standard chartered
渣打銀行

Progress update 2022

Our approach to a better tomorrow

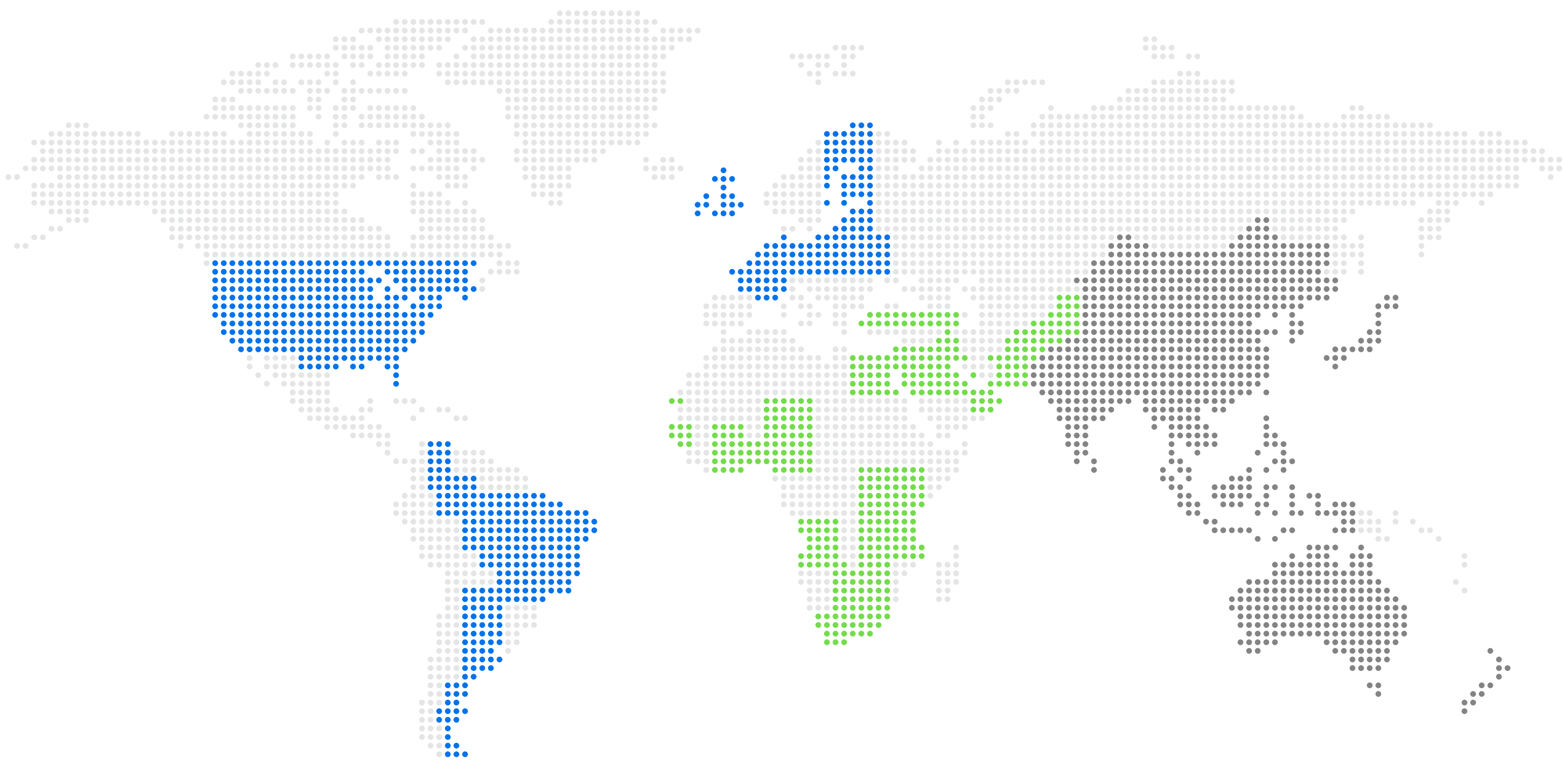
About

Standard Chartered PLC

We are a leading international banking group, with a presence in 57 of the world's most dynamic markets and serving clients in a further 64. 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.

Standard Chartered PLC is listed on the London and Hong Kong Stock Exchanges.

here for good™



Europe and the Americas: Argentina, Brazil, Colombia, Falkland Islands, France, Germany, Ireland, Jersey, Poland, Sweden, Türkiye, United Kingdom, and United States

Africa and the Middle East: Angola, Bahrain, Botswana, Cameroon, Côte d'Ivoire, Egypt, Gambia, Ghana, Iraq, Kenya, Lebanon, Mauritius, Nigeria, Oman, Pakistan, Qatar, Saudi Arabia, Sierra Leone, South Africa, Tanzania, United Arab Emirates, Uganda, and Zambia

Asia: Australia, Bangladesh, Brunei Darussalam, Cambodia, Chinese Mainland, Hong Kong, India, Indonesia, Japan, Laos, Macau, Malaysia, Myanmar, Nepal, Philippines, Singapore, South Korea, Sri Lanka, Taiwan, Thailand, and Vietnam

Standard Chartered Bank (Taiwan)

In Taiwan, we opened our first branch in 1985 and acquired Hsinchu International Bank in November 2006.

We provide a comprehensive range of financial solutions to corporates, institutions, and individuals both digitally and through our network of branches across Taiwan. Our people are at the heart of everything we do. Our committed workforce in Taiwan now numbers over 2,500 colleagues, where majority are Taiwanese and close to 70 per cent are women.

Business Development

We are committed to sustainable social and economic development through our business, operations, and communities.

With our extensive network of branches and digital channels, we provide a full range of financial products and services for both individual and corporate clients. Our Consumer, Private and Business Banking (CPBB) business supports individuals from Mass Retail clients to affluent and high-net-worth individuals, both digitally and in person. In terms of client satisfaction, the Bank was recognised as the best in various categories in the full-year 2022 NPS (Net Promoter Score) surveys, including Overall Banking, Priority Banking, Channel categories covering Mobile Banking, Internet Banking, ATM, Branch, Phone Banking, Product categories including Deposit, Investment, and Credit Card. Additionally, in the second half of 2022, the Bank improved and achieved the best rating in the categories of Main Bank, Premium Banking, and Personal Banking in the survey. With a finger on the pulse of local market trends and global trade networks, our Corporate, Commercial and Institutional Banking (CCIB) business works closely with corporate clients and supports them to access growth opportunities through our international network. Both businesses incorporate sustainable finance solutions for our clients to support our ambition towards a net zero future.

*The Bank participates in NPS survey that takes place twice a year, once for the first half and once for second half.

Annual Performance

Financial Performance

Category	2020	2021	2022
Net Revenue	12,703,921	12,310,077	12,785,974
Operating Expenses	9,924,277	9,535,155	9,925,925
Net Profit after Tax	2,373,817	2,417,820	2,414,759
Employee Salaries and Benefits	4,948,408	5,083,508	4,990,016
Dividend to Shareholder	1,912,739	1,634,582	1,616,747
Tax	405,827	357,102	445,290

Unit: thousands of New Taiwan Dollars (TWD)

A summary of our impact

Launched the first TCFD Status Report for Standard Chartered Taiwan in 2022

Standard Chartered Taiwan is seeking to deliver sustainable social, environmental, and economic development across our business, operations and communities. We published our Task Force on Climate-related Financial Disclosures (" TCFD report"), and it was prepared in accordance with the recommendations of the Financial Stability Board's TCFD, TCFD published guidance, and the Financial Supervisory Commission's Guidelines on Climate-Related Financial Disclosure by Domestic Banks. The report focuses on four core aspects: governance, strategy, risk management, and metrics and targets. By addressing these aspects, we demonstrate our commitment to mitigating the impact of climate change and building trust with our stakeholders.

Business

TWD 1.2 billion
ESG Structured Formosa Note

TWD 26.5 billion
Project financing facilitated for green energy infrastructure projects

TWD 2.3 billion
Amount of Sustainable Time Deposits

TWD 1.86 billion
Green mortgages financed

Operations

523,380 KWh
Saved in in electricity consumption

27.9 %
Reduction in water usage compared to 2021

327 tons
Greenhouse gas emissions reduction of 14% compared to 2021

50.09 %
Reduction in paper consumption compared to the 2018 baseline year

Community

2,000
The number of disadvantaged youth supported by Futuremakers by Standard Chartered initiatives and COVID-19 Recovery Fund

2,130
Volunteer workdays, the eighth highest within the Group.

791 kg
Cleaning up trash to protect the coastline

1,000,000 views
The total number of views for "Through the Eyes of Standard Chartered " video series on our official YouTube channel

Awards and Honours

Corporate Social Responsibility

Taiwan Enterprise Sustainability Award
- Corporate Comprehensive Performance
  Foreign Companies Sustainability Model Award

World Economic Magazine
- Best CSR Bank Taiwan

Taiwan Advertisers' Association and Brain Magazine
- Bronze medal for Best CSR-Social Engagement award in the Advertiser of the Year category

Wealth Magazine
- Best CSR Bank

The Sports Administration of the Ministry of Education
- Sports Promoter Golden Award

Brand and Marketing

Outstanding Enterprise Manager Association
- Golden Peak Award -
  Top 10 Outstanding Enterprise

Wealth Magazine
- Best Video Marketing Campaign

Diversity and Inclusion

Taiwan Advertisers' Association and Brain Magazine
- Bronze medal for D&I initiative award in the Advertiser of the Year category

Retail Banker International
- Asia Trailblazer Awards
  Best Benefits, Wellness and Well-Being Program

Taiwan Equality Campaign
- Q Power Award-Q campaign

Community Business
- LGBT+ Newcomer in Asia Award

Asiamoney
- Best Bank for Diversity & Inclusion

Womany
- Diversity for Better Tomorrow Award
  DEI Best Impactful Enterprise
- Rainbow Friendly: Best Rainbow Friendly Enterprise of the Year Award

Technology & Innovation

Asian Business Review magazine
- Asian Technology Excellence Awards
  Taiwan Technology Excellence Award for AI - Banking

Corporate, Commercial and Institutional Banking

The Asset Triple A Awards
- Sustainable Capital Markets Country Awards
  Best Formosa Bond
  Best Corporate Bond
- Best RMB Bank- Taiwan
- Best in Treasury and Working Capital
  Taiwan- MNCs/LLCs
- Best Service Providers
  Liquidity Management - Taiwan

Consumer, Private and Business Banking

The Asian Banker
- The Excellence in Retail Financial Services Awards
  Most Recommended Retail Bank in Taiwan
- The Most Recommended Retail Bank in Asia Pacific - 3rd
- The Excellence in Retail Financial Services Awards
  7th Most Helpful Bank during COVID-19 in Asia Pacific

Wealth Magazine
- Best Wealth Management Foreign Bank
- Best Relationship Manager Team
- Most Preferred Foreign Bank
- Gold Award for Customer Recommended Foreign bank
- Gold Award for Digital Banking Foreign Bank

World Economic Magazine
- Best Retail Bank Taiwan

Excellence Magazine
- Best Digital Banking Service Foreign Bank
- Best RM and Sales Team

The Digital Banker
- Digital CX Awards
  Outstanding CX in Digital Sales Strategy
- Global Retail Banking Innovation Awards
  Outstanding use of Advanced Analytics - Taiwan

ABF Retail Banking Awards
- International Retail Bank of the Year Taiwan
- Analytics Initiative of the Year Taiwan
- Digital Business Banking Initiative of the Year - Taiwan

Retail Banker International
- Asia Trailblazer Awards
  Best Retail Bank - Taiwan

Business

Green Finance

We work closely with our corporate and institutional clients and provide them with sustainable finance solutions for a better tomorrow:

Green Energy Financing

Our priority is to deliver sustainable finance solutions. We aim to accelerate our sustainable financing offerings to our clients through product innovation and enabling transition to a low-carbon future. We are dedicated to large-scale green energy financing projects. As of the end of 2022, we funded TWD26.5 billion to support five wind power generation financing projects and three solar energy generation financing projects.

Green Products

Leveraging our international network and capital advantages in sustainable finance, we successfully issued the inaugural ESG Structured Formosa Note with a total of TWD 1.2 billion out of Taiwan in the third quarter of 2022. The issuance will help finance our impactful Sustainable Finance projects in Taiwan and globally. We also introduced our Sustainable Account to provide our clients with an opportunity to participate in sustainable development where clients' deposits will be used to fund sustainable assets certified by third parties and can at the same time be used for daily operations. As of the end of 2022, the total balance in Sustainable Accounts in Taiwan have reached TWD300 million.

For affluent and mass retail individuals, we provide sustainable themed solutions to meet their financial goals:

Sustainable Time Deposits

In November 2021, we launched Taiwan's first Sustainable Time Deposits referenced against loan and project assets that qualify in terms of our Green and Sustainable Product Framework. The funds are used to support sustainable development programmes globally, including COVID-19 health care, sanitation, food security, renewable energy, water management, sustainable infrastructure, climate change adaptation, and quality education, thereby fulfilling financial service needs and raising awareness on global issues at the same time. As of the end of 2022, the total outstanding amount of Sustainable Time Deposits in Taiwan reached TWD2.3 billion.

Sustainable Investment Solutions

We believe that used in the right way, finance can be a force for good in the world and continue to provide professional perspectives on sustainable investment and communicate sustainable investment concepts to our clients. We offer diverse ESG investment solutions focusing on water resources, renewable energy, electric vehicles, social and environmental policies, human rights, and corporate governance. Through these thematic funds, overseas bonds, and overseas stocks, we assist our clients in aligning their financial goals and participate in the sustainable market. Over the past two years, the total assets under management (AUM) of our clients' sustainable investment portfolios in Taiwan have grown nearly 20 times.

Green Mortgage

We are the first international bank in Taiwan to introduce Green Mortgages with preferential terms for certified green buildings by the Ministry of the Interior. Clients who purchase properties with "Gold" and "Diamond" level green certifications are eligible for a preferential annual interest rate. Additionally, they enjoy waived account management fees and favourable examination fees, regardless of the property's location or the client's previous relationship with us. This initiative further stimulates the construction of energy-efficient, resource-saving, and low-pollution green homes, contributing to an environmentally friendly and sustainable vision.

As of the end of 2022, the total outstanding amount of Green Mortgages has reached TWD1.86 billion, with an average loan size exceeding TWD10 million. This has attracted high-net-worth clients and a quality client base that is aligned with our strategy. We leverage our financial influence to promote low-energy resource consumption, eco-friendly, and energy-efficient living patterns, demonstrating our unwavering dedication towards sustainability in Taiwan.

Inclusive Finance

We are committed to promoting equal access to financial services for the public. Through various activities, additional support for economically vulnerable groups, and the provision of financial products, we continue to popularise financial knowledge. In 2022, we collaborated with The Garden of Hope Foundation to host Financial Knowledge Camps for their beneficiaries. Through collaboration with Business Weekly since 2021, we continue to provide investment tips, market insights, and other financial information to promote financial literacy in a dedicated Standard Chartered Taiwan section.

Innovation in Financial Technology

In response to emerging technological advancements, we leverage our exceptional capabilities in financial innovation to become an industry leader. With a deep-rooted presence in Taiwan and a long-term commitment, we allocate significant resources to the development of new financial products and services. With robust capital, diversified business operations, a strong corporate culture, a well-established brand promise, and access to international group resources, we are positioned as a leader in the development of new financial products and services by leveraging our unique strengths and prioritising client needs.

SC Mobile Taiwan

Standard Chartered is committed to delivering the highest service quality across various aspects of digital banking. It focuses on innovative financial services to significantly enhance client experience and engagement. In 2022, more than 91 per cent of financial transactions across the Bank originated from digital platforms, and digital wealth management accounted for a significant 82 per cent of all investment transactions. The annual growth rate of the proportion of digital channel transactions to the total transaction volume is close to 50 per cent.

To cater to client needs, we introduced "myRM Digital Relationship Manager" in 2022. This allows clients to directly interact with their relationship managers through video, voice, or text communication using their mobile devices, making digital financial services more personalised. In addition to reviewing investment portfolios, clients can also use this platform to subscribe to funds, open fixed deposits, and place orders for overseas bonds, foreign stocks, and ETF index funds. This comprehensive and convenient digital wealth management service enhances the overall client experience.

Incorporating Digital Services into Social Media

An official account has been established on LINE, the widely-used communication platform, and equipped with an intelligent client service chatbot named "Stacy." By the end of 2022, over 2.06 million people had joined the official account. Furthermore, users who bind their personal LINE accounts enjoy personalised notifications for credit card billing alerts, suitability assessment for investment instalment plans, reminders for fixed deposit maturity and more. The number of bound accounts grew by 24 per cent in 2022, allowing banking services to be seamlessly integrated into the lives of our clients.

Using Big Data to Offer Precise Digital Financial Services

With the explosive growth in online information and increase in optionality on digital platforms, personalised services have become essential. We continue to invest in and deploy large-scale digital transformation and big data analytics tools, including the introduction of industry-leading digital footprint tracking and optimisation tools, and the cultivation of talent in digital analysis and application. These initiatives accelerate the cycle of client behaviour insight discovery and digital process optimisation.

Big data analytics tools were introduced to provide comprehensive client behaviour data. Through analysing key behavioural indicators such as browsing history and device usage, user experience analysis was conducted to evaluate potential pain points and possibilities for optimisation. This initiative not only enhances our understanding of our clients' behaviour and intent but also enables user segmentation, transforming passive reaction into proactive anticipation, thereby optimising a personalised user experience.

Furthermore, we continue to leverage artificial intelligence and deep learning technologies to facilitate digital transformation and process automation. AI voice bots have been deployed to handle a large volume of outbound tasks. For instance, when a client's consolidated monthly statement is rejected, an AI voice bot will call the client to confirm the correct address, ensuring successful subsequent delivery. Plans are in place to utilise machine learning techniques to deliver more comprehensive services and experiences to clients.

We also collaborate with our Group and strategic partners to provide training courses in comprehensive digital analytics and application development. This training program follows a progressive training approach from beginner tutorials to advanced applications. Currently, over 200 individuals are undergoing the programme, which will be expanded to more business areas including product, data analytics, and marketing teams, making big data analytics tools a foundational training component within our organisation.

Operations

Sustainable Operations

Sustainability Initiatives

We have identified several opportunities for the Group to play an active role in shaping global standards ranging from net zero to carbon markets. Along these lines, we are actively involved in the leadership of several standard-setting or standard-influencing efforts. For instance, we are active participants of the Glasgow Financial Alliance for Net Zero (GFANZ) Principles Group, an ambitious programme to generate the commitment, investment and alignment needed to drive forward the transition to net zero. Together with the CEO of Macquarie Group, our CEO is the Co-Chair of the GFANZ Working Group on Capital Mobilisation to Emerging Markets and Developing Economies, and throughout 2022, our Group Head, Conduct and Financial Crime and Compliance has chaired the Net Zero Banking Alliance (NZBA) – the industry-led banking element of GFANZ. Our Group Chairman has co-chaired the United Nations' Global Investors for Sustainable Development (GISD) Alliance, which has set ambitious objectives to scale up long-term finance and investment in sustainable development; and our Global Head, Sustainable Finance has continued to hold the position of Chair of the Equator Principles Association. We have also established the Environmental and Social Risk Management Standard.

Ethical Conduct and Business Continuity

Ensuring good conduct is critical to us. Our Group Code of Conduct (the Code) remains the primary tool through which we set our conduct expectations. We regularly track risks associated with integrity management and the effectiveness of their controls, and aside from the Code, we have also established and implemented the "Anti-Bribery and Corruption ("ABC") Policy", and "Speaking Up Policy". In addition, we have established a crisis management team and a comprehensive crisis management plan to improve our business resilience and mitigate the risk of business disruption.

Risk Management

Our risk management standards are stipulated in our Enterprise Risk Management Policy. We have established three lines of defence, from business departments to internal audits to firmly adhere to our risk boundaries.

Information Security

In the modern era, information security plays a fundamental role to protect our clients' data and assets and maintain trust. From 2020 onwards, we have amended our information security policies and standards pursuant to international information security standards including the ISO 27001 Information Security Management System, the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF), and the Payment Card Industry Data Security Standard (PCI DSS). We have also adopted attacker-centric risk assessment models to respond to external cybersecurity threats. To improve our information security management, we adopted a new information security framework and strengthened information security evaluations for third-party suppliers in 2020.

In response to new information security issues derived from the Internet of Things (IoT), we have included information security measures for IoT networks in our online course, Understanding Social Engineering, and the Clean Desk Policy. From 2022 onwards, we have required our employees responsible for IoT devices to attend IoT information security training.

Due to the importance of information security, all employees are required to take annual training courses on information security. These courses cover topics such as Information Security for Everyone, Understanding Social Engineering, and the Clean Desk Policy, and Understanding and Complying with the Personal Data Protection Act. In 2022, we provided a total of 9,625.75 hours of training on these courses, with each employee receiving 3.8 hours of training on average. These training courses had a 100 per cent completion rate.

Client Personal Data Protection

We have established a Personal Information Security Plan and Policy on Personal Data Disposal after Business Termination, as well as 11 standards on personal data protection to ensure compliance with the Personal Data Protection Act. All employees are required to take the Personal Data Protection Awareness Campaign and Personal Data Protection Act Response and Impact Awareness Training courses each year. These training courses had a completion rate of 100 per cent. Standard Chartered received one client complaint in 2022 related to a violation of personal information privacy. Apart from immediately informing the client of how their complaint is being handled, our internal units also immediately convened an Emergency Personal Information Incident Response meeting upon being notified of the complaint. Measures for improvement were discussed at this meeting, including how we can make our operational procedures more secure, and how we can raise greater awareness of personal information protection.

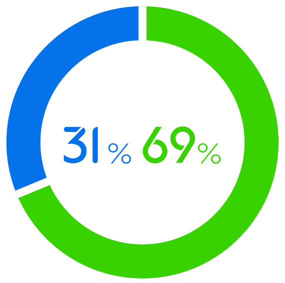
Tax Governance

Our tax governance policies have been established pursuant to the Tax Compliance Standard published by Standard Chartered PLC, and pursuant to Taiwan's tax laws and international tax regulations. We not only actively manage our relationships with tax agencies, but also participate in tax-related public policy initiatives and monitor updates to tax laws to identify tax risks and evaluate our tax processes.

Our tax management units can be divided into three lines of defence. The first line consists of units responsible for tax declarations. The second line comprises the tax unit of the Finance Department, which is the management unit responsible for implementing tax strategies and regularly providing tax management reports to the Tax Risk Committee and Financial Risk Committee. The third line is the unit responsible for managing operational risks (OR), responsible for reviewing events such as a material risk or violation of tax regulations. The unit also provides suggestions on risk control and remedial measures and submits reports on such events to senior management according to the circumstances of individual cases.

Human Capital Management 2022

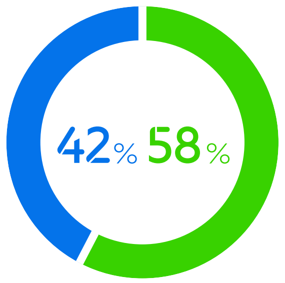
Employees



Female 1,713

Male 783

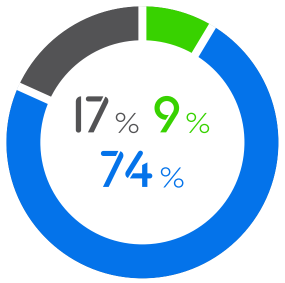
Gender ratio of managers



Female 222

Male 160

Age distribution



Under 30 231

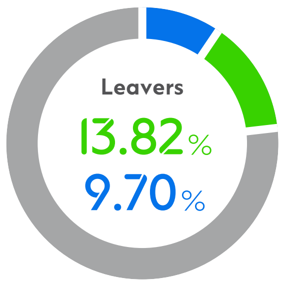
31-51 years of age 1,853

Above 51 years of age 412

New hires and leavers

Female 212

Male 170



Female 345

Male 242

Talent Cultivation and Development

Our talent development strategy is to develop talent for the future. We provide various channels and resources to encourage talents to make cross-border connections through diversified global digital platforms such as diSCover and Talent Marketplace, our iCareer global job transfer programme, the succession development programme, and cross-market online learning. This enables our talents to connect with the world rapidly and develop a diverse career to improve their future competitiveness in the labour market. We continue to promote and perfect channels for employee training, and the employee training experience. In 2022, our employee training hours reached 76,687 hours, with 66,775 total attendance counts. Each individual employee received 3.82 days of training on average.

Average Employee Training Hours in 2022

Average training hours per person	For managers	For non-managers	All employees
Female	28	29	29
Male	26	38	34
Subtotal	27	31	31

diSCover Learning Platform

We launched our self-directed learning platform diSCover in May 2020, encouraging our employees to access courses and subscribe to topics that they are interested in. In 2021, we launched the smartphone diSCover app to allow our employees to continue learning uninterrupted anywhere and anytime. As of the end of 2022, up to 97 per cent of our employees have logged into and accessed courses on the platform, with almost 88 per cent being active users on the platform. Compared to the end of 2020, total number of logins to the platform grew by 41 per cent, with active users expending by almost three times.

Our five major targets for investments into developing global talent in 2022:

Leadership ability

We have provided leadership ability development courses for managers at various levels within our organisation around the world. Through case simulation studies, we have established an organisational transition strategy, and a culture of diversity and inclusion, agile leadership, and growth-oriented thinking.

Digital skills

We have continued to develop and optimise our aXess Academy, Digital Academy programmes launched in 2020, helping both our IT department and other employees upgrade and reshape their digital skills to support the Group's digital transition strategy.

Reshaping and upgrading employee skills

Based on the different skills required for different roles, we have helped to upgrade or reshape the skills of our employees to better fit the skills required for their roles.

Innovation ability

We have launched courses on cultivating the innovative ability of our employees, designed to integrate our focus on humanism, agile thinking, and diversity and inclusion. These courses have allowed our employees to successfully adapt to and embrace sustainable development, the digital transition, and the new models for working that have developed as a result of the pandemic.

Sustainability

We have implemented sustainability courses across the entire Bank to help our employees understand key sustainability concepts. At the same time, we have provided courses on sustainable finance to our corporate and consumer banking employees, supporting the global 2050 net zero carbon emissions vision.

Career Development

We are committed to providing our employees with a comprehensive environment for talent development and career exploration, helping our employees dictate their own professional career development. To encourage our employees to transition into other roles internally, we proactively promote an "Internal First" culture, encouraging employees to apply for new positions in other countries or departments within the Bank.

In 2022, the Bank launched a Talent Marketplace online platform, promoting the concept of "iCareer – Own My Career". Through promoting internal transfers, we have encouraged our employees to collaborate on cross-department or cross-border projects. Our Taiwan Human Resources Division has held numerous online livestream events and have also created short micro movies to promote these projects. In 2022, our employees collaborated to create 44 projects. Over 200 employees participated in these projects, and this number has only continued to grow. All our employees can create, apply for, and participate in various projects and groups through this platform. Through these efforts, we have shown that we believe everyone to be capable of leadership and have encouraged daring and innovative ideas. By looking for resources from outside their own departments, employees can upskill and reskill themselves, learn skills to help them become a future-ready workforce, develop their leadership skills, and find opportunities for cross-cultural exchanges.

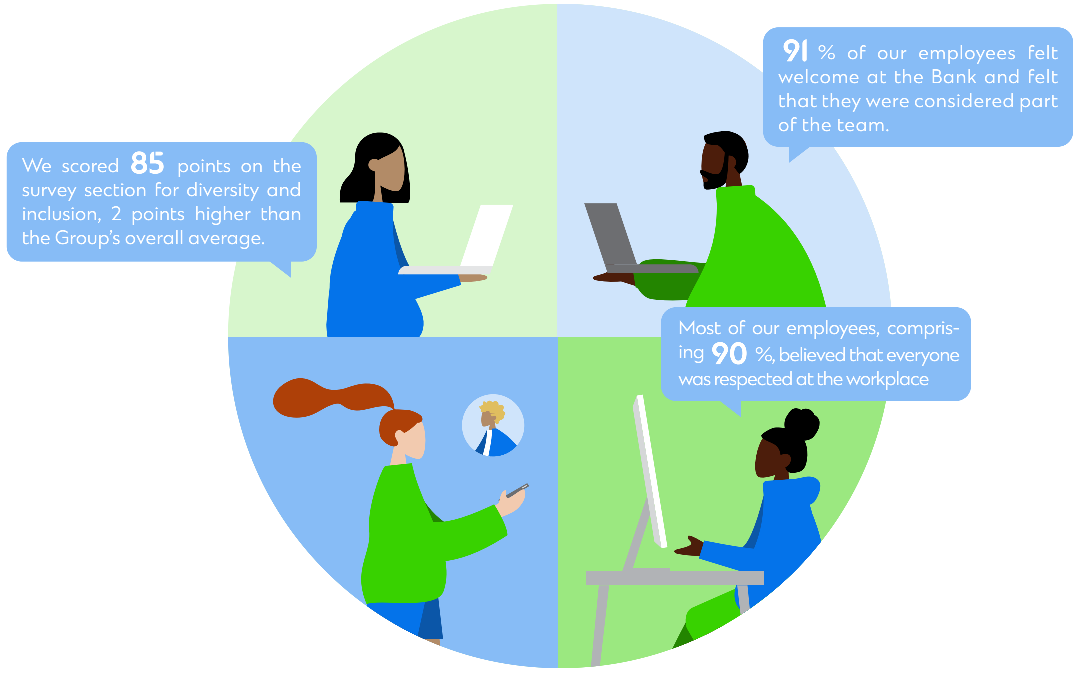
These projects have been actively promoted, and our employees have displayed remarkable results in applying for internal transfers. In 2022, 129 employees successfully transferred into new roles within the Bank, accounting for 25 per cent of all job vacancies for the year and representing a 143 per cent increase compared to last year. From 2018, since we first began promoting our "internal first" culture in Taiwan, there have been a total of 499 internal transfers. Regarding cross-border transfers, in 2022, two of our employees were transferred to an overseas branch of Standard Chartered PLC. In the past four years, 19 of our employees have internally transferred into roles at overseas locations, allowing Taiwanese financial talent to flourish internationally.

Development of Future Leaders

In 2022, we launched our 18-month long Future Leaders Programme. Under the programme, we brought together a new generation of our future leaders from the Taiwan, Hong Kong, and Mainland China regions, and through many diverse methods such as specialised courses, project experience, and cross-border roles, we can accelerate development of their business thinking skills, group leadership abilities, and global logistics knowledge.

Employee Satisfaction

We held our global employee satisfaction survey in June 2022. The survey response rate was 95 per cent. We scored 85 points on the survey section for diversity and inclusion, 2 points higher than the Group's overall average; and 91 per cent of our employees felt welcome at the Bank and felt that they were considered part of the team. Most of our employees, comprising 90 per cent, believed that everyone was respected at the workplace, regardless of seniority, age, gender, or physical health conditions.



Sustainability Empowerment

Healthy Work Environment

Unpaid parental leave	Female	Male	Total
Number of employees who applied for unpaid parental leave in 2022	36	4	40
Number of employees expected to return from unpaid parental leave in 2022 (A)	36	6	42
Number of employees who returned from unpaid parental leave in 2022 as expected (B)	21	3	24
Number of employees who returned from unpaid parental leave in 2021 (C)	20	0	20
Number of employees who were still employed in 2022 and have been employed for at least one year since returning from unpaid parental leave in 2021 (D)	14	0	14
Reinstatement rate after unpaid parental leave % (B/A)=	58%	50%	57%
Retention rate after unpaid parental leave % (D/C)=	70%	0%	70%

Physical and Mental Health

Our employee assistance programmes include a wellbeing digital app designed by professional psychologists to help employees to relieve stress and provide them with online wellness tools such as online yoga classes, breathing practice guides, spiritual music, mindfulness meditation, and guides to enhancing mental resilience. From 2021 onwards, we have also developed a wellbeing toolkit to help our employees maintain good health in four aspects: mental, physical, social, and financial. By establishing, maintaining, and promoting physical and mental health, as well as choosing a suitable lifestyle and work environment, we have helped our employees develop skills necessary for the future. This allows our organisation to cultivate employees with flexible, agile, and inclusive leadership skills, and allows our employees to perform at their best.

We earned the WELL Health & Safety Rating 2022 issued by the International WELL Building Institute (IWBI). In Taiwan the following buildings have been awarded.

- Standard Chartered Taiwan Head Office Building
- Banqiao Building
- Sanmin Building
- Xinming Building
- Zhongzheng Building
- Xinxing Building

The standard benefits available to all our employees are as follows:

- **Flexible workplace policy:** We support the flexible working needs of our employees, balancing our business requirements with the individual needs of our employees. Our employees can choose flexible working arrangements (including remote working, and flexible/part-time working hours) most suitable to them.
- **More holidays than legally required**
- **Physical healthcare:** Employees are covered under group healthcare insurance policies, which includes life insurance, medical insurance, disability insurance, as well as travel and medical insurance for business trips.
- **Mental health support:** Free employee support programmes are provided, allowing our employees or their family members to always contact a professional counsellor. Additionally, we have also created an Employee Health Toolkit and a Guide for Managers on Discussing Employee Health Issues.

- **Employee share ownership and savings plan:** We provide our employees with the opportunity to purchase Standard Chartered PLC shares at below market prices through an employee share ownership plan.
- **Flexible working arrangements:** During the 2022 pandemic period, we continued to implement our Future Workplace Now (FWN) programme to allow our employees to make more flexible working arrangements. This allows our clients, employees, and team members to work closely together, reducing transportation time, expenses, and their carbon footprint. Over 90 per cent of employees eligible for the FWN programme applied to use this working arrangement, displaying the appeal of the flexible working model.

Response measures to external risks and epidemics

We established our COVID-19 Response Taskforce led by our Chief Operating Officer at the early stage of the COVID-19 outbreak. Cross-departmental integrated response measures were taken and rolling adjustments were made pursuant to the guidelines published by the Central Epidemic Command Centre. In 2022, we complied with the official guidance and regulations announced by the government and gradually loosened pandemic restrictions. We have currently returned to normal business operations but have continued to monitor external risks such as the pandemic situation, immediately communicating any developments to our employees to maintain our resilience, and embrace the new life after the epidemic together.

Diversity and Inclusion (D&I)

We value diversity and inclusion. For this reason, we have established the D&I (Diversity and Inclusion) Council Taiwan, comprising of 33 employees from 11 different departments. This committee was established to not only build consensus on diversity and inclusion, but also set up working groups to address five main topics, namely gender equality, equality for the disadvantaged, equality of sexual orientation, health and well-being, and supplier diversity. In 2022, the D&I Council organised over 20 events, attracting over 1,000 participants. The Standard Chartered Facebook page featured 14 posts on diversity and inclusion related topics that reached more than 1.17 million users. In 2022, we won nine external awards that recognised our D&I efforts.

Pride parade

We participated in Taiwan Pride, a pride parade held on the last Saturday each October for the third year in a row. Despite the rain, over 100 of our employees and their friends and family attended the parade, themed "An Unlimited Future", to support LGBT+ and their courage to be themselves. As well as forming teams to attend the Taiwan Pride parade on 29 October, the SC Pride Taiwan working group also rented a 2022 Color Taipei Rainbow Bus Tour on the afternoon of 30 October, hosted by a charming and witty drag queen, allowing them to better understand LGBT+ culture and experience Color Taipei. Alongside 40 of our team members attending the tour, some kids below school age or in the lower school grades also participated, giving them early exposure to LGBT+ friendly education, making the event even more meaningful!

Over 100 of our employees and their friends and family attended 2022 Taiwan LGBT+ Pride parade.

Environment

Climate Change Management

We signed the Declaration on Climate Change initiated by the United Nations Environment - Finance Initiative in 2007 and established a Renewable Energy and Environmental Economy Working Group to set environmental and climate policies and long-term energy conservation goals. In 2017, we signed the Taskforce on Climate Related Financial Disclosure (TCFD). We have been incorporating climate-related risks into our enterprise risk management framework since 2020. Globally, in October 2021, we announced our plans to achieve net zero emissions from our own operations by 2025, and net zero emissions from our financing activities by 2050. Between 2021 and 2030, globally, we plan to mobilise TWD9.2 trillion (USD300 billion) in Sustainable Finance.

Sustainable Work Environment

As part of our process for selecting new business premises or office locations, we take into consideration how environmentally friendly these buildings are, and whether they have incorporated green design principles, such as low internal water consumption, high energy efficiency, ability to store recycled energy, and whether the building has been constructed with low emissions materials. In 2022, our main branch was awarded the Gold-level certification for interior renovation under the US LEED (Leadership in Energy and Environmental Design) programme.

We are also currently evaluating using water disposal methods to destroy confidential documents, instead of fire. This would allow us to reduce our indirect carbon emissions. We plan to be able to implement this new disposal method by 2023 at the earliest, after the evaluation is complete. We have also evaluated the possibility of installing solar energy panels onto the rooftops of buildings we own. Currently, we have finished evaluation of plans to install solar power systems in our Zhongzheng and Sanmin office buildings. These installations are estimated to reduce our power consumption by 15 per cent, with the system planned to be completed and put into operation in the second quarter of 2023.

Apart from proactively participating in various international environmental protection activities, we have also continued to plan and implement various energy conservation and carbon reduction programmes. This includes monitoring and analysing data on the energy used in our office buildings and branch locations, evaluating updates to more energy efficient hardware and equipment and use of renewable energy, making more sparing use of leased vehicles, and promoting the practice of turning lights off for one hour during afternoon breaks. Our Hsinchu Zhongzheng Branch has also prohibited the use of single-use plastic products in its business operations and has been certified as a Building Free of Single-Use Plastics. All our branch locations strictly comply with environmental laws and regulations, and in 2022 there have been no incidents where we have incurred a penalty or fine for violating environmental laws. We also promote the use of reusable cutlery and cups during our internal meetings.

Energy Consumption

Most of the energy consumed as part of our business operations is in the form of electricity purchased from external sources (not renewably generated). We also consume a small amount of petrol and diesel. We reduced our number of office vehicles from eight in 2018 to three in 2022, including one electronic vehicle, greatly reducing our petrol consumption. In 2022, our energy consumption was lower by 36 per cent compared to 2021, with overall indicators pointing to a trend of our energy consumption going down over time. This displays the fruits of our efforts to conserve energy and reduce carbon emissions.

Energy Conservation and Carbon Reduction

In 2022, our main energy conservation and carbon reduction project was the replacement of our old air-conditioning equipment with newer models. This allowed us to save 523,380 KWh in electricity consumption, reducing our greenhouse gas emissions by 327 tons.

Environment Committee

The Environment Committee, led by our Chief Information Officer and Chief of Operations, is committed to create a more environmentally conscious workplace and build up a culture of sustainability within our organisation. In 2022, nearly 1,000 participants took part in our sustainability related activities, including online sustainability knowledge trainings, quiz challenges, and webinars to live a more sustainable lifestyle. We are also cultivating hydroponic vegetables in the office to encourage colleagues to consume more plant-based food to reduce carbon emissions.

Diversified Procurement

Diversified Procurement

We have a diverse and inclusive procurement policy for small/ micro enterprises, ethnic minorities, people with disabilities, LGBT+ groups, women-owned enterprises, and social enterprises. Suppliers are evaluated pursuant to our internal procedures and operating procedures.

We continuously educate employees and suppliers through holding regular seminars and reviews. We issue our Supplier Charter to all suppliers each year, which specifies the principles of behaviour and scope of influence that we expect suppliers to follow. Suppliers are also required to comply with our Modern Slavery Statement.

In addition, our Code of Conduct is also included in the Supplier Charter, which includes a supplier human rights assessment and human rights declaration. In 2022, we conducted a social impact assessment on all 492 suppliers, in which no negative social impact matters was identified. We currently have 492 suppliers and aim to improve our business and profit prospects through our unique diversity policy. At the same time, we have fulfilled our philosophy of diversity and inclusion through our procurement operations.

Supplier Selection

We have continued to increase the proportion of sustainable suppliers in our overall supply chain and continue to make progress towards our goal of increasing the proportion of sustainable suppliers on our supplier list by 10 per cent each year. Diversity and inclusion have a weight of at least 5 per cent in the selection process of new suppliers. Separately, reduced consumption and recycling are our priority concerns when procuring raw materials, allowing us to achieve our carbon reduction goals. For example: How paper resources can be fully utilised, encouraging employees to reduce the number of documents printed.

Supplier Communication

We regularly hold seminars and publish information on sustainable development to emphasise the importance of sustainability to educate our employees and suppliers. We use an ESG dashboard to review and monitor our procurement operations, raising employee awareness of social and regional issues.

The 2022 Standard Chartered Pop-up Christmas Market was successfully held in mid-December by our Supplier Diversity team. We received positive feedback on the event from 10 social enterprises and non-profit organisations who attended the event. The event was also positively received by employees who participated.

- These 10 social enterprises/ non-profit organisations collected approximately TWD180,000 in revenue from this event.
- Out of these organisations, a social enterprise providing gifting services called Give-Circle (provider of a free gift-exchange platform) managed to attract more than 30 of our employees to sign up as new members through its online/offline events.

Domestic Procurement

As of the end of 2022, we collaborated with 492 suppliers, whereby 394 of these suppliers are based domestically, making up 93 per cent of all contracted suppliers. Our total procurement amount was TWD2,783,424,240. Procurement from domestic suppliers amounted to TWD2,226,739,392, accounting for approximately 80 per cent of the total procurement amount. The types of suppliers we worked with include service providers, equipment suppliers, and engineering contractors, further categorised into providers of computer equipment, telecommunications, human resources services, furniture, printed materials, office supplies, construction and maintenance, and mechanical and electrical engineering services. By keeping our supply chain local, we have improved the service efficiency of our suppliers. We have adhered to our principles of local development and constructing a local supply chain and have proactively developed local suppliers and implemented local procurement measures. Through these efforts, we hope to be able to ensure that goods and services are procured at the right place and right time, reducing our management and operating costs. By doing so, we have also created local employment opportunities and helped support economic prosperity and development.

Community

Social Participation

Through the Eyes of Standard Chartered

As a leading international bank, we have invited the pioneers in the field of sustainability development to take part in our sustainability series, Through the Eyes of Standard Chartered. Through conversations with these thought leaders, we hope to enhance awareness on sustainability issues and how we can all play a role in a greener tomorrow. All these videos have collected over one million views through our Youtube channel and Facebook.

YouTube

Facebook

Episode One: Taipei 101, the world's tallest green building

Episode Two: Youbike, the world's most successful public bicycle system

Episode Three: Copenhagen Infrastructure Partners, promoting sustainability

Futuremakers by Standard Chartered

Through our global Futuremakers by Standard Chartered initiative, we have continued to work together with non-profit organisations to support promoting greater economic inclusion in our markets and empower the next generation.

In 2022, the project collaborated with the Parents' Association for the Visually Impaired, the Technology Development Association for the Disabled, and the Garden of Hope Foundation to help almost 1,000 disadvantaged youth. Over 50 per cent of these youth were women, and through this collaboration we helped provide them an opportunity for education, growth, and employment. Among them, 47 visually impaired youth successfully found employment, and 68 youth have been in secure employment for more than six months. To reduce the impact of the pandemic, Standard Chartered Foundation has also specially established a COVID-19 Recovery Fund to provide even more disadvantaged youth with employment and education opportunities. In collaboration with the Garden of Hope Foundation, the Fund in 2022 helped more than 950 disadvantaged youth in Taiwan. We were able to provide women with skills training courses, and arrange for them to obtain professional certifications, working experience, and internship opportunities, increasing their future potential income. In 2023, we plan to be able to help another 2,000 youth.

2022 Europe-Taiwan Financial Services Forum

The Bank proudly sponsored the 2022 Europe-Taiwan Financial Services Forum organised by European Chamber of Commerce Taiwan (ECCT) under the theme "Building a robust ESG model for Taiwan – Sharing best practices from Europe & Taiwan".

The event brought together thought leaders, policy makers and leading experts from Europe and Taiwan to share the latest developments in Environmental Social and Governance areas and best practices in leading markets with the aim of showing the way forward to build a robust ESG model for Taiwan.

Employee Volunteering

Our employees are given three employee volunteering leave days each year and can freely select volunteer activities they want to take part in. We encourage our employees to collectively participate in volunteer activities as a whole department. This allows us to further communicate and promote our corporate culture of giving back to society. In 2022, we contributed 2,130 volunteer workdays, the eighth highest within the Group. 45 per cent of employees participated in volunteer work.

Major volunteer activities in 2022:

- Over 270 employees participated in four beach cleaning activities in Taipei, Hsinchu, and Taichung. In total, they cleaned up 791kg of trash, and completed sorting this trash for recycling, taking action to protect the coastline!
- Over 200 of our employees volunteered for proofreading work on the eDocument Service platform, contributing over 1,905 hours of work proofing audio books, allowing more visually impaired individuals to enjoy reading books.
- Even at the height of the pandemic, our employees participated in environmental clean-up activities in conjunction with World Environment Day. Over 40 of our employees volunteered to take part in street clean-up activities during the day, picking up trash around their own neighbourhoods while exercising, which allowed them to take care of the Earth and their own health at the same time.
- Financial knowledge workshop: We invited disadvantaged youth supported by our Futuremakers programme to attend a workshop led by our employees, teaching them basic financial information such as savings and loans through real-life examples, as well as the importance of actions to prevent fraud. This allowed these youth to understand the support that can be provided by financial services as they gradually begin entering employment, preventing them from falling victim to financial fraud.
- Supporting activities held by charity organisations: Our employees volunteered to help the National Social Welfare Foundation hand-sew cushions and dual-use backpacks for the Mid-Autumn Festival, helped support the stall set up by the Genesis Social Welfare Foundation at the Taipei Expo Park, and helped pack food boxes at the ANDREW Charity Association.