliance metrics 2023

- 98% of employees successfully completed mandatory compliance training on AML/CTF and anti-bribery and corruption.
- 97% employees successfully completed role-specific mandatory compliance training on AML.
- 100% of employees completed role-specific training on the prevention of tax evasion.
- Independent service providers undertook training using the Standard Bank Independent Service provider training portal.

### Average uptime of 99% across our systems

Zero critical IT incidents logged over a period of more than two years.

# Combating financial crime

## Standard Bank Namibia has a money laundering policy in place

Our AML and CTF frameworks and policies are informed by the Financial Action Task Force (FATF) Recommendations and are designed to comply with statutory and regulatory obligations in all our countries of operation.

## Our policies and processes ensure that:

Risks arising from money laundering, terrorist 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.

We protect SBN'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 formal searches against lists of known or suspected terrorists issued by the relevant authorities across our jurisdictions.

Our policies and procedures govern the identification, periodical review and monitoring of politically exposed persons. Senior are required management to sign off these clients, and clients identified by our internal controls as high risk for money-laundering or terrorism financing.

We detect, investigate and report suspicious activity and all other reportable transactions to the competent authorities. Employees within the financial crime management unit (FCMU) report suspicious transactions to the Financial Intelligence Centre (FIC) via the goAML platform.

As per legislative requirements, we retain all relevant documents for five years.

Our external auditors review our AML and CTF risk management processes annually.

## Account closures

National and international laws require SBN to take preventative measures to avoid being used for the purposes of money laundering, terrorist financing or other unlawful activities. This requires 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, to conduct ongoing monitoring of these customers' transactions to understand the source and application of funds and to report suspicious transactions to the Financial Intelligence Centre.



## Industry initiatives

As part of SBG, we participate in several targeted operations, but we do not participate in illegal wildlife tracking.



## 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 group's 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, using the reporting processes and tools that the group makes available.



## 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 group's behalf is required to comply with the group's anti-financial crime policies.

## Anti-bribery and corruption policy

We manage our bribery and corruption risk in accordance with local and international statutory and regulatory requirements. Through SBN, we benchmark 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 United Nations and the World Bank.

### Standard Bank Namibia has a zero-tolerance approach to bribery and corruption.

The policy applies to all entities and SBN employees and third parties acting on our behalf. It emphasises that the group prohibits the giving or receiving of bribes, and the making of facilitation payments by any associated person. It also provides guidance to employees regarding the appropriate response to payments extorted under duress. The policy reflects the minimum requirements in respect of ABC controls, including but not limited to aspects such as gifts, entertainment, donations and procurement. It may be supplemented in a local jurisdiction or business area where more stringent legislative or regulatory requirements apply.

## Our ABC policy commits us to:

### Prohibit bribery and corruption

in any form and ensure that an anti-bribery and corruption culture is maintained.

### 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.

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



## Employee responsibilities

All employees are required to adhere to SBN 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. Specific contractual clauses regulate adherence to relevant anti-corruption legislation by third parties with contractual remedies should such activity be detected. Reporting channels made available to third parties include relationship managers and the whistleblowing hotline.



## Anti-fraud policy

Fraud includes but is not limited to application fraud, card fraud, procurement fraud, employee fraud, digital fraud, insurance fraud and transaction fraud.

In 2022, we implemented protocols to improve fraud prevention and detection capability on card transactions, strengthened authentication security protocols for card-based e-commerce transactions, and implemented stronger authentication controls to reduce digital fraud, including use of biometrics.

**We continue to invest in raising customer and employee awareness of fraud risk.** Our initiatives educate customers and employees on current scams and tactics, warn them on what to look for, and provide information on how to protect themselves.



### Incidents

Our awareness initiatives cover the following matters:

Vishing, Phishing, smishing scams, card fraud, hacking and cyber fraud.



### Industry initiatives

We work closely with law enforcement.

We are part of the Financial Institution Fraud and Security Committee which is a sub-committee of the Payments Association of Namibia (PAN), where bank representatives discuss fraud related issues, trends and campaigns.



### Employee responsibilities

- All employees and associated persons must raise concerns and report all attempted, suspected and actual fraud. Reporting channels include line managers, the whistleblowing hotline or the FraudStop process. We allow for anonymous reporting.

- We prohibit victimisation and protect anyone who makes a report in good faith from suffering 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

- Third parties must raise concerns and report all attempted, suspected and actual fraud, using the whistleblowing hotline or other appropriate channels.
- Third parties are subject to a change risk management process that incorporates their anti-fraud posture, among other aspects.

## Market abuse framework

Standard Bank Namibia's market abuse control framework aims to ensure that 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 ensures 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.



### 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 any conduct could lead to or has led to possible market abuse or non-compliance with this policy must timeously notify the compliance function or the independent anonymous ethics and fraud hotline.
- Employees must complete mandatory training on the market abuse policy and related policies.



### Incidents

There have been no Market Abuse incidents within SBN.

## Prevention of the facilitation of tax evasion policy

Our prevention of the facilitation of tax evasion policy ensures that reasonable procedures to prevent the facilitation of tax evasion are in place. All allegations of facilitation of tax evasion are investigated and actioned. We raise awareness of our facilitation of tax evasion policy and processes with our clients, suppliers and service providers through explicit clauses in relevant agreements.



### Employee responsibilities

- All employees must complete annual compliance training on personal conduct, including a section on the prevention of 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 compliance function and tax function for consideration.
  - Report suspicion of the facilitation of tax evasion. 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 group and provide the group with contractual remedies should such activity be detected.



### Incidents

Standard Bank Namibia has not been subjected to any investigation or regulatory sanctions relating to the facilitation of tax evasion.



## Conflicts of interest framework

Standard Bank Namibia has implemented relevant policies and procedures under the framework, including the **conflicts of interest policy** which aims to ensure that 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 SBN.

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. The steps include employees Compliance Awareness training, Network Next training and completing and submitting outside business interests (OBI) declarations.



## 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 manage fairly all conflicts of interest.
- All employees must comply with SBN OBI policy. Employees must obtain approval before entering into an OBI, and declare any OBI held by themselves or their related parties.
- Employees must promptly report any concerns about a potential conflict of interest to the compliance function.
- Employees must complete annual mandatory training on the conflicts of interest policy and related policies.
- All employees must report their outside business interests and personal account trading details every year. Non-executive directors do not declare personal account trading details. This information is tracked and reported along with compliance training data. We require a 100% completion rate for declaration of OBI and personal account trading.



# Procurement and third-party relationships

Standard Bank Namibia engages with a range of third parties. These include suppliers of goods and services, technology partners, BigTechs, fintechs, software providers, hardware providers and professional services. Significant outsourcing engagements include cash handling services, premises-related services and mobile network providers.

## Procurement policy

Our procurement policy is based on group'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.

We encourage and promote procurement from local suppliers while ensuring alignment with group 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.



## Third-party risk framework and policy

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

All third parties are required to comply with our anti-financial crime policies and to complete training related to AML/CTF, anti-bribery and corruption, fraud and tax evasion.

## Third-party code of conduct

We require third parties to attest to our 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. The code aims to ensure that all third parties who we engage with 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	Respecting everyone's freedom of association.
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All suppliers, consultants and contractors 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.

## Tax governance and policy

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

The tax governance standard sets out the roles and responsibilities of the tax function and other business and support areas to ensure that corporate governance, compliance and tax risk management requirements are met.

Specific policies deal with aspects of tax risk such as transfer pricing, indirect taxes, withholding taxes, remuneration-related taxes and client tax reporting.

**Standard Bank Namibia's tax approach and governance standard**, together with all other tax policies/standards, are updated at least every second year to ensure alignment with our strategy.

Standard Bank Namibia contributes significantly to government revenues by way of corporate income taxes and indirect taxes such as VAT. We also collect other taxes such as withholding tax and employees' tax on behalf of revenue authorities and assist tax authorities with tax administration and collection 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.

1

We engage in full, open and early dialogue with tax authorities on a regular basis to discuss relevant tax matters and to achieve certainty, where possible, over tax positions.

2

We submit comments and recommend tax proposals and/or policy changes aimed at enabling conducive tax environments via in-country banking associations and other relevant industry forums.

3

Where disputes occur, we manage these professionally.

4

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

Administering and collecting  
**N\$301.17 million**  
in taxes on behalf of clients

Total taxes paid over to NAMRA  
**N\$710.23 million**





## OUR PEOPLE

Standard Bank Namibia employs 1 427 people, including 101 temporary employees. We assess our performance against the employee engagement value driver using five sets of metrics.

### Workforce diversity

Women in leadership  
**45.9%**

Employees with disabilities  
**2 people**



### Employee engagement

Employee net promoter score improved by

**6%**

Target: positive movement



### Employee retention

Regrettable turnover rate

**2.56%**

Target: below 5% threshold



### Future-ready skills development

Average learning hours per person (FTE) per year

**98.7 hours**

Target: 60 hours

Learning hours invested in future ready skills

**58.4%**

Target: 50%



### Workforce productivity

Workforce return on investment

**2.60%**

Target: 2.3%

## Diversity and inclusion

When our employees feel safe to voice their views, ideas and suggestions for improvement, we are able to leverage divergent perspectives to innovate and provide better solutions for our customers.

Standard Bank Namibia's diversity and inclusion plan builds on SBG's foundational framework and is tailored for a Nambian context. Our plan focuses on gender.

Our employees have the right to enjoy fair and just conditions of work. We value and respect the rights of employees and aim to create a work environment that is free of any discrimination. Fair labour practices are at the core of our organisation's value proposition.

### Pay equity

We believe strongly in the principle of equal pay for work of equal value. Our policy framework ensures that employees doing similar jobs at the same level are paid equitably.

We have made progress in increasing female representation at executive and senior management levels. Measured against the 2022 McKinsey Women in the Workplace study, we compare favourably to global averages for the representation of women in executive and senior management positions.

We recognise that women in leadership are role models for women in more junior positions and are key to ensuring that diverse views are represented at senior levels.



### Employee responsibilities

We respect the rights of our employees and endeavour to offer a safe and fair work environment for all. Our policies on [harassment](#), [sexual harassment](#) and [unfair discrimination](#) establish non-negotiable principles and standards.

**We have a zero-tolerance approach to harassment, sexual harassment and unfair discrimination.** All employees, including all managers, are required to complete compulsory online sexual harassment training (The Harassment in the Workplace: Sexual and Other). This is done annually on the bank's LMS – Network next. Unconscious bias training is offered to managers and employees to raise self-awareness and includes tools and strategies to counter bias.

### Gender

We are committed to advancing the empowerment of women in the group and in our marketplaces. Through SBG, we are a signatory to the UN Women Empowerment Principles and align with the various lead initiatives, including the promotion of education, training and professional development for women, and measurement and public reporting on progress to achieve gender equality.

We ensure strong female participation in leadership programmes, to ensure readiness to take on executive roles, build talent pipelines of women at middle management level, and ensure successor readiness for more senior positions. We continue to engage, develop and provide opportunities for women to excel in all areas of our business, particularly those where they are underrepresented. Women in leadership are role models for women in more junior positions and are key to ensuring that diverse views are represented at senior levels. Standard Bank Namibia is actively closing existing gender pay gaps by addressing discrepancies through its annual gender pay gap validation review.

### Disability

Our disability strategy supports our efforts to ensure that employees with disabilities have equal opportunities in the workplace, that we offer a safe and accessible workplace, and that we maximise the contribution of every employee.

We take action to remove attitudinal barriers that may prevent the full inclusion of people with disabilities in our workplaces. This includes masterclasses to raise awareness of processes to address barriers and encourage the adoption of best practices to create an inclusive environment. As part of our overall Diversity, Equity, Inclusion and Belonging (DEIB) strategic focus and commitment, we explore the appropriate approach to disability declaration and look to align with an overall group minimum standard for this practice.

# Employees

	2023	2022
<b>Employees by type of employment contract</b>		
Permanent	1 326	1363
Non-permanent	101	53
<b>Employees by gender (permanent)</b>		
Male	529	539
Female	797	824
<b>Employees by age</b>		
20–25	6	6
25–30	174	236
30–35	441	437
35–40	275	277
40–45	183	169
45–50	127	125
50–55	76	78
55–60	37	28
60–65	7	7
<b>Employees who declared disabilities</b>	2 people	0 people

## Dealing with breaches

Employees can report any incidences of discrimination, harassment, sexual harassment or bullying to their line manager or people and culture representative, or to SBG's confidential whistleblowing hotline. Victims of harassment and discrimination are provided with the necessary support. We do, however, view malicious and frivolous complaints in an extremely serious light. All employee grievances, regardless of their nature, are dealt with in a fair and consistent manner.

## Working conditions

Standard Bank Namibia employee relations governance framework provides for constructive employer-employee relationship practices. The framework is founded on SBG's international and national regulations and obligations, our values and code of ethics and conduct, and our commitment to maintaining and developing fair employment practices. The framework provides a general set of employee relations operating principles, which incorporate group policies and procedures.

## The framework includes our commitment to ensuring, in respect of all our employees:

Protection of human rights, fair employment practices, and the principles of non-discrimination

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.

The right to fair labour practices in the employment of employees and throughout the duration of their employment with the group

### Unions:

- SBN staff belong to two unions, BAWON (majority union) and Nafinu (minority union).

### Last negotiations:

- 2023 for the 2022 negotiations.

### Outcome:

- Favourable for both parties.

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. The structure and form of collective bargaining is determined by labour market factors and the bank and requires agreement between the bank and the recognised union. Collective bargaining by custom and agreement is restricted to general employees.



## Incidents in 2023

There were a total of 14 disciplinary hearings resulting in 8 dismissals. Disciplinary infractions included:

- Non-compliance with rules and procedures
- Sexual harassment
- Dishonesty
- Theft.



### Skills development programmes for young people

Our graduate programme offers individual learning journeys, action learning projects, executive sponsorship, and accelerated work experience. The programmes are run across different business segments and in areas, such as engineering, data science, behavioural economics, and people and culture.

## Leadership development and succession planning

We ensure effective succession planning by focusing on the skills and experiences our leaders will need to ensure their readiness for critical roles.



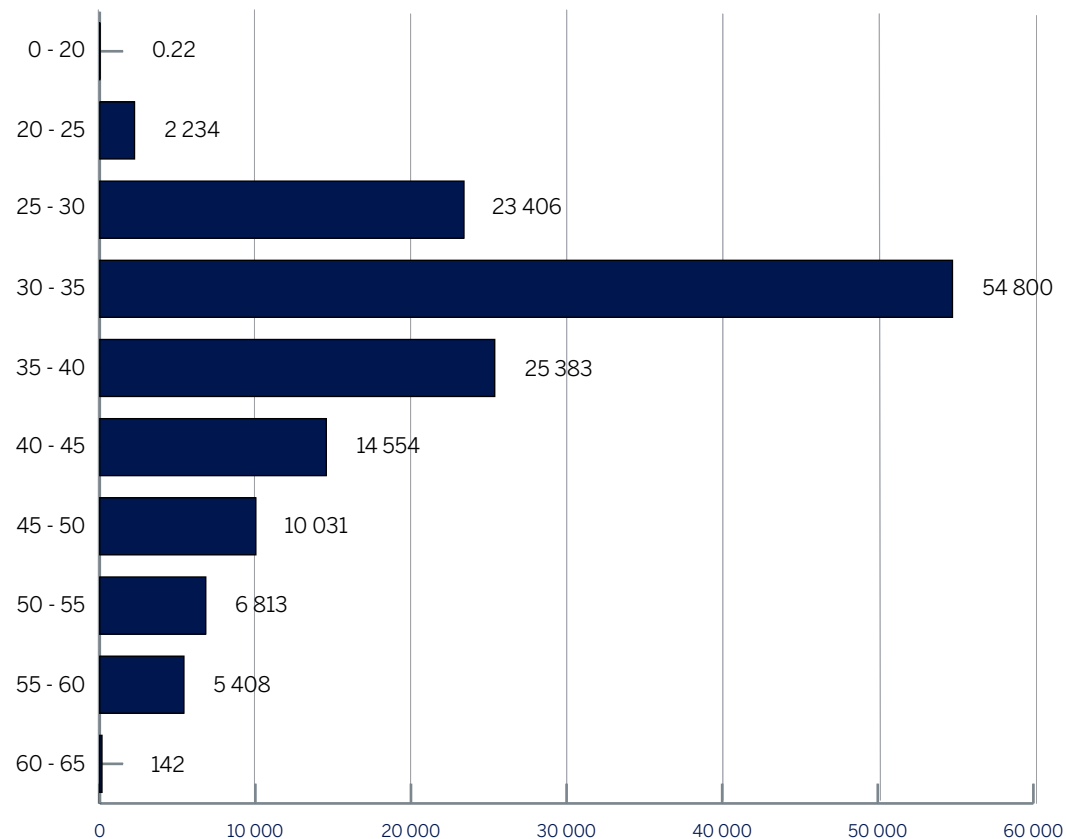
**50 employees** took part in leadership development programmes in 2023, **(68%) were women.**

### Key objectives include:

Increasing female representation at senior leadership levels.

At a senior leadership level, we run formal sessions on succession with the board directors affairs committee and the group board on an annual basis. We are confident that we have healthy succession pipelines in place across most parts of our business and every leader has specific plans to address any gaps identified, through build and buy strategies.

### Breakdown of total time spent on learning by participant age range



To ensure effective succession planning for key roles, across business areas, we identify and review critical roles, assess succession bench strength and successor readiness, and address any identified gaps.

- Leaders provide input on suitable internal candidates for progression and the appropriate development actions to support development ('build' strategy).
- Where no successors are identified, we engage a 'buy' strategy and undertake external market mapping to identify suitable talent.

# Employee attraction and retention

## Talent acquisition

Standard Bank Namibia uses targeted talent acquisition approaches that encompass external talent mapping, Where necessary we may use consultants, outsourcing or contingent workforce to access needed skills.

## Performance management

Our performance management framework is designed to guide our people to perform at their best and to recognise them for their contribution. It includes a strong focus on employee behaviour and living our values.

## Employee benefits

We provide a range of employee benefits that help us to attract, motivate and retain employees. Employee Benefits are digitised, integrated and personalised. Our MyBenefits digital portal delivers a digital, integrated and personalised benefits experience, customised to employees' needs and the following benefits:

- Discretionary performance bonus
- Localisation share ownership
- 13th Cheque
- Preferential rates (home loan & VAF)
- Discounted transactional fees
- Non-statutory leave commutation
- Global leadership programmes
- Study financial assistance
- Digital learning offerings
- Tuyende series leadership engagement
- Graduate programme
- Bursary scheme
- Beyond excellence
- Mark of excellence
- Long service awards.



We use our Meaningful Workforce Insights (MWI) platform to model scenarios to plan for potential headcount movements and the associated costs, across SBN or in specific business areas, track our progress against workforce-related targets, and determine drivers for key metrics such as workforce ROI.

We use our MWI platform to monitor and analyse data such as:

## Turnover

Our overall turnover is **2.56%**.

## Resignations by level (employees)



## Occupational health and safety

Our occupational health and safety (OHS) policy seeks to achieve high standards of care and provide a healthy and safe workplace for employees, contractors, clients, visitors, and other relevant individuals and groups.

### Training

Appointed health and safety representatives receive targeted training from external service providers.

### Emergency situations

Adequate resources are available to prepare for and respond to emergency situations. As part of emergency preparedness, the SHE risk team in conjunction with group physical security, real estate services, employee health and wellness, people and culture and all relevant strategic stakeholders conduct regular support visits to premises. We conduct evacuation drills at least twice a year at all sites.

### Incident reporting

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 group SHE Risk team. Information regarding incidents, injuries and ill-health is collated at group level and reviewed quarterly by the group SHE risk oversight committee, which also reviews risk mitigation strategies. Non-compliance with the OHS policy must be reported to line management and group risk. Failure to adhere to the OHS policy may lead to disciplinary action and possible dismissal. Employees and SBN may be held liable for civil or criminal penalties.

In 2023, we conducted a pilot ergonomic risk assessment at the group's Global Leadership Centre in Johannesburg. The results of the assessment will be used to inform improvements designed to support enhanced employee health and productivity.

Four employees and one agent suffered minor injuries or were taken ill while on duty. All were treated and remedial action was taken where appropriate.

Two clients suffered minor-injuries at two separate SBN premises. Remedial action was taken where appropriate.



# SOCIETY AND THE ENVIRONMENT

## Environmental and social risk management

Standard Bank Namibia's policies and processes align with regulatory requirements in Namibia, SBG policies, voluntary frameworks such as the UNGPs and, where applicable, the IFC Performance Standards on Environmental and Social Sustainability, the Equator Principles and the World Bank Group Environmental, Health and Safety Guidelines (EHS Guidelines).

Environmental and social (E&S) risk refers to the risk of adverse impacts on people and the natural environment arising from our business activities. Such impacts may arise from our direct business activities, or from the activities of the clients or projects we finance.

They may impact on our employees, our clients, the individuals and enterprises in our supply chain, and the communities impacted directly or indirectly by our business activities. E&S risk creates potential credit risk, operational risk, business risk and reputational risk.

### E&S Screening

We undertake E&S screening in relation to our commercial and corporate clients and partners, before entering a business relationship with them or approving a transaction or investment. We also undertake E&S screening of clients on an annual basis, as part of the Annual Credit Review process. We use our internal digital E&S screening tool to check for compliance with national laws and standards, our E&S risk standard and policy and other group policies. Where applicable, we also apply the IFC Performance Standards and the Equator Principles. Standard Bank Namibia, through SBG, is an Equator Principles Financial Institution (EPFI).



#### Client risk assessment (CRA)

includes review of risks relating to a client's ability to manage E&S risks and their track record. It includes assessment of labour issues, negative media coverage, NGO or activist focus, community issues or reputational risk to the group.



#### Transactional risk assessment (TRA)

includes risks associated with the particular sector and/or the activities to be undertaken, the nature of finance, and risks associated with security over assets.



#### CRA and TRA metrics 2023

**141**

completed transactions screened for E&S risk.

**76**

new transactions.

**55**

reviews.

**No deals**

were declined due to E&S risk indicators.

	Low risk	Medium risk	High risk
Client risk	136	3	2

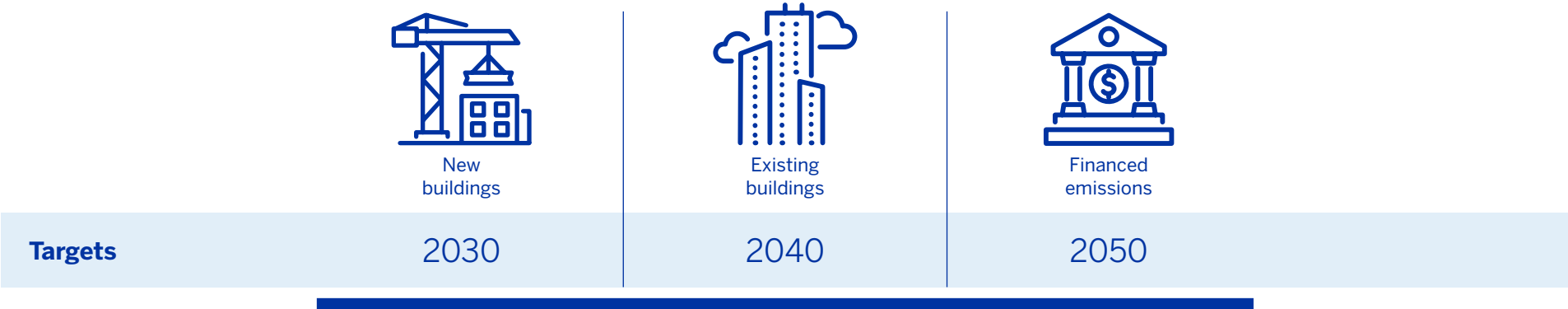
### Equator Principles projects

Standard Bank Namibia has not yet financed a deal subject to equator principles.

# Managing our ESG risks and opportunities

## Standard Bank is committed to achieving net zero carbon

Removing the impact of all the electricity and fuel we use



### Climate risk and opportunities

#### Risk management

Standard Bank Namibia implemented robust risk management processes and frameworks in line with Standard Bank's African Regions. Through these mechanisms, we identify, assess and monitor climate-related risks.

Our actions include undertaking comprehensive risk assessments, so the full implications of climate change on our operations and those of customers, their clients and communities can be evaluated.

To ensure that our environmental strategy for 2024 meets our objectives, we have engaged independent specialists to assist with setting strategy and programmes.

We recognise that sustainability is an essential business strategy that:

- Contributes to the financial stability and growth of the organisation.
- It benefits all our shareholders and stakeholders.
- Promotes ethical business practices.
- Contributes to our positive reputation and trust among customers.

Within the bank, we have implemented several programmes, which include:

- Reducing our overall carbon footprint.
- Introducing energy-saving measures at our buildings.
- Using our Windhoek head office, the most highly rated green building in Namibia, as an example of our commitment to green principles and our intention of broadening the approach to buildings we own.

- Implementing special projects at our head office and our flagship Windhoek Branch include installing smart energy and water meters that drive the move towards net-zero consumption and reduce carbon emissions. Some advantages of these meters are:
  - They provide accurate, real-time data on energy and water usage, assisting with making informed decisions on reducing waste.
  - They monitor energy and cost savings and help identify where changes can be made to lower and save utility costs.
- Minimising carbon emissions, so progress towards achieving net zero consumption can be achieved.



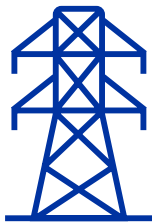
Reducing waste  
Carbon emissions reporting

Understanding carbon emission reporting



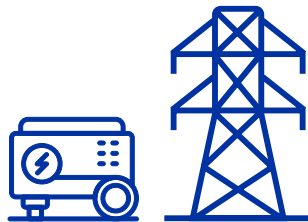
Scope 1

Carbon emissions from **burning of fossil fuels for backup power generators**. Carbon emissions from vehicles can be added.



Scope 2

Carbon emissions linked to the used of **grid electricity**. This is linked to the grid emissions factor.



Scope 3

Emissions from **electricity and diesel** usage linked to financed properties.

Efforts to conserve energy and water are complemented by programmes to reduce waste and, where possible, avoid material being sent to landfill sites.

These efforts are in our offices (presently Head Office, Windhoek branch and Ausspannplatz).

Bins are on all floors so that specified categories of waste can be disposed of in the correct bins. Confidential documents are disposed of in orange bins and shredded by an onsite vendor, who also collects and disposes of hazardous waste such as fluorescent tubes and cooking oil.

Electronic waste is routed through a specialist e-waste company for recycling.



General waste  
Total (kg)

29 403.02

2022: 30 327.18



Total water consumed  
(kilo litres)

12 143

2022: 11 002

## Windhoek head office building

Features of our head office building, the most environment-friendly building in Namibia, include:

### Energy initiatives

- A grid-tied solar PV system. The solar energy reduces energy consumption from the grid and decreases the carbon footprint of the building.
- A building management system (BMS) records, analyses and publicly displays energy consumption in real time.
- The BMS is linked to other services (e.g. air conditioning, lifts and generators) and can report on any system faults.
- LED lamps throughout the building contribute to an overall reduction in energy usage.
- Occupancy sensors are used throughout the building to switch lights off when no motion is detected, reducing overall energy consumption.
- Louvres, shades and perforated screens control direct sunlight into the building, helping minimise heat gain.
- 5-Star Green Rating.

### Water initiatives

- The BMS system records, analyses and publicly displays the water consumption in real-time.
- The garden uses at least 90% less water than conventional gardens (succulent plants).
- Dual flush toilets and water-efficient taps and shower heads are installed to minimise water consumption.
- Waterless urinals are installed throughout the building.
- A greywater and rainwater harvesting system re-uses water for toilet flushing and garden irrigation.



### Environmental initiatives

- Floor-to-ceiling glass maximises natural daylight into the building.
- The floor-to-ceiling glass on the southern side of the building is greater than that on the northern and western façades to maximise daylight while reducing glare and direct sunlight.
- Two printing stations are located on each office wing. These printing stations are equipped with exhaust fans and are placed in a separate room to prevent any gases produced from printing from polluting the office space.
- Secure bicycle storage with lockers, showers and changing areas have been provided to encourage staff to ride bicycles to work. This reduces greenhouse gasses released into the atmosphere and enhances health and fitness.
- Secure bicycle storage has also been provided for visitors to promote reduced greenhouse gases.
- We have a low maintenance, xeriscape, water-wise garden to improve the working environment. A xeriscape garden requires no water once established.
- Outside park areas and planters enhance the building occupants' experience and wellbeing.

Travel management agents send us monthly reports on miles travelled.



**Travel**  
(Total miles)

**578 310**

2022: 346 611

## Corporate social investment

Our CSI focus is on creating positive social, economic and environmental impact. As part of living our purpose, SBN is deeply committed to Namibia – to its growth and to impacting on the lives of ordinary Namibians. We focus on supporting interventions to address some of the socioeconomic challenges facing our country and society, such as building stronger communities to create sustainable pathways out of poverty.

Our commitment to CSI fosters socioeconomic advancement through purpose-driven projects and initiatives.

Through our CSI endeavours, we forge enduring and meaningful partnerships, enriching the communities we serve while living our own business ethos.

Socioeconomic upliftment in Namibia elevates our corporate standing and uplifts the spirit of our workforce. It underscores our dedication to being responsive to the social and economic pulse of our communities. CSI is ingrained in the

foundation of our business. We exist to support communities and contribute to the country's growth guided by our purpose: Namibia is our home, we drive her growth.

### Our three pillars of CSI:

- **Community upliftment/ entrepreneurship**
- **Health**
- **Education**



### CSI spend metrics 2023

**N\$7.2 million**  
spent on CSI (2022: N\$2.7 million)

**1%**

of net profit after tax (NPAT) of the previous year. This is four times the amount required by the Namibian Financial Sector Charter.

The social investment sub-committee approves CSI allocation, ensuring every investment resonates with purpose and impact.

## Education

Education is critical for Namibia's sustainability and economic upliftment, particularly given the high levels of youth unemployment. Effective partnerships between the public and private sectors ensure that the education system is inclusive. We develop partnerships that drive access to quality education for orphans, vulnerable children, and deserving students in need.

## Health

Our CSI efforts are aimed at creating meaningful and lasting benefits for communities. We contribute to access to healthcare programmes, assisting socioeconomic development.

## Community upliftment/ Entrepreneurship

As part of living our purpose, SBN is deeply committed to Namibia – to its growth and to impacting on the lives of ordinary Namibians. As such, we are focused on supporting interventions to address some of the socioeconomic challenges facing our country and society such as building stronger communities to create sustainable pathways out of poverty. Our Buy-A-Brick initiative manifests this vision and reflects our commitment to provide much needed housing, create employment opportunities in marginalised communities and involve our staff in our CSI initiatives. Other interventions focus on the most marginalised and vulnerable, such as orphans as well as growing and developing future leaders by identifying youth with talent and encourage them to play sport.

It is estimated that more than 86% of small- and medium-enterprises (SMEs) in Namibia are at risk of not succeeding. Non-financial business development support assists these businesses in managing challenges. We partner with organisations and vocational institutions that provide non-financial business development support through financial literacy programmes, business knowledge toolkits and trade toolkits. We assist in programmes that address housing shortages and poverty in marginalised communities.

## CSI governance

We decide our focus areas and brand story at the start of the year. All our projects align with our CSI pillars, policy and strategy. We allocated budget for ad hoc projects and emergency assistance and we get approval from the board through the chief executive's office.

Standard Bank Namibia encourages employees to be involved in CSI. Our flagship, Buy-A-Brick project is a perfect example of employee involvement in a community upliftment project.

We send out challenges to each department within the bank for various initiatives. The bank matches the funds raised for the initiative so that the impact is bigger than the allocated 1% for CSI.

We keep employees informed of the progress of funds through various channels.

Healthcare and health remain a key focus on our initiatives, and one testimony is the partnership with MVA funds for renovating the emergency unit of the biggest and oldest state hospital.

Education initiatives include the Brighter Day and Financial Literacy Initiative (FLI). See [page 72](#) for more details in the Education positive see impact area.

We are currently exploring options to include financial literacy and small- and medium-sized enterprise CSI projects. Previous projects, such as the women in SMEs fell under the sponsorship budget.

## The following criteria are considered when selecting social partners:

Through our various branches we can access the communities. We often engage with our staff to identify causes in their communities where they believe we can offer a positive impact.

Projects must result in meaningful socioeconomic development and community wellness or upliftment.

Funding must be directed at historically disadvantaged communities or incumbents.

Projects should align with the Namibian government's priorities and national development objectives, as far as possible.

Programmes should preferably provide a platform for increased staff involvement.

Standard Bank Namibia only considers registered charitable organisations. When a request is in line with our policy and objectives, we conduct a site visit and undertake due diligence before recommending the project to the working CSI committee and the board corporate SEE sub-committee.

When a project is approved, a contract is entered into with the beneficiary organisation, and payments are made, once the project implementation starts. The project is monitored through biannual beneficiary reports, which include a detailed breakdown of how funds have been spent and the impact achieved. We review all projects annually to ensure they are achieving the intended objective. On completion of the project, we conduct a project evaluation as part of the close-out process.



A woman with long braids, wearing a blue sweater, is smiling while looking at a smartphone in her right hand. She is also holding a blue card in her left hand. The background is a blurred outdoor setting with a blue overlay.

## OUR POSITIVE SEE IMPACT AREAS



**Financial inclusion**



# Financial inclusion

Standard Bank Namibia's purpose in driving Namibia's growth is to bring about financial inclusion through various responsible banking initiatives that make banking more accessible.

It is by financially including the unbanked that Namibia can achieve its NDP 6, Vision 2030, and Sustainable Development Goals that positively impact all our stakeholders, including the people of Namibia. Our products cater to all markets by making our responsible lending offers more responsible and affordable and offering repayment restructuring over a more extended period.

We achieve this through our extensive branch network and growing digital service platforms, which serve Namibians' day-to-day banking and payment requirements.

A consistent focus over the years has been on ensuring that unbanked Namibians are drawn into the formal economy and the financial services sector, where they can benefit from the services offered that assist with personal development and economic growth. Since 2020, our digital banking services uptake has continued to grow. We support this growth by developing cheap, card-based options for new entrants to the banking arena.

Aligned with our existing PayPulse offering to attract the unbanked, we introduced a new service for informal traders. The PayPulse Informal Market offering enables unbanked customers to bank their takings safely. Using our e-wallet proposition, informal traders can increase the use of cards for payments, reducing the risk of carrying cash in an informal operating environment.

The PayPulse solution, derived from the informal market offering, offers new customers accessible, user-friendly benefits that meet everyday banking needs at a low cost.

As the demand for digital services increases, the need for in-branch assistance has reduced. This has resulted in a review of our branch operations and the closure of three branches.

## Our focus areas'

Attracting young professionals	Meeting customer needs requires constantly reviewing and ascertaining the needs of various professional and occupational groups. In 2023, this led to identifying an additional market segment young professionals engaged in tertiary studies, starting their professional working lives, and those establishing themselves in various occupations.	To meet the focused requirements of this potentially influential group, covering the 18-to 36-year-old group, we introduced the Young Professional Segment in 2023. Initially aimed at those studying or working in medicine, accounting and actuarial studies, and information technology, the formal launch of solutions aimed at this group was scheduled for February 2024. The features of services and solutions offered will be revealed when the launch occurs.
Lending activities	Traditionally, unsecured lending products have been the mainstay of our consumer-led offerings. In 2023, demand for our various solutions grew. The critical role played by staff interacting with consumers is highlighted by improved staff satisfaction scores, indicating that positive customer engagements increased during 2023.	
Loan performance	<p>The tough economic times were mirrored in non-performing loans (NPL), increasing by 1.14% on a comparative year-on-year basis (December 2022: 5.71%, December 2023: 5.61%).</p> <p>The primary factors impacting the ability of consumers to meet their borrowing commitments were rising interest rates, which added pressure to already overstretched household budgets, and increases in food and fuel prices.</p>	<p>Further reducing the value of the loan book was a static home loan market, a development that was expected due to the PSCE home loan level growing marginally by 1,22% during the year.</p> <p>Lending criteria are reviewed annually as part of our risk appetite review process. This year, we relaxed specific lending criteria to assist customers more seamlessly.</p>



## Assisting our customers

Some of our customers' resources are strained by economic conditions and increasing costs, resulting in reduced borrowing and spending. Some use their savings to balance budgets, and many use personal loans to cover the shortfall in their disposable incomes.

We assist our customers by advising strategies to reduce their debts. In addition, we help by consolidating customers' debts into a single account. This has simplified the debt repayment process for many customers, allowing them to settle several debts and benefits from not having to service interest payments.

Asset-backed lending finance performed well. However, our home loan book was reduced during the year, but we have addressed most issues and implemented new measures, and we expect the levels of loans granted to improve in 2024.

Several provisions that SBN has included that are expected to positively drive increased interest in **home loans**, particularly lower income earners, include:

Reducing the minimum home loan from N\$100 000 to N\$80 000

Adjusting the affordability criteria for income and expenditure, which will further assist low income-earners

Providing loans for homes built from alternative building materials that reduce home-building costs

The introduction of a personal unsecured term loan to assist with the purchasing of plots where no bond can be registered.



## Personal Banking

Our Blue Voucher offers single-use prepaid vouchers for making payments and deposits or topping up accounts with participating online partners. The voucher provides peace of mind for users as online transactions are made through the Standard Bank ATM network. BlueVouchers can be redeemed at any Standard Bank ATM, and amounts between N\$50 and N\$2 000 can be withdrawn.

Our Blue Voucher service has been widely adopted even by unbanked customers, who use it to receive cash. This service is now one of our most popular offerings, contributing significantly to generating revenue and volume growth.

We will soon introduce a new Standard Bank Namibia app, with 2FA security enhancements.

Enhancements to the app saw the proposed additions for our electronic wallet solution delayed. Additional

customer communications were introduced to explain the delay. These emphasised that the changes ensured the app met all user expectations.

On a broader basis, our value-added service offering to corporate employers assists their employees on-site with their financial queries, including facilitating home loans, vehicle and asset finance, and personal loans.

Other benefits include rate concessions, extended repayment terms, and the restructuring of loans to reduce monthly payments. We encourage the development of a savings culture by offering higher credit interest rates on regular monthly, low-value savings accounts.

Students are offered lower fees on youth and student accounts. Pensioners can take advantage of transactional accounts, where transactional fees remain flat year-on-year.

OUR POSITIVE  
SEE IMPACT AREAS



**Job creation and  
enterprise growth**





# Job creation and enterprise growth

## Business & Commercial Banking (BCB)

As a major source of loan funding, Business & Commercial Banking (BCB) contributes to SBN's strategy of we are because you are by supporting job creation initiatives by offering its clients broad-based solutions that cater to the needs of MSMEs (micro, small and medium enterprises) and the more complex requirements of large commercial enterprises. We also support job creation through contributing to the Economic Recovery Scheme and sustainable growth through the Credit Guarantee Scheme.

We assist businesses that operate within the mass market segment with turnovers between N\$1 to N\$10 million, and the commercial sector with turnovers between N\$10 million and N\$250 million.

Customers with turnovers exceeding N\$250 million are migrated to CIB, which can also cater for the needs of businesses that do not meet the turnover requirement but are part of a larger group of companies already served by CIB.

For SMEs operating within the enterprise development sphere, we have a specially scored lending facility to assist these customers when they apply for business loans.

In the Enterprise space, farmers are the primary beneficiaries of the scored lending system. A specialised agriculture team drives sector initiatives in crop, livestock and sustainable biomass.

## Most used services and solutions

Customised digital offerings for BCB customers are widely accepted for their simplicity and reasonable cost structures.

These options include Enterprise Online (EOL) with a new IPAY facility, enabling customers to utilise international outward transfers in several different currencies. Larger businesses favour using EOL, while ROL is most popular with single-director businesses.

Our Point of Sale (POS) terminals are most often acquired by medium-sized enterprises and commercial banking customers. Our Retail Online (ROL) which have been widely accepted for their simplicity and fee structures.

During 2023, more than 1 000 new customers signed on for EOL; 626 for ROL, and our POS terminals were requested by 301 customers.





### New offerings and service enhancements

We embraced the move towards Artificial Intelligence (AI) by introducing WhatsApp chat functionality on Robot Ti-A, improving query management by offering a 24-hour service, with auto-responses to resolve frequently asked questions. We will embark on a marketing campaign to drive the acceptance of this technology in 2024.

BCB will upgrade the issuing of vouchers, Receiver of Revenue payments, password self-service reset, and biller payments enablement to improve transactability.

## SMMEs

The SMME sector in Namibia is a significant contributor to employment and the nation's GDP. At SBN, small businesses make up nearly 96% of BCB's book. Their assets of about N\$246 million make up about 12% of our book, and their income after credit impairments is nearly 51% of the BCB book.

## Procurement and third party contracting

We remain steadfast in our dedication to fostering the growth of SMMEs and in particular, to ensure we allocate 60% of our B-BEE spending to the SMME sector. This is part of our vision to contribute towards alleviating poverty and unemployment in Namibia, contributing toward its ongoing development and meeting our NFSC requirements.



As from the third quarter of 2023 our current procurement spend reached 60.8% from 45.98% in the first quarter of 2023. BBEE local spend is

**N\$307 million**



The total procurement spend for 2023 is

**N\$619.7 million**  
for third-party operators.

As part of our efforts, black ownership contributes to the evaluation criteria for awarding substantial third party procurement spend. In 2023, we intensified our financial initiatives within the sector and introduced various support mechanisms. These include continued sourcing within Namibia, prioritising B-BEE third-party suppliers and implementing capacity building programmes such as the ongoing partnership with our Microsoft Cloud Partner, facilitating skills transfer between SBN and our suppliers whose services include cleaning, security, construction and IT. Our focus extends beyond broadening our B-BEE supplier network to addressing some of their critical challenges by ensuring immediate payments – crucial for addressing cash-flow concerns which is a key factor in hampering the growth of SMMEs.



## Our initiatives

### Mycohab

#### The bio bricks that could change the future for thousands of Namibians

Innovation is about embracing unconventional thinking and seeking solutions where few would consider looking. These criteria apply to the MycoHab project, which combines Standard Bank Namibia's financial support, input from MIT researchers in the USA, and Redhouse Studio, a leading US architectural design company.

Launched in 2019, the project addresses homelessness and unemployment, two of Namibia's most serious social challenges. The MycoHab project uses mycelium fibres within mushrooms to create bricks to construct houses that are weather-resistant and ideal for the Namibian climate.

While SBN is concentrating on using the fibres for housing, the Journal of Fungi has reported that 160 patents were published between 2006 and 2021 for mycelium- and fungi-based products. The growing interest has led to research on its use in clothing, packaging, diet and construction.



### Buy-A-Brick Initiative

Standard Bank Namibia started this initiative in 2015 in partnership with the Shack Dwellers Federation of Namibia with the aim of eliminating shacks and providing decent housing for the people of Namibia. To date, this initiative has raised close on N\$20 million and has translated into the building of 731 houses. Our total allocation for 2023 was N\$1 million which led to the building and handing over of 21 houses. Numerous beneficiaries have highlighted how this initiative has changed their lives, such as Anna Shiweda\* who never imagined that she would one day own her own house. Not only does she own her house, but she, like so many other beneficiaries, assisted in building her house. In Anna's case, she was also involved in the brick making process and when construction started, was responsible for passing sand concrete mix to the brick layers. "You don't just walk into an already existing house which was built for you by other people. Here we work hard for ourselves." Through this initiative, people like Anna benefitted and so, too, did emerging micro and small operators in the local communities.

\* Not an actual name

### **Buy-A-Brick:** **Footprint socks fundraising campaign**

As part of creating a culture where our employees fully embrace our purpose: Namibia is our home, we drive her growth, we continue to promote and encourage our staff to be involved in community outreach and support some of our CSI initiatives. In view of the fact that Buy-A-Brick is our main flagship CSI project, we launched the **Buy-A-Brick Footprint Socks Campaign** to sell specially designed socks (which includes the Buy-A-Brick logo) to help raise additional funds (aside from the CSI allocation) to contribute to and maximise overall impact. This campaign has galvanised our employees to start other fundraising activities, and at the start of the year each department and branch is given a challenge to identify fundraising activities to raise funds to build additional houses.



### **Bringing shelter to the homeless**

In Namibia, the potential beneficiaries of the Mycohab project are the 500 000 people who live in shacks, often in drought-stricken areas with little or no access to running water or electricity.

Afer five years, the project has now reached the point where test mycelium-brick houses are being constructed on a site in Windhoek. MycoHab was registered as a new separate legal entity on 2 June 2023, marking the exit of Standard Bank from the project. International investment is being sought, and interest in the concept has seen visitors from the USA, Europe, Uganda and Cambodia.

Besides assisting the neediest in the country, MycoHab also has environmental benefits as it offers a solution for farmers fighting an ongoing battle against the blackthorn encroacher bush.

This invader plant threatens millions of hectares of land, depletes water resources and has little nutritional value for livestock. The only way to clear the ground is by removing the threat by hand or machine.

Once removed from the land, however, blackthorn can be used as a substrate for the creation of lightweight material for the bricks and, alternatively, for growing **gourmet mushrooms**. What was an invader bush that negatively impacts agriculture transforms into a valuable product that has commercial use.

The opportunities are enormous and wide-ranging. MycoHab offers employment for farmers, manufacturers, labourers and distributors of food and building bricks. Spread across a vast country, it means jobs for people living far from urban centres. Most of all, it offers shelter, hope and dignity.



# OUR POSITIVE SEE IMPACT AREAS



**Sustainable finance  
and climate change**



# Sustainable finance and climate change

## Climate Risk and Opportunities

Namibia is known for its vast and arid landscapes. The Namib desert, one of the oldest deserts in the world, stretches along the country's western coastline and inland, making water scarcity and effective water resource management important for Namibia's environment and human activities.

While energy investment presents opportunities for job creation, improved access to basic services, and economic growth and development, it also creates social and environmental risks and impacts on local communities and habitats, and green-house gas emissions.

Standard Bank Namibia is committed to helping the Namibian economy harness opportunities and achieve a just energy transition, while managing and minimising the risks and supporting the transition to a low-carbon future.

We recognise that the development and implementation of climate risk and sustainability strategies is essential for the success of businesses, and we strive to preserve Namibia's finely balanced ecosystems by carefully vetting all requests for infrastructure and industrial projects.

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## Leader in the energy space

Through our Corporate & Investment Banking (CIB) division within SBN, we are one of the leading providers of finance for capital-intensive projects undertaken by both local and international entities. The division interacts with people from businesses across all sectors of the economy.

Because of its positioning, CIB is a guardian of SBG's policy regarding financing and participating in activities that could potentially negatively impact the environment.

Standard Bank Namibia, through SBG, aims to achieve net zero carbon emissions from our operations by 2040, and from our portfolio of financed emissions by 2050, aligning with the Paris Agreement.

The CIB is active in the energy field and is involved in several green projects varying from PV (solar projects) to the production of green hydrogen.

As part of the built-in vetting process, especially in regard to green projects, available material on potential clients and investors is scrutinised so that their previous track records regarding projects can be assessed. Where some doubt exists, additional, independent advice on ESG is undertaken and is conducted on a deal-by-deal basis.

In cases where there are reservations about the sustainability of potential projects, SBN withdraws from involvement.

Once a transaction has been identified as being green, an SBG team becomes involved in examining the transaction, assessing its potential impact and applicable monitoring criteria.

Obligations are placed on the transaction, including an agreement by the investor to mitigate any environmental issues that may arise during the duration of a project.

The obligation rests on the buyer to meet criteria regarding sustainability and obtain the necessary certification that may be required. Standard Bank Namibia has, although rarely, withdrawn support where it appeared as though the borrower was not adhering to conditions of a green financial agreement.

Before a relationship is severed, negotiations are undertaken and, where it is possible, remedial interventions are introduced to continue with a project. Where these agreements are made, the onus is placed on the borrower to document steps being taken to the satisfaction of the bank.

We see our role as an intermediary in helping Namibia achieve the National Development Plan 2, Vision 2030, its Sustainable Development Goals, and Harambee 2. The overarching principle is that 'We are because you are'.

As part of our alignment with this strategy, we have the following Product Papers that are key in the Renewable Energy drive:

- a) VAF Solar
- b) MTL Renewable Energy Plants
- c) Economic Recovery Scheme – job creation
- d) Credit Guarantee Scheme – sustainable growth.



## Biomass

In addition to renewable solar energy, we are engaged with assisting companies involved in the production of charcoal. In Namibia, Charcoal is produced from the invader bush that has negative impacts on the biosphere and the agricultural sector, as the blackthorn bush absorbs vast quantities of water in an arid country. It also injures animals and has little nutritional value for grazing farm animals. The charcoal production process is undertaken in a sustainable manner, with international environmental organisations providing oversight.

The biomass industry is key to shaping a greener future. Namibia has over 450 million tonnes of standing biomass, equating to 25 years of sustainable harvesting. The sector employs over 12 000 workers and accounts for over export earnings of over N\$1.3 billion. It supports sustainable energy

production and assist with the restoration of range-land biodiversity. We actively engage with businesses, farmers and suppliers in the sector to develop appropriate solutions and funding packages. We aim to understand the needs to the entire value chain and to improve production across it.

Financial solutions include term for facilities of the acquisition of farmland working capital for day-to-day operations and leasing facilities for equipment and machinery for clearing, harvesting and processing.

The Standard Bank Biomass Fair 2023 hosted 50 exhibitors, showcasing a wide range of biomass products and technology. 150 delegates from across the sector came together to network, learn about the latest developments, and discuss the future of the sector.

## Sustainable finance framework

Standard Bank Namibia follows SBG's lead in sustainable finance, to partner with our clients to meet their unique needs and ESG ambitions.

The framework describes the process to select, evaluate, report, track and verify eligible assets. It considers eligible assets based on use of proceeds on green and social criteria, and eligible Pure Play assets, the use of these proceeds are not specific but eligibility for classification as a sustainable finance asset is assessed based on the company profile. It also describes how the proceeds of the bonds or loans are managed and allocated, and how we verify and report on the management and allocation of proceeds and environmental and/or social impacts of assets.

The framework includes categories for renewable energy, electricity distribution networks, energy efficiency, pollution prevention and control, climate change adaptation, green building, clean transportation, sustainable management of natural resources, terrestrial and aquatic biodiversity conservation, sustainable water, circular economy, blue finance, carbon financing, affordable housing, access to essential services, affordable basic infrastructure, employment generation, and programmes designed to prevent and/or alleviate unemployment stemming from socioeconomic crisis, including through the potential effect of SME financing and microfinance, food security and sustainable food systems, socioeconomic advancement, and empowerment.



Green issuances

In July 2022, Standard Bank Namibia issued three and five-year bonds are listed on the Namibian Stock Exchange. Proceeds are used to finance renewable energy assets in Namibia. Various renewable energy projects intended for allocation to the SBN green bond have not proceeded at our clients' discretion. Some projects have experienced market-related and regulatory-related delays, and remain in our 2024 pipeline. We will continue to provide investors with updated allocation reporting annually in our 2024 sustainability disclosure report. Unallocated proceeds, are invested in the bank's treasury liquidity portfolio, in cash or other short term and liquid instruments, in line with our sustainable finance framework.

Issuance date	Maturity date	Issuer	Instrument	Green category	Instrument value	Allocations	No. of projects/ assets	Estimated installed project capacity (MW)	Estimated CO <sub>2</sub> e avoided (tonnes) <sup>1</sup>	
									Project	SBG Contribution
05/07/2022	05/07/2025	SBN	SBN Green Bond (SBNG25)	Renewable Energy	NAD200 000 000	9%	1	3	2 426	2 426
05/07/2022	05/07/2027	SBN	SBN Green Bond (SBNG27)	Renewable Energy	NAD200 000 000					

<sup>1</sup> The methodology and sources used to derive the default emission factors were based on AHG-001: Methodological Approach for the Common Default Grid Emission Factor Dataset.



**Client engagement**

Standard Bank Namibia participated in the SBG annual climate summit, in collaboration with the University of London's School of Oriental and African Studies (SOAS). The first summit took place in 2021. The summits provide an opportunity for delegates to hear from African leaders on tackling climate change, managing risks and capitalising on opportunities.

The SBG Business & Commercial Banking (BCB) team established a Sustainability Client Academy in partnership with Microsoft.

Clients from Namibia participated in the pilot in 2023. The academy will be available to all BCB clients from 2024.

**BCB clients were informed** about sustainable energy practices.



**CSI Sustainable finance and climate change**

**Ministry of Environment and Forestry KT partnership**

**New** 250 000

**In Progress:** Quotations  
Potential dealer partnerships.

# OUR POSITIVE SEE IMPACT AREAS



**Infrastructure**



## Infrastructure

Standard Bank Namibia partners with clients to facilitate the development of infrastructure across all economic sectors in Namibia. We ensure that environmental and social risks are minimised and managed.

Infrastructure projects generally fall within the ambit of CIB which differentiates itself from the lending activities of the BCB division by operating in a sector in which client revenues are about N\$200 million annually. Other enterprises supported by CIB operate in specialised industries or sectors ranging from mining to pension fund management. Government and sovereign deals are allocated to CIB according to specific criteria. Some areas, such as education, fall within BCB's domain.

We were active in the ports infrastructure sector, providing a CapEx facility for the expansion of the national airport in Windhoek and assisted the Ports Authority with a N\$350 million facility for warehouse development.

The authority is working towards making Namibia the logistics hub for the region. To achieve this objective, it has expanded the container terminal, which is to be managed by a leading international company. Other projects include the construction of additional fuel storage facilities and a fuel jetty. Bulk and breakbulk exports are predicted to become future core businesses.

Standard Bank Namibia is a leading financial services provider to Namibia's growing renewable energy sector, which is being stimulated by the government's adoption of the modified single-buyer model. This model is open to independent producers who want to set up generation infrastructure and produce and sell electricity to customers, including the private sector, NamPower and municipalities.

### Our focus areas

The government announced its intention to upgrade and expand the rail system.

This project, believed to be worth about **N\$18 billion**, will involve the state in raising concessionary funding for the bulk of the investment.

However, it is anticipated that local funders will be given opportunities to participate.

We entered 2023 with two significant energy mandates and negotiated a third with a cumulative total of about **N\$3.3 billion**.







OUR POSITIVE  
SEE IMPACT AREAS



**Education**

# Education

## Educational investment in our people

As one of Namibia's largest employers, Standard Bank Namibia believes that offering ongoing education and personal and career development opportunities are key to attracting the calibre of people needed in an increasingly digitised financial services workplace.

Besides offering the expected staff benefits of a major corporate employer, we support employee education programmes that enable people across all levels of the bank to develop skills that complement our strategic priorities. Thirty-five employees attended various training programmes at the Standard Bank facility in Johannesburg during the year.



We invested about N\$10.3 million in learning and development programmes during 2023.

### We continued with

- Our Internal and External Graduate Programme (two graduates placed)
- Funded seven bursary students in 2023
- 117 employees received funding via employee study assistance beneficiaries in 2023
- Engineering/Salesforce/Udemy and Coursera Certifications.

## Our focus areas in 2023

We help build Namibia through **innovative funding solutions for students**, including affordable student loans to bursaries.

**We invest in our people by giving them access to training opportunities to constantly develop and upskill themselves, helping them help us help Namibia.**

It takes a village to raise a child, and our CSI programmes assist with **early childhood development**, junior and secondary school education, and skills development for youth and entrepreneurs.



### Our impact in 2023 included:

As the focus in banking has moved from face-to-face, in-branch banking to a world of 24-hour, digital service on demand, internal training and education have evolved. The primary routes for building operational excellence are:

- Role-based training equips our people to execute their duties exceptionally and provides training activities that help employees improve their existing skills and acquire new ones.
- Leadership effectiveness training enhances managerial skills, communication, decision-making, and team collaboration. Leaders are equipped to motivate, inspire, and guide their teams. Through workshops, coaching, and practical exercises, the training builds adaptive, empathetic leaders who can navigate the challenges of today's dynamic working environment.
- Regulatory or project-based training. Project-based training immerses employees in real-world scenarios and issues where their skills can be used to resolve situations to meet specific projects or regulatory requirements. Participants collaborate, manage timelines, and tackle challenges, fostering a deeper understanding of concepts and enhancing their ability to execute tasks effectively.

From a compliance and regulatory training perspective, the understanding and need to comply with banking laws, policies and ethical standards are deepened.

### Bank swap programme

The Bank Swap Programme involves other banks operating within SBG in Africa, offering talented bankers positions in other regions to experience different banking cultures. During 2023, no Namibians worked in other regions.

### Mandatory training

Our staff are trained to comply with the statutes and regulations governing various banking activities where necessary. These include the Bank of Namibia requirements and compliance training programmes, which must be completed annually or bi-annually.

### External training initiatives

Where internal training programmes cannot meet specialised banking requirements, full-time employees may be offered opportunities to study through external tertiary institutions through the Employee Study Assistance (ESA) programme. The focus is on undergraduate qualifications so that staff without tertiary qualifications can be brought to the same operational levels as other employees. The primary focus is on future-related qualifications that align with individual roles or career aspirations.

Employees participating in the ESA programme must complete a period matching the time spent on studies with SBN.

Where necessary, bursaries for full-time study at tertiary institutions are awarded to Namibian citizens pursuing interests in defined areas of academic study.

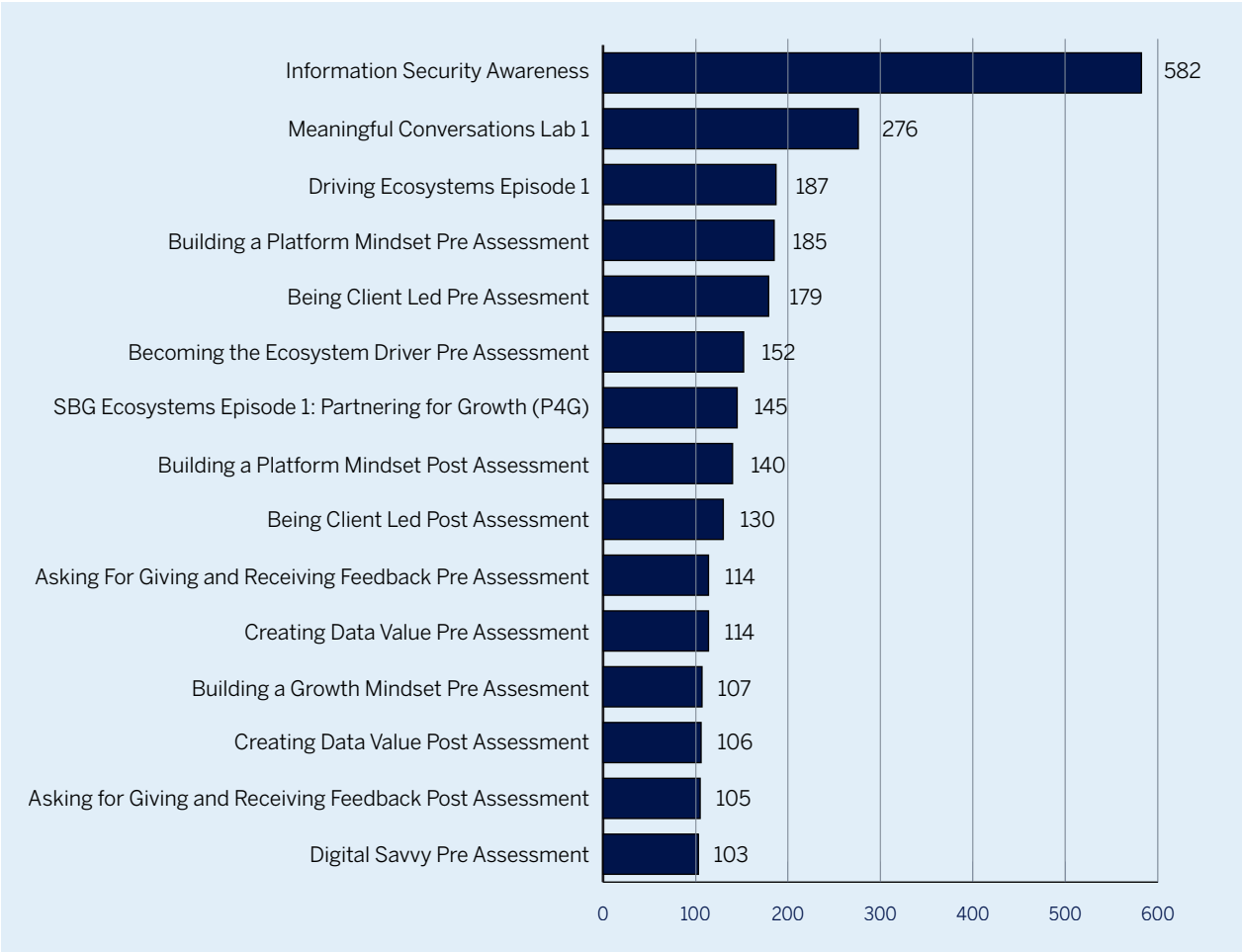


### Advanced executive programme

Graduates for the advanced executive programme are selected based on their studies. Preferred fields in 2023 were agriculture, cyber security, software development, and data sciences.

The programme duration is aligned with the roles individuals are expected to perform.

Staff learning programmes  
Top 15 learning activities completed  
(excluding compliance)



Summary  
2023

**Learning completion events count** (learning Item Name Overall) **6 090**  
**Learning Completion events count:** The total number of successful learning completion for the selected courses during the period.  
**Breakdown:** Compares metric values across a series of groups, Vertical axis shows the group being compared, and horizontal axis represents the magnitude of metrics values.

Executive development

Eleven executive and senior managers attended the MIT Executive Leadership programme aimed at preparing executives, high-potential managers, and mid-career technical or business professionals from around the globe for their biggest challenges by equipping them with the tools needed to lead their teams, manage complex organisations, or establish companies.

- Graduate fast-track development programmes. The bank has seven external and five Internal graduates following the development programme for a period ranging between 18 to 36 months while being employed on a full-time basis.

TRAINING PROGRAMME STATISTICS

Level	# staff trained
Non-Managerial	588
Junior Manager	245
Middle Manager	34
Senior Manager	95



Staff studying at tertiary institutions  
**117**

### Future-ready skills development

We encourage our people to take ownership of their learning and development journeys.

As part of our journey to enabling Namibia’s ongoing and future development, we value our people by fostering a culture of respect, support and growth, and encouraging open communication, providing professional development opportunities, and prioritising work-life balance. Our commitment to their well-being fuels a collaborative environment, empowering everyone to thrive and contribute meaningfully.

In 2023, 35 employees provided exceptional execution of their respective duties that contributed significantly towards our strategic objectives. Each of them were awarded the Mark of Excellence award – SBN’s most prestigious award.

### Self-directed learning

All our employees have access to the My Learning platform, which is designed to enable them to acquire the skills needed to meet the demands of a rapidly changing and increasingly digital world of work. Topics range from general to highly specialised and include internally developed content and access to external resources. To ensure meaningful return on investment in self-directed learning, we ensure our people are guided on what and how to learn. The platform uses machine learning to gather information about employees’ interests and personalises development pathways based on their roles and learning goals. My Learning offers our people a single point of entry for all learning, a place to share learning and make skills visible, and a way to rate and improve skills on an ongoing basis.

	2023
Total time spent on learning by gender:	
Female	89 387
Male	49 232

### Foundational future-ready skills

Based on ongoing research on global skills trends and our own business requirements, we have identified a list of critical foundational future skills. Our online future ready skills curriculum aims to ensure that our people can grow and thrive in a changing work environment. The focus is on data and digital skills, coupled with a truly human focus to embrace a growth mindset and enable quality conversations. We aim to create meaningful opportunities for our people to practically apply newly learned skills in their day-to-day work.

#### TOTAL TIME SPENT LEARNING BY EMPLOYEE IN LEARNING BY EMPLOYEE GRADE

	2023 (hours)
Workforce level	
Overall	138 618
Executive	128
Senior Management	1 149
Middle Manager	5 684
Junior Manager	12 341
General Staff	119 316



### Tailored programmes and academies

We have identified specific skills and hard to fill roles that require focused development. We offer tailored academies to provide our employees with the opportunity to learn specific skills resulting in formal certifications to take on new roles.



## Community investment in 2023

Our focus on youth development is reflected in our support of a number of initiatives geared towards the importance of education and building resilient communities.

### Our impact included:

#### FAWENA

The Forum for African Women Educationalists Namibia (Fawena) chapter is involved in assisting orphans and vulnerable children. As part of our partnership, we donated N\$806 000 to ensure they continue with the amazing work to promote the importance of education.



During 2023, Namibia provided N\$400 000 towards Project Never Walk Alone. Our funding supports 4 813 children in the Kunene region who share shoes with their siblings so that each day of the week they take turns wearing the same pair of shoes. We have assisted 1 273 children to date so that they no longer face social bullying, diseases transmitted through their feet through cuts, low self-esteem and confidence, and dropping out of school.

#### Project Never Walk Alone

This charity is committed to providing shoes to children, many of whom walk for miles to school without shoes.



As part of our commitment to support localisation, 80% of the material to produce the shoes is sourced locally, and the shoes are made locally.

### Investing in the future

Standard Bank believes that education is the only key to unlock doors for the future.

Access to quality education is critical if we are to develop our youth and provide them with the possibility of a future where they can access employment or other income-generating opportunities. This is critical in view of the high levels of youth unemployment and the need to build social cohesion. Our focus on education is part of our commitment to supporting the government in terms of the implementation of Harambee 2.

We support several initiatives aimed at improving access to quality education for youth – including orphans, vulnerable children, and deserving students in need.

### Our CSI activities include:

#### Academic Excellence

Our ongoing partnership with the Ministry of Education encourages exceptional academic excellence at secondary schools. This partnership rewards the top three best-performing Grade 10 and Grade 12 learners in each region. The most improved government school (Grade 10 or JSC) also receives N\$50 000 towards a project of their choice.

Taimi Asino, a Grade 12 learner, faced extreme hardships while writing her Grade 12 exam. She received sponsorship of N\$50 000 from SBN to study medicine at the University of Namibia. Despite losing her parents and her aunt before writing her exams, Taimi was the top student in the Karas region. As Taimi demonstrated fortitude and unbelievable focus amidst such a traumatic time, SBN assisted her with her studies.

#### National Internship Programme with Mobile Telecommunications Limited (MTC)

Our commitment to the development of our youth to ensure they can easily transition into the labour market has led to the support of a new initiative driven by MTC which facilitates workplace learning opportunities for graduates. We allocated N\$200 000 to MTC to ensure 22 students completed their internships. During the internship, each student receives an allowance of N\$3 000. This investment ensures that the youth are ready to improve their employability. It is also part of our strategy of building a pipeline as we see graduates and interns as possible future employees.





### The Financial Literacy Initiative (FLI)

We continue to support this initiative which has been spearheaded by the Ministry of Finance to improve the financial capacity of all Namibians – including micro and small enterprises – through financial education. This intervention is not only directed at ordinary citizens but also to help grow a sustainable micro and small enterprise sector, which is the backbone of our economy, but which faces low success rates. Hence, support to this sector is critical, and SBN supports not only this initiative but partners with other organisations and vocational institutions to provide non-financial business development support through financial literacy programmes, business knowledge toolkits, and trade toolkits. We commit 0.2% of our net profit after tax towards the FLI.

### Brighter Day Initiative

Through our support, the Brighter Day Hope Foundation continues to provide psychosocial support to learners and teachers across a range of topics in: Karas, Hardap, Erongo, Kunene, Otjozondjupa, Kavango East, Kavango West, and Zambezi regions. We visited and engaged more than 50 schools, addressing more than 20 000 students and around 300 teaching and support personnel.

This initiative is endorsed by the Ministry of Education, Arts and Culture and was initiated to address the impact of the Covid pandemic. Through our N\$500 000 assistance, the project aims to build resilience in children and their families to cope with adversity by discussing issues which most people are not comfortable talking about focusing on:

- The process of bereavement and counselling
- Coping Strategies: management of anxiety and stress
- Holistic well-being in dealing with academic pressure: workload and time management strategies.
- Workplace adjustments for teachers and support staff
- Substance use and mental health awareness
- Teenage pregnancy
- Suicide prevention.

During 2024, the programme will host a career fair and roll out a year-end fatigue initiative.

### Standard Bank Hockey Development Programme

Our commitment to youth and leadership development and job creation is reflected in our support of the Junior Hockey Development Programme in collaboration with the Hockey School of Excellence.

Beyond simply nurturing hockey dreams, the programme focuses on empowering youth from disadvantaged communities by diverting their focus from the streets and teaching them valuable life skills, helping to shape and nurture them to become future leaders within government or the corporate realm.

The aims and objectives of the Standard Bank Namibia Junior Hockey Initiative are:

- To produce national players for the Youth Olympics and Indoor World Cup
- To develop Indoor hockey and Hockey5s throughout Namibia
- To equip players, coaches and umpires with skills
- Create jobs and keep children off the streets.

In 2023, we reaffirmed our support for the programme by contributing N\$500 000 for the third year of our sponsorship. Since its launch in 2021, the programme has introduced hockey to 16 towns spanning all 14 regions of Namibia. It has trained 136 coaches, engaged 1 360 learners, empowered 50 umpires, and equipped over 68 primary schools nationwide.

**“Sport is a catalyst for national unity and transforms young lives. It provides hope and opportunities, paving the way for a promising future. The impact of sports development wouldn’t be possible without a partner like Standard Bank Namibia. The lives of many young Namibians are transformed through this invaluable support.”**

**Mr Handura**, founder of the Standard Bank Namibia Junior Hockey Programme



OUR POSITIVE  
SEE IMPACT AREAS



**Health**



# Health

By investing in the health and wellbeing of our employees, we are better equipped to enable Namibia's growth.

## Our focus areas

As part of our strategy to attract, motivate and retain staff we offer a range of health and wellbeing programmes, in addition to our remuneration and development initiatives.

We have 1 186 principal medical aid members with an 80/20 subsidy for non-managerial staff.

We saw a 98% staff usage at our psycho-educational sessions covering work/life balance, fatigue and burnout, and a Uni Health Awareness session.

## Employees support programmes



Wellness programmes  
(and staff usage)



Psycho-educational  
sessions  
98%

Work/Life Balance, Fatigue  
and Burn-Out

- Uni Health Awareness Session.



## Other benefits

- Life Cover
- Medical Aid
- Pension Fund
- On-Site Clinic (Doctor and Nursing Services)
- We Care Fund
- Social Security
- Incapacity Cover
- Group Personal Accident Fund
- Funeral Cover
- Independent Counselling Advisory Services (Uni Health)
- Standard Bank's Group Travel Risk Operation Centre
- Paid Maternity Leave
- Paternity Leave
- Sick Leave
- Special Sick Leave
- Special Leave.

## Employee health and wellbeing

### Sick absence management

In addition to wellbeing initiatives to support individuals, we have a sick absence management framework to identify and support employees with wellbeing matters that have the potential to impact their performance and productivity.



### Health and wellbeing metrics 2023

Average sick absence days per employee:

**2.23**

from 2.34 in 2022.

Average number of sick days per incident:

**2.37**

from 2.49 in 2022.

Absence rate for permanent employees and contractors was

**38.2%.**

### Wellbeing and mental health

We support a holistic approach to employee wellbeing. We recognise that our people's sense of wellbeing plays a key role in how they feel about their jobs, how well they perform and how they interact with colleagues and clients. We position empathy as a leadership practice and incorporate empathy in leadership conversations. We provide employees with access to mental health and wellbeing awareness sessions to provide them with the tools to maintain mental wellbeing, destigmatise mental health issues in the workplace.

Our Employee Assistance Programme (EAP) provides confidential, personal support and information to our employees and their immediate dependants at no cost to the employee. Services are provided through independent and external employee wellbeing providers in each country.

### Flexible working arrangements

We have a flexible working policy, a remote working framework, and a policy for flexible hybrid work arrangements, which allow employees to negotiate suitable arrangements with their line managers. Arrangements are tailored to regulatory frameworks and role requirements.

We also offer part-time working options. Employees can switch from permanent full-time work to permanent part-time work, where the business area/bank can accommodate them. Currently, only one employee has hybrid working arrangements.

### Support during pregnancy and for new parents

We offer up to 16 weeks of paid maternity leave. When an employee returns to work following parental leave, they return on the same terms and conditions of employment they had previously. We recognise that employees may require time to balance the demands of a new baby/child and the demands in their work environment. Where possible, we encourage flexible work arrangements to ensure that employees have a satisfactory work-life balance to adjust to their new responsibilities.

### Breakdown of Absence ratio by Employee - Organisation Hierarchy – Business Structure



## Our impact in 2023

### Support for the healthcare sector

Standard Bank Namibia understands that the health of a nation is a driving factor towards its success. In Namibia, as in other nations, access to quality healthcare is at the very essence of humanity. In 2023, our total spend on initiatives that provide access to healthcare is N\$ 1 427 135,28.

### Over the last **five years**, we have

Funded new hospital infrastructure.

Funded operational requirements for working capital, medical equipment and administrative functions.



Provided specialised financial solutions for medical practitioners.

Structured dedicated financial solutions for nurses and enterprises servicing the healthcare sector.

### Ongwediva Medipark (OMP)

Ongwediva Medipark is a state-of-the-art private hospital, serving the needs of northern Namibia. It opened in 2006 and provides quality, accessible and affordable healthcare to the community.

Regarded as a centre of excellence, the staff complement has grown from 250 in 2017 to 430 staff members, of whom 32 are medical specialists. Services provided include intensive care, paediatrics, maternity, neurosurgery, gynaecology, plastic surgery, cardiology, physiotherapy, psychology, ophthalmology and renal dialysis.

Our relationship with OMP began in 2013 with the provision of finance to expand the hospital. We have worked closely with OMP's management in the years since to clearly understand and better meet their needs and those of their patients and service providers.

We have, to date, provided more than

**N\$84 million**

to fund new hospital infrastructure and

**N\$28 million**

to fund medical equipment, including credit and leasing options.

## Our CSI activities include



### Hospital Emergency Unity Renovation Project (Project 9682)

For us, Project 9682 is more than just a number – the number refers to the MVA Fund's emergency number – it is about our pledge to the people of Namibia that their well-being matters, and that their health is not a privilege but a fundamental right. This promise to the people of Namibia was translated into a public and private partnership between SBN and the Motor Vehicle Accident Fund (MVA), and it delivered a state-of-the-art emergency unit for Katutura Hospital, a state-owned hospital. The revamped emergency unit

– one of the busiest in the country seeing up to 200 patients a day – was made possible by the joint partnership between SBN and MVA. SBN's contribution (total N\$6 227 135) was matched by the MVA. Our chief executive, Erwin Tjipuka, stated at the unit's opening in November 2023, "You are the hope of the nation." At the opening, the late Namibian President, Dr Hage Geingob commended the partnership and urged other corporates to follow our lead.



### NamPharm Foundation partnership

We have continued with our annual support of N\$200 000 to this partnership over the last five years, ensuring that vulnerable Namibian children are given the opportunity to have a fair chance to lead fulfilling and productive lives free of physical and emotional pain. Nampham Foundation provides free facial reconstruction surgery for children who are born with cleft palates and whose families do not have the resources to access such facilities. In 2023, this support led to 40 children being able to smile properly for the first time in their lives.





## Our CSI activities include continued

### Hope Village

Standard Bank Namibia has been a steadfast pillar of support for Hope Village since 2007.

This enduring commitment has been instrumental in providing a nurturing environment for orphans, abandoned children, and those affected by HIV/AIDS, ensuring they find not just a home, but love and care. Our support over the years has ensured the continued growth of the Village, which has been dedicated to bettering the lives of these children, so that they can have a better future. Today, it houses 42 children from an initial 12. In 2023, SBN extensively renovated the Girls' House. Hope Village is able to transport the children to several schools in the area using the Combi SBN donated. Later SBN, together with Liberty Life, donated an 18-seater bus. In 2023, we assisted with N\$320 000, including funding the salary of an operations manager appointed to run the house when House Mother and founder, Marietjie de Klerk, was diagnosed with breast cancer six years ago, and without whose support the Village would have eventually closed.

"It is with great gratitude in my heart that I write to you today. Fourteen years ago, I came to see Standard Bank Namibia with a dream in my heart – the dream to build a village where orphans, abandoned children and HIV/AIDS child victims will find love, care and a home to call their own. Standard Bank accepted my dream and committed to it wholeheartedly and for the long term.

As **Mr Mpumzi, SBN managing director**, at that time said: 'We can't just hop into these kids' lives and hop out again. We are in it for the long haul. We are building our future and our legacy in these kids.'

As Hope Village grew, the Standard Bank house became the Girls' House. Every year, SBN fixes and maintains the house, sprays Hope Village village twice a year for cockroaches and gives the children at the Girls' House a birthday party. At Christmas, all the staff and children get spoiled with gifts. Mr Mpumzi also promised the first child of Hope Village to finish grade 12, a full scholarship. Julius Kamati was the lucky recipient. He studied

Hospitality and Tourism, and today he is the hospitality manager at B2Gold of Welwitchia Catering and Cleaning Services.

The girls are happy, proud and more appreciative. Other big sponsors, like Mobile, show the high standard we adhere to at Hope Village and always use the Girls' House as a shining example.

I want to thank SBN for their vision, commitment, support and encouragement through all these years, not only for the children but for me personally. Hope Village is in essence the birth child of SBN. I firmly believe that SBN is one of only very few companies that really are committed to bettering the lives of our orphaned and abandoned children, consistently making sure these kids have the best possible future ahead.

May God bless you and may we continue to save and change the lives of our orphans."

**Marietjie de Klerk**

Founder and Director: Hope Village



Julius Kamati



School bus



The kids



Girls' House



# ANNEXURES

## Selected policy summaries

### Corporate citizenship

- ① Code of Ethics and Conduct
- ① Human rights statement
- ① Stakeholder engagement policy
- ① Expanded democracy support programme policy
- ① Sponsorship policy
- ① Corporate social investment policy

### Compliance

- ① Anti-bribery and corruption policy
- ① FAIS conflict of interest management policy
- ① Financial sanctions and counter-terrorist financing policy
- ① Money laundering and terrorist financing control policy
- ① Facilitation of tax evasion prevention policy
- ① Occupational health and safety policy

### People and culture

- ① Harassment in the workplace policy
- ① Discrimination in the workplace policy
- ① Sexual harassment in the workplace policy
- ① Transformation policy

### Investigations and fraud risk

- ① Whistleblowing policy

### Conduct risk

- ① Conduct policy

### Environmental and social risk

- ① Climate policy
- ① Climate strategy and implementation plan

### Information risk

- ① Information risk policy

### List of policies

- AMLCFT RBA CRA Methodology
- Anti-Bribery and Corruption
- Anti-Bribery and Corruption Standard
- Anti-Fraud Policy
- Competition Manual
- Competition Policy
- Compliance Risk
- Governance Standard
- Compliance Mandate
- Compliance Manual
- Compliance Policy Third Party Sharing Procedure
- Compliance Risk Management
- Conduct Risk Policy ( no longer owned by Compliance at Group)
- Conflicts of Interest
- Correspondent Banking Standards
- Data Privacy Operating Standards
- Exchange Control Policy
- Financial Sanctions and Counter Terrorist Financing Policy
- Financial Sanctions and Counter Terrorist Financing Standard
- Gifts and Entertainment
- Information Barriers and Need to Know Information Policy
- Market Abuse Control
- Money Laundering Control
- Money Laundering Transaction Monitoring Standard
- Outside Business Interest
- Personal Account Trading Policy
- Prevention of the Facilitation of Tax Evasion Policy
- Regulator Interaction Guidelines
- Research Policy
- Risk-Based Approach (RBA) Framework
- Watch, Discreet and Restricted List Policy
- Whistleblowing

## **New statutory and regulatory controls introduced during the year**

### **Financial Intelligence Centre – Revised Directive on registration requirements for non-profit organisations**

Directive 4 of the Namibia Financial Intelligence Centre FIC has been revised. The Directive was issued on the registration requirements for non-profit organisations ('NPOs') to register with the FIC in terms of the Financial Intelligence Act 13 of 2012. NPOs were required to register their particulars with the FIC by 29 September 2023.

### **FIC – Replacement of Guidance Note 1 of 2015 on customer due diligence relating to beneficial ownership**

The FIC issued a replacement of Guidance Note 1 of 2015 on customer due diligence relating to beneficial ownership. The guidance note advises regulated entities that beneficial ownership guidance was to be found in the sector-specific Risk Based Approach Guidance Notes.

### **Financial Intelligence Centre – Directive 5 of 2023 for the banking sector to conduct risk assessments for non-profit organisations**

A directive was published by the Namibia Financial Intelligence Centre FIC to help banks mitigate risks that non-profit organisations NPO present to the banking sector. Banks are directed to ensure, among others, that: (a) the first 100 high-risk NPOs (per bank) were shared with the FIC by no later than 22 September 2023; and (b) risk assessment outcomes for the remaining faith based organisations and charitable NPOs were made available to the FIC as and when completed, but not later than 31 January 2024.

### **Financial Intelligence Centre – Circular No. 09 of 2023**

A new circular was issued by the Financial Intelligence Centre of Namibia requesting, all persons, businesses, entities, items, organisations, accountable institutions and reporting institutions to report suspicious

transactions and suspicious activities in relation to the UNSC sanctions lists of designated individuals, entities and other groups. The aforementioned parties have the responsibility to continuously and timeously familiarise themselves with updates/amendments made by the UNSC to its sanctions lists.

### **Banking Institutions Act 13 of 2023 (proclamation)**

The Banking Institutions Act 15 of 2023 came into effect on 8 August 2023. The Act provides, among others, for (a) the consolidation and amendment of the laws relating to banking institutions, microfinance banking institutions and controlling companies; (b) the authorisation of a person to conduct business as a banking institution or microfinance banking institution; and (c) the registration of controlling companies in respect of authorised banking institutions or microfinance banking institutions.

### **Payment System Management Act 14 of 2023 (proclamation)**

The Payment System Management Act 14 of 2023 was been proclaimed to come into effect. The Act provides, among others, for the establishment, management, administration, operation, regulation, oversight and supervision of payment, clearing and settlement systems in Namibia.

### **Guidance Note on migration to ISO 20022 messaging standards for domestic and cross-border payments**

A guidance note was published by the Bank of Namibia relating to the migration from the Society for Worldwide Interbank Financial Telecommunication Message Type (SWIFT) messaging standards to the International Organization for Standardization (ISO) 20022 messaging standards for domestic and cross-border payments in the National Payment System.

In terms of section 46 (1) of the Payment System Management Act, 14 of 2023, the purpose of this Notice was to communicate the date for the migration from SWIFT MT messaging standards to ISO 20022 messaging standards for both domestic and cross-border payments in the National Payment System by system participants, Namibian Interbank Settlement System (NISS) and Namclear, as may be applicable. This Guidance Notice repealed and replaced the Guidance Note issued by the Bank of Namibia on 9 December 2021. The Namibian Interbank Settlement System and Namclear are required to ensure that their systems allow the conversion of SWIFT MT message formats to ISO 20022 message formats by 30 May 2025.

### **Financial Intelligence Centre – Compliance Assessment and NPO Supervision Methodology (updated)**

The Financial Intelligence Centre updated its supervision methodology. The summary provides a high-level outline of the methodology of the FIA to assess anti-money laundering and combating the financing of terrorism and proliferation risks. It lays the foundation for timely and result-driven remediation or interventions in the interest of safeguarding the integrity of the financial system.

### **Trust Administration Regulations, 2023**

The Namibia Trust Administration Regulations, 2023, were published effective 2 September 2023. The Regulations, provide for, among others, the application procedures and the eligibility criteria for natural persons and juristic persons to apply for registration as trust practitioners.

### **External Directive 2/ 2023, Trust Administrative Act**

The directive requires the submission of beneficial ownership information for all beneficiaries, founders and trustees on an online portal. In December 2023, we engaged to obtain an extension of the due date.



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