



standard  
chartered

# Environmental, Social and Governance (ESG) Report 2021



# Contents

<b>Introduction</b>	<b>02</b>
<b>Our 2021 ESG highlights</b>	<b>03</b>
<b>Global Reporting Initiative alignment index</b>	<b>04</b>
2: General Disclosures	04
3: Material Topics	10
201: Economic Performance	10
203: Indirect Economic Impacts	11
204: Procurement Practices	11
205: Anti-corruption	12
207: Tax	13
302: Energy	14
305: Emissions	15
404: Training and Education	17
405: Diversity and Equal Opportunity	18
409: Forced or Compulsory Labour	18
414: Supplier Social Assessment	19
<b>Sustainability Accounting Standards Board alignment index</b>	<b>20</b>
<b>World Economic Forum Stakeholder Capitalism Metrics alignment index</b>	<b>25</b>
<b>UN Principles for Responsible Banking self-assessment</b>	<b>36</b>
<b>Important notices</b>	<b>49</b>

## Our approach to ESG reporting

We adopt an integrated approach to corporate reporting, embedding non-financial information throughout our 2021 Annual Report.

We also produce a standalone Task Force on Climate-related Financial Disclosures (TCFD) Report, and a Modern Slavery Statement. As such, further information on our approach and progress towards our most material sustainable and responsible business topics can be found throughout our core reporting suite, accessed via the links below.

This ESG report is intended to provide supplementary ESG-related information to stakeholders and investors by setting out alignment index tables for the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and World Economic Forum Stakeholder Capitalism Metrics, as well as our self-assessment template for the United Nations Principles for Responsible Banking (UN PRB).

We are committed to providing our stakeholders with useful, relevant and meaningful sustainability information and in future years will endeavour to enhance our disclosures on these topics.

 See [sc.com/annualreport](https://sc.com/annualreport)

 See [sc.com/tcfid](https://sc.com/tcfid)

 See [sc.com/modernslavery](https://sc.com/modernslavery)

## 2021 highlights

Our vision



# 82.9%

Sustainability Aspirations achieved or on track.

<b>Pillar 1: Business</b> 	<b>\$9.6bn</b> Project financing facilitated for infrastructure projects	<b>1.4bn*</b> Tonnes of CO <sub>2</sub> emissions avoided from operational Sustainable Finance assets	<b>\$2.96bn</b> Financing to small business clients
	<b>70%*</b> Sustainable Finance assets located in emerging and developing economies	<b>\$617.5m</b> Provided to microfinance institutions	<b>1,333</b> Clients and transactions reviewed for environmental and social risks
<b>Pillar 2: Operations</b> 	<b>30.7%</b> Women holding senior leadership roles	<b>99.6%</b> Staff recommitted to Code of Conduct	<b>27%</b> Reduction in carbon footprint year-on-year
	<b>80.65%</b> Culture of inclusion score	<b>15%</b> Energy sourced from renewables	<b>99.6%</b> Staff completing e-learnings on financial crime risk
<b>Pillar 3: Communities</b> 	<b>\$48.7m</b> Invested in our communities	<b>\$14m</b> For Futuremakers by Standard Chartered through fundraising and Group donations	<b>&gt; 89,000</b> Girls participated in our Goal programme
	<b>&gt; 31,600</b> Employee volunteering days	<b>&gt; 66,500</b> Young people reached through employability projects	<b>&gt; 46,800</b> Young people reached through entrepreneurship activities

\* Figures accurate from July 2020 to June 2021, as per Sustainable Finance Impact Report

## GRI alignment index

Standard Chartered has reported in accordance with the GRI Standards for the period 1 January 2021 to 31 December 2021. GRI 1: Foundation 2021 was used as the basis of preparation. No GRI Sector Standards applied. The table below highlights sections of our 2021 public disclosures that include information related to the GRI Standards.

GRI standard	Disclosure	Code	Location/response
<b>GRI 2: General disclosures</b>			
<b>1. The organisation and its reporting practices</b>	<b>Organisational details</b>	2-1	Standard Chartered PLC is incorporated in England and Wales with limited liability, and is headquartered at 1 Basinghall Avenue, London, UK. We are present in 59 markets and serve clients in a further 83. <a href="#">See inside front cover and pages 4–5 of our 2021 Annual Report.</a>
	<b>Entities included in the organisation’s sustainability reporting</b>	2-2	All entities included in the financial reporting are also included in our sustainability reporting. Note 32 on <a href="#">pages 407–411 of our 2021 Annual Report</a> sets out Standard Chartered’s investments in subsidiary undertakings, joint ventures and associates.
	<b>Reporting period, frequency and contact point</b>	2-3	Our 2021 Annual Report covers the period 1 January 2021 to 31 December 2021. The reporting period for sustainability data is consistent with this, with the exception of our environment data which relates to a reporting period of 1 October 2020 to 30 September 2021 to allow sufficient time for independent assurance to be gained prior to the publication of results. See <a href="https://sc.com/environmentreporting">sc.com/environmentreporting</a> . In addition, our <a href="#">Sustainable Finance Impact Report (sc.com/SFimpactreport)</a> published in 2021 and quoted within the Annual Report, covers the period 1 July 2020 to 30 June 2021, in line with the timing of our Sustainable Bond issuances.
	<b>Restatements of information</b>	2-4	In our 2021 Annual Report, we restated our 2020 flight emissions, along with associated totals and intensity metrics. There was an immaterial change of less than one per cent, taking the scaled up flight emissions from 33,811 tonnes of CO <sub>2</sub> equivalent (CO <sub>2</sub> eq) per year as reported in 2020 to 33,930 CO <sub>2</sub> eq/year. <a href="#">See pages 451–452 of our 2021 Annual Report</a> . For any questions related to our Annual Report, please contact <a href="mailto:investor.relations@sc.com">investor.relations@sc.com</a> , and for questions related to this ESG Report please contact <a href="mailto:sustainability.feedback@sc.com">sustainability.feedback@sc.com</a> .
	<b>External assurance</b>	2-5	To ensure stakeholder confidence in our approach, we have conducted a limited-scope assurance exercise of performance data related to selected Sustainability Aspirations. The findings of this exercise will contribute towards our continued work to strengthen how we track and report progress on our Aspirations, including as part of our commitment to the UN PRB. This can be accessed at <a href="https://sc.com/aspirationsassurance">sc.com/aspirationsassurance</a> . <a href="#">Our UN PRB self-assessment has been independently assured and can be accessed at sc.com/UNPRBassurance</a> . We use an independent third-party assurance provider to verify our measured Scope 1 and Scope 2 emissions, as well as waste and water consumption. <a href="https://sc.com/environmentalassurance">See sc.com/environmentalassurance</a> .

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>GRI 2: General disclosures</b> continued			
<b>2. Activities and workers</b>	<b>Activities, value chain and other business relationships</b>	2-6	<p>Our client segments are Corporate, Commercial and Institutional Banking (CCIB) and Consumer, Private and Business Banking (CPBB):</p> <ul style="list-style-type: none"> <li>• CCIB supports clients with their transaction banking, financial markets, corporate finance and borrowing needs across 49 markets, providing solutions to more than 22,000 clients in some of the world's fastest-growing economies and most active trade corridors.</li> <li>• CPBB serves more than 9 million individuals and small businesses, with a focus on the affluent and emerging affluent in many of the world's fastest-growing cities.</li> </ul> <p>Further information on our business model, activities, services and markets served can be found in our <a href="#">2021 Annual Report on pages 2-3, 21 and 26-30</a>.</p> <p>We have approximately 12,100 suppliers across 55 markets.</p> <p>Further information on our supply chain can be found in our <a href="#">2021 Annual Report on pages 51-59 and 187</a>.</p>
	<b>Employees</b>	2-7	<p>We have more than 81,000 employees across our footprint. Further detail about the composition of our global workforce can be found in our supplementary people information data tables on <a href="#">pages 446-449 of our 2021 Annual Report</a>.</p>
	<b>Workers who are not employees</b>	2-8	<p>Non-outsourced non-employed workers (NEWs) are engaged on a time and materials basis where task selection and supervision are the responsibility of the Group, such as agency workers. In our reporting, references to total number of colleagues include employees plus non-outsourced NEWs.</p> <p>Outsourced NEWs are arrangements with a third-party vendor where the delivery is based on a specific service or outcome at an agreed price, irrespective of the number of resources required to perform the service. These resources are not considered as part of the Group's headcount.</p> <p>Details of our outsourced and non-outsourced NEWs can be found in our <a href="#">supplementary people information data tables on pages 446-449</a>.</p>
<b>3. Governance</b>	<b>Governance structure and composition</b>	2-9	<p>Our Board is led by our Group Chairman, José Viñals. Profiles of all Board members can be found on <a href="#">pages 91-94 of our 2021 Annual Report</a>. Our Board is supported in its work by several committees, including the Audit Committee (see <a href="#">pages 116-122</a>), Board Risk Committee (see <a href="#">pages 123-129</a>), Culture and Sustainability Committee (CSC) (see <a href="#">pages 130-132</a>), Governance and Nomination Committee (see <a href="#">pages 133-137</a>), Board Financial Crime Risk Committee (see <a href="#">pages 138-140</a>).</p>
	<b>Nomination and selection of the highest governance</b>	2-10	<p>The Board's Governance and Nomination Committee has responsibility for keeping the size, structure and composition of the Board and its committees under review. As part of the Committee's succession planning for the Board, it takes into account the Group's strategy and challenges, and makes recommendations to the Board in respect of any adjustments to the Board's composition. <a href="#">Further information on the nomination and selection process for the Board and its committees can be found on pages 133-137 of the 2021 Annual Report</a>.</p>
	<b>Chair of the highest governance body</b>	2-11	<p>The roles of the Group Chairman and Group Chief Executive are distinct from one another and are clearly defined in detailed role descriptions which can be viewed at <a href="https://www.sc.com/roledescriptions">sc.com/roledescriptions</a>.</p>

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>GRI 2: General disclosures</b> continued			
<b>3. Governance</b> continued	<b>Role of the highest governance body in overseeing management of impacts</b>	2-12	<p>Our Board is collectively responsible for our long-term success, and for ensuring that the Group is led within a framework of effective controls. The Board sets our strategic direction, approves our strategy and takes appropriate action to ensure that we have the resources we need to achieve our strategic aspirations.</p> <p>The Board considers the impact of the decisions it makes, and its responsibilities to all our stakeholders, including colleagues, shareholders, regulators, clients and suppliers, as well as to the environment and the communities where we operate.</p> <p>Our six Board committees play an important role in supporting the Board. Stakeholder consideration and engagement form a crucial aspect of Board decision-making and discussions. The Board also recognises this as significant in its continued review of the Group's purpose, values and strategy. Specifically, the Culture and Sustainability Committee provides oversight of our sustainability priorities (see response to GRI 2-13).</p> <p>Further detail regarding the Board's engagement with our stakeholders can be found on <a href="#">pages 110–115 of the 2021 Annual Report</a>, with detail regarding how each Committee and its members engaged with stakeholders found in the Committee report sections on <a href="#">pages 116–140</a>.</p>
	<b>Delegation of responsibility for managing impacts</b>	2-13	<p>At Board level, the Culture and Sustainability Committee (CSC) provides oversight for our sustainability strategy while the Board Risk Committee oversees Reputational and Sustainability Risk as part of the Enterprise Risk Management Framework. The Group Risk Committee provides executive-level committee oversight and delegates the authority to ensure effective management of Reputational and Sustainability Risk to the Group Responsibility and Reputational Risk Committee (GRRRC).</p> <p>Specifically for climate change, the Group Chief Risk Officer has Senior Management Responsibility for Climate Risk and is supported by the Global Head, Enterprise Risk Management who has day-to-day oversight, and has appointed the Climate Risk Management Forum that oversees the delivery of the Group's commitment to manage climate-related financial and non-financial risks. In 2021, we established a robust governance structure to support our net zero approach through the Net Zero Steering Group chaired by the Group Head, Conduct, Financial Crime &amp; Compliance.</p> <p>The Sustainable Finance Governance Committee, appointed by the GRRRC, provides leadership, governance and oversight for delivering the Group's sustainable finance offering. A cross-business Sustainability Forum is responsible for developing and delivering the Group's broader sustainability strategy.</p> <p>For more information on Board engagement with stakeholders, including on sustainability topics, see <a href="#">pages 110–115 of the 2021 Annual Report</a>, and for the CSC see <a href="#">pages 130–132</a>. Additional information on sustainability governance oversight can be found on <a href="#">pages 276–277</a>.</p> <p>Further information on the Group's governance for climate change specifically can be found in the <a href="#">governance chapter of our TCFD Report at <a href="https://www.sc.com/tcfd">sc.com/tcfd</a></a>.</p>
	<b>Role of the highest governance body in sustainability reporting</b>	2-14	<p>During 2021, the Board discussed, reviewed and approved the Group's net zero pathway in advance of the publication of our Net Zero Whitepaper. See <a href="https://www.sc.com/netzero">sc.com/netzero</a>.</p> <p>The sustainability information integrated into the 2021 Annual Report was approved by both the Management Team (MT) and the Board. Our TCFD report was approved by the MT, and the Modern Slavery Statement was also approved by the Board and MT.</p>

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>GRI 2: General disclosures</b> continued			
<b>3. Governance</b> continued	<b>Conflicts of interest</b>	2-15	The Governance and Nomination Committee considers any potential situational conflicts of interest declared by Board members. <a href="#">External appointments held by Board members are set out on pages 91–94 of the 2021 Annual Report.</a>
	<b>Communication of critical concerns</b>	2-16	During 2021, the Board's Audit Committee reviewed and discussed an annual report on the operation and effectiveness of the Speaking Up Programme which was subsequently tabled to the Board. The report provided the Committee with assurance of the Group's ongoing compliance with the Whistleblowing Rules. The Committee discussed the linkages between Speaking Up and data within the Group's My Voice (employee engagement survey) results and the focus areas for 2022. In 2021, the Committee Chair received updates on Speak Up issues and incidents as necessary. <a href="#">See page 122 of the 2021 Annual Report.</a> Total numbers of Speak Up cases raised and closed throughout the year can be found on <a href="#">page 72 of the 2021 Annual Report.</a>
	<b>Collective knowledge of the highest governance body</b>	2-17	In 2021, we conducted training for the Board and Management Team on our approach to net zero, and Imperial College London delivered a Board-level training on climate scenarios to support the Board with their review and challenge of climate-related regulatory stress testing. <a href="#">See pages 67–69 of the 2021 Annual Report</a> and our <a href="#">TCFD report at sc.com/tcfd.</a>
	<b>Evaluation of the performance of the highest governance body</b>	2-18	The Group Chairman is committed to ensuring optimal Board effectiveness and the Governance and Nomination Committee of the Board has oversight of overall Board effectiveness. <a href="#">See page 133 of the 2021 Annual Report.</a> The 2021 Board and committees' effectiveness review was conducted internally, facilitated by the Group Company Secretary, and in accordance with the UK Corporate Governance Code. <a href="#">See pages 108–109 of the 2021 Annual Report.</a>
	<b>Remuneration policies</b>	2-19	Our Directors' remuneration report on <a href="#">pages 141–180 of the 2021 Annual Report</a> provides an overview of the remuneration policies for the executive directors and the wider workforce. <a href="#">Page 19 of our 2021 TCFD report</a> also sets out the incentives structure with regards to our climate-related activities.
	<b>Process to determine remuneration</b>	2-20	Our Remuneration Committee is responsible for setting the governance framework for remuneration for all employees, ensuring alignment with our culture, the requirements of the UK Corporate Governance Code and any other relevant regulations. Our Director's remuneration report on <a href="#">pages 141–180 of the 2021 Annual Report</a> provides an overview of the remuneration policies for the executive directors and the wider workforce.
	<b>Annual total compensation ratio</b>	2-21	In line with UK regulations, we annually report pay ratios comparing CEO remuneration with that of all UK employees. We review year-on-year changes to understand the reasons and appropriateness for such movements. In addition, we review the median ratio against UK FTSE and industry peer averages. Our 2021 pay ratios are covered in our Directors' remuneration report, on <a href="#">page 171 of the 2021 Annual Report.</a>

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>GRI 2: General disclosures</b> continued			
<b>4. Strategy, policies and practices</b>	<b>Statement on sustainable development strategy</b>	2-22	Sustainability is a pillar of our strategy. In their statements in our <a href="#">2021 Annual Report (see pages 6–12)</a> , our Group Chairman and CEO both discuss the importance of sustainability to our strategy, how we are taking a Stand on critical societal issues, and our pathway to net zero. Furthermore, the Board’s coverage of sustainability matters can be reviewed in our <a href="#">Directors’ report, on pages 88–140 of our 2021 Annual Report</a> .
	<b>Policy commitments</b>	2-23	<p>We have set ourselves the vision to become the world’s most sustainable and responsible bank, committed to sustainable social and economic development through our business, operations and communities. We have a range of standards and policies that guide our approach to doing business in a sustainable way, which can be accessed at <a href="https://sc.com/standardsandpolicies">sc.com/standardsandpolicies</a>.</p> <p>In addition, our 2021 Annual Report sets out our approach to engaging key stakeholder groups, and our approach and progress towards our most material sustainable and responsible business topics, including: sustainable finance, environmental and social risk management, climate change, conduct and ethics, fighting financial crime, human rights, managing our environmental footprint, and community engagement. <a href="#">See pages 51–77 of our 2021 Annual Report</a>.</p> <p>Further information on our approach to climate change can also be read in our <a href="#">TCFD report at sc.com/tcfd</a>, and our <a href="#">Modern Slavery Statement at sc.com/modernslavery</a>.</p>
	<b>Embedding policy commitments</b>	2-24	<p>At Board level, the Culture and Sustainability Committee (CSC) provides oversight for our sustainability strategy while the Board Risk Committee oversees Reputational and Sustainability Risk as part of the Enterprise Risk Management Framework. The Group Risk Committee provides executive-level committee oversight and delegates the authority to ensure effective management of Reputational and Sustainability Risk to the Group Responsibility and Reputational Risk Committee (GRRRC). The Sustainable Finance Governance Committee, appointed by the GRRRC provides leadership, governance and oversight for delivering the Group’s sustainable finance offering. The Sustainability Forum reports into the Group MT and oversees the development and implementation of the Group’s vision to be the world’s most sustainable and responsible bank, and guides a co-ordinated Group-wide approach to key sustainability themes, including climate change.</p> <p>Further detail on the governance and management of sustainable and responsible business activities can be found in the following locations:</p> <ul style="list-style-type: none"> <li>• for governance of Sustainability Risk, see <a href="#">pages 276–277 of the 2021 Annual Report</a></li> <li>• for the activities of the CSC of the Board, see <a href="#">pages 130–132 of the 2021 Annual Report</a></li> <li>• for the governance of climate change specifically, see <a href="#">pages 11–19 of our TCFD Report at sc.com/tcfd</a>.</li> </ul> <p>The sustainable and responsible business chapter from <a href="#">pages 61–77 of the 2021 Annual Report</a> provides further information on the integration of sustainable and responsible policies and commitments into organisational strategies, operational policies and procedures.</p>

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>GRI 2: General disclosures</b> continued			
<b>4. Strategy, policies and practices</b> continued	<b>Processes to remediate negative impacts</b>	2-25	Our Group Grievance Standard provides a formal framework to deal with concerns that employees have in relation to their employment or another colleague, which affects them directly, and cannot be resolved through informal mechanisms, such as counselling, coaching or mediation. <a href="#">See page 186 of our 2021 Annual Report.</a>
	<b>Mechanisms for seeking advice and raising concerns</b>	2-26	The ability to raise concerns is essential to upholding the Group's here for good brand and valued behaviours. Early disclosure of concerns reduces the risk of financial and reputational loss caused by misconduct. We encourage colleagues, contractors, suppliers and members of the public to raise concerns to our Speaking Up whistleblowing programme which offers secure, independent and confidential channels to report known or suspected misconduct without fear of retaliation. Further detail on our Speaking Up Programme can be found on <a href="#">pages 71-72 and 186 of our 2021 Annual Report.</a>
	<b>Compliance with laws and regulations</b>	2-27	The Group receives legal claims against it in a number of jurisdictions and is subject to regulatory and enforcement investigations and proceedings from time to time. Note 26 to our financial statements sets out further information on our legal and regulatory matters. <a href="#">See page 390 of our 2021 Annual Report.</a>
	<b>Membership associations</b>	2-28	We are members of a wide range of financial services and other relevant professional and trade associations, some of which may engage with political stakeholders on topics that are of relevance to our business. We are members of an estimated 200 associations globally. As a matter of procedure, trade associations memberships are reviewed annually. As with any expenditure related to public policy engagement, changes to those memberships are subject to the Group's general expenditure policies and procedures and approved in line with the delegated authority structures in place at market, regional and Group levels.  View our key memberships at Group level and in a range of our larger markets at <a href="https://sc.com/politicalengagement">sc.com/politicalengagement</a> and <a href="https://sc.com/en/sustainability/how-we-work/">sc.com/en/sustainability/how-we-work/</a> .
<b>5. Stakeholder engagement</b>	<b>Approach to stakeholder engagement</b>	2-29	Listening and responding to stakeholder priorities and concerns are critical to achieving our Purpose and delivering on our brand promise, here for good. We strive to maintain open and constructive relationships with a wide range of stakeholders including regulators, lawmakers, clients, investors, civil society and community groups.  <a href="#">See pages 51-59 of our 2021 Annual Report</a> to learn more about how we engage with our key stakeholders.
	<b>Collective bargaining agreements</b>	2-30	We seek to build productive and enduring partnerships with various employee representative bodies (including unions and work councils). In our recognition and interactions, we are heavily influenced by the 1948 United Nations Universal Declaration of Human Rights (UDHR), and several International Labour Organization (ILO) conventions, including the Right to Organise and Collective Bargaining Convention, 1949 (No. 98) and the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87).  For further detail on the percentage of employees covered by collective bargaining agreements, and our approach for those not covered, see <a href="#">page 186 of our 2021 Annual Report.</a>

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>Material topics</b>			
<b>3: Material topics</b>	<b>Process to determine material topics</b>	3-1	<p>Listening and responding to stakeholder priorities and concerns is critical to achieving our Purpose and delivering on our brand promise, here for good. We strive to maintain open and constructive relationships with a wide range of stakeholders including regulators, lawmakers, clients, investors, civil society and community groups. In 2021, our engagement took many forms, including one-to-one sessions using online channels and calls, virtual roundtables, written responses and targeted surveys. These conversations, and the issues that underpin them, help inform our business strategy and enable us to operate as a responsible and sustainable business.</p> <p>More detailed information on how we engage stakeholders and assess their interests is on <a href="#">pages 51–59 of our 2021 Annual Report</a>.</p> <p>We have set ourselves the vision to become the world’s most sustainable and responsible bank, committed to sustainable social and economic development through our business, operations and communities. In pursuit of this, and in alignment with stakeholder priorities, in 2021 we formally elevated sustainability to be a pillar of our strategy. We have set long-term ambitions for our role in tackling the severe impacts of climate change, stark inequality and unfair aspects of globalisation that impact everyone and the planet.</p> <p>In addition, we review and refresh our Sustainability Aspirations annually to ensure they reflect our stakeholders’ priorities and evolving strategy. For example, in 2021, we committed to consult with shareholders, investors, clients and civil society to develop a definition, methodology, targets and timeline to develop our approach to measuring, managing and reducing emissions associated with our financing of clients to support our objective to achieve net zero by 2050.</p> <p><a href="#">See pages 24–25 of our 2021 Annual Report</a> for more detail on how we are taking a stand, and our sustainable and responsible business section on <a href="#">pages 61–77</a> for further information on our core material sustainability topics and Sustainability Aspirations. Our suite of Sustainability Aspirations for 2022 can be found at <a href="https://sc.com/sustainabilityaspirations">sc.com/sustainabilityaspirations</a>.</p>
	<b>Management approach</b>	201	Our Group Chief Financial Officer’s review on <a href="#">pages 32–40 of our 2021 Annual Report</a> provides information on our economic performance. The financial statements can be found on <a href="#">pages 294–459</a> .
	<b>Direct economic value generated and distributed</b>	201-1	See our consolidated income statement on <a href="#">page 308 of our 2021 Annual Report</a> . Further information can be found in the notes to the financial statements, as referenced. <a href="#">Pages 318–323</a> set out our results by operating and geographic segment.
	<b>Financial implications and other risks and opportunities due to climate change</b>	201-2	<a href="#">See pages 67–69 of our 2021 Annual Report</a> for a summary of our TCFD response which sets out further information on the risks and opportunities posed by climate change. Our full stand-alone TCFD Report can be accessed at <a href="https://sc.com/tcfd">sc.com/tcfd</a> .
	<b>Defined benefit plan obligations and other retirement plans</b>	201-3	Information on our retirement benefit obligations can be found on <a href="#">pages 398–402, in Note 30 of our financial statements in our 2021 Annual Report</a> .
<b>Financial assistance received from government</b>	201-4	To the best of our knowledge, no material assistance was received by any government during 2021.	
<b>201: Economic Performance</b>			

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>203: Indirect Economic Impacts</b>	<b>Management approach</b>	203	<p>We are committed to promoting economic and social development in the markets we operate, doing so sustainably and equitably in line with our Purpose and three valued behaviours: ‘Never settle’, ‘Better together’ and ‘Do the right thing’. This Sustainability Philosophy sets out how we integrate sustainability into our organisational decision-making. Growth in our markets is leading to rapid urbanisation and creating increased need for infrastructure and technology. We believe finance plays a key role in meeting these needs. It enables individuals to build a positive future for themselves and their families, businesses to thrive and grow, and governments to deliver economic prosperity for the wider community. Supporting sustainable and responsible growth, including delivering the UN SDGs, represents a significant opportunity for us. In pursuing this opportunity, we are guided by our brand promise, here for good. <a href="https://www.sc.com/sustainabilityphilosophy">See sc.com/sustainabilityphilosophy</a>.</p> <p>Achieving a just transition – where climate objectives are met without depriving emerging markets of their opportunity to grow and prosper – will require directing capital and specialised support to the regions that need it the most to drive sustainable economic growth. As part of our Sustainability Aspirations, we have set ourselves the target to mobilise project financing services for \$40 billion of infrastructure projects that promote sustainable development that align to our verified Green and Sustainable Product Framework. <a href="#">See page 62 of our 2021 Annual Report</a>.</p>
	<b>Infrastructure investments and services supported</b>	203-1	Our <a href="#">Sustainable Finance Impact Report</a> sets out further detail on our investment in healthcare and transport infrastructure, and the impact that is having. <a href="#">See sc.com/SFimpactreport</a> . <a href="#">Page 62 of our 2021 Annual Report</a> also details progress against our infrastructure Sustainability Aspiration.
	<b>Significant indirect economic impacts</b>	203-2	
<b>204: Procurement Practices</b>	<b>Management approach</b>	204	<p>We engage diverse suppliers, both locally and globally, to provide efficient and sustainable goods and services for our business. The majority of our expenditure is on services and is managed through a third-party governance framework which ensures that we follow the highest standards in terms of sourcing, awarding and on-boarding suppliers. <a href="#">See page 187 of our 2021 Annual Report and sc.com/suppliercharter</a>.</p>
	<b>Proportion of spending on local suppliers</b>	204-1	In 2021, \$4.1 billion was spent with approximately 12,100 first-tier suppliers. Of this, 73 per cent of the total spend was spent in the Asia region, with 19 per cent in Europe and the Americas, and eight per cent in Africa and the Middle East. <a href="#">See page 187 of the 2021 Annual Report</a> , and <a href="#">Appendix 1 on page 48 of in this report</a> , for more detail on our procurement spend for 2021.

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
205: Anti-corruption	<b>Management approach</b>	205	Our ambition is to tackle some of today's most damaging crimes by making the financial system a hostile environment for criminals and terrorists. Further information on our approach to fighting financial crime can be found on <a href="#">pages 72–73 of our 2021 Annual Report</a> , and at <a href="https://sc.com/fightingfinancialcrime">sc.com/fightingfinancialcrime</a> .
	<b>Operations assessed for risks related to corruption</b>	205-1	During 2021, 41 processes (representing 7.3 per cent of our identified process universe within the Operational Risk & Technology Framework) were identified as susceptible to bribery and corruption-related risk. All processes are tracked through enhanced reporting and first- and second-line governance forums to mitigate this risk. The Group Risk Assessment found no processes or countries to be operating at a high residual risk level; however, 14 countries were identified as having a high inherent risk. <a href="#">See pages 72–73 of our 2021 Annual Report</a> .
	<b>Communication and training about anti-corruption policies and procedures</b>	205-2	We have invested significantly to ensure our employees are properly equipped to combat financial crime. In 2021, 99.6 per cent of colleagues completed financial crime e-learning which cover sanctions and fraud topics, and this was supported by a Group-wide communication campaign, 'The whole story', which extended our awareness-raising activities. <a href="#">Page 453 of our 2021 Annual Report</a> sets out the completion rates of these trainings by region and employee category for 2021. We also shared our Supplier Charter, which sets out our expectations and minimum standards related to anti-bribery and corruption, with all of our suppliers, representing more than 12,100 suppliers and third parties across 55 markets.

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>207: Tax</b>	<b>Management approach</b>	207	<p>Further information on our accounting policies related to taxation, significant accounting estimates and judgements, and taxation disclosures for the Group are provided in Note 10: Taxation on <a href="#">pages 333–336 of our 2021 Annual Report</a>. The Audit Committee of the Board has oversight of taxation which is considered an area of focus. Further information is described on <a href="#">pages 116–122 of our 2021 Annual Report</a>.</p> <p>In addition, in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013, we set out the country-by-country information in respect of the year ended 31 December 2020. Also included are further disclosures setting out our approach to tax and additional taxes paid in the year. The disclosures in respect of the year ended 31 December 2021 will be published on the website on or before 31 December 2022.</p>
	<b>Approach to tax</b>	207-1	<p>The Group's approach to tax is governed by our tax strategy approved by the Board. Under our tax strategy, we manage our tax affairs in alignment with our commercial strategy, having regard to building long term shareholder value and to maintaining our reputation as a responsible taxpayer with tax authorities and regulators.</p> <p>For further information see <a href="#">pages 333–336 of our 2021 Annual Report</a>, and our <a href="#">Country-by-Country schedule at <a href="https://www.sc.com/cbcr">sc.com/cbcr</a></a>. This schedule is subject to independent audit by Ernst &amp; Young LLP where indicated.</p>
	<b>Tax governance, control, and risk management</b>	207-2	<p>The Group aims to control tax risks to ensure that losses (financial or reputational), including any related to conduct of business matters, do not cause material damage to the Group's franchise. Risks relating to the tax aspects of financial crime compliance are governed by the Group Financial Crime Risk Committee. Management of all other tax risks is overseen by the Group Non-Financial Risk Committee. Both directly report to Group Risk Committee.</p> <p>For further information see <a href="https://www.sc.com/cbcr">sc.com/cbcr</a>. This schedule is subject to independent audit by Ernst &amp; Young LLP where indicated.</p>
	<b>Stakeholder engagement and management of concerns related to tax</b>	207-3	<p>We manage our relationships with tax authorities and regulators in a transparent, professional and constructive manner. We routinely seek feedback from Her Majesty's Revenue and Customs (HMRC) on our relationship with them and we seek to resolve issues with HMRC before returns are filed where practicable.</p> <p>Standard Chartered contributes to the development of sustainable tax policy and legislation, typically through direct engagement with tax authorities, public consultation processes or in our role as a member of an industry group.</p> <p>For further information see <a href="https://www.sc.com/cbcr">sc.com/cbcr</a>.</p>
	<b>Country-by-country reporting</b>	207-4	<p>Across our markets, we operate as one bank. We are a global business and have substantial commercial operations in both high and low tax jurisdictions. All business entities included in our tax disclosures can be found on pages 9–12 of the Country-by-Country Disclosure at <a href="https://www.sc.com/cbcr">sc.com/cbcr</a>.</p>

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>302: Energy</b>	<b>Management approach</b>	302	We aim to minimise the environmental impact of our operations as part of our commitment to be a responsible company. We report on energy, water and non-hazardous waste data which become the basis of our GHG emissions management, as well as the targets we have set to reduce energy, water and waste consumption. Our approach to managing energy is set out on <a href="#">pages 74–75 and 188–189 of the 2021 Annual Report</a> . Greater detail on our energy use can be found in our supplementary sustainability information tables on <a href="#">page 451 and 452</a> .
	<b>Energy consumption within the organization</b>	302-1	<a href="#">See pages 451-452 of our 2021 Annual Report</a> for our full supplementary environment data.
	<b>Energy consumption outside of the organization</b>	302-2	This is not applicable to our business.
	<b>Energy intensity</b>	302-3	<a href="#">See pages 451-452 of our 2021 Annual Report</a> for our full supplementary environment data.
	<b>Reduction of energy consumption</b>	302-4	In 2021, energy and emissions reductions initiatives included clean power purchase agreements, water recycling, solar rooftops and on-site waste composting. Together with a five per cent reduction in our real estate portfolio, these direct initiatives reduced our CO <sub>2</sub> emissions by 27 per cent, and our energy consumption by 15 per cent year-on-year to 183 GWh. Specifically, investment in energy-efficient products accounted for 11 GWh of this reduction, resulting in a lower-carbon and more efficient portfolio. <a href="#">See page 75 of our 2021 Annual Report</a> for more information, and <a href="#">pages 451-452</a> for our full supplementary environment data.
	<b>Reductions in energy requirements of products and services</b>	302-5	This is not applicable to our business.

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
305: Emissions	Management approach	305	<p>We aim to minimise the environmental impact of our operations as part of our commitment to be a responsible company. We report on energy, water and non-hazardous waste data which becomes the basis of our GHG emissions management, as well as the targets we have set to reduce energy, water and waste consumption. We have measured and reduced our GHG emissions since 2008. Our Scope 1 and 2 emission reduction target has been validated by the Science Based Targets initiative (SBTi) as being in line with a well-below two degrees Celsius scenario. Through our Sustainability Aspirations, we have set more ambitious targets to achieve net zero emissions and ensure we only consume renewable energy across our portfolio by 2025.</p> <p>Our approach to managing our environmental footprint is set out on <a href="#">pages 74–75 and 188–189 of the 2021 Annual Report</a>. Greater detail on our GHG emissions can be found in our supplementary sustainability information tables on <a href="#">pages 451–452</a>.</p> <p>Our reporting methodology is based on the World Resources Institute/ World Business Council for Sustainable Development Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (Revised Edition). We report on all emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations. Using conversion factors from the International Energy Agency 2021 Emissions Factors and the UK Government's Department for Business, Energy &amp; Industrial Strategy, emissions are reported in metric tonnes of carbon dioxide equivalent (CO<sub>2</sub>eq), encompassing the six Kyoto gases.</p> <p>The reporting period of our environmental data is from 1 October 2020 to 30 September 2021. This allows sufficient time for independent assurance to be gained prior to the publication of results. Accordingly, the operating income used in this inventory corresponds to the same time period rather than the calendar year used in financial reporting.</p> <p>Our environment reporting criteria document sets out the principles and methodology used to report all carbon emissions data by Standard Chartered PLC and its subsidiaries (the Group) through its Annual Report and ESG disclosures. This can be accessed at <a href="https://sc.com/environmentcriteria">sc.com/environmentcriteria</a>.</p>
	Direct (Scope 1) GHG emissions	305-1	<p>Scope 1 emissions are defined as arising from the consumption of energy from direct sources, during the use of property occupied by the Group. On-site combustion of fuels, including diesel, liquefied petroleum gas (LPG) and natural gas, is recorded using meters, or where metering is not available, collated from fuel vendors' invoices. Emissions from the combustion of fuel in Group-operated transportation devices, as well as fugitive emissions, are excluded as being immaterial.</p> <p><a href="#">See pages 451 and 452 of the 2021 Annual Report</a>.</p> <p>Further detail on the principles and methodology used to report all carbon emissions data can be accessed at <a href="https://sc.com/environmentcriteria">sc.com/environmentcriteria</a>.</p>

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>305: Emissions</b> continued	<b>Energy indirect (Scope 2) GHG emissions</b>	305-2	<p>Scope 2 emissions are defined as arising from the consumption of indirect sources of energy, during the use of property occupied by the Group. Energy generated off-site in the form of purchased electricity, heat, steam or cooling, is collected as kilowatt hours consumed using meters, where metering is not available, collated from vendors' invoices.</p> <p>Applicable to both Scope 1 and 2 emissions, we include all indirect and direct sources of energy consumed by building services (among other activities) within the space occupied by the Group, leased or owned. This can include base building services under landlord control, but over which we typically hold a reasonable degree of influence.</p> <p>All data centre facilities with conditioning systems and hardware remaining under the operational control of the Group are included in the reporting. This does not include energy used at outsourced data centre facilities which are captured under Scope 3.</p> <p><a href="#">See pages 451 and 452 of the 2021 Annual Report.</a></p> <p>Further detail on the principles and methodology used to report all carbon emissions data can be accessed at <a href="https://sc.com/environmentcriteria">sc.com/environmentcriteria</a>.</p>
	<b>Other indirect (Scope 3) GHG emissions</b>	305-3	<p>Scope 3 emissions occur as a consequence of the Group's activities but arising from sources not controlled by us. Business air travel data is collected as person kilometres travelled by seating class, by employees of the Group. Data is drawn from market operations that have processes in place to gather accurate employee air travel data from travel management companies. Flights are categorised between short, medium and long-haul trips.</p> <p>Emissions from other potential Scope 3 sources, such as electricity transmission and distribution line losses, are not currently accounted for on the basis that they cannot be calculated with an acceptable level of reliability or consistency. We do, however, capture Scope 3 emissions from outsourced data centres and business air travel exclusively in terms of carbon emissions, both managed by third parties.</p> <p><a href="#">See pages 451–452 of the 2021 Annual Report.</a></p> <p>Further detail on the principles and methodology used to report all carbon emissions data can be accessed at <a href="https://sc.com/environmentcriteria">sc.com/environmentcriteria</a>.</p>
	<b>GHG emissions intensity</b>	305-4	We calculate intensity ratios using headcount and operating income as denominators. <a href="#">See pages 451–452 of the 2021 Annual Report.</a>
	<b>Reduction of GHG emissions</b>	305-5	<p>In 2021, energy and emissions reductions initiatives included clean power purchase agreements, water recycling, solar rooftops and on-site waste composting. Together with a five per cent reduction in our real estate portfolio, these direct initiatives reduced our CO<sub>2</sub> emissions by 27 per cent.</p> <p><a href="#">See pages 74–75 of our 2021 Annual Report</a>, with detail on the Scopes in which reduction took place available in our supplementary sustainability information tables on <a href="#">pages 451–452</a>.</p>
	<b>Emissions of ozone-depleting substances (ODS)</b>	305-6	This is not applicable to our business.
	<b>Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions</b>	305-7	This is not applicable to our business.

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>404: Training and education</b>	<b>Management approach</b>	404	The world of work continues to change rapidly. Our employees need a combination of human and technical skills to succeed both today and in the future. We are building a culture of continuous learning, empowering employees to grow, follow their aspirations and embrace the skills needed for the future. Since 2020, the average hours invested by employees in personal development have increased by 20 per cent to 27.7 hours in 2021. More than 74,000 colleagues actively used our online learning platform diSCover, which we launched in 2020, and which is now accessible via a mobile app. Almost 30,000 colleagues used one or more of our Future Skills Academies, which include the Data & Analytics, Digital, Cyber, Client Advisory, Sustainable Finance and Leadership Academy. Further information on our approach to training and education can be found on <a href="#">pages 55–59 of our 2021 Annual Report</a> .
	<b>Average hours of training per year per employee</b>	404-1	Average hours of training by gender and employee category are presented on <a href="#">page 449 of our 2021 Annual Report</a> .
	<b>Programs for upgrading employee skills and transition assistance programs</b>	404-2	During 2021, we have focused on designing and deploying targeted upskilling and re-skilling pilot programmes directed towards critical ‘future’ roles where our strategic workforce planning analysis has predicted the increasing need for talent, including universal banker, data translator, cloud security engineer and cyber security analyst. This approach has united our recruitment, talent management and learning efforts to target, upskill and deploy employees into new roles. <a href="#">See pages 55–59 of our 2021 Annual Report</a> for more information.
	<b>Percentage of employees receiving regular performance and career development reviews</b>	404-3	99.9 per cent of employees completed a performance appraisal in 2021. <a href="#">See page 228 of our 2021 Annual Report</a> .

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>405: Diversity and equal opportunity</b>	<b>Management approach</b>	405	<p>We believe that inclusion is how we will enable our diverse talent to truly deliver impact. As the pandemic extended into 2021, the need to lead inclusively in a hybrid working set-up continued to be a key expectation of our people leaders. With the focus on building a culture of inclusion, 21,000 colleagues had undertaken the 'When we're all included' learning programme by the end of 2021, centred on increasing awareness around diversity and inclusion (D&amp;I) principles, tackling issues such as unconscious bias and micro behaviours as well as emphasising the importance of creating an inclusive environment. As we listened to employee feedback and responded to the need to better develop psychological safety, we also released an inclusive language guide and continue to review business terms to be more inclusive moving forward. In our annual My Voice survey, 80.65 per cent of employees reported positive sentiments around our culture of inclusion.</p> <p>Our commitment to D&amp;I is now supported by more than 60 employee resource groups (ERGs) across our markets which help to provide learning, development and networking opportunities. The ERGs align to our focus areas of gender, ethnicity and nationality, generations, sexual orientation, disability and wellbeing.</p> <p><a href="#">See page 58 of our 2021 Annual Report</a> and <a href="https://sc.com/diversity-and-inclusion">sc.com/diversity-and-inclusion</a>.</p>
	<b>Diversity of governance bodies and employees</b>	405-1	<p>Key diversity categories for our workforce are set out in our supplementary people information tables on <a href="#">pages 446–449 of the 2021 Annual Report</a>. Biographies of our Board and Group Management Team are set out on <a href="#">pages 92–97</a>.</p>
	<b>Ratio of basic salary and remuneration of women to men</b>	405-2	<p>We continue to analyse our gender pay gap for the UK, Hong Kong, Singapore, UAE and US. The gender pay gap compares the average pay of men and women without accounting for some of the key factors which influence pay, including different roles, skills, seniority and market pay rates.</p> <p><a href="#">See page 59 of our 2021 Annual Report</a>, and our <a href="#">Gender Pay Gap Report at sc.com/genderpaygap</a>.</p>
<b>409: Forced or Compulsory Labour</b>	<b>Management approach</b>	409	<p>We are committed to respecting human rights and use process, governance and due diligence to avoid infringements and complicity in the infringements of others, whether in our role as an employer, as a procurer of goods and services, or as a provider of financial services.</p> <p>We recognise that our footprint and supply chain give us the opportunity to raise awareness of human rights and modern slavery in a wide range of markets and industries.</p> <p>Our Position Statement on Human Rights outlines our approach, reflecting frameworks including the International Bill of Human Rights, the UN Guiding Principles and the UK Modern Slavery Act. This is embedded across a range of internal policies and risk management frameworks, including our Group Code of Conduct and Supplier Charter.</p> <p>Our Modern Slavery Statement, approved by the Board, details the actions we are taking to tackle modern slavery and human trafficking in our business and operations. This statement, issued in accordance with the UK's Modern Slavery Act 2015, sets out the steps we have taken during the financial year ending 31 December 2021 to seek to ensure that modern slavery, whether of an adult or child, is not taking place in our own operations or in our supply chains.</p> <p><a href="#">See pages 73–74 of our 2021 Annual Report</a>, our <a href="#">Human Rights Position Statement at sc.com/positionstatements</a>, and our <a href="#">stand-alone Modern Slavery Statement at sc.com/modernslavery</a>.</p>
	<b>Operations and suppliers at significant risk for incidents of forced or compulsory labour</b>	409-1	<p>Our Modern Slavery Statement sets out our approach to tackling modern slavery within our operations and value chain. <a href="https://sc.com/modernslavery">See sc.com/modernslavery</a>.</p>

## GRI alignment index continued

GRI standard	Disclosure	Code	Location/response
<b>414: Supplier Social Assessment</b>	<b>Management approach</b>	414	<p>We do not knowingly participate in relationships with suppliers involved in modern slavery and human trafficking. We follow a comprehensive and transparent vendor selection process, guided by our Supplier Charter, which sets out our expectations in relation to ethics, human rights, diversity and inclusion (D&amp;I), and environmental performance. In 2021, our Supplier Charter was revised to include a principle encouraging our suppliers to promote fair pay practices within their workforce, including the development of their own understanding of living wages.</p> <p>All suppliers are required to comply with our Supplier Charter as part of registration, and to apply its principles within their sphere of influence, such as approved subcontractors. Suppliers must also recommit to the charter annually, and performance monitoring is built into our contracts, procurement practices and standards.</p> <p><a href="https://sc.com/suppliercharter">See sc.com/suppliercharter</a> and <a href="https://sc.com/modernslavery">page 8 of our Modern Slavery Statement at sc.com/modernslavery</a>.</p> <p>In addition, our Stands have served to further embed our supplier D&amp;I approach. 70 per cent of our markets now have supplier D&amp;I objectives to take action, and accelerate progress and impact, and supplier diversity targets have been defined in key global procurement categories. More than 1,500 employees have been trained internally to build capability to deliver our supplier D&amp;I aims. In addition, we established partnerships with multiple local and global non-governmental organisations (NGOs) to identify and onboard more sustainable and diverse-owned vendors across all our markets. Our efforts were rewarded with internal and external recognition, including the Supplier Diversity Programme of the Year in the European Diversity Awards. <a href="#">See page 54 of our 2021 Annual Report</a>.</p>
	<b>New suppliers that were screened using social criteria</b>	414-1	<p>Before adding new vendors into our procurement system, we screen them against potential modern slavery risks. Suppliers with heightened modern slavery risks are also assessed to ensure they have approaches in place to address modern slavery. <a href="https://sc.com/modernslavery">See sc.com/modernslavery</a>.</p>
	<b>Negative social impacts in the supply chain and actions taken</b>	414-2	<p>Supplier categories with heightened modern slavery risks include office services and supplies, property, human resources, banking operations services, marketing and advertising services, technology hardware, telecoms and networks in specific identified markets. A supplier's response forms part of our overall evaluation criteria, informing our decision on whether to do business with them.</p> <p><a href="https://sc.com/suppliercharter">See sc.com/suppliercharter</a>.</p>

## Sustainability Accounting Standards Board (SASB) Alignment index

The table below highlights sections of our 2021 public disclosures that include information related to the SASB Standards for the two sectors that are most closely aligned to our business: Investment Banking & Brokerage and Commercial Banks.

All data and descriptions relate to the period 1 January to 31 December 2021, and unless otherwise noted, all data and descriptions apply to the full Standard Chartered PLC Group.

Noting that SASB is a global framework with a US-focused approach to defining criteria, where relevant we have noted where we translate the spirit and meaning of the indicator to meet UK reporting methods.

Topic	Accounting metric	SASB Code	Response
<b>Data Security</b>	<b>(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected</b>	FN-CB-230a.1	Not disclosed. We will continue to review our approach to disclosure.
	<b>Description of approach to identifying and addressing data security risks</b>	FN-CB-230a.2	We have designated 'data and digital' as an emerging risk with high potential impact. Regulatory requirements and client expectations are increasing in areas such as data management, data protection and data sovereignty and privacy, including the ethical use of data and artificial intelligence. The Group remains focused on pursuing a culture of cyber resilience as we progress with more agile ways of working. We are focused on maintaining client services and protecting our most critical assets, remaining vigilant to evolving cyber threats. Our cyber security framework has been further enhanced to underpin our management and mitigation of Information and Cyber Security (ICS) Risk and support of our businesses and functions in their adoption of key controls. We plan to further enhance our key ICS Risk metrics to support strategic oversight and decision-making. Strengthening our oversight of third-party ICS Risk also remains an area of focus, considering external threats and the continued prevalence of third-party ICS incidents. <a href="#">See pages 42, 47, 128 and 285 of our 2021 Annual Report for more information.</a>

## SASB alignment index continued

Topic	Accounting metric	SASB Code	Response
Financial inclusion & capacity building	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	FN-CB-240a.1	Small business and community development is incorporated within our Consumer, Private and Business Banking (CPBB) segment through our small and medium enterprise (SME) lending. Our lending to microfinance institutions is incorporated within our Corporate, Commercial and Institutional Banking (CCIB) segment. <a href="#">See pages 27 and 320 of our 2021 Annual Report, and page 68 of our TCFD report.</a>
	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	FN-CB-240a.2	Details of our credit quality by client segment, and loans and advances by client segment can be found on <a href="#">pages 205–209 of our 2021 Annual Report.</a>
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	FN-CB-240a.3	We do not specifically measure the number of no-cost retail checking accounts provided to previously unbanked or underbanked customers. However, we do offer basic bank accounts and services with no minimum balance or fees charged for basic services, such as ATM cards, cash transactions, and day-to-day digital banking, as required by local regulations. These services enable previously underbanked or unbanked customers to avail banking services in many of our markets. In January 2020, we also set ourselves the Aspiration that everyone should have access to digital banking products enabling safe, efficient and inclusive banking. This included rolling out digital-only banks in a total of 12 markets by December 2021, and doubling the number of clients we bank in Africa and the Middle East (AME) to 3.2 million. By the end of 2021 we had launched digital-only banks in 10 markets. Further launches in Bahrain and the United Arab Emirates are expected to take place in 2022. These digital banks offer clients accessible and convenient financial services, driving financial inclusion. In addition, we had a total of 2,366,000 digital clients in the AME region. COVID-19 has impacted our ability to onboard new clients during periods of lockdown but we will continue to enhance our capabilities through 2022. <a href="#">See page 63 of our 2021 Annual Report.</a>
	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	FN-CB-240a.4	In 2021, financial education reached 122,760 young people. <sup>1</sup> We provide financial education through our community initiative Futuremakers by Standard Chartered. We do not provide financial education training to our clients. Futuremakers provides financial education training to disadvantaged young people and micro and small businesses across our markets.

### Footnotes

<sup>1</sup> The financial education number reported includes:

- Participants of Goal – where the Be Money Savvy module was delivered (gathered from our non-governmental organisation (NGO) partner, Women Win)
- Participants of financial education for youth delivered by NGO partners in China as a stand-alone programme
- Participants of financial education sessions delivered as part of Futuremakers by Standard Chartered

## SASB alignment index continued

Topic	Accounting metric	SASB Code	Response
<b>Incorporation of Environmental, Social, and Governance Factors in</b> a) Credit Analysis b) Investment Banking and Brokerage Activities	<b>Commercial and industrial credit exposure, by industry</b>	FN-CB-410a.1	<a href="#">See pages 227–232 of our 2021 Annual Report</a> for our credit quality by industry.
	<b>Description of approach to incorporation of environmental, social, and governance (ESG) factors in:</b> <b>a) credit analysis (FN-CB-410a.1)</b> <b>b) investment banking and brokerage activities (FN-IB-410a.3)</b>	FN-CB-410a.2 and FN-IB-410a.3	Our Environmental & Social Risk Management (ESRM) Framework applies to all debt, equity and advisory products and services provided to corporate clients globally. In 2021, over 16,000 environmental and social (E&S) risk assessments were carried out at a client level. Enhanced E&S due diligence was carried out by our ESRM team on 786 clients, and 547 transactions. <a href="#">See pages 64–65 of our 2021 Annual Report</a> and <a href="https://sc.com/positionstatements">sc.com/positionstatements</a> .
	<b>Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions incorporating integration of environmental, social, and governance (ESG) factors, by industry</b>	FN-IB-410a.1	Not disclosed. We continue to refine our definition and approach to revenue which is generated through the tagging of ESG assets and activities.
	<b>(1) Number and (2) total value of investments and loans incorporating integration of environmental, social, and governance (ESG) factors, by industry</b>	FN-IB-410a.2	<a href="#">See pages 68–69 of our TCFD Report at sc.com/tcfid</a> .
<b>Business Ethics</b>	<b>Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations</b>	FN-CB-510a.1 and FN-IB-510a.1	Information on our provisions for liabilities and charges, and legal and regulatory matters is set out on <a href="#">pages 388–390 of our 2021 Annual Report</a> .
	<b>Description of whistleblower policies and procedures</b>	FN-CB-510a.2 and FN-IB-510a.2	Speaking Up is the Group's confidential and anonymous whistleblowing programme. It has been designed to comply with the Group's UK lead regulators, the Prudential Regulatory Authority (PRA) and the Financial Conduct Authority (FCA) Whistleblowing Rules. Our whistleblowing channels are available to anyone – colleagues, contractors, suppliers and members of the public – to raise concerns confidentially and anonymously. <a href="#">See 2020 Annual Report: pages 71–72</a> , and <a href="https://sc.com/speakingup">sc.com/speakingup</a> .
<b>Systemic Risk Management</b>	<b>Global Systemically Important Bank (G-SIB) score, by category</b>	FN-CB-550a.1 and FN-IB-550a.1	In the EU, the G-SIB framework is implemented via Capital Requirements Directive and G-SIBs are referred to as Globally Systemically Important Institutions (G-SIIs). The Group is a G-SII, with a 1.0 per cent G-SII CET1 capital buffer. <a href="#">See page 288 of our 2021 Annual Report</a> . The Standard Chartered PLC G-SII disclosure is published at: <a href="https://sc.com/en/investors/financial-results">sc.com/en/investors/financial-results</a> .
	<b>Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities</b>	FN-CB-550a.2 and FN-IB-550a.2	The Group performs enterprise-wide stress tests using a range of bespoke hypothetical scenarios that explore the resilience of the Group to shocks to its balance sheet and business model. <a href="#">Pages 126–127 and 260–261 of our 2021 Annual Report</a> provide further detail on our approach to stress tests and scenario analysis. For Climate Risk specifically, our scenario analysis is based on those from the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) and includes orderly, disorderly and hot-house world scenarios. See <a href="#">page 68 of our 2021 Annual Report</a> , and <a href="#">pages 29–34 of our 2021 TCFD Report</a> for more information on our approach to climate-related scenario analysis.

## SASB alignment index continued

Topic	Accounting metric	SASB Code	Response
Activity metrics	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	FN-CB-000.A	See pages 206–209, and 320 of our 2021 Annual Report for information on our loan portfolios by segment and credit quality on a total basis for both corporates (incorporated into CCIB) and personal and small business (incorporated into CPBB). See also page 68 of our TCFD Report which provides details of our microfinance and SME lending.
	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	FN-CB-000.B	
Employee Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for: (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	FN-IB-330a.1	See pages 446–449 of the 2021 Annual Report for this data by gender, and page 134 for Board Diversity including ethnicity. Read more about our ethnicity targets at <a href="https://www.sc.com/ethnicity">sc.com/ethnicity</a> .
Professional Integrity	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	FN-IB-510b.1	Not disclosed. We will continue to review our approach to disclosing this metric.
	Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party	FN-IB-510b.2	Not disclosed. We maintain a robust Code of Conduct and compliance framework. We will continue to review our approach to disclosing this metric.
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	FN-IB-510b.3	See pages 388–390 of our 2021 Annual Report for more information on our provisions for liabilities and charges, and legal and regulatory matters.
	Description of approach to ensuring professional integrity, including duty of care	FN-IB-510b.4	Good conduct is critical to delivering positive outcomes for our clients, markets and stakeholders. Our Group Code of Conduct (the Code) remains the primary tool through which we set our conduct expectations. The Code supports all our policies, setting out minimum standards and reinforcing our valued and expected behaviours. It also outlines a decision-making framework to help colleagues make good decisions. See pages 71–72 and 188 of our 2021 Annual Report for information regarding the Code and its implementation. The Code itself can be accessed at <a href="https://www.sc.com/codeofconduct">sc.com/codeofconduct</a> . We also aim to design and offer products based on client needs to ensure fair treatment and outcomes for clients. Our approach to product responsibility can be found on pages 51–52 and 187 of our 2021 Annual Report. Other useful information: <ul style="list-style-type: none"> <li>Our Conflict of Interests Disclosure Statement: <a href="https://av.sc.com/corp-en/content/docs/mifid-coi-disclosure-statement.pdf">https://av.sc.com/corp-en/content/docs/mifid-coi-disclosure-statement.pdf</a></li> <li>Information related to investment recommendations as defined in the EK/UK Market Abuse Directive can be found at: <a href="https://www.sc.com/en/regulatory-disclosures/market-abuse-regulation/">https://www.sc.com/en/regulatory-disclosures/market-abuse-regulation/</a></li> <li>The Group has policies, systems and processes in place to effectively manage the receipt of inside information and other forms of confidential information, including the strict application of Information Walls. This includes frameworks to manage conflicts of interest resulting from transactions undertaken by the Group and its clients, as well as Outside Business Interests and Personal Account Dealing activities of employees. The Group has escalation protocols in place to consider risks arising from these policies, systems and processes. At present, these frameworks and standards are not public.</li> </ul>

## SASB alignment index continued

Topic	Accounting metric	SASB Code	Response
<b>Employee Incentives &amp; Risk Taking</b>	<b>Percentage of total remuneration that is variable for Material Risk Takers (MRTs)</b>	FN-IB-550b.1	Remuneration for material risk takers was delivered in 2021 through a combination of salary, pension, benefits and variable remuneration. Variable remuneration for material risk takers is structured in line with the PRA and FCA's remuneration rules. <a href="#">See page 177 of our 2021 Annual Report.</a>
	<b>Percentage of variable remuneration of Material Risk Takers (MRTs) to which malus or clawback provisions were applied</b>	FN-IB-550b.2	The operation of in-year adjustments, malus and clawback is summarised on <a href="#">page 176 of our 2021 Annual Report.</a>
	<b>Discussion of policies around supervision, control, and validation of traders' pricing of Level 3 assets and liabilities</b>	FN-IB-550b.3	<a href="#">See pages 358–360 of our 2021 Annual Report.</a>
<b>Activity metrics</b>	<b>Number and value of underwriting transactions</b>	FN-IB-000.A	<a href="#">See pages 325–326 of our 2021 Annual Report.</a>
	<b>Number and value of advisory transactions</b>		<a href="#">See pages 325–326 of our 2021 Annual Report.</a>
	<b>Number and value of securitization transactions</b>		<a href="#">See Pillar 3 Report: Table 70 on page 81.</a>
	<b>Number and value of proprietary investments and loans by sector</b>	FN-IB-000.B	<a href="#">See pages 227–232 of our 2021 Annual Report.</a>
	<b>Number and value of market making transactions in fixed income products</b>	FN-IB-000.C	1.3 million transactions. Value of transactions not tracked within the business. <a href="#">See page 326 of our 2021 Annual Report</a> for net trading income on a total basis.
	<b>Number and value of market making transactions in equity products</b>		Not applicable to Standard Chartered.
	<b>Number and value of market making transactions in currency products</b>		49.7 million transactions in currency products worth \$8.8 trillion Cash FX Notionals. <a href="#">See page 326 of our 2021 Annual Report</a> for net trading income on a total basis.
	<b>Number and value of market making transactions in derivatives products</b>		1.3 million transactions. Value of transactions not tracked within the business. <a href="#">See page 326 of our 2021 Annual Report</a> for net trading income on a total basis.
	<b>Number and value of market making transactions in commodity products</b>		1.3 million transactions in commodity products. Value of transactions not tracked within the business. <a href="#">See page 326 of our 2021 Annual Report</a> for net trading income on a total basis.

# World Economic Forum (WEF) Measuring Stakeholder Capitalism metrics alignment index

Pillar	Theme	Disclosure level	Requirements	Our response
1. Governance	Governing Purpose	Core metrics and disclosures	<p><b>Setting Purpose</b> The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.</p>	<p>Our Purpose is to drive commerce and prosperity through our unique diversity – this is underpinned by our brand promise, here for good.</p> <p>We have set ourselves the vision to become the world's most sustainable and responsible bank, committed to sustainable social and economic development through our business, operations and communities.</p> <p>In pursuit of this, and in alignment with stakeholder priorities, in 2021 we formally elevated sustainability to be a pillar of our strategy. We have also set long-term ambitions for our role in tackling the severe impacts of climate change, stark inequality and unfair aspects of globalisation that impact everyone and the planet. These ambitions are known as our 'Stands'. <a href="#">See pages 19–25 of our 2021 Annual Report.</a></p> <p>This enhanced focus ensures sustainability is embedded across our business and integrated into the Group's decision-making, with robust governance provided by the Board, Management Team and multiple supporting sub-committees.</p> <p>We achieve this Purpose and ambition through tools including our Sustainability Philosophy that informs our decision-making, Position Statements that set out our environmental and social client standards, a Supplier Charter that shares the principles of the behaviours we expect from our suppliers, and a list of Prohibited Activities that sets out the activities that the Group will not finance.</p> <p>Our approach is underpinned by our Sustainability Aspirations, which provide tangible targets for sustainable business outcomes aligned to the United Nations Sustainable Development Goals (SDGs). Included within the Aspirations is our ongoing work to achieve net zero emissions from our operations and our financing. <a href="#">See <a href="https://www.sc.com/en/sustainability/philosophy">sc.com/en/sustainability/philosophy</a>, <a href="https://www.sc.com/positionstatements">sc.com/positionstatements</a>, and <a href="https://www.sc.com/sustainabilityaspirations">sc.com/sustainabilityaspirations</a>.</a></p>
		Expanded metrics and disclosures	<p><b>Purpose-led management</b> How the company's stated purpose is embedded in company strategies, policies and goals.</p>	

## WEF Stakeholder Capitalism metrics alignment index continued

Pillar	Theme	Disclosure level	Requirements	Our response
1. Governance continued	Quality of governing body	Core metrics and disclosures	<p><b>Governance body composition</b></p> <p>Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.</p>	Profiles of all of our Group Board members, including details on age, tenure, experience, external appointments and committee membership, can be found on <a href="#">pages 91–94 of our 2021 Annual Report</a> .
		Expanded metrics and disclosures	<p><b>Remuneration</b></p> <p>How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental and social topics, as connected to the company's stated purpose, strategy and long-term value.</p>	Select Sustainability Aspirations are incorporated into the Group's Scorecard and Long-Term Incentive Plan (LTIP). Our Directors' remuneration report provides an overview of the remuneration for the executive directors and the wider workforce in 2021, including the weighting given to sustainability topics. <a href="#">See pages 141–180 of our 2021 Annual Report</a> . Assessment of the 2021 Group scorecard can be found on <a href="#">page 153 of the 2021 Annual Report</a> . Performance measures for the 2022-2024 LTIP are set out on <a href="#">page 158</a> .
		Expanded metrics and disclosures	<p><b>Remuneration</b></p> <p>Remuneration policies for the highest governance body and senior executives for the following types of remuneration:</p> <ul style="list-style-type: none"> <li>• Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses and deferred or vested shares</li> <li>• Sign-on bonuses or recruitment incentive payments</li> <li>• Termination payments</li> <li>• Clawbacks</li> <li>• Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives and all other employees</li> </ul>	Our Directors' remuneration report provides an overview of the remuneration for the executive directors and the wider workforce in 2021. <a href="#">See pages 141–180 of our 2021 Annual Report</a> .

## WEF Stakeholder Capitalism metrics alignment index continued

Pillar	Theme	Disclosure level	Requirements	Our response
<p><b>1. Governance</b> continued</p>	<p><b>Stakeholders</b></p>	<p>Core metrics and disclosures</p>	<p><b>Material issues impacting stakeholders</b> Material issues impacting stakeholders. A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.</p>	<p>Listening and responding to stakeholder priorities and concerns is critical to achieving our Purpose and delivering on our brand promise, here for good. We strive to maintain open and constructive relationships with a wide range of stakeholders including regulators, lawmakers, clients, investors, civil society and community groups.</p> <p>In 2021, our engagement took many forms, including one-to-one sessions using online channels and calls, virtual roundtables, written responses and targeted surveys. These conversations, and the issues that underpin them, help inform our business strategy and enable us to operate as a responsible and sustainable business. <a href="#">See pages 51–59 of our 2021 Annual Report.</a></p> <p>Our 2021 Annual Report details our approach and progress towards our most material sustainable and responsible business topics, including: sustainable finance, environmental and social risk management, climate change, conduct and ethics, fighting financial crime, human rights, managing our environmental footprint, and community engagement. In addition, we review and refresh our Sustainability Aspirations annually to ensure they reflect our stakeholders’ priorities and evolving strategy. <a href="#">See pages 61–77 of our 2021 Annual Report.</a></p>

## WEF Stakeholder Capitalism metrics alignment index continued

Pillar	Theme	Disclosure level	Requirements	Our response	
1. Governance continued	Ethical Behaviour	Core metrics and disclosures	<b>Anti-corruption</b> 1. Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region.	We have invested significantly to ensure our employees are properly equipped to combat financial crime. In 2021, 99.6 per cent of colleagues completed financial crime e-learning which cover anti-bribery and corruption (ABC), anti-money laundering, sanctions and fraud topics and this was supported by a Group-wide communication campaign, 'The whole story', which extended our awareness-raising activities. We also shared our Supplier Charter, which sets out our expectations and minimum standards related to ABC, with all of our suppliers, representing more than 12,100 suppliers and third parties across 55 markets. <a href="#">Page 453 of our 2021 Annual Report</a> sets out the completion rates of these trainings by region and employee category for 2021.	
		Core metrics and disclosures	<b>Anti-corruption</b> 1a) Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and		We will continue to review our approach to disclosure.
		Core metrics and disclosures	<b>Anti-corruption</b> 1b) Total number and nature of incidents of corruption confirmed during the current year, related to this year.		
		Core metrics and disclosures	<b>Anti-corruption</b> 2. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption.	Our ambition is to tackle some of today's most damaging crimes by making the financial system a hostile environment for criminals and terrorists. Further information on our approach to fighting financial crime can be found on <a href="#">pages 72-73 of our 2021 Annual Report</a> , and at <a href="https://sc.com/fightingfinancialcrime">sc.com/fightingfinancialcrime</a> .	
		Core metrics and disclosures	<b>Protected ethics advice and reporting mechanisms</b> A description of internal and external mechanisms for: 1. Seeking advice about ethical and lawful behaviour and organizational integrity		
		Core metrics and disclosures	<b>Protected ethics advice and reporting mechanisms</b> A description of internal and external mechanisms for: 2. Reporting concerns about unethical or unlawful behaviour and lack of organizational integrity.		
		Expanded metrics and disclosures	<b>Alignment of strategy and policies to lobbying</b> The significant issues that are the focus of the company's participation in public policy development and lobbying; the company's strategy relevant to these areas of focus; and any differences between its lobbying positions and its purpose, stated policies, goals or other public positions.	We have a Group Public and Regulatory Affairs team responsible for engagement as well as identifying and analysing relevant policies, legislation and regulation. This work is overseen by several governance forums within the Group, including the Regulatory Developments Assessments Forum and the Sustainable Finance Regulatory Policy Forum, which comprise senior executives representing business and control functions to ensure alignment between advocacy and business strategies. <a href="#">See page 52 of our 2021 Annual Report</a> .	

## WEF Stakeholder Capitalism metrics alignment index continued

Pillar	Theme	Disclosure level	Requirements	Our response
1. Governance continued	Risk and opportunity oversight	Core metrics and disclosures	<p><b>Integrating risk and opportunity into business process</b></p> <p>Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.</p>	<p>The Group has built a strong foundation with solid risk fundamentals, and we are focused on emerging strongly from the pandemic. We continue to scan the horizon for emerging risks and collaborate with internal and external partners to proactively mitigate risks as they are identified. All risk types, both financial and non-financial, are managed and reported in accordance with the Group's Enterprise Risk Management Framework.</p> <p>Our Group Chief Risk Officer's review can be found on <a href="#">pages 41–48</a>, with further detail on our Principal Risk Types given on <a href="#">pages 264–279</a>, and <a href="#">pages 280–287</a> explore our emerging risks. Our TCFD Report provides further detail on our approach to the risks and opportunities presented by climate change. <a href="https://www.standardchartered.com/tcfd">See <u>sc.com/tcfd</u></a>.</p>

## WEF Stakeholder Capitalism metrics alignment index continued

Pillar	Theme	Disclosure level	Requirements	Our response
2. Planet	Climate change	Core metrics and disclosures	<p><b>Greenhouse gas (GHG) emissions</b> For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.”</p>	<p>We aim to minimise the environmental impact of our operations as part of our commitment to be a responsible company. We report on energy, water and non-hazardous waste data which become the basis of our Greenhouse Gas (GHG) emissions management, as well as the targets we have set to reduce energy, water and waste consumption. We have measured and reduced our GHG emissions since 2008. Our Scope 1 and 2 emission reduction target has been validated by the Science Based Targets initiative (SBTi) as being in line with a well-below two degrees Celsius scenario. Through our Sustainability Aspirations, we have set more ambitious targets to achieve net zero emissions and ensure we only consume renewable energy across our portfolio by 2025. Our approach to managing our environmental footprint is set out on <a href="#">pages 74–75 and 188–189 of the 2021 Annual Report</a>. Greater detail on our GHG emissions can be found in our supplementary sustainability information tables on <a href="#">page 451–452</a>. Our environment reporting criteria document sets out the principles and methodology used to report all carbon emissions data. This can be accessed at <a href="http://sc.com/environmentcriteria">sc.com/environmentcriteria</a>.</p>
		Expanded metrics and disclosures	<p><b>Paris-aligned GHG emissions targets</b> Define and report progress against time-bound science-based GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. This should include defining a date before 2050 by which you will achieve net-zero greenhouse gas emissions, and interim reduction targets based on the methodologies provided by the Science Based Targets initiative, if applicable. If an alternative approach is taken, disclose the methodology used to calculate the targets and the basis on which they deliver on the goals of the Paris Agreement.</p>	<p>We are helping emerging markets in our footprint reduce carbon emissions as fast as possible, without slowing development, putting the world on a sustainable path to net zero by 2050. We stand for a rapid, just transition to net zero where it matters most. Since 2018, we have been working on aligning the emissions from both our own operations and our financing activities to the Paris Agreement goal of below two degrees of global warming. During 2021, we announced our aim to reduce the emissions associated with our financing activities to net zero by 2050, with 2030 interim targets in our most carbon-intensive sectors. We aim to reduce absolute financed thermal coal mining emissions by 85 per cent by 2030, in addition to a prohibition on financing new or expanding coal-fired power plants, and revenue-based carbon intensity of 63 per cent for power, 33 per cent respectively for steel and mining (excluding thermal coal mining) and 30 per cent for oil and gas. <a href="#">See pages 24, 65–66, and 74–75 of our 2021 Annual Report</a>, and read more about our approach to net zero at <a href="http://sc.com/netzero">sc.com/netzero</a>.</p>
		Core metrics and disclosures	<p><b>TCFD implementation</b> Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050.”</p>	<p>Standard Chartered publicly committed to the recommendations of the TCFD in 2017, and has subsequently released annual TCFD reports since 2018. Our comprehensive TCFD disclosure is published in a stand-alone report which provides information in a readily identifiable and accessible format for all interested stakeholders. This can be accessed at <a href="http://sc.com/tcfid">sc.com/tcfid</a>. A summary of the progress we have made in 2021 against the recommendations of the TCFD can also be found on <a href="#">pages 67–69 of the 2021 Annual Report</a>.</p>

## WEF Stakeholder Capitalism metrics alignment index continued

Pillar	Theme	Disclosure level	Requirements	Our response
2. Planet continued	<b>Nature loss</b>	Core metrics and disclosures	<b>Nature loss</b> Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).	Not disclosed due to incomplete data in this area. We recognise the importance of biodiversity loss and are proactively participating in industry initiatives and framework development on biodiversity to help inform our internal efforts and capabilities.
	<b>Freshwater availability</b>	Core metrics and disclosures	<b>Freshwater availability</b> Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool.  Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.	Water availability remains a growing challenge in many of our markets. Although we did not face any issues sourcing potable water in 2021, we continue to take a sustainable and responsible approach to managing water across the Group and have improved measurement of the portfolio by 10 per cent. <a href="#">Page 451 of the 2021 Annual Report</a> sets out our total water use, alongside the percentage of this consumed in areas with high or extremely high baseline water stress.  Our reporting criteria set out the principles and methodology for measuring our emissions; and our Scope 1 and 2 emissions, as well as water and waste data, are independently assured. <a href="https://www.sc.com/environmentalassurance">See sc.com/environmentalassurance</a> .
3. People	<b>Dignity and equality</b>	Core metrics and disclosures	<b>Diversity and inclusion (%)</b> Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity).	Key diversity categories for our workforce are set out in our supplementary people information tables on <a href="#">pages 446–449 of the 2021 Annual Report</a> . <a href="#">Pages 92–97</a> provide the biographies of our Board and Group Management Team.
		Core metrics and disclosures	<b>Pay equality (%)</b> Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.	We continue to analyse our gender pay gap for the UK, Hong Kong, Singapore, UAE and US. The gender pay gap compares the average pay of men and women without accounting for some of the key factors which influence pay, including different roles, skills, seniority and market pay rates. <a href="#">See page 59 of our 2021 Annual Report</a> , and our <a href="#">Gender Pay Gap Report at sc.com/genderpaygap</a> .
		Core metrics and disclosures	<b>Wage level (%)</b> Ratios of standard entry level wage by gender compared to local minimum wage.	We do not have a standard entry-level role in order to do this level of analysis; however, we ensure all of our employees receive a living wage as set out in our Fair Pay Charter. <a href="https://www.sc.com/fairpaycharter">See sc.com/fairpaycharter</a> .
		Core metrics and disclosures	<b>Wage level (%)</b> Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO.	In line with UK regulations, we annually report pay ratios comparing CEO remuneration with that of all UK employees. We review year-on-year changes to understand the reasons and appropriateness for such movements. In addition, we review the median ratio against UK FTSE and industry peer averages. Our 2021 pay ratios are covered in our Directors' remuneration report, on <a href="#">page 171 of the 2021 Annual Report</a> .
		Expanded metrics and disclosures	<b>Living wage (%)</b> Current wages against the living wage for employees and contractors in states and localities where the company is operating.	We ensure all of our employees receive a living wage as set out in our Fair Pay Charter. <a href="https://www.sc.com/fairpaycharter">See sc.com/fairpaycharter</a> .

## WEF Stakeholder Capitalism metrics alignment index continued

Pillar	Theme	Disclosure level	Requirements	Our response	
3. People continued	Dignity and equality continued	Core metrics and disclosures	<p><b>Risk for incidents of child, forced or compulsory labour</b></p> <p>An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to: a) type of operation (such as manufacturing plant) and type of supplier; and b) countries or geographic areas with operations and suppliers considered at risk.</p>	<p>We maintain and assure policies and standards which set out how we engage with colleagues through hiring, throughout their career and upon leaving Standard Chartered, which include measures that seek to ensure no employee of Standard Chartered is a victim of modern slavery and human trafficking (MSHT) practices through their employment.</p> <p>Standard Chartered does not knowingly participate in relationships with suppliers involved in MSHT. We follow a comprehensive and transparent vendor selection process, guided by our Supplier Charter, which sets out our expectations in relation to ethics, human rights, diversity and inclusion (D&amp;I), and environmental performance. In 2021, our Supplier Charter was revised to include a principle encouraging our suppliers to promote fair pay practices within their workforce, including the development of their own understanding of living wages.</p> <p>Before adding new vendors into our procurement system, we screen them against potential modern slavery risks. Suppliers with heightened risks are also assessed to ensure they have approaches in place to address modern slavery. Supplier categories with heightened modern slavery risks include office services and supplies, property, human resources, banking operations services, marketing and advertising services, technology hardware, telecoms and networks in specific identified countries. A supplier's response forms part of our overall evaluation criteria, informing our decision on whether to do business with them.</p> <p><a href="#">See pages 73–74 of our 2021 Annual Report</a>, and our <a href="#">Modern Slavery Statement at sc.com/modern slavery</a>.</p>	
		Core metrics and disclosures	<p><b>Health and safety (%)</b></p> <p>The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked.</p>		<p><a href="#">Page 449 of our 2021 Annual Report</a> sets out our work-related health and safety data, including the fatalities and injuries.</p>
		Core metrics and disclosures	<p><b>Health and safety (%)</b></p> <p>An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.</p>		<p><a href="#">Pages 186–187 of our 2021 Annual Report</a> set out our approach to health, safety and wellbeing.</p>
	Health and well-being	Expanded metrics and disclosures	<p><b>Employee well-being (#, %)</b></p> <p>1. The number of fatalities as a result of work-related ill-health, recordable work-related ill-health injuries, and the main types of work-related ill-health for all employees and workers.</p>	<p><a href="#">Page 449 of our 2021 Annual Report</a> sets out our work-related health and safety data, including the fatalities and injuries.</p>	

## WEF Stakeholder Capitalism metrics alignment index continued

Pillar	Theme	Disclosure level	Requirements	Our response
3. People continued	Skills for the future	Core metrics and disclosures	<b>Training provided</b> Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees)	Average hours of training by gender and employee category are presented on <a href="#">page 449 of our 2021 Annual Report</a> .
		Core metrics and disclosures	<b>Training provided</b> Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).	The average cost of training per employee is presented on <a href="#">page 449 of our 2021 Annual Report</a> .

## WEF Stakeholder Capitalism metrics alignment index continued

Pillar	Theme	Disclosure level	Requirements	Our response
4. Prosperity	Employment and wealth generation	Core metrics and disclosures	<b>Absolute number and rate of employment</b> Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region.	<a href="#">Page 448 of our 2021 Annual Report</a> presents data related to our talent management, broken down by indicators of diversity and region.
		Core metrics and disclosures	<b>Economic contribution</b> Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organization's global operations, ideally split out by: <ul style="list-style-type: none"> <li>• Revenues</li> <li>• Operating costs</li> <li>• Employee wages and benefits</li> <li>• Payments to providers of capital</li> <li>• Payments to government</li> <li>• Community investment</li> </ul>	See our consolidated income statement on <a href="#">page 308 of our 2021 Annual Report</a> . Further information can be found in the notes to the financial statements, as referenced.
		Core metrics and disclosures	<b>Economic contribution</b> Financial assistance received from the government: total monetary value of financial assistance received by the organization from any government during the reporting period.	To the best of our knowledge, no material assistance was received by any government during 2021.
		Core metrics and disclosures	<b>Financial investment contribution</b> Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy.	<a href="#">Note 17, on pages 378-379 of our 2021 Annual Report</a> , sets out our goodwill and intangible assets, and specifically additions to computer software. <a href="#">Note 18 on page 382</a> provides information on our property, plant and equipment, including additions.
		Expanded metrics and disclosures	<b>Infrastructure investments and services supported</b> Qualitative disclosure to describe the below components: <ol style="list-style-type: none"> <li>1. Extent of development of significant infrastructure investments and services supported.</li> <li>2. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant.</li> <li>3. Whether these investments and services are commercial, in-kind or pro bono engagements.</li> </ol>	Our <a href="#">Sustainable Finance Impact Report</a> sets out further detail on our investment in healthcare and transport infrastructure, and the impact that it is having. See <a href="#">sc.com/SFimpactreport</a> . See also <a href="#">page 62 of our 2021 Annual Report</a> which details progress against our infrastructure Sustainability Aspiration.

## WEF Stakeholder Capitalism metrics alignment index continued

Pillar	Theme	Disclosure level	Requirements	Our response
4. Prosperity continued	Innovation of better products and services	Core metrics and disclosures	<b>Financial investment contribution</b> Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders.	<a href="#">Note 11, on page 337 of our 2021 Annual Report</a> , presents our dividends declared and paid during 2021. In addition, <a href="#">Note 28, on page 393</a> sets out our share capital, other equity instruments and reserves, and details share buy-backs completed in the year. <a href="#">Note 37 on page 416</a> details our post balance sheet events, including dividend and share buy-back declared after 31 December 2021.
		Core metrics and disclosures	<b>Total R&amp;D expenses (\$)</b> Total costs related to research and development.	
	Community and social vitality	Core metrics and disclosures	<b>Total tax paid</b> The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	The Group's approach to tax is governed by our tax strategy which has been approved by the Board. Under our tax strategy, we manage our tax affairs in alignment with our commercial strategy, having regard to building long term shareholder value and to maintaining our reputation as a responsible taxpayer with tax authorities and regulators. <a href="#">Note 10: Taxation on pages 333–336 of our 2021 Annual Report</a> provides further information on our accounting policies related to taxation, significant accounting estimates and judgements, and taxation disclosures for the Group. See also our <a href="#">Country-by-Country schedule at sc.com/cbcr</a> .
		Expanded metrics and disclosures	<b>Additional tax remitted</b> The total additional global tax collected by the company on behalf of other taxpayers, including VAT and employee-related taxes that are remitted by the company on behalf of customers or employees, by category of taxes.	
		Expanded metrics and disclosures	<b>Total tax paid by country for significant locations</b> Total tax paid and, if reported, additional tax remitted, by country for significant locations.	In accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013, we set out the country-by-country information in respect of the year ended 31 December 2020. Also included are further disclosures setting out our approach to tax and additional taxes paid in the year. The disclosures in respect of the year ended 31 December 2021 will be published on the website on or before 31 December 2022. For further information see our <a href="#">Country-by-Country schedule at sc.com/cbcr</a> .

# UN Principles for Responsible Banking Reporting and Self-Assessment

The following table sets out the reporting and self-assessment requirements for signatories of the UN Principles for Responsible Banking.

## Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

	Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)
1.1	Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.	<p>We help international companies connect across our global network and help individuals and local businesses grow their wealth. We are present in 59 markets and serve clients in a further 83.</p> <p>Our Corporate, Commercial and Institutional Banking (CCIB) segment supports companies across the world, from small and medium-sized enterprises to large corporates and institutions, both digitally and in person.</p> <p>Our Consumer, Private and Business Banking (CPBB) supports small businesses and individuals, from mass retail clients to affluent and high-net-worth individuals, both digitally and in person.</p>	<ul style="list-style-type: none"> <li>Further information on our business model, activities, services and markets served can be found in our <a href="#">2021 Annual Report on pages 18, 21 and 26–30</a>.</li> </ul>
1.2	Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.	<p>Our Purpose is to drive commerce and prosperity through our unique diversity, and our heritage and values are expressed in our brand promise, here for good.</p> <p>We have set ourselves the vision to become the world's most sustainable and responsible bank, committed to sustainable social and economic development through our business, operations and communities.</p> <p>In pursuit of this, and in alignment with stakeholder priorities, in 2021 we formally elevated sustainability to be a pillar of our strategy. We have also set long-term ambitions for our role in tackling the severe impacts of climate change, stark inequality and unfair aspects of globalisation that impact everyone and the planet. These ambitions are known as our 'Stands'.</p> <p>This enhanced focus ensures sustainability is embedded across our business and integrated into the Group's decision-making, with robust governance provided by the Board, Management Team and multiple supporting sub-committees.</p> <p>We achieve this purpose and ambition through tools including our Sustainability Philosophy that informs our decision-making, Position Statements that set out our environmental and social client standards, a Supplier Charter that shares the principles of the behaviours we expect from our suppliers and a list of Prohibited Activities that sets out the activities that the Group will not finance.</p> <p>Our approach is underpinned by our suite of Sustainability Aspirations that set out how we aim to promote social and economic development, and deliver sustainable outcomes in the areas in which we can make the most material contribution to the delivery of the United Nations Sustainable Development Goals (SDGs). Included within the Aspirations is our ongoing work to achieve net zero emissions from our operations and our financing.</p>	<p>The following pages of our <a href="#">2021 Annual Report</a> provide further relevant detail:</p> <ul style="list-style-type: none"> <li><a href="#">Pages 24–25</a> present our three Stands, with further information found at <a href="https://www.sc.com/en/about/our-long-term-ambition/">https://www.sc.com/en/about/our-long-term-ambition/</a>.</li> <li><a href="#">Pages 61–77</a> set out our approach to sustainable and responsible business, as well as providing assessments of our progress against our 2021 Sustainability Aspirations.</li> <li><a href="#">Pages 455–456</a> set out our current Sustainability Aspirations, which are also available at <a href="https://www.sc.com/sustainabilityaspirations">sc.com/sustainabilityaspirations</a>.</li> <li><a href="#">Pages 132–134</a> detail the role of our Board-level Culture and Sustainability Committee, <a href="#">page 262</a> provides an overall schematic of our committee governance, and <a href="#">pages 11–14 of our 2021 TCFD report</a> detail our governance of climate matters.</li> </ul> <p>We also provide additional information on our website:</p> <ul style="list-style-type: none"> <li>Our Sustainability Philosophy is at <a href="https://www.sc.com/en/sustainability/philosophy">https://www.sc.com/en/sustainability/philosophy</a>.</li> <li>Our Position Statements are at <a href="https://www.sc.com/positionstatements">sc.com/positionstatements</a>.</li> <li>Our Supplier Charter is at <a href="https://www.sc.com/suppliercharter">sc.com/suppliercharter</a>.</li> <li>Our Prohibited Activities list is at <a href="https://www.sc.com/prohibitedactivities">sc.com/prohibitedactivities</a>.</li> </ul>

# UN Principles for Responsible Banking Reporting and Self-Assessment continued

## Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

### 2.1 Impact Analysis

#### Reporting and Self-Assessment Requirements

Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:

**a) Scope:** The bank's core business areas, products/ services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.

**b) Scale of Exposure:** In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.

#### High-level summary of bank's response

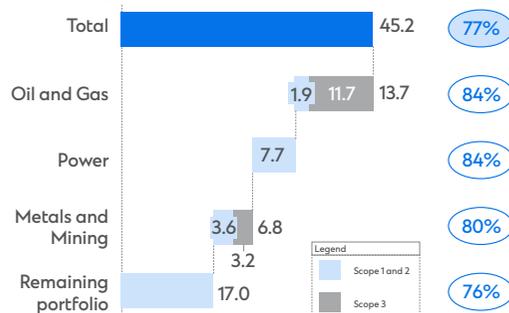
During 2021, we invested significant resources in developing a systematic analysis of our climate impact, and utilised this to set relevant targets aligned to the Paris Agreement and net zero. However, we acknowledge that our wider impact assessment capabilities require further development, and aspire to develop a comprehensive Group-wide impact assessment process. In 2022, we intend to progress towards this goal by using the UN PRB impact tool to understand our impacts across key CPBB markets with an ambition to cover approximately 89 percent of the volume of business in this segment. Upon completion of the CPBB assessment, we will take forward the CCIB assessment.

The following response is prepared in relation to our 2021 climate impact assessment.

a) We baselined our climate impact as at 2020 year-end, and focused principally on lending activities in our corporate lending within our Corporate, Commercial & Institutional Banking (CCIB) segment on the basis of both available methodologies, and the materiality of emissions from such activities which resulted in a focus on our lending to the Power, Steel, Mining and Oil and Gas sectors.

We also conducted an initial assessment of emissions from lending to the Consumer, Private and Business Banking (CPBB) sector which were significantly lower and thus will be subject to fuller baselining and target-setting at a later date.

b) These methodologies and materiality assessments provided a baseline of \$97.3 billion of in-scope assets, of which we were able to obtain sufficient data to estimate financed emissions associated with \$74.8 billion of in-scope assets (77 per cent), with 45.2MtCO<sub>2</sub>e of financed emissions (see page 4 of our [Net Zero Whitepaper](#), including Figure 1, replicated below). Of these, the most significant sectoral contributions were from the Oil & Gas, Power, and Metals and Mining sectors.



#### Reference(s)

The following pages of our [2021 Annual Report](#) provide further relevant detail:

- More detailed information on how we engage stakeholders and assess their interests are on [pages 51–59](#).
- [Pages 61–77](#) provide an assessment of our progress against our 2021 Sustainability Aspirations.
- [Pages 455–456](#) set out our current Sustainability Aspirations, which are also available at [sc.com/sustainabilityaspirations](https://sc.com/sustainabilityaspirations).

We also provide additional information on our website:

- Opportunity 2030 is available at [sc.com/opportunity2030](https://sc.com/opportunity2030).
- Zeronomics is available at [sc.com/en/insights/zeronomics](https://sc.com/en/insights/zeronomics).
- Carbon Dated is available at [sc.com/carbon-dated](https://sc.com/carbon-dated).
- Our Net Zero roadmap can be accessed at [sc.com/netzero](https://sc.com/netzero) and associated [Whitepaper](#) <https://av.sc.com/corp-en/content/docs/SC-net-zerowhitepaper.pdf>.

## UN Principles for Responsible Banking Reporting and Self-Assessment continued

### Principle 2: Impact and Target Setting

#### 2.1 Impact Analysis continued

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

##### Reporting and Self-Assessment Requirements

**c) Context & Relevance:** Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.

##### High-level summary of bank's response

c) We strive to maintain open and constructive relationships with a wide range of stakeholders including regulators, lawmakers, clients, investors, civil society and community groups.

In 2021, our engagement took many forms, including one-to-one sessions using online channels and calls, virtual roundtables, written responses and targeted surveys.

These conversations, and the issues that underpin them, help inform our business strategy and enable us to operate as a responsible and sustainable business. In 2021, climate and net zero were demonstrated as a key priority for many stakeholder groups. [See pages 51-59 of our 2021 Annual Report.](#)

During the process of developing our net zero pathway, including financed emissions and mobilisation targets, we engaged with a range of stakeholders including investors and civil society. Through this we also built our understanding of the need for a 'just' transition which supports sustainable economic growth, and we intend to continue to build our understanding of the potential negative social aspects of a net zero transition through 2022 including via research and our participation in collaborative initiatives.

Our Opportunity 2030 research, released in 2020, focused on selected Sustainable Development Goals (SDGs 6, 7 and 9) in 15 of our fastest-growing markets and assessed capital needs and thus related investment opportunities.

We extended this through our subsequent research, including 'Zeronomics' in 2021, which looked at the approach taken by large companies towards net zero; and 'Carbon Dated' which looked at the impact of this on small and medium-sized enterprises in global supply chains. Collectively, these helped support our assessment that climate change represents the Group's most significant area of impact, and our ability to make a positive contribution.

##### Reference(s)

See above.

## UN Principles for Responsible Banking Reporting and Self-Assessment continued

### Principle 2: Impact and Target Setting

#### 2.1 Impact Analysis continued

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

##### Reporting and Self-Assessment Requirements

**d) Scale and intensity/saliency of impact:** In identifying its areas of most significant impact, the bank has considered the scale and intensity/saliency of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.

Show that building on this analysis, the bank has:

- Identified and disclosed its areas of most significant (potential) positive and negative impact
- Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts

**Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.**

##### High-level summary of bank's response

d) Within each of the sectors we support, the most material impacts of their operations may arise from different scopes of GHG emissions. As set out in the diagram above and in our Net Zero Whitepaper, we took account of those differences when setting our baselines and targets. During 2021, we also updated our Position Statements covering all sensitive sectors. We introduced enhanced requirements which will become effective from 2022, with the exception of additional restrictions placed on thermal coal-dependent clients, which were effective immediately.

[Page 13 of our Net Zero Whitepaper](#) sets out the specific levers we have in place to help achieve our net zero targets, including the importance of a delivering a just transition.

In order to give investors a holistic picture of the impact of Sustainable Finance at Standard Chartered, in July 2021 we published our second annual [Sustainable Finance Impact Report](#), to present our impact on a portfolio basis, covering our \$9.2 billion of Sustainable Finance assets. The report found that our green lending avoided 1.4 million tonnes of CO<sub>2</sub> emissions from July 2020 to June 2021, a 264 per cent increase in CO<sub>2</sub> avoided year-on-year, and equivalent to more than 3 million economy class aeroplane seats from London to Singapore.

**During 2021 we invested significant resources in developing a systematic analysis of our climate impact, and utilised this to set relevant targets aligned to the Paris Agreement and net zero. However, we acknowledge that our wider impact assessment capabilities require further development, and aspire to develop a comprehensive Group-wide impact assessment process. In 2022, we intend to progress towards this goal by using the UN PRB impact tool to understand our impacts across key CPBB markets with an ambition to cover approximately 89 percent of the volume of business in this segment. Upon completion of the CPBB assessment, we will take forward the CCIB assessment.**

##### Reference(s)

See above.

# UN Principles for Responsible Banking Reporting and Self-Assessment continued

## Principle 2: Impact and Target Setting continued

### 2.2 Target Setting

#### Reporting and Self-Assessment Requirements

Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified “areas of most significant impact”, resulting from the bank’s activities and provision of products and services.

Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.

Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society’s goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.

**Please provide your bank’s conclusion/ statement if it has fulfilled the requirements regarding Target Setting.**

#### High-level summary of bank’s response

We are committed to promoting economic and social development in the markets we serve, doing so sustainably and equitably in line with our Purpose and valued behaviours. This sustainability philosophy sets out how we integrate sustainability into our organisational decision-making and is underpinned by our Sustainability Aspirations and our Position Statements.

Developed initially in 2016 and published in 2017, our Sustainability Aspirations are a suite of tangible, ‘SMART’ targets for sustainable outcomes aligned to the UN SDGs in the areas where we consider we can have the most material positive impact, such as climate change and net zero. We review and refresh our Aspirations annually to ensure they reflect stakeholder priorities and our evolving strategy.

Particular highlights from 2021 included, in support of our Accelerating Zero Stand and SDGs 7 and 13:

- We pursued and delivered our Sustainability Aspiration to ‘develop and consult with shareholders, investors, clients and civil society on a definition, methodology, targets and timeline’ to achieve net zero financed emissions by 2050, via our net zero pathway released in October 2021. (Target date: Jan 2021 to Dec 2021). Delivering this Aspiration acted as an enabler to support ongoing assessment of our climate impact, as it allowed us to validate our financed emissions baseline of 45.2MtCO<sub>2</sub>e of financed emissions as of 2020. Our subsequent targets for financed emissions, included in our 2022 Sustainability Aspirations, were developed using this baseline.
- We facilitated \$22 billion towards our Aspiration to ‘facilitate \$35 billion worth of project financing services, M&A advisory, debt structuring, transaction banking and lending services for renewable energy that align to our verified Green and Sustainable Product Framework’, bringing the total facilitated since January 2020 to \$40.4 billion. We therefore achieved this Aspiration ahead of target (target date: Jan 2020-Dec 2023) and with an average facilitated amount of \$20.2 billion per year. Per our 2019 Sustainability Summary report our baseline was \$24.9 billion facilitated under our prior target between 2016-2019 or \$6.2 billion per year and therefore performance during the target period showed a significant increase against the baseline.

Our full suite of Sustainability Aspirations for 2021, published at <https://av.sc.com/corp-en/content/docs/2021-sustainability-aspirations.pdf>, sets out how each of our Aspirations links to the SDGs with clearly defined targets and dates.

Furthermore, details on the governance, internal reporting and scope that apply to the reporting of progress on Sustainability Aspirations can be found in our 2021 Aspirations Basis of Reporting Document at [sc.com/aspirationsreportingbasis](https://sc.com/aspirationsreportingbasis).

We measure progress against the targets set out in our Sustainability Aspirations, and report this in our [Group Annual Report \(see pages 55-77\)](#). At the end of 2021, 82.9 per cent of our Aspirations were on track or achieved.

As explained above, our Sustainability Philosophy acknowledges that there can be challenges in balancing environmental, social and economic needs. One means through which we address this in decision making, and thus seek to minimise adverse impact, is via our Position Statements which apply to the financial services we provide in pursuing our targets above.

We work closely with NGOs, investors and technical specialists to ensure our Position Statement framework remains fit for purpose, and we review it every two years to ensure that it reflects current industry best practice.

In developing our Position Statements, we follow the Precautionary Principle, which underpins many international agreements, and expect our clients to do the same: “Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.” For further detail see our Position Statements and Policy Framework at [sc.com/position-statements](https://www.sc.com/en/sustainability/position-statements/our-framework) and <https://www.sc.com/en/sustainability/position-statements/our-framework>.

**We believe we have fulfilled these requirements.**

#### Reference(s)

The following pages of our [2021 Annual Report](#) provide further relevant detail:

- [Pages 61-77](#) provide an assessment of our progress against our 2021 Sustainability Aspirations.
- [Pages 455-456](#) set out our Sustainability Aspirations for 2022, which are also available at [sc.com/sustainabilityaspirations](https://sc.com/sustainabilityaspirations).

We also provide additional information on our website:

- Further detail on the basis of our Aspirations reporting can be accessed at [sc.com/aspirationsreportingbasis](https://sc.com/aspirationsreportingbasis).
- Deloitte’s limited assurance of our Aspirations is at [sc.com/aspirationsassurance](https://sc.com/aspirationsassurance).
- Our Position Statements with our Prohibited Activities set out at [sc.com/prohibitedactivities](https://sc.com/prohibitedactivities).
- Our 2019 Sustainability Summary is available at <https://av.sc.com/corp-en/content/docs/2019-sustainability-summary.pdf>.

# UN Principles for Responsible Banking Reporting and Self-Assessment continued

## Principle 2: Impact and Target Setting continued

### 2.3 Plans for Target Implementation and Monitoring

#### Reporting and Self-Assessment Requirements

Show that your bank has defined actions and milestones to meet the set targets.

Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.

**Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.**

### 2.4 Progress on Implementing Targets

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target. Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.

Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (Where feasible and appropriate, banks should include quantitative disclosures)

**Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets**

#### High-level summary of bank's response

Each Aspiration has its own defined methodology, action and milestones. Where these change during the lifetime of an Aspiration we use our external reporting to clearly signpost this change.

Policy measures such as our thermal coal revenue thresholds are embedded via our Position Statement framework, which is overseen by our Group Responsibility and Reputational Risk Committee.

Our Aspirations are overseen by our Sustainability Forum (see 5.1 for more information), and progress is periodically reported to the Group Management Team and the Board's Culture and Sustainability Committee. Select Aspirations are also incorporated into the Group's Scorecard and Long-Term Incentive Plan (LTIP).

We have formed, and are continuing to enhance, specific governance bodies for our net zero approach. The primary body is our Net Zero Steering Group.

**We believe we have fulfilled these requirements.**

At the end of 2021, 82.9 per cent of our Aspirations were on track or achieved. This is an increase from 78.4 per cent in 2020; however, COVID-19 continued to impact the delivery of several Aspirations. We remain focused on scaling-up delivery in subsequent years to achieve our targets. We facilitated \$22 billion towards our Aspiration to 'facilitate \$35 billion worth of project financing services, M&A advisory, debt structuring, transaction banking and lending services for renewable energy that align to our verified Green and Sustainable Product Framework', bringing the total facilitated since January 2020 to \$40.4 billion. We therefore achieved this Aspiration ahead of target.

Our Annual Report provides an assessment of progress against our individual 2021 Aspirations, including quantitative performance reporting where an Aspiration is quantitative in nature.

Specifically against those 2021 Aspirations pertaining to climate in our business, we exceeded our target set in 2020 to mobilise \$35 billion toward clean technology between 2020-23, continued to achieve our thermal coal revenue thresholds, and delivered our net zero pathway.

**We believe we have fulfilled these requirements.**

#### Reference(s)

The following pages of our [2021 Annual Report](#) provide further relevant detail:

- [Pages 61–77](#) provide an assessment of our progress against our 2021 Sustainability Aspirations. The methodologies and basis of reporting for each of these Aspirations can be accessed at [sc.com/aspirationsreportingbasis](https://sc.com/aspirationsreportingbasis).
- [Pages 455–456](#) set out our 2022 Sustainability Aspirations, which are also available at [sc.com/sustainabilityaspirations](https://sc.com/sustainabilityaspirations).
- [Page 153](#) sets out an assessment of the 2021 Group Scorecard.
- [Page 158](#) sets out performance measures for the 2022-2024 LTIP.

More on the role and responsibilities of our Net Zero Steering Group, and other governance bodies, is set out on [page 14](#) of our [2021 TCFD report at sc.com/TCFD](#).

- [Pages 61–77 of our 2021 Annual Report](#) provide an assessment of our progress against our 2021 Sustainability Aspirations.

# UN Principles for Responsible Banking

## Reporting and Self-Assessment continued

### Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1

#### Reporting and Self-Assessment Requirements

Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.

#### High-level summary of bank's response

We utilise our longstanding Position Statement framework to manage adverse impacts from our financing.

We work with clients, regulators and peers across the financial sector to continuously improve environmental and social standards. During 2021, we updated our Position Statements via a review process which included peer analysis and stakeholder engagement with investors and non-governmental organisations (NGOs).

An example of a change made as a result of this process was to change our thresholds for 'coal dependent' clients from an Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) basis, to Revenue, based on feedback from NGOs. Our updated Position Statement criteria became effective from March 2022, with the exception of additional restrictions placed on thermal coal-dependent clients, which were effective immediately.

#### Reference(s)

- Read our Position Statements at [sc.com/position-statements](https://www.sc.com/position-statements).
- Read more about our approach to engaging clients on [pages 51-52 of our 2021 Annual Report](#).

# UN Principles for Responsible Banking Reporting and Self-Assessment continued

## Principle 3: Clients and Customers continued

3.2

### Reporting and Self-Assessment Requirements

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.

### High-level summary of bank's response

Our footprint in Asia, Africa and the Middle East includes some of the markets at most risk from climate and broader environmental, social and governance challenges. We want to make the world a better, cleaner and safer place and minimise the negative impact of our financing, balanced by our mission of enabling a just transition. In other words, do more good and less harm.

We provide financial products and services to people and businesses to help drive sustainable development, economic growth and job creation. Our Sustainability Aspirations set out how we aim to promote social and economic development through our core business of banking.

Over the past year we developed innovative sustainable financing solutions, took bold steps to address major challenges such as inequality and climate change, and set ambitious new targets through refreshed Sustainability Aspirations. Over 70 per cent of the \$9.2 billion sustainable assets within our Sustainable Finance portfolio are located in emerging and developing economies.

In 2021 we trained 1,280 colleagues in environmental and social risk management and reviewed 786 clients and 547 transactions that presented potential specific risks against our Position Statements.

In order to act in the best interests of our clients, we use our client insights, alongside our robust policies, procedures and the Group's Risk Appetite, to design and offer products and services which meet client needs, regulatory requirements and Group performance targets while contributing to a sustainable and resilient environment.

For example, through understanding the challenges some of our clients face in balancing their financial management needs with their growing commitments to sustainability, in 2021 we launched a market-first sustainable trade finance proposition to support sustainable supply chains for our clients. We also launched our Sustainable Account in the UK and UAE, a new solution that enables corporate clients to contribute to sustainable development, while maintaining daily access to their cash.

During 2021, we also partnered with several suppliers to provide additional benefits to our organisation and clients. For example, we partnered with Doconomy, an innovative fintech supplier, to pilot a facility in Pakistan which helps individual clients track, measure and manage their impact on both carbon emissions and freshwater consumption. The tool provides enriched customer data and automatically calculates the CO<sub>2</sub> footprint based on the purchases they have made, as identified through their credit transactions.

With further global release planned for 2022, the Standard Chartered–Doconomy collaboration has the potential to allow millions of consumers over time to learn how their consumption behaviours impact the climate.

### Reference(s)

- Read more about how we engage our clients and build a responsible product offering on [pages 51-52, and 64-65 of our 2021 Annual Report](#).
- Our 2021 [Sustainable Finance Impact Report](#) articulates how we have worked with clients to enhance positive impacts. [See sc.com/SFimpactreport](#).
- Read more about our Position Statements at [sc.com/position-statements](#).

# UN Principles for Responsible Banking

## Reporting and Self-Assessment continued

### Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1

#### Reporting and Self-Assessment Requirements

Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.

#### High-level summary of bank's response

Listening and responding to stakeholder priorities and concerns is critical to achieving our Purpose and delivering on our brand promise, here for good. Through our Annual Report, we set out how we strive to maintain open and constructive relationships with a wide range of stakeholders including regulators, lawmakers, clients, investors, civil society and community groups. Specifically on our net zero pathway, we engaged in multiple rounds of stakeholder engagement during 2021 with stakeholder groups including civil society and non-governmental organisations, and with our investors, to help gather perspectives on our plans.

#### Reference(s)

- Read more about our approach to engaging stakeholders on [pages 51–59 of our 2021 Annual Report](#).
- Detailed information about how the Board engages directly with stakeholders and shareholders can be found in the Directors' Report on [pages 110–115](#).
- Our general approach to stakeholder engagement, including further details on platforms and initiatives is set out at <https://www.sc.com/en/sustainability/how-we-work/>.

# UN Principles for Responsible Banking Reporting and Self-Assessment continued

## Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

### 5.1

#### Reporting and Self-Assessment Requirements

Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.

#### High-level summary of bank's response

The Board is responsible for ensuring that high standards of responsible business are maintained and receives information to identify and assess significant risks and opportunities related to environmental and social matters, including climate change. The Culture and Sustainability Committee (CSC) of the Board has responsibility for reviewing the Group's sustainability priorities.

We have established a cross-Group Sustainability Forum, led by a member of the Group Management Team (in 2021 this was the Group Head, Conduct, Financial Crime and Compliance) to develop and monitor delivery of the Group's broader sustainability strategy and to champion sustainability across the Group.

The Board Risk Committee holds Board-level oversight responsibility for Reputational Risk. Oversight from an operational perspective falls under the remit of the Group Risk Committee (GRC). The Group Responsibility and Reputational Risk Committee (GRRRC), appointed by the GRC, ensures the effective management of Reputational and Sustainability Risk across the Group. In 2020, the GRRRC's remit was extended to include sustainability-related risks.

The Sustainable Finance Governance Committee, appointed by the GRRRC, provides leadership, governance and oversight for delivering the Group's sustainable finance offering including our Sustainability Bond Framework. During 2021, we refreshed the framework with independent review from Sustainalytics, as well as releasing a new Transition Finance Framework developed in conjunction with global consulting firm, Boston Consulting Group.

#### Reference(s)

- The Terms of Reference of the CSC can be accessed at <https://av.sc.com/corp-en/content/docs/CSC-Terms-of-Reference-May-2021.pdf>.
- Our 2021 Annual Report provides more detail on our governance of Reputational and Sustainability Risk on pages 276–277, and pages 11–19 of our 2021 TCFD Report ([sc.com/tcfd](https://sc.com/tcfd)). provide more detail on governance with a specific focus on Climate Risk.
- Our Sustainable Finance Frameworks can be accessed at [sc.com/sustainablefinanceframework](https://sc.com/sustainablefinanceframework).

### 5.2

Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.

We incentivise and reward colleagues for sustainability achievements through the inclusion of sustainability metrics in our annual and Long-Term Incentive Plans (LTIP). Selected Sustainability Aspirations, including those with a climate change dimension, are incorporated into our annual Group Scorecard which informs variable remuneration for all colleagues under our Target Total Variable Compensation plan, including the executive directors and Group Management Team (MT).

Sustainability measures formed 15 per cent of our Group Scorecard in 2021 and included our commitment to develop a net zero roadmap.

Sustainability measures are also incorporated into our LTIP, which forms part of variable pay for the MT and executive directors. As well as the Group Scorecard, dedicated climate and sustainability, related objectives apply across functional and regional scorecards, including the Risk function, and individual objectives add a further link between sustainability and reward.

Additionally, we provide our colleagues with training to support capacity building.

The following pages of our 2021 Annual Report provide further relevant detail:

- Page 153 sets out an assessment of the 2021 Group Scorecard.
- Page 158 sets out performance measures for the 2022-2024 LTIP.

The following pages of our 2021 TCFD Report provide further relevant detail:

- Page 19 discusses functional performance objectives specific to climate.
- Page 18 sets out information on training.

# UN Principles for Responsible Banking Reporting and Self-Assessment continued

## Principle 5: Governance & Culture continued

### 5.3 Governance Structure for Implementation of the Principles

#### Reporting and Self-Assessment Requirements

Show that your bank has a governance structure in place for the implementation of the PRB, including:

- a) target-setting and actions to achieve targets set
- b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.

**Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.**

#### High-level summary of bank's response

We have a comprehensive governance structure at a variety of levels, focussed around our Sustainability Forum which approves and oversees delivery of our Sustainability Aspirations target-setting framework.

At the operational level the Sustainability Forum receives quarterly updates on performance against the Aspirations; as part of this, the Sustainability Forum discusses any Aspirations which are not on track to achieve their stated goals. The Culture and Sustainability Committee of the Board receives periodic updates on behalf of the Board.

The Group Responsibility and Reputational Risk Committee discusses negative impacts in context of specific clients or transactions, and in context of the implementation of our overall Position Statement requirements.

**We believe we have fulfilled these requirements.**

#### Reference(s)

- [Pages 276–277 of our 2021 Annual Report](#) set out our governance structures for sustainability matters.
- [Page 11 of our 2021 TCFD Report](#) also sets out our climate governance structure, with detailed information on the role of each governance body provided on [pages 12–14](#).

# UN Principles for Responsible Banking Reporting and Self-Assessment continued

The following table sets out the reporting and self-assessment requirements for Signatories of the UN Principles for Responsible Banking.

## Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

### 6.1 Progress on Implementing the Principles for Responsible Banking

#### Reporting and Self-Assessment Requirements

Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).

Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.

Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.

**Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking**

#### High-level summary of bank's response

In 2021, we elevated sustainability to be one of the four pillars of our strategy. We also defined three 'Stands', which are long-term ambitions for our role in tackling the severe impacts of climate change, stark inequality and unfair aspects of globalisation that impact everyone.

These Stands are integral to delivering and accelerating our strategy and will use our unique ability to work across boundaries and connect capital, people, ideas and best practices to help address some key socioeconomic challenges of our time.

Each of these Stands impacts how we engage with our clients and define the future of our societies.

Through our 'Accelerating Zero' Stand, we're helping emerging markets in our footprint reduce carbon emissions as fast as possible, without slowing development, putting the world on a sustainable path to net zero by 2050. We stand for a rapid, just transition to net zero where it matters most.

Through 'Lifting Participation', we're determined to improve the lives of 1 billion people and their communities by unleashing the financial potential of women and small businesses in our core markets.

We are helping our clients by building partnerships to expand their access to financial services. For these new business initiatives, we have developed new risk management and risk assessment approaches across our Principal Risk Types to address these unique risks. We further support our clients by promoting financial wellbeing through financial education and personalised services, including digitised solutions for lending and wealth management. We are also focused on driving customer awareness of environmental sustainability concerns through green products.

Through our 'Resetting Globalisation' Stand, it's our goal to support 500,000 companies to improve working and environmental standards and give everyone the chance to participate in the world economy, so growth becomes fairer and more balanced. We welcome digital-asset-related opportunities and have enhanced our Digital Asset Risk Management Approach and Policy to ensure that digital asset activities across the Group are appropriately managed, and within our Risk Appetite.

**We believe we have fulfilled these requirements.**

#### Reference(s)

- Read more about our Stands on [pages 24-25 of the 2021 Annual Report](#).
- Our Group Chief Risk Officer's review on [pages 41-48](#) sets out our approach to managing the associated risks.

Annex: Definitions

- Impact: An impact is commonly understood as being a change in outcome for a stakeholder. In the context of these Principles this means (aligned with GRI definition) the effect a bank has on people/the society, the economy and the environment and with that on sustainable development. Impacts may be positive or negative, direct or indirect, actual or potential, intended or unintended, short-term or long-term.
- Significant Impact: Impact that in terms of scale and/or intensity/salience results in a particularly strong/relevant change in outcome for a stakeholder. In the context of these Principles, the concept of significant impact is used to ensure banks focus where their actions/business (can) matter most for people, economy and environment and to provide a reasonable and practical threshold for what issues need to be considered/included, similar to the concept of "materiality".

## Appendix 1: GRI 204-1 – Proportion of spending on local suppliers

	% of total third party spend	Number of first tier supplier organisations (with spend in 2021)	Number of local suppliers (by payment market)	Number of global* suppliers (by payment market)
<b>Top ten sourcing locations by % overall spend</b>				
Singapore	31.53%	1,395	917	478
United Kingdom	14.92%	794	497	297
Hong Kong	12.84%	740	442	298
India	11.16%	2,134	1,942	192
China	4.75%	946	836	110
Korea	3.82%	988	970	18
USA	2.76%	281	157	124
Malaysia	2.56%	563	425	138
Taiwan	2.43%	512	428	84
United Arab Emirates	2.26%	368	210	158
<b>Regional spend</b>				
Asia	73%	9,412	7,697	1,715
Europe and Americas	19%	1,603	972	631
Africa and Middle East	8%	3,587	2,658	929
<b>Category spend</b>				
Technology	41.9%	1,566	1,338	228
Professional Services	17.5%	2,434	2,218	216
Property	15.3%	2,739	2,671	68
Marketing	12.8%	1,703	1,623	80
Human Resources	6.2%	1,379	1,264	115
BankOpsSrv	2.6%	377	354	23
Travel	1.0%	388	362	26
OfficeSerSupp	0.9%	887	852	35
Others	1.7%	653	644	9

\* Suppliers with payments in more than one market

Notes:

1 Please note that suppliers are counted by generic name. (e.g. all DHL legal entities are counted as one DHL)

2 The same supplier may be used in more than one market

3 'China' refers to the People's Republic of China and, for the purposes of this document only, excludes Hong Kong Special Administrative Region (Hong Kong), Macau Special Administrative Region (Macau) and Taiwan. 'Korea' or 'South Korea'

# Important notices

## Forward-looking statements

This document may contain 'forward-looking statements' that are based on current expectations or beliefs, as well as assumptions about future events. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as 'may', 'could', 'will', 'expect', 'intend', 'estimate', 'anticipate', 'believe', 'plan', 'seek', 'continue' or other words of similar meaning.

By their very nature, forward-looking statements are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and the Group's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements. Recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements. There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. The factors that could cause actual results to differ materially from those described in the forward-looking statements include (but are not limited to): changes in global, political, economic, business, competitive and market forces or conditions; future exchange and interest rates; changes in environmental, social or physical risks; legislative, regulatory and policy developments, including regulatory measures addressing climate change; the development of standards and interpretations, including evolving practices in Environmental, Social and Governance reporting; the ability of the Group to mitigate the impacts of climate change effectively; risks arising out of health crises and pandemics; changes in tax rates, future business combinations or dispositions; and other factors specific to the Group. Any forward-looking statement contained in this document is based on past or current trends and/or activities of the Group and should not be taken as a representation that such trends or activities will continue in the future.

No statement in this document is intended to be a profit forecast or to imply that the earnings of the Group for the current year or future years will necessarily match or exceed the historical or published earnings of the Group. Each forward-looking statement speaks only as of the date of the particular statement. Except as required by any applicable laws or regulations, the Group expressly disclaims any obligation to revise or update any forward-looking statement contained within this document, regardless of whether those statements are affected as a result of new information, future events or otherwise.

Please refer to the Group's latest Annual Report for a discussion of certain of the risks and factors that could cause actual results, and the Group's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements.

## Important Notice – Basis of Preparation and Caution Regarding Data Limitations

Standard Chartered PLC is incorporated in England and Wales with limited liability, and is headquartered in London. The Group's head office provides guidance on governance and regulatory standards. Standard Chartered PLC. Stock codes are: LSE STAN.LN and HKSE 02888.

The reader should be aware that this document and the information contained within it, has been prepared on the following basis:

- i. this document and its contents are unaudited;
- ii. all material contained in this document is subject to change without notice;
- iii. the material in this document does not constitute any investment, accounting, legal, regulatory or tax advice or an invitation or recommendation to enter into any transaction;
- iv. this document has been prepared using models, methodologies and data which are subject to certain limitations. These limitations include: a lack of reliable data (due, amongst other things, to developing measurement technologies and analytical methodologies); a lack of standardisation of data (given, amongst other things, the lack of international coordination on data and methodology standards); and future uncertainty (due, amongst other things, to changing projections relating to technological development and global and regional laws, regulations and policies, and the inability to make use of strong historical data);

- v. some of the models, external data and methodologies used in this document are subject to adjustment which is beyond our control;
- vi. any opinions and estimates should be regarded as indicative, preliminary and for illustrative purposes only. Expected and actual outcomes may differ from those set out in the document (as explained in the "Forward-looking statements" section);
- vii. some of the information appearing in this document may have been obtained from public and other sources and, while the Group believes such information to be reliable, it has not been independently verified by the Group and no representation or warranty is made by the Group as to its quality, completeness, accuracy, fitness for a particular purpose or non-infringement of such information;
- viii. for the purposes of this document, a number of key judgements and assumptions have been made. It is possible that the assumptions drawn, and the judgement exercised may subsequently turn out to be inaccurate. The judgements and data presented in this document are not a substitute for judgements and analysis made independently by the reader;
- ix. any opinions or views of third parties expressed in this document are those of the third parties identified, and not of the Group, its affiliates, directors, officers, employees or agents. By incorporating or referring to opinions and views of third parties, the Group is not, in any way, endorsing or supporting such opinions or views;
- x. the data contained in this document reflects best estimates at the relevant time;
- xi. where the Group has used the methodology and tools developed by a third party, the application of the methodology (or consequences of its application) shall not be interpreted as conflicting with any legal or contractual obligations and such legal or contractual obligations shall take precedence over the application of the methodology;
- xii. where the Group has used underlying data provided or sourced by a third party, the use of the data shall not be interpreted as conflicting with any legal or contractual obligations and such legal or contractual obligations shall take precedence over the use of the data;
- xiii. this Important Notice is not limited in applicability to those sections of the document where limitations to data, metrics and methodologies are identified and where this Important Notice is referenced. This Important Notice applies to the whole document;
- xiv. further development of reporting or other standards could impact the metrics, data and targets contained in this document (it being noted that Environmental, Social and Governance reporting and standards are subject to rapid change and development); and
- xv. while all reasonable care has been taken in preparing this document, neither the Group nor any of its affiliates, directors, officers, employees or agents make any representation or warranty as to its quality, accuracy or completeness, and they accept no responsibility or liability for the contents of this material, including any errors of fact, omission or opinion expressed.

You are advised to exercise your own independent judgement (with the advice of your professional advisers as necessary) with respect to the risks and consequences of any matter contained in this document. The Group, its affiliates, directors, officers, employees or agents expressly disclaim any liability and responsibility for any decisions or actions which you may take and for any damage or losses you may suffer from your use of or reliance on this material. Copyright in all materials, text, articles and information contained herein (other than third-party materials, text, articles and information) is the property of, and may only be reproduced with permission of an authorised signatory of, the Group.

Copyright in materials, text, articles and information created by third parties and the rights under copyright of such parties are hereby acknowledged. Copyright in all other materials not belonging to third parties and copyright in these materials as a compilation vests and shall remain at all times copyright of the Group and should not be reproduced or used except for business purposes on behalf of the Group or save with the express prior written consent of an authorised signatory of the Group. All rights reserved.