

SECOND PARTY OPINION (SPO)

Sustainability Quality of Standard Bank and Sustainable Finance Framework

Standard Bank Group
15 May 2026

VERIFICATION PARAMETERS

Type(s) of instruments contemplated

- Green, Social, and Sustainability instruments¹
- Green Bond Principles (GBP), as administered by the International Capital Market Association (ICMA) (as of June 2025)
- Social Bond Principles (SBP), as administered by the International Capital Market Association (ICMA) (as of June 2025)

Relevant standards

- Sustainability Bond Guidance (SBG), as administered by the International Capital Market Association (ICMA) (as of June 2021)
- Green Loan Principles (GLP), as administered by the Loan Market Association (LMA) (as of March 2025)
- Social Loan Principles (SLP), as administered by the Loan Market Association (LMA) (as of March 2025)

¹ The assessment is limited to bonds, loans, and repurchase agreements.

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| Scope of verification | <ul style="list-style-type: none">▪ Standard Bank Sustainable Finance Framework (as of May 15, 2026)▪ Standard Bank eligibility criteria (as of May 15, 2026) |
| Lifecycle | <ul style="list-style-type: none">▪ Pre-issuance verification |
| Validity | <ul style="list-style-type: none">▪ Valid as long as the cited Framework ² remains unchanged |

² Amendments to the Sustainable Finance Product Framework section of the Framework (Section 3 of the Sustainable Finance Fundraising and Product Framework), will not impact the validity of the SPO which is in relation to the Sustainable Finance Framework (Section 2 of the Sustainable Finance Fundraising and Product Framework).

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SCOPE OF WORK

Standard Bank Group (“Standard Bank” or “the Financial Institution” or “the Group” or “the Issuer”) commissioned ISS-Corporate with its Sustainable Finance Framework by assessing three core elements to determine the sustainability quality of the instruments:

1. Standard Bank Group’s Sustainable Finance Framework (as of May 15, 2026), benchmarked against the International Capital Market Association's (ICMA) Green Bond Principles (GBP), Social Bond Principles (SBP), Sustainability Bond Guidance (SBG), Loan Market Association’s Green Loan Principles (GLP), and Social Loan Principles (SLP).
2. The eligibility criteria — whether the project categories contribute positively to the United Nations Sustainable Development Goals (U.N. SDGs) per ISS-Corporate’s proprietary methodology, and how they perform against ISS-Corporate’s proprietary issuance-specific key performance indicators (KPIs) (see Annex).
3. Overview of Standard Bank Group’s sustainability strategy, drawing on the key sustainability objectives and priorities defined by Standard Bank.

STANDARD BANK GROUP OVERVIEW

Standard Bank provides financial products and services in South Africa and internationally. Standard Bank operates in 21 countries in sub-Saharan Africa, and it operates through distinct business segments: Personal and Private Banking; Business and Commercial Banking; Corporate and Investment Banking; and Insurance and Asset Management.

Through these segments, Standard Bank provides deposit-taking, transactional banking, lending, and payment services to individuals, small and medium-sized enterprises, and large commercial clients. It offers business and commercial lending, asset and trade finance, merchant and payments services, and sector-specific financial solutions to support enterprises across multiple industries. Standard Bank's corporate and investment banking activities include advisory, financing, trading, and risk management services for corporates, financial institutions, governments, and institutional clients, with a focus on capital markets, structured finance, and cross-border services. In addition, Standard Bank provides insurance, investment, and asset management services, as well as fiduciary and trust-related activities, through dedicated subsidiaries.

Standard Bank was founded in 1862 and is headquartered in Johannesburg, South Africa.

ESG risks associated with Standard Bank's industry

Standard Bank is classified in the Commercial Banks and Capital Markets industry, as per ISS Sustainability's sector classification. Key sustainability issues faced by companies³ in this industry are: business ethics, labor standards and working conditions, sustainable investment criteria, customer and product responsibility, and sustainability impacts of lending and other financial services/products.

This report focuses on the sustainability credentials of the instruments executed under the Sustainable Finance Framework. Part III of this report assesses Standard Bank's overall sustainability strategy.

³ Please note that this is not a company-specific assessment but rather areas that are of particular relevance for companies within that industry.

ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ⁴
<p>Part I:</p> <p>Alignment with GBP, SBP, SBG, GLP, and SLP</p>	<p>Standard Bank has defined a formal concept for its Sustainable Finance Framework regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the GBP, SBP, SBG, GLP, and SLP.</p>	<p>Aligned</p>
<p>Part II:</p> <p>Sustainability quality of the eligibility criteria</p>	<p>The Green, Social, and Sustainable instruments will (re)finance the following eligible asset categories:</p> <p>Green categories: Renewable Energy, Nuclear Energy, Energy Efficiency, Pollution Prevention and Control, Environmentally sustainable management of living natural resources and land use, Terrestrial and aquatic biodiversity restoration, conservation and enhancement, Clean transportation, Green technologies, Sustainable water and wastewater management, Climate Change Resilience and Adaptation, Circular economy adapted products, production technologies, processes and business models, Green Buildings, Carbon Financing.</p> <p>Social categories: Affordable Basic Infrastructure, Access to Essential Services, Affordable, Social or Supported Housing, Employment Generation, and Programs Designed to Prevent and/or Alleviate Unemployment, Food Security and Sustainable Food Systems, Socioeconomic Advancement and Empowerment.</p> <p>Use of proceeds categories individually contribute to one or more of the following SDGs:</p>	



⁴ The evaluation is based on the Standard Bank's Sustainable Finance Framework (May 15, 2026 version), on the analysed eligibility criteria as received on May 15, 2026.

SPO SECTION	SUMMARY	EVALUATION ⁴
	<p>Some criteria of the following categories (Environmentally sustainable management of living natural resources and land use,⁵ Affordable Basic Infrastructure,⁶ and Socio economic advancement and empowerment⁷) are assessed as providing no clear environmental or social benefits according to our methodology (cf. part II of this report). However, as there are currently several national and international initiatives and the definition of green and social might vary depending on sector and geography, it is recognized that those categories might be considered as eligible green or social categories by investors, and as such this assessment does not impact overall alignment of the framework with the relevant principles.</p> <p>The environmental and social risks associated with the use of proceeds categories and the financial institution are outlined in part II.B.</p>	
<p>Part III:</p> <p>Standard Bank's sustainability strategy</p>	<p>Standard Bank has disclosed its ESG pillars and sets internal performance targets for those pillars. It does not have externally verified science-based targets. Progress on the sustainability strategy is being publicly reported.</p>	

⁵ Agricultural infrastructure, equipment, and technology; Feed that reduces livestock methane emissions by at least 20%.

⁶ Transportation and logistics: roads, ports, harbours, including associated bridges and tunnels.

⁷ 2x Challenge financing for women criteria in middle-high income countries.

SPO ASSESSMENT

PART I: ALIGNMENT WITH THE GBP, SBP, SBG, GLP, and SLP

This section evaluates the alignment of the Standard Bank’s Sustainable Finance Framework (as of May 15, 2026) with the GBP, SBP, SBG, GLP, and SLP.

GBP, SBP, GLP, SLP	ALIGNMENT	OPINION
1. Use of proceeds	✓	<p>The use of proceeds description provided by Standard Bank’s Sustainable Finance Framework is aligned with the GBP, SBP, SBG, GLP, and SLP.</p> <p>Standard Bank’s green and social categories align with the project categories as proposed by the GBP and SBG. Criteria are defined clearly and transparently. Disclosure of an allocation period and commitment to report by project category has been provided and environmental and social benefits are described.</p> <p>Standard Bank defines a look-back period of 24 months, in line with best market practice.</p>
2. Process for project evaluation and selection	✓	<p>The process for project evaluation and selection description provided by Standard Bank’s Sustainable Finance Framework is aligned with the GBP, SBP, SBG, GLP, and SLP.</p> <p>The project selection process is defined. ESG risks associated with the project categories are identified and managed appropriately. Moreover, the projects selected show alignment with Standard Bank’s sustainability strategy and clearly show the intended benefit to the relevant population. Standard Bank defines exclusion criteria for harmful project categories in its Sustainability Disclosure Report⁸.</p>
3. Management of proceeds	✓	<p>The management of proceeds provided by Standard Bank’s Sustainable Finance Framework is aligned with the GBP, SBP, SBG, GLP, and SLP.</p>

⁸ Latest version available at the time of the assessment: [Sustainability Disclosure Report 2025](#). Exclusion list available at page 32.

GBP, SBP, GLP, SLP	ALIGNMENT	OPINION
		<p>Standard Bank seeks to ensure that net proceeds collected will equal the amount allocated to eligible projects. The net proceeds are tracked appropriately. The net proceeds are managed on an aggregated basis for multiple green/social bonds (portfolio approach). Moreover, Standard Bank discloses the temporary investment instruments for unallocated proceeds and confirms that each loan tranche will be clearly labeled as green or social. For convertible bonds, the proceeds will be fully allocated until the conversion date of the bond.</p> <p>Standard Bank defines intended types of temporary placement for the balance of unallocated proceeds according to best market practices. Moreover, Standard Bank has defined an expected allocation period of 24 months.</p>
<p>4. Reporting</p>	<p>✓</p>	<p>The allocation and impact reporting provided by Standard Bank’s Sustainable Finance Framework is aligned with the GBP, SBP, SBG, GLP, and SLP.</p> <p>SBG commits to disclose the allocation of proceeds transparently and report with appropriate frequency. The reporting will be publicly available on Standard Bank’s website and for private transactions the reporting will be available to the institutions participating in the instrument. Standard Bank has disclosed the type of information that will be reported and explains that the level of expected reporting will be at the project category level. Moreover, Standard Bank commits to report annually until the proceeds have been fully allocated. Standard Bank has measures to ensure that there is no double counting of eligible projects and/or their impact between securitization instruments with any other type of outstanding sustainable financing. For convertible bonds, Standard Bank commits to reporting until the conversion date of the bond.</p> <p>Standard Bank is transparent on the level and frequency of impact reporting, in line with best</p>

GBP, SBP, GLP, SLP	ALIGNMENT	OPINION
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market practice. Standard Bank discloses the location and link of the reports and commits to get the allocation report audited by an external party, in line with best market practices.

PART II: SUSTAINABILITY QUALITY OF THE ELIGIBILITY CRITERIA

A. CONTRIBUTION OF THE SUSTANABLE FINANCE INSTRUMENTS TO THE U.N. SDGs⁹

Standard Bank can contribute to the achievement of the SDGs by providing specific services/products that help address global sustainability challenges, and by being a responsible actor, working to minimize negative externalities in its operations along the entire value chain. This section assesses the SDG impact of the use of proceeds (UoP) categories financed by Standard Bank.

The assessment of UoP categories for (re)financing products and services is based on a variety of internal and external sources, such as ISS Sustainability's SDG Solutions Assessment, a proprietary methodology designed to assess the impact of an Issuer's products or services on the U.N. SDGs, as well as other ESG benchmarks (the EU taxonomy Climate Delegated Act, the Green/Social Bond Principles and other regional taxonomies, standards and sustainability criteria).






The assessment of UoP categories for (re)financing specific products and services is displayed on a three-point scale:



Each of the Sustainable Finance Instrument use of proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

⁹ The impact of the UoP categories on U.N. SDGs is assessed with proprietary methodology and may therefore differ from SBG's description in the Framework.

Green Categories

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Nuclear Energy¹¹</p> <p><i>Acquisition, construction, generation, upgrade or maintenance of nuclear energy / nuclear energy power plants and associated infrastructure. All nuclear energy activities must –</i></p> <ul style="list-style-type: none"> Adhere to international safety standards through demonstration of nuclear safety Apply latest / best-in-class technology as approved by the relevant regional and sector based national safety regulator Ensure the safe disposal and long-term storage of nuclear waste through submission of a long-term waste management solution 	<p style="text-align: center;">Contribution</p> <p style="text-align: center;">Obstruction¹²</p>	  
<p>Renewable Energy</p> <p><i>Acquisition, construction, generation construction, generation or maintenance of renewable power and associated infrastructure for:</i></p> <ul style="list-style-type: none"> Wind Solar photovoltaic (PV)¹³ or concentrated solar power (CSP), including solar-powered appliances and equipment such as solar geysers, solar lighting, etc. Ocean power Small scale hydropower (<25 MWh; run-of-river hydropower with low storage 	<p style="text-align: center;">Contribution</p>	 

¹⁰ The review is limited to the examples of projects spelled out in the Framework.

¹¹ The financing of nuclear activities require the following at a country level: Effective governance of nuclear power generation, including a formal governing body and regulations that address site selection, operational safety, radioactive waste management and decommissioning, as well as effective monitoring and enforcement of such regulations; Concrete actions toward solutions for the secure, long-term storage of high-level radioactive waste; No evidence of unsafe operation of nuclear power reactors and / or management of radioactive waste from nuclear power facilities within the last ten years. Except if there is robust evidence that the causes of unsafe operations have been adequately investigated and addressed.

¹² The category is considered eligible since it is assessed as contributing to SDG 13. However, ISS-Corporate methodology highlights the existence of negative externalities associated with nuclear energy. The obstruction reflects uncertainties regarding the negative externalities of nuclear on water and biodiversity, in addition to its dependence on uranium which is a non-renewable resource of which mining is linked to many salient risks from an environmental and social perspective. Alignment with the Principles is not affected.

¹³ Solar PV includes residential (e.g. rooftop solar), commercial (commercial rooftop /microgrid) and utility-scale (generation projects above 1MW) projects.

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>capacity)</p> <ul style="list-style-type: none"> ▪ Geothermal power projects: emit ≤ 100 gCO_{2e}/kWh ▪ Biofuel¹⁴ power generation from waste materials¹⁵ or certified sustainable crops¹⁶ ▪ Production of biofuel¹⁷, including anaerobic biodigesters that produce biogas ▪ Manufacturing, development, import or acquisition of components of renewable energy technologies that support the above sub-themes. Examples include wind turbines, solar panels, solar lighting, solar-powered equipment) ▪ Corporate finance to renewable energy aggregators and traders¹⁸ ▪ Modernization¹⁹ that aims at retrofitting transmission lines or substations to reduce energy use and/or technical losses by 15% and to avoid electricity cuts ▪ Distribution assets that aim to improve existing systems to facilitate the integration of renewable energy sources into the grid including underground cables, microgrids, and HVDC power transmission. <p>Renewable Energy</p> <p>Acquisition, construction, generation construction, generation or maintenance of renewable power and associated infrastructure for:</p> <ul style="list-style-type: none"> ▪ Solar thermal 	<p>Contribution</p>	

¹⁴ Biomass and biofuel include solid, liquid and gaseous sources.




¹⁵ Waste materials include but are not limited to agricultural residues (e.g. bagasse, corn stover, oats, barley straw, crop stalks, leaves, roots, fruit peels, seeds, nut shells, etc.), food waste which does not compete with food/feed. Waste materials include but are not limited to wood products. Eligible certifications for wood and waste wood are limited to FSC and PEFC.

¹⁶ The assessment is limited to second generation biofuels including waste-based biomass. First generation crops will be utilised where the food security impact assessment indicates such production does not compete with food or feed production.

¹⁷ Issuer confirms that biofuel production will rely on agricultural and organic waste streams such as manure, crop residues, and food waste (which does not compete with food/feed), classified as second-generation biofuels.

¹⁸ Aggregators and traders are companies that purchase renewable energy from power producers and on-sell to various offtakers.

¹⁹ A pro-rata approach that corresponds with the renewable energy mix of the existing grid will apply where the associated grid has <90% renewable energy mix.

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> ▪ <i>Biofuel²⁰ power generation from waste materials²¹</i> ▪ <i>Energy storage systems that increase renewable energy storage capacity and efficiencies including batteries</i> <p>Renewable Energy</p> <p><i>Acquisition, construction, generation construction, generation or maintenance of renewable power and associated infrastructure for:</i></p> <ul style="list-style-type: none"> ▪ <i>Hydropower²² with:</i> <ul style="list-style-type: none"> • <i>Life cycle carbon intensity of below 100gCO₂e/kWh; Or</i> • <i>Power density above 10W/m²</i> 	<p style="text-align: center;">Contribution</p> <p style="text-align: center;">Obstruction²³</p>	 
<p>Energy Efficiency</p> <ul style="list-style-type: none"> ▪ <i>Development, manufacture and / or installation of components or technologies to enable energy efficiencies e.g., e.g. peak demand management technology such as variable speed drives, heat pumps, capacitors and energy efficient appliances^{24,25}</i> ▪ <i>Clean cooking alternatives, including manufacture and/or distribution of energy</i> 	<p style="text-align: center;">Contribution</p>	

²⁰ Biomass and biofuel include solid, liquid and gaseous sources.




²¹ Waste materials include but are not limited to solid municipal organic waste, such as paper, cardboard, grass clippings where the majority of recyclables has been segregated. Biomass associated with municipal waste must meet CBI Waste Management Criteria mitigation requirements (https://www.climatebonds.net/files/documents/Waste_Management_Criteria_August-2022.pdf).

²² The assessment is limited to hydropower projects larger than 1000 MW capacity. Standard Bank will only consider hydropower projects above 1000MW as being eligible under this Framework that are compliant with the IFC Performance Standards as assessed by a competent independent party. The 'Energy generation based on hydropower (>1,000MW)' category is assessed according to ISS's methodology applying to any Energy generation based on hydropower (>1,000MW) projects to date. This is due to the fact that terrestrial ecosystems convert and store significant amounts of carbon. It is thus likely to assume that the detrimental impact on an ecosystem caused by (very) large scale hydropower plant triggers additional GHG emissions, not just by decomposition in water reservoirs, but also – as an example – due to soil erosion, changes in the natural water balance and nutrient availability. Additionally, all these affect plants growth in areas much larger than the reservoir itself.

²³ The category is considered eligible since it is assessed as contributing to SDG 7 and SDG 13. However, ISS-Corporate methodology highlights the existence of negative externalities associated with large scale hydropower. Alignment with the Principles is not affected.

²⁴ Standard bank has SF due diligence process in place which ensures that the appliances will follow the highest two levels threshold of energy efficiency at each location.

²⁵ Limitations: Development, manufacture and / or installation of components or technologies must achieve at least a 10% improvement in energy efficiency.

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>efficient cookstoves</i>²⁶</p> <ul style="list-style-type: none"> Upgrades and improvements to industrial and manufacturing processes that are proven to increase energy efficiency of industrial processes by a minimum 20% such as waste heat recovery systems, replacement of burners with high efficiency burners, improving insulation, compressed air system optimisation, etc. Replacement of heating / cooling systems in existing agricultural, industrial, commercial, or residential infrastructure with electric powered systems with a minimum 20% lower GHG emissions. 	<p>Contribution</p>	
<p>Energy Efficiency</p> <ul style="list-style-type: none"> Development, manufacture and / or installation of components or technologies to enable energy efficiencies e.g. smart meters. 		
<p>Pollution Prevention and Control</p> <p>Acquisition or development of projects that reduce air emissions e.g., catalytic converters, diesel particulate filters; emission control technologies, industrial air filtration systems, flue gas treatment technology, industrial catalysts and air-emission cleaning technology²⁷</p>		
<p>Pollution Prevention and Control</p> <p>Acquisition or development of projects that:</p> <ul style="list-style-type: none"> Research and development ("R&D") focused on renewable and resource-efficient/low-carbon products (including packaging), processes, and technologies²⁸ 	<p>Contribution</p>	

²⁶ Energy efficiency improvements will be verified by an accredited third-party carbon verification body under acceptable carbon standards listed under Carbon Financing in this framework. Limitation: clean cooking alternatives must achieve at least a 10% improvement in energy efficiency.

²⁷ Reduction in air emissions must be at least 10% more than compliance requirements.

²⁸ R&D for resource-efficient products, processes and technologies must be limited to those using bio-based materials, such as biopolymers or bioplastics and where there is an estimated 20% GHG emissions reduction outcome.



USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> The procurement of recycled/waste/resource-efficient materials as an input material, including the use of recycled or reused plastics in areas connected to rivers or coastal water basins²⁹ 		
<p>Pollution Prevention and Control</p> <ul style="list-style-type: none"> Acquisition or development of projects that: <ul style="list-style-type: none"> Waste to-energy recovery for biogenic waste and sludge Capture methane gas³⁰ Anaerobic biodigestors 	<p>Contribution</p>	
<p>Pollution Prevention and Control</p> <p>Acquisition or development of projects that:</p> <ul style="list-style-type: none"> Prevent waste generation and facilitate recycling (waste reduction) Storage and bulking facilities dedicated to transfer waste to downstream waste reduction assets such as paper, cardboard, pallets, glass, beverage canes, waste biomass products made from sustainable raw materials to replace existing harmful products or alternative low carbon and biodegradable fibres substituting fossil fuel-derived fibres (e.g., Lyocell fabric replacing polyester)³¹ biodegradable plant-based plastics and packaging, or compostable plastics and packaging in locations where compostable facilities are accessible³² 	<p>Contribution</p>	
<p>Pollution Prevention and Control</p> <ul style="list-style-type: none"> Acquisition or development of projects that: <ul style="list-style-type: none"> Products made from sustainable raw materials to replace existing harmful products or reduce nitrogen or 	<p>Contribution</p>	

²⁹ Procurement of recycled, input materials will endeavor to achieve 30% reduction in GHG emissions.

³⁰ Limitation: Capture of methane gas investments are limited to projects that are based on decommissioned or non-operational landfill facilities and have a gas capture efficiency of more than 75%.

³¹ Biomaterials must be non-food based and must be sustainably sourced and certified by FSC or RSB.

³² Limitation: Biomaterials must be non-food based and must be sustainably sourced and certified by FSC or RSB.

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>phosphorous loads products such as microbial fertilisers³³</i></p> <p>Environmentally sustainable management of living natural resources and land use³⁴³⁵³⁶</p> <ul style="list-style-type: none"> ▪ <i>Projects and equipment that contribute to environmentally sustainable agriculture through: <ul style="list-style-type: none"> • <i>Climate Smart Agricultural Practices: Adoption of land use management practices, regenerative, conservation or precision farming practices including cover cropping, reduced or no till farming, crop diversification, integrated pest management, and use of climate and pest resilient crop varieties that enhance resource efficiency, carbon sequestration and resilience.</i> </i> 	<p>Contribution</p>	
<p>Environmentally sustainable management of living natural resources and land use</p> <ul style="list-style-type: none"> ▪ <i>Projects and equipment that contribute to environmentally sustainable agriculture through:</i> 	<p>Contribution</p>	



³³ The assessment is limited to the example stated in this eligibility criteria.

³⁴ Including environmentally sustainable agriculture; environmentally sustainable animal husbandry; climate smart farm inputs such as biological crop protection or drip-irrigation; environmentally sustainable fishery and aquaculture; environmentally sustainable forestry, including afforestation or reforestation; preservation or restoration of natural landscapes; and eco-tourism.

³⁵ The following exclusions apply for all activities under the environmentally sustainable management of living natural resources and land use category of SBG's Framework: Agricultural practices, resulting in depletion of natural resources, reduction of the land's long-term productivity and resilience; monocropping; over-irrigation; deforestation; overgrazing; soil degradation; excessive tillage; poor waste management; pesticides and synthetic fertilizers; high density animal or livestock farming or management practices without environmental safeguards; genetically modified organisms; areas with High Conservation Value (HCV) or HCV Forests (HCVF) that are converted into new plantations; areas on UNESCO World Heritage Sites, wetlands on the Ramsar list; bottom trawling and operations with high by-catch rates.

³⁶ The following limitations apply for all activities under the environmentally sustainable management of living natural resources and land use category of SBG's Framework: Climate smart agricultural practices (including equipment and infrastructure) must deliver an independently verified 20% improvement in GHG emissions; livestock management must maintain stocking rates within the ecological carrying capacity of the land, and adhere to adequate standards w.r.t. animal welfare, space requirements, veterinary care, and ventilation. Transparency through third-party certifications (e.g. Global G.A.P) are encouraged.; ASC products must be certified with Chain of Custody to ensure traceability.



USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> <i>Agriculture infrastructure, equipment and technology: Energy efficient equipment and infrastructure supporting climate smart production systems, including shade netting and wind shields.</i> <i>Certified Sustainable Production and Forestry: Agricultural products, operations and projects certified under recognised sustainability standards, including Rainforest Alliance, USDA Organic, Better Cotton Initiative (BCI), IFOAM'S Organic Certifiers' Directory, GlobalG.A.P, Forest Stewardship Council (FSC) or Program for the Endorsement of Forest Certification (PEFC).</i> 		
<p>Environmentally sustainable management of living natural resources and land use</p> <ul style="list-style-type: none"> <i>Projects and equipment that contribute to environmentally sustainable agriculture through:</i> <ul style="list-style-type: none"> <i>Agricultural Infrastructure, Equipment and Technology: Energy efficient equipment and infrastructure supporting climate smart production systems, including precision agriculture tools, data and geographic information systems and digital technologies (e.g. drones), as well as equipment supporting reduced tillage, soil recovery, improved carbon pools, productive use of agricultural residues/fodder conservation, and</i> 	No Net Impact	

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>planted pastures integrated into crop rotations.³⁷</i></p> <p><i>Livestock: Feed that reduces livestock methane emissions by at least 20%.³⁸</i></p>		
<p>Environmentally sustainable management of living natural resources and land use</p> <ul style="list-style-type: none"> ▪ <i>Projects and equipment that contribute to environmentally sustainable agriculture through:</i> <ul style="list-style-type: none"> • <i>Sustainable fishing and aquaculture: Products and operations certified by the Marine Stewardship Council (MSC) or Aquaculture Stewardship Council (ASC), including the trade or retail of seafood products.</i> • <i>Products and operations certified by the Global Seafood Alliance Best Aquaculture Practice, GlobalG.A.P Aquaculture Standard, Friends of the Sea, or Naturland Organic Aquaculture.</i> 	<p>Contribution</p>	
<p>Environmentally sustainable management of living natural resources and land use³⁹</p> <ul style="list-style-type: none"> ▪ <i>Ecotourism ventures, visitor centres, certificates and programmes showcasing the environment, biodiversity, and</i> 	<p>Contribution</p>	

³⁷ Assessed as No Net Impact (NNI) under the ISS Corporate methodology, as agricultural equipment represents enabling infrastructure that can support both BAU and improved practices (not green enabling on a standalone basis). However, taking into account the depth and quality of information provided on the local context, implementation challenges of sustainable farming, as well as selected limitations and exclusion criteria, the alignment with the Principles is not affected.

³⁸ Additives must hold valid safety accreditation, be applied under monitored dosage protocols, and achieve ≥20% verified emissions reduction via third-party audit. Livestock activities are assessed as No Net Impact under the ISS Corporate methodology. However, taking into account the depth and quality of information provided on the local context, implementation challenges of sustainable farming, as well as selected limitations and exclusion criteria, the alignment with the Principles is not affected.

³⁹ The following limitations apply for all ecotourism activities under the environmentally sustainable management of living natural resources and land use category of SBG’s Framework: Acceptable certifications include all GSTC accredited or GSTC recognized certification as well as the following African certifications: Green Globe Standards for Sustainable Tourism; Green Key; Travelife (certified level only); Ecotourism Kenya Eco-rating Certification Scheme.

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>disseminating research and knowledge about terrestrial and aquatic ecosystems.</i></p> <p>Terrestrial and aquatic biodiversity conservation⁴⁰⁴¹⁴²</p> <ul style="list-style-type: none"> Projects involved in conservation through the preservation and/or restoration of biodiversity and valuable natural habitats, including no-take fishing zones, wetlands, coral reefs, mangroves, seagrass meadows, tidal marshes, wildlife, removal of invasive species, etc., and including new restoration techniques such as artificial reef restoration structures as well as natural hydrological and sediment flows and ongoing monitoring and surveillance. 	<p>Contribution</p>	
<p>Clean Transportation⁴³⁴⁴⁴⁵</p> <ul style="list-style-type: none"> Transportation projects or initiatives that meet the following thresholds individually or at a portfolio level, including enabling infrastructure.⁴⁶ 	<p>Contribution</p>	

⁴⁰ Including for coastal, marine and watershed environments as well as urban ecosystems.

⁴¹ The following exclusion applies for all activities under the terrestrial and aquatic biodiversity conservation category of SBG's Framework: Uncertified reforestation with non-indigenous or invasive species.

⁴² The following limitations apply for all activities under the terrestrial and aquatic biodiversity conservation category of SBG's Framework: Eligible projects must demonstrate measurable positive impacts on ecosystem health (e.g. improved water quality, habitat restoration, biodiversity enhancement, climate resilience; etc.) and ensure compliance with national, regional or international environmental and social safeguards materially aligned with the IFC Performance Standards; Beneficiary of proceeds did not cause the prior degradation of the project area being addressed.

⁴³ Such as electric, hybrid, public, rail, non-motorized, multi-modal transportation, infrastructure for clean energy vehicles and reduction of harmful emissions).

⁴⁴ The following exclusion apply for all activities under the clean transportation category of SBG's Framework: Freight trucks dedicated to the transportation of fossil fuels or fossil fuel blended with alternative fuels; Ships that run on conventional heavy fuel oil (HFO) or bunker fuel, low-sulphur heavy fuel oil (LSHFO), or marine diesel oil (MDO); Financing of stand-alone vehicle parking facilities; Financing of vehicle ancillary parts such as vehicle frames and seats; Fossil fuel-based transport infrastructure.




⁴⁵ The following limitations apply for all activities under the clean transportation category of SBG's Framework: Vessels, including passenger and cargo vessels, whether new build or retrofit, must achieve at least a 30% improvement against the EEDI baseline. Fossil fuels may not account for more than 50% of rail freight (by t-km); Cargo ships with oil tankers or vessels may not transport more than 50% (by mass) fossil fuels; Note: ICT systems that remove barriers to modal shift to public transit, and/or incentivizes the use of low-carbon vehicles and car-sharing schemes will be prioritized; Authorized recycling facilities as per the International Maritime Organization and compliance with the Hong Kong Convention is required for vessel recycling; Oil spill – beneficiary of proceeds did not cause the prior degradation of the project area being addressed.

⁴⁶ Enabling infrastructure includes renewable electric charging points, storage and bunkering facilities for low emission fuels, etc., which is intended to contribute to climate mitigation.

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> • <i>Freight trucks (maximum 25gCO₂ per tonne-km) which have electric, hybrid, or hydrogen propulsion systems.</i> • <i>Busses and passenger rail (maximum 25gCO₂ per tonne-km) which have electric, hybrid, or hydrogen propulsion systems.</i> • <i>Fully electric, biofuel, wind or hydrogen-powered passenger/cargo ships.</i> ▪ <i>Import, manufacture, development, acquisition, or construction of:</i> <ul style="list-style-type: none"> • <i>Electric vehicles (EVs) including e-bikes.</i> • <i>Passanger and light commercial hybrid vehicles.</i> • <i>Charging stations or supporting infrastructure for EVs and hybrid vehicles.</i> ▪ <i>Transport infrastructure projects, in particular, the manufacturing, development, or purchase of specialised parts such as EV batteries, charging infrastructure or ICT systems such as microcontrollers and wireless communication infrastructure that aim to improve the general transport logistics to increase energy efficiency by at least 15%⁴⁷ per unit of service (e.g., BTU/ passenger-km; gCO₂e/km), as well as alternative routing practices to protect sensitive biodiversity including protecting life under water.</i> 	<p>Contribution</p>	
<p>Clean Transportation</p> <ul style="list-style-type: none"> ▪ <i>Shipping projects related to:</i> <ul style="list-style-type: none"> • <i>Retrofit of existing ships involving fuel switching to low-carbon fuels.⁴⁸</i> 		


⁴⁷ Methodology for assessing energy efficiency will consider baseline, pre and post project emissions or on a product specific basis.

⁴⁸ All financed infrastructure will be for ships that meet the eligibility criteria in this Framework.

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Clean Transportation</p> <ul style="list-style-type: none"> ▪ <i>Shipping infrastructure projects (including equipment) aimed at avoiding or reducing pollution of the marine environment which are:</i> <ul style="list-style-type: none"> • <i>Ballast water treatment to comply with the International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM Convention) to avoid the spread of alien invasive species.</i> • <i>Non-chemical treatment for wastewater generated from ports and vessels, such as biological treatment, physical separation, UV disinfection.</i> • <i>Bilge water treatment.</i> • <i>Noise pollution measurement and reduction technology.</i> • <i>Oil spill prevention, risks safeguard and recovery.</i> 	<p>Contribution</p>	
<p>Clean Transportation</p> <ul style="list-style-type: none"> ▪ <i>Shipping infrastructure projects (including equipment) aimed at avoiding or reducing pollution of the marine environment which are:</i> <ul style="list-style-type: none"> • <i>Vessel recycling.</i> 	<p>Contribution</p>	
<p>Green Technologies⁴⁹⁵⁰</p> <ul style="list-style-type: none"> ▪ <i>Production of green hydrogen and associated green ammonia production and transportation.</i> 	<p>Contribution</p>	

⁴⁹ Such as energy storage systems, carbon capture and green H2.

⁵⁰ The following limitations apply to green hydrogen and green ammonia under the green technologies category of SBG's Framework: For green hydrogen and associated green ammonia production and transportation: Production must be limited to electrolysis powered by renewables that meet the eligibility criteria in this Framework; Green ammonia must be limited to that which will be re-converted to hydrogen for use as a fuel source; Transportation by ship must meet the clean transport criteria for shipping under this Framework.

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Green Technologies⁵¹⁵²</p> <ul style="list-style-type: none"> ▪ <i>Carbon Capture, Utilisation and Storage (CCUS), and carbon removal technologies, including associated infrastructure investments for CO2 transportation and storage.</i> 	<p>Contribution</p>	
<p>Sustainable Water and Wastewater Management⁵³⁵⁴⁵⁵</p> <ul style="list-style-type: none"> ▪ <i>Activities that Improve Water Quality and/or Water-Use Efficiency:</i> <ul style="list-style-type: none"> • <i>Infrastructure for clean and/or potable water, including (new or repairing existing) pipelines, desalination plants and water treatment facilities; and projects that improve water quality or reliability of supply, including water extraction activities such as boreholes.</i> • <i>Infrastructure for sanitation and wastewater, including (new or repairing existing) pipelines and wastewater treatment facilities, grey water management systems.</i> • <i>Water efficiency projects,⁵⁶ including, water recycling, rainwater harvesting, and improvements of wastewater</i> 		<p>Contribution</p>

⁵¹ The following exclusion applies to carbon related activities under the green technologies category of SBG’s Framework: CCUS for companies engaged in primary fossil fuels sector activities.

⁵² The following limitations apply to carbon related activities under the green technologies category of SBG’s Framework: CCUS must facilitate long term/permanent storage; Projects must include enhanced CO2 leakage detection systems; and projects should adequately measure the net positive GHG emissions impact; For BECCS, the eligibility criteria in SBG’s SFF in terms of emissions thresholds and sustainable sourcing of biomass and biogas must be met.

⁵³ Including sustainable infrastructure for clean and/or drinking water, smart irrigation and wastewater treatment.

⁵⁴ The following exclusions apply to all activities under the sustainable water and wastewater category of SBG’s Framework: Wastewater from primary fossil-fuel operations; Hydropower generation.

⁵⁵ The following limitations apply to all activities under the sustainable water and wastewater category of SBG’s Framework: Desalination projects must: Have an environmental risk mitigation strategy that addresses the management of brine; and be primarily powered by renewables or low-carbon sources (with an average carbon intensity at or below 100g CO2e/kWh); Water extraction activities, including borehole drilling, must obtain a Water Use License in South Africa—or equivalent licensing from public authorities in other jurisdictions where sustainable water usage is evaluated as part of the approval process; Dams must comply with local environmental and social legislation including dam safety requirements. Large dams must undergo environmental and social impact assessment; Water efficiency must result in at least 10% reduction in water consumption per unit of production; Water efficiency for agricultural water management practices must result in at least 15% reduction in water consumption per unit production.

⁵⁶ Technologies and projects to reduce water consumption in water stressed locations and leisure facilities are included.

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Climate Change Resilience and Adaptation⁵⁹⁶⁰</p> <ul style="list-style-type: none"> ▪ <i>Infrastructure and activities that address physical climate risk and increase the resilience of eco-systems and agricultural systems, e.g., expansion or maintenance of flood defence systems, wildfire mitigation and management, and biodiversity protection.</i> ▪ <i>Monitoring technologies including climate observation and information support systems.</i> ▪ <i>Urban ecosystems, including green roofs and walls, permeable surfaces for flood risk management, urban parks and forests, improved urban storm water management.</i> ▪ <i>Nature-based projects that improve reliability of water supply during extended periods of droughts, in particular, protection from heat stress, reservoirs, etc</i> ▪ <i>Projects or activities that increase the resilience of agribusinesses against climate risks, such as:</i> <ul style="list-style-type: none"> • <i>Advanced climate monitoring systems: Integrated platforms for real-time climate observation, greenhouse gas (GHG) emissions tracking, and early warning systems including probes, sensors, telemetry, imaging, soil-testing, precision mapping and remote sensing.</i> • <i>Information support systems and tools that provide timely, actionable data to agribusinesses, enabling them to anticipate and adapt to climate-</i> 	<p>Contribution</p>	

⁵⁹ SBG will assess projects under climate change adaptation with a case-by-case approach to identify whether climate related risks and vulnerabilities have been investigated for the project, to define the contribution of the proposed investment on climate risks and to evaluate the alignment of the project with local, regional, national strategies and climate adaptation plans.

⁶⁰ Exclusion: High density animal or livestock farming or management practices without environmental safeguards. Limitation: 1) Agricultural operations will be sustainability certified by Rainforest Alliance, Better Cotton Initiative, USDA Organic etc 2). Projects will be assessed to ensure climate related risks and vulnerabilities have been adequately considered, and to consider alignment with local, regional or national adaptation plans where relevant.

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>related events.</i></p> <ul style="list-style-type: none"> • <i>Climate resilient livestock infrastructure (e.g. temperature regulation technologies, cooling sheds, emergency shelters.)</i> • <i>Crop insurance, climate change adaptation insurance (in line with technical screening criteria in the EU taxonomy for these activities)⁶¹</i> <p>Circular economy adapted products, production technologies, processes and business models⁶²</p> <ul style="list-style-type: none"> ▪ <i>Collection, sorting, cleaning, of products for re-use and recycling⁶³</i> ▪ <i>Recycling products for re-use (including mechanical and chemical processes)</i> ▪ <i>Acquisition of or production of resource-efficient products⁶⁴ (including packaging) using recycled waste and/or bio-based materials.⁶⁵ The projects should have reasonable basis / evidence to support substantial reduction of lifecycle emissions (relative to comparable fossil product)</i> ▪ <i>Compositing activities</i> ▪ <i>Waste reduction activities including collection and sorting of recyclable, reusable materials, storage and bulking facilities dedicated to transfer waste to downstream waste reduction and repurposed or reuse assets</i> ▪ <i>Manufacturing of biodegradable packaging materials</i> 	<p>Contribution</p>	

⁶¹ The assessment is on the basis that Standard Bank Group considers this activity only when aligned with the Technical Screening Criteria (with respective footnotes) of the EU Taxonomy Activity 10 “Financial and insurance activities”, Annex II.

⁶² Ibid.

⁶³ Limitation: Projects must be able to demonstrate re-use through traceability or reporting.





⁶⁴ Limitation: For production of aluminium-based consumer/end product (such as beverage cans): projects are eligible if (i) >90% of inputs are scrap/recycled aluminium or (ii) 75-90% of input is scrap/recycled aluminium and the remaining (primary) aluminium will align with the technical criteria in the EU Taxonomy (activity 3.8).

⁶⁵ Exclusion: Primary food-based biomass.

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Green buildings</p> <p><i>Development, acquisition, retrofit and/or refurbishment of existing or new residential or commercial (including public sector) buildings achieving acceptable certifications and ratings.</i></p> <p><i>Acceptable certifications are limited to:</i></p> <ul style="list-style-type: none"> ▪ <i>Leadership in Energy and Environment Design ('LEED') "Gold" certification,</i> ▪ <i>Green Star 4 category or above,</i> ▪ <i>BREEAM "Excellent" or above,</i> ▪ <i>EDGE certified by the International Finance Corporation's ("IFC") EDGE partner or above</i> 	<p>Contribution</p>	
<p>Green buildings</p> <p><i>Development, acquisition, retrofit and/or refurbishment of existing or new residential or commercial (including public sector) buildings achieving acceptable certifications and ratings.</i></p> <p><i>Acceptable certifications are limited to:</i></p> <ul style="list-style-type: none"> ▪ <i>Climate Bonds Initiative</i> 	<p>Contribution</p>	
<p>Green buildings</p> <p><i>Development, acquisition, retrofit and/or refurbishment of existing or new residential or commercial (including public sector) buildings achieving acceptable certifications and ratings.</i></p> <ul style="list-style-type: none"> ▪ <i>Minimum 20% reduction in energy use⁶⁶ and /or carbon emissions compared to the building's own pre-renovation levels or relative to an established industry benchmark⁶⁷ for comparable building types</i> <p><i>Acceptable certifications are limited to:</i></p> <ul style="list-style-type: none"> ▪ <i>Energy Performance Certificate achieving a minimum 20% energy efficiency and or carbon emissions improvement relative to an established industry benchmark would be relevant national or local building</i> 	<p>Contribution</p>	


⁶⁶ Energy efficiency may either be based on metered data or on calculated values based on verified energy interventions.

⁶⁷ Industry benchmarks would be relevant national or local building standards or codes such as ASHRAE 90.1-2010 and SANS 10400-XA.

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>standards or codes such as ASHRAE 90.1-2010 and SANS 10400-XA.</i></p> <ul style="list-style-type: none"> ▪ <i>Energy Star score of 85 and above.</i> ▪ <i>EWP Level 6 or above rating</i> <p>Green buildings</p> <p><i>Development, acquisition, retrofit and/or refurbishment of existing or new residential or commercial (including public sector) buildings achieving acceptable certifications and ratings.</i></p> <p><i>Acceptable certifications are limited to:</i></p> <ul style="list-style-type: none"> ▪ <i>WELL Building Standard</i> <p>Green Buildings: Data centers</p> <p><i>Design, construction and operation of green data centres:</i></p> <ul style="list-style-type: none"> ▪ <i>Existing data centres must have a PUE below 1.5 (and below 1.3 from 2030)</i> ▪ <i>New data centres must have a PUE below 1.3</i> <p><i>For data centres water use considerations will be addressed in the due diligence and monitored.</i></p>	<p>Contribution</p> <p>Contribution</p> <p>Contribution</p>	<div style="background-color: #d9d9d9; height: 80px; margin-bottom: 20px;"></div> <div style="text-align: center;">  </div> <div style="text-align: center; margin-top: 100px;">  </div> <div style="text-align: center; margin-top: 100px;">  </div>
<p>Carbon financing</p> <p><i>Financing the scaling of the voluntary carbon credits market through projects that are otherwise eligible within this Framework, and are certified under at least one of the following standards:</i></p> <ul style="list-style-type: none"> ▪ <i>American Carbon Registry</i> ▪ <i>Clean Development Mechanism (CDM)</i> ▪ <i>Climate Action Reserve</i> ▪ <i>The Gold Standard</i> ▪ <i>Verified Carbon Standard (VCS)</i> ▪ <i>Plan Vivo</i> ▪ <i>Puro.earth</i> ▪ <i>Standards eligible under the Regulations under Section 19 of the South African Carbon Tax Act</i> ▪ <i>Standards for mitigation outcomes that are agreed by parties to cooperative</i> 	<p>Contribution</p>	<div style="text-align: center;">  </div>

USE OF PROCEEDS ¹⁰	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>approaches under Article 6 paragraph 2 of the Paris Agreement; and</i></p> <ul style="list-style-type: none"> ▪ <i>Sustainable Development Mechanism under Article 6 paragraph 4 of the Paris Agreement⁶⁸</i> 		


Social Categories

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶⁹	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Affordable Basic Infrastructure</p> <p><i>Financing the development, acquisition, maintenance, installation, material upgrades and/or improvement of the following infrastructure in countries included in the OECD DAC list, with the goal to improve connectivity or result in material improvements in areas where current infrastructure is considered inadequate and hinders a community's development.</i></p> <ul style="list-style-type: none"> ▪ <i>Transportation and logistics: rail</i> 	<p>Contribution</p>	
<p>Affordable Basic Infrastructure</p> <p><i>Financing the development, acquisition, maintenance, installation, material upgrades and/or improvement of the following infrastructure in countries included in the OECD DAC list, with the goal to improve connectivity or result in material improvements</i></p>	<p>No Net Impact⁷¹</p>	

⁶⁸ It is recommended that details of the methodology or the mechanisms considered for acquisition of carbon credits as per Paris Agreement criteria are provided as well as report on the impacts achieved.

⁶⁹ The review is limited to the examples of projects spelled out in the Framework.

⁷¹ These transportation and logistics activities are assessed as No Net Impact under the ISS Corporate methodology. According to our methodology, a positive social assessment for transport infrastructure requires that projects be directly dedicated to connecting a clearly defined underserved population to essential basic services (e.g. healthcare, education) without introducing affordability barriers that could materially limit access for the target population. While the proposed measures aim to mitigate affordability risks, the presence of tolling combined with reliance on assessments rather than guaranteed access mechanisms (such as resident exemptions, shadow tolling, or unconditional waivers for the target population) introduces a residual risk that the project may not deliver an unambiguous social benefit to underserved communities. Furthermore, reliance on alternative free routes raises questions as to whether the tolled infrastructure itself is essential to addressing the identified connectivity gap. Alignment with the Principles is not affected.

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶⁹	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>in areas where current infrastructure is considered inadequate and hinders a community's development.</i></p> <p><i>Transportation and logistics: roads, ports, harbours, including associated bridges and tunnels⁷⁰</i></p>		
<p>Affordable Basic Infrastructure</p> <p><i>Financing the development, acquisition, maintenance, installation, material upgrades and/or improvement of the following infrastructure in countries included in the OECD DAV list, with the goal to improve connectivity or result in material improvements in areas where current infrastructure is considered inadequate and hinders a community's development.</i></p> <ul style="list-style-type: none"> ▪ <i>Telecommunications infrastructure and services (e.g., fibre networks, towers, etc.)</i> ▪ <i>Energy storage, transmission and distribution infrastructure including underground cables, microgrids, and HVDC power transmission.⁷²</i> 	Contribution	
<p>Affordable Basic Infrastructure</p> <p><i>Financing the development, acquisition, maintenance, installation, material upgrades and/or improvement of the following infrastructure in countries included in the OECD DAV list, with the goal to improve connectivity or result in material improvements in areas where current infrastructure is considered inadequate and hinders a community's development.</i></p> <ul style="list-style-type: none"> ▪ <i>Water and sanitation</i> 	Contribution	

⁷⁰ Exclusions: Infrastructure exclusively focused on transportation of fossil fuels. Limitations: Ports, harbours and road development projects must be in areas where connectivity does not exist or is inadequate (per a reasonable study) and would lead to improved economic activity. Road projects should ensure improved public access to basic services (e.g. schools, healthcare facilities)

⁷² Energy projects are limited to the development, improvement, resilience and expansion of energy storage, transmission and distribution infrastructure in underserved communities.

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶⁹	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> Clean cooking alternatives, including manufacture and/or distribution of energy efficient cookstoves⁷³ <p>Affordable Basic Infrastructure</p> <p>Financing the development, acquisition, maintenance, installation, material upgrades and/or improvement of the following infrastructure in countries included in the OECD DAC list, with the goal to improve connectivity or result in material improvements in areas where current infrastructure is considered inadequate and hinders a community's development.</p> <ul style="list-style-type: none"> Water (including desalination plants)⁷⁴ 	<div style="background-color: #00b050; height: 100%; width: 100%; display: flex; flex-direction: column; align-items: center; justify-content: center;"> <div style="background-color: #00b050; width: 100%; height: 50%;"></div> <div style="background-color: #e31a1c; width: 100%; height: 50%; display: flex; align-items: center; justify-content: center; color: white; font-weight: bold;">Obstruction⁷⁵</div> </div>	<div style="background-color: #d9d9d9; padding: 10px;"> <div style="text-align: center; margin-bottom: 20px;">  <p>6 CLEAN WATER AND SANITATION</p> </div> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>7 AFFORDABLE AND CLEAN ENERGY</p> </div> <div style="text-align: center;">  <p>13 CLIMATE ACTION</p> </div> </div> </div>
<p>Access to essential services</p> <p>Education^{76 77}</p> <ul style="list-style-type: none"> Financing or re-financing of any new, or improvements to existing education facilities or programs that would improve the efficiency, quality and capacity of the facility or program (child-care, pre-primary, primary, secondary, tertiary) Financing or re-financing of any project that aims to provide increased access to tertiary education or vocational and technical skills training and access to campus infrastructure 	<div style="background-color: #00b050; height: 100%; width: 100%; display: flex; align-items: center; justify-content: center; color: white; font-weight: bold;">Contribution</div>	<div style="text-align: center; padding: 10px;">  <p>4 QUALITY EDUCATION</p> </div>





⁷³ Clean cookstoves that qualify under Green will not be double-counted under Social. Limitations: Access to clean cooking will be limited to countries or regions based on the World Bank indicators for "access to clean fuels and technologies for cooking (% population)" found at <https://data.worldbank.org/indicator/EG.CFT.ACCS.ZS>. Where credible local data exists, initiatives focused on improving access to population groups that have limited/no access, will qualify. Projects enabling LPG for home use in areas that either meet the above World Bank indicators or where credible local data exists to confirm limited/no access will qualify.

⁷⁴ Desalination projects require reasonable assurance of an appropriate waste management plan for brine disposal. Target population will be communities/industries/regions in water-scarce areas as supported by credible external source, end-use of water must include residents and local communities. Feasibility analysis of clean energy sources must be included.

⁷⁵ The category is considered eligible since it is assessed as contributing to SDG 6. However, ISS-Corporate methodology highlights the existence of negative externalities associated with desalination plants. While desalination can enhance water security in water-scarce areas, its high energy intensity means that, absent the use of low-carbon or renewable energy sources and adequate efficiency measures, such projects may contribute to increased fossil-based energy consumption and associated emissions. Alignment with the Principles is not affected.

⁷⁶ All education facilities and programmes must be accessible and affordable to all segments of the population regardless of their ability to pay.

⁷⁷ Education facilities must target previously disadvantaged and or low-income groups.

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶⁹	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> Financial services (including microfinance, personal finance, banking services, financing, insurance, savings) to individuals⁷⁸ in the following target populations: <ul style="list-style-type: none"> Youth⁷⁹ 	Contribution	
<p>Access to essential services</p> <p>Financing or re-financing of infrastructure, services and systems that enhance public and / or private safety, such as emergency services, disaster response systems, surveillance infrastructure and general community safety.</p>		
<p>Access to essential services</p> <p>Financial services (including microfinance, personal finance, banking services, financing, insurance, savings) to individuals⁸⁰ in the following target populations:</p> <ul style="list-style-type: none"> Women 		
<p>Access to essential services</p> <p>Financial services (including microfinance, personal finance, banking services, financing, insurance, savings) to individuals⁸¹ in the following target populations:</p> <ul style="list-style-type: none"> Low-income individuals⁸² 		
<p>Access to essential services</p> <p>Financial services (including microfinance, personal finance, banking services, financing, insurance, savings) to individuals⁸³ in the following target populations:</p> <ul style="list-style-type: none"> Previously disadvantaged persons⁸⁴ 	Contribution	

⁷⁸ The Group may finance these expenditures in promoting financial inclusion through financial intermediaries where the Group does not have control on deciding the detailed criteria regarding affordability mechanisms.

⁷⁹ Youth is defined as persons aged 15 to 35 years in line with the [African Union](#) definition and [SA National Youth Policy](#) definition. This would include student loans.


⁸⁰ The Group may finance these expenditures in promoting financial inclusion through financial intermediaries where the Group does not have control on deciding the detailed criteria regarding affordability mechanisms

⁸¹ *ibid*

⁸² Standard bank confirms that this criteria will not include mortgage loans and the financing will be in line with [SBG code of banking practices](#)




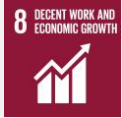
⁸³ The Group may finance these expenditures in promoting financial inclusion through financial intermediaries where the Group does not have control on deciding the detailed criteria regarding affordability mechanisms.

⁸⁴ Previously disadvantaged defined as: previously disadvantaged individuals/ is a term usually to groups who suffered systemic discrimination, exclusion, or marginalization under past political, economic, or social systems. In South Africa, where this is well established, such individuals are recognized in law as groups disadvantaged under colonialism and apartheid. Other examples include ethnic minorities across Africa.

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶⁹	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> ▪ <i>Underserved individuals⁸⁵</i> <p>Access to essential services <i>Public health/healthcare & public health emergency response</i></p> <ul style="list-style-type: none"> ▪ <i>Financing or refinancing of any project that aims to develop, expand or acquire buildings or facilities, including research and development to support access to healthcare and the roll out of essential medicines and vaccines at any non-profit, public, public university-affiliated hospital, clinic, mental health facility or healthcare facility.</i> ▪ <i>Financing or refinancing of any project that aims to improve or expand access to health care products and services, including research and development to support access to healthcare⁸⁶ and the roll out of essential medicines and vaccines at any for-profit hospital, clinic, mental health facility or healthcare facility.</i> <ul style="list-style-type: none"> • <i>Examples include mobile clinics (for regular screening, basic healthcare or response to specific health-related events), community health worker programmes (training local residents to deliver basic primary care), essential medicines (e.g. for maternal health, TB, HIV, etc.), affordable screening programmes (e.g. diabetes, vaccinations, HIV, TB), emergency care transportation services for rural areas</i> 	<p>Contribution</p>	
<p>Access to essential services <i>Public health/healthcare & public health emergency response</i></p> <ul style="list-style-type: none"> ▪ <i>Provision of community health care services</i> 	<p>Contribution</p>	
<p>Access to essential services <i>Financing or refinancing of:</i></p>	<p>Contribution</p>	

⁸⁵ Underserved populations refer to groups that face barriers in accessing services and opportunities.



⁸⁶ In the event of global pandemics or other emergency public healthcare crises.

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶⁹	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> The development of critical medical equipment or provision of diagnostic services in public and private hospitals The provision of affordably priced or subsidised medicines on the World Health Organisation (WHO) essential medicines list to target populations or in target areas 	Contribution	
<p>Access to essential services Financing or refinancing of:</p> <ul style="list-style-type: none"> Affordable health insurance solutions for target populations (underserved, rural, low income, previously disadvantaged, disabled, women). 		
<p>Affordable, social, or supported housing⁸⁷</p> <ul style="list-style-type: none"> Financing or re-financing of any project that involves the construction of and refurbishment and conversion to affordable, low income⁸⁸, community or social housing projects 		
<p>Affordable, social, or supported housing</p> <ul style="list-style-type: none"> Home loans in the affordable, low-income, community or social housing segment⁸⁹ 		
<p>Employment generation, and proframs designed to prevent and/or alleviate unemployment</p> <ul style="list-style-type: none"> Micro, Small, and Medium Enterprises Finance 		

⁸⁷ Housing projects should have a well-defined target population (e.g., historically marginalized or low-income groups) as per a recognized national benchmark or external standard. Social Housing requires built-in reasonable assurance of affordability through mechanisms such as rent capping or rent controls.

⁸⁸ Low income defined as: "Households/individuals earning below national wage median income or below average national wage where credible median income data is not available", or as defined by a credible national regulation or association for Affordable or Social housing projects, (e.g. FSC Affordable Housing Standards published annually by the Banking Association of South Africa).

⁸⁹ Home loans - primary residences only.


USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶⁹	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> Financial services (including banking services, financing, refinancing, insurance, savings) to MSMEs in countries with developing economies as categorized in the UN WESP report (IFC MSME Definition used) <p>Employment generation, and programs designed to prevent and/or alleviate unemployment</p> <ul style="list-style-type: none"> Financing of employment creation projects/programs and training and development programs aimed at increasing access to opportunities for well-defined target populations as per a recognized external standard (e.g., historically marginalized or low-income groups) Projects and/or programmes for a “just transition”, such as through dedicated procurement programs, re-skilling programmes, including Just Energy Transition⁹⁰ aligned projects in South Africa. 	<p>Contribution</p>	
<p>Food security and sustainable food systems^{91,92,93}</p> <ul style="list-style-type: none"> Financing the development and provision of nutrition programs that address food security by not -for -profit organisations and MSMEs, including the development of 	<p>Contribution</p>	

⁹⁰ [Just Energy Transition Implementation Plan 2023-2027](#), The Presidency Republic of South Africa.

⁹¹ These exclusions apply to all the food security and sustainable food system sub-categories listed in the Framework: (i) high density animal or livestock farming or management practices without environmental safeguard; (ii) Agriculture produce that is imported; (iii) Sourcing from producers that already have access to adequate storage and processing infrastructure; (iv) Agricultural produce that does not contribute to food nutrition or food security such as tobacco, cotton, flowers, rubber, hemp (for industrial use), palm oil, timber/wood, fibre (for textiles, such as flax, jute, kenaf and sisal), crops for biofuel production, turf grass, decorative shrubs and trees.

⁹² For all food security and sustainable food systems activities: SBG ensures that the relevant technical and due diligence reports will include an analysis of the foreseen impact to reduce food waste and improve food security

⁹³ Limitations: Projects contributing to climate smart farming practices are limited to 10 hectares. Financing of agricultural stock is limited to regions or countries where food storage and processing infrastructure is limited, underdeveloped or inadequate according to the Global Food Security Index. Financing of agricultural stock is limited to aggregators and processors that source produce from small-scale or emerging producers.

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶⁹	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>digital platforms that facilitate the exchange of agricultural products between farmers and buyers.</i></p> <ul style="list-style-type: none"> ▪ <i>Financing projects contributing to climate smart farming practices, including infrastructure and community-based subsistence farming contributing to food security for smallholder farmers.</i> ▪ <i>Measures that reduce food loss, including cold chain and storage, post-harvest storage facilities and food drying facilities for agricultural products.</i> ▪ <i>Infrastructure such as warehouses, silos, or climate-controlled atmosphere rooms aimed at providing adequate storage, improved food conservation or connectivity in the food chain for reducing food loss.</i> ▪ <i>Financing of agricultural produce stock (through warrants, inventory finance, working capital) to enable procurement, preservation, storage and/or processing of agricultural produce during harvest season to enable gradual supply to off takers.</i> 	<p>Contribution</p>	
<p>Socio economic advancement and empowerment</p> <ul style="list-style-type: none"> ▪ <i>Capital raising for and lending to regional and national development banks, NGOs, and supranational organisations, including but not limited to AfDB, DBSA, IDC, Landbank, TDB etc. where the purpose of the funding is for investments that are aligned with the eligible activities under this Framework and are clearly communicated in the legal documentation.⁹⁴</i> 		

⁹⁴ SBG confirms that funding recipients under this category are exclusively not-for-profit entities.

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶⁹	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Socio economic advancement and empowerment</p> <p><i>2x Challenge financing for women criteria in low-middle income countries⁹⁵</i></p> <ul style="list-style-type: none"> ▪ <i>Direct: Entrepreneurship (>51% share of women ownership or founded by a woman)</i> ▪ <i>Direct: Leadership (30% share of women in senior management or 30% of women on Board or Investment Committee); or</i> ▪ <i>Direct: Employment (30-50% share of women in the workforce and one 'quality' indicator beyond compliance, subject to sector specific thresholds in line with criteria set out in the 2X Challenge website)</i> ▪ <i>Indirect: Investments through Financial Intermediaries ("FI") (i) on lending facilities - 30% of proceeds or portfolio that meet the Direct criteria above or (ii) Funds – 30% of portfolio companies meet Direct criteria above. The pro-rata portion of the transaction value can be recognized.</i> <p><i>Limitation: For companies and financial intermediaries, MSME criteria must be met</i></p>	<p>Contribution</p>	
<p>Socio economic advancement and empowerment</p> <p><i>2x Challenge financing for women criteria in middle-high income countries⁹⁶</i></p> <ul style="list-style-type: none"> ▪ <i>Direct: Entrepreneurship (>51% share of women ownership or founded by a woman)</i> 	<p>No Net Impact⁹⁷</p>	

⁹⁵ Angola, Botswana, Cote d'Ivoire, DRC, Egypt, Ethiopia, Ghana, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Nigeria, South Sudan, Eswatini, Tanzania, Uganda, Zambia, Zimbabwe.

⁹⁶ South Africa.

⁹⁷ ISS-Corporate methodology assesses the 2x Challenge positively only when the financing is directed to a process-improvement expected to generate clear additionality. Given that the Framework restricts use of proceeds to SMEs, a positive impact is assigned for SMEs in low- and lower-middle-income countries, where financing gaps and capacity constraints are more pronounced. For SMEs in middle- to high-income countries, similar financing is considered largely business-as-usual, leading to a No Net Impact assessment. Alignment with the Principles is not affected.

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶⁹	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> ▪ <i>Direct: Leadership (30% share of women in senior management or 30% of women on Board or Investment Committee); or</i> ▪ <i>Direct: Employment (30-50% share of women in the workforce and one 'quality' indicator beyond compliance, subject to sector specific thresholds in line with criteria set out in the 2X Challenge website)</i> ▪ <i>Indirect: Investments through Financial Intermediaries ("FI") (i) on lending facilities - 30% of proceeds or portfolio that meet the Direct criteria above or (ii) Funds – 30% of portfolio companies meet Direct criteria above. The pro-rata portion of the transaction value can be recognized.</i> <p><i>Limitation: For companies and financial intermediaries, MSME criteria must be met</i></p>		

B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE ELIGIBILITY CRITERIA

Financial institutions are exposed to E&S risks through their financing of economic activities that impact E&S factors and, to a lesser extent, through their own operations and impacts they themselves generate on the environment and society in which they operate.

The table below describes sustainability-related risks considered relevant to the Group's operations and the types of projects (re)financed via the Framework.

The assessment covers all business lines and locations across Angola, Botswana, Cote d'Ivoire, DRC, Egypt, Ethiopia, Ghana, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Nigeria, South Africa, South Sudan, Eswatini, Tanzania, Uganda, Zambia, Zimbabwe.

ASSESSMENT AGAINST KPIS

Integration of ESG guidelines into the financing process

Standard Bank manages environmental and social (E&S) risks through its E&S Management System (ESMS), governance standards, and risk policies, overseen by the Group Environmental and Social Risk (GESR). The risk-based approach aligns with global frameworks such as the Equator Principles, IFC Performance Standards, TCFD, and UN Guiding Principles on Business and Human Rights, supported by internal codes and climate policies.

The key processes are as follows:

- E&S Screening (Stage 1)

Stage 1 is conducted prior to entering new client relationships, approving transactions, and on an annual basis for existing clients, using Standard Bank's internal E&S screening tool to assess compliance with applicable environmental regulations and requirements, internal policies and relevant international standards. The screening evaluates governance, social (including human rights) and environmental risks, which are rated as low, medium or high, and the outcome determines whether activities may proceed, require additional due diligence, or be subject to conditions.

- E&S Due Diligence (Stage 2)

Environmental and social due diligence is required for clients or transactions assessed as medium or high risk, with enhanced due diligence applied to activities in high-risk sectors such as mining, oil and gas, thermal coal, infrastructure and agriculture. For transactions subject to the Equator Principles, independent environmental consultants are engaged to conduct external reviews and due diligence to monitor ongoing compliance with applicable standards.

- **Monitoring & Controls**

Ongoing environmental and social risk management is supported through portfolio level monitoring and controls, including regular portfolio and annual credit reviews, site visits where appropriate, and grievance mechanisms available to employees and affected communities. Instances of non-compliance are addressed through corrective action plans and may result in the escalation of issues or termination of client or supplier relationships where necessary.

- **Exclusions**

Standard Bank prohibits financing for activities outlined in its Exclusions list as publicly disclosed, including financing for activities involving harmful labor practices, illegal trade, hazardous substances, weapons, Arctic oil/gas exploration, mountaintop removal, and uncertified diamonds, among others.

- **Climate Risk Management**

Climate risk management is integrated into the Group's overall risk management framework, with a primary focus on assessing and managing physical and transition climate related risks within the credit portfolio. Climate commitments include reducing exposure to high emission sectors, increasing support for renewable energy, and achieving net zero emissions in relation to the Group's own operations for new facilities by 2030 and for existing facilities by 2040, supported by initiatives such as energy efficiency measures, solar photovoltaic installations, and alignment with ISO 50001 energy management standards.

Enhanced due diligence for sensitive sectors

As part of the risk assessment, environmental and social risks are required considerations for credit facilities and capital market transactions. Standard Bank's approach to environmental risk management addresses both direct and indirect risks and covers sensitive activities across different sectors.

Standard Bank has identified high-risk industries, sectors and areas of high environmental sensitivity that require enhanced due diligence (EDD) before a transaction or investment may be approved. Activities in these sectors must also align with the commitments and targets in the group's climate policy. The Group uses IFC Performance Standards and sector guidelines as benchmarks. Sectors include mining and metals, oil and gas, thermal coal power, infrastructure, industrial, agriculture, animal husbandry and fishing.

Due diligence measures for labor, health, safety

Labor, health, and safety due diligence is embedded across the environmental and social (E&S) risk management framework through a staged approach. At the screening stage, client risk assessments evaluate labour practices by reviewing compliance with national

laws, the Standard Bank E&S risk standard and IFC Performance Standards, including indicators such as negative media, NGO scrutiny and community concerns. Screening assesses the protection of workers' rights, fair and safe working conditions, safeguards for vulnerable workers, gender equity, freedom of association, and the absence of child or forced labour, with risks rated as low, medium or high to determine whether further due diligence is required. For medium and high-risk clients, enhanced E&S due diligence assesses the adequacy of labour health and safety systems, application of the Precautionary Principle, and alignment with IFC Performance Standards and ILO conventions, and may involve independent consultants (where applicable) conducting site visits and developing Environmental and Social Action Plans with defined timelines. Human rights and labour risk assessments are integrated for higher risk projects, including supply chain oversight and the use of certification schemes where relevant, with specialist input and periodic progress reporting. For projects, ongoing assurance is supported through mandatory worker and community grievance mechanisms, regular monitoring using digital screening tools, and oversight by risk committees, with noncompliance triggering corrective action plans or reassessment of financing arrangements.

Due diligence measures for biodiversity

E&S screening includes an assessment of risks related to climate, nature and biodiversity, water and pollution. This assessment considers the direct and indirect impacts of business or project activities on landscapes, ecosystems, biodiversity, critical habitats and endangered or IUCN Red Listed species, as well as impacts on surface water, groundwater and air quality. Potential sources of pollution are evaluated, including emissions, effluents and the generation of hazardous and non-hazardous waste, together with the adequacy of storage, handling and disposal practices in line with national legislative requirements. The screening also assesses the sustainable use of natural resources, including energy and water efficiency, measures to minimise greenhouse gas emissions, and the integration of conservation needs with development priorities to promote the sustainable management of living natural resources and ecosystem services.

Due diligence measures for community dialogue

All corporate clients are required to have grievance mechanisms in place for employees to raise workplace concerns and to ensure employees are informed of how to access these mechanisms. Where projects or ongoing operations are expected to pose continued risks or adverse impacts on surrounding communities, clients must also establish, or provide evidence of, an accessible community grievance mechanism in line with the IFC Performance Standards on Environmental and Social Sustainability. These mechanisms must be proportionate to the level of risk, address concerns in a timely and transparent manner, be culturally appropriate and readily accessible to affected communities, operate at no cost, and protect users from retaliation, with clients responsible for communicating their availability through ongoing community engagement. Stakeholders may also raise concerns through Standard Bank Group's anonymous whistleblowing channel. In support of this approach, Standard Bank's Stakeholder Engagement Policy requires business units to identify and engage affected stakeholders through respectful, transparent and

responsive dialogue aligned with the Code of Ethics and King IV principles and mandates the integration of stakeholder engagement and grievance mechanisms into planning and due diligence processes. This framework is complemented by initiatives, where applicable, such as Growth Conversations, which facilitate multistakeholder dialogue in selected markets to support inclusive decision making and address development priorities.

Governance over ESG topics

Standard Bank integrates sustainability-related risks, including environmental, social and climate risks, into its risk governance framework and enterprise risk management system, with clear accountability, oversight and escalation mechanisms. Board oversight is exercised through dedicated committees responsible for social, ethics and sustainability matters and for risk and capital management, which oversee policy approval, risk appetite alignment, and progress against climate-related objectives. Executive management is accountable for implementing the sustainability strategy, with ESG-related responsibilities embedded in performance management and supported by management level committees at group and business unit level. Oversight is reinforced through the three-lines of defence model, whereby business units and E&S risk teams manage ESG risks in day-to-day activities, independent risk functions provide monitoring and challenge, and internal audit delivers assurance over governance, controls and adherence to internal policies and relevant international standards.

Other elements of the risk management framework

Environmental and social risks are incorporated into group and business unit risk appetite statements, while climate risk is currently reflected through a qualitative group-level risk appetite, with ongoing work to further quantify climate-related credit risks and reflect them in credit limits and other financial risk parameters as data and methodologies mature. A climate risk stress testing and scenario analysis programme is in place, assessing both physical and transition risks across multiple African jurisdictions, and informing management understanding of potential impacts on the credit portfolio. Climate-related impacts on capital adequacy have been assessed through recent ICAAP stress testing exercises; however, these assessments remain constrained by data quality and modelling limitations and are subject to further development before fuller integration into capital planning processes. A groupwide framework for integrating climate risk into existing risk type management continues to evolve at both group and business unit level, consistent with a proportionate and progressive approach to climate risk integration.

Inclusion (non-discrimination)

Inclusion and non-discrimination are embedded in the Group's conduct and risk management framework through internal policies and regulatory commitments. The Code of Conduct requires all employees to treat clients objectively and fairly and to apply policies consistently and equitably, regardless of individual characteristics. In addition, the Group is a signatory to South Africa's [Code of Banking Practice](#), which commits it to refraining from unfair discrimination in the provision, quality and terms of banking products and services, and to providing clients with reasons, where required by law, for the refusal of products or

services. These commitments are aligned with the National Credit Act, which prohibits discriminatory lending practices, requires fair and objective credit assessments, and provides customers with rights to transparency, written explanations for credit decisions, and access to redress mechanisms through the National Credit Regulator or the Equality Court.

Responsible lending practices

Sales practices

Standard Bank ensures responsible sales practices through its Conduct Risk Policy, which explicitly covers sales practices, remuneration, and incentives, requiring that reward systems do not encourage mis-selling and that sales targets align with fair customer outcomes. The Code of Ethics and Conduct reinforce client-centric behavior, mandating fair and reasonable treatment, clear responsibilities, and prohibiting illegitimate commissions. Monitoring is achieved through monthly conduct dashboards, quarterly reporting to governance committees, systematic complaints management, and regular reviews of client risk profiles against product risk. These measures, combined with regulatory obligations under the [National Credit Act \(NCA\)](#) and [Code of Banking Practice](#), ensure that assets financed under this framework adhere to responsible sales practices across reward systems, training, and ongoing monitoring.

Responsible marketing

Responsible marketing is governed by the Group's Code of Ethics and Conduct and the South African [Code of Banking Practice](#), which require all advertising and promotional material for banking products and services to be clear, fair, reasonable and not misleading. Marketing communications must accurately disclose pricing, fees and key product features, prohibit hidden costs or deceptive practices, and comply with specific requirements for the marketing of credit agreements under the [National Credit Act \(NCA\)](#). These obligations are further supported by regulatory frameworks such as the [FSCA Conduct Standard for Banks](#), which set standards for transparency, suitability, affordability assessments and fair advertising throughout the product lifecycle. The Group's [Sustainability Disclosures Report](#) further outlines commitments to fair pricing, responsible product design and delivery, and ethical marketing practices, ensuring that customers receive clear, accessible and accurate information and are informed of reasons for application decisions where required by law.

Responsible treatment of customers with debt repayment problems

The Group's [Sustainability Disclosures Report](#) confirms that the Group's responsible lending approach is underpinned by ethical business practices and risk management processes designed to support clients' financial stability and ensure prudent credit risk assessment. Responsible lending principles are applied consistently across product design, client affordability assessments, credit decision-making and collections, in line with applicable regulatory frameworks.

Clients experiencing financial difficulty are supported through a range of tailored assistance measures, including payment holidays, partial payment arrangements, reduced or extended repayment terms, arrears restructuring and refinancing solutions, with the aim of restoring affordability and limiting long-term financial harm. Engagement with clients in distress prioritises early intervention, clear communication and fair treatment.

Debt collection activities follow structured protocols that emphasise transparency, fairness and proportionality, and may involve the use of approved third-party agents operating under defined standards and oversight. Legal recovery actions are considered only after reasonable alternatives have been exhausted and are conducted in compliance with applicable laws and regulations.

Employees involved in debt solutions and recovery processes receive specialised training to ensure consistent, compliant and client-centred engagement, supporting ethical conduct and the sustainable resolution of credit stress.

Carbon-related financing

The Group focuses on sectors identified as material from a transition risk and opportunity perspective due to their reliance on carbon-intensive processes and their potential to benefit from the transition to lower-carbon technologies. These sectors include non-renewable power generation, oil and gas, renewable energy as a strategic opportunity, the manufacture of steel, cement and transportation vehicles, real estate activities, and agriculture. The [FY2025 Climate-Related Financial Disclosure Report](#) discloses banking book exposures to sectors with both high and elevated sensitivity to transition risks for on- and off-balance-sheet loans and advances. As at FY2025, exposure to high transition-risk sectors represented 6.94% of the total portfolio, with a further 34.15% exposed to elevated transition risks, largely driven by real estate activities. Ongoing work is focused on further differentiating transition and physical risk sensitivities across counterparties, sectors and geographies.

In line with SBG [Climate Policy 2025](#), the Group has established targets to manage transition-related risks and support a lower-carbon energy portfolio, including a 10% improvement in the average physical emissions intensity of the upstream oil and gas portfolio by 2030 (2024 baseline), focused on operational emissions (When setting the target, SBG used the IEA Announced Pledges Scenario (APS) 2030. The 2025 World Energy Outlook did not include the APS as many countries have yet to submit updated climate pledges for 2031-35. Once the IEA updates the APS, SBG will reassess and, if necessary, adjust 2030 targets accordingly). Additional targets include limiting upstream oil and gas exposures to less than 30% of the energy book and less than 3% of total loans and advances by 2030, and increasing lending and investment in sustainable, gas and low-carbon energy technologies, with a renewable-to-non-renewable energy supply ratio maintained at a minimum of 3:1. The physical intensity target currently applies to the upstream oil and gas sector, with 2024 baseline emissions disclosed in absolute and proportional terms for the portion of the portfolio subject to targets. As at the end-2025, baseline financed emissions

have been disclosed for additional priority sectors, including the remaining oil and gas portfolio, thermal coal and real estate, as well as transport, agriculture, cement and steel. Work is underway to support further measurement and target setting. Off-balance-sheet activities, trading book exposures and associated facilitated emissions have not yet been measured.

Financed emissions

Standard Bank Group has calculated baseline financed emissions for four priority sectors—oil and gas, thermal coal mining, commercial real estate and residential real estate—using the Partnership for Carbon Accounting Financials ([PCAF](#)) methodology. The approach applied and associated assumptions are described in the Group's [FY2025 Climate-Related Financial Disclosure Report](#). Facilitated emissions are referenced in the report solely to indicate where they reside, primarily within asset management portfolios, and are not currently incorporated into the climate policy or strategy, as they have not yet been prioritized for measurement or target-setting.

Exclusion policy

Group-wide exclusions apply to all entities within Standard Bank Group, which will not provide banking or lending facilities to activities involving:

- Production or activities involving harmful or exploitative forms of forced labour or harmful child labour.
- Production or trade of products or activities deemed illegal under host country laws or regulations, international conventions and agreements, or subject to international phase-outs or bans, including:
 - ozone-depleting substances;
 - polychlorinated biphenyls (PCBs);
 - specified hazardous pharmaceuticals, pesticides, herbicides or chemicals;
 - wildlife or wildlife products regulated under CITES;
 - unsustainable fishing methods
 - use of unbonded asbestos fibres;
 - narcotic drugs.
- Production or trade in radioactive materials, excluding uranium mining, medical equipment, quality-control equipment, or equipment where the radioactive source is understood to be trivial and/or adequately shielded.
- Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations.
- Production or trade in weapons or munitions, excluding hunting and sporting equipment.
- Production and distribution of racist and/or neo-Nazi media.
- Illegal logging or the purchase of illegally harvested timber.

- Deforestation of natural forests and indigenous trees, excluding removal of bush 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.
- Mountaintop removal.
- Mining or trading of diamonds not certified under the Kimberley Process Certification Scheme.
- Construction of new thermal coal-fired power plants or expansion in generating capacity of existing
 - coal-fired power plants
 - New coal mines, except where such a development improves operational efficiency
 - New oil-fired power plant construction or the expansion in the generating capacity of existing oil-fired power plants, except where such plants provide backup services as part of an integrated renewable energy power plant
 - Companies with unrestricted flaring for new assets
 - Any activity that requires significant induced stimulation, mechanical intervention or unconventional extraction techniques to primarily produce the resource (i.e. shale gas and shale oil extraction)
- Any oil or gas project outside Africa.

PART III: STANDARD BANK'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by Standard Bank

TOPIC	ISSUER APPROACH
Core ESG pillars	<p>Standard Bank focuses on the following Sustainability pillars:</p> <ul style="list-style-type: none"> ▪ Positive impact⁹⁸ ▪ Managing sustainability-related risks <p>Standard Bank strives to achieve positive impact by focusing on climate change mitigation and adaptation, infrastructure development, and delivering financial health and inclusion.</p> <p>As developed in its sustainable finance framework, Standard Bank strives to effectively manage the risks of its lending and investment activities, including social and environmental, fair treatment of customers, financial crime.</p>
Definition of core ESG pillars	<p>The Sustainability pillars of Standard Bank are defined through an annual materiality assessment, assessing its most significant sustainability risks, opportunities and impacts the short, medium and long term.⁹⁹</p>
ESG targets and timeline	<p>To achieve its Sustainability commitments, Standard Bank has set targets on its various Sustainability goals, including an annual reduction in Standard Bank's own greenhouse gas emissions (Scopes 1 and 2) with a target year of 2040.¹⁰⁰</p>
SBTi Targets	<p>The Group does not currently have verified science-based targets. However, it has developed its emissions reduction targets using a sectoral decarbonization approach aligned with the principles of the Science Based Targets initiative (SBTi). The Group has not yet set an official SBTi-validated target, as data on the Group's Scope 3 financed emissions is still being developed.</p>
Financial budget to achieve the ESG targets (CapEx, OpEx, Product Mix)	<p>To achieve and/or maintain its Sustainability commitments, Standard Bank has set the following process:</p>

⁹⁸ Standard Bank, Sustainability Disclosures Report 2024, page 7, available [here](#).

⁹⁹ Standard Bank, Sustainability Disclosures Report 2024, page 15, available [here](#).

¹⁰⁰ Standard Bank, Sustainability Disclosures Report 2024, page 16, available [here](#).

TOPIC	ISSUER APPROACH
	<p>Standard Bank Group has financial targets for mobilization of Sustainable Finance and for sub-targets linked to green and social finance mobilization.</p> <p>Standard Bank Group is providing a detailed annual breakdown of progress against these targets, by business unit and by key product area¹⁰¹. These have been approved by business and gone through internal governance processes, ultimately approved by Standard Bank Board. These targets are reviewed periodically but at least every 3 years.</p>
<p>Association/ Collective commitments</p>	<p>Standard Bank is a member of/signatory to:</p> <ul style="list-style-type: none"> ▪ UN Principles for Responsible Banking since 2019. ▪ UN Principles for Responsible Investment since 2008 for Stanlib and 2023 for Liberty Group.
<p>Sustainability reporting</p>	<p>Standard Bank publishes an annual report on its Sustainability performance and initiatives through reports published on its website.</p> <p>As part of its ongoing alignment with sustainability reporting standards, Standard Bank is assessing gaps in its existing data and reporting processes, with an emphasis on measuring the financial impacts of sustainability-related risks in the short, medium, and long term.</p>
<p>Previously issued sustainable/sustai nability-linked issuances or transactions and publication of sustainable financing framework</p>	<p>Standard Bank previously issued green and social instruments or transactions, published in Standard Bank’s reporting suite.¹⁰²</p>

¹⁰¹ Information available in the [Climate Related Financial Disclosures Report \(2025\)](#).

¹⁰² Standard Bank, Sustainability Disclosures Report 2025, page 28, available [here](#).

DISCLAIMER

1. Validity of the Second Party Opinion ("SPO"): Valid as long as the cited Framework remains unchanged.
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ANNEX: QUALITY MANAGEMENT PROCESSES

SCOPE

Standard Bank Group commissioned ISS-Corporate to compile a Green, Social, and Sustainable instruments SPO. The second-party opinion process includes verifying whether the Sustainable Finance Framework aligns with the GBP, SBP, SBG, GLP, and SLP, and assessing the sustainability credentials of its Green, Social, and Sustainable instruments, as well as the Issuer's sustainability strategy.

CRITERIA

Relevant standards for this second-party opinion:

- Green Bond Principles (GBP), as administered by the International Capital Market Association (ICMA) (as of June 2025)
- Social Bond Principles (SBP), as administered by the International Capital Market Association (ICMA) (as of June 2025)
- Sustainability Bond Guidance (SBG), as administered by the International Capital Market Association (ICMA) (as of June 2021)
- Green Loan Principles (GLP), as administered by the Loan Market Association (LMA) (as of March 2025)
- Social Loan Principles (SLP), as administered by the Loan Market Association (LMA) (as of March 2025)

ISSUER'S RESPONSIBILITY

Standard Bank Group's responsibility was to provide information and documentation on:

- Sustainable Finance Framework
- Eligibility criteria
- Documentation of ESG risk management

ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS STOXX, which ISS-Corporate is part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI-approved verifiers.

This independent second-party opinion of the Green, Social, and Sustainable instruments to be issued by Standard Bank Group has been conducted based on proprietary methodology and in line with the ICMA GBP, SBP and LMA GLP and SLP.

The engagement with Standard Bank Group took place from December to April 2026.

ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate has conducted this verification in strict compliance with the ISS STOXX Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS STOXX.

About this SPO

Companies turn to ISS-Corporate for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk and manage the needs of a diverse shareholder base by delivering best-in-class data, tools and advisory services.

ISS-Corporate assesses alignment with external principles (e.g., the Green/Social Bond Principles), analyzes the sustainability quality of the assets and reviews the sustainability performance of the Issuer itself. Following these three steps, we draw up an independent SPO so investors are as well-informed as possible about the quality of the bond/loan from a sustainability perspective.

Please visit ISS-Corporate's [website](#) to learn more about our services for bond issuers.

For more information on SPO services, please contact SPOsales@iss-corporate.com.

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