



• Supplier Diversity & Inclusion Standard •



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- Standard Chartered Bank is committed to establishing inclusive sourcing throughout its shared value chain. This Standard forms a critical part of the Bank's broader Supplier Charter and outlines the minimum requirements and commitments we expect from all our suppliers, to ensure that we can collaborate with them to create an equal marketplace for diverse suppliers.

In line with the Bank's wider purpose of being 'Here for Good', we believe that by aligning our suppliers to the principles of this Standard we will together enable economic growth within the communities we all operate in.

A diverse and inclusive supply chain will also unlock greater levels of innovation and competition and drive greater business value from the products and services we source. •



1.0 Diverse Supplier Definitions

There are many different types of diverse suppliers. The most common include (but are not limited to):

Women Owned
A business that is 51% women owned, operated and controlled
Ethnic Minority Owned
A business that is 51% ethnic minority owned, operated and controlled. Definitions of ethnic minority groups vary by location
Small, Medium, Micro (SMEs)
Standard Chartered's Global definition of Small and Medium-sized enterprises is based on guidelines issued by the Organisation for Economic Co-operation and Development (OECD) as detailed below:
<ul style="list-style-type: none">• Turnover of medium-sized enterprises (50-249 employees) should not exceed USD 50 million• Turnover of small-sized enterprises (10-49 employees) should not exceed USD 10 million• Turnover of micro-sized enterprises (less than 10) should not exceed USD 2 million• Where any country has a specific local definition, this will be deferred to as required• Disabled Owned: A business that is 51% disabled owned, operated and controlled
LGBT+ Owned
A business that is 51% lesbian, gay, bisexual or transgender owned, operated and controlled
Social Enterprises
Locally accredited organisations that work to address a social need, where profits are primarily reinvested into the community or back into the business

2.0 Approach to Selecting Suppliers

We select all our suppliers fairly, based on factors such as quality, cost, service, innovation, value, risk and sustainability standards.

In addition, we are committed to evolving our supply chain to include suppliers who are either:

- Diverse owned
- Or
- Non-diverse owned but adopting at least an equivalent (if not stronger) approach to D&I as Standard Chartered Bank.





3.0 Guiding Principles

At Standard Chartered the Guiding Principles we are following to help establish and develop greater supplier diversity are:

- Commitment to inclusion of diverse suppliers in the procurement process
- Commitment to applying our Valued Behaviours and the principles of this Standard to supplier D&I practice
- Complying to any required D&I legislation, regulations or local laws
- Commitment to continuous improvement of supplier D&I practice (with a focus on embedding leading practice)
- Providing diverse supplier support & development
- Commitment to measurement and sharing of progress

We request all suppliers who work with us to adopt these Guiding Principles (as outlined below):

3.1 Commitment to Inclusion of Diverse Suppliers in the Procurement Process

Objective

Suppliers are expected to commit to developing a strong D&I culture throughout their whole organisation. This includes promoting the principles of diversity and inclusion in their procurement processes and working to achieve the participation of D&I suppliers that reflect the communities in which they operate.

3.2 Alignment to Our Valued Behaviours & Standards & Compliance to D&I Legislation, Regulations or Local Laws

Objective

In line with our Valued Behaviours and internal standards, we expect our suppliers to be working to eliminate all forms of discrimination both in their own organisations and their supply chains on the grounds of sex, race, colour, nationality, ethnic, national or indigenous origin, disability, age, marital or civil partner status, pregnancy or maternity, sexual orientation, gender identity, expression or reassignment, HIV or AIDS status, parental status, military and veterans status, flexibility of working arrangements, religion or belief.

We seek to work with suppliers who operate their own procurement processes with integrity in a fair, open and honest manner, observing any applicable laws, legal or regulatory requirements.¹

Our suppliers should seek to ensure that all their products, services, and environments are fully inclusive and accessible to their customers, clients and employees.

Suppliers are asked to commit to embedding the principles of this Standard and specifically to:

- Make their own employees who are responsible for procurement activities aware of the principles outlined in this Standard and ensure that they observe and reflect them when engaging in Standard Chartered procurement tenders, processes or performance of contracts
- To notify us (via their procurement team contact) where there are issues with aligning to this Standard

We will seek to collaborate with suppliers (in the first instance) to close any gaps.

¹ Nothing in this Objective is intended to require a supplier to violate a local law in a jurisdiction where they are located or do business.

3.3 Commitment to Continuous Improvement of Supplier D&I Practices

Objective

We encourage our suppliers to have supplier D&I objectives and plans that guide the implementation of a best practice supplier D&I approach, which embraces the principles of this Standard to drive continuous improvement over time.

3.4 Supplier Support & Development

Objective

Standard Chartered Bank is committed to supporting diverse suppliers to develop the capabilities needed to help them succeed and grow. This is a key part of the Bank's supplier D&I programme.

Improvements in D&I supplier understanding of business requirements can be achieved by implementing networking, education and development initiatives and by working collaboratively with them to encourage achievement of expected standards.

Where opportunities and capacity exist, we would therefore expect our suppliers to provide developmental support to both their potential and existing D&I suppliers, to help accelerate growth in awarding of contracts and level of spend with them.

3.5 Commitment to Measurement and Sharing of Progress

Objective

We encourage our suppliers to monitor their progress toward achieving their D&I objectives and be transparent in sharing key metrics, demonstrating progress and impact of their internal organisation D&I practice and supplier D&I initiatives.

4.0 Implementing the Standard

This Standard can be applied to all geographies and categories of suppliers.²

Companies at different stages of supplier D&I maturity can apply this Standard to:

- Support aspirations to start developing a diverse supply chain.
- Strengthen existing supplier diversity goals and programmes.
- Complement and reinforce an already established best practice supplier D&I culture.

This Standard is endorsed by WEConnect International.



² Nothing in this Standard is intended to require a supplier to violate a local law in a jurisdiction where they are located or do business.





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