



EEA Disclosure for ESG Use of Proceeds Notes issued by Standard Chartered Bank under the USD \$25,000,000,000 Notes, Certificate and Warrants Programme

Product Offering

- ESG Use of Proceeds Notes (the “Notes”), issued by Standard Chartered Bank (the “Bank”), are securities which will allow investors to have their capital referenced against sustainable finance assets of the Standard Chartered Group (the “Group”) which are aligned to the Group’s externally verified Sustainability Bond Framework (the “Framework”), which can be found [here](#).
- The Framework details which eligible activities the Group defines as green, social and sustainable, for example: renewable energy, low carbon transport or healthcare infrastructure, and is aligned with the Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines issued by the International Capital Markets Association. In addition, the Framework has been assessed by and received a Second Party Opinion from Sustainalytics, a Morningstar Company and a globally-recognised provider of environmental, social and governance (“ESG”) research, ratings and data. The Group reviews the Framework on a regular basis to ensure that eligible activities which the Group defines as green, social and sustainable are up to date and aligned to current best practice.
- It is important to note that while the Framework endeavors to establish comprehensive guidelines for the eligible themes and activities the Bank considers as “Green” or “Social”, it may not fully align with the criteria as set forth in the EU Taxonomy Regulation (Regulation (EU) 2020/852) for the classification of economic activities as green and sustainable.
- The net proceeds of the issuance of the Notes will stay on the balance sheet of the Group but be virtually ring-fenced from other Group assets. The net proceeds will not be directly used to finance sustainable finance assets. Instead, a portfolio of the Group’s sustainable finance assets will be virtually allocated towards the net proceeds of the issuance of the Notes. The sustainable finance asset portfolio will be managed by the Sustainable Finance Solutions team within the Chief Sustainability Office in accordance with the methodology set out in the Framework, which ensures that sustainable finance assets do not significantly harm environmental, social and good governance objectives (in alignment with Article 2(17) of the SFDR (EU) 2019/2088). The Sustainable Finance Solutions team and the Group’s Treasury department will ensure that the amount of net proceeds received by the Bank, as a result of the issuance of the Notes (alongside the total quantum of other Sustainable Liabilities), does not exceed 80% of the amount of financed sustainable finance assets allocated to the Group’s portfolio of sustainable finance assets, to maintain a sufficient buffer.

- On an annual basis, the Sustainable Finance Solutions team will prepare a progress report for the Bank and investors, detailing how the net proceeds of the issuance of the Notes have been virtually allocated to a portfolio of the Group's sustainable finance assets. In addition, the Group will engage an independent external reviewer to evaluate and provide an opinion on each progress report. The Group will publish each progress report and opinion issued by the independent external reviewer on its [website](#).