

FIRSTRAND INDUSTRY FORUMS AND PILOTS

2024

INDUSTRY FORUMS AND PILOTS 2024

FirstRand is committed to participating in local and global industry forums to ensure that new research is considered and incorporated into the group’s environmental, social and climate risk management programme. Participation allows the group to learn from global peers and contribute to the development of new methodologies and frameworks. Key organisations that the group engages with on an ongoing basis include:



The Financial Stability Board established the TCFD to develop recommendations for more effective climate-related disclosures that could promote more informed investment, credit and insurance underwriting decisions and, in turn, enable stakeholders to better understand the concentrations of carbon-related assets in the financial sector and the financial system’s exposures to climate-related risks.

The TCFD has been incorporated into the International Sustainability Standards Board (ISSB) International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures

FirstRand involvement

The group is assessing the requirements of the voluntary IFRS S2 Climate-related Disclosures.

In the meanwhile, the group continues to use the TCFD recommendations for its climate disclosures, which are included in FirstRand’s Pillar 3 reporting and the climate strategies report.

The group is also following IFRS S2 Climate-related Disclosures developments in South Africa and abroad.



The Principles for Responsible Banking is a unique framework for signatory banks to commit to strategy and practise alignment to the UN SDGs and the Paris Climate Agreement.

With over 300 signatory banks representing almost half of the global banking industry, the Principles comprise the world’s foremost sustainable banking framework.

FirstRand involvement

FirstRand was a founding contributor to the Principles for Responsible Banking and aligns its reporting with the principles.



UNEP FI is a partnership between UNEP and the global finance sector.

FirstRand involvement

The group participates in the UNEP FI risk hub work that includes climate risk management, circular economy, nature and biodiversity and ISSB IFRS reporting.



The Principles for Responsible Investment (PRI) reflect the increasing relevance of ESG issues to investment practices and help to better align investors with the broader objectives of society.

FirstRand involvement

Ashburton is a signatory to the PRI.



NBI is a voluntary coalition of South African and multinational companies committed to sustainable growth and development in South Africa through responsible business practices.

FirstRand involvement

FirstRand has formed a strong relationship with the NBI in its industry work on nature and biodiversity, climate pathways, and a just transition for South Africa.

FirstRand is a member of NBI advisory committee on environment and society (co-chair position).



The Banking Association South Africa (BASA) advances the interests of the industry with its regulators, legislators and stakeholders to make banking sustainable, profitable and better able to contribute to the social and economic development and transformation of the country.

The Sustainable Finance Forum members comply with the BASA principles for managing environmental and social risk.

FirstRand involvement

FirstRand is a member of the following committees:

- Sustainable finance committee
- Climate change committee



The IFC is a member of the World Bank Group and runs a programme called “30 by 30 zero”. The objective of the programme in South Africa is to strengthen the financial sector to increase investment in climate friendly activities and reduce the number of financial institutions and investors invested in carbon-intensive assets and activities.

FirstRand involvement

FirstRand is participating in the “30 by 30 zero” programme by contributing to better climate-related data collection and analysis.



Business Unity South Africa (BUSA) is a non-profit company representing cross-cutting organised business interests in South Africa.

FirstRand involvement

FirstRand participates in the BUSA environmental subcommittee.



Large infrastructure and industrial projects can have adverse impacts on people and on the environment.

The Equator Principles are intended to serve as a common baseline and risk management framework for financial institutions to identify, assess and manage environmental and social risks when financing projects.

FirstRand involvement

FirstRand has been an Equator Principles signatory since 2009.



PBAF provides financial institutions with practical guidance to assess the biodiversity impact and dependencies of their loans and investments.

FirstRand involvement

FirstRand is a PBAF partner and participates in various working groups.



The Partnership for Carbon Accounting Financials (PCAF) is a global partnership of financial institutions developing a global GHG accounting and reporting standard for the financial industry.

FirstRand involvement

FirstRand is the regional lead for Africa and a board member of PCAF.



The Taskforce on Nature-related financial disclosures (TNFD) is a global, market-led initiative delivering a risk management and disclosure framework for organisations to report and act on evolving nature-related risks, with the aim to support a shift in global financial flows away from nature-negative outcomes and towards nature-positive outcomes.

FirstRand involvement

FirstRand is a member of the task force and is specifically involved in work in the finance sector and in capacity building.



Established in 2012 and supported by UK Aid, FSD Africa is a specialist development agency working to build and strengthen financial markets across sub-Saharan Africa.

FSD Africa established the African Natural Capital Alliance, a collaborative forum for mobilising the financial community's response to the risk of nature loss in Africa.

FIRSTRAND INVOLVEMENT

FirstRand collaborates with FSD Africa on nature-related risk disclosure and is a member of the African Natural Capital Alliance.

The group's sustainable finance teams are working with FSD Africa on biodiversity projects.



The World Wide Fund for Nature is an international non-governmental organisation founded in 1961. It operates in the field of wilderness preservation and the reduction of human impact on the environment.

FIRSTRAND INVOLVEMENT

FirstRand joined the WWF as a business partner in 2021 and has joined work groups on water and sustainable finance.



WWF's Risk Filter tools – the Water Risk Filter and Biodiversity Risk Filter – enable companies and investors to assess and respond to nature related risks to strengthen resilience. The WWF Biodiversity Risk Filter is designed as a corporate and portfolio-level screening tool to identify biodiversity risks and prioritise corporate action. Similarly, the WWF Water Risk Filter can be used to screen water risks at the portfolio and corporate level.

FIRSTRAND INVOLVEMENT

FirstRand is piloting the WWF Risk Filter tools to conduct impact and dependency analyses in selected portfolios.



Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) is a tool to help users better understand and visualise the impact of environmental change on the economy.

FIRSTRAND INVOLVEMENT

FirstRand participated in an agriculture sector case study during the development of the ENCORE tool and again when the biodiversity module was designed and added. Future work is planned in collaboration with the Swiss Economic Department and the Natural Capital Alliance and the ENCORE team.



Business for Nature is a global coalition of more than 80 influential partner organisations and forward-thinking companies.

FIRSTRAND INVOLVEMENT

FirstRand is a member of the business advisory group and participated in the preparations for COP 16.

The Business Advisory Group

The Business Advisory Group is organised and coordinated by Endangered Wildlife Trust, Business for Nature, Conservation International and the Biodiversity Disclosure Project.

FIRSTRAND INVOLVEMENT

FirstRand participates in this industry initiative, contributing to the business case for South Africa's biodiversity plan.



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