

# Standard Bank Group Climate Policy

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## List of abbreviations and acronyms

<b>°C</b>	Degrees Celsius
<b>CCUS</b>	Carbon capture, usage and storage
<b>ESG</b>	Environmental, social, and governance
<b>GHG</b>	Greenhouse gas
<b>NGFS</b>	Network for Greening the Financial System
<b>SBG</b>	Standard Bank Group
<b>ZAR</b>	South African Rand

## 1 Background

The Standard Bank Group (SBG or 'the group') commits to achieving net zero<sup>1</sup> carbon emissions from its own operations for newly built facilities by 2030, for existing facilities by 2040, and from its portfolio of financed emissions by 2050. This climate policy supports SBG's purpose – *"Africa is our home, we drive her growth"* – and takes the African continent's environmental, social, and economic context as its starting point.

SBG supports the Paris Agreement<sup>2</sup> in transitioning Africa to a lower carbon economy. SBG also supports efforts to mitigate the impact of climate change, and to improve access to reliable and sustainable energy sources: a critical factor in economic growth and poverty alleviation in Africa.

This transition to low carbon activities will introduce challenges and risks across the continent, including job transition and migration, skills shortages and training requirements, rapidly changing technology advancements, rate of government policy implementation and quality of governance. These socio-economic impacts are currently not well understood for Africa. It is nonetheless clear that transition risk mitigation requires skills development, access to resources and technology, adoption of assertive policies and governance processes, and a collective will across the continent.

SBG is exploring sustainable opportunities that can facilitate a just transition<sup>3</sup>. The group's position is mindful of both the opportunities to partner with clients and stakeholders to support their climate transitions and the national climate commitments of the countries where SBG does business.

## 2 Purpose

As one of Africa's largest financial institutions, SBG is committed to supporting sustainable economic growth. This includes ensuring that the social, economic, and environmental impacts of its activities create a net positive impact. The group is committed to balancing the challenges posed by climate change with the need to support access to reliable energy that

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<sup>1</sup> 'Net zero' means that greenhouse gas (GHG) emissions produced are balanced by absorbing or removing an equivalent amount from the atmosphere. SBG interprets net zero as per the definition of the Intergovernmental Panel on Climate Change 1.5 °C pathways, and is dependent on the application of appropriate science-based modelling.

<sup>2</sup> [https://unfccc.int/sites/default/files/english\\_paris\\_agreement.pdf](https://unfccc.int/sites/default/files/english_paris_agreement.pdf)

<sup>3</sup> "Taking into account the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities" (page 4 of the Paris Agreement):

[https://unfccc.int/sites/default/files/english\\_paris\\_agreement.pdf](https://unfccc.int/sites/default/files/english_paris_agreement.pdf)

supports economic growth and poverty alleviation, in line with the United Nations Sustainable Development Goals.

This policy is part of a comprehensive roadmap to reduce the group's exposure to climate-related risk being both from the physical risk of climate change and the risk arising from the transition to a net zero carbon economy. It applies to all client segments and legal entities within SBG, excluding Liberty Holdings. The policy sets out commitments and targets, along with minimum standards to be adhered to when considering the financing of carbon-intensive and non-renewable energy activities.

### 3 Target setting approach

SBG seeks the fullest understanding of the impact of climate-related and environmental risks for:

- countries where it operates;
- the group's own operations;
- clients; as well as the impact of
- clients' activities on the climate.

This understanding will inform SBG's selection of and engagement with clients, its allocation of financial resources, and how the group measures, monitors and mitigates the impact of climate change on clients' exposure and its own operations.

The target setting approach for carbon reduction from SBG's operations is based on material conditions including country and property portfolio size and the relevant grid emission factor.

The group is setting climate targets and commitments in successive phases, informed by sectoral and regional conditions, including but not limited to sector exposure to climate risk, sector carbon intensity, nationally determined climate contributions and policies, and available technology. These will be balanced with the need to support energy and food security in the countries where SBG has a presence. In consequence, the group is supporting the financing of **renewable energy** and the use of **sustainable finance** instruments.

Initially, targets and commitments have been set for **agriculture, gas, oil, and thermal coal**, based on their identified levels of elevated climate risk. Over the next two to three years, climate targets and commitments will be set for additional sectors including insurance, residential and commercial property, and transportation.

Targets for reducing exposure concentration, origination and sustainable finance have been set using publicly available national research and statistics (for example, electricity planning forecasts) where these are available. This information has been supplemented with internal economic forecasts and research obtained from credible external sources. The Net Zero 2050 (1.5°C) scenario<sup>4</sup> of the Network for Greening the Financial System (NGFS) has been referenced to assess the likely impact of climate-related and environmental risks at a sector level. As climate-related indicator and metric calculation methodologies evolve, this enhanced data will enrich SBG's reporting, particularly for counterparty sector classification.

The targets are defined over the short (0 - 5 years), medium (5 - 10 years) and long (+10 years) terms, with an overall commitment to net zero emissions by 2050. SBG will regularly review this climate policy and consider whether modifications are required by updates and improvements in the relevant technologies, policy, regulation, and climate science. Progress will be reviewed on an annual basis, and targets and commitments on a three-year cycle.

To achieve a just transition toward net zero, the group is applying several complementary mechanisms. Specifically, SBG is:

- setting targets to increase lending to sustainable finance solutions, using appropriate classification systems;
- refining existing lending policies where these may be restrictive or exclusionary of certain activities and assets;
- setting climate targets to reduce financed emissions in specific sectors;
- partnering with clients to help them adapt in support of their climate transition commitments; and
- monitoring clients' commitments as part of their transition.

## **4 Climate commitments**

### **4.1 Direct carbon footprint**

SBG's direct carbon footprint comes from its office and branch infrastructure, its cash and data centres and employee travel. The energy used to keep SBG's infrastructure operational is in large part sourced from the national electricity grids of the countries in which the group operates. In consequence, SBG's carbon emissions reflect these countries' current reliance

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<sup>4</sup> Global Change Analysis Model as defined by NGFS: <https://www.ngfs.net/ngfs-scenarios-portal/>

on traditional energy sources. Additionally, the group uses diesel generators to provide emergency power with an associated impact on emissions. Thus as countries across Africa transition away from coal power, SBG's direct emissions will reduce.

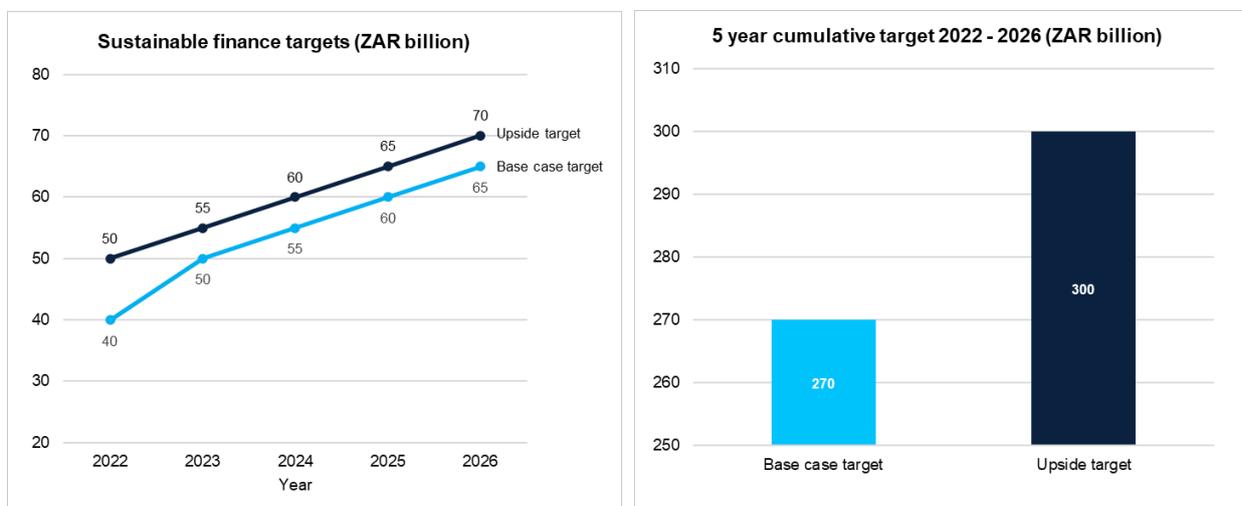
SBG plans work towards a goal of net zero across the group's operations: for newly built facilities by 2030 and for existing facilities by 2040. This work will include:

- drawing on more renewable energy sources to meet SBG's own needs;
- investing in improved systems for energy metering, data capture and analysis;
- enhancing the energy efficiency of lighting through light-emitting diodes (LED), motion sensing, heating and air conditioning systems; and
- implementing renewable Power Purchase Agreements.

## 4.2 Sustainable finance

The group is already proactive in identifying the opportunities that climate change presents. It delivers both product innovation and thought leadership to capitalise on the opportunities related to sustainable finance that exist across sub-Saharan Africa. To this end, SBG engages with clients to support their transition toward net zero through a variety of sustainable finance solutions including the use of proceeds and sustainability-linked instruments. The group's five-year target is to mobilise a cumulative amount of between ZAR 250 billion and ZAR 300 billion in sustainable finance by the end of 2026.

The sustainable finance targets shown below are dependent on taxonomy standardisation as well as how transition finance will be treated; they include renewable energy financing over the five-year period.



### **4.3 Renewable energy**

SBG recognises the significant contribution of the power sector to Africa's current human-driven carbon emissions as well as the critical role of renewable energy in decarbonising the sector.

Renewable energy power plants receive constant natural replenishment. The power they generate is from renewable energy sources – for example wind, the sun, water power and heat generated by the earth – that are not depleted. The financing of renewable energy power plants must nevertheless meet the group's financing criteria. These criteria cover the construction, generation or maintenance of renewable power and associated infrastructure from renewable sources, (namely, wind, solar, and ocean power); small-scale hydropower (<25 megawatt-hours; run off river hydropower with low storage capacity) and large-scale hydropower (where lifecycle carbon intensity <100 grams of carbon dioxide equivalent per kilowatt-hour) as well as the production of green hydrogen.

SBG aims to provide an additional ZAR 50 billion of financing for renewable energy power plants over the next three years and to underwrite the financing of a further ZAR 15 billion of renewable energy power plants over the same timeframe. This commitment to financing renewable energy power plants is estimated to be 2.5 - 3 times greater than the group's financing commitment towards non-renewable energy-fired power plants by the end of 2024.

### **4.4 Agriculture**

SBG recognises the dual role agriculture plays. It is a sector that contributes to GHG emissions, but – through carbon sequestration – also acts as a sink for GHGs in the agriculture sector and potentially other sectors. This view is consistent with the NGFS Net Zero 2050 scenario, which shows agricultural demand in Africa increasing by approximately 80% by 2050.

Agriculture is particularly important in the African context. It ensures food security and employment for a large proportion of middle- and lower-income households. So in SBG's role in providing financial services to this sector, the group aims to balance sustaining this vital role with a drive to support sustainable agricultural practices that promote reduced carbon emissions and improve the sector's resilience to climate change risk. 'Sustainable agriculture' comprises all those farming systems that conserve land, water, and biological resources, do

not degrade the environment and are technologically appropriate, economically viable and socially acceptable.

SBG commits to achieving net zero carbon agricultural emissions through the following strategies.

- (i) Excluding the financing of:
  - deforestation of natural forests and indigenous trees (excluding de-bushing in farming blocks where grazing and cropping will have a positive impact);
  - production or trade in wood and other non-indigenous forestry products other than from sustainably managed forests; and
  - unsustainable<sup>5</sup> fishing methods.
  
- (ii) Supporting clients in their transition to more sustainable agriculture by:
  - leveraging the expertise of specialist agriculture advisors; and
  - formalising an approach to assisting clients with sustainable farming practices.
  
- (iii) Utilising this support to capture the following agricultural opportunities:
  - renewable energy;
  - climate-smart agriculture<sup>6,7</sup>;
  - digital platforms to assist small-holder farmers.
  
- (iv) encouraging sustainable agricultural practices through the introduction of sustainable lending products;
  
- (v) engaging at the sector level with other banks and leading sector bodies to establish a national climate pathway for the sector, to ensure that it moves forward towards shared goals; and
  
- (vi) collecting data to enable the group to set an emissions reduction target and portfolio baseline between 2022 and 2025 that will meaningfully contribute to the group's net zero 2050 target, through partnerships with research groups and industry experts.

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<sup>5</sup> As defined by the United Nations Food and Agriculture Organization (FAO): <https://www.fao.org/3/i1490e/l1490E.pdf>

<sup>6</sup> The FAO suggests that climate-smart agriculture aims to enhance the capacity of the agricultural systems to support food security, incorporating the need for adaptation and the potential for mitigation into sustainable agriculture development strategies.

<sup>7</sup> <https://www.profor.info/notes/climate-smart-agriculture-south-africa>

According to the Program on Forests (PROFOR), climate-smart agriculture seeks to increase sustainable productivity, strengthen farmers' resilience, reduce agriculture's GHG emissions, and increase carbon sequestration. Through proven practical techniques and innovative practices, climate-smart agriculture strengthens food security and delivers environmental benefits.

## 4.5 Non-renewable energy

Energy is essential in underpinning economic growth in emerging markets, specifically in Africa, where affordable and reliable energy access is fundamental to Africa's development. As non-renewable energy will likely remain key to ensuring energy security in many African regions requiring broad access to electricity as well as transportation, SBG has defined prudent parameters for its involvement in specific sources: gas, oil, and thermal coal. This is in line with SBG's purpose of driving Africa's growth and role of providing financial services to meet the needs of Africa's people, businesses and economies.

Informed by the NGFS Net Zero 2050 scenario, SBG's approach towards decarbonisation, recognises that the burning of carbon-based fuels is the largest contributor to GHG emissions. The group is committed to supporting the transition away from carbon-based fuels and reducing the impact of financed carbon emissions from clients in the non-renewable energy sectors, but recognises that this must be a just transition, grounded in an understanding of the science and developments in the energy mix.

Africa's growing urban populations will require a reliable and sustainable energy supply to power industrial production, electrify more households and expand the use of transport, to drive socio-economic development. Certain countries – Nigeria, Angola, Ghana and Mozambique – produce oil and gas for international markets, thus providing foreign currency and tax revenues to develop their respective economies. SBG therefore acknowledges the pressing need to balance all these realities as part of ensuring a just transition away from GHG-emitting energy sources.

Between 2040-2045, SBG aims for an accelerated phase out from non-renewable energy, except for instances where the use of such energy source can be justified as part of a clear and identifiable energy transition pathway, or where future advances in technology emerge to mitigate environmental impacts. The group closely follows the development and potential implementation of carbon capture, usage and storage (CCUS) and other decarbonisation technologies in sub-Saharan Africa. The rate of transition away from non-renewable energy will be informed by such developments, and projects will be supported where the appropriate technology is implemented and aligned with net zero commitments.

## 4.5.1 Gas

SBG views gas as a transition fuel<sup>8</sup> in Africa. Adopting this view is key to balancing economic development and social upliftment with the reduction of global emissions by facilitating the switch from higher-emitting energy sources, such as wood and coal, to lower-carbon fuels, such as liquefied petroleum gas for cooking, and natural gas for the provision of baseload energy. SBG's commitment to gas financing is informed by the emissions and development plans of its key markets, as well as by the pathways for Africa supporting global targets (towards 1.5°C). In addition, evidentiary support is provided by the NGFS Net Zero 2050 scenario, which shows gas demand continuing to grow until 2050.

### 4.5.1.1 Scope

This policy covers the provision of financial products and services to:

- (i) exploration, extraction and beneficiation companies;
- (ii) processing and refining companies;
- (iii) companies involved in all associated activities (from planning, development, extraction, processing, rehabilitation and closure); and
- (iv) entities involved in the ownership, development and operation of gas-fired power generation assets.

### 4.5.1.2 Commitments

SBG will continue to finance gas responsibly over the medium to long term as a transition fuel for use in domestic and regional markets as well as a means of facilitating natural gas for export. In addition, SBG commits to developing a transition finance product framework that will support the use of gas in its specific role as a transition fuel in Africa. Financing will be reviewed regularly, informed by all material technological developments (in terms of lower emission possibilities, competitive alternative energy sources and carriers). The group will seek to reduce emissions intensity while managing its gas exposure. Thus SBG commits to:

- (i) financing gas-related projects that have zero to minimal fugitive emissions or that are committed to a pathway that reduces the carbon intensity of liquified natural gas plants;
- (ii) prioritising finance for the construction of gas-fired power plants when:

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<sup>8</sup> Transition fuel in this context means: a substitute lower-carbon content fuel for higher carbon content carbon-based fuel (for example, coal and oil) to reduce carbon emissions in line with the energy transition and the overarching objective of achieving net zero by 2050.

- providing support services as part of an integrated renewable energy power solution; or
  - converting existing coal- or oil-fired power plants as part of a clearly defined decarbonisation plan aligned to net zero by 2050;
- (iii) limiting the financing of standalone gas-fired power plants providing general baseload, mid-merit or peaking power (that is, not meeting the priority criteria above under (ii)) to a cap of 0.75% of total group advances after 2026, from a current level of 0.14% of advances; and
- (iv) reducing its exposure to gas by 2045 in line with its commitment to net zero by 2050, while giving due consideration to the energy security of the markets in which the group operates.

## **4.5.2 Oil**

SBG is reducing its financed emissions intensity while responsibly managing its exposure to oil, specifically where there is an energy transition roadmap that supports the development of cleaner fuels, such as gas. Additional support for such a strategy is provided by the NGFS Net Zero 2050 scenario, which shows oil demand in Africa peaking in 2040.

### **4.5.2.1 Scope**

This policy covers the provision of financial products and services to:

- (i) exploration, extraction and beneficiation companies;
- (ii) processing and refining companies;
- (iii) companies involved in all associated activities (from planning, development, extraction, processing, rehabilitation and closure); and
- (iv) entities involved in the ownership, development and operation of oil-fired power generation assets.

### **4.5.2.2 Commitments**

SBG specifically commits to achieving net zero carbon emissions by:

- (i) reducing by 5% group advances to upstream oil by 2030, to be reviewed thereafter in line with oil's contribution to the overall energy mix;
- (ii) not financing companies with unrestricted flaring for new assets; or seeking from existing companies with flaring, timebound plans to eliminate flaring for existing assets;

- (iii) not providing financial products and services for the extraction of tar sands or construction of associated export facilities, exploration and production of tight oil resources, and pipelines transporting a significant volume of tight oil and export terminals supplied by a significant volume of tight oil.
- (iv) prohibiting financing for new oil-fired power plant construction or expansion in the generating capacity of existing oil-fired power plants, except where such plants provide support services as part of an integrated renewable energy power plant; and
- (v) reducing financing to power sector clients generating power predominantly from oil<sup>9</sup>, from 0.05% of total group advances in 2021 to 0.03% in 2026 and zero percent from 2030. Such clients will be required to provide comprehensive carbon emission reduction strategies in advance. These strategies will be annually reviewed to assess progress against targets and alignment to net zero by 2050<sup>10</sup>.

### 4.5.3 Thermal coal

Currently, SBG's thermal coal exposures are predominantly in Southern Africa. Based on South Africa's 2019 Integrated Resource Plan<sup>11</sup>, the reliance of the country's electricity capacity on coal is expected to fall from 71% 2019 to 43% in 2030<sup>12</sup>, even with new coal capacity added in 2027. This suggests that the transition away from coal is likely to be protracted and that energy security in the Southern African region will remain dependent on coal-fired power in the medium term. This is supported by the NGFS Net Zero 2050 scenario. The scenario anticipates a reduction in the share of coal as a primary energy source in Africa overall from 13% today to 8% by 2030 and 2% by 2050. However, it projects a more significant role for coal in Southern Africa specifically, where its share is expected to decline from 45% in 2020 to 32% in 2030, 15% in 2040, and 9% in 2050.

#### 4.5.3.1 Scope

The group applies the restrictions outlined below to companies that derive more than 50% of their revenues from thermal coal mining activities. These restrictions do not apply to activities that positively enhance environmental and social impacts, such as decentralised renewable

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<sup>9</sup> This refers to clients where generation from coal and / or oil makes up more than 50% of their dispatchable generation capacity; and where possible, SBG will apply a look-through principle in categorising the financing based on its specific application.

<sup>10</sup> This will exclude financing provided to such clients: for the explicit purpose of converting existing oil-fired power plants to gas in line with a clearly defined decarbonisation plan to net zero by 2050, or for the explicit purpose of implementing carbon capture, use or storage technology in line with a clearly defined decarbonisation plan to net zero by 2050, or when providing a support service as part of an integrated renewable energy power solution.

<sup>11</sup> Integrated Resource Plan 2019 (Corrected Version) – Government Gazette 42784 in Government Notice 1360 of 18 October 2019

<sup>12</sup> Department of Public Enterprises, Mineral Resources Council of South Africa

energy projects, water treatment / efficiency, and social initiatives that uplift the communities in which such companies operate.

This policy covers the provision of loans and advances to:

- (i) all mine-site activities (from planning, development, processing, rehabilitation and mine closure);
- (ii) existing and new thermal coal mining corporates involved in the ownership, development and operation of thermal coal mining assets; and
- (iii) entities involved in the ownership, development and operation of coal-fired power generation assets.

This policy excludes the provision of financial products and services to the following players that offer services to the thermal coal mining and coal-fired power generation sector;

- (i) construction and operational contractors;
- (ii) consultants;
- (iii) equipment and vehicle manufacturers and distributors;
- (iv) other third-party service providers; and
- (v) traders and retailers.

SBG's normal environmental and social risk management policy and system will apply to the above counterparties.

#### **4.5.3.2 Commitments**

SBG specifically commits to achieving net zero carbon emissions by:

- (i) limiting thermal coal exposures to 0.70% of group loans and advances in 2021, and to 0.50% by 2030;
- (ii) prohibiting financing for the construction of new coal-fired power plants and for the expansion in generating capacity of existing coal-fired power plants;
- (iii) not providing financial products and services to mountain top removal (SBG does not fund such activities);
- (iv) reducing financing to power sector clients generating power predominantly from coal<sup>13</sup>, from 0.18% of total group advances in 2021 to 0.15% in 2026 and 0.12% from 2030. Such clients will be required to provide comprehensive carbon emission reduction strategies in

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<sup>13</sup> This refers to clients where generation from coal and / or oil makes up more than 50% of their dispatchable generation capacity; and where possible, SBG will apply a look-through principle in categorising the financing based on its specific application.

advance of financing. These strategies will be annually reviewed to assess progress against targets and alignment to net zero by 2050<sup>14</sup>; and

(v) financing new coal mines only when there is an overall positive environmental impact<sup>15</sup>.

SBG will support any refurbishment of existing coal-fired power stations that has the specific purpose of improving efficiency and reducing carbon emissions using CCUS technology. This refurbishment should form part of a clearly defined decarbonisation plan, aligned to net zero by 2050.

#### **4.5.4 Financing parameters**

In evaluating financing of companies and projects in the non-renewable energy sector – specifically gas, oil and thermal coal – SBG will consider, as appropriate, as part of its due diligence:

- (i) the energy situation in the region and future energy demand in relation to government energy strategy, climate change, carbon commitments, and adaptation plans;
- (ii) transition plans or initiatives that includes a commitment to minimising and reducing net greenhouse gas emissions;
- (iii) appropriate decommissioning plans unique to the type of non-renewable energy source, where applicable;
- (iv) analysis of technically and financially feasible and cost-effective power generation alternatives that are available in the same industry and country;
- (v) compliance with our normal lending requirements, including the development of projects in compliance with the Equator Principles, International Finance Corporation Performance Standards and World Bank Group Environmental, Health, and Safety Guidelines, and applicable laws and standards;
- (vi) established processes to align with the United Nations Voluntary Principles on Security and Human Rights, where required;
- (vii) compliance with host country environmental and social laws, regulations and standards;
- (viii) compliance with international conventions, standards and treaties regarding GHG emissions in host country / region;

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<sup>14</sup> This will exclude financing provided to such clients: for the explicit purpose of converting existing coal-fired power plants to gas in line with a clearly defined decarbonisation plan to net zero by 2050, or for the explicit purpose of implementing carbon capture, use or storage technology in line with a clearly defined decarbonisation plan to net zero by 2050.

<sup>15</sup> For example, if the mine is located next to an existing coal-fired power station and therefore reduces emissions generated by fuel transportation; or provides higher-quality coal producing lower emissions with a higher calorific content or lower ash than existing mines.

- (ix) impact on human settlements, natural habitats and resources, as well as protected areas and how such impacts are mitigated;
- (x) implementation of appropriate asset-level health, safety and environmental management policies, management plans and systems or have committed to implementing these within a reasonable timeline;
- (xi) adequacy of environmental rehabilitation provisions;
- (xii) accommodation and transportation of staff, where applicable;
- (xiii) whether policies are in place to protect their workers' health and safety and disclose or provide their track record at company level;
- (xiv) whether policies are in place regarding prevention of child labour or forced labour in their operations and associated activities;
- (xv) whether headquarters are in countries that are not under financial sanctions from the United Kingdom, the European Union, the United States of America or the United Nations;
- (xvi) opportunities for involvement of local communities, establishment of initiatives to benefit local communities as well as effective ongoing community stakeholder engagement;
- (xvii) level of disclosure and transparency towards all stakeholders;
- (xviii) disclosure at company level on their performance related to water use, waste generation, energy consumption, greenhouse gas emissions, and land reclamation strategy; and
- (xix) Environmental, social and governance (ESG) policies and performance track record, including review of ESG controversies.

For thermal coal mining transactions, SBG will consider the following, in addition to the above:

- effectiveness of mechanisms for tailings disposal, rock dumps, emissions and waste management; and
- rehabilitation, closure planning and financial provision requirements.

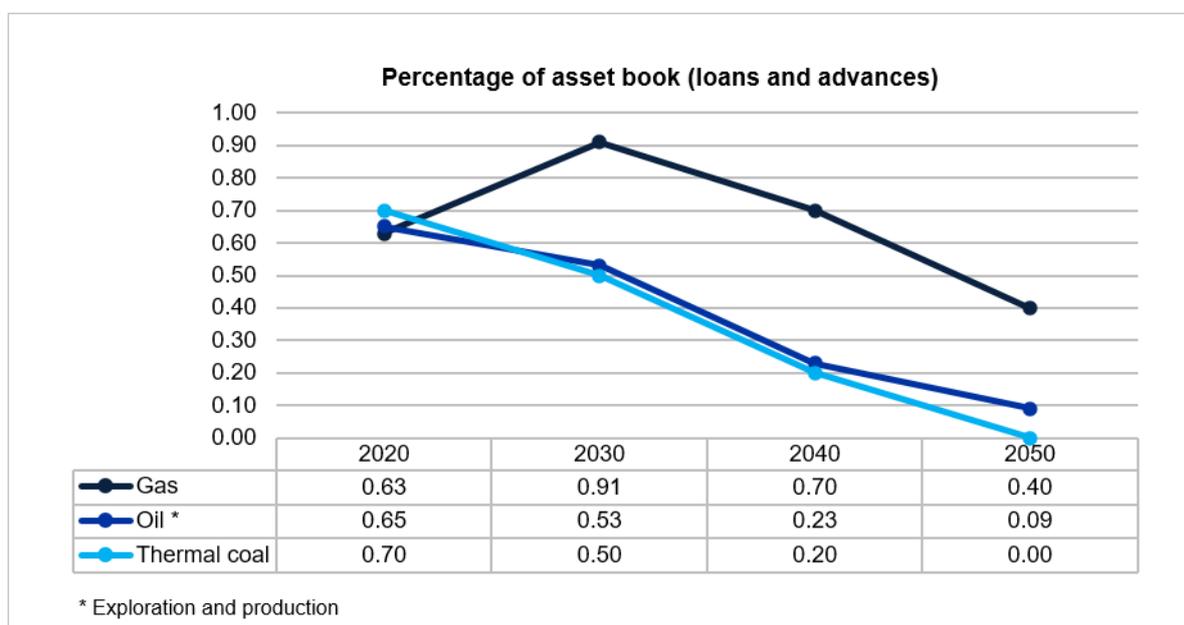
For gas and oil transactions, SBG will provide financial products and services to counterparties that:

- target zero-routine production flaring for new assets and have a time-bound plan to implement economically viable solutions to eliminate legacy flaring for existing assets;
- have implemented oil spill preparedness and response plans; and
- operate offshore service vessels or tankers compliant with International Maritime Organization requirements.

SBG’s geographies of activities limit any potential involvement outside of the African continent and therefore, SBG has not previously provided, and will not provide funding to activities in the Arctic Circle or the Amazon Basin. Further, SBG will not participate in any other projects that do not prioritise project-related mitigation activities to reduce adverse impacts on biodiversity.

#### 4.5.5 Non-renewable energy targets

The overall shape of the non-renewable energy targets towards 2050 are a percentage of the forecasted total loans and advances, and limits (shown below).



## 5 Monitoring, review, and reporting

- Progress on the achievement of climate targets and commitments will be monitored on an annual basis and will be disclosed in the group's annual reporting suite.
- Climate targets and commitments will be reviewed, at a minimum, on a three-year cycle from the date of adoption.
- The Climate Policy will be reviewed and revised where necessary every three years at a minimum.

- Transactions designated as high risk will be referred to the appropriate committees for enhanced due diligence and transaction screening in compliance with SBG's procedures.
- Post-finance monitoring will be required on an ongoing basis. Reporting of financing activities will be in accordance with regular internal requirements and external regulatory reporting as and when applicable.

## **6 Related standards and policies**

This policy should be interpreted and applied in conjunction with all other SBG, and applicable legal entity, standards, policies, procedures, and guidelines including:

- Standard Bank Group Environmental and Social Risk Governance Standard
- Standard Bank Group Environmental and Social Risk Policy
- Standard Bank Group Credit Risk Standard and Policy
- Standard Bank Group Reputation Risk Governance Standard
- [Standard Bank Group Statement on Human Rights](#)
- Standard Bank Group Risk Appetite Statement
- [Standard Bank Group Code of Ethics](#)
- Standard Bank Group Exceptions List