

Sustainability Review

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Backing innovative carbon capture and storage technology

We supported the UK's East Coast Cluster, a UK Government-backed initiative to promote industrial decarbonisation and carbon capture and storage.

The project aims to capture up to 2 million tonnes of CO₂ annually while providing up to 742 megawatts of dispatchable, low-carbon energy to the grid.

By helping to finance this project, we're helping to facilitate the decarbonisation of hard-to-abate emitters in the region, in support of the UK's net zero ambitions.

Learn more [sc.com/ecc](https://www.sc.com/ecc)

Sustainability review

The Sustainability review provides information on the Group's approach to sustainability, related governance structures, how we manage environmental, social, and climate risk, and mobilise sustainable finance to help clients transition and support sustainable, inclusive growth in our markets.

Sustainability is an area of strategic focus for Standard Chartered which we aim to integrate across our business. As a result, sustainability information can be found throughout this Annual Report and across the suite of sustainability-related reports on our website as set out on this page.


This Sustainability review is designed to address the topics that could have a material (positive or negative) impact on society, nature or the climate, and that are not addressed elsewhere in the Annual Report. We describe how we have determined these topics under the **Materiality** heading on page 60.

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Our suite of sustainability-related reports and disclosures

Report or disclosure	Description
Assurance and verification reports	Independent assurance and verification reports by Ernst & Young LLP (EY), Global Documentation Ltd and EcoAct over certain data points within this Annual Report as detailed on page 61
Code of Conduct and Ethics	Primary tool through which we communicate our conduct expectations. It is designed to guide colleagues through how to live our valued behaviours on a day-to-day basis, whatever their business, function, region, or role.
Country-by-Country Disclosure	Provides tax information in accordance with the Capital Requirements (Country-by-Country-Reporting) Regulations 2013.
Diversity, Equality and Inclusion Impact Report	Includes gender and ethnicity pay gap assessment and the actions we have taken to support a culture of inclusion.
Equator Principles reporting	As a member since 2003, we report on how we apply the principles to ensure that the projects we finance and advise on are developed in a manner that is socially responsible and reflect sound environmental management practices.
Environmental and Social Risk Management Framework	Provides an overview of our approach to identifying, assessing, and managing the environmental and social risks associated with our client relationships.
ESG data pack	Supplementary Environmental, Social and Governance (ESG) and sustainability data is provided in a spreadsheet format.
ESG Reporting Index	Alignment table referencing our disclosures using voluntary sustainability reporting frameworks: Sustainability Accounting Standards Board Standards, Global Reporting Initiative Standards and World Economic Forum (WEF) Stakeholder Capitalism Metrics.
Futuremakers Impact Report	Provides progress and outcomes about Futuremakers, our global youth economic empowerment initiative, tackling inequality and promoting greater economic inclusion.
Modern Slavery Statement	Sets out the steps we have taken to assess and manage the risk of modern slavery and human trafficking in our operations and supply chain.
Net zero methodological white paper – The journey continues	Describes our approach to net zero, laying out the methodologies we have used to calculate our financed and facilitated emissions, and setting our interim 2030 targets at sector level.
Net Zero Transition Plan	Sets out how we aim to deliver on our commitments to reach net zero emissions in our financed emissions by 2050, and in our Scope 1 and Scope 2 emissions by 2025.
Policies	We publish our main sustainability-related policies, including on: anti-money laundering; anti-bribery and corruption; digital assets approach; diversity and inclusion; health, safety and security; privacy; public policy engagement; and Speaking Up.
Position Statements and Prohibited Activities	We use our cross-sector and sector-specific Position Statements and Prohibited Activities list to assess whether to provide financial services to clients.
PRB reporting and self-assessment	Our disclosures on actions undertaken related to the six principles as defined by the United Nations Principles for Responsible Banking (PRB).
Supplier Charter	Sets out principles for the behavioural standard that we expect from our suppliers, and those within a supplier's sphere of influence that assist them in performing their obligations to us.
Sustainable Finance Impact Report	We present the impact of our sustainable finance assets on a portfolio basis.
Sustainable Finance Frameworks	Our Green and Sustainable Product Framework (GSPF) and Sustainability Bond Framework (SBF) outline our definition of green and sustainable finance. Our Transition Finance Framework (TFF) sets out the activities and entities that we consider eligible for transition finance.

 To access the Group's suite of sustainability-related reports and disclosures visit sc.com/sustainabilitylibrary

Our approach to sustainability reporting

The Group includes ESG and sustainability information in this Annual Report, providing investors and stakeholders with an understanding of the implications of relevant sustainability-related risks and opportunities, and progress against our objectives. We have considered our ESG reporting obligations under the Hong Kong and FCA UK Listing Rules, please refer to our Directors' report on page 103 for further information. For our TCFD content table please refer to pages 43–44.

We have used the GRI Standards to guide our disclosures and have published an ESG Reporting Index with reference to disclosures captured in the GRI Universal and select Topic Standards. We have also considered relevant metrics from sector-specific SASB Standards and WEF Stakeholder Capitalism Metrics.









Our approach to sustainability reporting will continue to evolve subject to regulatory and voluntary standards across our listing locations and footprint markets. Our disclosures are guided by international standards, frameworks and principles to the extent relevant to our business. We are actively preparing for future reporting obligations across the various jurisdictions in which we operate, including reporting under the International Sustainability Standards Board (ISSB)'s IFRS S1 General Requirements of Sustainability-related Financial Information (IFRS S1) and IFRS S2 Climate-related Disclosures (IFRS S2) and the EU Corporate Sustainability Reporting Directive (CSRD).

 See our ESG Reporting Index at sc.com/sustainabilitylibrary

Materiality

In preparing these disclosures, we have followed the materiality assessment process outlined in GRI 3: Material Topics 2021, which provides step-by-step guidance for organisations on how to determine material topics. Material topics are topics that represent an organisation's most significant impacts on the economy, environment and people, including impacts on their human rights – both positive and negative.

In doing so, we have taken steps to understand the Group's context, identify actual and potential impacts, assess the significance of the impacts and prioritise the most significant impacts for reporting. We have done this by engaging with relevant internal and external stakeholders and by validating the material topics with experts across the Chief Sustainability Office. Our material topics are set out in the table below.

Topics	Description	Learn more
Sustainable finance	How we identify opportunities for driving positive environmental and social impact by helping our clients address environmental and social challenges, transition towards low carbon economies and achieve sustainable growth.	 Sustainable finance Pages 69-73
Climate	The positive and negative impacts of our financing activities, direct operations and supply chain on the climate. This includes our emissions, physical and transition climate risk management, and progress against our net zero roadmap.	 Climate Pages 74-89
Nature	The positive and negative nature-related impacts of our financing activities, direct operations, and supply chain. This includes our approach and progress against our nature-related ambitions.	 Nature Page 90
Human capital management	The practices used for recruiting, developing and optimising employee output and relationships, across the value chain. This includes human rights and modern slavery, health and safety (including physical and mental wellbeing) and diversity, equity and inclusion.	 Stakeholders Pages 38-41 Supplementary people information Pages 388-392
Society and community relations	The positive and negative impacts of our financing activities on the societies and communities around us. This includes financial inclusion, job creation, vulnerable customer protection, and charitable giving.	 Social impact Pages 91-92
Data security and privacy	The protection practices over client and personal information held by the Group.	 Risk review and Capital review Page 204
Corporate governance	Governance structures and internal control processes by which the Group is directed. Includes risk management, business conduct, anti-bribery and corruption, anti-money laundering, and whistleblower protection.	 Managing environmental and social risk Pages 93-94  Integrity, conduct and ethics Pages 95-97  Sustainability-related governance Pages 98-102



To learn more about our materiality process and how we engage with stakeholders visit sc.com/sustainabilitystakeholders

Reporting period

The reporting period for the majority of our operational environmental performance indicators, including greenhouse gas (GHG) emissions, waste generation and water consumption is from 1 October 2023 to 30 September 2024. This allows sufficient time for independent third-party assurance to be completed and for obtaining external third party data where needed prior to the publication of the Group's Annual Report.

This only differs for the following Scope 3 emissions where a period of 1 January to 31 December with a one to two-year lag is used: Category 1: Purchased Goods (other); Category 2: Capital goods; Category 4: Upstream transportation and distribution; Category 6: Business travel (miscellaneous other than air travel) and Category 15: Investments. Emissions data for these categories is disclosed on a one to two-year lag with emissions reported in 2024 based on the availability of third-party data and client data.

This year, the reporting period for Category 6: Business travel (air travel) has been adjusted from a 1 October 2023 to 30 September 2024 period, to a 1 January 2023 to 31 December 2023 period, to align these emissions with those in Category 6: Business travel (miscellaneous other than air travel).

With the exception of sustainable finance income, sustainable finance metrics are reported at 30 September 2024, allowing sufficient time to complete reporting. Sustainable finance income is reported for the full financial period from 1 January 2024 to 31 December 2024.

The reporting period for all other sustainability information in this Annual Report is from 1 January 2024 to 31 December 2024 to align with the calendar year used in financial reporting.

Independent Limited Assurance

Ernst & Young LLP (EY) was appointed to provide independent limited assurance over certain data points within this Annual Report, indicated with a caret symbol (^) in this report. The assurance engagement was planned and performed in accordance with the International Standard on Assurance Engagements (UK) 3000 (July 2020), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE (UK) 3000 (July 2020)). This independent assurance report is separate from EY's audit report on the financial statements and is available at sc.com/sustainabilitylibrary. This report includes further detail on the scope, respective responsibilities, work performed, limitations and conclusions.

We obtained independent limited assurance on the Group's Scope 1 and 2 GHG emissions and Scope 3 data centres GHG emissions by Global Documentation Ltd. We also obtained independent verification of the Group's Scope 3 emissions associated with business travel (air travel) from EcoAct. These verifications were conducted in accordance with the ISO 14064-3 Greenhouse gases standard and are also available at sc.com/sustainabilitylibrary.

For further details on assurance obtained on comparative prior year data, please refer to the prior year annual report.



Read more about the principles and methodology for measuring our environment data at sc.com/environmentcriteria

For further information on our emissions calculation methodology, please refer to the Group's 'Net zero methodological white paper – The journey continues' via sc.com/sustainabilitylibrary

Disclaimer

We report on ESG matters throughout this Annual Report, in particular in the following sections:

- (i) Strategic report on **pages 35 to 44**;
- (ii) Directors' report on **pages 183 to 184**;
- (iii) Sustainability review on **pages 57 to 102**;
- (iv) Risk review and Capital review on **pages 256 to 269**; and
- (v) Supplementary sustainability information on **pages 393 to 395**.

In this 'Sustainability review' chapter, we set out our approach and progress relating to sustainability and its content is subject to the statements included in (i) the 'Forward-looking statements' section; and (ii) the 'Basis of preparation and caution regarding data limitations' section provided under 'Important notices' on **pages 397-398**.



Additional information can be accessed through our suite of supporting sustainability reports and disclosures via our website www.sc.com/sustainabilitylibrary

Chief Sustainability Officer's review

“Accelerating positive change in the years ahead”

Marisa Drew
Chief Sustainability Officer



The opportunity to finance the transition to a low carbon economy is more compelling and crucial than ever. The commercial case continues to grow, with the green economy delivering total returns of 198 per cent over the past 10 years¹. The scope for further sustainable finance growth is significant as new technologies come online and as renewable capacity growth continues to outpace that of fossil fuels².

At the same time, the urgency of the transition remains stark and this year we breached the 1.5°C threshold for the first time, making 2024 the warmest year on record. The disproportionate impact of climate change on those least equipped to respond, notably across our markets in Asia, Africa and the Middle East, underscores the importance of our ongoing commitment to capital mobilisation at scale to deliver the sustainable outcomes we need to see, alongside inclusive growth.

The Chief Sustainability Officer (CSO) organisation was established in 2022 to build on the Group's long-standing sustainability agenda. Since its creation, we have made substantial progress on our Sustainability Strategic Pillars, which represent our near-term strategic focus. This includes the work we do to scale sustainable finance, to embed sustainability across the organisation, deliver against our net zero roadmap, and leverage our thematic Innovation Hubs.

Our sustainable finance income growth speaks to this progress, with \$982 million of sustainable finance income generated this year, meaning that we are on track to deliver against our target of at least \$1 billion in annual sustainable finance income by 2025. As we scale, we continue to diversify our sustainable finance revenue mix by increasing the penetration of our core sustainable finance products across markets and expanding our product offering suite. Alongside this, we have now mobilised \$121 billion in sustainable finance for our clients from January 2021, against our commitment to mobilise \$300 billion in sustainable finance by 2030.

Internally, we continue to embed sustainability across our organisation by upskilling and empowering colleagues with user-friendly tools, training and streamlined processes, all aimed at facilitating the adoption of sustainability opportunities and managing sustainability risks throughout the Group. While externally, our Innovation Hubs across Adaptation Finance, Blended Finance Programmes, Carbon Markets and Nature Finance, continue to pioneer novel, high-visibility transactions, investing and supporting landmark projects that offer significant potential for scale.

This year we continued to deliver against our Net Zero Roadmap, completing our final baseline and target setting for the 12 highest-emitting sectors. But we also recognise that achieving our net zero by 2050 target requires active collaboration and engagement with our clients to support and accelerate their transition, and have therefore published our inaugural Transition Plan alongside this Annual Report.

This year we also sought to further expand our understanding of our own nature-related risks and opportunities, becoming an early adopter of the Taskforce on Nature-related Financial Disclosures (TNFD). Building on our ambition to shift financial flows towards nature-positive outcomes, Standard Chartered also partnered with The Government of The Bahamas, The Nature Conservancy, the Inter-American Development Bank (IDB), and other financial partners to launch an innovative debt conversion, expected to generate \$124 million for marine conservation.

Looking ahead to 2025, we will no doubt face challenges as the sustainability landscape develops and as we further operationalise our ambitions. However, we're steadfast in our focus to deliver on our commitments, and our CSO team will continue to serve as a centre of excellence to support the Group in delivering on our Sustainability agenda, helping our clients to transition, and supporting sustainable, inclusive growth in our markets.

The progress detailed in this report reflects not just our achievements to date, but our determination to help drive positive change in the years ahead.

¹ 'Investing in the green economy 2024', London Stock Exchange Group

² 'World Energy Investment 2024', International Energy Agency

Our approach to sustainability

Sustainability is a strategic focus area for us, as we strive to promote inclusive growth and prosperity across the markets where we operate.

Our approach to sustainability supports the Group's strategy, which is designed to deliver our Purpose: to drive commerce and prosperity through our unique diversity. This is underpinned by our brand promise, here for good.

Our approach is articulated through our long-term sustainability goals – our Sustainability Aspirations – and our short-term sustainability targets – our Sustainability Strategic Pillars. The Aspirations and Pillars set out how we intend to deliver across our Sustainability agenda.

Sustainability continues to be included in the 2024 Group scorecard and 2024–26 Long-Term Incentive Plan (LTIP) with performance measures that align with our Sustainability Aspirations and Sustainability Strategic Pillars.

This section sets out progress against our Sustainability Aspirations and Sustainability Strategic Pillars before we dive deeper into the material topics set out on page 60, including sustainable finance, climate, nature and social impact.

2024 highlights

\$121bn

Cumulative mobilisation of sustainable finance from January 2021 to September 2024 against our commitment to mobilise \$300 billion by 2030

Net Zero

Interim targets set against our 12 highest-emitting sectors in line with Net Zero Banking Alliance (NZBA) guidance



Published our first Transition Plan

\$982m[^]

Income generated from sustainable finance in 2024 against our target of at least \$1 billion annual income by 2025



Set an absolute facilitated emissions target for oil and gas, which currently makes up the majority of emissions within our facilitation portfolio



Became early adopters of the Taskforce on Nature-related Financial Disclosures (TNFD)

Values noted with a caret symbol (^) are subject to independent limited assurance by EY. Net zero progress has also been assured. This can be found on pages 74–89. The assurance report is available at sc.com/sustainabilitylibrary

Sustainability Aspirations: our long-term goals

Our Sustainability Aspirations are consolidated into four overarching long-term goals, each supported by key performance indicators (KPIs). Together, these reflect our commitment to fostering sustainable social and economic development in our markets.

Sustainability Aspiration	Progress to date
<p>Aspiration 1: Mobilise \$300 billion of sustainable finance¹</p> <p>We believe sustainable finance is essential in addressing the significant social and environmental challenges faced by our markets. It has the potential to support the needs of businesses, people and communities, by enabling the transition to low-carbon technologies, accelerating financial inclusion, and promoting sustainable, inclusive economic growth.</p> <p>Our sustainable finance product suite includes bonds, loans, advisory and trade finance, and is underpinned by our sustainable finance frameworks, which outline how we apply the 'green', 'social', 'sustainable' or 'transition' labels across products and transactions.</p>	<p>\$121bn</p> <p>cumulative mobilisation of sustainable finance from January 2021 to September 2024 against our commitment to mobilise \$300 billion by 2030</p>
<p>Aspiration 2: Operationalise our interim 2030 financed emissions targets to meet our 2050 net zero ambition</p> <p>We aim to reach net zero in our financed emissions by 2050. The Group has set and disclosed financed emissions reduction targets for 2030 across our 12 highest-emitting sectors, including a facilitated emissions target for oil and gas, which currently makes up the majority of emissions within our facilitation portfolio.</p> <p>We also believe that while target-setting is crucial, we need a clear plan to transition our business. This can be found in our 2025 Transition Plan, which outlines a comprehensive framework on how we intend to transition our business and operations, and collaborate with our clients with the aim to deliver on our interim 2030 targets and ultimate 2050 net zero ambition. We recognise the challenges posed by a material portion of our markets that have yet to commit to net zero by 2050, but we remain focused on driving progress.</p>	<p>Published our inaugural Transition Plan</p> <p>detailing our approach aiming to achieve net zero by 2050</p>
<p>Aspiration 3: Enhance and deepen the sustainability ecosystem</p> <p>We continue to utilise our experience and network to actively contribute to key global partnerships and initiatives that deliver differentiated impact and help to mature and advance the sustainability ecosystem. For example, we continue to maintain guiding roles in the Glasgow Financial Alliance for Net Zero (GFANZ), the UN Global Alliance of Investors for Sustainable Development (GISD), and the Integrity Council for the Voluntary Carbon Market (ICVCM), among others.²</p> <p>Through innovative frameworks and impactful initiatives, we have actively sought to support global efforts to advance and unlock capital flows towards critical areas such as adaptation and resilience, nature, carbon solutions and sustainable finance.</p>	<p>Launched the Guide for Adaptation and Resilience Finance</p> <p>in partnership with KPMG and the United Nations Office for Disaster Risk Reduction (UNDRR)</p>
<p>Aspiration 4: Drive social impact with our clients and communities</p> <p>We seek to accelerate the mobilisation of both private and philanthropic capital to address critical social challenges in our footprint markets. By leveraging our financial expertise, product innovation, and strategic partnerships, we deliver solutions that meet immediate needs while empowering communities for sustainable growth.</p> <p>Through Futuremakers, we establish strategic collaborations with clients, NGOs and communities to mobilise social capital, create an inclusive ecosystem to drive inclusive economies and increase equitable prosperity.</p> <p>For more information, see pages 91-92.</p>	<p>20,675</p> <p>decent jobs enabled and supported in 2024³</p>

1 We define mobilisation of sustainable finance as any investment or financial service provided to clients that supports: (i) the preservation and/or improvement of biodiversity, nature or the environment; (ii) the long-term avoidance/decrease of GHG emissions, including the alignment of a client's business and operations with a 1.5°C trajectory (known as transition finance); (iii) a social purpose; or (iv) incentivising our clients to meet their own sustainability objectives (known as sustainability-linked finance). It is a measure of total capital mobilised and considers the total value being committed facilities provided

2 A full list of our memberships can be found at sc.com/sustainabilitystakeholders

3 Decent jobs/employment: comprises formal employment and self-employment. 'Decent' aligns with the International Labour Organization (ILO) definition, but in recognition of the challenges in many markets to satisfy every criteria for 'decent', our Futuremakers initiative counts those participants who have met minimum wage plus at least two additional ILO criteria. The data includes 7,425 young female participants in sustained decent employment, where participants remain in decent employment six months post intervention, and 13,250 direct jobs enabled to support microbusinesses. This comprises paid employment opportunities (direct employees, active associates, contractors, support/gig workers, and the entrepreneurs themselves) directly created by the supported microbusinesses. These may be part-time or full-time, with each job accounted for as a single unit. This KPI is based on actual data collated from project alumni over the seven year period, estimates based on empirical research, and ex-post project evaluations

→ For detailed progress against all our Aspiration targets see [pages 393-395](#)

Sustainability Strategic Pillars: our short-term targets and immediate priorities

Our four Sustainability Strategic Pillars represent our near-term strategic focus designed to drive momentum and accelerate progress towards our longer-term Sustainability Aspirations.

Sustainability Pillar		Progress to date
Pillar 1: Scale sustainable finance income¹	<p>Growth and innovation in our sustainable finance franchise is critical to the delivery of the Group's Net Zero Roadmap and to support our clients on their own transition journeys. Our sustainable finance teams develop customised solutions that speak to clients' needs and ambitions.</p> <p>The Group's sustainable finance product suite is set out within our GSPF, as described on page 73. Our sustainable finance income target is a CIB target, based on income generated from transactions utilising sustainable finance products for our clients and income generated from clients whose activities align with those in our Sustainable Finance Frameworks.</p>	\$982m[^] sustainable finance income generated in 2024 against our target of at least \$1 billion annual income by 2025 ²
Pillar 2: Further embed sustainability across the organisation	<p>The CSO organisation aims to act as a catalyst for change and a centre of excellence. We foster collaboration internally to embed sustainability across our business operations and functions. We collaborate externally with clients and other stakeholders who are aligned with our mission to drive change.</p> <p>We aim to create a self-reinforcing cycle, which is built on established processes, clear frameworks, engagement with our clients and collaboration across risk and business teams. Our aim is to work with our clients to support their transition and decarbonisation journeys and where clients evidence transition, help to accelerate progress.</p>	3,825 clients evaluated through Climate Risk Assessments, and 1,449 client Environmental and Social Risk Assessment reviews completed
Pillar 3: Deliver on the annual milestones set forth in our net zero roadmap	<p>We aim to reach net zero in our financed emissions by 2050 and in our own operations by 2025.</p> <p>We focus on three areas to reduce emissions: our operations, our supply chain and financed emissions associated with our clients. The majority of our GHG emissions are linked to our lending activities. As such, we prioritised our measurement and decarbonisation efforts in the highest-emitting and most carbon-intensive sectors of our portfolio.</p> <p>We have now completed our financed emissions target-setting for our 12 highest-emitting sectors. We have further set a facilitated emissions baseline and target for the oil and gas sector which currently makes up the majority of emissions within our facilitation portfolio.</p>	12 out of 12 of the NZBA high-emitting sectors covered by 2030 science-based financed emissions targets
Pillar 4: Leverage our Innovation Hubs	<p>Our four thematic Innovation Hubs – Adaptation Finance, Blended Finance Programmes, Carbon Markets and Nature Finance – focus on emerging sustainability themes that are nascent but ripe for scale. The Hubs drive innovation in the market across sustainability.</p> <p>In 2024, we executed on four transactions aligned to the themes of the Hubs. Through our Nature Finance Hub, we executed a debt-for-nature swap mandate for The Bahamas, with savings earmarked for conservation. Our Carbon Hub launched a commercial banking facility to support forward carbon purchases for British Airways.</p>	Four transactions executed in 2024 aligned to the Group's sustainability themed Innovation Hubs

¹ Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at [sc.com/sustainabilitylibrary](https://www.sc.com/sustainabilitylibrary).

² Refers to our goal to reach \$1 billion in Sustainable finance income by the end of 2025

Innovation Hubs

Announced in 2023, our four thematic Innovation Hubs – Adaptation Finance¹, Blended Finance Programmes², Carbon Markets and Nature Finance – focus on emerging sustainability themes that are nascent but ripe for scale, aligned to areas where the Group has a core competency, and are particularly suited to clients in our footprint markets.

Each Hub is transversal, run by senior leaders in the CSO organisation, and aims to identify opportunities for future returns outside of our core range of traditional products and services. By being deliberate in demonstrating leadership to advance the ecosystem in these emerging thematic areas, the Group expects to be well-positioned to take advantage of the significant and differentiated revenue potential that will result from maturation of these themes in the future.

Our Innovation Hub model



About the Innovation Hubs

1. Adaptation Finance

Context

Across our markets, there is an urgent need to unlock and scale public and private climate adaptation finance to build shared societal resilience. This means embedding adaptation and resilience into financial decision-making to manage risks and identify new opportunities, which is critical given that every \$1 spent on adaptation this decade could generate up to \$12 of economic benefit³.

Adaptation represents both a risk and an opportunity for the Group, its clients and communities. We are working to identify and scale the adaptation finance opportunity across our business and to support the development of adaptation finance across the wider market.

Progress

In 2024, Standard Chartered, KPMG and the UNDRR – with contributions from more than 30 additional organisations – developed and published the Guide for Adaptation and Resilience Finance (The Guide). The Guide now supports the market in identifying adaptation opportunities, by setting out eligible financeable activities and guidance on what constitutes adaptation and resilience investment, alongside a practical roadmap for financing and investment opportunities.

We also completed the Group's first adaptation finance transaction – an adaptation letter of credit with a parametric insurance provider, which provided financial protection for businesses in the renewable energy sector against extreme weather such as changes in river levels and wind levels.

Standard Chartered is also co-chair of the UK Climate Financial Risk Forum Adaptation working group. Through this forum and others, the Group will continue to engage the financial ecosystem to seek opportunities for adaptation and resilience in Asia, Africa and the Middle East.

Standard Chartered is ranked 1st in Climate X's ranking of the world's top 50 banks for climate adaptation⁴.



For more on Adaptation Finance see our

- Adaptation Economy Report via sc.com/en/campaigns/adaptation-economy/
- Guide for Adaptation and Resilience Finance via sc.com/en/adaptation-resilience-finance-guide/
- Read our research on the Adaptation Economy here: sc.com/en/campaigns/adaption-economy/

¹ Adaptation and resilience finance: Adaptation and resilience finance is considered to be any financial service which is provided to an entity to enable adaptation and enhance resilience to climate and non-climate-related natural hazards within that entity's assets, operations, customers, supply chain, or the communities in which they operate.

² Blended Finance is the use of catalytic public (and/or philanthropic) capital to increase private sector investment that supports the SDGs

³ Read our research on the Adaptation Economy here: sc.com/en/campaigns/adaption-economy/

⁴ Based on 17 indicators as described Climate X's 2024 white paper 'Top 50 Banks in the World Tackling Adaptation'

2. Blended Finance Programmes

Context

As we move closer to critical 2030 climate and sustainability targets, the need for blended finance to fill financing gaps becomes even more pressing. However, blended finance deals largely continue to be 'bespoke' to each situation, which limits their scalability.

Standard Chartered is already recognised by Convergence (the global network for blended finance) as among the most active commercial banks in the blended finance space, and we are well positioned to play a leadership role in this area given our footprint across Asia, Africa and the Middle East.

We are working to address the issue of scalability by identifying, creating and implementing blended finance through a more programmatic approach: working through partnerships with Development Finance Institutions (DFIs) and Multilateral Development Banks (MDBs) as well as within country platforms. We describe this approach more fully in our article 'Country Platforms: A programmatic approach to blended finance'¹.

Progress

The Group has sought to establish both partnerships and platforms throughout the year. We continue our participation, as a signatory, in the Just Energy Transition Partnerships (JETPs) in Indonesia and Vietnam, working with our clients to translate political investment plans into project financing.

In addition, at COP29 this year, the Kingdom of Lesotho announced its intention to appoint Standard Chartered and Standard Bank South Africa as joint financial advisers, during the launch of the His Majesty King Letsie III Just Energy Transition Fund (HMKLIII JET Fund). The HMKLIII JET Fund aims to build a new era of energy independence and export in Lesotho: fulfilling Lesotho's domestic demand through building both local supply and surplus generation for export to neighbouring Southern Africa. The HMKLIII JET Fund seeks to bring private investment to Lesotho through the country platform approach.

Standard Chartered is also a founding participant in the Bangladesh Climate and Development Platform, a country platform to leverage adaptation and mitigation investments. The country platform concept was first advanced by the World Bank in 2017, moving beyond just single projects, and is designed to foster collaboration among development partners based on a shared vision.

We also contributed to a number of global initiatives (e.g. within GFANZ and WEF) to help drive thought leadership around blended finance.

3. Carbon Markets

Context

Effective carbon markets are critical to global efforts to mitigate climate change and to finance sustainable development. This was stressed by the UN Intergovernmental Panel on Climate Change in its April 2022 report on mitigating climate change, which noted that "the deployment of carbon dioxide markets to counterbalance hard-to-abate residual emissions is unavoidable if net zero emissions are to be achieved".

Carbon markets put a price on carbon emissions, can be complementary to credible net zero transition plans, and help to channel climate finance where it's needed, most critically across our markets. A high-integrity carbon market, combined with corporate commitments to cut emissions and high standards of reporting can accelerate the global progress towards net zero by 2050, while supporting sustainable development globally.

The Group has been a firm advocate of carbon market standardisation and has been at the forefront of several initiatives that are working to ensure that high-integrity, scalable carbon markets develop. We offer trading, advisory, financing and risk management services to our clients around the world and continue to develop our suite of banking solutions as carbon markets grow and mature.

Progress

In 2024, we bolstered our support of carbon market development to provide innovative carbon financing solutions. Standard Chartered partnered with British Airways, CFC Insurance, Cur8, Willis Towers Watson, and UNDO to pilot an innovative bank loan against a carbon removal credits offtake contract. The transaction featured a purpose-built carbon insurance policy, allowing for the upfront monetisation of an existing long-term carbon offtake agreement.

We have been working on broadening our financing capabilities to be able to apply similar solutions to other carbon project types and to support additional sources of debt such as outcome bonds and securitisation of carbon portfolios.

We continue to support the ICVCM review process for both carbon standards and methodologies and, in the past year, have been involved in some of the largest carbon market transactions, including acting as a supplier for the Regional Voluntary Carbon Market Company and Climate Impact X's respective carbon credit auctions.

¹ Available at sc.com/delivering-blended-finance

4. Nature Finance

Context

It is estimated that over half of global GDP is moderately or highly dependent upon nature. The 2019 Global Assessment Report from the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services highlighted how biodiversity loss undermines livelihoods, food security, economies and health, while also threatening the resilience of our planet to climate change. Despite its importance, nature is rapidly declining. An estimated 25 per cent of plants and animals are threatened with extinction, amid a 47 per cent decline in natural ecosystem extent and condition relative to earliest estimated states.¹ Protecting nature is essential to limiting anthropogenic global warming and mitigating its impacts so that the planet can sustain all livelihoods and support inclusive economic development.

Having applied international environmental and social standards in our financing for more than 20 years, our presence in markets with some of the richest, remaining biodiversity in the world positions us to engage with a range of key stakeholders.

We are guided by our commercial ambition to increasingly shift financial flows towards nature-positive outcomes by aligning and contributing to the targets of the Global Biodiversity Framework (GBF).

Progress

Standard Chartered has partnered with The Government of The Bahamas, The Nature Conservancy, IDB, and other financial partners to launch an innovative debt conversion for nature and climate, which aims to help the country improve ocean conservation and management.

We have also expanded the Group's GSPF in 2024 to include additional nature-related activities informed by the GBF. Namely, under the GSPF 'Sustainable management of living and natural resources' category, we have expanded the criteria to include a multitude of activities that contribute to ecosystem and nature conservation, including but not limited to: investment in restoration of degraded areas; in-situ conservation activities around sustainable tourism areas, and investment in activities that mitigate the impact of invasive alien species. Within the 'Pollution prevention and control' GSPF category, we have also recognised activities that contribute to soil remediation, and waste prevention or reduction. Through our nature risk working group we are advancing our nature risk analysis by leveraging our climate risk data capabilities to support more in-depth analysis of potential material sectors and sites, and assess our financial exposure to direct and indirect pressures and dependencies on nature.

To amplify Standard Chartered's thought leadership in the nature sphere, we co-authored the Group's latest sustainability research 'Towards a sustainable ocean: where there's a will, there's a wave'² published in November 2024, highlighting opportunities for financing the nature-positive transition of the blue economy.



For more on progress made towards nature see [page 90](#)

Debt conversion for nature for The Bahamas

Standard Chartered acted as the sole lender in this transaction, underwriting a new \$300 million loan. The loan was backed by guarantees from IDB, Builders Vision (an impact platform founded by Lukas Walton) and AXA XL (a specialist insurer). The Nature Conservancy was responsible for mobilising the guarantee package for the transaction and will also provide long-term conservation support to The Bahamas Government.

Through the new loan, The Bahamas bought back \$300 million of its external commercial debt, generating \$124 million in savings which will be dedicated to marine conservation in The Bahamas. The debt savings will support The Bahamas to effectively manage its unique system of almost 6.8 million hectares of Marine Protected Areas (MPAs), complete a national Mangrove Management Plan and develop and implement a Marine Spatial Plan aimed at addressing increased demands for the use of The Bahamas' ocean through a transparent, participatory, and science-based process.



The Bahamas debt conversion project thus not only helps to free up fiscal space by reducing debt service payments, but also helps to support sovereign sustainable development priorities – conserving and managing marine areas to provide the critical habitats for diverse species, protect coasts from storms and sustain local livelihoods.

The project is also one of many firsts:

- Our first debt conversion for nature.
- First time a family office has provided a meaningful component of the credit enhancement package, with Builders Vision providing a \$70 million co-guarantee.
- First time a private insurer has provided credit insurance alongside a Multilateral Development Bank in support of a sustainable issuance for nature and climate, with AXA XL providing \$30 million in credit insurance.
- First time that climate-smart MPA commitments – which include considerations for managing potential climate change impacts – are explicitly included in conservation outcomes to support climate mitigation and adaptation goals.

More information about the debt conversion for nature for the Bahamas is available at sc.com/debt-conversion

¹ IPBES (2019) Global Assessment Report on Biodiversity and Ecosystem Services

² Read our blue economy research paper 'Towards a sustainable ocean: where there's a will, there's a wave' at sc.com/blue-economy

Sustainable finance

Sustainable finance, including transition finance, is a crucial part of our sustainability strategy and is therefore reflected in both our long-term Sustainability Aspirations and short-term Sustainability Strategic Pillars.

Our broad sustainable finance product suite, which includes bonds, loans, advisory and trade finance, is underpinned by our sustainable finance frameworks (described on page 73) that outline how we apply the 'green', 'social', 'sustainable' or 'transition' labels across products and transactions. We also work with retail and wealth clients to mobilise diverse sources of capital in support of social and environmental outcomes.

Our aspiration is to mobilise \$300 billion of sustainable finance.

We have mobilised \$121 billion of sustainable finance from January 2021 through to September 2024 against our commitment to mobilise \$300 billion by 2030.

Sustainable finance mobilised¹

Product	Oct 2023 – Sep 2024 ¹¹ \$m	Cumulative progress	
		Jan 2021 – Sep 2023 \$m	Jan 2021 – Sep 2024 \$m
Use of proceeds ^{2,3}	7,510	18,989	26,499
Sustainability-linked loans (SLLs) ^{3,4}	9,529	28,638	38,167
Transition finance ^{3,5}	1,023	762	1,785
SME lending ^{3,6}	1,342	2,853	4,195
Microfinance ^{3,6}	752	1,940	2,692
Green mortgages ^{3,7}	245	4,822	5,067
Mergers and acquisitions (M&A)/Advisory ⁸	2,926	5,786	8,712
Green and social bonds facilitated ⁹	10,220	23,423	33,643
Total sustainable finance mobilised¹⁰	33,547[^]	87,213	120,760
Of the above			
Corporate & Investment Banking (CIB)	31,960	79,539	111,499
Wealth & Retail Banking (WRB)	1,587	7,674	9,261
Total sustainable finance mobilised¹⁰	33,547[^]	87,213	120,760

1 We define mobilisation of sustainable finance as any investment or financial service provided to clients that supports: (i) the preservation and/or improvement of biodiversity, nature or the environment; (ii) the long-term avoidance/decrease of GHG emissions, including the alignment of a client's business and operations with a 1.5°C trajectory (known as transition finance); (iii) a social purpose; or (iv) incentivising our clients to meet their own sustainability objectives (known as sustainability-linked finance). It is a measure of total capital mobilised and considers the total value being committed facilities provided

2 Mobilisation amounts include transactions with restricted use of the financing proceeds that align to our GSPF. Use of proceeds lending transactions are measured as the loan commitment/underwritten amount provided to the counterparty. Use of proceeds transactions to the value of \$538 million have been reclassified as SLLs in the 2023 year due to transaction tagging refinement

3 Lending transactions are measured as the loan commitment/underwritten amount provided to the counterparty

4 SLLs refer to any type of loan instrument for which the economic characteristics can vary depending on whether the counterparty achieves ambitious, material and quantifiable predetermined sustainability performance targets (SPTs). The use of proceeds in relation to an SLL is not a determinant in its categorisation and, in most instances, SLLs will be used for general corporate purposes. SLLs are not issued in line with the Group's GSPF but are subject to other internal guidance documentation, based on the Sustainability Linked Loan Principles

5 Transition finance includes any financial service provided to clients to support them to align their business and/or operations with a 1.5°C trajectory issued in line with our TFF, this is measured on a committed facility provided basis

6 SME and Microfinance lending is the provision of finance to developed but not high-income countries as per the United Nations World Economic Situation and Prospects (UN WESP) report. The inclusion of SME lending is linked to the 'Access to Finance' sub-theme within the Group's GSPF incorporating employment generation, and programmes designed to prevent and/or alleviate unemployment, including through the potential effect of small and medium enterprise (SME) financing and microfinance. SME mobilisation is the lending facilities provided to small companies and renewed when the facilities renew. Microfinance mobilisation is measured as the cash disbursed

7 Green Mortgages are loans issued by our Wealth & Retail Banking business (WRB) where the underlying property meets a specific energy rating. Mobilisation is measured as the cash disbursed to lenders. Value mobilised in 2021 includes mortgages originated before 2021 but identified as Green in 2021

8 M&A/Advisory represents where the Group is the financial advisor to a transaction which has been tagged as sustainable in line with the Group's GSPF or TFF. The amount attributed to M&A/Advisory mobilisation is proportional and represents the total deal size divided by the number of financial advisers on the deal

9 Capital market bonds are measured by the proportional bookrunner share of facilitated activities as determined by third-party league table rankings based on the level of services provided

10 Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at sc.com/sustainabilitylibrary

11 Some transactions included in 2024 reporting related to deals that were signed during prior years but which only received approval for sustainable finance tagging during 2024

Scaling sustainable finance income

Our sustainable finance franchise supports clients on their transition and broader sustainability journeys by developing customised solutions that speak to their needs and ambitions. The franchise generated over \$982 million between January and December 2024 putting us within reach of our target of at least \$1 billion annual income by 2025. This represents over 8.3 per cent of our total Corporate & Investment Banking income in 2024, a year-on-year growth rate of 36 per cent.

As a UK-headquartered international bank we work to deploy capital across our global markets. As can be seen on the following pages and in our 2024 Sustainable Finance Impact Report, we have raised \$7.9 billion of sustainable liabilities across our markets, while 78 per cent of our \$23.3 billion sustainable finance asset base is located in Asia, Africa and the Middle East.

In 2024, we continued to develop our sustainable finance product suite, with over 40 product variants as set out in our GSPF. Co-developed with Morningstar Sustainalytics, a globally recognised provider of ESG research, ratings and data, our framework is reviewed annually to reflect changes in market trends and industry standards.

Our pureplay clients are also key to achieving our sustainable finance goals. These are companies whose activities align with those in our GSPF or in our TFF. Their significance lies in their ability to deliver credible and robust impact, driven by the inherent green and socially sustainable nature of their business models and operations, or their critical role in supporting and/or enabling the transition.

Our sustainable finance income¹ includes client income generated from our sustainable finance product suite net of funding costs, as well as from clients recognised as green, social, sustainable or transition pureplays.



Read more in our Sustainable Finance Impact Report at sc.com/sfimpactreport

Sustainable finance income²

Product	2024 ³ \$m	2023 \$m	YOY %
Transaction services	319	202	58
Payments & Liquidity	187	103	82
Securities & Prime Services	4	–	400
Trade & Working Capital	128	99	29
Banking	552	427	29
Lending and financing solutions	507	386	31
Capital market and advisory	45	41	10
Markets	111	91	22
Macro Trading	101	76	33
Credit Trading	10	15	(33)
Total sustainable finance income by product	982[^]	720	36

Our target to generate at least \$1 billion annual sustainable finance income by 2025

We generated \$982 million[^] of sustainable finance income in 2024, putting us within reach of our target.

1 For derivative transactions included within our sustainable finance income, these reflect the client income related to transactions, which includes margins charged in excess of hedging costs

2 Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at sc.com/sustainabilitylibrary

















3 Product allocations have changed to align to the new business structure within CIB

Sustainable finance assets and sustainability-linked assets

Our sustainable finance assets reflect the assets on our balance sheet generated as a result of this green, social and sustainable financing activity, and it is against these assets that we raise sustainable liabilities. Transition assets are not included within this asset base.

The Group's sustainable finance asset base increased by 32 per cent to \$23.3 billion between October 2023 and September 2024. The majority of our sustainable finance asset base (\$17.4 billion of the \$23.3 billion) is made up of financing to green projects such as renewable energy projects, green real estate and funding for the development of electric rail projects. Our social finance assets make up \$5.5 billion of the total sustainable finance asset pool and encompass categories such as healthcare, education and access to finance in developing markets. The remaining assets (\$0.4 billion of the \$23.3 billion) span across both green and social categories, including renewable energy, sustainable water and wastewater management, access to essential services and food security.

Green finance assets^{1,2}














Theme	Sept 2024 \$m	Sept 2023 \$m	SDGs
Clean transportation	1,929	901	
Electric vehicles (EVs)	710	197	
EV battery manufacturers	622	372	
Manufacturing of specialised component parts of EVs	147	112	
Rail	450	220	
Climate change adaptation	3	4	
Energy efficiency	141	482	
LED lighting	92	7	
Modernisation of broadband network	46	475	
Smart meters	3	–	
Eco-efficient products	37	–	  
Green buildings	8,816	8,742	 
Green buildings	5,554	5,066	
Mortgage portfolio Hong Kong	3,225	3,657	
Mortgage portfolio Singapore	16	–	
Mortgage portfolio Taiwan	20	19	
Mortgage portfolio Vietnam	1	–	
Pollution prevention and control	157	14	 
Portfolio of green projects	436	351	Multiple
Renewable energy	5,498	3,100	
Transmission lines	174	102	
Hybrid wind and solar	528	38	
Hydropower	24	32	
Manufacture of components for renewable energy technology	954	457	
Solar	1,618	940	
Waste to energy	239	166	
Wind	1,534	1,178	
Energy storage	130	68	
Green hydrogen	19	9	
Mixed renewables	278	110	
Sustainable management of living and natural resources	249	–	   
Sustainable water and wastewater management	127	–	
Total green assets	17,393	13,594	
Portfolio of green and social projects³	392	473	Multiple

1 Amounts included in the table are as of September 2024 and September 2023 and are aligned to the Group's Sustainable Finance Impact Report available at sc.com/sfimpactreport. September 2024 and September 2023 figures have been prepared on the same basis as the Impact Report

2 Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at sc.com/sustainabilitylibrary

3 The underlying assets could potentially span across various categories, including renewable energy, sustainable water and wastewater management, access to essential services and food security. These assets, while included in the overall totals, remain unidentified in terms of specific green and social classification until allocation reports are received

Social finance assets^{1,2}

	Sept 2024 \$m	Sept 2023 \$m	SDGs
Access to water	121	72	
Access to essential services	338	145	 
Education infrastructure – universities	6	6	
Healthcare infrastructure – hospitals	230	131	
Provision of supporting healthcare-related products and services	95	8	
Education loans	7	-	
Road infrastructure	120	46	 
Access to finance	4,050	3,062	  
SME lending	3,467	2,506	
Microfinance	583	555	
Affordable basic infrastructure	879	198	  
Sewage treatment	-	1	
Telecommunications/Internet connectivity	879	197	
Food security	14	22	
Portfolio of social projects	25	-	
Total social assets	5,547	3,545	
Total green and social finance assets	23,332^A	17,612	

Sustainability-linked assets¹

	Sept 2024 \$m	Sept 2023 \$m
Total sustainability-linked loans	6,619	4,805
Total sustainability-linked assets	6,619	4,805

Total green and social finance and sustainability-linked assets^{1,3}

	Sept 2024 \$m	Sept 2023 \$m
Corporate & Investment Banking	24,098	17,103
Wealth & Retail Banking	5,853	5,314

Sustainable liabilities^{1,2}

Theme	Sept 2024 \$m	Sept 2023 \$m
Total bond issuances	2,126	2,353
of which sustainable structured notes	950	795
of which green structured notes	60	-
Total sustainable term deposits	3,325	4,554
Total sustainable term accounts	1,214	1,027
Total sustainable retail current and savings accounts and deposits	1,196	513
Total sustainable liabilities	7,861^A	8,447

1 Amounts included in the table are as of September 2024 and September 2023 and are aligned to the Group's Sustainable Finance Impact Report available at [sc.com/sfimpactreport](https://www.sc.com/sfimpactreport). September 2024 and September 2023 figures have been prepared on the same basis as the Impact Report

2 Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at [sc.com/sustainabilitylibrary](https://www.sc.com/sustainabilitylibrary)

3 The underlying assets could potentially span across various categories, including renewable energy, sustainable water and wastewater management, access to essential services and food security. These assets, while included in the overall totals, remain unidentified in terms of specific green and social classification until allocation reports are received

 See [sc.com/sfimpactreport](https://www.sc.com/sfimpactreport) for more highlights on our Sustainable Finance assets in 2024, including asset locations

Wealth & Retail Banking sustainable investing

The Group had \$1.3 billion sustainable investing (SI) assets under management (AUM) at 31 December 2024 (a 30 per cent increase from \$1.0 billion at 31 December 2023).

Following a review of our methodology, we have refined our definition of SI AUM this year to only include products that the Group actively advises on. This includes funds and structure products, and excludes bonds and equities.

 For further information on our Sustainable Investments universe, refer to [sc.com/sustainable-investing](https://www.sc.com/sustainable-investing)

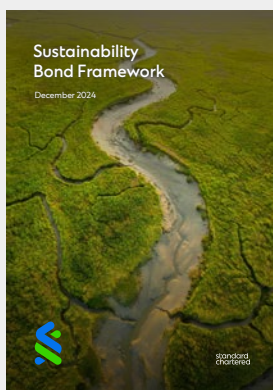
Our Sustainable Finance Frameworks



Green and Sustainable Product Framework

Our GSPF governs the activities that we as an organisation classify as 'green', 'social' and 'sustainable'.

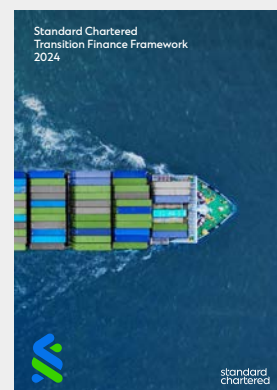
It sets out our approach to mitigating greenwashing risk across our product suite and defines the themes and activities that we consider eligible for green, social and sustainable financing. The Framework is informed by international market guidelines and standards on green and sustainable finance, including among others, the Climate Bonds Standard, EU Taxonomy for sustainable activities and the Green Loan Principles. Co-developed with Morningstar Sustainability, our Framework is reviewed annually with the aim to ensure it remains in line with the latest industry standards.



Sustainability Bond Framework

Our SBF provides the basis for the issuance of green, social and sustainability bonds and notes, drawing on the activities that we view as 'green', 'social' and 'sustainable'.

It governs our sustainable debt products issued by the Group, providing transparency and guidance on the use of proceeds, process for project evaluation and selection, management of proceeds and reporting, as aligned with the ICMA Sustainability Bond Principles. It has received a Second Party Opinion from Morningstar Sustainability, which confirms our Framework is credible, impactful and aligns with industry guidelines.



Transition Finance Framework

Our TFF sets out the assets and activities that qualify under a 'transition' label.

We have outlined our approach to defining and governing transition finance in our TFF. This framework is informed by the 2023 International Energy Agency (IEA) Net Zero Emissions (NZE) 2050 scenario and is reviewed annually for alignment with the latest available science and industry standards. This year we published the third iteration of the TFF.

Governance over sustainable finance products and frameworks

The Group has Product Programme Guidance documents in place, which underpin each Sustainable Finance product that we offer, signed off by a delegate of the Sustainable Finance Governance Committee (SFGC) following approval of the product construct by the SFGC.

The SFGC is our forum for reviewing Sustainable Finance products and frameworks, and derives its authority from the Group Responsibility and Reputational Risk Committee (GRRRC). The GRRRC is the ultimate approval body for all of our Sustainable Finance Frameworks. Its membership is drawn from the CSO organisation, Legal, Compliance, and ESG and Reputational Risk. The SFGC is our foremost committee for managing greenwashing risk in sustainable finance product design and labelling.



For more, visit sc.com/sustainabilitylibrary

For more information on our Green and Sustainable Product Framework please visit sc.com/gspf

For more information on our Sustainability Bond Framework please visit sc.com/sustainability-bond-framework

For more information on our Transition Finance Framework please visit sc.com/transition-finance-framework

Climate

We aim to reach net zero in our financed emissions by 2050 and in our Scope 1 and Scope 2 emissions by 2025. Our net zero roadmap sets out the key steps we need to take to achieve this goal, and thus far we have made good progress achieving the goals we set for 2024.

Our global footprint informs our unique understanding of the complexity associated with reaching our targets across our financed and facilitated emissions, including a heightened focus on the security and resilience of our markets as they respond to greater climate change induced uncertainty. As a financial institution, the Group has an important role to play in supporting our clients and markets as they navigate this complexity, while driving and encouraging change in the real-world economy.

Published this year, the Group's inaugural Transition Plan outlines our approach to deliver this change and aim to achieve net zero by 2050, demonstrating to clients, suppliers, customers, and other key stakeholders that we have a clear plan to deliver on the commitments we have made. The Transition Plan consolidates and expands upon the disclosures provided in this Annual Report, the Net Zero Roadmap and Net Zero Methodological White Paper.

The Transition Plan has been developed considering guidelines provided by the Transition Plan Taskforce and GFANZ frameworks.

The Group also made progress on our target-setting coverage for financed emissions, setting a baseline and target on our agriculture portfolio. Reporting also resumed for our aviation business sector following the sale of the Group's global aircraft finance leasing business and majority of lending portfolio in 2023. As a result, the Group has now formally completed target-setting for our twelve highest-emitting sectors.

In 2023, the Partnership for Carbon Accounting Financials (PCAF) released its facilitated emissions methodology.¹ Following this, we continued to work on target-setting for the capital market issuances on which we assist our clients.

The Group has also now set a facilitated emissions target for the oil and gas sector which currently makes up the majority of emissions within our facilitation portfolio. Facilitated emissions refers to the emissions charge the Group incurs for providing the service of facilitating the issuance of a debt capital markets bond for an oil and gas client. This charge is incurred regardless of whether the Group holds any portion of the bond or not.

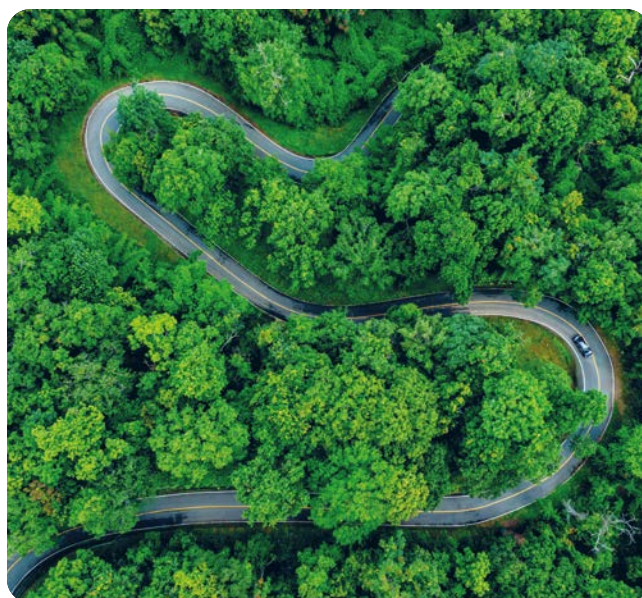


For information about our approach to climate governance, refer to **pages 98-102**

Download our Transition Plan and 'Net Zero Methodological White Paper – The journey continues' from sc.com/sustainabilitylibrary

The Transition Plan sets out:

- Our current practices: The evolving business practices that underpin our commitment to net zero.
- Control environment: The governance framework and description of controls over our net zero calculations, target management, client engagement, and decision-making processes, designed to maintain oversight, accountability, and alignment with the Group's net zero objectives.
- Embedding net zero: The measures and initiatives undertaken to integrate net zero considerations into the client lifecycle. How we are systematically integrating and operationalising sustainability into client engagement strategies, with the aim to drive measurable outcomes.



¹ 'The Global GHG Accounting & Reporting Standard (Part B): Facilitated Emissions', Partnership for Carbon Accounting Financials, December 2023

Our net zero roadmap

We aim to reach net zero emissions in our financed emissions by 2050 and in our Scope 1 and Scope 2 emissions by 2025.

To help us remain on track, we have set short- and medium-term objectives and quantifiable targets to manage and report on our progress on an annual basis. We have now set interim 2030 targets for all the highest-emitting sectors in the Group's portfolio.

2021

- Launched our roadmap to net zero by 2050, including interim targets and a supporting methodology
- Announced plans to mobilise \$300 billion in sustainable finance by 2030
- Published our inaugural TFF

2022

- Developed financed emissions baselines and 2030 targets for the aviation, shipping and automotive manufacturers sectors
- Joined PCAF

2023

- Announced our enhanced oil and gas absolute financed emissions target
- Updated our power and steel sector baselines and targets moving from a revenue-based intensity metric to a production-based intensity metric
- Developed financed emissions baselines and set interim 2030 targets for four additional sectors: cement, aluminium, residential mortgages and commercial real estate, bringing the total number of science-based targets set for high-emitting sectors to 11
- Financed emissions baselines and sectoral progress against targets, where indicated, assured for the first time by Ernst & Young
- Calculated the Group's facilitated emissions from debt capital markets following the final PCAF guidance (published in December 2023) under both the 33 per cent and 100 per cent weighting factors
- Published the Group's updated Net Zero Methodological White Paper – The journey continues

2024

- Measured and disclosed an agriculture baseline and target, the final high emitting sector recommended by the NZBA
- Resumed aviation sector reporting following the sale of the Group's aircraft leasing business and a significant portion of the lending portfolio
- Set a baseline and target for our facilitated emissions portfolio focusing on the oil and gas sector which currently makes up the majority of emissions within our facilitation portfolio
- Issued the Group's first Transition Plan set out with reference to the Transition Plan Taskforce and GFANZ guidance

2025

- Aim to be net zero in our Scope 1 and 2 emissions
- Set a methane reduction target

2030

- We will have substantially reduced our exposure to the thermal coal mining sector in line with our Position Statements
- Aim to meet the Group's financed and facilitated emissions interim targets set for high-emitting sectors

2032







- Targeted end date for legacy direct thermal coal mining financing globally in line with our Position Statements

2050

Aim to become net zero in our financed emissions

Our emission sources

We aim to reach net zero emissions in our financed emissions by 2050 and in our Scope 1 and Scope 2 emissions by 2025. We focus on three areas to reduce emissions:

Topics	Size of emissions (%)	Emissions sources	Learn more
 Our operations	0.1	Scope 1 and Scope 2: Emissions from the combustion of fuels in owned or controlled sources e.g. boilers, generators and vehicles, refrigeration and air conditioning equipment and the purchase of electricity	 Page 77
 Our supply chain	1.5	Scope 3 Categories 1-14: Emissions from our upstream and downstream supply and value chain	 Page 78
 Our clients	98.4	Scope 3 Category 15: Emissions from transacting with our clients	 Page 78

The following tables summarise our most recent performance:

	2024 (tCO ₂ e)	2023 (tCO ₂ e)	2022 (tCO ₂ e)
Scope 1 and 2 emissions			
Scope 1 emissions ^{1,3}	7,696	8,488	2,071
Scope 2 emissions ^{2,3}	17,272	26,246	47,363
Total Scope 1 and 2 emissions	24,968	34,734	49,434
Scope 3 supply chain emissions⁴:	2024 (tCO₂e)	2023 (tCO₂e)	2022 (tCO₂e)
Category 1: Purchased goods and services (other) ⁵	345,193	346,819	380,732
Category 1: Purchased goods and services (data centres) ³	4,186	4,431	7,060
Category 2: Capital goods	43,716	42,707	34,496
Category 4: Upstream transportation and distribution	27,268	24,125	20,300
Category 5: Waste generated in operations	379	520	747
Category 6: Business travel (air travel) ⁶	53,326	48,046	39,107
Category 6: Business travel (miscellaneous other than air travel)	16,420	8,918	2,654
Category 7: Employee commuting ⁷	81,065	71,228	61,917
Category 13: Downstream leased assets (real estate)	7,119	7,898	8,594
Total Scope 3 supply chain emissions	578,672	554,692	555,607
Scope 3 Category 15: Investments⁸	2024 (tCO₂e)	2023 (tCO₂e)	2022 (tCO₂e)
Financed emissions ⁹	36,410,000	42,330,000	49,872,000
Facilitated emissions	1,761,000	3,007,000	4,025,000
Total Scope 3 Category 15 emissions⁹	38,171,000	45,337,000	53,897,000
Agriculture sector Scope 3 emissions ¹⁰	10,300,000	–	–

1 As we aim to improve our emissions measurement and reporting year-on-year, we have included leased vehicle fleet emissions in our Scope 1 data in 2024 (1,340 tCO₂e) and fugitive emissions since 2023 (3,877 tCO₂e in 2024 and 5,266 tCO₂e in 2023). 2022 data was not available for fugitive emissions

2 Scope 2 indirect emissions have been calculated using the market-based approach as set out in the GHG protocol

3 Our Scope 1 and 2 emissions and Scope 3 Category 1: Purchased goods and services (data centres) emissions calculations for the most recent reporting year were independently assured by Global Documentation Ltd. The assurance scope in 2024 now includes the leased vehicle fleet and fugitive emissions

4 Scope 3 Category 3, Category 8, Category 9, Category 10, Category 11, Category 12 and Category 14 are not relevant for the Group due to the nature of our business, products and services and operations. GHG emissions associated with these categories are not deemed as relevant and/or material

5 We have restated our Scope 3 Category 1: Purchased goods and services emissions data for the 2023 reporting year from 286,304 tCO₂e to 346,819 tCO₂e due to one of our largest suppliers (by spend) restating their publicly reported emissions. The supplier restatement is a result of improved data accuracy within its calculations. As underlying data evolves, we will refine our methodology to improve accuracy and align to evolving industry standards, for example data centre emissions categorisation and appropriate emissions allocation

6 Page 61 of this report sets out the different reporting periods for the data in this table. This year, the reporting period for Category 6: Business travel (air travel) has been adjusted from a 1 October 2023 to 30 September 2024 period to a 1 January 2023 to 31 December 2023 period, to align these emissions with those in Category 6: Business travel (miscellaneous other than air travel). While a change in reporting period does not require a restatement of prior reporting periods under the GHG Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard, we have opted to restate 2023 from 60,279 tCO₂e to 48,046 tCO₂e to allow a comparable period. We plan to complete a review of our air travel methodology in 2025

7 Category 7: Employee commuting includes both emissions from commuting (67,035 tCO₂e) and emissions associated with home office working (14,030 tCO₂e)

8 Category 15: Investments includes financed and facilitated emissions and are measured on a one to two-year lag based on the availability of third-party and client data. Total Category 15 financed emissions have been updated for facilitated emissions for the oil and gas sector which were reported separately for the first time during 2024. Facilitated emissions are calculated on a three year rolling average. Mortgage absolute financed emissions were restated from 0.04 MtCO₂e to 0.4 MtCO₂e following a decimal place error in reporting in 2022 and 2023. Category 15 emissions are rounded to the nearest 1,000 MtCO₂e. Facilitated emissions values are calculated on a three-year rolling average

9 Excluding agriculture sector Scope 3 emissions

10 During the year, the Group completed a sector-specific baseline and target for the agriculture sector, the last high emitting sector as defined by the NZBA guidance. The baseline emissions were calculated for the 2023 reporting year using the Implied Temperature Rise (ITR) method, and a 2030 interim target has been set against the 2023 baseline. The ITR method has been applied, which allows us to capture Scope 3, due to the complexities of the value chain of the sector, availability of data and the nature of operation of our clients in the sector value chain. The decision to include Scope 3 emissions of the Group's agriculture clients was tacit as this has the most real-world impact, by allowing the Group to engage with its clients to decarbonise their operations and supply chains. On an absolute emission basis the agriculture portfolio has 1.2 MtCO₂e in its Scope 1 and 2 emissions and a further 10.3 MtCO₂e in its Scope 3 emissions, giving the sector 11.5 MtCO₂e in total (see Agriculture in 'Detailed progress against our sectoral financed emission targets'). In prior years, the Scope 1 and 2 emissions of the Group's agriculture clients were included within the Category 15 absolute financed emissions, in the "Others" category. Agriculture Scope 3 emissions were not included in prior years because the sector deep dive had not occurred and scope 3 is generally not calculated for the agriculture sector. As such, the Scope 3 emissions of 10.3 MtCO₂e are not included in the Total Scope 3 Category 15 emissions above as this would not be comparable to prior years



This section covers our Scope 1 and Scope 2 emissions as defined on page 76

Our approach to managing our environmental footprint

The Group defines and aims to achieve net zero in line with ISO IWA 42 as a condition in which human-caused residual GHG emissions are balanced by human-led removals over a specified period and within specified boundaries whereby residual emissions are those GHG emissions that remain after taking all possible actions to implement emissions reductions.

Our approach is to prioritise the direct reduction of Scope 1 and 2 emissions by:

1. Using efficiency measures across our property portfolio to actively reduce our energy consumption
2. Purchasing renewable energy, either through on-site installations or power purchase agreements
3. Purchasing energy attribution certificates/renewable energy certificates – where possible in the same regions where energy is consumed. This is reinforced by our commitment to purchasing 100 per cent renewable electricity by 2025 when we joined RE100¹ in 2022.

We counterbalance any residual Scope 1 and 2 emissions by purchasing and retiring carbon credits as described in the offsets section below.

Progress in 2024

We reduced our Scope 1 and 2 emissions by 28 per cent to 24,968 tCO₂e during 2024.

Scope 1

This year, we were able to expand the Scope 1 emissions that we capture to include emissions from our vehicle fleet. Our fuel emissions are mostly due to the use of back-up diesel generators, which are operated when regular power supplies from the grid are disrupted – which happens frequently in some markets (for example, Nigeria and Pakistan). We are using biodiesel and biofuels in markets when they become available (for example, Hong Kong, Singapore and India).

Scope 2

We reduced our Scope 2 emissions by 34 per cent in 2024. This is partially due to our measured real estate decreasing by 3.4 per cent during this time, as we continually right-size and adjust our portfolio size to suit our operation.

We have also actively sought to increase the proportion of our electricity usage that comes from a renewable source to 77 per cent this year. This can take the form of power purchase agreements, clean energy contracts, on-site solar installations or renewable energy certificates.

We continue to work towards purchasing renewable energy in every country possible and are striving to meet our target of 100 per cent by 2025. However, due to market constraints and lack of renewable energy options in some markets within Africa and the Middle East (for example, Bahrain, Botswana, Ghana, Iraq and Tanzania), we may not be able to meet our RE100¹ aspiration in 2025. We also have some countries where we purchase renewables through 'cross-border' grid feeds, which is recognised for our net zero target, but not recognised by RE100.

Despite this, we remain committed to the initiative, however, acknowledging that market constraints may limit our ability to achieve these goals in the short/mid-term, financial or other constraints may reasonably prevent the Group from taking all available steps to meet the target.

Offsets

We have purchased and retired carbon credits to mitigate our residual operational Scope 1 and 2 emissions for 2024 and Scope 3 emissions associated with air travel and outsourced on-premise data centres. Our carbon credit portfolio includes a range of decarbonisation activities that result in both removal and reduction of atmospheric methane and carbon dioxide, with the majority being for carbon dioxide removal.

The projects we sourced were selected based on criteria such as integrity, proximity to our operations, and co-benefits. For 2024, the relevant projects were issued by Verra, Gold Standard and Puro Earth.

Waste

We aim to achieve 90 per cent avoidance of landfill by 2030.

In 2024, we reduced our overall waste generated by 18 per cent and achieved 61 per cent avoidance of landfill (up from 52 per cent in 2023). Our sites in India, Kenya and Poland achieved TRUE Zero Waste programme platinum rating. We are single-use plastics free in 324 locations currently. We have also engaged with an NGO to upcycle hard-to-recycle items and are minimising electronic waste by prolonging the lifespan of our technology assets through partnerships with third parties.

Water

We retained a water efficiency metric of 0.53 kilolitres per square metre in 2024 despite a 39 per cent increase in the proportion of our employees returning to the office. While water availability is a growing challenge in many of our markets, we did not face any issues sourcing potable water in 2024. We continue to seek to take a responsible approach to managing water use across the Group.



For detailed environmental performance data see our ESG data pack at sc.com/esg-data-pack

Read the principles and methodology for measuring our environment data at sc.com/environmentcriteria

Read the independent assurance statement related to Scope 1 and 2 GHG emissions at sc.com/environmentalassurance

¹ RE100 is a global corporate renewable energy initiative bringing together businesses that are committed to purchasing 100 per cent renewable electricity



Our suppliers

This section covers our Scope 3 Category 1–14 emissions.

Our approach to managing impacts in our upstream value chain

The Supply Chain Management team provides procurement services internally to drive commercial value generation and manage sustainability and supply chain risks. Proactive supplier engagement and data quality remain a key focus of our supply chain sustainability strategy as we continue to engage constructively with suppliers to increase transparency and accountability around climate impact, and to promote emissions reductions.

Supplier Charter and engagement

Through our Supplier Charter, we set out the principles that Standard Chartered expects from its suppliers, and those within the suppliers' sphere of influence that assist them in performing their obligations for us. These principles have been drawn from the international organisations and conventions of which we are members or signatories.

We engage our largest suppliers to better understand where they stand on climate impact matters. Through supplier questionnaires and direct engagement, we request our larger suppliers (by spend) to share their emissions information and/or to set reduction targets in line with our internal reduction goals. We aim to direct at least 50 per cent of our total spend¹ to suppliers who have set science-based emission reduction targets.

We look for opportunities for innovation and collaboration with our suppliers on shared sustainability goals. For example, in 2024 we partnered with one of our global technology suppliers to reduce the GHG emissions from across our supply chain by creating a standard package for each monitor we purchase while excluding monitor stands. This approach enabled us to reduce the emissions of shipping unnecessary monitor stands, cabling and plastic packaging.

Supply chain emissions

Over time, the accuracy and coverage of suppliers' emissions calculations have been improving. Despite this, limitations to the availability of this data remain. Therefore, we continue to use a hybrid methodology for emissions calculations which combines emissions data collected from vendors (when

available) with supplier spend and sector average emissions data for those who are unable to report. In 2024, we engaged with our suppliers to collect supplier specific data to improve the quality of our reporting. This resulted in an increase from approximately 24 to 32 per cent of supplier-specific data collected, either via questionnaires or CDP responses. Consequently, we have restated Scope 3 Category 1 Purchased goods and services emissions data for the 2023 reporting year (based on 2022 data).

In collaboration with DHL, one of our largest logistics suppliers, we coinvested in sustainable aviation fuel to reduce emissions related to the shipment of our parcels. We maintain travel demand measures and continue to offset air travel emissions as described on page 77. As data accuracy increases, we will be better able to understand and act upon the key contributors to our impact and determine further opportunities for reductions.

Limitations

Supply chain emissions calculations are evolving and remain heavily dependent on supplier-provided information. As part of our continuous improvement process, we will continue to work with our suppliers on data quality and our own internal stakeholders to continually improve and enhance our Scope 3 emissions reporting accuracy. This includes the accuracy of individual supplier category mapping to the appropriate emissions calculation factor. As underlying data evolves, we will refine our methodology to improve accuracy and align to evolving industry standards; for example, data centre emissions categorisation and appropriate emissions allocation.



Our Supplier Charter can be viewed at sc.com/suppliercharter

For further information on how we engage with suppliers see [page 37](#) and for supplier spend data see our ESG data pack at sc.com/esg-data-pack

¹ Spend includes Scope 3 Category 1: Purchased goods and services and capital goods suppliers excluding non-addressable spend. Addressable spend is defined as external costs incurred by Standard Chartered in the normal course of business where Supply Chain Management has influence over where the spend is placed. It excludes costs such as government and brokerage fees, rates and taxes and employee expenses. It also excludes any Category 1 co-location data centres which are calculated on energy use and reported separately under Scope 3



Our clients

This section covers our Scope 3 Category 15 emissions (financed and facilitated emissions).

The majority of our GHG emissions are linked to our lending activities, known as financed emissions. We have prioritised our efforts in the highest-emitting sectors of our portfolio, and where working with our clients can have the greatest impact.

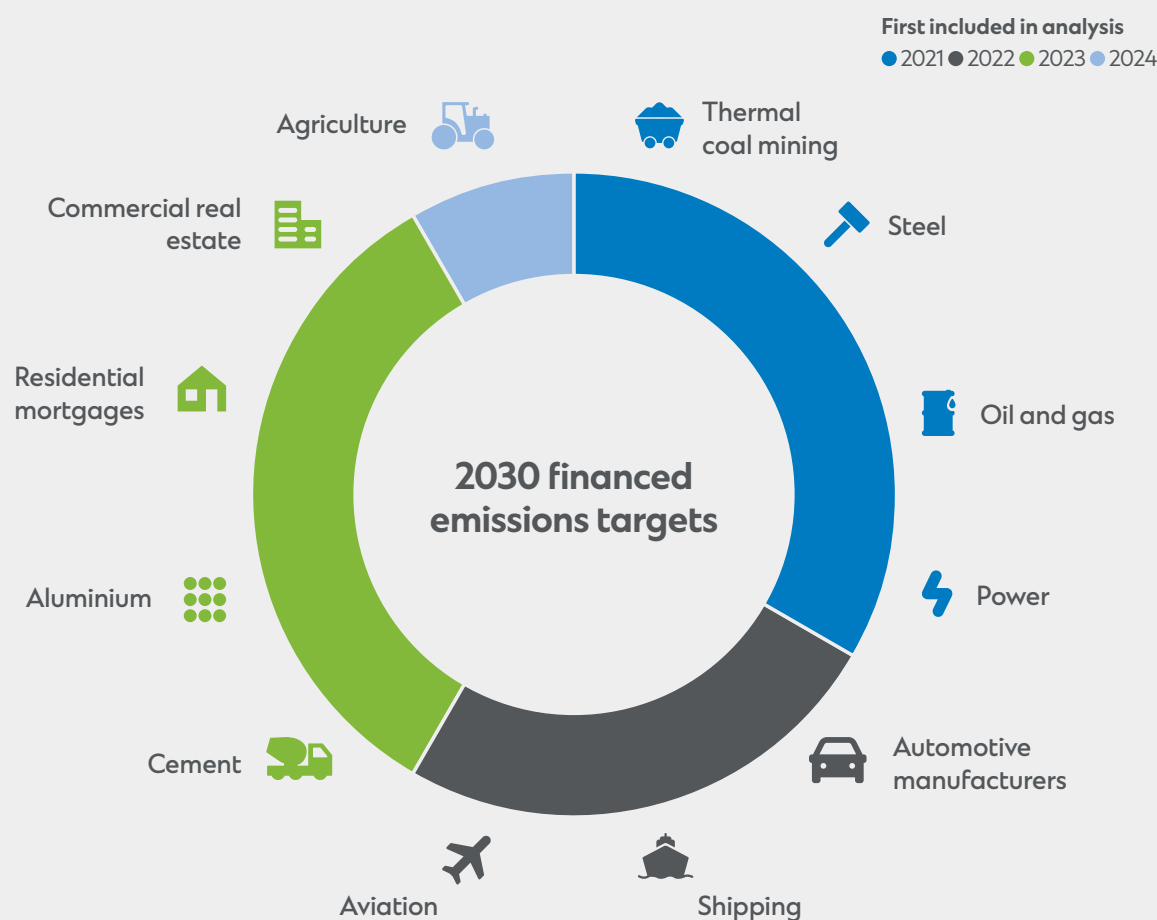
Our carbon accounting is calculated and reported in line with the GHG Protocol and PCAF Standards.

The Group has now set a target for its agriculture portfolio. With the addition of this sector, the Group has now set and disclosed science-based interim 2030 financed emissions targets for our 12 highest-emitting sectors. We are working across our businesses and functions and, alongside our clients, aim to deliver these targets, notwithstanding the challenges presented by a material portion of our markets not having a commitment to achieve net zero by 2050.



For further information, please refer to the Group's 'Net Zero Methodological White Paper – The journey continues' via sc.com/sustainabilitylibrary

2030 financed emissions targets



Setting science-based targets

This year, the Group has set a baseline and target for agriculture. With the addition of this sector, the Group has now set and disclosed science-based interim 2030 financed emissions targets for our 12 highest-emitting sectors.

In addition to setting our final financed emissions sector target, a facilitated emissions target was set during the year for oil and gas, which currently makes up the majority of emissions within our facilitation portfolio.

The Group has also resumed reporting on the aviation sector following the sale of the Group's aircraft leasing business and a significant portion of the lending business associated with this.

The Group's targets have been informed by pre-eminent, scientific forward-looking scenario providers. This includes the IEA for energy sectors, the Mission Possible Partnership (MPP) for metals and aviation, the International Maritime Organization (IMO) for shipping and Carbon Risk Real Estate Monitor (CRREM) for the residential real estate sector.

During 2024, the Group engaged our external assurance provider to perform an ISRS 4400 (Revised) 'Agreed upon Procedure' review to confirm whether our targets for thermal coal, steel, oil and gas, power, automotive manufacturers, shipping, cement, aluminium, and commercial real estate meet the long-term temperature goal of the Paris Agreement, and are mathematically accurate in reference to the third-party science-based scenarios.













Due to our footprint – with many emerging markets and developing countries reliant on carbon-intensive industries – our financed emissions may increase before they decrease. However, our aim is to remain Paris aligned for our interim targets and aligned to a science-based 1.5°C scientific pathway by 2050.

Given our science-based approach, we will strive to update our targets both as the scientific community updates its reference scenarios and as data availability improves.



The Agreed-Up Procedures Report on our Intermediate Financed Emissions Targets can be accessed via sc.com/sustainabilitylibrary

Detailed progress against our sectoral financed emissions targets

CIB									
Sector	2023 Exposure in scope (\$bn)	Interim 2030 target ¹	2023 ²		2022 ²		Baseline year	% change cumulative to baseline	Year target set
			Absolute emissions ³ (MtCO ₂ e)	Physical intensity	Absolute emissions ³ (MtCO ₂ e)	Physical intensity			
 Agriculture ⁴	7.8	2.2-2.4°C (11-19%)	11.5	2.72 [^] °C	na ⁴	na ⁴	2023	na ⁴	2024
 Aluminium	0.1	6.1 t CO ₂ e/tonne aluminium (-)	0.1	3.28 [^] tCO ₂ e/tonne aluminium	0.3	4.59 tCO ₂ e/tonne aluminium	2021	-42	2023
 Automotive manufacturers	3.2	66-100 gCO ₂ /Vkm (44 - 63%)	3.1	157 [^] gCO ₂ /Vkm	2.8	165 gCO ₂ /Vkm	2021	-12	2022
 Aviation ⁵	1.3	773 gCO ₂ e/RTK ⁸ (33%)	1.2	782 [^] gCO ₂ e/RTK	na ⁵	na ⁵	2021	-32	2024
 Cement	0.6	0.52 tCO ₂ /tonne cement (22%)	2.1	0.62 [^] tCO ₂ /tonne cement	3.5	0.66 tCO ₂ /tonne cement	2021	-8	2023
 Commercial real estate	5.0	19-39 kgCO ₂ e/sq.m (47 -74%)	0.1	58 [^] kgCO ₂ e/Sq.m	0.1	62 kgCO ₂ e/sq.m	2021	-21	2023
 Oil and gas	6.4	9.3 MtCO ₂ e (29%)	9.4 [^]	na ⁹	10.3	na ⁹	2020	-28	2023
 Power	5.2	0.17-0.28 tCO ₂ /MWh (46 -67%)	4.8	0.43 [^] tCO ₂ /MWh	5.9	0.47 tCO ₂ /MWh	2021	-17	2023
 Shipping ⁶	4.6	0% delta 0% delta	2.9	+3.2% [^] delta +8.2% [^] delta	2.8	+11.8% delta +16% delta	2021	-4	2022
 Steel	0.5	1.4-1.6 tCO ₂ /tonne steel (22 -32%)	1.3	1.87 [^] tCO ₂ /tonne steel	2.0	1.97 tCO ₂ /tonne steel	2021	-9	2023
 Thermal coal mining	0.03	0.5 MtCO ₂ e (85%)	1.2 [^]	na ⁹	1.6	na ⁹	2020	-64	2021
 Others ⁷	45.4	na ¹⁰	8.5	na ¹⁰	12.6	na ¹⁰	na ¹⁰	na ¹⁰	na ¹⁰

WRB									
Sector	2023 Exposure in scope (\$bn)	Interim 2030 target ¹	2023 ²		2022 ²		Baseline year	% change cumulative to baseline	Year target set
			Absolute emissions ³ (MtCO ₂ e)	Physical intensity	Absolute emissions ³ (MtCO ₂ e)	Physical intensity			
 Residential mortgages ¹¹	68.4	29-32 kgCO ₂ e/sq.m (15 -23%)	0.41	36.04 [^] kgCO ₂ e/sq.m	0.43	37.7 kgCO ₂ e/sq.m	2021	-4	2023

1 An Agreed Upon Procedure review was performed by EY over the Group's net zero targets except for aviation, agriculture and residential mortgages. Procedures included confirming a net zero target had been set, that the scenarios used to set net zero targets are from credible third-party sources as recommended by the NZBA and the selected scenarios align to the quantitative temperature goal of article 2(1)a of the Paris Agreement

2 Due to third-party data sets that feed into our emissions calculations, the Group's reported financed emissions figures have a one to two-year lag depending on when third-party data providers release their data refresh

3 Emissions are calculated in CO₂ except where other GHGs are material which are noted as CO₂e (this includes agriculture, aluminium, aviation, commercial real estate, oil and gas, shipping, thermal coal mining and residential mortgages)

4 During the year a sector-specific deep dive was performed on the agriculture sector, the last highest-emitting sector as defined by the NZBA. The baseline emissions have been measured and a target set for the 2023 year of reporting

5 Aviation emissions reporting was resumed in 2024 following the sale of the Group's aircraft leasing business and a significant portion of the lending business associated with this, during 2023. No 2022 emissions value has been measured this year.

6 During the year the Poseidon Principles were updated to only require reporting against the 'minimum' and 'striving' scenarios. Reporting against the old IMO existing strategy has been discontinued. Progress is reported on the revised minimum strategy consistent with prior year

7 Others includes miscellaneous non-high-emitting sectors not included in a sector deep dive

8 RTK (revenue tonne-kilometre) is a measure of annual passenger and cargo aircraft traffic representing the metric tonne of revenue load carried one kilometre

9 Value is not required as the Group has set an absolute emissions target and therefore the production intensity of the portfolio has not been measured

10 Value is not required as the Group has not set a target for the 'others' sector

11 The Group has set its residential mortgage target range at the most ambitious end of the public commitments made by governments and power companies in the countries where we operate, and has been benchmarked to the CRRM scientific pathway. Prior year absolute emissions have been restated from 0.04 to 0.4 MtCO₂e following a decimal place error in reporting in 2022 and 2023. Reporting for residential mortgages includes Hong Kong, Singapore, Taiwan and South Korea. These markets make up the majority of the emissions in our residential mortgages portfolio















Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at sc.com/sustainabilitylibrary

For further information, please refer to our 'Net Zero Methodological White Paper - The journey continues' publication via sc.com/sustainabilitylibrary

Our approach to measuring financed emissions

CIB

Sector	Emissions approach	Scenario	Value chain	Scope of emissions	2023 PCAF score	2022 PCAF score	In scope exposure coverage ¹
 Agriculture	Implied temperature rise (ITR)	IPCC (1.5C – 2C)	Full value chain (pre-farm and post-farm)	1, 2 3	2.7 ² 4.7 ³	na na	82%
 Aluminium	Production intensity	MPP STS	Aluminium producers	1, 2	1.2	2.4	100%
 Automotive manufacturers	Physical intensity	IEA APS and NZE	Automotive manufacturers	1, 2 3	2.3 ² 5.0 ³	2.2 ² 5.0 ³	100%
 Aviation	Physical intensity	MPP Prudent	Aircraft operators	1 3	2.0 ² 2.0 ³	na na	100%
 Cement	Production intensity	IEA NZE	Clinker and cement manufacturing	1, 2	2.3	2.3	100%
 Commercial real estate	Physical intensity	IEA APS and NZE	Real estate leasing	1, 2	4.0	4.0	100%
 Oil and gas	Absolute emissions	IEA NZE	Upstream, midstream and downstream	1, 2 3	3.2 ² 3.2 ³	3.2 ² 3.2 ³	98%
 Power	Production intensity	IEA APS and NZE	Electricity generation	1, 2	3.4	3.3	100%
 Shipping	Physical intensity	IMO rev. min. IMO striving	Shipping lessors and companies	1, 3	1.0	1.0	99%
 Steel	Production intensity	MPP TM	Steel producers	1, 2	3.3	3.8	100%
 Thermal coal mining	Absolute emissions	IEA NZE	Thermal coal	1, 2 3	3.9 ² 3.0 ³	3.7 ² 3.0 ³	100%
 Others	Absolute emissions	IEA NZE	Other sectors	1, 2	3.1	3.3	86%

WRB

 Residential mortgages	Physical intensity	CRREM	Residential households	1, 2	4.4	4.4	100%
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Sector emissions for material Scope 3 high-emitting sectors

Sector	2023 (MtCO ₂ e)		2022 (MtCO ₂ e)		2021 (MtCO ₂ e)	
	Scope 1, 2	Scope 3	Scope 1, 2	Scope 3	Scope 1, 2	Scope 3
Agriculture	1.2	10.3	na	na	na	na
Automotive manufacturers	0.1	3.0	0.1	2.7	0.1	3.2
Oil and gas	1.5	7.9	1.7	8.6	1.3	8.9
Thermal coal mining	0.1	1.1	0.1	1.5	0.1	2.2

1 In scope exposure falls below 100 per cent in instances where client data is not available, and the carbon calculation cannot be run

2 PCAF score for Scope 1 and 2 emissions

3 PCAF score for Scope 3 emissions

 For further information, please refer to our 'Net Zero Methodological White Paper – The journey continues' publication via [sc.com/sustainabilitylibrary](https://www.sc.com/sustainabilitylibrary)

Agriculture

Balance in scope	Interim target	Performance versus baseline
\$7.8bn	2.2-2.4°C	newly set <div></div>

Sector background

The agriculture sector accounts for 20 per cent of global anthropogenic¹ emissions per the World Business Council for Sustainable Development (WBCSD) with an extensive value chain from fertiliser to retail stores.

Emissions arise from inputs such as fertiliser, crops and livestock (including methane from ruminant portfolios), and from the distribution and processing of farm products.

Approach to achieving net zero targets

- Tracking our clients who do not have commitments, engaging and actively working with those clients to advise on getting their journey started and targets set
- Encouraging our clients to use renewable energy and improve energy efficiency
- Improving traceability and labelling for sustainable products
- Reduce food loss in processing, especially in developing economies

Baseline target and portfolio progress 2023 to 2030

Progress in the year

An agriculture sector baseline and target was measured and reported for the first time during 2024.

A temperature alignment target has been set reflecting the complexity of the agriculture value chain, as well as the diversity of the Group's clients in that value chain that include activities from fertiliser, through farming, up to and including food processors, wholesalers and traders (noting that the Group does not have a ruminants book of any materiality).

A range target was set for the sector using a well below 2°C and 1.5°C pathway which include Scope 1, 2 and Scope 3 emissions to ensure the most impact.

This places an emphasis on the larger corporates within the value chain to drive change, which includes engagement with their suppliers to decarbonise their Scope 3 emissions, hence where the Group believes the greatest impact can be achieved.

On track

Aluminium

Balance in scope	Interim target	Performance versus baseline
\$0.1bn	6.1 tCO ₂ e/tonne aluminium	-42% <div></div>

Sector background

The production of aluminium is emissions intensive and is responsible for 1 per cent of energy-related emissions per IEA WEO, 2024².

The aluminium sector relies heavily on electricity from the local grid. Over 60 per cent of the sector's emissions are attributable to the electricity consumed during smelting for the electrolytic reduction process.

Approach to achieving net zero targets

- Promoting electricity decarbonisation and engaging clients to uptake renewable energy power purchase agreements
- Reducing direct emissions through electrification, fuel switching and use of carbon capture, utilisation and storage (CCUS)
- Incentivising recycling and resource efficiency which has a significantly lower production intensity

Baseline target and portfolio progress 2021 to 2030

Progress in the year

The production intensity for the aluminium portfolio has declined from 4.59 tCO₂e/tonne aluminium to 3.28 tCO₂e/tonne aluminium, a decrease of 29 per cent year-on-year.

This was driven by increased lending issued to aluminium producers who utilise a high percentage of scrap within their production process moving the overall intensity of the portfolio down, given the lower intensity of these clients.

Scrap results in avoided electricity use from the electrolysis phase of production with emissions only produced from the collection, transport and smelting of recycled aluminium.

The Group remained well below our 2030 target because of balances of recycled aluminium clients, which we aim to expand in the future. We are further working with our primary aluminium producers on their options for procurement of clean energy.

1 Anthropogenic emissions are emissions caused by human activities and include energy-related emissions from the burning of fossil fuels, emissions from agriculture and land use change and emissions from waste

2 Sector emissions contribution as per the IEA's WEO released in 2024

Automotive



Balance in scope	Interim target	Performance versus baseline
\$3.2bn	66–100 gCO ₂ /Vkm	-12% ●

Sector background

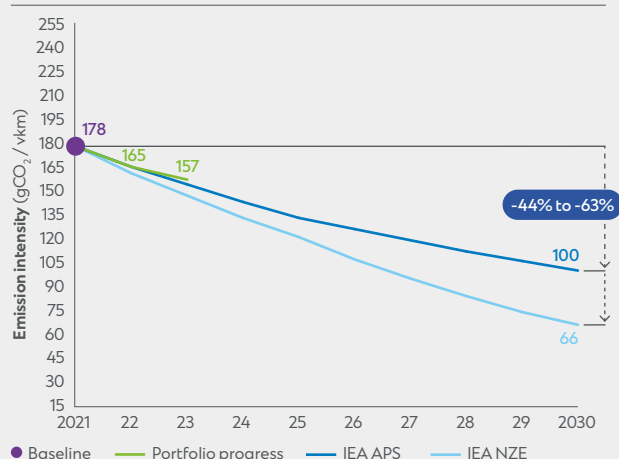
The automotive sector is a key sector for international supply chains and the economy, with tailpipe emissions being the primary source of carbon emissions from the sector.

Annually, the exhaust emissions from passenger vehicles account for 8 per cent of global energy-related emissions per IEA WEO, 2024.

Approach to achieving net zero targets

- Encouraging fuel-switch and improving fuel-efficiency as a first step
- Maximising the electrification production of vehicles
- Encouraging recycling and the circular economy in the manufacturing process

Baseline target and portfolio progress 2021 to 2030



Progress in the year

The automotive manufacturers portfolio intensity, which is based upon the CO₂ of tailpipe emissions per distance travelled, has decreased 5 per cent year-on-year from 165 gCO₂/Vkm to 157 gCO₂/Vkm.

This is driven by ongoing financing provided to manufacturers who are solely making EVs, especially in China, and the financing of manufacturers who are changing their production mix away from internal combustion engines towards hybrid engines and EVs.

The Group is actively monitoring and steering the portfolio towards those automotive manufacturers that have a higher proportion of EVs in their overall vehicle production mix.

Aviation



Balance in scope	Interim target	Performance versus baseline
\$1.3bn	773 gCO ₂ e/RTK	-32% ●

Sector background

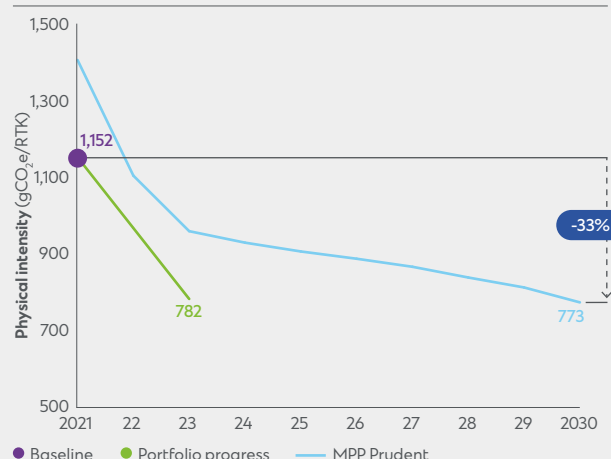
The aviation sector accounts for 2 per cent of global energy-related emissions per IEA WEO, 2024.

The majority of emissions arise from the burning of aviation fuels.

Approach to achieving net zero targets

- Encouraging our clients to scale up the production and use of sustainable aviation fuels to reduce emissions
- Encourage the transition of the global fleet to the most fuel-efficient (new technology) aircraft

Baseline target and portfolio progress 2021 to 2030



Progress in the year

Aviation sector emissions were reported for the first time in 2021. Following this, the Group's aircraft operating leasing business and a select portfolio of the lending business was sold during 2023. Due to this structural change in the Group's portfolio emissions profile, reporting of the aviation sector was paused awaiting final sale.

During 2024, reporting has been resumed. The target for the sector has been updated, in line with the industry's Pegasus Guidelines launched in 2023 and based on the revised MPP Prudent scenario. Since the 2021 baseline, the emissions intensity of the Group has decreased 32 per cent from 1,152 tCO₂e/RTK to 782 tCO₂e/RTK primarily as a result of the aircraft portfolio sales which removed older less-efficient aircraft from the Group's portfolio.

The Group's emissions intensity is on track to be in line with the MPP Prudent scenario by 2030 given the majority of the portfolio funding new technology aircraft with improved fuel efficiency when compared with the current global market fleet.

Cement



Balance in scope	Interim target	Performance versus baseline	
\$0.6bn	0.52 tCO ₂ /tonne cement	-8%	●

Sector background

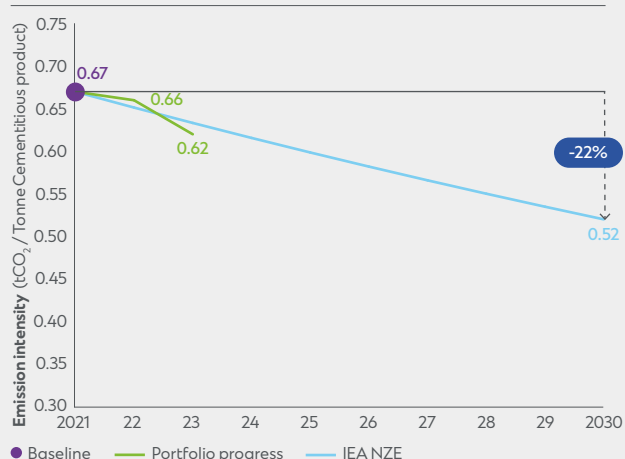
The cement sector contributes approximately 6 per cent towards global energy-related emissions per IEA WEO, 2024.

The primary source of the emissions occurs during the production process where a chemical reaction takes place between limestone and heat.

Approach to achieving net zero targets

- Improving energy efficiency of plants
- Encourage clients to use alternative fuels such as waste and biomass in the production process
- Use of clinker substitutes
- Financing of electric kiln technologies

Baseline target and portfolio progress 2021 to 2030



Progress in the year

The cement portfolio intensity has dropped from 0.66 tCO₂/tonnes cement to 0.62 tCO₂/tonnes cement, a decrease of 6 per cent year-on-year.

This is driven by increased lending to clients, with lower production intensities seen from our clients as they improve on their energy efficiency of their plants in order to meet their targets.

In addition to this, the Group has also increased our exposure to lower-intensity clients, which has resulted in the portfolio average emissions reducing as well.

Commercial real estate



Balance in scope	Interim target	Performance versus baseline	
\$5.0bn	19–39 kgCO ₂ e/sq.m	-21%	●

Sector background

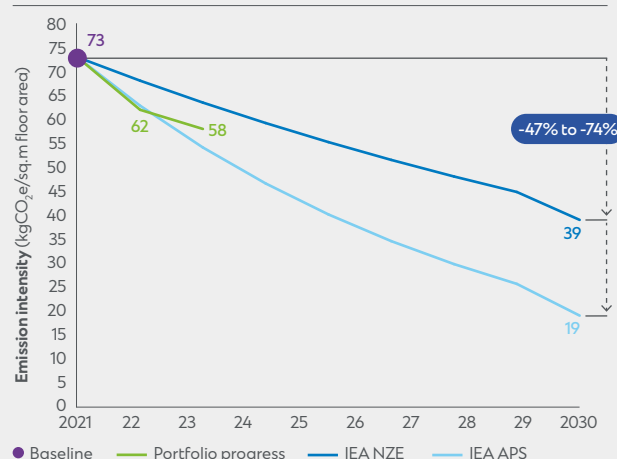
The commercial real estate sector contributed 2 per cent towards global energy-related emissions per IEA WEO, 2024.

Emissions primarily arise from the operation of the building and to a lesser extent embodied emissions related to its construction.

Approach to achieving net zero targets

- The decarbonisation of the power grids which supply the commercial buildings financed.
- Encourage fuel switch from fossil fuels to heat pumps or direct electricity
- Lending to retrofitting existing building stock to improve operational efficiency by installing better insulation, low-energy appliances, efficient cooling and on-site battery and thermal storage
- Power purchase agreement of renewable electricity from the local grid

Baseline target and portfolio progress 2021 to 2030



Progress in the year

The commercial real estate portfolio intensity has decreased 6 per cent from 62 kgCO₂e/sq.m to 58 kgCO₂e/sq.m year-on-year.

The reduction is predominantly driven by decreases in the electricity grid intensities in the markets where funded properties are located. This follows our belief that energy decarbonisation, which we are actively pursuing through our power target, has positive downstream impacts on other sectors.

In addition to this, there has been some change in the location mix of our portfolio as a whole, with an increase in exposure to buildings located in European countries which have lower-intensity electricity grids, and a relative decrease in exposure to higher-intensity locations in ASEAN markets.

We continue to work with our clients to finance new and energy efficient buildings, but also with power companies in their energy supply decarbonisation, which in turn benefits the commercial real estate portfolio intensity.

Oil and gas



Balance in scope	Interim target	Performance versus baseline
\$6.4bn	9.3 MtCO ₂ e	-28% ●

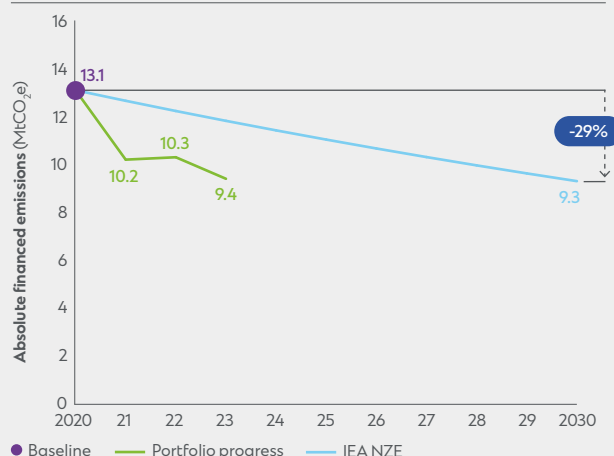
Sector background

The oil and gas sector's production emissions (i.e., operations) account for approximately 15 per cent (IEA Emissions from Oil and Gas Operations in Net Zero Transitions¹) of global energy-related emissions, respectively.

Approach to achieving net zero targets

- Reducing Scope 1 and 2 production-based emissions through improvements in operational efficiency, reducing methane leakages, venting and flaring
- Encouraging investment in CCUS
- Encourage and funding our clients' evolution to greater gas business, including liquid natural gas (LNG) terminals and renewables portfolios to supplement their existing oil business.

Baseline target and portfolio progress 2020 to 2030



Progress in the year

The oil and gas portfolio emissions have decreased 9 per cent year-on-year from 10.3 MtCO₂e to 9.4 MtCO₂e. The portfolio exposure also decreased by 9 per cent from the prior year, driving down absolute emissions in the sector.

This has also been driven by a decrease in short-term trade funding and greater lending to lower carbon intensive clients and technologies such as standalone LNG facilities.

We are encouraged to see improved methane abatement practices from our clients, continued investment in renewable portfolios and carbon capture technologies being brought forward for funding which we are increasingly providing.

Power



Balance in scope	Interim target	Performance versus baseline
\$5.2bn	0.17 – 0.28 tCO ₂ /MWh	-17% ●

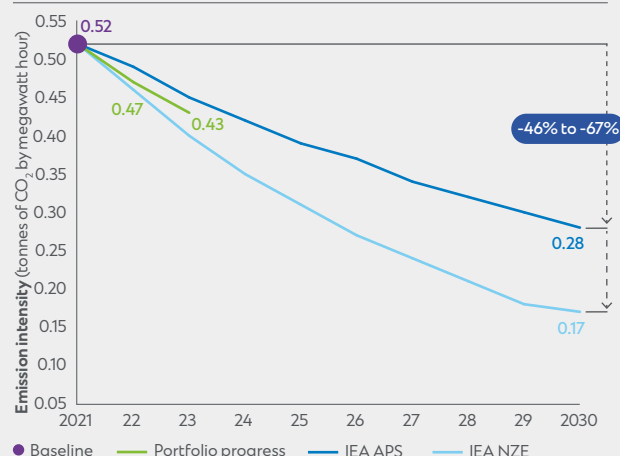
Sector background

The electricity and heat sector contributed 40 per cent towards global GHG emissions per IEA WEO, 2024. It is projected that global electricity demand will continue to rise especially in emerging markets and developing economies.

Approach to achieving net zero targets

- Mobilising lending towards renewable energy and other low carbon power plant projects
- Encouraging our clients to invest in renewable energy sources to diversify their generation mix
- Participating in JETPs to encourage our clients to decarbonise their power supplies
- Funding coal phase out in line with the IEA NZE pathway

Baseline target and portfolio progress 2021 to 2030



Progress in the year

The power portfolio intensity is down 9 per cent year-on-year from 0.47 tCO₂/MWh to 0.43 tCO₂/MWh with an increase in exposure of 6 per cent.

Significant movements in portfolio intensity included:

- Decreases in thermal coal power generation in the book due to reducing exposures to coal power generation sources as balances mature in line with contractual maturities and as mandated by our Position Statements on thermal coal
- Increased lending to renewables projects and lower intensity gas projects which continue to make up a greater proportion of the financed power portfolio
- Increases in lending to counterparties that had higher percentages of nuclear and renewable generation

There is further a strong pipeline of lower-intensity gas, power plants and renewables projects due to start operations in the future that are currently being funded.

¹ Oil and gas sector operational emissions contribution to global energy-related emission per the IEA's 'Emissions from oil and gas operations in Net Zero Transitions' publication released in 2023

● On track

Shipping



Balance in scope	Interim target	Performance versus baseline
\$4.6bn	0% delta	-4% ●

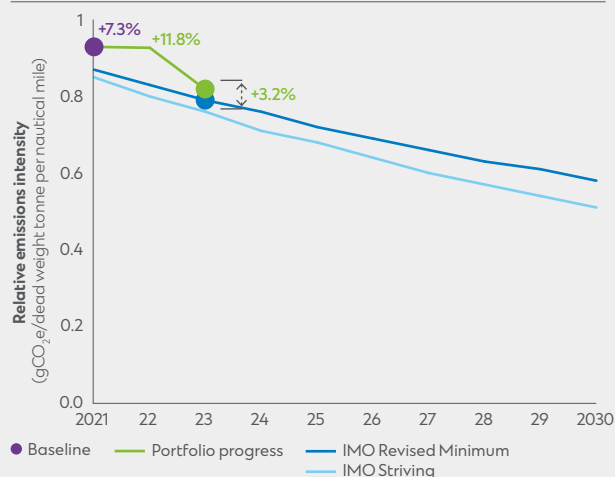
Sector background

Shipping is key to facilitating global trade. The sector contributes 2 per cent of global energy-related emissions per IEA WEO, 2024. The sectoral emissions predominantly arise from the combustion of fuel in ships' engines.

Approach to achieving net zero targets

- Engaging clients to invest in low carbon alternative fuels and carbon capture technology to eventually achieve net zero emissions
- Financing new and more fuel-efficient ships
- Providing transition finance for dual fuel ships
- Holding clients accountable for efficient emission practices such as sailing at eco speed

Baseline target and portfolio progress 2021 to 2030



Progress in the year

During the year the alignment delta for the shipping sector improved significantly from 11.8 per cent to 3.2 per cent against the revised minimum scenario bringing the Group closer to its 0 per cent alignment delta target by 2030.

Improvements in our alignment delta were positively impacted by the introduction of the CII regulation during 2023. CII is an operational efficiency measure which requires ships to report their carbon efficiency with an associated rating of A to E. Vessels require a rating of C- or better to avoid potential disincentives.

Decarbonisation is the next frontier for pricing in shipping finance. Margins are no longer driven by risk versus reward, but also by balancing climate alignment of both the company and the asset into the equation.

The Group continues to finance both dual fuel and newer ships that are more energy efficient, with a focus on our clients setting credible transition plans with ambitious targets.

Looking ahead, we are keen to observe the impact of the EU Emissions Trading System (ETS) coming into effect in 2024, especially for our clients who actively engage in European trade and see how a carbon tax mechanism translates into next year's Poseidon reporting.

Steel



Balance in scope	Interim target	Performance versus baseline
\$0.5bn	1.4-1.6 tCO ₂ /tonne steel	-9% ●

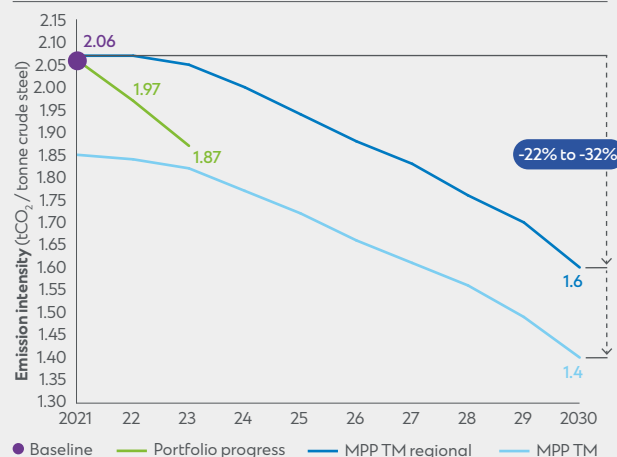
Sector background

Steel is a critical material. It is essential to the functioning of the global economy, from the production of the world's vehicles and household appliances to buildings and infrastructure. As such, the steel sector is the largest source of industrial emissions and accounts for roughly 7 per cent of global emissions per IEA WEO, 2024.

Approach to achieving net zero targets

- Increasing client renewable electricity usage for electric arc furnace production
- Increased scrap steel uptake through trade finance or use of proceeds finance
- Increased scrap collection and processing in local economies
- Increased operational efficiencies to existing Blast Furnaces and Basic Oxygen Furnaces (BF-BOF)

Baseline target and portfolio progress 2021 to 2030



Progress in the year

The steel sector emission intensities for the Group's portfolio have reduced by 5 per cent year-on-year from 1.97 tCO₂/tonnes steel to 1.87 tCO₂/tonnes steel. This was driven by increasing lending to clients utilising scrap steel, as opposed to those utilising iron ore in blast furnaces.

We further noted and are actively pursuing funding an increased uptake of scrap steel use from some of our primary steel producers, which will reduce their production intensities. This is due to more steel output produced using electricity rather than the burning of coal and gas to steel from iron ore.

The Group has also collected better information for the portfolio with fewer proxy-based emissions reported resulting in a better portfolio intensity.

Thermal Coal Mining



Balance in scope	Interim target	Performance versus baseline
\$0.03bn	0.5 MtCO ₂ e	-64%

Sector background

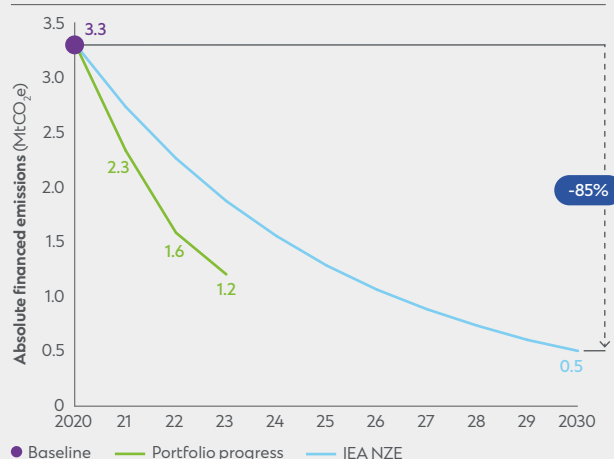
The burning of coal is one of the most significant driving factors in climate change. To reflect this, the Group has a thermal coal Position Statement prohibiting the provision of financial services to certain clients dependent on thermal coal.

Emissions arise as Scope 1 and 2 emissions for coal producers (from energy used in the mining process) as well as Scope 3 emissions from end-of-use products, being the burning of coal in upstream processes.

Approach to achieving net zero targets

- Rundown of thermal coal exposures in line with contractual commitments
- Offboarding of clients in line with the Group's thermal coal Position Statement
- Participating in our JETPs to encourage our clients to decarbonise their power supplies

Baseline target and portfolio progress 2020 to 2030



Progress in the year

Thermal coal absolute emissions have decreased by 25 per cent from 1.6 MtCO₂e to 1.2 MtCO₂e.

This was due to the portfolio continuing to be paid down in line with maturities, with no new loans issued during the period due to the Group's Thermal Coal Position Statement, which does not allow lending to counterparties that are 80 per cent thermal coal revenue reliant.



Please see the Group's Position Statements for further details at sc.com/positionstatements

Residential Mortgages



Balance in scope	Interim target	Performance versus baseline
\$68.4bn	29-32 kgCO ₂ e/sq.m	-4%

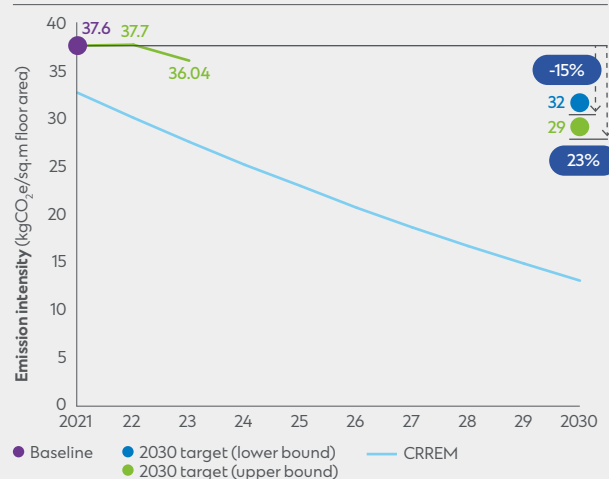
Sector background

Residential housing contributed 5 per cent towards global emissions per IEA WEO, 2024. The residential housing sector emissions are primarily from two sources: the operation of the building and embodied emissions (which are emissions related to its construction).

Approach to achieving net zero targets

- Increase lending to clients to improve energy efficiency through retrofitting and improvement of insulation, ventilation, and energy management
- Collecting specific unit or building emissions data within the portfolio, which reduces the need to use proxy data and increases emission accuracy
- Engaging with clients to decarbonise their electricity supply; for instance, through the direct purchase of green electricity or green certificates

Baseline target and portfolio progress 2021 to 2030



Progress in the year

During the year, the Group measured its 2023 progress of GHG emissions from the four main residential mortgage portfolios, namely Hong Kong, South Korea, Singapore and Taiwan, accounting for approximately 88 per cent of the Group's exposure. A physical intensity of kgCO₂e/sq.m is the metric used to measure the portfolio's progress. While we have set a single Group-level target, the very nature of the residential real estate market means all decarbonisation actions will take place at the local level. Achieving our target is dependent on actions by local governments and power companies decarbonising power generation. The target range has been set at the more ambitious end of the public commitments made by governments and power companies in the countries where the Group operates. These targets have been benchmarked to , and currently sit above, the global CRREM pathway to 2030. The portfolio intensity has decreased 4 per cent as we start to see the emission intensity of power grids in these regions beginning to decrease in line with our expectations.

Facilitated emissions

Sector ¹	Interim 2030 target	Weighting	2023 MtCO ₂ e	2022 MtCO ₂ e	Baseline MtCO ₂ e	Baseline year	Target set year	% change cumulative to baseline
Oil and gas	2.94 MtCO ₂ e (26.9%)	100% weighting Factor ²	1.76 [^]	3.01	4.02 [^]	2021	2024	-56%
		33% weighting Factor ²	0.58	0.99	1.33			

Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at sc.com/sustainabilitylibrary

Sector	Emission approach	Scenario	Value chain	Scope of emissions	2023 PCAF score	2022 PCAF score	In scope exposure coverage
Oil and gas	Absolute emissions	IEA NZE	Upstream, midstream and downstream	1, 2	2.9 ³	2.6 ³	92%
				3	3.0 ⁴	3.0 ⁴	

Oil and gas



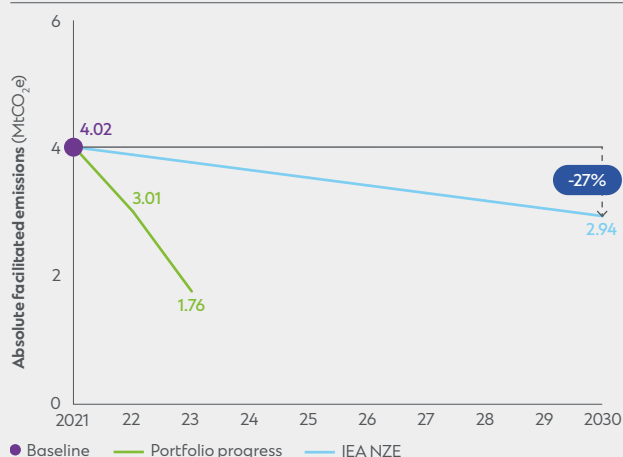
Value facilitated ⁵	Interim target
\$0.77bn	2.94 MtCO ₂ e

Progress in the year

During the year, a baseline and target were measured for the oil and gas sector. A reduction target of 26.9 per cent from a 2021 baseline was set based on the IEA NZE scenario in line with financed emissions.

Emissions associated with facilitation trended down between 2021 to 2023 as bond underwriting volumes were low due to COVID and higher corresponding interest rates.

Baseline target and portfolio progress 2021 to 2030



1 The metric and target are based on the rolling 3 year average due to the cyclical nature of bond underwriting in the market

2 Emissions have been disclosed on a 100 per cent and 33 per cent weighting

3 PCAF score for Scope 1 and 2 emissions

4 PCAF score for Scope 3 emissions

5 Value facilitated is equal to the Group's share of the Bond notional per the league table where we act as a bookrunner on the deal. Facilitated value shown for the 2023 financial year

Climate risk

An environmental (such as climate), social or governance event, or change in condition, if it occurs, could result in actual or potential financial loss or non-financial detriments to the Group. As such, Climate Risk is identified as a material risk for the Group, which is integrated across relevant Principal Risk Types (PRTs) and is managed via the Environmental, Social, Governance and Reputational (ESGR) Risk policy framework. The Group is exposed to Climate Risk through our clients, own operations, vendors, and from the industries and markets in which we operate in.

We manage Climate Risk according to the characteristics of the impacted PRTs. Risk Framework Owners for the impacted PRTs are responsible for embedding Climate Risk requirements within their respective risk types.

Our Climate Risk Appetite Statement is approved annually by the Board and supported by Board Risk Appetite metrics (BRAMs) and Management Team Limits (MTL) across impacted risk types.

In 2024, we have continued to embed Climate Risk into existing risk management frameworks and processes. We have also published our Transition Plan, which articulates how we plan to manage Climate Risk by aiming to deliver on our commitments to reach net zero emissions in our financed emissions by 2050, and in our Scope 1 and 2 emissions by 2025.

Time horizons used to assess the likelihood and impact of climate-related risks and opportunities

The time horizons that we use to identify, assess and manage our identified climate-related risks and opportunities are as follows:

Short-term	0–2 years <ul style="list-style-type: none"> Our short-term time horizon aligns with our aim: <ul style="list-style-type: none"> To be net zero in our Scope 1 and 2 emissions by 2025 To scale annual sustainable finance income to at least \$1 billion by 2025 In line with the Group's operational net zero target, we set year-on-year improvement targets for our footprint markets. Climate Risk is considered as part of our formal annual corporate strategy and financial planning process.
Medium-term	2–5 years <ul style="list-style-type: none"> Our medium-term time horizon aligns with our interim 2030 targets set for our 12 highest-emitting sectors and our commitment to mobilise \$300 billion of sustainable finance by 2030. Our strategic and financial planning constitutes action plans that intend to enable us to align to our net zero targets. We also use scenario analysis to consider how risks and opportunities may evolve under different situations in the medium-term.
Long-term	5+ years <ul style="list-style-type: none"> Our long-term time horizon aligns with our aspiration to achieve net zero in our financed emissions by 2050. For climate scenario analysis, we run 30-year scenarios for both physical risk and transition risk, with some elements of our physical risk scenario analysis extending to 2100. Transition risk as our clients move to lower emitting revenues by virtue of legislation is considered with reference to client transition pathways and manifests over a longer term than the maturity of the loan book up to 2050.

We consider physical and transitional climate-related risk impacts in relation to our Wealth & Retail Banking and Corporate & Investment Banking client segments, as well as in our own operations. Please refer to page 21 for further information relating to our client segment risks, and page 264 for risks identified in our own operations.

- +** For further information on how we deal with Climate Risk, please refer to the Risk review on [pages 256 to 269](#)
For our approach to managing Climate Risk through transition planning, refer to our Transition Plan at [sc.com/transition-plan](https://www.sc.com/transition-plan)
For our TCFD disclosures, refer to the TCFD reporting index within the Strategic report on [pages 43 to 44](#)

Nature

It is estimated that over half of global GDP is directly dependent upon nature. Despite this, nature is rapidly declining. At Standard Chartered, we acknowledge that protecting nature is essential to limiting global warming and mitigating the effects of climate change, so that the planet can sustain livelihoods as well as support inclusive sustainable economic development.

In 2024, we published our inaugural Nature Position Statement outlining our approach to nature across our business, our clients, operations and supply chains. We seek to contribute to the GBF 2030 mission of halting and reversing nature loss by: (1) continuing to integrate nature in decision-making within our business (target 14); (2) publishing nature-related disclosures in alignment with TNFD recommendations from 2026 onwards (target 15); and (3) shifting financial flows toward nature-positive outcomes and contributing to

mobilising funding for nature and delivery of the GBF (target 19). We are members of a wide range of industry platforms working to increase industry awareness of the relevance of nature considerations to financial decision-making.

Our progress on nature

The initiatives below represent the key highlights of the work undertaken in 2024 in relation to nature.

Mobilising finance for nature-positive outcomes	<ul style="list-style-type: none"> • Closed the Group's first debt conversion for nature project with The Government of The Bahamas, unlocking \$124 million in savings for marine conservation. The savings will support The Bahamas in effectively managing its extensive network of marine protected areas (MPAs), complete a national Mangrove Management Plan, and develop and implement a Marine Spatial Plan. We were the sole arranger, underwriter and liability manager. • Expanded the Group's 2024 GSPF to include additional nature-related activities informed by the GBF. • Published our latest sustainability research, 'Towards a sustainable ocean: where there's a will, there's a wave', highlighting opportunities for financing the nature-positive transition of the blue economy. • Refer to the work done by our Nature Finance Innovation Hub on page 68 for more information.
Understanding the materiality of nature loss on the Group's activities	<ul style="list-style-type: none"> • Established a Nature Risk working group, comprising of cross-functional teams, to advance our Nature Risk analysis, leveraging our climate risk data to support more in-depth analysis of potentially material sectors and assess our financed assets exposure to nature impacts and dependencies. • Undergoing assessment of the materiality of our own operations' impacts and dependencies on nature. • Exploring ways to minimise the environmental impact of our operations by reducing energy, GHG emissions, water usage and non-hazardous waste generated in our operations (refer to page 77 for details). • Set out the expectations of our suppliers to reduce waste from their operations, through our Supplier Charter including managing environmental concerns in their own supply chains, and protecting the environment and conserving natural resources, in compliance with all applicable environmental laws and regulations. • Conducted an internal research project to better understand the Group's potential exposure to the proceeds of illegal deforestation and how the risk of illegal deforestation may manifest in our clients' supply chains.
Supporting collective action to address nature loss and ecosystem decline	<ul style="list-style-type: none"> • Engaged with market initiatives and financial regulators to advance the nature finance ecosystem. This includes our memberships in the UN Environment Programme Finance Initiative and Principles for Responsible Banking, Singapore Sustainable Finance Association Natural Capital and Biodiversity Workstream, African Natural Capital Alliance, Green Finance Institute's TNFD UK Consultation Group, WEF Biodiversity Credit Initiative, and the Global Islamic Finance Program. • Specific focus on advancing the sustainable blue economy through continued engagement with the Ocean Risk and Resilience Action Alliance, the UN Global Compact Ocean Investment Protocol Steering Committee and the WWF Seafood Finance Working Group. • Contributed to nature finance related white papers from World Economic Forum¹, Climate Financial Risk Forum², Cambridge Institute for Sustainability Leadership³, and the Institute of International Finance⁴.
Building internal capacity	<ul style="list-style-type: none"> • Provided nature-related training to the Culture and Sustainability Board Committee as well as to internal functions, i.e. Climate Risk Analysts, Environmental and Social Risk Management (ESRM), ESGR and WRB. • Expanded existing Nature Risk capability, with the hire of a Nature Risk Lead to further embed nature into our risk policies, procedures, frameworks, and disclosures (refer to page 68 for details); and to inform client nature-positive transition opportunities.

1 'Nature Finance and Biodiversity Credits: A Private Sector Roadmap to Finance and Act on Nature', World Economic Forum, October 2024

2 'Nature-related risk: Handbook for financial institutions', Climate Financial Risk Forum, October 2024

3 'Scaling Finance for Nature: Barrier Breakdown', Cambridge Institute for Sustainability Leadership, October 2024

4 'Responding to Nature-related Risks and Opportunities', Institute of International Finance

+ For a full list of our memberships and engagements visit sc.com/sustainabilitystakeholders

Our Supplier Charter can be viewed at sc.com/suppliercharter

Our Position Statements are available at sc.com/positionstatements

Read our blue economy research paper at sc.com/blue-economy

More information about the debt conversion for nature for The Bahamas is available at sc.com/en/campaigns/bahamas-debt-for-nature

Social impact

We believe in the power of finance to drive positive change in the world. Our desire to drive social impact extends across both our commercial and our philanthropic activities, reflecting our aspiration to build a future that is both financially resilient and socially inclusive – this being a foundation for healthy and sustainable economies in our markets.

We approach social impact from two angles concurrently:

- Through our business and clients: we provide clients with the financing that they and their communities need to tackle urgent matters such as inequality, access to essential services, and inclusive growth.
- Through our philanthropic community engagement: we work to empower disadvantaged young people by providing them with skills and networks and connecting them with employment and commercial opportunities.

The combination of these efforts underscores our holistic approach to creating long-term value for our clients, colleagues and communities. By integrating both commercial and philanthropic aspirations to support our sustainability work and our Stands, we aim to accelerate our progress and amplify positive social impact such as women's empowerment and financial inclusion.

Our commercial activities: investment in social finance

We seek to partner with our clients and communities to mobilise social capital. Last year, we deepened our focus on mobilising social finance by appointing the Group's first Head of Social Sustainability.

Empowering women-owned businesses

Women are key drivers of economic and social progress, yet they continue to face significant challenges that often limit their full participation in the global economy. These challenges include systemic barriers such as unequal access to education, limited access to finance and financial resources, and entrenched discriminatory social norms.

As part of our business, we provide women and women-owned businesses with the financing they need. A cornerstone of our commitment is our SC Women's International Network (SC WIN) banking proposition, a unique offering designed exclusively for women-owned businesses, that offers tailored financial solutions, expert advisory services, and access to a global network of like-minded business leaders. Since its first launch in 2022, SC WIN has expanded its reach and is now live in seven markets, namely India, Kenya, Malaysia, Singapore, Hong Kong, Vietnam and Pakistan. SC Win has extended more than \$300 million of financing to women-owned businesses since its first launch in November 2022.

To further our support, we launched a partnership with We Connect International, an organisation focused on helping women-run companies to get into global supply chains. Despite corporate commitments, less than 1 per cent of all global procurement goes to women-owned companies, and this number hasn't changed in decades¹. Through our

partnership, we aim to support women-owned companies with the access to finance that they need to compete for large global contracts. By bringing together our global trade bank with our SC WIN offerings, we aim to support women-owned business with both the short-term working capital solutions and the long-term financing options that they need.

This year, we became the first global bank to sign the WE Finance Code under the Women Entrepreneur Finance Initiative across all of our banking centres. As signatories, we aim to sex-disaggregate our own lending, and intend to work throughout the ecosystem to share knowledge with our peers.

Supporting micro lending

We recognise the pivotal role of microlending in fostering economic inclusion and sustainable development. Microlending plays a vital role across our footprint in supporting underserved communities and creating opportunities for growth. Since 2006, we have financed microfinance partners in India, Bangladesh, Philippines, Nepal, Pakistan, Kenya, Uganda, Tanzania and Nigeria. In 2024, we supported more than \$725 million lending to microfinance institutions, enabling over 1.2 million borrowers to access loans. These loans support a wide range of needs, from building small businesses to covering education costs or managing unexpected emergencies.

Our philanthropic activities: investment in community impact

Our philanthropic approach aims to help bridge the often-significant gap that prevents young people from accessing commercial products and services. Through community partnerships, client partnerships and employee volunteering, we aim to contribute towards more inclusive economies and increased equitable prosperity. Central to this effort is our global youth economic empowerment initiative, Futuremakers by Standard Chartered, which aims to help disadvantaged young people, especially young women, access economic opportunities through employability and entrepreneurship support. From 2019 to 2024, through Futuremakers, we supported more than 53,000 young people to access decent jobs and enabled more than 35,000 jobs through supported microbusinesses.

We continue to deepen and scale our impact, working with leading NGO partners to deliver longer-term programmes. Between 2024 and 2030, we aim to provide \$120 million in Futuremakers with the intent to enable and support 140,000 decent jobs², including 70,000 jobs accessed by young female participants³ and 70,000 jobs created through supported microbusinesses⁴.

1 'Procurement's strategic value: Why gender-responsive procurement makes business sense.' UN Women, 2022

2 Decent jobs/employment comprises formal employment and self-employment. 'Decent' aligns with the ILO definition, but in recognition of the challenges in many markets to satisfy every criteria for 'decent', our Futuremakers initiative counts those participants who have met minimum wage plus at least two additional ILO criteria

3 Young female participants remain in decent employment six months post intervention

4 Direct jobs comprise paid employment opportunities (direct employees, active associates, contractors, support/gig workers, and the entrepreneurs themselves) directly created by the supported microbusinesses. These may be part-time or full-time, with each job accounted for as a single unit. This KPI will be based on actual data collated from project alumni over the seven year period, robust estimates based on empirical research, and ex-post project evaluations.

In 2024, we have enabled and supported 20,675 decent jobs¹ and contributed \$18.4 million to Futuremakers, including donations from the Group and fundraising of \$2.2 million from our employees and partners.

Creating an inclusive ecosystem for decent work

Almost 60 per cent of young people not in employment, education or training (NEET) are in the Group's markets, with young women twice as likely as young men to be NEET². Our Futuremakers employability programmes prioritise these disadvantaged groups, especially women and people with disabilities, supporting them to gain the skills and networks to access decent jobs.

This year, with the Standard Chartered Foundation, we have launched three-year employability programmes with strategic NGO partners, including the launch of the sports-based Goal Accelerator programme in five markets – Malaysia, Mauritius, Pakistan, Sri Lanka and the UK, in partnership with Women Win. The programme aims to empower over 1,700 young women with the life-skills, confidence and leadership capabilities to enable them to access employment, generate a decent income and become economically resilient.

To improve employability for people with disabilities via Futuremakers, we established a disability inclusion roadmap with Sightsavers, one of our strategic NGO partners, to test innovative models in Ghana, Kenya, Pakistan, Tanzania, Uganda, and Zambia. This initial roadmap will provide insights to guide us in facilitating disability inclusion in all our programmes.

Through these and other investments, in 2024, over 24,000 participants (58 per cent women and 9 per cent people with disabilities) have established an employment plan, a key early milestone in their employability journey.

In some of our markets, we support community healthcare, climate, education and agricultural livelihood projects. In 2024, for example, we supported eye health, WASHE (water, sanitation and hygiene education), education and youth employability projects in India, including the opening of the fourth academy to promote primary eye care and train women to become optometrists.

Unlocking the potential of microbusinesses

Research by the International Finance Corporation suggests that there is a \$173 billion financing gap for female microbusinesses in lower and middle-income countries³. Our Futuremakers entrepreneurship programmes support young entrepreneurs, mainly women, to achieve business growth, build green and social microbusinesses, and create much needed jobs in their communities.

Through the Futuremakers Women in Tech accelerator, we enabled female microentrepreneurs in Africa, the Middle East and the US to acquire the skills, resources, and networks they need to start and grow their businesses. We have committed \$600,000 as part of a catalytic financing fund to support eight high-potential tech-enabled businesses run by our Women in Tech alumni.

In 2024, with the Standard Chartered Foundation, we have launched three-year entrepreneurship programmes with our strategic NGO partners and supported more than 14,000 microbusinesses to establish a business growth plan, a key milestone in their entrepreneurship journey.

Measuring broader societal impact

To better understand the broader impact of our Futuremakers investments, we have developed a refreshed approach to impact measurement that builds on the direct outcomes of our programmes to quantify the broader contribution to society. Using the model, and applying the results achieved in 2024, we found that more than 110,000 lives are estimated to have been impacted by Futuremakers. We anticipate that the insights from this analysis should enable us to optimise how we allocate Futuremakers resources to enhance impact potential, as well as extend our learnings to our peers and partners.

Promoting skills-based volunteering

We have also sought to scale the impact of volunteering by strengthening skills-based volunteering. In 2024, 53 per cent of colleagues volunteered to support various philanthropic causes and 114,276 hours were contributed to skills-based volunteering which ranged from provision of financial education to local schools to coaching and mentoring Futuremakers participants. In 2025, we aim to further embed skills-based volunteering opportunities into Futuremakers, leveraging our colleagues' unique skill sets to further deepen our community impact.

Charitable giving

	2024 \$million	2023 \$million	2022 \$million
Cash contributions	47.9	31.2	23.7
Employee time (non-cash item)	25.7	28.7	17.5
Gifts in-kind (non-cash item) ⁴	0.5	0.4	0.3
Management costs	5.2	5.4	5.0
Total (direct contributions by Group)	79.3	65.7	46.5
Leverage ⁵	2.7	2.9	4.8
Total (including leverage)	82.0	68.6	51.3
Percentage of prior year operating profit (PYOP)	1.6	1.6	1.5



¹ The data includes 7,425 young female participants in decent employment, where participants remain in decent employment six months post intervention, and 13,250 direct jobs enabled by supported microbusinesses

² 'Global Employment Trends for Youth 2022: Investing in transforming futures for your people.' Geneva: ILO, 2022

³ 'MSME Finance Gap Report', International Finance Corporation, 2017

⁴ Gifts in-kind: In-kind contributions of products, property or services valued at the cost to the Group

⁵ Leverage: fundraising from employees and partners benefitting the community

Managing Environmental and Social Risk

We seek to proactively manage environmental and social risks and impacts arising from the Group's client relationships and transactions.

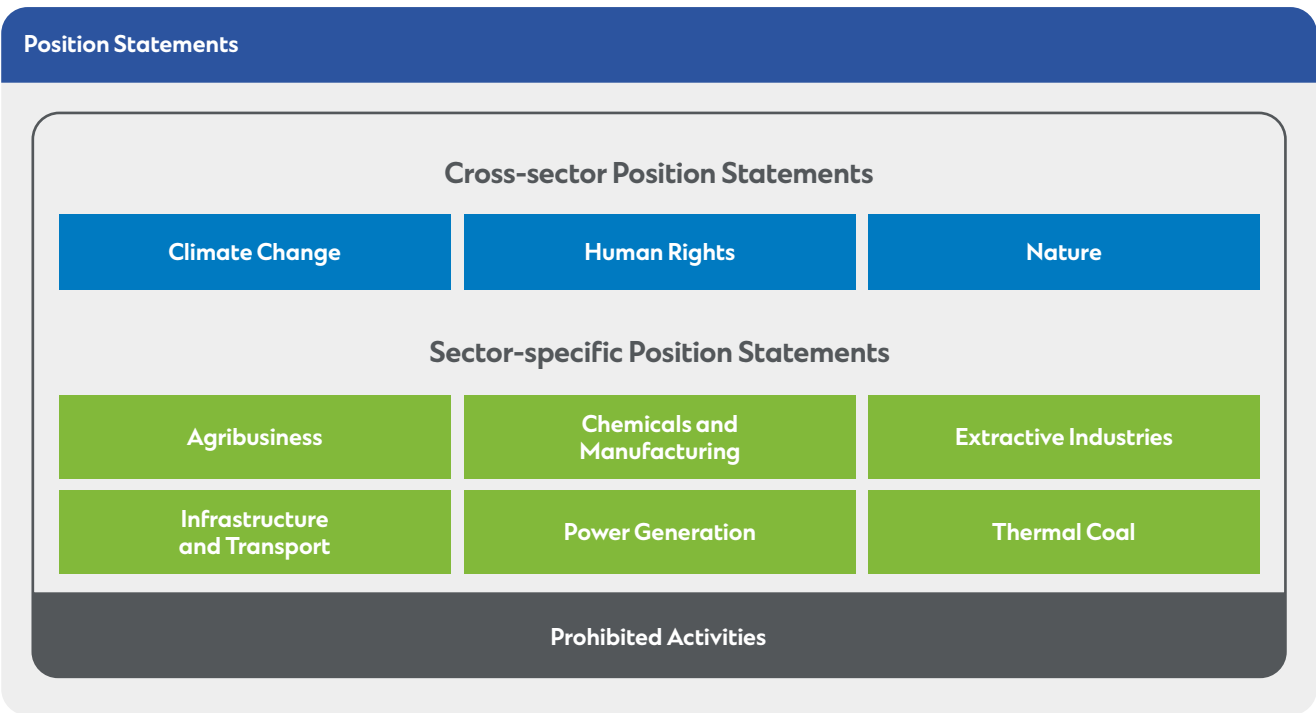
Our cross-sector Environmental and Social Risk Management (ESRM) Framework helps us apply international standards and best practices across all our markets. In the frontline, our ESRM team within the CSO organisation oversees the management of environmental and social risks associated with our client relationships.

 For further information please refer to our ESRM Framework at sc.com/esriskframework

Our approach is embedded into our credit approval process and supports us to work with our stakeholders to identify, manage, mitigate and monitor the potential impacts that stem from our financing decisions.

Our Position Statements, approved by the GRRRC, outline the cross-sector and sector-specific criteria we apply to assess whether to provide financial services to our clients.

We use these statements – which draw on International Finance Corporation Performance Standards, the Equator Principles and global best practice – to assess environmental and social risk related to our financing.



We reviewed 1,449 clients and 747 transactions that presented potential for elevated environmental and social risk in 2024. If we find a material environmental and social issue, we take steps to proactively engage the client to mitigate identified risks and impacts, and support and guide our clients to improve their environmental and social performance over time.

However, for clients who do not meet our Position Statement criteria, we may look to withdraw financial services and exit the relationship if we cannot work with them to align over an agreed time frame.

In 2024, we completed the review and update of our Human Rights Position Statement.

During the year, we evolved our approach to Nature Risk assessment. This included a loan book analysis to identify nature-related impacts and dependencies at sector, country and financial services levels. The Group's cross-sector Nature Position Statement provides a consolidated view of our approach to managing Nature Risk across our business, operations and supply chain. Further information can be found on page 90 of this report

 Read more about our Position Statements at sc.com/positionstatements

Our list of Prohibited Activities can be found at sc.com/prohibitedactivities

Our reporting against the Equator Principles can be found at sc.com/equatorprinciples and in our ESG data pack at sc.com/esg-data-pack

Respecting human rights

We are committed to respecting human rights across our business. We recognise that the global nature of our business may expose us to the risk of modern slavery and human trafficking in our operations, supply chain and client relationships and we are committed to managing and mitigating these risks. Our Modern Slavery Statement details our approach and actions to manage modern slavery risks across our value chain.

 Read our Modern Slavery Statement at sc.com/modernslavery

Our Position Statement on Human Rights is a key part of our ESRM framework and was developed following engagement with a range of internal and external stakeholders, including expert practitioners and civil society organisations. Like our cross-sector Position Statements, the Human Rights Position Statement applies to our clients, suppliers and employees and is regularly reviewed to ensure it addresses emerging risks and issues.

Due diligence is a central part of our approach in assessing and managing risks associated with the provision of financial services to our clients. We approach this due diligence in accordance with our ESRM and Financial Crime Compliance (FCC) frameworks.

 Read more about our ESRM Framework and Position Statements at sc.com/positionstatements

We will not enter into relationships with suppliers involved in human trafficking, modern slavery or forced labour. Suppliers that are identified as presenting higher risks of modern slavery are subject to due diligence. Our Supplier Charter sets out the principles for the behavioural standard that Standard Chartered expects from its suppliers, and those within a supplier's sphere of influence that assist them in performing their obligations to us.

 Read our Supplier Charter at sc.com/suppliercharter

Our Fair Pay Charter sets out the principles by which we seek to deliver fair and competitive remuneration to all employees. We use these principles to guide reward and performance decision-making globally, including how we set, structure and deliver remuneration.

 Further information on our alignment to the Fair Pay Charter can be found on **page 144** of this Annual Report and in our 2024 Diversity, Equality and Inclusion Report available at sc.com/diversityfairpayreport

Integrity, conduct and ethics

We aim to live our valued behaviours, which are ‘Never settle’, ‘Better together’ and ‘Do the right thing’ through our actions, decisions and interactions day-to-day with colleagues, clients and the markets we serve.

Managing Conduct Risk is critical to delivering positive outcomes for our clients, markets and stakeholders and fundamental to achieving our brand promise, here for good. Conduct Risk may arise anywhere in the Group at any time. The Group therefore expects all employees to be responsible for managing Conduct Risk given it is a transversal risk, which means it impacts every aspect of the Group’s operations.

Code of Conduct and Ethics

The Code of Conduct and Ethics (the Code) remains the primary tool through which we communicate our conduct expectations. It is aligned with our Stands, strengthening the link between ethics, culture, conduct and the Group’s strategy. The Code is intended to be more than a guidance document: rather, it is a code to live by, designed to guide colleagues through how to live our valued behaviours on a day-to-day basis, whatever their business, function, region or role. To guide us in living conduct of the highest standards, the Code was shaped around 10 conduct outcomes we all strive to deliver, and connects these to our culture, behaviour, and ethics. The revamped Code e-learning was launched in April 2024. In June 2024, we celebrated Global Conduct Week. The event was about celebrating good conduct and seeing our Code in action.

+ Download our Code of Conduct and Ethics at sc.com/codeofconductandethics and visit sc.com/speakingup to find more about how our Speaking Up programme works

Speaking Up

Our Speaking Up Programme provides a safe, independent and confidential way to report whistleblowing concerns. It is aimed at helping to build and maintain a strong ethical culture, with integrity, trust, and transparency.

The early disclosure of concerns reduces the risk of financial and reputational loss caused by misconduct. We encourage colleagues, contractors, clients, suppliers and members of the public to raise concerns through the Speaking Up channels.

These channels enable whistleblowing concerns to be raised in various ways, such as via email, a web portal, a telephone hotline (where available), or by speaking to someone in their line management, who may or may not be their usual People Leader (available for employees only). When a concern is raised, our Shared Investigative Services team will determine whether the matter is a Speaking Up disclosure or if it is an out-of-scope disclosure.

Throughout 2024, we hosted a series of awareness campaigns to ensure that we continue to create an environment where everyone feels secure and empowered to speak up. The Global Conduct Week was held from 24 to 28 June, themed ‘A Code to live by’, to celebrate good conduct, reinforce our valued behaviours and promote the importance of ethics, trust and integrity. All interactive panels were aimed to encourage colleagues to think about how their decisions and individual actions on a daily basis can aggregate to a much wider impact on outcomes for our clients, customers and other stakeholders.

Our Group Conduct Risk Management Standard sets minimum standards for the management of Conduct Risk across our operations.

The Group employs a risk-based, three lines of defence approach to Conduct Risk Management, where oversight, governance and controls are proportionate to our assessment of the risk. We set target conduct outcomes that the Group aspires to deliver for clients, external stakeholders, employees, and the environment.

To reinforce our shared commitment to the highest possible standards of conduct, each year we ask our colleagues to reconsider what the Code means to them through a refresher e-learning, and to reaffirm their commitment. In 2024, 99.9 per cent of our colleagues completed the mandatory training and affirmation (99.8 per cent in 2023).

Colleagues who are overdue without a valid reason are subject to a 25 per cent reduction in their annual variable compensation for the year they failed to attest.

99.9%

of employees affirmed recommitment to our Code annually

We marked the World Whistleblowers Day as part of the Conduct Week, where a panel discussion was held with the Group Independent Non-Executive Director and Whistleblowing Champion. Colleagues were reminded about the Speaking Up channels and the key pillars of our Speaking Up Programme, namely: anonymity, confidentiality and no victimisation.

+ Visit our Speaking Up programme’s website sc.com/speakingup

The Speaking Up Programme continues to be utilised across all countries, businesses and functions, and our 2024 My Voice survey found that there continued to be a high degree of confidence in the Programme. 87 per cent of employees felt comfortable raising concerns through the Speaking Up channels (88 per cent in 2023). Each year, the Board reviews a Speaking Up report, which provides an overview of the effectiveness of the Group Speaking Up Programme. For the period July 2023 to June 2024 there was a 1 per cent increase in disclosures volume compared to the prior 12 months. There was a 1 per cent decrease in the proportion of employees who opted to remain anonymous when reporting disclosures.

87%

of employees in our My Voice survey felt comfortable raising concerns through Speaking Up channels

Fighting financial crime

Access to the financial system helps transform lives around the world, helping to reduce poverty and spur economic development. But the financial system is also used by those involved in some of today's most damaging crimes – from human trafficking to terrorism, corruption, and the drug trade. Our ambition is to help tackle these crimes by making the financial system a hostile environment for criminals and terrorists. We have no appetite for breaches in laws and regulations related to financial crime.

Our Compliance, Financial Crime and Conduct Risk (CFCR) team sets our Financial Crime Risk management framework. We seek to protect our clients and communities against money laundering (AML), terrorist financing, sanctions, fraud, and other risks, by applying core controls such as client due-diligence, screening and monitoring, and strengthening our people's understanding as to how to identify, manage and mitigate such risks. In addition, anti-bribery, and corruption (ABC) controls aim to prevent colleagues, or third parties working on our behalf, from engaging in bribery or corruption.

Our mission doesn't stop at our door. We're teaming up with banks, governments, and regulators around the world to raise the bar across the industry. Throughout 2024, we actively participated in industry groups, including the Wolfsberg Group of global banks, Madison Group and UK Finance. We also launched a number of financial crime transformation initiatives focused on technology and process capability. The identification and analysis of criminal networks utilising various money laundering typologies; for example, money mules and shell companies, continues to be a focus, with the proactive use of data to support early detection and prevention.

Our public-private partnerships are aimed at producing new insights about various criminal typologies and advances in how we collectively combat financial crime in an increasing number of jurisdictions, including Singapore, Hong Kong, South Africa, India, the UK, USA and UAE.

Sanctions on Russia remain a significant area of focus. In 2024, the attention has been on multilateral and multiagency measures to prevent evasion or circumvention of sanctions and export controls on Russia.

For those in high-risk roles and functions, we delivered additional training across all financial crime areas, including in-depth awareness on Russia sanctions, ABC training for targeted roles, training on tax evasion risks, trade AML, financial crime risks in fintech and digital assets, and money laundering risks concerned with money mules and shell companies. We also delivered a new targeted training module covering ESG and ABC risk, 'Managing Proliferation Financing Risk and Country AML Handbook'. In addition, masterclasses and forums were held to deepen understanding.

This was further supported by our Group-wide financial crime awareness campaign, 'The Whole Story', which aimed to raise employee awareness of the real-life impact of financial crime. The theme for 2024 was 'Staying one step ahead in the fight against financial crime'. It emphasised the need to continuously reinvigorate and recharge the fight against financial crime through staying abreast of new technologies, and building partnerships with government bodies, regulators, and our peers to strengthen our collective defences.

In 2024, no legal cases concluded in which allegations of corruption had been made against the Group or its employees.

We have invested significantly to ensure our employees are properly equipped to combat financial crime. In 2024, 99.8 per cent of colleagues and governance body members completed financial crime mandatory e-learning which cover topics such as ABC, AML including terrorist financing, sanctions, tax evasion and fraud topics (Asia: 99.8 per cent, AME: 99.9 per cent, EA: 99.9 per cent, governance body members: 100 per cent). This compares with 99.9 per cent in 2023.

99.8%

of colleagues and governance members completed financial crime mandatory e-learning¹.

¹ Governance body members represent Bill Winters and Diego De Giorgi. Colleagues represent permanent employees of the Group as well as fixed-term workers employed by the Group for a fixed period.

Responsible lending and fair treatment of retail customers in our Wealth & Retail Banking (WRB) segment

The Board of Directors provides oversight of the Group's treatment of WRB retail customers through its reporting and committee structures. The relevant governance forum or Risk Committee is required to challenge the business for any new or material product proposals prior to the commencement of the product approval process, and there are periodic governance forums to monitor customer complaints and collections effectiveness.

Escalations may be taken to the WRB Risk Committee chaired by the WRB Chief Risk Officer or the Group Risk Committee chaired by the Group Chief Risk Officer, and ultimately to the Group's Board and Board Risk Committee.

Complaints management

Formal avenues are established for WRB customers to lodge complaints. A complaints-handling process has been put in place to enable the proper receipt, acknowledgement and independent and effective handling of complaints, which are to be resolved and notified to customers within a reasonable turnaround time without compromising the quality of the review.

Global key complaints insights, trends and root causes are provided to the WRB Risk Committee. Examples of key metrics that are used to track and manage complaints across WRB markets include: total number of complaints received in the period split by type and root cause, including sub-categories such as potentially inappropriate sales, proven mis-selling or fraud, and percentage of complaints resolved within the pre-determined turnaround time.

Collections

Second line of defense oversight and governance of WRB retail collections are performed by the WRB Risk function, with regular reviews of performance metrics and complaints-handling data. Across the Group, while the approach may vary across markets in line with local regulations, programmes to assist retail banking borrowers in financial distress are handled by the Collections teams.

The Group's credit policies outline the expectations on the Group's Collections teams, which include the following:

- Providing a fair and reasonable treatment regarding any allowed concession or waiver
- Aligning calling and visitation hours to local regulations and practices
- Having all customer interactions with the Collections teams, complaints and feedback monitored and regularly reviewed
- Offering temporary or permanent modifications to loan terms when required

All Collections employees responsible for dealing with customers in financial distress are required to be trained prior to commencement of collection activities, and in particular, are required to understand the Group's Code of Conduct and Ethics. Existing employees also undergo regular training in dealing with customers who are undergoing financial hardship, and communications guidance is regularly updated to reflect common circumstances encountered in our markets. Where external collections agencies are utilised, these agencies undergo assessment and due diligence in accordance with Group sourcing standards and their staff must undertake the same training as the Group's internal Collections teams.

Loan modifications

Loan modification options that may be offered to our customers in accordance with local regulations and the Group's internal credit policies, which take into account the most recently available information on the customer's income, expenditures and circumstances. Collections staff managing these arrangements are trained to discuss options thoroughly with customers in order that any restructured payments, if agreed, are affordable.

Sustainability governance

Sustainability-related risks, opportunities and organisational implications are overseen by the Group's Board, Management Team and supporting sub-committees.

Board oversight of sustainability and climate-related risks and opportunities


The Board is responsible for the long-term success of the Group and its strategy. Embedding sustainability across our business is a key strategic priority for the Group, and ultimate responsibility for this sits with the Board. Oversight is exercised through the appointment of supporting committees which consider sustainability- and climate-related risks and opportunities when reviewing and guiding strategic decisions. Through these sub-committees the Board has oversight of the progress against the Group's external commitments, Sustainability Aspirations and delivery against key sustainability priorities including sustainable finance, Position Statements, human rights and community engagement. Throughout 2024, Board activities have included reviewing and guiding strategic decisions on our approach to reach net zero financed emissions by 2050. Since 2019, the Board has approved a Climate Risk Appetite Statement annually to reflect our aim to measure and manage the financial and non-financial risks arising from climate change and to reduce emissions related to the Group's own activities, including those associated with providing financial services to clients, in line with the Paris Agreement. Further, to reflect the combined Climate Risk and Reputational and Sustainability Risk, a combined Risk Appetite Statement will be in effect for a comprehensive coverage in 2025.

Management-level governance

Supporting the Board in its strategic decisions is the Group Management Team (GMT) and its supporting committees. Each member of the GMT is responsible for strategically driving sustainability considerations within their geography, business segment or function in line with our net zero

roadmap. The GMT committees hold the ultimate decision-making authority over all material sustainability initiatives and can direct actions as necessary for areas of improvement to ensure their effective implementation. This includes ensuring the effective management of Climate Risk and the net zero roadmap in support of the Group's strategy, as well as overseeing Risk Appetite metrics.

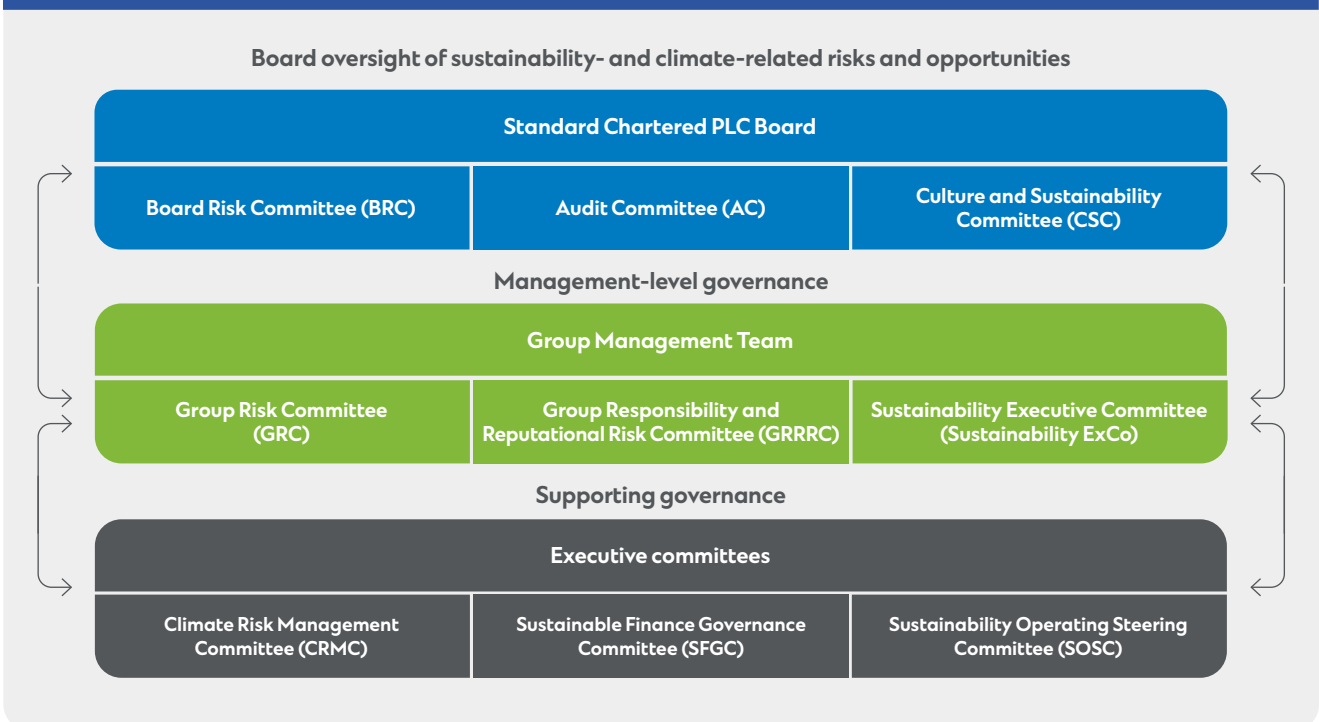
The responsibility for the Group's risk management approach and overall second line of defence for Climate Risk sits with the GCRO as the appropriate Senior Management Function under the Senior Managers Regime. The GCRO is supported by the Global Head, Enterprise Risk Management, who has day-to-day oversight responsibility for Climate Risk.

 The structure of the Group's Board and Management Team can be found on [pages 105 to 112](#)

Supporting governance

The oversight and management of sustainability- and climate-related risks and opportunities are an integral part of our business management, involving several executive committees. These committees operate under their terms of reference, delineating responsibilities, decision-making process, authority and the escalation route for any material issues. Additionally, a number of teams across our business, risk and functional areas are either dedicated to, or spend a proportion of their time, working on sustainability- and climate-related activities. We are also expanding governance and risk management at the regional, country and segment levels to better identify and manage climate-related risks and opportunities.

Structural overview of Standard Chartered PLC's sustainability- and climate-related governance



Governance committees and steering groups

Several committees and steering groups support the Group's Board and Management Team on the management and monitoring of sustainability and climate-related risks and opportunities, and associated impacts on our business and for our key stakeholders.

Governance body	Chair	Agenda frequency and inputs	Roles and responsibilities	Topics covered in 2024
Standard Chartered PLC Board	Group Chairman	Annual Strategy Review 2024 Annual Sustainability Strategy Update Climate Risk updates delivered through the Group CRO report	<ul style="list-style-type: none"> Oversight of the Group's sustainability strategy, with input from the Culture and Sustainability Committee 	<ul style="list-style-type: none"> Considered the core role of sustainability as part of the annual strategy discussion as it is more deeply embedded across the business Approved Climate Risk Appetite Statement and Board-level Risk Appetite metrics Endorsed the 2025 sustainability priorities Received an update on the Group's sustainability strategy, including progress against the four sustainability strategic pillars, the Group's scorecard metrics and public sustainability commitments Approved the 2023 Modern Slavery Statement, detailing the steps taken to manage the risk of modern slavery in the business and its supply chain Received updates on ESG Risk through the Group CRO reports
Board Risk Committee (BRC)	Independent Non-Executive Director	Climate Risk updates are provided to BRC in Group CRO reports six times a year. Additionally, one standalone update on ESGR Risk provided in December 2024.	<ul style="list-style-type: none"> Provide oversight of the Group's key risks on behalf of the Board and is the primary risk committee at Board level that oversees Climate Risk Consider the Group's Risk Appetite and make recommendations to the Board on the Climate Risk Appetite Statement Assess risk types (including Climate Risk) and the effectiveness of risk management frameworks and policies Provide oversight and challenge the design and execution of climate-related Group-wide enterprise stress tests mandated by a regulator 	<ul style="list-style-type: none"> Reviewed, discussed and challenged: <ul style="list-style-type: none"> (i) a combined update on the Group's progress on embedding ESGR risks (including climate and greenwashing related risks) within our client businesses and own operations; (ii) integration of ESGR Risk into corporate planning and business strategy; (iii) development of the Group's internal modelling and stress testing capabilities; and (iv) key focus areas for 2025. Reviewed Climate Risk Information Report quarterly Monitored adherence to RA metrics
Audit Committee (AC)	Independent Non-Executive Director	Updated annually in Q4 and more frequently if any material disclosures are made outside of the Group's Annual Report	<ul style="list-style-type: none"> Responsible for oversight of the Group's financial and non-financial reporting, internal controls, audit and whistleblowing systems and controls 	<ul style="list-style-type: none"> Reviewed changes to the climate and greenhouse gas emissions-related quantitative disclosures to be reported in this Annual Report, and the key controls around those quantitative disclosures
Culture and Sustainability Committee (CSC)	Independent Non-Executive Director	Four times in 2024	<ul style="list-style-type: none"> Review the Group's overall Sustainability Strategy Review progress against the Group's external commitments, Sustainability Aspirations and delivery against key sustainability priorities Monitor the implementation and delivery of the Group's public commitment to net zero emissions by 2050 Monitor emerging sustainability issues that require Board-level oversight and/or external stakeholder engagement Monitor progress against the ESG Ratings Strategy Roadmap Review sustainability measures included in the Group annual and/or long-term incentive plan (LTIP) scorecards 	<ul style="list-style-type: none"> Reviewed and discussed the Group's Sustainability Strategy Reviewed progress on the Group's net zero roadmap Discussed and endorsed the approach to baseline and target the agriculture sector Received nature-related training Reviewed and endorsed the Group's Transition Plan Discussed and endorsed the oil and gas facilitated emissions target Considered a progress update on the Group's Sustainability Aspirations and endorsed four new KPIs Reviewed, challenged and endorsed the proposed changes to the Human Rights Position Statement (HRPS) Monitored the Group's performance on the prioritised external ratings agencies

Governance body	Chair	Agenda frequency and inputs	Roles and responsibilities	Topics covered in 2024
Group Risk Committee (GRC)	Group Chief Risk Officer (GCRO) ¹	Climate Risk updates were provided to GRC in Group CRO report 11 times during 2024. Additionally, three ad hoc meetings	<ul style="list-style-type: none"> Oversee the effective implementation of the Enterprise Risk Management Framework ("ERMF") for the Group, including the delegation of any part of its authorities to appropriate individuals or properly constituted committees below the GRC Review Risk Appetite (RA) for all Principal Risk Types (PRT) including Climate Risk across the Group, to ensure that this is within the approved Board RA and Management Team (MT) limits 	<ul style="list-style-type: none"> Received updates on RA, portfolio risks, recent NGO activity and regulatory updates via Group CRO Report Received an update on Reputational and Sustainability Risk materiality assessment, Environmental and Social Risk Assessments and ESGR Risk by PRT as part of the Group Risk Information Report Received an update on RA MT Limit and Board RA metrics and monitored adherence to these
Group Responsibility and Reputational Risk Committee (GRRRC)	GCRO ¹	Fourteen times in 2024	<ul style="list-style-type: none"> Oversee and approve Position Statements including sector-specific and cross-sector statements including Climate Risk Oversee reputational and sustainability-related RA metrics Provide visibility of potentially very high or high ESGR matter escalations to the Board Risk Committee as relevant Make decisions on clients and transactions which are assessed as High or Very-High based on the Group's Reputational Risk Materiality Assessment Matrix 	<p>Reviewed and approved:</p> <ul style="list-style-type: none"> Exposure to clients that do not comply with enhanced environmental and social criteria Transactions where Position Statement criteria are not fully met Transactions with high or very high Reputational Risk with climate change factors and decisions on whether to decline transactions or not The process for net zero portfolio steering and governance, including: <ul style="list-style-type: none"> (i) evaluating clients' transition plans; (ii) refreshed financed emissions data for clients in sectors where the Group has set net zero targets; and (iii) ongoing approach to net zero portfolio management. Updates for cross-sector and sector-specific Position Statements
Sustainability Executive Committee (Sustainability ExCo)	Chief Sustainability Officer (CSO)	Five times in 2024	<ul style="list-style-type: none"> Hold ultimate decision-making authority over all material sustainability initiatives as delegated by the Group Management Team Direct actions as necessary for areas of improvement to ensure the effective implementation of sustainability initiatives Review findings and escalations from delegated committees (including but not limited to the Sustainability Operating Steering Committee) Oversee the net zero programme 	<p>Reviewed and approved:</p> <ul style="list-style-type: none"> New net zero sector target for agriculture and facilitated emissions target for the most material sector, oil and gas Announcement of a forward methane commitment Approval of the Group's Sustainability Aspirations Group's Transition Plan Group's prioritised ESG ratings <p>Discussed:</p> <ul style="list-style-type: none"> The Group's NGO engagements Early coal decommissioning approach Lifting Participation LTIP metrics

¹ Following Tracey McDermott's retirement as Group Head, Conduct, Financial Crime and Compliance at the end of 2024, Group Chief Risk Officer, Sadia Ricke, assumed overall Group Management Team oversight for the CFCR function in January 2025, and succeeded Tracey McDermott as Chair of the GRRRC. See page 112 for more detail on the Management Team

Governance body	Chair	Agenda frequency and inputs	Roles and responsibilities	Topics covered in 2024
Climate Risk Management Committee (CRMC)	Global Head, Enterprise Risk Management	Seven times in 2024	<ul style="list-style-type: none"> Oversee the effective implementation of the Group's Climate Risk workplan, including relevant regulatory requirements. Provide challenge and recommend Climate Risk-related Enterprise Stress Test results Review, challenge and provide feedback on external disclosures such as Climate Risk-related financial disclosures, including those set out by the TCFD Monitor and challenge the Climate Risk and net zero profile of the Group within Risk Appetite Approval of methodology changes to the net zero baselining and associated targets for existing sectors Review and approval of any new net zero sector target 	<p>Drove delivery of:</p> <ul style="list-style-type: none"> Climate-related Group-wide stress testing and management scenario analysis Progress associated with integrating Climate Risk across all impacted risk types Climate Risk-related external disclosures, including those discussed in this report Regulatory feedback and supervision Climate-related management information and Risk Appetite metrics Approach to delivering training and upskilling staff on Climate Risk across the Group Oversight on the development, ownership, as well as the results of Climate Risk models in scope Oversight of progress towards 2030 targets for automotive manufacturing, steel and agriculture sectors
Sustainable Finance Governance Committee (SFGC)	Head, Global Sustainability Engagement and Disclosures	At least six times a year	<ul style="list-style-type: none"> Provide leadership, governance and oversight in delivering the Group's sustainable finance offerings Review and endorse sustainable finance products Guide the Group in identifying opportunities in sustainable finance and managing the greenwashing risks relating to sustainable finance 	<p>Reviewed and approved:</p> <ul style="list-style-type: none"> Sustainable finance products including sustainable cash products, sustainable trade finance products and sustainable finance wealth and retail products Green and sustainable finance transactions including transactions with climate-related key performance indicators The Group's GSPF, encompassing a range of climate finance activities The Group's TFF outlining our approach to defining transition activities The Group's approach to pureplay clients which align to the Group's GSPF and TFF
Sustainability Operating Steering Committee (SOSC)	Head Strategic Initiatives, Sustainable Finance	Monthly (minimum eight per year)	<ul style="list-style-type: none"> Central forum where all strategic priorities related to sustainability are consolidated, prioritised and agreed upon Oversee and monitor milestones and deliverables of sustainability initiatives Ensure sustainability investment budget is centrally prioritised and allocated to business' and functions' quarterly performance reviews Be a forum for escalation and decision-making 	<ul style="list-style-type: none"> Enforced accountability and fostered collaboration across the Group to operationalise the Group's net zero plan requirements and the broader sustainability agenda Advanced the pan-bank data and digital strategy and capabilities to embed sustainability into the client and deal lifecycle Provided updates on advancement within the Group's Innovation Hubs



Visit our Committees website to view the terms of reference for our five board committees [sc.com/committees](https://www.sc.com/committees)

Incentive structure

Variable remuneration is based on measurable performance criteria linked to the Group's strategy, including our sustainability-related goals and targets, which is overseen by the Culture and Sustainability and Remuneration Committees.

Annual incentive

The Group scorecard, which contains financial and strategic measures, is a key input in determining the Group's variable remuneration pool. Sustainability-related measures were included in the 2024 Group scorecard and continue to be included in the 2025 Group scorecard related to:

Sustainability-related measures continue to be included in the 2025 Group scorecard related to:

- Growing sustainable finance income in our Corporate & Investment Banking network and social lending in Wealth & Retail Banking.
- Net zero decarbonisation: reducing our financed emissions for key sectors in line with our risk appetite.
- Reducing Scope 1 and 2 emissions in line with our operational net zero by 2025 target.

Long-term incentive plan (LTIP)

LTIP awards are granted to members of the Group Management Team and may also be granted to other employees in the Group. Sustainability measures continue to be included in the 2025–27 LTIP, streamlined to focus on our net zero pathway as follows:

Sustainability continues to be included in the 2025–27 LTIP streamlined to focus on our net zero pathway as follows:

- Accelerating zero: progress towards our 2030 sustainable finance mobilisation target in each of the three performance years.
- Net zero decarbonisation: reducing our financed emissions for key sectors being assessed on annual year-on-year emission reductions.



Further details can be found in the Directors' remuneration report on **pages 143-181**

Key individuals or teams with climate-related objectives which impact variable remuneration

In addition to the Group scorecard and LTIP performance measures, 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 outcomes and reward.

Individual or team	Objectives/performance linkage
Group Management Team (MT)	Members of the Group MT are eligible for an annual incentive based on the outcome of our Group scorecard and an LTIP award which both include sustainability-related measures. Further details can be found on pages 143 to 181 of this Annual Report.
Group Chief Risk Officer (CRO)	The GCRO is responsible for the overall second line of defence for Climate Risk as the appropriate Senior Management Function under the Senior Managers Regime. The GCRO is supported by the Global Head, Enterprise Risk Management, who has day-to-day oversight responsibility for Climate Risk.
Chief Sustainability Officer (CSO)	The CSO is responsible for setting and driving the Group's sustainability strategy, including delivering on the Group's public sustainability commitments. The CSO organisation houses the Group's sustainability strategy, net zero delivery, strategic initiatives, Innovation Hubs and environmental and social risk management (ESRM) teams. Performance measures for the CSO include progress against the delivery of the Group's net zero roadmap and sustainable finance targets.
Global Head of Supply Chain Management	The Global Head of Supply Chain Management is responsible for ensuring and overseeing the delivery of supply chain emissions reductions and climate-related objectives and plans in partnership with contract owners across the Group. This includes baselining our supply chain emissions related to products and services, supply chain emissions disclosures, and the implementation of plans to reduce supply chain-related emissions and managing climate risks in partnership with our suppliers.
Global Head of Corporate Real Estate Services (CRES)	The Global Head of CRES is responsible for delivering on our aim to reach net zero emissions in our Scope 1 and Scope 2 emissions by 2025.
All employees	Selected sustainability-related targets are incorporated into our annual Group scorecard which determines annual incentives for the majority of our employees.