



DISCLOSURE OF ENVIRONMENTAL AND SOCIAL RISK GOVERNANCE STANDARDS

The Bank strives to ensure that all activities and projects will be in compliance with the environmental and social standards stated in the applicable laws on environment, health, safety and social issues.

The Bank's commitment to its goal and efforts to manage environmental and social risk across its operations is demonstrated in the Environmental and Social Risk Governance Standard and Policy (ESRGs) adopted by the Bank as approved by the Board.

Key Points in the Environmental and Social Strategies of the Bank:

- All activities undertaken by the Bank are consistent with its environmental and social standards and the requirements applicable in Malawi
- All projects for which lending is considered are reviewed against the applicable requirements and projects are financed only when they are expected to be designed, built, operated and maintained in a manner consistent with the applicable requirements
- Efforts are made to ensure that all projects financed by the Bank are operated in compliance with the applicable requirements on an ongoing basis
- Clients of the Bank understand strategies made by the Bank in this area

EXISTING CREDIT RISK MANAGEMENT PROCESS OF STANDARD BANK PLC

All applications that have been submitted by applicants undergoes a screening process using the Screening Tool embedded in the system the bank uses to originate and evaluate credit applications. The E&S screening includes elements of both client and transactional risk. Results of the screening are reported to Country Risk Management Committee (monthly) and Board Credit Committee (quarterly)

We also have Exclusions List (these activities are prohibited from financing in all Standard Bank Group operations) as guided by the bank's policy and we always make reference to this when processing the transactions.