

## **SUMMARY OF RISK MANAGEMENT POLICIES, STANDARDS AND FRAMEWORK**

Stanbic IBTC's enterprise risk management practice is the bedrock of our commitment to continually enhance shareholders' value in strict adherence to the risk appetite as set by the board whilst considering the wider interest of other stakeholders amongst who are depositors and regulators. The board sets the tone for a responsive and accountable risk management culture and this flows through the organization to each business manager and independent risk officer.

Stanbic IBTC has adopted the Enterprise Risk Management (ERM) framework with an independent control process that provides an objective view of risk-taking activities across all business and risk types at both an individual and aggregated portfolio level.

Stanbic IBTC seeks to achieve the right balance between risk and reward in its businesses and limits adverse variations in earnings by appropriately managing its capital within specified risk appetite levels.

### **Risk governance standards, policies, and procedures**

Stanbic IBTC has developed a set of risk governance standards for each principal risk including credit, market, operational, IT, liquidity, and compliance risks. The standards define the acceptable conditions for the assumption of the major risks and ensure alignment and consistency in the way these risks are identified, measured, managed, controlled, and reported, across the group. All standards are supported by policies and procedural documents. They are applied consistently across the bank and are approved by the Board. It is the responsibility of the business unit executive management to ensure that the requirements of the risk governance standards, policies and procedures are implemented within the business units.

### **Sustainability**

Stanbic IBTC adopts a corporate culture where adherence to sustainability principles in its operating environment and with counterparties is crucial to sustainable development. In line with regulatory stipulation, Stanbic IBTC complies with the Nigeria Sustainable Banking Principles (NSBP) and through the Standard Bank Group, is a signatory to the Equator Principles, thereby adopting international best practice in social, environmental, and economic sustainability. Stanbic IBTC adopts a proactive approach by striving to anticipate and prevent environmental degradation in line with the guidelines set out in the Equator Principles and the provisions of the environmental laws of Nigeria.