Brian Marshall

Standard Bank

Head of Investment Banking

Standard Bank
Also trading as Stanbic Bank

How would you say the world of Investment Banking has changed since you began your career, given that integrating environmental, social and governance (ESG) considerations into transactions is growing in importance?

Since I started my career in Investment Banking, bankers have increasingly become more aware of the 'transmission' nature of their jobs – the capital they arrange and the advice they provide has an impact far beyond the immediate fulfilment of a transaction. The current focus on ESG is the next phase of that development and will increasingly determine stakeholder perceptions, investor interest and business outcomes.

To what extent are bankers taking ESG factors into account when considering potential deals?

Bankers are increasingly approaching transactions by taking ESG factors into account – from both positive and negative perspectives. From a positive perspective, they are looking at the benefits a particular situation can unlock for capital structure efficiency. From a downside perspective they are looking at what ESG risks are present in terms of stranded assets and the impact this may have on portfolio policy and obligations.

How do you believe the shift away from fossil fuels will shape mergers and acquisitions (M&A) activity over the coming years?

We are seeing increased M&A activity and the raising of capital in multiple areas and this will happen in phases – the immediate focus will be in renewable and decentralised energy as well as gas as a transition fuel. An example of this would be Seriti's acquisition of Windlab's South African and East African businesses to create Seriti Green.

Beyond this initial phase, we think there will be opportunity in green hydrogen, the mining of critical minerals and the revolution in transport.

ESG and responsible investment considerations are profoundly reshaping business models, how does Standard Bank use its Sustainable Bond Framework to help clients to integrate ESG into their financing?

At Standard Bank, we support our clients by using our own capital to assist clients with arranging financing that will further a company's ESG objectives. We also arrange primary capital market issuances that connect clients and investors to achieve the same objectives.

We have witnessed a rise in ESG dealmaking, with Standard Bank closing some key deals this year, do you predict this trajectory to continue over the next 5 years?

Yes, and in my view, this is only the start of a sustained transition. We might see certain starts and the build-up of hype followed by periods of cooling, but the longer-term trajectory is undeniable. ESG will eventually become embedded in the way arrangers, issuers and lenders think about structuring all transactions – it will not have a separate 'category' so to speak.

How does Standard Bank Investment Banking plan to boost its sustainability profile – what are some of your short-medium- and long-term targets?

Standard Bank Group's purpose is to drive Africa's growth and we are committed to do so in an

inclusive and sustainable manner. We plan to mobilise a cumulative amount of between R250 billion and R300 billion for sustainable finance by the end of 2026. This target includes an additional R50 billion of financing for renewable energy and underwriting of a further R15 billion of renewable energy by the end of 2024.

Given the continents massive funding needs, what role will sustainable finance play in bolstering capital for high-impact projects and how much appetite is there for green financing in Africa?

In Africa priority should be given to energy security. Due to energy poverty in Africa where more than 40% of the population don't have reliable access to electricity, we have the unique opportunity to bypass the burden of legacy infrastructure more so than the developed world. However, this will take time and until then, Africa needs to do all it can to modernise its economies. Green financing will play a key role in transitioning legacy infrastructure and also establishing new power generation from sustainable sources.

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In closing, ESG, Sustainable Finance and Green Investments have become the biggest buzz words in the last few years. What used to be a niche topic has now taken centre stage – so this begs the question- what's next?

What comes next is the implementation – carbon emissions remain a serious global threat for which Africa is not the leading contributor. The financing commitments from the developed world is a move in the right direction – now we all need to get involved on both sides to ensure the implementation of a just energy transition.

What does your current role entail, and tell us about your journey to this position?

I am Head of Investment Banking and have been at Standard Bank for 16 years. I also led the Debt Solutions business which is responsible for all arranging and underwriting of term lending. I started my banking career at RBS, London where I was part of the Leverage Finance team supporting Private Equity led financing. I also spent seven years with Deloitte culminating in the Private Equity Transaction Services team in London.

What is the biggest / most complex transaction you have worked on so far in your career?

I have been privileged to work on many big transactions in my career including large leverage and acquisition financing activities, and I have always enjoyed assisting clients to fulfil on their strategic objectives.

What words of advice do you have to the next generation of bankers?

My advice to the next generation of bankers is not to underestimate the importance of the role of bankers to the economy and society – don't approach matters with a short-term outlook. Understand the role finance can play in unlocking sustained growth for the benefit of all, especially in a continent such as Africa.