

26 November 2018 The Land and Agricultural Development Bank of South Africa, commonly known as Land Bank, has over the years been on a journey of environmental sustainability, preserving the planet that sustains agricultural production. The Bank complies with set out legislation on the environmental and social sphere, including but not limited to, National Environmental Management Act, 107 of 1998 (NEMA), National Water Act (36 of 1998), Hazardous Substance Act, (15 of 1973) and NEMA: Air Quality Act (No. 39 of 2004) to mention only a few.

It is in this vein, that Land Bank joined forces with the UN and 27 other banks to co-found the Principles of Responsible Banking. The participating banks acknowledges that their financial sustainability depends on both social and environmental sustainability.

Today, at its Global Roundtable in Paris, UN Environment Finance Initiative (UNEP FI), Land Bank and 27 other banks from around the world are launching the [Principles for Responsible Banking](#) for global public consultation. Together the banks represent over USD 17 trillion in combined assets, and CEOs from 12 of the banks will attend the launch.

The Principles will define the banking industry's role and responsibilities in shaping a sustainable future. By committing to the new framework, banks will be aligning their business with the objectives of the Sustainable Development Goals (SDGs) and the Paris Climate Agreement.

The Principles set the global standard for what it means to be a responsible bank and will ensure that banks create value for both their shareholders and society. They provide the first global framework that guides the integration of sustainability across all business areas of a bank, from strategic to portfolio to transaction level. By signing the *Principles for Responsible Banking* when they are launched in September 2019, banks will commit to being publicly accountable for their significant positive *and* negative social, environmental and economic impacts. They agree to set public targets on addressing their most significant negative impacts and scaling up their positive impacts to align with and contribute to national and international sustainable development and climate targets.

By developing the set of principles, the 28 founding banks set out a clear purpose for the banking industry itself, and also enable investors, policy makers and regulators, clients and civil society to compare banks and hold them accountable for their environmental, social and economic impacts and their contribution to society's goals. Signing the Principles will be a serious commitment: banks that continuously fail to meet transparency requirements, set adequate targets and demonstrate progress will face removal from the list of signatories.

Signing the Principles for Responsible Banking is something that all banks that are genuinely committed to sustainability should consider, regardless of their starting point. With differentiated requirements for starter, intermediate and advanced banks on sustainability integration and detailed implementation guidance they provide an entry point for early stage banks while creating a race to the top among those most advanced.

The CEO of Land Bank, Mr TP Nchocho believes this initiative is most important for the Bank, given the sector it operates within, he said: “By joining forces as a global banking sector to develop, implement and embed a set of Responsible Banking Principles that guide how we operate, we are able to shape the future we all want by acting to responsibly address the expectations of society now. Land Bank is looking forward to both contributing to and sharing in the expertise and experience of this global group as we guide the sector towards a smarter and more measurable framework.”

The Principles are now entering a six-month [global public consultation period](#) before they will be signed by banks from around the world at the United Nations General Assembly in New York in September 2019. Banks and stakeholders around the world are invited to provide feedback and input to guide their further development, and to signal their support by becoming [Endorsers](#) of the Principles for Responsible Banking.

Satya Tripathi, UN Assistant Secretary-General, UN Environment said: “The global banking industry is stepping up to the sustainability challenge. I’m optimistic we’ll see a realignment of business practice – one that embraces the fact that green and socially responsible business is the best business.”

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