

Sustainability review

In this section

- 68 Chief Sustainability Officer's review
- 75 Our approach to sustainability
- 83 Sustainable finance
- 90 Climate
- 111 Nature
- 113 Social impact
- 116 Managing Environmental and Social Risk
- 118 Integrity, conduct and ethics
- 122 Sustainability governance



Case study

Helping Ghana cook cleaner with the World Bank

In December 2025, we closed a \$200 million Clean Cooking Outcome Bond issued by the World Bank, unlocking \$30.5 million in climate finance for Ghana.

The bond, which will distribute 415,000 stoves, aims to make cleaner cooking accessible to 1.3 million people and reduce greenhouse gas emissions by more than 1.8 million tons of carbon dioxide equivalent.

The transaction shows how carbon finance can be deployed at scale to reduce carbon emissions in Africa and other emerging markets.



Read more: [sc.com/cleancooking](https://www.sc.com/cleancooking)

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 us, and we aim to integrate it 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 at sc.com/sustainabilitylibrary.

This section is designed to address the topics that could have a material (positive or negative) impact on society, nature or the climate. We describe how we have determined these topics under Materiality on page 72.

 Further disclosures are available at sc.com/sustainabilitylibrary

Content map of Annual Report sustainability-related disclosures

Disclosures	Page
Strategic report	
Key performance indicators	12 – 13
Stakeholder engagement	37 – 41
Non-financial and sustainability information statement	50
Sustainability review	
Our approach to sustainability	75 – 82
Sustainable finance	83 – 89
Climate	90 – 110
Nature	111 – 112
Social impact	113 – 115
Managing Environmental and Social Risk	116 – 117
Integrity, conduct and ethics	118 – 121
Sustainability-related governance	122 – 128
Directors' report	
Culture and Sustainability Committee report	176 – 179
Directors' remuneration report	180 – 206
ESG disclosures	208
Streamlined Energy and Carbon Reporting (SECR) disclosure	208 – 209
Risk review and Capital review	
High carbon sectors	260 – 262
Environmental, Social and Governance and Reputational (ESGR) risk	287 – 302
Financial statements	
Note 1. Accounting policies: Climate change impact on the Group's balance sheet	332 – 333
Supplementary information	
Supplementary people information	444 – 449
Supplementary sustainability information	450 – 453
Sustainability Aspirations	454 – 457
Climate reporting index	458 – 465

Disclaimer

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

- i Strategic report on pages 37 to 50
- ii Directors' report on pages 129 to 217
- iii Sustainability review on pages 66 to 128
- iv Risk review and Capital review on pages 287 to 302
- v Supplementary sustainability information on pages 450 to 465

In this Sustainability review, we set out our approach and progress relating to sustainability, and its content is subject to the statements included in (1) the 'Forward-looking statements' section; and (2) the 'Basis of preparation and caution regarding data limitations' section provided under 'Important notices' on pages 467 to 469.

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

Chief Sustainability Officer's review



The commercial imperative to finance the world's sustainability transition is more compelling than ever for those who recognise the opportunity alongside the value at stake that stems from inaction.

There is a determined momentum to decarbonise on the path to energy abundance and much of this momentum I have had the good fortune to witness myself – driven by our core markets in Asia, Africa and the Middle East.

Marisa Drew
Chief Sustainability Officer

Across our markets, the unprecedented pace of renewables adoption is evidence of a positive tipping point and in the 2025 World Energy Investment report¹, the International Energy Agency (IEA) highlighted that \$2.2 trillion of investment is now going collectively towards the global energy transition alone, with the rapid scaling of green energy outpacing fossil fuels twofold.

I am also gratified to see increasing action and investment towards climate adaptation, a subject that Standard Chartered has been championing because of the disproportionate effects that our warming planet has on emerging markets.

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 against our four 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.

In 2025, we expanded the scope of our work in sustainability innovation by establishing our fifth Innovation Hub, focused on the circular economy. This reflects the growing appetite across our markets for financial solutions that embrace circular concepts, given that the circular economy is a powerful framework for both sustainability-led competitive differentiation and for business resilience – one that unlocks new value chains, supports inclusive growth, creates value, protects nature and supports business continuity in a resource-constrained world.

Our sustainable finance activity underscores the commercial opportunity the transition presents, with \$1.07 billion of sustainable finance income generated in 2025, meaning that we have exceeded our target of \$1 billion in annual sustainable finance income by 2025. We have also diversified our sustainable finance revenue mix by increasing the penetration of our core products across markets while expanding our product offering suite. Alongside these milestones, we have now mobilised \$157 billion in sustainable finance for our clients since January 2021 against our \$300 billion target by 2030 and in 2025 issued Standard Chartered PLC's first social bond.

¹ World Energy Investment 2025, International Energy Agency.

2025 highlights

\$1.07bn[^]

sustainable finance income generated in 2025, exceeding our target of at least \$1 billion annual income by 2025¹

Achieved net zero in own operations
(Scope 1 and 2 emissions)²

\$157bn[^]

cumulative mobilisation of sustainable finance from January 2021 to September 2025 against our commitment to mobilise \$300 billion by 2030

Nature Report published
in line with our early adoption of the TNFD disclosure framework

€1bn

inaugural social bond issued

Circular Economy Innovation Hub
established



In addition, we have made strong headway on our net zero pathways, standing firm behind the actions and targets outlined in our Transition Plan. This includes delivering on our commitment to be net zero in our own operations (Scope 1 and 2 emissions) by the end of 2025. For the first time, we have also measured and disclosed the financed methane emissions intensity associated with our upstream oil and gas portfolio as we seek to show leadership in tackling these emissions, which have a strong contribution to global warming. We have also strengthened client engagement across our 12 high-emitting sectors, providing tailored products and innovative financing solutions to help accelerate their decarbonisation journeys.

Finally, as an early adopter of the Taskforce on Nature-related Financial Disclosures (TNFD), we also published our first Nature Report alongside our 2025 Annual Report. The Nature Report outlines our approach to assessing, evaluating, understanding and managing nature-related impacts, dependencies, risks and opportunities across our CIB financing activities and direct operations, as part of our initial step towards aligning our reporting with the TNFD recommendations.

Our priorities for 2026 remain steadfast: to deliver on our commitments, to support our clients in their transitions, and to foster innovation to drive sustainable and inclusive growth across our markets. The progress detailed in this report reflects not just what we have achieved to date, but our ongoing determination to foster long-term value creation across our markets.

Marisa Drew

Chief Sustainability Officer

¹ Values noted with a caret symbol ([^]) are subject to independent limited assurance by EY.

² See pages 93–95 for details.

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 Schneider Electric over certain data points within this Annual Report as detailed on page 74.
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, geography, 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 socially responsible manner 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.
Environmental Reporting Criteria	Sets out the principles and methodologies used to report our Scope 1, Scope 2 and Scope 3 supply chain greenhouse gas (GHG) emissions.
ESG data pack	Environmental, Social and Governance (ESG) and sustainability data is provided in an Excel format.
ESG Reporting Index	Alignment table referencing our disclosures using voluntary sustainability reporting frameworks: Global Reporting Initiative (GRI) Standards and World Economic Forum (WEF) Stakeholder Capitalism Metrics.
Standard Chartered Foundation (previously 'Futuremakers') Impact Report	Provides progress and outcomes about the Standard Chartered Foundation, our global youth economic empowerment initiative, tackling inequality and promoting greater economic inclusion.
Nature Report	Outlines our progress against the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD).
Methane White Paper	Provides details about the calculation methodology and baseline for the intensity of our upstream oil and gas portfolio's methane emissions.
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.
Policies	We publish our main sustainability-related policies, including on: anti-money laundering; anti-bribery and corruption; 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.
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 and Sustainability Bond Framework outline our definition of green, social and sustainable finance. Our Transition Finance Framework sets out the activities and entities that we consider eligible for transition finance.

 Read the Group's suite of sustainability-related reports and disclosures on sc.com/sustainabilitylibrary

Our approach to sustainability reporting

The Group includes Environmental, Social and Governance (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. The reporting boundaries for this information are the same as for the remainder of this Annual Report.

Reporting standards

We have considered our ESG reporting obligations under the Hong Kong and Financial Conduct Authority (FCA) UK Listing Rules, as well as the UK Companies Act Climate-related Financial Disclosure Regulations 2022 (see Directors' report on page 208 for further information). We are reporting against the climate-related disclosure requirements set out in Part D of the ESG Reporting Code (Appendix C2 to The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited) in this Annual Report on a 'comply or explain' basis. See our climate reporting index on page 458. We have sought to comply with material requirements to the extent currently possible without undue cost or effort for the Group or for our clients and other third parties who provide or publish information required for our most material disclosures. Requirements for which we are not yet able to disclose all information are explained below and throughout this chapter:

Under paragraph 31 of HKEX Appendix C2 – Part D, an issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks. The percentage and amount of our WRB assets or business activities vulnerable to climate-related physical risks are disclosed on pages 293 to 295 of the Risk review section of this Annual Report. For CIB, we have seen a steady improvement in the coverage of Physical Risk data in the last few years as we work towards full disclosure. We are in the process of incorporating a methodology to include physical risk gradings to identify and assess our clients' exposure to extreme weather events. More information can be found on pages 289 to 297 of the Risk review section. Therefore, the disclosure of the percentage of assets or business activities vulnerable to climate-related physical risks is a work-in-progress and is expected to be covered in our 2026 Annual Report.

We are disclosing our material Scope 3 financed and facilitated emissions pursuant to article 28(c) on page 99. We do not include our clients' underlying Scope 3 emissions for all reported financed emissions sectors – refer to page 99 for our rationale. This data also does not yet include emissions related to undrawn loan commitments as these are not part of our original net zero roadmap. We acknowledge that industry practice and disclosure requirements evolve over time as more detailed calculation methodologies are developed, and we are preparing to cover emissions related to undrawn loan commitments and any other potential asset classes deemed to be material in our 2026 Annual Report.

We are not able to present all disclosures for the same period as the financial statements, as disclosed in more detail on page 74. However, additional information has been provided on page 71 for compliance with Part D of the ESG Reporting Code, paragraph 17(1).

 For our Taskforce on Climate-related Financial Disclosures (TCFD) content table, see the climate reporting index on pages 458 to 465

We have also 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 WEF Stakeholder Capitalism Metrics.

 Read more about our ESG Reporting Index at sc.com/sustainabilitylibrary

Our approach to sustainability reporting will continue to evolve subject to regulatory and voluntary standards, frameworks and principles relevant to our business across listing locations and footprint markets. We are actively preparing for future reporting obligations across the various jurisdictions in which we operate, including reporting under the International Sustainability Standards Board's (ISSB) IFRS S1 General Requirements of Sustainability-related Financial Information (IFRS S1) and IFRS S2 Climate-related Disclosures (IFRS S2). This includes preparing for reporting our absolute gross financed emissions disaggregated by asset class (including undrawn loan commitments) once required under IFRS S2 paragraph B62.

During 2025, the Group has been tracking the outcome of the EU Omnibus proposal and has concluded that none of its subsidiaries are required to report against the EU Corporate Sustainability Reporting Directive (CSRD) for the 2025 reporting period. We will continue to monitor jurisdictional updates in future periods to determine whether any reporting is required at a subsidiary level.

Metrics and calculation methodology

In our Net Zero Methodological White Paper, we share the calculation methodology for our reported financed and facilitated emissions calculations and disclosures. The paper sets out the scope of financial products included in our financed and facilitated emissions calculations on page 9 and 45.

 Read more in our Net Zero Methodological White Paper – The journey continues, on sc.com/sustainabilitylibrary

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

Our approach to sustainability reporting

In 2025, we made the following restatements to previous year comparatives:

	Page
Prior year total financed emissions have been restated following a restatement in the oil and gas sector absolute emissions. The prior period has been restated to apply the Group's revised methodology to reflect improvements in data quality and only counts Scope 3 emissions on upstream production activities (including diversified and integrated counterparties).	92
The agriculture portfolio Implied Temperature Rise and target range have been revised following an update to the Carbon Disclosure Project methodology on default temperature scores, moving from 3.1°C to 3.4°C.	98
We have restated our Scope 3 Category 1: Purchased goods and services emissions data for the 2024 reporting year from 346,193 tCO ₂ e to 319,078 tCO ₂ e due to one of our largest suppliers (by spend) restating their publicly reported emissions.	92
Emissions from third party co-located data centres have been reclassified to Scope 3 category 8 from Scope 3 category 1. We re-evaluated the nature of our lessee relationship with these assets and, in line with the GHG Protocol, believe this data aligns more closely to Scope 3 category 8.	92
2024 sustainable finance mobilisation has been restated resulting in an increase of \$2.2 billion from \$120.7 billion up to \$122.9 billion.	83
Sustainable investments assets under management for Hong Kong as at 31 December 2024 have been restated from \$599.7 million to \$539.2 million for alignment to local regulations around sustainable products classification and reporting.	88

In addition to these restatements and revisions, we occasionally receive revised prior reporting period data from third parties as their own data accuracy and review processes tighten. We revise our data to account for these where appropriate to maintain comparability and reference the change in an accompanying footnote.

Materiality

In preparing these disclosures, we have conducted two separate materiality assessments guided by ISSB educational material on 'Sustainability-related risks and opportunities and the disclosure of material information' and 'GRI 3: Material Topics 2021'.

Material information using ISSB guidance

We conducted a materiality assessment to identify the sustainability-related risks and opportunities that could reasonably be expected to affect the Group's prospects, using ISSB educational material. As part of this exercise, we have determined that climate-related risks and opportunities could reasonably be expected to affect the Group's prospects over the medium to long term, and relevant information pertaining to those risks and opportunities – including how we address climate risk through our business strategy and financial planning as we implement our net zero journey – is therefore material to the primary users of this Annual Report. In the short term, the quantitative assessment of the impact of climate risk on the IFRS 9 expected credit loss (ECL) provision resulted in only a marginal ECL increase across CIB and WRB, which has been recorded as a management overlay for the 2025 year end. As a result, the Group considers Climate Risk to have limited quantitative impact in the immediate term, and as a longer-term risk is expected to be addressed through its business strategy and financial planning as the Group implements its net zero journey. See Note 1 to the financial statements on pages 332 to 333 for further details.

The materiality assessment process incorporated value chain mapping, evaluating resources, relationships and stakeholder engagement across the Group to identify a preliminary list of potential sustainability-related risks and opportunities and a corresponding list of their potential impacts on the Group's cash flows, access to finance or cost of capital now and in the future. In identifying information about those potential risks and opportunities, we considered additional guidance from frameworks including the Sustainability Accounting Standards Board (SASB) Standards, GRI Standards and the United Nations Environment Programme Finance Initiative (UNEP FI) ESRS Interoperability Guide.

To assess whether information about climate-related risks and opportunities was material, we considered their likely effect on the Group's prospects and the returns to current and potential shareholders. This included timing, magnitude and likelihood of the potential effects, and the usefulness of the information associated with those potential effects to primary users of the Annual Report when making decisions. This underwent a review and challenge process, with input from subject matter experts across the Group and third-party review by external consultants.

As a result of this process, the Group deemed information about internal carbon pricing, the split of GHG emissions into constituent gases (with the exception of financed methane emissions), and Scope 3 categories other than Categories 1, 6 and 15, as immaterial or not applicable.

The full list of climate-related risks and opportunities identified as part of this assessment can be found in the Climate risks and opportunities section on page 107. How we identify and manage those risks and their current and anticipated effects on the Group's business model, value chain, strategy and decision-making is set out on pages 110 and 116 to 117.

Note 1 to the financial statements on pages 332 to 333 sets out the effects of those climate-related risks and opportunities on the Group's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the Group's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those sustainability-related risks and opportunities have been factored into the Group's financial planning.

Material topics under GRI

GRI 3: Material Topics 2021 provides step-by-step guidance for organisations on how to determine material topics. Material topics are those 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 applying the guidance, 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 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, which are reviewed annually, are set out in the table below.

GRI topics	Action and decision	Learn more
Sustainable finance	How we identify opportunities to drive 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 Page 83
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 Page 90
Nature	How we contribute towards our ambition of shifting financial flows towards nature-positive outcomes. This includes the Group's progress against our nature-related ambitions.	Nature Page 111
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 and inclusion.	Stakeholders Page 37 Supplementary people information Page 444
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 client protection and charitable giving.	Social impact Page 113
Data privacy	The protection practices over client and personal information held by the Group.	Data privacy and protection Page 121 Topical and emerging risks Page 47
Corporate governance	Governance structures and internal control processes by which the Group is directed. This includes risk management, business conduct, anti-bribery and corruption, anti-money laundering, and whistleblower protection.	Managing environmental and social risk Page 116 Integrity, conduct and ethics Page 118 Sustainability-related governance Page 122



Read more about our materiality assessment and how we engage with stakeholders at sc.com/sustainabilitystakeholders

Our approach to sustainability reporting

Reporting periods

The reporting periods for the Group's sustainability information do not always align with the financial reporting year. This is due to a lag in the availability of third-party data and, where applicable, the time needed for independent third-party assurance. In preparation for future reporting requirements, we are considering how best to further align reporting periods going forward by increasing the number of estimates used in our calculations.

Greenhouse gas emissions and other operational environmental performance data

The reporting period for the majority of our operational environmental performance indicators, including GHG emissions, waste generation and water consumption, is from 1 October 2024 to 30 September 2025. 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; Category 2: Capital goods; Category 4: Upstream transportation and distribution; Category 6: Business travel; Category 8: Upstream leased assets; and Category 15: Investments. Emissions data for these categories is disclosed on a one to two-year lag with emissions reported in 2025 based on the availability of third-party data and client data.

For reasons described above, our Scopes 1 and 2 emissions are reported for the period 1 October 2024 to 30 September 2025. This allows comparability over time and aligns with our Scope 1 and 2 net zero emissions by 2025 target, which is based on the same period.

This year, we are also disclosing our Scopes 1 and 2 emissions for the period 1 January 2025 to 31 December 2025 on page 452, as newly required under Part D of the ESG Reporting Code, paragraph 17(1).

Sustainable finance data

With the exception of sustainable finance income, sustainable finance metrics are reported at 30 September 2025, allowing sufficient time to complete reporting. Sustainable finance income is reported for the full financial period from 1 January 2025 to 31 December 2025.

Other sustainability-related data

Unless otherwise stated, the reporting period for all other sustainability information in this Annual Report is from 1 January 2025 to 31 December 2025 to align with the financial reporting period year.

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 (^). The assurance engagement was planned and performed in accordance with the International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised)). 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 (market-based) 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 Schneider Electric. These verifications were conducted in accordance with the ISO 14064-3 GHG 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's annual report.



Our approach to sustainability

Sustainability is a strategic area of focus, 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 2025 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 73, including sustainable finance, climate, nature and social impact.

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

Aspiration 1: Mobilise \$300 billion of sustainable finance¹

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 economic growth.

We mobilise sustainable finance through bonds, loans, advisory and trade finance products. Our ability to offer sustainable finance products is supported by our Sustainable Finance Frameworks, which outline how we apply sustainable finance labels across products and transactions.

Progress in 2025

\$157bn[^]

cumulative mobilisation of sustainable finance from January 2021 to September 2025 against our commitment to mobilise \$300 billion by 2030.

¹ We define mobilisation of sustainable finance as our share of 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 or national net zero pathway (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 committed on facilities provided to clients. Mobilisation is the provision of capital that, as per the legal contractual documents meet the sustainable finance verification criteria, or SLL eligibility, as of the date of execution of the trade.

Sustainability Aspirations: Our long-term goals

Sustainability Aspiration

Progress in 2025

Aspiration 2: Operationalise our interim 2030 financed emissions targets to meet our 2050 net zero ambition

We aim to reach net zero in our financed emissions by 2050. The Group has set and disclosed interim financed emissions reduction targets for 2030 across our 12 high-emitting sectors, including a facilitated emissions target for oil and gas, which currently makes up the majority of emissions within our facilitation portfolio.

We also believe that while target-setting is crucial, we need a clear plan to transition our business. This can be found in our 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 of delivering on our interim 2030 targets and ultimate 2050 net zero ambition. We recognise the challenges posed by those of our markets that have yet to commit to net zero or whose commitments extend beyond 2050, but we remain focused on driving progress and continued to engage our transition priority clients in 2025. This included assessing their targets against the Group's and better understanding any opportunities for sustainable finance to support their journeys. Read more on our progress towards our interim 2030 net zero targets on page 98.

We continued to work on our key focus areas in section 9 (Next steps) of our Transition Plan including:

Set up a net zero alignment process when approving client limits for deals going to the Capital Allocation Forum

Embedded alignment outcomes with sector pathways into Climate Risk Assessments and Business Credit Application documents for in-scope net zero exposures

Held Net Zero & Climate Risk Working Forums for 45 per cent of transition priority clients in 2025 to step up engagement on their transition plans, net zero targets and sustainable finance opportunities

Aspiration 3: Enhance and deepen the sustainability ecosystem

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.¹

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.

'Scaling Circular Finance: No Time to Waste' paper published by newly established Circular Economy Innovation Hub

Published our inaugural Nature Report as a TNFD Early Adopter

Aspiration 4: Drive social impact with our clients and communities

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.

With our associated charity, the Standard Chartered Foundation, 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. Read more on pages 113 to 115.

106,570

jobs enabled and supported since 2019²

€1bn

inaugural Social Bond issued

¹ A list of our primary memberships can be found at sc.com/sustainabilitystakeholders.

² Total jobs-enabled data comprises underserved participants who access decent employment at the end of the intervention, and direct jobs (part-time and full-time direct employees, contractors, support/gig workers, and the entrepreneurs themselves) created by supported microbusinesses within 12 months of the end of the intervention. 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. The data comprises 69,360 young participants in decent employment, and 37,210 direct jobs enabled by supported microbusinesses.

 For detailed progress against all our Sustainability Aspiration targets read more on pages 454 to 457

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 Pillars

Progress in 2025

Pillar 1: Scale sustainable finance income

Growth and innovation in our sustainable finance franchise is critical to the delivery of the Group's net zero roadmap and to supporting our clients on their own transition journeys. Our sustainable finance teams develop customised solutions that speak to clients' needs and ambitions.

The Group's sustainable finance product suite is set out within our Green and Sustainable Product Framework (GSPF), as described on page 89.

Our sustainable finance income target is a CIB target, based on income, net of funding costs, 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.

\$1.07bn[^]

sustainable finance income generated in 2025, exceeding our target of at least \$1 billion annual income by 2025¹

Pillar 2: Further embed sustainability across the organisation

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.

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.

4,209

clients evaluated through climate risk assessments, and 1,204 client ESGR risk assessment reviews² completed

28,740

colleagues completed the Sustainable Finance Foundation Programme since commencement in 2022, and 38 ad hoc training courses held in 2025, reaching more than 6,388 colleagues

Pillar 3: Deliver on the annual milestones set forth in our net zero roadmap

We aim to reach net zero in our financed emissions by 2050, having reached net zero in our own operations (Scope 1 and 2 emissions) in 2025.³

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 have prioritised our measurement and decarbonisation efforts in the highest-emitting and most carbon-intensive sectors of our portfolio.

We have set financed emissions targets for our 12 highest-emitting sectors, and 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.

Net zero in Scope 1 and 2 emissions

and predominantly on track for our 12 interim high-carbon sector financed emission targets⁴

Measured and disclosed financed methane emissions intensity associated with our upstream oil and gas portfolio

Pillar 4: Leverage our Innovation Hubs

Our five thematic Innovation Hubs – Adaptation Finance, Blended Finance Programmes, Carbon Markets & Finance, Nature Finance and Circular Economy – focus on emerging sustainability themes that are nascent but ripe for scale. The Hubs help to drive innovation across the sustainability market.

This model has been more successful than anticipated, as we executed on seven landmark transactions aligned to the themes of the Hubs in 2025 (compared to four in 2024). Read more on the work conducted by the Hubs on page 78.

7

transactions aligned to the Group's sustainability-themed Innovation Hubs executed in the year

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

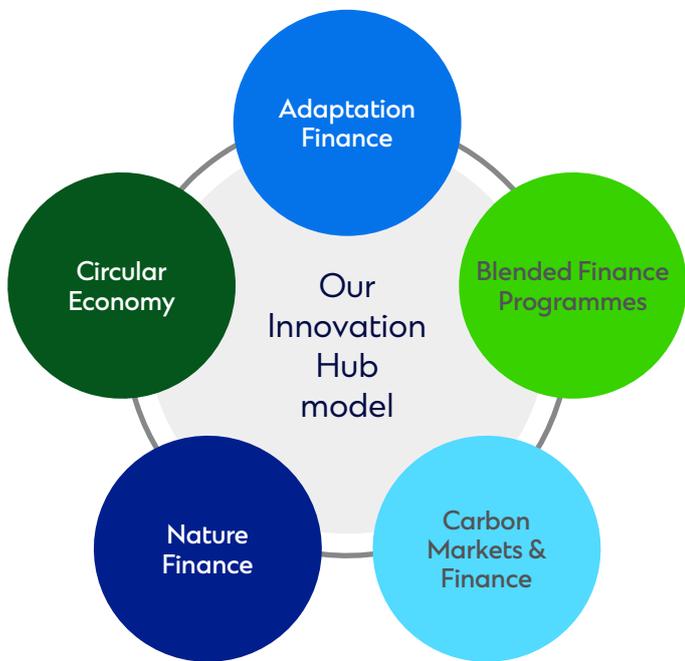
2 This metric captures the number of clients reviewed for Environmental and Social (E&S) risks by dedicated internal E&S specialist teams. In September 2025, the Reputational and E&S risk assessments were consolidated into a single ESGR assessment, Client Environmental, Social, Governance and Reputational Risk Assessment (Client ESGRA). We aim to report the data for Client ESGRAs in our 2026 Annual Report and Accounts.

3 See pages 93–95 for details about net zero in our Scope 1 and 2 emissions.

4 See pages 99–106 for details about how we track against each of the 12 high-carbon sector pathways.

Innovation hubs

Our Innovation Hubs 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.



Our Adaptation Finance, Blended Finance Programmes, Carbon Markets & Finance, and Nature Finance Innovation Hubs were established in 2023. In 2025, we launched our fifth Innovation Hub focused on the Circular Economy to help identify, facilitate and scale bankable opportunities that seek to minimise the impact of the economy on the planet’s support systems.

Each Hub is transversal, run by senior leaders in the CSO organisation, and seeks to identify opportunities for future returns outside of our core range of traditional products and services. By 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.

About the Innovation Hubs

1. Adaptation Finance¹ 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 benefit.²

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. Our ‘Guide for Adaptation and Resilience Finance’ 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.

Progress in 2025

Further to the completion of the Group’s first adaptation finance transaction in 2024 – an adaptation letter of credit with a parametric insurance provider, which provided financial protection for businesses in the renewable energy sector against extreme weather – we have now also completed our first adaptation finance transaction for a corporate client.

The deal facilitates the trade of solar modules resistant to tornadoes and tropical storms, extreme wind, storms and sandstorms. It also represents the Group’s first labelled adaptation finance transaction in China.

Standard Chartered is also co-chair of the UK Climate Financial Risk Forum adaptation working group. In addition, we have been asked to join the newly formed ASEAN Working Committee on Capital Market Development and ASEAN Capital Markets Forum Joint Sustainable Finance Working Group’s Industry Advisory Panel Working Group on Adaptation. Through these forums and others, we will continue to engage the financial ecosystem to seek opportunities for adaptation and resilience in Asia, Africa and the Middle East.

In 2025, we won the Strategic Leadership – Innovative Financing Mechanism Award, which is part of the Climate Resilience Awards launched by the World Business Council for Sustainable Development and Global Resilience Partnership. We also ranked first in the Climate Proof & Climate Aligned 2025 world’s largest commercial banks by adaptation maturity.³

 For more on Adaptation Finance see our Adaptation Economy Report sc.com/adaptation-economy

 See our Guide for Adaptation and Resilience Finance at sc.com/adaptation-resilience

1 Adaptation and resilience finance is considered to be any financial service that 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, clients, supply chain, or the communities in which it operates.

2 Read our research on the Adaptation Economy at sc.com/adaptation-economy.

3 Based on 15 qualitative indicators as described in the Global Bank Climate Adaptation Assessment 2025 published by Climate Proof and Climate Aligned.



2. Blended Finance Programmes¹

Context

As the global community accelerates efforts to meet 2030 climate and sustainability targets, the need for scalable blended finance solutions remains critical. We are recognised by Convergence, the global network for blended finance, as one of the most active commercial banks in blended finance globally. However, progress is being made, many blended finance transactions remain bespoke and fragmented. We continue to champion a programmatic approach through country- and sector-platforms, to bring public and private capital together and deliver impact at scale.

Progress in 2025

We continued to advance our programmatic approach by seeking partnerships with development finance institutions (DFIs), multilateral development banks (MDBs), family offices, philanthropic organisations and country platforms.

We are a signatory to the Indonesia and Vietnam Just Energy Transition Partnerships (JETPs). We have pledged support in both countries as part of a cohort of GFANZ member banks in the Working Group that have collectively committed to at least match initial donor contributions. We acted as lead arranger for Indonesia's first JETP solar project. Together with Deutsche Investitions- und Entwicklungsgesellschaft (DEG) and Proparco we structured a \$60 million facility

to co-finance the 92 MWp Saguling floating solar project developed by PLN IP and ACWA Power, mobilising both public and private capital to accelerate Indonesia's transition.

We were mandated to advance Lesotho's Just Energy Transition process, the first private sector-led country platform. The initiative, endorsed by His Majesty King Letsie III of Lesotho and the Government of Lesotho, is designed to mobilise capital to finance a portfolio of generation and transmission projects to support the delivery of Lesotho's nationally determined contribution (NDC) and Mission 300 Compact. The opportunity represents a unique case study for a landlocked, developing country to leapfrog from an energy importer to an exporter of clean power, supporting domestic and regional energy stability and security, and the creation of local jobs and technical skills development.

We are continuing to work on developing a sector-led partnership, and our proposal for an innovative financing solution for renewable energy in Southern African countries has been shortlisted by British International Investment in their ongoing Mobilisation Facility competition.

We continue to use our experience and network to actively contribute to key global partnerships and initiatives that deliver differentiated impact and help to mature and advance the blended finance thematic such as the GFANZ and the WEF.



¹ Blended Finance is the use of catalytic public (and/or philanthropic) capital to increase private sector investment that supports the Sustainable Development Goals (SDGs).

Our approach to sustainability



3. Carbon Markets & Finance

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 channel climate finance where it's needed most 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 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 2025

The Carbon Markets & Finance Hub focused on further expanding capabilities and delivering strategic partnerships. The year was marked by a clear nature agenda in international climate policy, which put the pressing need for commitment towards forest conservation and restoration at the top of the agenda. We signed an exclusive agreement with the Brazilian State of Acre in connection with Acre's work to market their Amazon forest REDD+ conservation credits generated over the next five years. We also participated in large-scale carbon project finance, supporting the Chestnut afforestation project in the US, acting as mandated lead arranger (see case study on page 82).

We are seeing an increasing need for carbon finance as the public sector is committing to increasingly ambitious decarbonisation targets, and hyperscalers are entering a growing amount of large procurement contracts for carbon credits. The Hub actively engages with those players, positioning ourselves as a partner of choice through our market expertise and strong credentials in the sustainable and blended finance space. We are broadening our carbon finance and advisory offering across conventional debt finance, capital markets and, increasingly, private debt markets.

In December 2025, we acted as sole lead manager and bookrunner for a \$200 million Clean Cooking Outcome Bond issued by the World Bank, unlocking \$30.5 million in climate finance to deploy 415,000 clean cooking devices across four regions in Ghana. The planned stove distribution aims to

make cleaner cooking accessible to 1.3 million people and reduce GHG emissions by more than 1.8 million tonnes of carbon dioxide equivalent. The transaction represents the first time outcome bond returns have been linked to Internationally Transferred Mitigation Outcomes under Article 6.2 of the Paris Agreement, contributing towards the national climate targets of Ghana and Switzerland.

On the trading side, we remain a prominent liquidity provider in the European and UK compliance markets. We are expanding our capabilities as opportunities arise to support clients in our home markets as more domestic and sectorial compliance markets are developing. In 2025, we established capabilities in the South African compliance market as we continue working on our capabilities to participate in key markets such as Carbon Offsetting and Reduction Scheme for International Aviation (CORSA) for aviation, Emissions Trading System 2 (ETS2) for transport in Europe and the Singapore Carbon Tax scheme.

We continue to demonstrate thought leadership and actively collaborate with regulators in our key markets. This includes support for the ICVCM review process for both carbon standards and methodologies, and driving policy engagement with industry and country representatives through our position as co-chair of the International Workgroup at the International Emissions Trading Association (IETA).

We participated in the UK's Jet Zero Taskforce to develop proposals for the development and use of GHG removal credits by UK aviation for the UK Government. In Asia, we co-lead the carbon markets workstream for Singapore Sustainable Finance Association alongside Climate Impact X to support the development of an interoperable ASEAN carbon market.



4. Nature Finance

Context

It is estimated that over half of global GDP is moderately or highly dependent upon nature.¹ The Nexus assessment from the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)² 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. According to the Stockholm Resilience Centre, we have already breached seven of the nine ‘planetary boundaries’ that are responsible for the stability and resilience of Earth systems and demarcate the safe operating space for humanity.³ With respect to biodiversity, a catastrophic 73 per cent decline in wildlife populations has been observed from 1970 to 2020.⁴ Protecting nature is essential to limiting anthropogenic global warming and mitigating its impacts so that the planet can sustain all livelihoods and support inclusive sustainable economic development.

1 PWC (2023) Managing nature risks: From understanding to action.

2 McElwee, P. D., et al. (2025). IPBES Nexus Assessment: Summary for Policymakers. Zenodo.

3 Azote for Stockholm Resilience Centre, based on analysis by Sakschewski and Caesar et al. 2025.

4 WWF (2024) Living Planet Report 2024 – A System in Peril. WWF, Gland, Switzerland.

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.

Progress in 2025

The Nature Finance Hub is responsible for advancing the Group's nature risk methodology and identifying financing opportunities through nature risk assessments. In 2025, the Group leveraged the Hub's nature risk capabilities along with the advancement in its geospatial tools for deal diligence and nature performance modelling. Notably, in the landmark project financing for Chestnut Carbon (see case study on page 82), the Hub conducted nature performance analysis across the asset locations. We also piloted nature-related corporate engagement leveraging our in-house impacts and dependency assessment capabilities to identify nature finance transition opportunities.

We signed a Memorandum of Understanding with African Parks to explore an outcome bond for Majete Wildlife Reserve in Malawi leveraging the Verifiable Nature Unit as the outcome monitoring, reporting and verification mechanism.

We co-funded a feasibility study to scope the potential blue carbon value from Palk Bay's seagrass¹ with the International Union for Conservation of Nature (IUCN). If viable, these blue carbon credits could catalyse private finance, incentivise seagrass meadows preservation and generate revenue for the local community.

The Hub supported Standard Chartered Indonesia in a seaweed project with Association of Indonesian Employers (APINDO), Conservation International and Konservasi Indonesia to support sustainable seaweed industry development in Indonesia, and provided expertise to Standard Chartered Foundation to develop the framework for the ASEAN Blue Economy Programme, which is intended to create sustainable jobs for youth while protecting the ocean across ASEAN.

Building on Standard Chartered's blue economy leadership, we were an active participant in the Blue Economy and Finance Forum and United Nations Ocean Conference, showcasing our execution of 'The Bahamas debt-for-nature-swap' as an exemplary blended finance structure and advocating the role the private sector can play in advancing a sustainable and regenerative blue economy.

As an early adopter of the TNFD framework, we have published our inaugural Nature Report alongside this Annual Report. It reflects our assessment on the potential nature-related impacts and dependencies in our financing activities and direct operations.

 [Read our Nature Report at sc.com/nature](https://sc.com/nature)

1 Read the full study at sc.com/palk-bay.

2 Global Resources Outlook, UNEP 2024.

3 Global Waste Management Outlook, World Bank 2024.



5. Circular Economy

Context

The transition to a circular economy is essential to reducing the impact of population and per capita consumption growth on the world's finite resources and having a nature-positive impact on the world's ecosystems. Studies have shown that a business-as-usual scenario could result in the rate of raw material extraction being 60 per cent higher in 2060 compared to 2020², while waste generation is on track to increase by 80 per cent, costing the global economy \$417 billion per year by 2050.³ Eliminating waste and pollution, extending product life through redesign and efforts such as repair, reuse and remanufacturing, and keeping materials in the economy longer through recycling at the end of product life, collectively represent a multi trillion-dollar opportunity that also directly contributes to carbon reduction. The benefits of a circular economy include decoupling economic growth from the growth of unsustainable resource extraction and enabling companies and countries to improve resilience and competitiveness, while also creating jobs and advancing all 17 of the UN SDGs.

There is a lot of progress to be made before a circular economy becomes fully integrated into society as evidenced by the low material circularity rate globally (around 7 per cent) and a funding gap measuring in the trillions of dollars globally needed for scaling infrastructure and solutions for circularity. The Group recognises the risks and opportunities that the circular economy can bring, especially to our footprint markets where significant capital and innovative financing solutions are required to scale upstream innovation and adoption of circular solutions and for establishing the waste management and recycling infrastructure critical for circularity in developing markets.

Progress in 2025

We established a Circular Economy Innovation Hub, led by Andrew Morlet, former CEO of the Ellen MacArthur Foundation, an organisation that has catalysed global focus on the circular economy and plastics use. The Hub has initiated work to align circular economy measurement and reporting definitions and standards, including expanding the Group's Green and Sustainable Product Framework, to build internal knowledge and capacity, and to identify and support client opportunities. It has also led the development of collaboration efforts with other banks (circular economy- focused commercial banks and MBDs), financial institutions, global organisations (UNEPFI, WEF), governments (co-chairing the UK/Dutch Circular Economy Finance Group comprising 10 leading commercial banks), aiming to identify barriers and solutions to increase capital mobilisation and circular economy investment.

Our approach to sustainability

The Hub published its inaugural paper on the circular economy entitled 'Scaling Circular Finance: No Time to Waste'. The paper makes the case for circular economy financing and identifies four critical levers to be adopted by relevant stakeholders:

- (1) Recognise that the circular economy is fundamental to delivering climate and nature targets.
- (2) Agree on circular definitions, principles, measurement and reporting.
- (3) Integrate the circular economy into finance risk models.
- (4) Drive for a harmonised international regulatory and policy landscape.

The work of the Hub is focused on collaboration to progress these priorities to facilitate the flow of additional capital towards the circular economy and on supporting clients on their transition to more circular operating models.

 [Read our Circular Economy report at sc.com/scalingcircularfinance](https://sc.com/scalingcircularfinance)

The Infrastructure and Development Finance Group, with support from Carbon Markets and Nature Finance Hubs, unlocks real-world climate and nature outcomes: Supporting Chestnut Carbon to advance US afforestation in the voluntary carbon market



Chestnut Carbon, a nature-based carbon removal developer, announced the closing of a landmark non-recourse project finance credit facility of up to \$210 million in August 2025. This is one of the first applications of a commercial project financing for a US voluntary carbon removal afforestation project, with Standard Chartered participating as a mandated lead arranger alongside a syndicate of banks. This transaction marks a pivotal step towards achieving increasing commercial scale for both the company and the broader voluntary carbon market and US afforestation space.

This innovative credit facility leverages the long-term off-take agreement executed earlier in 2025 between Chestnut and Microsoft to deliver more than 7 million tonnes of carbon removal credits over 25 years as an anchor revenue stream for the financing. The project is estimated to restore roughly 60,000 acres of unused farmland by planting over 35 million native, biodiverse hardwood and softwood trees.

Setting a new standard for project finance in the voluntary carbon space

Drawing on elements from traditional sectors, most notably renewable power projects, the deal's structure, underpinned by the long-term offtake contract with Microsoft, brings credit discipline, rigorous underwriting and scalability to a relatively new asset class.

As the industry evolves, this transaction is a prime example of how innovative financing can help support a path towards competitively priced capital and investor diversification.

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.

Sustainable finance mobilised¹

Product	Oct 2024–Sep 2025 ¹⁴ \$m	Jan 2021– Sep 2024 \$m	Cumulative progress Jan 2021–Sep 2025 \$m
Use of proceeds ^{2,3,10,12}	11,035	29,694	40,729
Sustainability-linked loans (SLLs) ^{3,4,12}	7,277	38,232	45,509
Transition finance ^{5,12}	1,629	2,142	3,771
SME lending ^{6,10}	1,270	3,677	4,947
Microfinance ^{6,10}	592	2,691	3,283
Green mortgages ¹⁰	901	5,067	5,968
Mergers & Acquisitions (M&A)/advisory ⁸	4,621	7,777	12,398
Green, Social and Sustainable bonds facilitated ⁹	6,742	33,643	40,385
Total sustainable finance mobilised¹¹	34,067	122,923	156,990[^]
Of the above			
Corporate & Investment Banking (CIB)	31,896	114,179	146,075
Wealth & Retail Banking (WRB)	2,171	8,744	10,915
Total sustainable finance mobilised^{11,12,13}	34,067	122,923	156,990[^]

Our broad sustainable finance product suite, which includes bonds, loans, advisory and trade finance, is underpinned by our Sustainable Finance Frameworks (described on page 89) that outline how we apply sustainable finance 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.

- We define mobilisation of sustainable finance as our share of 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 or national net zero pathway (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 committed on facilities provided to clients. Mobilisation is the provision of capital that, as per the legal contractual documents, meet the sustainable finance verification criteria, or SLL eligibility, as of the date of execution of the trade.
- Mobilisation amounts include transactions with restricted use of the financing proceeds that align to our GSPF.
- Lending transactions are measured as the loan commitment/underwritten amount provided to the counterparty by the Group.
- 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. 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.
- 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 or national net zero target in line with our Transition Finance Framework (TFF). This is measured on a committed facility-provided basis.
- 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 small and medium-sized enterprise (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 SME financing and microfinance. SME mobilisation is the lending facilities provided to small companies and renewed when the facilities renew, and includes loans that fall within the relevant micro, small and medium-sized enterprise (MSME) loan size proxy as per the GSPF. Microfinance mobilisation is measured as the cash disbursed.
- Green mortgages are loans issued by our WRB where the underlying property meets a specific energy rating. Mobilisation is measured as the cash disbursed to borrowers. Value mobilised in 2021 includes mortgages originated before 2021 but identified as Green in 2021.
- M&A/advisory represents where the Group is the financial advisor to a transaction that has been tagged as sustainable in line with the Group's GSPF or TFF. Transactions are measured as the deal value or enterprise value divided by the number of advisors on the deal.
- 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.
- A breakdown by eligible category has been provided for these product groups. Categories cannot be provided for SLLs, transition finance or Green, Social and Sustainable bonds facilitated given the broad range of sustainability themes these can cover, and the diversity of eligible activities included in issuer frameworks. The categories have been provided for use of proceeds, green mortgages, SME lending and microfinance.
- Total prior year balances have been restated resulting in an increase of \$2.2 billion from \$120.7 billion up to \$122.9 billion. This was due to the inclusion of transactions driven by a new product line within Corporate and Institution lending that have met the sustainable finance mobilisation eligibility criteria, offset by the following:
 - SME Lending has reduced due to mobilisation focusing on the Group's five most material markets: India, China, Nepal, Bangladesh and Malaysia.
 - As the Group remains cognisant of the ongoing scrutiny of sustainable finance products, during the year a process was undertaken to strengthen our eligibility criteria review and control process. As a result, certain transactions have been subsequently derecognised across M&A, SLLs and use of proceeds.
- Some prior year transactions have been reclassified between SLLs, use of proceeds and transition finance. Upon closer review of the reporting tag for these facilities, it was identified that the incorrect reporting tag had been captured, which has been corrected in the current year. Reclassifications from SLLs to use of proceeds totalled \$506 million, use of proceeds to SLLs totalled \$145 million, use of proceeds to transition finance totalled \$374 million, and SLLs to transition financed totalled \$57 million.
- Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at sc.com/sustainabilitylibrary.
- Some transactions included in 2025 reporting related to deals that were signed during prior years but which only received approval for sustainable finance tagging during 2025.

Sustainable finance

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

We mobilised \$157 billion of sustainable finance from January 2021 through to September 2025 against our commitment to mobilise \$300 billion by 2030.

We engage with clients about the provision of sustainable finance products that aim to deliver financial services that contribute to positive environmental and/or social outcomes.

Our Climate Transition Plan sets out our approach to portfolio alignment with our net zero commitment, capital allocation and client engagement for the 12 highest-emitting sectors, helping us to assess transition readiness, identify where clients may require support to evolve their business models and guide decisions on how we deploy our balance sheet.

At the same time, we continue to expand products and solutions that support both climate mitigation and climate adaptation, including transition finance instruments, sustainability-linked structures, blended finance partnerships, and financing that enhances the resilience of infrastructure, supply chains and communities to physical climate impacts. In providing such products and tailored solutions, we aim to create opportunities to facilitate a just and orderly transition, while supporting the long-term resilience and competitiveness of our clients and the economies in which we operate. Examples of this can be found in our Sustainable Finance Impact Report available at sc.com/sfimpactreport.

Sustainable finance mobilised – impact theme

To provide greater transparency as to the impact areas covered under our Use of proceeds products (Use of proceeds, SME lending, microfinance and Green mortgages), we have disclosed below a breakdown by green and social project categories as set out in our GSPF. Categories represented are those where there is a contribution to our sustainable finance mobilisation metric. Given that SLLs, transition finance and Green, Social and Sustainable bonds facilitated cover a broad range of sustainability themes, and eligible activities are determined by issuer frameworks, these are excluded from the breakdown below.

Green finance mobilisation themes

	Oct 2024–Sep 2025 \$m	Jan 2021–Sep 2024 \$m	Cumulative progress \$m
Clean transportation	705	1,832	2,537
Eco-efficient products	67	–	67
Energy efficiency	30	408	438
Green buildings	5,430	14,934	20,364
Portfolio of green projects ¹	1,529	2,002	3,531
Renewable energy	2,686	9,413	12,099
Sustainable management of living and natural resources	300	351	651
Sustainable water and wastewater management	–	215	215
Total green finance mobilised	10,747	29,155	39,902

Social finance mobilisation themes

	Oct 2024–Sep 2025 \$m	Jan 2021–Sep 2024 \$m	Cumulative progress \$m
Access to essential services	156	1,029	1,185
Access to finance	1,922	6,457	8,379
Access to water	–	260	260
Affordable basic infrastructure	29	1,622	1,651
Portfolio of social projects ¹	50	135	185
Total social finance mobilised	2,157	9,503	11,660

Portfolio of green and social projects

	Oct 2024–Sep 2025 \$m	Jan 2021–Sep 2024 \$m	Cumulative progress \$m
Fund subscription facility	–	479	479
MDB, DFIs and other international organisations	–	534	534
Others ²	–	110	110
Portfolio of green and social projects ¹	894	1,348	2,242
Total green and social finance mobilised	894	2,471	3,365

1 The underlying assets could potentially span across various green and/or social project categories aligned to those in the Sustainability Bond Framework. In such cases, financing is temporarily reported under this portfolio category until the underlying data can be sufficiently disaggregated to allow accurate and transparent reporting by specific project type.

2 Includes other transactions eligible for recognition as sustainable in line with our GSPF that cannot be allocated to a specific impact area.

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 \$1.07 billion between January and December 2025, exceeding our target of at least \$1 billion annual income by 2025. This represents over 8.6 per cent of our total CIB income in 2025, a year-on-year growth rate of 9 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 2025 Sustainable Finance Impact Report, we have raised over \$9 billion of sustainable liabilities across our markets, while 70 per cent of our \$23.4 billion sustainable finance asset base is located in Asia, Africa and the Middle East. For the 12-month period ending 30 September 2025, our green assets helped to avoid 6.94 million tCO₂ (of which 2.88 million tCO₂ achieved and 4.06 million tCO₂ expected), and our SME and microfinance

business enabled 32,580 loans to SMEs and enabled over one million microfinance loans.

In 2025, we continued to develop our sustainable finance product suite, with over 40 product variants as set out in our GSPF. Independently assessed by 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 income is prepared on an underlying basis and 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.

Sustainable finance income¹

Product	2025 \$m	2024 \$m	YOY %
Transaction services	340	319	7%
Payments & Liquidity	197	187	5%
Securities & Prime Services	5	4	25%
Trade & Working Capital	138	128	8%
Banking	610	552	11%
Lending and financing solutions	546	507	8%
Capital market and advisory	64	45	42%
Markets	117	111	5%
Macro Trading	106	101	5%
Credit Trading	11	10	10%
Total sustainable finance income by product	1,067[^]	982	9%

We generated \$1.07 billion[^] in sustainable finance income, achieving our target of \$1 billion annual sustainable finance income by 2025.

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. Sustainability-linked assets and transition assets are not included within this asset base.

The Group's sustainable finance asset base increased by 1 per cent to \$23.4 billion between October 2024 and September 2025. This reflects the level of maturity of our sustainable finance business, with significant replenishment of assets during the year, with new assets across a range of green and social categories under our Sustainability Bond Framework. CIB sustainable finance assets contribute to, but are not the sole component of, sustainable finance income. Sustainable finance income also comprises income generated from off-balance sheet financial products, on both a transaction basis and for our pureplay clients, and from Transition Finance, Sustainability-Linked products and Impact-labelled

transactions. As such, growth in sustainable finance income is not linked solely to the sustainable finance asset balance.

 [Read more on our sustainable finance metrics at sc.com/gspf](https://sc.com/gspf)

The majority of our sustainable finance asset base (\$17.0 billion of the \$23.4 billion) is made up of financing to green projects such as renewable energy projects, green real estate and clean transportation, such as electric rail.

Our social finance assets make up \$5.8 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 (\$0.6 billion of the \$23.4 billion) span across both green and social categories, including renewable energy, sustainable water and wastewater management, and access to essential services.

This year select impact metrics from our sustainable finance assets received limited assurance from EY for the first time. These are noted with a caret symbol (^) within the sustainable finance assets tables.

Sustainable finance assets are represented as gross loans and advances held at amortised cost, prior to credit impairment.

 [Read more in our Sustainable Finance Impact Report at sc.com/sfimpactreport](https://sc.com/sfimpactreport)

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

Sustainable finance

Green finance assets^{1,2}

Theme

	Sept 2025 \$m	Sept 2024 \$m	SDGs	Key impact reported ³
Clean transportation*	1,790	1,929		6,736 tCO ₂ achieved and expected GHG emissions avoided
Electric vehicles (EVs)	742	710		
EV battery manufacturers	381	622		
Manufacturing of specialised component parts of EVs	241	147		
Rail	396	450		
Several clean transportation projects	30			
Climate change adaptation*	1	3	 	
Energy efficiency*	204	141		64,915 tCO ₂ achieved and expected GHG emissions avoided
LED lighting	98	92		
Modernisation of broadband network	105	46		
Smart meters	–	3		
Several energy efficiency projects	1	–		
Eco-efficient products	26	37	 	
Green buildings*	8,030	8,816	 	67,049 tCO ₂ achieved and expected GHG emissions avoided
Green buildings	4,701	5,554		
Green mortgages	3,329	3,262		
Pollution prevention and control	37	157	 	8,701 tCO ₂ achieved and expected GHG emissions avoided
Portfolio of green projects	334	436	Multiple	3 tCO ₂ achieved and expected GHG emissions avoided
Renewable energy*	6,120	5,498		5,990,151 tCO ₂ achieved and expected GHG emissions avoided
Transmission lines	84	174		
Wind and solar	424	528		
Hydropower	72	24		
Manufacture of components for renewable energy technology	988	954		
Solar	2,037	1,618		
Waste to energy	201	239		
Wind	2,076	1,534		
Energy storage	147	130		
Green hydrogen	33	19		
Advanced biofuels from waste	40	–		
Mixed renewables	18	278		
Sustainable management of living and natural resources	277	249	  	523,869 tCO ₂ achieved and expected GHG emissions avoided
Sustainable water and wastewater management	216	127		
Total green assets	17,035	17,393	Multiple	6,661,424 tCO ₂ achieved and expected GHG emissions avoided
Portfolio of green and social projects⁴	576	392	Multiple	

* Categories denoted with an asterisk are considered to be climate related.

Social finance assets^{1,2}

Theme

	Sept 2025 \$m	Sept 2024 \$m	SDGs	Key impact reported ³
Access to essential services	342	338		
Education infrastructure – universities	1	6		
Healthcare infrastructure – hospitals	162	230		
Provision of supporting healthcare-related products and services	179	95		
Education loans	-	7		
Access to finance	4,361	4,050		
Several services that support access to finance	283	-		
SME lending	3,494	3,467		32,580 SME loans enabled
Microfinance	584	583		1,045,211 microfinance loans enabled
Affordable basic infrastructure⁵	1,001	1,119		
Clean cookstoves	2	-		277,093 tCO ₂ achieved and expected GHG emissions avoided
Desalination	73	67		
Public transportation	1	-		
Telecommunications/internet connectivity	653	879		
Water supply	81	53		
Water purification	1	-		
Road infrastructure	190	120		
Affordable housing	68	-		
Food security	11	14		
Portfolio of social projects⁴	51	25	Multiple	
Total social assets	5,833	5,547	Multiple	
				6,938,517 tCO ₂ achieved and expected GHG emissions avoided [^]
				1,045,211 microfinance loans enabled [^]
Total green and social finance assets	23,444[^]	23,332	Multiple	32,580 SME loans enabled [^]

Sustainability-linked assets⁶

	Sept 2025 \$m	Sept 2024 \$m
Total sustainability-linked loans ⁷	5,435	6,619
Total sustainability-linked assets	5,435	6,619

1 Amounts included in the table are as at September 2025 and September 2024 and are aligned to the Group's Sustainable Finance Impact Report available at sc.com/sfimpactreport.

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

3 Key impact reported includes impacts from assets that are both operational and under construction and therefore reflects a combination of annual achieved and expected outcomes over the reporting period. The metrics presented in this column are limited to the three impact metrics that are subject to independent limited assurance by EY. For a broader set of impact metrics across environmental and social categories, please refer to our 2025 Sustainable Finance Impact Report.

4 The underlying assets could potentially span across various green and/or social project categories aligned to those in the Sustainability Bond Framework. In such cases, financing is temporarily reported under this portfolio category until the underlying data can be sufficiently disaggregated to allow accurate and transparent reporting by specific project type.

5 The figure has been restated from the 2024 reporting period followed a reclassification of assets. Access to water and road infrastructure has been categorised under the affordable basic infrastructure theme to align with the classification used in the Sustainability Bond Framework. The underlying asset values remain unchanged, the restatement reflects categorisation changes only.

6 Amounts included in the table are as at September 2025 and September 2024 and are aligned to the Group's Sustainable Finance Impact Report available at sc.com/sfimpactreport.

7 SLLs decreased by \$1.2 billion in 2025 due to changes in market conditions, predominantly impacting SLLs in Europe and the Americas.

Total green and social finance and sustainability-linked assets¹

	Sept 2025 \$m	Sept 2024 \$m
Corporate & Investment Banking	23,026	24,098
Wealth & Retail Banking	5,853	5,853

Our CIB climate-related assets² are 8.8 per cent of total CIB assets.³ Our Hong Kong green mortgages balance, which makes up the majority of our climate-related WRB assets, is 10.4 per cent of total mortgages in Hong Kong. See our mortgages by region on page 245 and our green mortgages in the Sustainable Finance Impact Report at sc.com/sfimpactreport.

Sustainable liabilities^{1,4}

Our sustainable liabilities reflect the liabilities on our balance sheet generated under labelled sustainable finance instruments. These include Sustainability, Green and Social bond and note issuances, sustainable term deposits (through CIB and WRB), and sustainable cash accounts (CIB and WRB). Sustainable finance liabilities reference our sustainable assets, as set out above.

The Group's total sustainable finance liabilities balance increased by 15 per cent to \$9 billion between October 2024 and September 2025. This is due to a significant increase in the volume of sustainable and green structured notes

issuances as well as growth in client interest across CIB and WRB in our sustainable account proposition. This offset the decline in the sustainable deposits balance.

Standard Chartered offers a wide-ranging suite of sustainable finance liabilities products. The sustainable liabilities that the Group raises are referenced against the Group's global sustainable finance asset base. Liabilities are not directly linked to specific assets and are included in the wider Standard Chartered Group balance sheet. As a Group, we will only raise up to 80 per cent of the value of our total sustainable finance assets in sustainable finance liabilities – this enables us to always maintain a buffer, and maintaining this buffer can require us to originate incremental sustainable finance assets. These liabilities products allow clients to have their capital referenced on a net positive basis against assets, whether existing as of the date of the transaction or in the future, that we deem as sustainable in accordance with our externally verified Sustainability Bond Framework.

Theme	Sept 2025 \$m	Sept 2024 \$m
Total bond issuances outstanding ⁵	4,612	2,126
Of which sustainable structured notes	1,693	950
Of which green structured notes	573	60
Total sustainable term deposits ⁶	1,215	3,325
Total sustainable term accounts ⁶	1,500	1,214
Sustainable retail current and savings accounts and deposits ⁶	929	1,196
Sustainable liabilities (excluding other WRB sustainable deposits) subject to limited assurance	8,256[^]	7,861
Other WRB sustainable deposits ^{6,7}	782	–
Total sustainable liabilities	9,038	7,861

 See sc.com/sfimpactreport for more highlights on our Sustainable Finance assets in 2025, including asset locations

Wealth & Retail Banking sustainable investing

The Group had \$1,984 million sustainable investing (SI) assets under management (AUM) at 31 December 2025 (a 26 per cent increase from \$1,572 million⁸ at 31 December 2024).

SI AUM comprises of AUM held by our clients in SI-labelled mutual funds, exchange traded funds and structured products that are part of our Group SI universe. In markets where there is regulation around sustainable products classification and/or reporting, the reporting of AUM will follow accordingly.

 Further information on our Sustainable Investments universe can be found at sc.com/sustainable-investing

1 Amounts included in the table are as at September 2025 and September 2024 and are aligned to the Group's Sustainable Finance Impact Report available at sc.com/sfimpactreport.

2 CIB climate-related assets are those generated under clean transportation, climate change adaptation, energy efficiency, green buildings, and renewable energy categories. They are on balance sheet, drawn exposures.

3 Total CIB assets are the gross balance of CIB Loans and Advances as reported on page 239.

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

5 Sustainability, green and social bonds and notes are issued against our Sustainability Bond Framework available at sc.com/sustainabilitylibrary.

6 Sustainable deposits and accounts were developed under our GSPF available at sc.com/sustainabilitylibrary.

7 Excluded from the scope of assurance due to country cross-border data constraints. All sustainable deposits are referenced on a net positive basis against the Group's global sustainable finance asset base, including those excluded from the scope of the assurance. The Group's global Sustainable Finance asset base is included in the scope of assurance.

8 SI AUM for Hong Kong as at 31 December 2024 has been restated for alignment to local regulations around sustainable products classification and reporting.

Our Sustainable Finance Frameworks

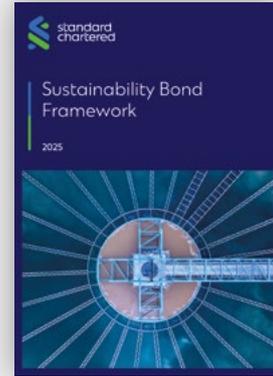


Green and Sustainable Product Framework (GSPF)

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 and Social Loan Principles.

Independently assessed by Morningstar Sustainalytics, our Framework is reviewed annually with the aim of ensuring it remains in line with the latest industry standards. Our GSPF received a ‘Significant’ rating from Morningstar Sustainalytics for its Sustainability Contribution. 2025 updates to the GSPF included expansion of the green activities to add new certifications for green buildings and sustainable agriculture as well as circular economy solutions. Thresholds for non-waste bioenergy production and energy efficiency improvements were also updated. Revisions to our social activities included refined criteria to strengthen targeting and include areas of social impact such as mental health and eldercare facilities.



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 Sustainalytics, which rated the SBF as ‘Aligned’ and ‘Significant’.



Transition Finance Framework (TFF)

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 has been informed by the IEA Net Zero Emissions 2050 scenario and sets out several principles that help guide our clients to a low-carbon pathway. It is reviewed annually for alignment with the latest available science and industry standards. This year we published the fourth iteration of the TFF. This included a new category for ground transportation and provided updates to aviation, shipping and electricity generation,

transmission and storage categories. Thresholds were also introduced for the share of scrap metal required for eligible steel and aluminium production.

Governance over sustainable finance products and frameworks

The Group has Product Programme Guidance documents in place that 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. Membership of the SFGC 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.

Any transaction or entity recognised for the positive environmental and/or social impact it generates under our Sustainable Finance Frameworks must meet our minimum expectations as set out in the Group’s Environmental and Social Risk Management Framework and Position Statements. Assessments at client level, and where applicable, transaction level, must be in place before a transaction or entity can be considered to be within our sustainable finance metrics in order to ensure any potential trade-offs with other objectives are considered.

 For more, including the Sustainalytics Sustainability Contribution Assessment and Second Party Opinion, visit sc.com/sustainabilitylibrary

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

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

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

Climate

In 2025, we reached our net zero target for Scope 1 and 2 emissions¹, marking a significant milestone in our journey to decarbonise our operational footprint. We aim to reach net zero in our financed emissions by 2050. Our net zero roadmap sets out our key goals, and the progress we have made.

Our global footprint combined with our particular focus on Asia, Africa and the Middle East 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 in 2025, the Group's Transition Plan outlines our approach to delivering this change and our aim to achieve net zero by 2050, demonstrating to clients, suppliers, clients, and other key stakeholders that we have a clear plan to meeting the commitments we have made. The Transition Plan consolidates and expands upon the disclosures provided in this report, the net zero roadmap and the Net Zero Methodological White Paper.

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

- **Our current practices:** The evolving business practices that underpin our commitment to net zero by 2050.
- **The 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.
- **How we are 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 of driving measurable outcomes.

Our Transition Plan informs our Group strategy and decision-making by incorporating our clients' decarbonisation maturity as a key consideration when transacting with our transition priority clients (TPC). This aligns financing decisions with our clients' ability and commitment to decarbonise. It helps us identify the clients who need us the most in their transition to net zero, which in turn enables us to support them with sustainable finance for their transition journeys. This contributes to our \$300 billion mobilisation target and provides the Group with more opportunities to earn sustainable finance income. Significant areas where net zero has been implemented as part of the Group's strategy include:

- Within CIB clients operating in high-emitting sectors, we have identified the population of key existing-to-bank TPCs whose emissions reductions will be essential to enable us to meet our 2030 interim net zero targets. TPCs are defined as the Group's most significant clients across the high-emitting sectors. Once shortlisted as a TPC, we perform an assessment of the client's decarbonisation maturity to tailor the approach to assisting them with their transition to net zero.

- For each of the actively managed high-carbon sectors, the Net Zero team applies category-specific screening to assign prospective transactions with an Aligned, Marginally Misaligned, Misaligned or Grossly Misaligned rating. The ratings and considerations of assessed transactions are communicated to the respective originating business areas at the Group's Capital Allocation Forum meetings and is factored into the recommendations and structuring of the transaction.
- The appointment of Client Coverage sector leads has increased the level of accountability and enables a clear point of contact to effectively co-own the internal validation process with the Net Zero team early during the client onboarding process.
- On a quarterly basis for internal portfolio management, we measure our emissions for the sectors that require active portfolio steering against our risk appetite metrics. The quarterly review is completed based on the Group's latest quarterly exposures and latest available emissions and production information. The risk appetite metrics at sector level feed into an overall Board-level risk appetite metric, and monitor if any sector is in breach of our desired target pathways.

 [Read more on sector specific strategies to achieving our interim net zero targets in our Transition Plan and Net Zero Methodological White Paper at \[sc.com/sustainabilitylibrary\]\(https://sc.com/sustainabilitylibrary\)](https://sc.com/sustainabilitylibrary)

Key climate updates during the year

During the year, the Group achieved net zero in our Scope 1 and Scope 2 emissions, having taken all possible steps to reduce residual emissions in line with ISO IWA 42.

 [Read more on page 92](#)

During 2025, the Group analysed the intensity of our upstream oil and gas portfolio for methane. We found our portfolio compares favourably to the IEA NZ Emissions 2030 methane target.

 [Read more on page 107](#)

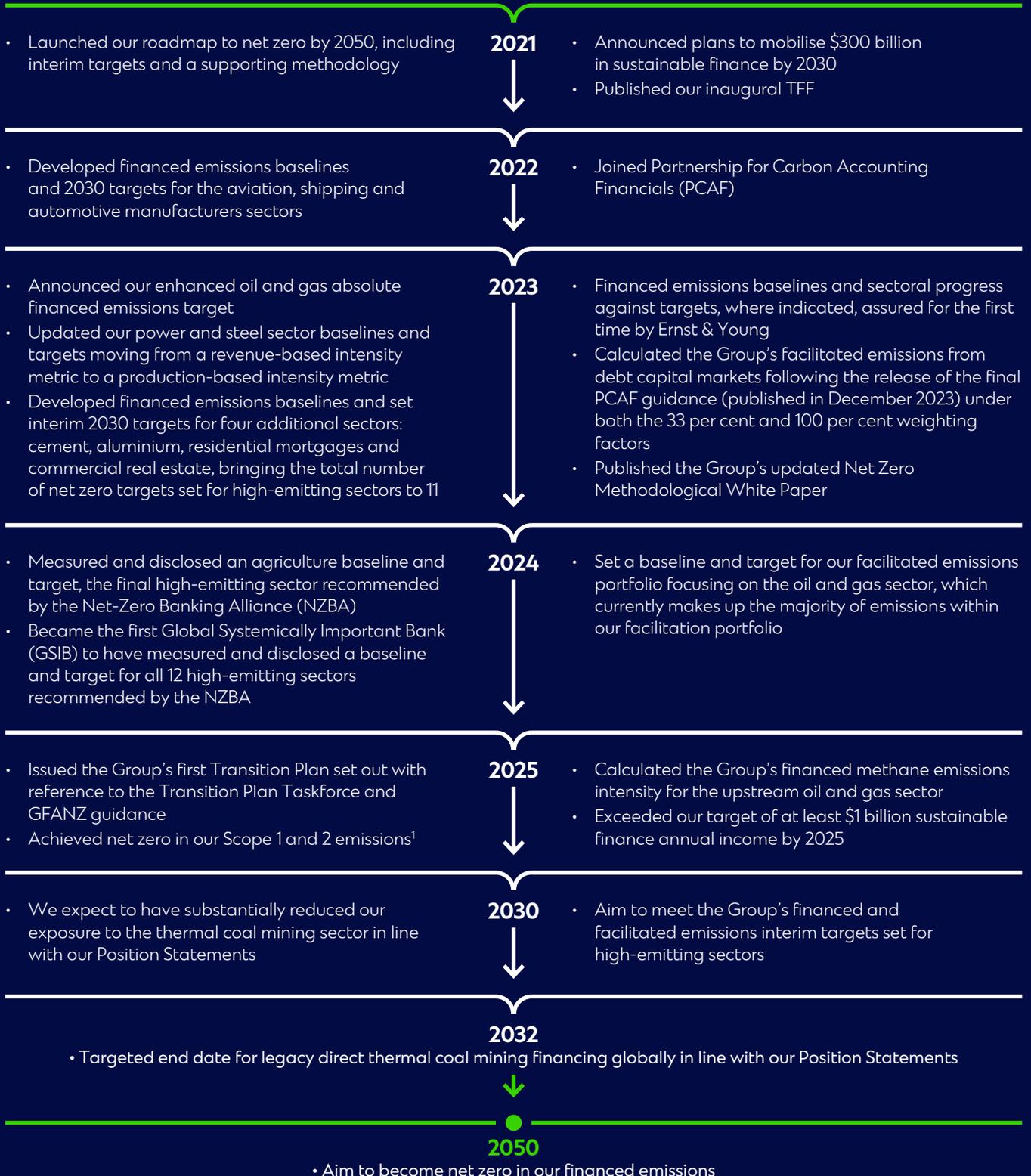
We are predominantly on track for our 12 interim high-carbon, sector-financed emission targets.

 [Read more on page 99](#)

¹ See pages 92–95 for details.

Our net zero roadmap

In 2025, we reached our net zero target for Scope 1 and Scope 2 emissions, marking a significant milestone in our journey to decarbonise our operational footprint. We aim to reach net zero emissions in our financed emissions by 2050. 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. As part of that, we have set interim 2030 targets for all the highest-emitting sectors in the Group's portfolio.



¹ See pages 92–95 for details.

Our emission sources

We reached our net zero target for Scope 1 and Scope 2 emissions and aim to reach net zero in our financed emissions by 2050. We focus on three areas to reduce emissions across our value chain:

Topics	Size of emissions (%)	Emissions sources	Learn more
Our operations	0.01%	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 93
Our suppliers	0.86%	Scope 3 Categories 1-14: Emissions from our upstream and downstream supply and value chain	Page 96
Our clients	99.13%	Scope 3 Category 15: Emissions from transacting with our clients	Page 97

Our carbon accounting is calculated and reported with reference to the 'GHG Protocol: A Corporate Accounting and Reporting Standard (2004)' and PCAF Standards. Following the materiality assessment performed by the Group and outlined in the section on Materiality on page 72, Scope 2 and Scope 3 categories 1, 6 and 15 were deemed material when using ISSB educational materials on 'Sustainability-related risks and opportunities and the disclosure of material information'. For consistency and transparency in our net zero journey, we will continue to report Scope 1, and Scope 3 categories 2, 4, 5, 7 and 13 on a voluntary basis. The following tables summarise our most recent performance:

	2025 (tCO ₂ e)	2024 (tCO ₂ e)	2023 (tCO ₂ e)
Scope 1 and 2 emissions			
Scope 1 emissions ^{1,3}	5,792	7,696	8,488
Scope 2 emissions ^{2,3}	0	17,272	26,246
Total Scope 1 and 2 emissions	5,792	24,968	34,734
Scope 3 supply chain emissions ⁴			
Category 1: Purchased goods and services ⁵	251,761	319,078	346,819
Category 2: Capital goods	41,799	43,716	42,707
Category 4: Upstream transportation and distribution (including SAF reductions) ⁶	16,904	27,268	24,125
Category 5: Waste generated in operations	349	379	520
Category 6: Business travel (air travel)	52,375	53,326	48,046
Category 6: Business travel (miscellaneous other than air travel)	8,446	16,420	8,918
Category 7: Employee commuting ⁷	60,348	81,065	71,228
Category 8: Upstream leased assets (data centres) ^{3,12}	4,397	4,186	4,431
Category 13: Downstream leased assets (real estate) ⁸	4,799	7,119	7,898
Total Scope 3 supply chain emissions	441,178	552,557	554,692
Scope 3 Category 15: Investments ⁹			
Financed emissions ¹⁰	33,900,000	35,600,000	42,330,000
Facilitated emissions	3,080,000	1,761,000	3,007,000
Scope 3 Category 15 emissions excluding agriculture sector Scope 3 emissions¹⁰	36,980,000	37,361,000	45,337,000
Agriculture sector Scope 3 emissions ¹¹	13,900,000	10,300,000	-
Total Scope 3 category 15 emissions¹⁰	50,880,000	47,661,000	45,337,000

1 As we aim to improve our emissions measurement and reporting year-on-year, we have included owned vehicle fleet emissions in our Scope 1 data since 2024 (733 tCO₂e in 2025 and 1,340 tCO₂e in 2024) and fugitive emissions since 2023 (3,035 tCO₂e in 2025, 3,877 tCO₂e in 2024 and 5,266 tCO₂e in 2023).

2 Scope 2 indirect emissions have been calculated using the market-based approach as set out in the GHG Protocol. Location-based emissions are disclosed on page 209.

3 Our Scope 1 and 2 emissions and Scope 3 Category 8: Upstream leased assets (data centres) emissions calculations for the most recent reporting year were independently assured by Global Documentation Ltd. The assurance scope includes the owned vehicle fleet and fugitive emissions.

4 Scope 3 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, such that their emissions are not deemed material. Emissions from Scope 3 Category 2, Category 3, Category 4, Category 5, Category 7, Category 8, Category 9 and Category 13 are also not deemed material.

5 We have restated our Scope 3 Category 1: Purchased goods and services emissions data for the 2024 reporting year from 345,193 tCO₂e to 319,078 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.

6 We recognise the role of sustainable aviation fuel (SAF) as a lever in lifecycle GHG emissions of logistics emissions. In line with emerging international standards and guidance, we account for the use of SAF in our emissions calculations by applying its verified lifecycle carbon intensity compared to conventional jet fuel for our logistics emissions. Our emissions reductions from SAF (through The Book and Claim Model) are only recognised when supported by robust certification, traceability, and sustainability criteria to avoid double counting and ensure genuine climate benefit. We will continue to monitor evolving standards to align with best practice as frameworks mature. Category 4 emissions for 2025 were 17,467 tCO₂e when excluding the purchase of SAF.

7 Category 7: Employee commuting includes both emissions from commuting (28,834 tCO₂e) and emissions associated with home office working (31,484 tCO₂e).

8 Category 13: Downstream leased assets are leased spaces within locations where the Group is either the owner or main tenant of the building.

9 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. Facilitated emissions are calculated on a three-year rolling average. Category 15 emissions are rounded to the nearest 1,000 tCO₂e.

10 Prior year total financed emissions have been restated following a restatement in the oil and gas sector absolute emissions. The prior period has been restated to apply the Group's methodology of only counting Scope 3 emissions on upstream production activities (including diversified and integrated counterparties). There was no impact on the baseline year.

11 The baseline emissions for the agriculture sector are calculated using the Implied Temperature Rise (ITR) method. Agriculture financed emissions includes Scope 3 emissions, which are complex in nature due to the vast value chain, operations of our clients within this sector and data availability limitations. The decision to include Scope 3 emissions of the Group's agriculture clients was intentional as this has the most real-world impact by allowing the Group to engage with our clients to decarbonise both their operations and their supply chains. On an absolute emissions basis the agriculture portfolio has 1.4 MtCO₂e in its Scope 1 and 2 emissions and a further 13.9 MtCO₂e in its Scope 3 emissions, giving the sector 15.3 MtCO₂e in total.

12 Emissions from third party co-located data centres have been reclassified to Scope 3 category 8 from Scope 3 category 1. We re-evaluated the nature of our lessee relationship with these assets and, in line with the GHG Protocol, believe this data aligns more closely to Scope 3 category 8. We have reclassified these emissions in our 2023 and 2024 comparatives, which were already reported separately from other Category 1 emissions.

Our operations

This section covers our Scope 1 and Scope 2 emissions as defined on page 92.

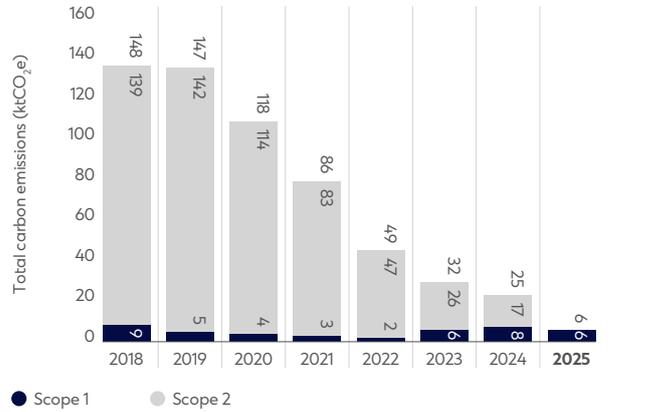
Our approach to managing our environmental footprint

The Group defines 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. This approach aligns with the principles outlined in the GHG Protocol.

In 2025, we achieved our net zero target across Scope 1 and 2 emissions, marking a significant milestone. We reduced our carbon footprint by 96 per cent from a 2018 baseline of 148 ktCO₂e to just 6 ktCO₂e. This achievement reflects the steps we have taken to decarbonise our real estate portfolio and aligns with the overall Group's net zero agenda. Residual emissions that persist despite our rigorous efforts to minimise them are counterbalanced by purchasing and

retiring carbon credits as described in the carbon credits section below. Moving forward we remain committed to sustaining our net zero commitment for Scope 1 and 2 emissions and continue to strengthen measures to support it.

Total carbon emissions



This milestone reflects several years of focused efforts backed by the following strategic levers:

Strategic levers

Energy efficiency improvements

Outcomes

- Leveraged efficiency measures across our property portfolio to actively reduce our energy consumption
- Reduced our reliance on non-renewable energy sources by replacing old and inefficient heating, ventilation, air conditioning and lighting systems with efficient ones as a part of our annual lifecycle replacement programme
- Reduced our energy intensity by 45 per cent from our 2018 baseline
- Currently in the process of rolling out smart meters across key sites to optimise our energy performance

Renewable energy adoption

- Leveraged permanent renewable energy by signing long-term Power Purchase Agreements (PPAs) in crucial markets such as Singapore, Taiwan and the Philippines
- Implemented onsite solar installations across 52 sites in 17 markets, reducing grid dependency and making up 2 per cent of our total electricity consumption

Purchase energy attribution certificates (EACs)/renewable energy certificates to bridge market gaps where direct renewable energy procurement is not feasible

- Achieved 100 per cent renewable energy for Scope 2. In securing EACs we ensure compliance to RE100 requirements where possible
- In markets where RE100 eligible EACs are not available, we purchased verifiable EACs, ensuring transparency, consistency and alignment with our sustainability goals
- Read more about RE100 compliance on page 94

Leveraging Green Building Certification to improve energy performance and reduce Scope 1 and 2 emissions

- Certified nearly 130 buildings across our office and branch portfolio to Leadership in Energy and Environmental Design (LEED), WELL or other prominent local certification programmes
- Integrated sustainability principles into our building designs and operations to enhance energy efficiency, reduce waste and promote the use of sustainable materials

Leveraging green leasing principles

- As part of our ongoing effort to embed sustainability into our operations, we are working to integrate green leasing principles into our corporate real estate strategy aligning with sustainability goals and fostering collaboration with asset owners

[Read more on the list of emissions factors used in our calculations on page 13 of our Environmental Reporting Criteria document at sc.com/reportingcriteria](https://www.standardchartered.com/reportingcriteria)

Progress in 2025

Scope 1

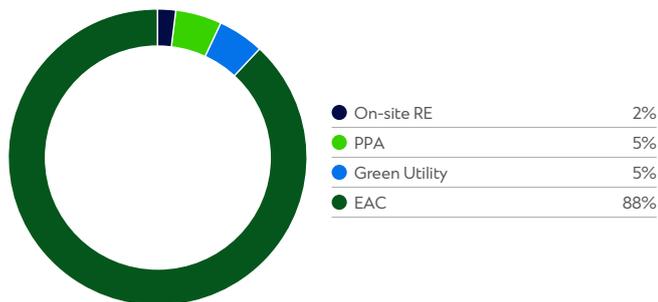
Our Scope 1 emissions primarily originate from our owned vehicles, fugitive emissions, and fuel consumption used in backup diesel generators, which are utilised during grid power disruptions. We are focused on reducing our reliance on fossil fuels and optimising carbon emissions. To optimise fuel consumption, we have enhanced efficiency by reducing the capacity of our generators as needed. In 2025, in the India market, we took significant steps by replacing several diesel generators with natural gas gensets, reducing our dependence on high-carbon fossil fuels. Progressively, we intend to adopt renewable diesel in markets where it becomes available.

Scope 2

We have disclosed our Scope 2 GHG emissions using the market-based calculation methodology. Our location-based emissions are 74,591 tCO₂e (also refer to page 209 for details).

All of our electricity consumption across our global portfolio came from renewable sources in the form of PPAs, onsite solar installations, green tariffs and renewable energy certificates. The breakdown of this is illustrated in the figure below:

Scope 2 energy mix 2025



Energy Attribute Certificates (EACs) account for 88 per cent of our renewable energy mix. We have broadened our sourcing strategy to include Green PPAs and green utility tariffs, which each constitute 5 per cent of our renewable energy mix. We aim to reduce our reliance on EACs and focus on increasing the share of more direct renewable energy procurement mechanisms, such as PPAs and green tariffs, when market conditions allow. Onsite renewable energy systems, including rooftop solar installations, currently make up 2 per cent of the mix.

These onsite systems reduce grid dependence and are an important step towards operational decarbonisation at the asset level.

Overall, this approach strengthens resilience, reduces carbon emissions exposure, and future-proofs the Group's operations to align with global clean-energy developments.

Singapore Green Power Transition

In 2025, we transitioned our Singapore portfolio to 100 per cent green energy, marking a significant milestone in our net zero journey. This achievement was realised through the strategic implementation of onsite and offsite PPAs in our head office and securing fixed-term EACs across the portfolio.

This makes us one of the first within the Singapore banking sector to achieve 100 per cent green energy for our operations. As we continue to navigate the challenges of the renewable energy market, this success story serves as an inspiration for further advancements in our sustainability initiatives.

RE100

Standard Chartered is a member of RE100, a global initiative by businesses committed to sourcing 100 per cent renewable electricity for their operations. Our RE100 performance for 2025 is 95 per cent. While we strived to achieve 100 per cent, market maturity varies significantly by geography, which constrains full coverage, particularly within Africa and the Middle East (for example, Bahrain, Qatar, Botswana, Cameroon, Côte d'Ivoire, Tanzania and Zambia). In these markets we continue to actively monitor developments and aim to transition to RE100 certified mechanisms as they become available.

Moving forward, we remain committed to remain RE100 compliant in all possible markets by continuing to engage in credible renewable energy sourcing.

Carbon credits

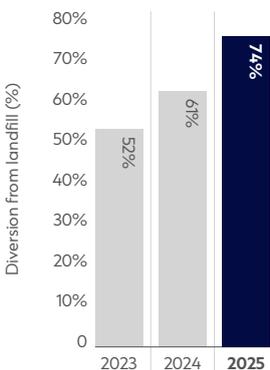
We have purchased and retired carbon credits to cover our residual Scope 1 and 2 emissions for 2025 in line with ISO IWA 42, and Scope 3 emissions associated with air travel. Our carbon credit portfolio includes a range of decarbonisation activities as described in the table on the next page. All residual Scope 1 and 2 emissions for 2025 are covered by activities that result in removal of carbon dioxide. Scope 3 emissions associated with air travel are covered by activities that result in both removal and avoidance of carbon dioxide.

The carbon credits we source are issued by carbon standards approved by the Group's relevant governance committees in relation to carbon integrity, environmental and social safeguards and other relevant criteria. For 2025, the relevant carbon credits were issued by Verra, Gold Standard and Climate Action Reserve and followed one of the following methodologies:

Methodology	Nature based or technological based	Removal or avoidance	Scopes covered
Agriculture, Forestry, and Other Land Uses	Nature based	Removal	Scope 1 and 2
Energy efficiency	Technological based	Avoidance	Scope 3 emissions associated with air travel
Soil enrichment	Nature based	Avoidance	Scope 3 emissions associated with air travel

We do not use an internal transfer price for carbon and instead use the average purchase price for our carbon credits.

Percentage of waste diverted from landfill



Waste

We continue to push for 90 per cent waste avoidance from landfill by 2030. Overall, this commitment translates to better waste segregation and management through awareness programmes. As at the end of the 2025 reporting year, we have reduced our overall waste generated by 49 per cent from our 2018 baseline and achieved 74 per cent avoidance from landfill.

Across branches, we continue to drive initiatives to reduce

single-use plastic in operations, demonstrating how everyday actions can make a measurable impact. In alignment with our Zero Waste goals, we launched an internal Single-Use Plastic Free (SUP) certification programme aimed at eliminating single-use plastic items from our operations. Since the program began in 2020, over 370 sites have achieved SUP certification.

In our commitment to sustainability and environmental stewardship, key sites in India, Poland and Kenya have been awarded the highest level of TRUE Zero Waste Platinum Certification for diverting more than 90 per cent of waste from landfill. This recognition underscores our dedication to reducing waste, improving resource efficiency, and fostering sustainable practices across our global operations.

Water

We slightly improved our water efficiency metric by 5 per cent from 0.53 kilolitres per square metre in 2024 to 0.49 kilolitres per square metre in 2025. This is a 54 per cent reduction from our 2018 baseline. While water availability is a growing challenge in many of our markets, we did not face any issues sourcing potable water in 2025. We 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/sustainabilitylibrary
-  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/sustainabilitylibrary

Embedding sustainability into our new Chennai office



Our flagship office in Chennai, India, saw sustainability embedded right from the design, focusing on embodied carbon, local materials sourcing and waste reduction measures. The project was built with Leadership in Energy and Environmental Design (LEED) and WELL standards in mind. It houses around 17,000 employees, incorporating strong sustainability commitments including eco-friendly materials and waste reduction programmes.

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.

In 2025, we advanced our commitment to building a resilient and responsible supply chain by reducing our upstream Scope 3 emissions¹ by 20 per cent. We have reported Category 4 emissions considering the use of SAF reductions for the first time in 2025 (read more on page 92). Our Category 7 emissions declined by 26 per cent due to a lower total employee count for the year and lower office attendance across our sites. Further upstream Scope 3 emission reductions are attributed to an increase in more accurate supplier-specific emissions data and larger suppliers reporting lower emissions.

We continue to prioritise collaboration with suppliers actively pursuing decarbonisation. As of 2025, 54 per cent of our supplier spend is now with suppliers with science-based emissions reduction targets in place.²

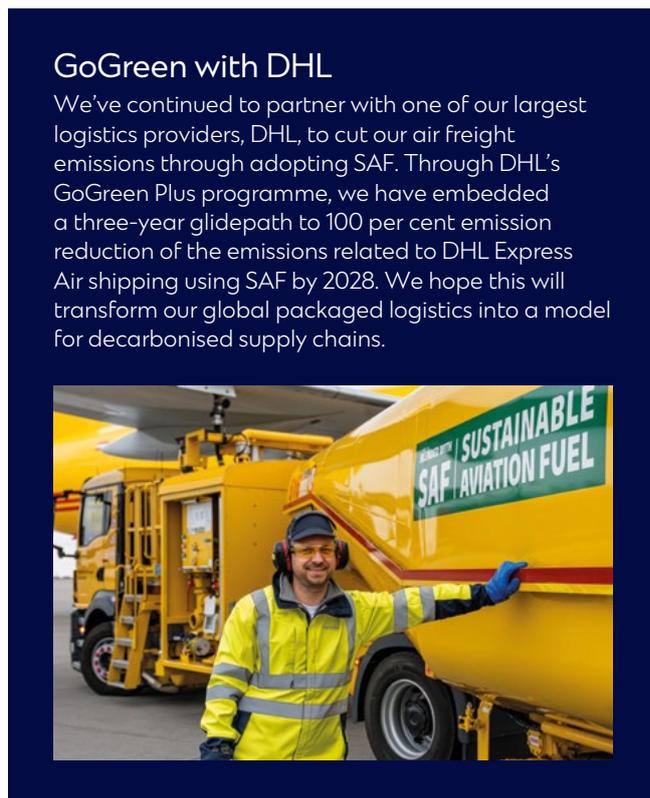
Emissions from business air travel remained broadly consistent since 2024, reflecting continued adherence to the Group’s travel guidelines. We continue to purchase high-quality carbon credits for our air travel emissions as described on page 94. In 2025, we reviewed our air travel emissions calculation methodology and, from January 2026, we will uplift our calculations in line with Department for Environment, Food and Rural Affairs (DEFRA) emissions factor updates and external assurance recommendations to include well-to-tank emissions.

We continue to build supply chain sustainability knowledge within our supply chain teams. In 2025, we hosted a live online learning session for all internal procurement colleagues and launched an online learning programme to support our procurement colleagues to integrate sustainability into their everyday supply chain processes. In 2026, we aim to evolve our learning programme to support our suppliers directly and

focus on integrating sustainability into all our supplier processes, including a sustainability weighting in our tender process, where appropriate.

In 2025, we made significant strides in transitioning our business car fleet to more sustainable options, starting with uplifting 100 per cent of our Korean fleet to hybrid.

 [Read more on our emissions calculations in our Environmental Reporting Criteria available at \[sc.com/environmentcriteria\]\(https://sc.com/environmentcriteria\)](https://sc.com/environmentcriteria)



GoGreen with DHL

We’ve continued to partner with one of our largest logistics providers, DHL, to cut our air freight emissions through adopting SAF. Through DHL’s GoGreen Plus programme, we have embedded a three-year glidepath to 100 per cent emission reduction of the emissions related to DHL Express Air shipping using SAF by 2028. We hope this will transform our global packaged logistics into a model for decarbonised supply chains.

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.

 [Our Supplier Charter can be viewed at \[sc.com/suppliercharter\]\(https://sc.com/suppliercharter\)](https://sc.com/suppliercharter)

 [Read more on how we engage with suppliers on page 41 and see our supplier spend data on page 453](#)

1 All vendor emission estimations follow the GHG Protocol guidance and use a hybrid of primary and secondary data. All emissions (including air travel) are reported on a one-year lag (e.g. for the 2025 annual reporting cycle, the data reported was from January 2024 to December 2024) and the methodologies are outlined in our Environmental Reporting Criteria at sc.com/reportingcriteria. This is in line with the CIB downstream emissions estimation calculations.

2 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. It includes Cloud data centres but excludes onsite and co-location data centres, which are captured under Scope 2 and Scope 3, Category 8, respectively.

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.

The Group has used the GHG Protocol and referred to PCAF carbon reporting standards. These standards provide comprehensive, internationally recognised approaches when measuring and reporting our emissions to stakeholders. Whilst there were no changes to our measurement approach during the year, our proxy approach for determining emissions for the oil & gas sector changed to reflect improvements in data quality, only counting Scope 3 emissions on upstream production activities.

The labelling of our sustainable finance products through our product frameworks also supports us in measuring, monitoring and reporting our financed emissions. Read more on page 89 for further information on our Sustainable Finance Frameworks.

Setting science-based targets

The Group has set and disclosed science-based interim 2030 financed emissions targets for our 12 highest-emitting sectors, being the first GSIB to do so. This includes a facilitated emissions target for our oil and gas sector. These targets are intended to mitigate the effects of climate change, including transition risk, and assist the group in achieving our 2050 aspiration of being net zero in our financed emissions.

We are working across our businesses and functions, and alongside our clients 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.

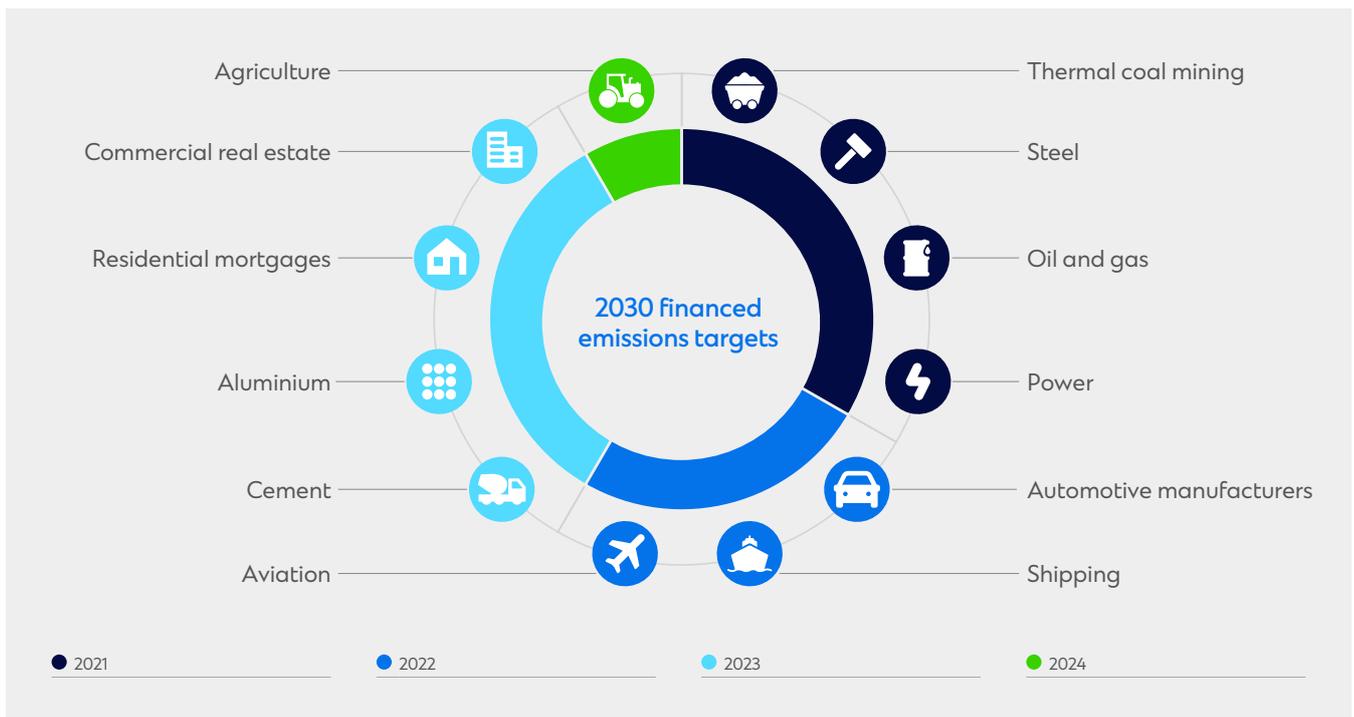
We intend to achieve this through client engagement and the continued provision of financial services, including sustainable finance and transition products, which are aimed at supporting our clients' decarbonisation efforts and, in turn, reduce emissions in our lending portfolio.

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 and the International Maritime Organization (IMO) for shipping.

In 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.

In line with the PCAF standards, the Group does not recognise carbon credits when reporting our financed emissions. Emissions values are reported gross, exclusive of any offsets utilised by clients.

 [Read the Agreed upon Procedure report on our Intermediate Financed Emissions Targets at sc.com/sustainabilitylibrary](https://www.sc.com/sustainabilitylibrary)



Detailed progress against our sectoral financed emissions targets

CIB

Sector	2024 Exposure in scope (\$bn)	Interim 2030 target ¹	2024 ²		2023 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	8.2	2.4–2.6°C (13–20%)	15.3	2.33 [^] °C	11.5	2.96°C	2023	-21	2024
Aluminium	0.4	6.1 tCO ₂ e/tonne aluminium (-)	0.6	6.75 [^] tCO ₂ e/tonne aluminium	0.1	3.28 tCO ₂ e/tonne aluminium	2021	10 ⁵	2023
Automotive manufacturers	3.3	66–100 gCO ₂ /Vkm (44–63%)	3.1	145 [^] gCO ₂ /Vkm	3.1	157 gCO ₂ /Vkm	2021	-19	2022
Aviation	1.5	773 gCO ₂ e/RTK ⁶ (33%)	1.2	771 [^] gCO ₂ e/RTK	1.2	782 gCO ₂ e/RTK	2021	-33	2024
Cement	0.6	0.52 tCO ₂ /tonne cement (22%)	1.8	0.60 [^] tCO ₂ /tonne cement	2.1	0.62 tCO ₂ /tonne cement	2021	-10	2023
Commercial real estate	5.3	19–39 kgCO ₂ e/sq.m (47–74%)	0.1	53 [^] kgCO ₂ e/sq.m	0.1	58 kgCO ₂ e/sq.m	2021	-27	2023
Oil and gas	6.4	9.3 MtCO ₂ e (29%)	7.2 [^]	na ⁷	8.7 ⁸	na ⁷	2020	-45	2023
Power	6.3	0.17–0.28 tCO ₂ /MWh (46–67%)	5.6	0.39 [^] tCO ₂ /MWh	4.8	0.43 tCO ₂ /MWh	2021	-25	2023
Shipping ⁹	5.7	0% delta	3.0	-0.9% [^] delta	2.9	+3.2% delta	2021	-8	2022
Steel	0.6	1.4–1.6 tCO ₂ /tonne steel (22–32%)	1.0	1.75 [^] tCO ₂ /tonne steel	1.3	1.87 tCO ₂ /tonne steel	2021	-15	2023
Thermal coal mining	0.03	0.5 MtCO ₂ e (85%)	1.1 [^]	na ⁷	1.2	na ⁷	2020	-67	2021
Others ¹⁰	40.1	na ¹¹	7.4	na ¹¹	8.5	na ¹¹	na ¹¹	na ¹¹	na ¹¹

WRB

Residential mortgages ¹²	65.7	29–32 kgCO ₂ e/sq.m (15–23%)	0.4	34.2 [^] kgCO ₂ e/sq.m	0.4	36.0 kg CO ₂ e/sq.m	2021	-9	2023
-------------------------------------	------	---	-----	--	-----	--------------------------------	------	----	------

- 1 An Agreed Upon Procedure review was performed by EY over the Group's financed emissions 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 Following a CDP methodology update on the default temperature score from 3.1°C to 3.4°C, the 2023 portfolio implied temperature rise (ITR) has been revised from 2.72°C to 2.96°C. As a result, the target pathway has been updated from 2.2–2.4°C to 2.4–2.6°C with the baseline at a higher temperature score.
- 5 The Aluminium sector intensity increase was driven primarily by increased short-term lending to primary producers, due to mature in 2025. The percentage change cumulative to baseline column has been calculated based on the change in relation to the sector target given our baseline was already below the 2030 target set.
- 6 RTK (Revenue tonne-kilometre) is a measure of annual passenger and cargo aircraft traffic representing the metric tonne of revenue load carried one kilometre.
- 7 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.
- 8 The prior period has been restated from 9.4 MtCO₂e to apply the Group's revised methodology to reflect improvements in data quality and only counts Scope 3 emissions on upstream production activities (including diversified and integrated counterparties). There was no impact on the baseline year.
- 9 Progress is measured against the IMO revised minimum scenario for the shipping sector.
- 10 Others includes miscellaneous non-high-emitting sectors not included in a sector deep dive.
- 11 Value is not required as the group has not set a target for the 'others' sector.
- 12 The Group has set its residential mortgages 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 Carbon Risk Real Estate Monitor (CRREM) scientific pathway. 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.

Our approach to measuring financed emissions

CIB

Sector	Emissions approach	Scenario	Value chain	Scope of emissions		2024	2023	In scope exposure coverage
				PCAF score ¹	PCAF score ¹			
Agriculture	Implied temperature rise (ITR)	IPCC (1.5°C–2°C)	Full value chain (pre-farm and post-farm)	1, 2	2.1	2.7	86%	
				3	4.8	4.7		
Aluminium	Production intensity	MPP STS	Aluminium producers	1, 2	1.8	1.2	100%	
Automotive manufacturers	Physical intensity	IEA APS and NZE	Automotive manufacturers	1, 2	2.1	2.3	100%	
				3	5.0	5.0		
Aviation	Physical intensity	MPP Prudent	Aircraft operators, owners and lessors	1	2.0	2.0	100%	
				3	2.0	2.0		
Cement	Production intensity	IEA NZE	Clinker and cement manufacturing	1, 2	2.2	2.3	100%	
Commercial real estate	Physical intensity	IEA APS and NZE	Commercial real estate investment facilities	1, 2	4.1	4.0	100%	
Oil and gas	Absolute emissions	IEA NZE	Upstream, midstream and downstream	1, 2	2.7	3.2	99%	
				3	3.0	3.2		
Power	Production intensity	IEA APS and NZE	Electricity generation	1, 2	3.5	3.4	100%	
Shipping	Physical intensity	IMO rev. min. IMO striving	Shipping lessors and companies	1	1.0	1.0	99%	
				3	1.0	1.0		
Steel	Production intensity	MPP TM	Steel producers	1, 2	2.7	3.3	96%	
Thermal coal mining	Absolute emissions	IEA NZE	Thermal coal miners	1, 2	4.0	3.9	100%	
				3	3.0	3.0		
Others	Absolute emissions		Other sectors	1, 2	2.9	3.1	84%	

WRB

Residential mortgages	Physical intensity	CRREM	Residential households	1, 2	5.0	4.4	100%
-----------------------	--------------------	-------	------------------------	------	-----	-----	------

Sector emissions for material Scope 3 high-emitting sectors

Sector	2024 (MtCO ₂ e)		2023 (MtCO ₂ e)	
	Scope 1, 2	Scope 3 ³	Scope 1, 2	Scope 3 ³
Agriculture	1.4	13.9	1.2	10.3
Automotive manufacturers	0.1	3.0	0.1	3.0
Aviation ²	1.0	0.2		
Oil and gas	1.0	6.2	1.5	7.2
Shipping ²	0.5	2.5		
Thermal coal mining	0.0 ⁴	1.1	0.1	1.1

- PCAF data quality scores are a ranking system used to disclose the accuracy of emissions data included in the financed emissions calculation. Scores range from 1 to 5 with 1 being the best. Client-reported data results in a lower PCAF score whereas estimates or extrapolated data results in a higher score.
- Disaggregation of Scope 1, 2 and 3 emissions reported for the first time for aviation and shipping.
- Pursuant to paragraph 28(c), we have reported our Scope 3 category 15 financed emissions. Our reporting is based upon our high-carbon sectors and inclusive of the emissions scopes that we deem to be material to each sector and where we have the most influence on supporting our clients on their transition journeys. As such, we do not include all Scope 3 emissions for each reported sector.
- Scope 1 and 2 emissions for thermal coal mining have been rounded down to 0 to ensure consistency with the total absolute emissions number included in the financed emissions table.

In general, client emissions data is sourced from the below sources. Where possible, the most recent verified emissions data has been used:

- externally via third-party data aggregators (such as S&P)
- from annual reports or sustainability reports
- calculated using client production data multiplied by an appropriate emissions factor
- estimated using internal or public datasets.

Currently, PCAF calls for financial institutions to report Scope 3 emissions for all sectors. Our inclusion of Scope 3 is limited to sectors where we consider these emissions to be significant to the total emission profile of the industry, and where data quality is sufficient.

For our financed emissions sector reporting we have elected to measure a specific part of each high-emitting sector's value chain as we deem these activities to result in the most GHG emissions. The part of the value chain measured is disclosed in the sector table above.

The Group applies the United Nations International Standard Industrial Classification (ISIC) system rather than the Global Industry Classification Standard (GICS) 6-digit industry-level code for classifying counterparties into the relevant sector. This is to ensure cross-functional consistency in client classification, given sector mapping is utilised in more than just emissions reporting.

 [Read more in our 'Net Zero Methodological White Paper – The journey continues' publication at sc.com/sustainabilitylibrary](https://www.sc.com/sustainabilitylibrary)

Climate

Sector breakdowns

Agriculture

Balance in scope	Interim target	Performance versus baseline
\$8.2bn	2.4–2.6 °C	-21% ●

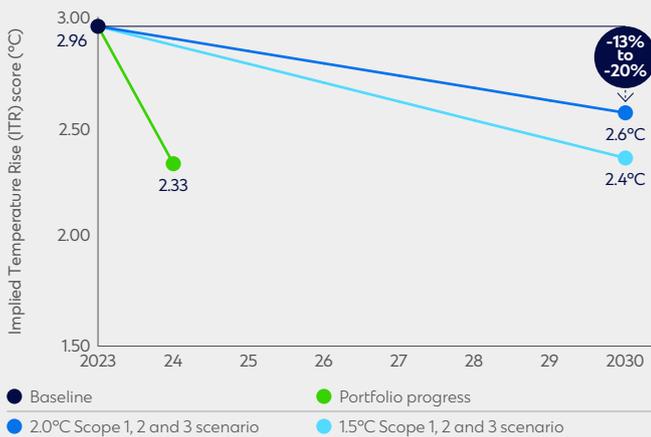
Sector background

According to the Food and Agriculture Organisation (FAO), the agriculture sector is responsible for 30 per cent of global anthropogenic¹ emissions. This sector encompasses an extensive value chain, extending from the production of fertilisers to sale of farm products in retail stores. Emissions arise at various stages, including from the production and use of fertilisers, cultivation of crops, and distribution and processing of agricultural products.

Approach to achieving net zero targets

- Tracking our clients who do not have commitments, engaging and actively working with those clients to assist them on setting targets.
- Encouraging our clients to use renewable energy and improve energy efficiency.
- Improving traceability and labelling for sustainable products.
- Reducing food loss in processing, especially in developing economies.

Baseline, target and portfolio progress 2023 to 2030²



Progress in the year

The agriculture baseline and target have been set using a temperature alignment, known as Implied Temperature rise (ITR). They were updated in 2024 to reflect the increase in CDP default temperature scores for entities with no commitments from 3.1°C to 3.4°C. This has resulted in the baseline increasing from 2.72°C to 2.96°C and the target range increasing from 2.2–2.4°C to 2.4–2.6°C. The ITR for the agriculture portfolio has decreased from 2.96°C to 2.33°C, a reduction of 21 per cent.

This was mainly driven by:

- Increased lending to clients with improved ITR scores.
- Ongoing engagement of high ITR clients to commit to science-informed targets and submissions to CDP.

The Group continues to actively monitor and place emphasis on the larger corporates within the value chain to drive change. This includes those corporates engaging with their suppliers to decarbonise their Scope 3 emissions, which is where we believe the greatest impact can be achieved.

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 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at sc.com/sustainabilitylibrary.

Aluminium

Balance in scope	Interim target	Performance versus target
\$0.4bn	6.1 tCO ₂ e/tonne aluminium	+10% ●

Sector background

The production of aluminium is emissions intensive and is responsible for 1 per cent of energy-related emissions as per the IEA World Energy Outlook (WEO) 2025. The aluminium sector relies heavily on electricity from onsite power generation and the local grid. Nearly 60 per cent of the sector's carbon emissions are attributable to the electricity consumed during smelting for the electrolytic reduction process.

Approach to achieving net zero targets

- Promoting electricity decarbonisation, engaging clients to uptake renewable energy PPAs and low-emission fuel for onsite power generation.
- Reducing direct emissions through electrification, fuel switching and use of carbon capture, utilisation and storage (CCUS).
- Incentivising recycling and resource efficiency that has a significantly lower production intensity.

Baseline, target and portfolio progress 2021 to 2030¹



Progress in the year

The production intensity for the aluminium portfolio has increased from 3.28 tCO₂e/tonne aluminium to 6.75 tCO₂e/tonne aluminium, an increase of 105 per cent; however, the sector remains below the net zero target pathway.

This intensity increase was driven primarily by increased short-term lending to primary aluminium producers (that have higher emissions intensities per tonne of aluminium produced), due to mature in 2025. Monitoring the deal pipeline and promoting transition financing are essential towards aligning with the 2030 target intensity of 6.1 tCO₂e/tonne aluminium.

We continue to target the increase of scrap aluminium to avoid electricity use from the electrolysis phase of production. We are also working with our primary aluminium producers on their options for procurement of clean energy.

1 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at sc.com/sustainabilitylibrary.

● On track

● Off track

Automotive

Balance in scope	Interim target	Performance versus baseline
\$3.3bn	66–100 gCO ₂ /Vkm	-19% ●

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, 2025.

Approach to achieving net zero targets

- Encouraging fuel-switching and improving fuel-efficiency as a first step.
- Electrification of the vehicle production process.
- Encouraging recycling and the circular economy in the manufacturing process.

Baseline target and portfolio progress 2021 to 2030¹



Progress in the year

The automotive manufacturers' portfolio intensity, which is based upon the CO₂ of tailpipe emissions per distance travelled, has decreased 8 per cent year-on-year from 157 gCO₂/Vkm to 145 gCO₂/Vkm.

This is driven by active financing provided to manufacturers who are solely making electric vehicles (EVs). Pure battery EVs are treated as having zero tailpipe emissions in our methodology, consistent with the NZBA's automotive sector emerging practice paper. The decrease was also supported by progress among other automotive clients in changing their production mix away from internal combustion engines towards hybrid engines and EVs.

However, headwinds persisted in the sector with decarbonisation policy softening² and existing large internal combustion engine manufacturers acknowledging that the pace of decarbonisation will be slower than anticipated and internal combustion engine manufacturing will continue to make up a significant proportion of sales. As a result, the decarbonisation trajectory may be flatter in the near term.

The Group aims to monitor and steer the portfolio towards those automotive manufacturers that have a higher proportion of EVs in their overall vehicle production mix or have tacit plans to shift their powertrain production towards lower-emission engines.

- 1 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at [sc.com/sustainabilitylibrary](https://www.sc.com/sustainabilitylibrary).
- 2 2025 Automotive Package – Proposed revision of the Regulation on CO₂ standards for cars and vans.

Aviation

Balance in scope	Interim target	Performance versus baseline
\$1.5bn	773 gCO ₂ e/RTK	-33% ●

Sector background

The aviation sector accounts for 3 per cent of global energy-related emissions per IEA WEO, 2025. The majority of emissions arise from the burning of aviation fuels.

Approach to achieving net zero targets

- Encouraging and financing our clients to scale up the production and use of SAFs to reduce emissions.
- Supporting clients in financing new aircraft technologies that have enhanced fuel efficiency for weighted distance travelled.

Baseline target and portfolio progress 2021 to 2030¹



Progress in the year

During 2024, the aviation sector emissions intensity decreased by 1.4 per cent from 782 tCO₂e/RTK to 771 tCO₂e/RTK. This is driven by increased lending towards the latest commercial aircraft with greater aerodynamic performance and fuel efficiency.

- 1 Read more on our target setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at [sc.com/sustainabilitylibrary](https://www.sc.com/sustainabilitylibrary).

● On track

● Off track

Climate

Sector breakdowns

Cement

Balance in scope	Interim target	Performance versus baseline
\$0.6bn	0.52 tCO ₂ /tonne cement	-10% ●

Sector background

The cement sector contributes approximately 6 per cent towards global energy-related emissions per IEA WEO, 2025. The primary source of 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 cement plants.
- Encouraging clients to use alternative fuels such as waste and biomass in the production process.
- Encouraging the use of clinker substitutes.
- Financing of electric kiln technologies.

Baseline target and portfolio progress 2021 to 2030¹



Progress in the year

The cement portfolio intensity has decreased from 0.62 tCO₂/tonne cement to 0.60 tCO₂/tonne cement, a decrease of 3 per cent year-on-year.

This is driven by increased lending to clients with lower production intensities, which can be observed as clients improve the energy efficiency of their plants, increasing the use of clinker substitutes and scaling up production of low carbon calcined clay cement to meet their targets.

¹ Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at sc.com/sustainabilitylibrary.

Commercial real estate

Balance in scope	Interim target	Performance versus baseline
\$5.3bn	19–39 kgCO ₂ e/sq.m	-27% ●

Sector background

The commercial real estate sector contributed 2 per cent towards global energy-related emissions per IEA WEO, 2025.

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

Approach to achieving net zero targets

- The decarbonisation of the power grids that supply the commercial buildings financed.
- Encouraging fuel switching from fossil fuels to heat pumps or direct electricity.
- Lending to retrofit existing building stock to improve operational efficiency by installing better insulation, low-energy appliances, efficient cooling and onsite battery and thermal storage.
- Power purchase agreements for renewable electricity from the local grid.

Baseline, target and portfolio progress 2021 to 2030¹



Progress in the year

The commercial real estate portfolio intensity has decreased 9 per cent from 58 kgCO₂e/sq.m to 53 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.

The Group has further changed the location mix of its portfolio as a whole, with an increase in exposure to buildings located in European countries that have lower-intensity electricity grids, and a relative decrease in exposure to higher-intensity locations in ASEAN markets.

We continue to work both 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.

¹ Read more on our target setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at sc.com/sustainabilitylibrary.

● On track

● Off track

Oil and gas

Balance in scope	Interim target	Performance versus baseline
\$6.4bn	9.3 MtCO ₂ e	-45% ●

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.

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.
- Encouraging and funding our clients' shift to gas and greater investment in renewables.
- Conducting active deal analysis for carbon budget availability and emissions intensity alignment.

Baseline, target and portfolio progress 2020 to 2030²



Progress in the year

The oil and gas portfolio emissions decreased 17 per cent year-on-year from 8.7³ MtCO₂e to 7.2 MtCO₂e. The in-scope portfolio exposure also decreased by 2 per cent from 2023 to 2024.

The decrease in emissions has been driven by a decrease in short-term trade funding and focused lending towards more carbon-efficient clients and projects. While the year-end financed emissions are below the 2030 target, they are anticipated to increase in the short-term as clients increase their borrowing due to lower interest rates and lower oil and gas commodity prices.

We are encouraged to see continued focus by our clients on methane abatement, which materially reduces Scope 1 emissions. We continue to provide funding to oil and gas clients' renewable portfolios and carbon capture technologies.

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.
 2 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at [sc.com/sustainabilitylibrary](https://www.sc.com/sustainabilitylibrary).
 3 The oil and gas prior period has been restated due to a change in the Group's proxy methodology. There was no impact on the baseline year.

Power

Balance in scope	Interim target	Performance versus baseline
\$6.3bn	0.17–0.28 tCO ₂ /MWh	-25% ●

Sector background

The electricity and heat sector contributed 41 per cent towards global energy-related GHG emissions per IEA WEO, 2025. 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.¹

Baseline target and portfolio progress 2021 to 2030²



Progress in the year

The power portfolio emissions intensity has decreased 9 per cent year-on-year from 0.43 tCO₂/MWh to 0.39 tCO₂/MWh. Significant movements included:

- Decreases in funded thermal coal power generation as balances mature in line with contractual maturities.
- 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 remains a strong pipeline of lower-intensity power plants and renewables projects due to start operations in the future that are currently being funded.

Power sector financed generation mix (%)



1 Refer to our Power Generation and Thermal Coal Position Statement to read about how we manage environmental and social risks within the power sector.
 2 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at [sc.com/sustainabilitylibrary](https://www.sc.com/sustainabilitylibrary).

● On track

● Off track

Climate

Sector breakdowns

Shipping

Balance in scope	Interim target	Performance versus baseline
\$5.7bn	0% delta	-8% ●

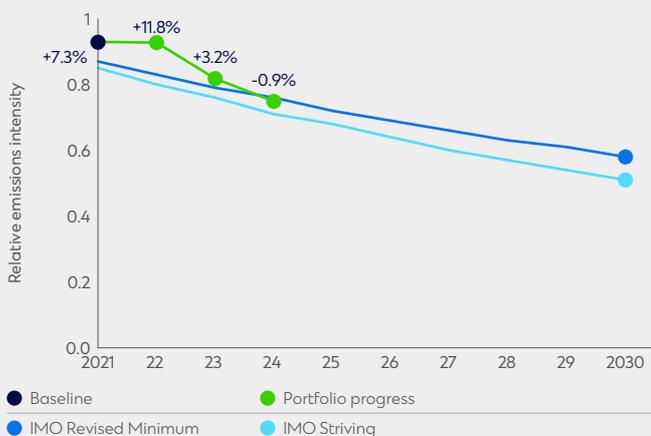
Sector background

Shipping is key to facilitating global trade. The sector contributes 2 per cent of global energy-related emissions per IEA WEO, 2025. The sectoral emissions predominantly arise from the combustion of shipping fuel.

Approach to achieving net zero targets

- Engaging clients to invest in zero emission alternative fuels and set ambitious targets.
- Financing new ships with greater fuel efficiency in line with our infrastructure and transport Position Statement.

Baseline, target and portfolio progress 2021 to 2030¹



Progress in the year

Over the course of the 2025 reporting period, the Group's alignment delta for the shipping sector improved significantly, moving from +3.2 per cent to -0.9 per cent year-on-year against the revised minimum scenario. This trajectory brings us closer to our stated objective of achieving a 0 per cent alignment delta by 2030.

Climate-related risks are now systematically integrated into our credit underwriting framework through a structured analysis of each client's transition pathway and vessel efficiency profile. This approach ensures that climate considerations are embedded across our credit evaluation and portfolio management processes.

Decarbonisation has become a pivotal element in the pricing of shipping finance. Margins are increasingly shaped not just by conventional risk-reward evaluations, but also through the strategic incorporation of climate alignment criteria at both corporate and asset-specific levels.

Consistent with our commitment to responsible financing under the Poseidon Principles, we continue to support dual-fuel and next-generation vessels that demonstrate enhanced energy efficiency. Our focus remains on partnering with clients who establish credible transition plans underpinned by ambitious decarbonisation targets.

Looking ahead, we anticipate that regulatory expectations and market incentives will further intensify, accelerating the shift towards low- and zero-carbon shipping solutions.

¹ Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at sc.com/sustainabilitylibrary.

Steel

Balance in scope	Interim target	Performance versus baseline
\$0.6bn	1.4–1.6 tCO ₂ /tonne steel	-15% ●

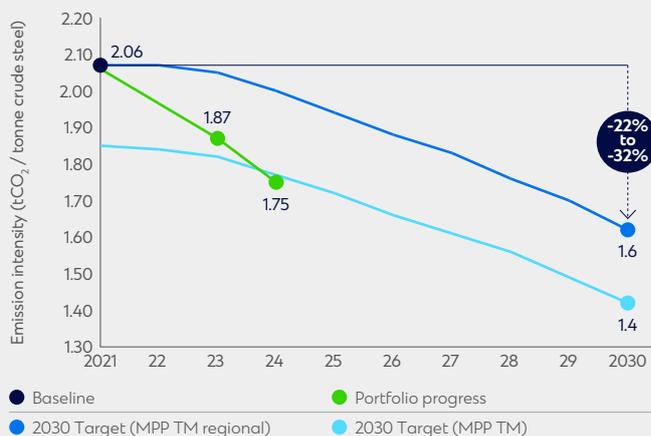
Sector background

Steel is a critical material, 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 CO₂ emissions and accounts for roughly 7 per cent of global emissions per IEA WEO, 2025.

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.

Baseline, target and portfolio progress 2021 to 2030¹



Progress in the year

The steel sector emission intensity has reduced by 6 per cent year-on-year from 1.87 tCO₂/tonne steel to 1.75 tCO₂/tonne steel. This was driven by increasing lending to clients utilising scrap steel as opposed to those utilising iron ore in blast furnaces.

We are providing funding for an increased uptake of scrap steel from some of our primary steel producers that will reduce their production intensities. Increasing scrap uptake for recycled steel production using electric arc furnaces reduces the carbon emission intensity by decreasing the reliance on blast furnaces that use primary iron ore and coal, thereby saving energy and raw materials.

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

¹ Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at sc.com/sustainabilitylibrary.

Thermal coal mining

Balance in scope	Interim target	Performance versus baseline
\$0.03bn	0.5 MtCO ₂ e	-67% ●

Sector background

Burning of coal is one of the most significant driving factors in climate change. The Group has a Thermal Coal Position Statement that sets out our aim to phase out our thermal coal exposure by 2032 (subject to contractual obligations). Scope 1 and 2 emissions come from coal producers using energy in the mining process, and Scope 3 emissions come from the burning of coal in upstream processes.

Approach to achieving net zero targets

- Rundown of thermal coal exposures in line with contractual commitments.

Baseline, target and portfolio progress 2020 to 2030¹



Progress in the year

Thermal coal absolute emissions have decreased by 8 per cent from 1.2 MtCO₂e to 1.1 MtCO₂e. This was due to the portfolio continuing to be paid down in line with contractual maturities of existing counterparties per the Group's Thermal Coal Position Statement.

¹ Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at [sc.com/sustainabilitylibrary](https://www.sc.com/sustainabilitylibrary).

Residential mortgages

Balance in scope	Interim target	Performance versus baseline
\$65.7bn	29-32 kgCO ₂ e/sq.m	-9% ●

Sector background

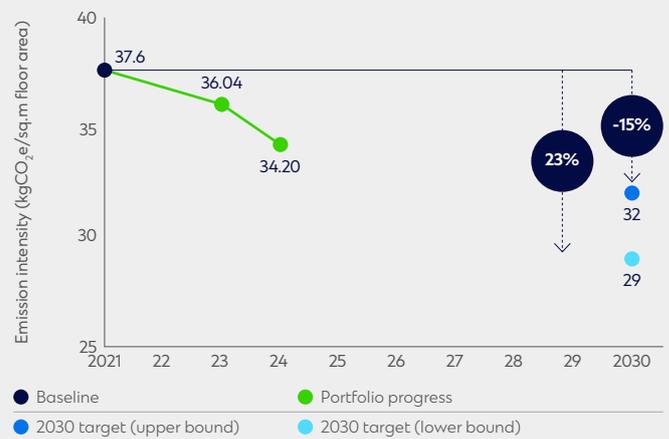
Residential housing contributed 5 per cent towards global energy-related emissions per IEA WEO, 2025. The residential housing sector emissions are primarily from two sources: the operation of the building and embodied emissions (which are emissions related to its construction).

Approach to achieving net zero targets

Market initiatives to achieve net zero include:

- Increased lending to clients to improve energy efficiency through retrofitting and improvement of insulation, ventilation, and energy management.
- Engaging with clients to decarbonise their electricity supply, for example, through the direct purchase of green electricity or green certificates.

Baseline, target and portfolio progress 2021 to 2030¹



Progress in the year

The Group measured its 2024 progress from the four main residential mortgage portfolios: Hong Kong, South Korea, Singapore and Taiwan, accounting for more than 85 per cent of the Group's exposure. Emissions measured in our baseline and annual progress include Scope 1 and 2 emissions from the residential properties the Group lends against. 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 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 5 per cent from 36.04 kgCO₂e/sq.m to 34.2 kgCO₂e/sq.m as we start to see the emission intensity of power grids in these regions start to decrease in line with our expectations.

¹ Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at [sc.com/sustainabilitylibrary](https://www.sc.com/sustainabilitylibrary).

Climate

Facilitated emissions

Sector ^{1,2}	Interim 2030 target	Weighting	2024 MtCO ₂ e	2023 MtCO ₂ e	Baseline MtCO ₂ e	Baseline year	Target set year	% change cumulative to baseline
		100% weighting factor	3.08 [^]	1.76	4.02			
Oil and gas	2.94 MtCO ₂ e (26.9%)	33% weighting factor	1.02	0.58	1.33	2021	2024	-23%

Sector	Emission approach	Scenario	Value chain	Scope of emissions	2024 PCAF score	2023 PCAF score	In-scope exposure coverage
Oil and gas	Absolute emissions	IEA NZE	Upstream, midstream and downstream	1, 2 3	2.7 3.0	2.9 3.0	100%

Oil and gas

Value facilitated ³	Interim target	Performance versus baseline
\$3.8bn	2.94 MtCO ₂ e	-23%

Baseline, target and portfolio progress 2021 to 2030⁴



Progress in the year

The facilitated emissions target was set in 2024 for the oil and gas sector with a reduction target of 26.9 per cent from a 2021 baseline, based on the IEA NZE scenario in line with financed emissions.

The Group performs active deal analysis for carbon budget availability and emissions intensity alignment for each oil and gas bond raised. Alignment to the emissions associated with facilitation are highly cyclical, due to interest rates and the global oil price. These emissions trended down between 2021 to 2023 as bond underwriting volumes were low due to COVID-19 and higher interest rates as a response to a higher inflationary environment.

During 2024, this cyclicity continued with a return to the market of many oil and gas counterparties that has seen facilitated emissions increase up to 3.08 MtCO₂e. This cyclicity is anticipated to continue in the medium term as clients increase their borrowing driven by lower interest rates and lower oil and gas commodity prices. We aim to continue to monitor this towards our interim 2030 target in tandem with our financed emissions oil and gas progress.

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

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

3 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 for the 2024 financial year.

4 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at sc.com/sustainabilitylibrary.

● On track

● Off track

Methane emissions

In 2025, in line with our net zero roadmap, the Group analysed the intensity of our upstream oil and gas portfolio for methane emissions, aligned with calculations conducted for the 12 highest carbon-emitting sectors. Methane emissions abatement from the oil and gas supply chain is a critical goal for minimising the impacts of climate change given methane is a short-lived climate pollutant with a much greater potency than CO₂ in the near term.

As per the IEA Global Methane Tracker 2025¹, 85 per cent of methane emissions for the industry are produced by upstream activities. As a result, the population of clients considered to be in-scope for our emissions portfolio calculation are those clients of the Group that have some form of upstream operations, including integrated and diversified clients. The Group's in-scope lending exposure will contain a diversified mix of lending for general corporate purposes as well as integrated and diversified clients covering upstream, midstream and downstream oil and gas activities.² Our Methane White Paper gives more detail on our methodology and baseline.

The portfolio intensity of the population in scope has been calculated as 0.089 kgCH₄/barrel oil equivalent (boe). This is based on data coverage of over 99 per cent of our upstream oil and gas portfolio.

We found our portfolio compares favourably to the IEA NZ Emissions 2030 methane target of 0.200 kgCH₄/boe based on upstream production. The baseline calculation methodology is consistent with the target as total methane emissions from upstream operations are divided by fuel production. As at 31 December 2024, over 70 per cent of the Group's in-scope oil and gas exposure is to clients that have announced net zero methane commitments by 2030 through either the Oil & Gas Decarbonisation Charter (OGDC) and/or the Oil & Gas Methane Partnership (OGMP). Twenty per cent of the in-scope population has achieved Gold Standard Reporting per the latest OGMP report 'An Eye on Methane 2025'.

We focus on implementing practical actions to quantify and reduce methane emissions. This will be achieved by encouraging public disclosure, promoting policy initiatives (such as the OGDC and OGMP 2.0, levels four and five, and eventually gold standard), and by providing methane abatement financing. The methane intensity disclosures of our clients, and by extension of the Group, may change in the future due to technological advancements of monitoring. As clients measure their methane abatement more accurately on an individual asset level (as is required by OGMP levels four and five) there may be further restatements of client emission information. We will monitor these changes and update our financed intensity accordingly.

Climate risks and opportunities

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 manifests through the Group's businesses and operations and impacts the relevant Principal Risk Types (PRTs). The Group is exposed to Climate Risk through our clients, own operations, vendors, suppliers and from the industries and markets that we operate in. Therefore, we focus our disclosures on how climate-related risks are governed, managed and embedded in our business.

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

Our ESGR Risk Appetite Statement is approved annually by the Board and supported by Risk Appetite metrics and Management Team Limits (MTLs) across relevant risk types.

In 2025, we continued to implement 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 intending to maintain net zero emissions in our Scope 1 and 2 emissions going forward.

 [Read more about ESGR Risk and Climate Risk in the Risk review on pages 287 to 302](#)

 [Read more on our TCFD disclosures in the Climate reporting index on pages 458 to 465](#)

 [Read more on our approach to managing Climate Risk through transition planning in our Transition Plan at \[sc.com/transition-plan\]\(https://sc.com/transition-plan\)](#)

¹ International Energy Agency (2023), Methane Tracker Database.

² Read more on our methodology and baseline in our Methane White Paper at sc.com/sustainabilitylibrary.

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

During the year, we expanded our climate-related time horizons to better align with the recent Bank of England Climate Financial Risk Forum (CFRF) publication. This adjustment reflects the progress we have made toward our initial short-term targets, many of which are now completed. The updated timeframes allow us to more accurately assess and manage longer-term climate risks and opportunities, while continuing to support our sustainability strategy and the embedded milestones within this. The time horizons that we now use to identify, assess and manage our identified climate-related risks and opportunities are as follows:

Short term	0 to 5 years	<ul style="list-style-type: none"> Our short-term time horizon aligns with our aim: <ul style="list-style-type: none"> To deliver on our interim 2030 financed emissions targets for our 12 highest-emitting sectors To mobilise \$300 billion of sustainable finance by 2030 In line with the Group's Scope 1 and 2 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	5 to 10 years	<ul style="list-style-type: none"> Our strategic and financial planning constitutes action plans that intend to enable us to align to our net zero targets. These plans include the progression of our TPC engagement across our core markets. Over this timeframe, the most material transition risks identified in our scenario analysis begin to influence client creditworthiness. Our transition scenarios demonstrate policy tightening, carbon-pricing convergence and technological cost declines, which accelerate between 2030 and 2035 under both orderly and disorderly scenarios.
Long term	10+ 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.



List of climate risks and opportunities

We have identified the following climate risks and opportunities as part of our materiality process (see page 72 for details). While these could reasonably be expected to affect at least part of the Group over the time horizons specified below, they may not affect all our operations, subsidiaries or value chain equally.

Impacted risk type	Risk description	Risk driver	Key risk driver detail	Time horizon	Further detail
Credit Risk (WRB)	Physical risks, such as rising sea levels and severe flood events, could adversely impact repayment ability through damage to properties or loss of insurance cover, leading to potential increases in credit losses for the Group. Credit losses may also result from changes in the economic environment as it transitions towards lower emissions (e.g., changes in clients' disposable income due to fluctuations in energy prices).	Physical	Acute	Short	WRB Credit Risk (page 293)
		Transition	Chronic	Medium	
			Market	Long	
Credit Risk (CIB)	Disruption to clients' business models due to physical or transition risk impacting their profitability and thereby affecting their capacity to repay debt, or the capital and collateral required to back the loan.	Physical	Acute	Short	CIB Credit Risk (page 289)
		Transition	Chronic	Medium	
			Market	Long	
Operational, Technology and Cyber Risk	Impact of acute or chronic physical risks may disrupt our own properties, data centres and third parties leading to business disruptions. Furthermore, costs may increase through implementation of practices such as renewable energy sources and waste reduction to reduce emissions.	Physical	Acute	Short	Operational, Technology and Cyber Risk (page 296)
		Transition	Chronic	Medium	
			Technology	Long	
Country Risk	Both physical and transition risk can have a direct impact on a sovereign's economic strength and increase their cost of borrowing, directly impacting overall creditworthiness.	Physical	Acute	Short	Country Risk (page 295)
		Transition	Chronic	Medium	
			Market	Long	
			Regulation		
Environmental, Social and Governance and Reputational (ESGR) Risk	Potential or actual adverse impact on the Group's financial performance, operations, or the Group's name, brand or standing, arising from environmental, social or governance factors, or as a result of the Group's actual or perceived actions or inactions.	Transition	Regulation	Short	ESGR Risk (page 231)
			Legal	Medium	
Traded Risk	Acute physical risk events or a disruptive transition can cause sudden changes in the fair value of assets driven by commodity price changes. Additional impact may result due to trigger sales, or sudden and negative price adjustments where these risks are not yet incorporated into prices.	Physical	Acute	Short	Traded Risk (page 297)
		Transition	Market	Medium	
Treasury Risk	Impact on client business models and their overall financial stability from transition to a low-carbon economy or recovery from a physical climate event may impact the Group's capital or liquidity adequacy.	Physical	Acute	Short	Treasury Risk (page 297)
		Transition	Chronic	Medium	
			Market	Long	
			Regulation		
Model Risk	Model Risk may exist from inappropriate design, specification, development or governance of a model relative to the intended business objectives and/or ineffective model remediation in response to issues identified by model validation.	Physical	Acute	Short	Model Risk (page 297)
		Transition	Chronic	Medium	
			Technology	Long	

Impacted opportunity type	Opportunity description	Opportunity driver	Key opportunity driver detail	Time horizon	Further detail
Sustainable finance	The global pursuit of a just transition presents revenue opportunities from connecting clients with the funding required to implement climate mitigation and adaptation initiatives. Different geographies and industries will require different initiatives and different financial products to facilitate them.	Physical Transition	Acute Chronic Market	Short Medium Long	Sustainable finance (page 83)
Operational resilience and efficiency	Investing in energy-efficient technologies and practices can reduce operational costs. We also have an opportunity to assess and adapt our operations to become more climate resilient.	Transition	Technology Regulation	Short Medium	Our operations (page 93)
Reputational	Demonstrating a commitment to reducing our own and client emissions can enhance the Group's reputation among clients and other stakeholders. There is a potential to increase client loyalty and attract new clients who prioritise sustainability. The strategic reputational impact of our opportunities is considered alongside other climate risks and opportunities.	Transition	Market Regulation	Short Medium Long	Sustainable finance (page 83)

Climate risks and opportunities in the Group's strategy and financial planning

The current financial effect of climate-related risks is detailed within Note 1 to the Financial Statements (read more on page 332) where we have considered the effect on the Group, noting that climate risk did not result in a material change to the current year's balance sheet or income statement. Specifically, our impact assessment resulted in only an immaterial ECL increase across CIB and WRB, which has been recorded as a management overlay for the 2025 year-end. The current effect of climate-related opportunities can be seen through the progression of our sustainable finance mobilisation, asset and liabilities and sustainable finance income, as described on page 83.

The Group does not currently anticipate any significant residual impact on its financial position, performance, or cash flows over the short term, medium or long term. Our work to date across our net zero journey (detailed within the Sustainability review) and risk management of climate effects (detailed within the Risk review) supports our shorter term strategy to mitigate physical and transition risk where possible and has indicated that our business is resilient to all Network of Central Banks and Supervisors for Greening the Financial System (NGFS) scenarios that were explored for longer term time-frames, validating the actions the Group is taking in terms of net zero ambitions (read more on page 298). While providing more detail would be market-sensitive, the current and ongoing targets in relation to sustainable finance are indicative of the expectations the Group has in relation to the effects of climate-related opportunities. Our Innovation Hubs provide details of emerging sustainability themes that we deem to be potential growth areas. We identify, assess, prioritise and monitor climate-related

opportunities including through our Innovation Hubs and our sustainable finance teams, which develop customised solutions that speak to clients' needs and ambitions. Our Transition Plan is a key instrument through which we plan to deliver on these targets and assess the resilience of the Group's strategy to climate-related risks. Read more on how the Transition Plan informs our strategy and decision making on page 90. We will continue to monitor current and anticipated financial effects of climate-related risks and opportunities as we further enhance our modelling and risk assessment capabilities.

While they do not directly inform the Group's identification of climate-related opportunities, the results from scenario analysis serve multiple use cases, including as one of the inputs to CIB clients' Climate Risk grading (BRAG) assessment, which is integrated into the existing credit approval process. This integration is key to informing the overall Climate Risk management process. A quarterly refresh of the scenario analysis for CIB monitors expected stressed losses from Climate Risks against predefined thresholds over a five-year horizon. High-risk clients identified through scenario analysis are disseminated for further consideration and discussion in key forums. The results are used for assessment of Pillar 2A capital add-on as part of Internal Capital Adequacy Assessment Process (ICAAP) for CIB and WRB segments, and for assessing credit impairment due to Climate Risk with a focus on CIB sectors with interim 2030 targets, as part of corporate planning. Further information on the processes and related policies used to identify, assess, prioritise and monitor climate-related risk (for example, through scenario analysis) and how these are integrated into and inform our overall risk management process, are set out in the ESGR Risk section on page 287 to 302.

Nature

It is estimated that more than half of global GDP is highly dependent upon nature¹. The Nexus assessment² from the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) highlights how biodiversity loss undermines livelihoods, food security, economies and health, while also threatening the resilience of our planet to climate change.

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 and support inclusive sustainable economic development.

We aim to contribute to the Global Biodiversity Framework 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 based on the 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 Global Biodiversity Framework (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.

This year, we have released our inaugural Nature Report. This marks an important milestone in our journey as an early adopter of the TNFD Framework. The Report details Standard Chartered's approach to assessing, evaluating, understanding and managing nature-related impacts, dependencies, risks and opportunities across our financing activities and own operations. It summarises our nature-related policies and procedures, such as our Environmental and Social Risk Management (ESRM) Framework and Position Statements, our Sustainable Finance Frameworks and our Nature Finance Innovation Hub, which is designed to identify and assess nature-related risks and develop nature-related opportunities. It also outlines the actions we are taking to further embed nature considerations into our governance, strategy, and risk and impact management processes.

Our progress on nature

The initiatives below represent the key highlights of nature-related activities undertaken by the Group in 2025.

Mobilising finance for nature-positive outcomes

- We structured a €433 million sustainability-linked loan for the Ministry of Finance and Budget, Republic of Côte d'Ivoire, acting as sole lender and mandated lead arranger. Arranged under Côte d'Ivoire's Sustainability-Linked Financing Framework launched in June 2025, the loan enables access to financing on more favourable terms by linking financial conditions to clear sustainability performance targets in renewable energy (excluding hydropower), deforestation prevention, and reforestation.

- Alongside a syndicate of banks, we participated as a mandated lead arranger in project financing for Chestnut Carbon of up to \$210 million, to fund a US voluntary carbon removal afforestation project. See page 82 for details.
- We provided advisory services to Kreditanstalt für Wiederaufbau (KfW) to evaluate the feasibility of the Tropical Forest Forever Facility (TFFF) and Tropical Forest Investment Fund (TFIF), a global initiative led by the Government of Brazil and aimed at creating a long-term, results-based financing mechanism to incentivise tropical forest conservation, for which Germany announced a €1 billion contribution at the United Nations Framework Convention on Climate Change (UNFCCC) COP30 in Belem.
- We signed an Indonesia seaweed project Memorandum of Understanding with the Association of Indonesian Employers (APINDO), Conservation International and Konservasi Indonesia to support sustainable seaweed industry development in Indonesia.
- The Standard Chartered Foundation announced its intent to invest \$5 million into creating a thriving blue economy across ASEAN that enables young people to secure decent work while maintaining and protecting the ocean.
- Alongside the International Union for Conservation of Nature (IUCN), we have co-funded a feasibility study to scope the potential blue carbon value that could be derived from Palk Bay's seagrass. This study is led by The Zoological Society of London, the Wildlife Institute of India and the Tamil Nadu Forest Department.³
- Read more about the work done by our Nature Finance Innovation Hub on page 78.

Understanding the materiality of nature loss on the Group's activities

- Our Nature Risk Working Group, comprising of cross-functional teams from our first and second line of defence, have reviewed the methodology and assessments developed by the Nature Finance Hub. The key results from our risk and impact assessments, which have been published in our Nature Report, are:
 - Identified potential nature-related impacts and dependencies in our financing activities: We conducted an analysis of our CIB portfolio and identified sectors with the highest exposure to potential nature-sensitive activities based on nature-related impacts and dependencies. Our analysis identified agriculture producers, building products, construction and engineering, metals and mining, oil and gas, other materials, commodity traders, pharmaceuticals,

1 PWC (2023) Managing nature risks: From understanding to action.

2 McElwee, P. D., et al. (2025). IPBES Nexus Assessment: Summary for Policymakers. Zenodo.

3 Read the full study at sc.com/palk-bay.

Nature

biotechnology and life sciences, consumer services and food, beverage and tobacco as the sectors with the highest potential sensitivities to nature-related impacts and dependencies. This accounts for 8 per cent of CIB's 2025 total portfolio exposure. The insights gained from this analysis will be used to prioritise these sectors for further in-depth assessments and client engagement, enhancing our understanding of the potential nature-related risks involved and enabling identification of potential opportunities.

- Identified and assessed nature-related impacts and dependencies in our direct operations: We assessed our direct operations' proximity to sensitive locations based on our Nature and Agribusiness Position Statements criteria and examined their nature-related impacts and dependencies. The results reflect that our direct operations' local impacts and dependencies on nature are limited.
- We are ranked 5th out of 150 Financial Institutions in the 2024 Forest500¹ assessment, reflecting the strength and scope of our deforestation-related policies in agriculture and forest-risk commodities.
- Joint number one in the World Wildlife Fund's (WWF) Above Board 2024 assessment² of Banks' Seafood Sector Policy Analysis showcasing the robustness of our approach to the fishing industry.
- 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 93 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.

Supporting collective action to address nature loss and ecosystem decline

- 2025 saw us continue to focus on advancing the sustainable blue economy:
 - Joined #BackBlue, an Ocean Finance Commitment that aims to ensure that a regenerative sustainable ocean has a seat at the table in finance and insurance decisions.
 - Published our latest sustainability research, 'Harnessing Africa's Blue Economy' and 'Valuing Nature: The ROA of an MPA', highlighting the opportunity a sustainable blue economy represents in Africa and the importance of mainstreaming nature considerations into financial decision-making in marine protected areas.³

- Continued engagement with the Ocean Risk and Resilience Action Alliance, the UN Global Compact Ocean Investment Protocol Steering Committee, the World Economic Forum Global Future Council for the Ocean and the WWF Seafood Finance Working Group.
- Actively participated in the Blue Economy & Finance Forum and the United Nations Ocean Conference, promoting blue finance solutions such as the Bahamas debt-for-nature-swap, which we executed in 2024.
- Engaged with market initiatives and financial regulators to advance the nature finance ecosystem. This includes co-chairing the UK-China Nature & Biodiversity Finance Workstream under the UK-China Green Finance Taskforce, and memberships in UN Environment Programme Finance Initiative and Principles for Responsible Banking, Singapore Sustainable Finance Association Natural Capital and Biodiversity Workstream, WEF Nature Positive Transition, Green Finance Institute's TNFD UK Consultation Group, WEF Biodiversity Credit Initiative, UK PRA/FCA Climate Financial Risk Forum Nature workstream and the Global Islamic Finance Program.
- We are a member of The Royal Foundation's United for Wildlife Financial Taskforce Advisory Board, which aims to disrupt illicit financial flows that underpin wildlife crime.
- Contributed to nature finance-related white papers from Singapore Sustainable Finance Association⁴, World Economic Forum⁵ and UK PRA/FCA Climate Financial Risk Forum⁶.

Building internal capacity

- Provided nature-related risk training to the Board Risk Committee.
- Piloted nature corporate transition training for selected Sustainable Finance colleagues in CIB Coverage teams.
- Updated Nature Finance module under Sustainable Finance Practitioner Programme for CIB Coverage teams.



Read our Nature Report at sc.com/nature



Read more on our memberships and engagements at sc.com/sustainabilitystakeholders



Read our Supplier Charter at sc.com/suppliercharter



Read our Position Statements at sc.com/positionstatements

1 Based on Forest 500's 2024 rankings for financial institutions.

2 World Wildlife Fund (WWF) Sustainable Banking, 'Above Board: 2024 Assessment of Banks' Seafood Sector Policies', 2025.

3 Read our research and insights at sc.com/sustainabilitylibrary.

4 Singapore Sustainable Finance Association in partnership with Oliver Wyman, 'Financing Our Natural Capital: A practical guide for FIs getting started on nature financing', April 2025.

5 World Economic Forum, 'Investing in Mangroves: The Corporate Playbook' White Paper, April 2025.

6 Climate Financial Risk Forum, Nature-Related Risk Working Group, 'Developing an approach to nature risk in Financial Services', October 2025.

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 – a foundation for healthy and sustainable economies in our markets.

We approach social impact from two angles:

- 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 corporate philanthropy: we work to drive impact and prosperity for underserved 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.

Empowering women-owned businesses

The Standard Chartered Women's International Network (SC WIN) is our holistic proposition across banking and beyond banking solutions (network access, training programmes and mentorship). SC WIN launched in 2022, and it is now live in seven markets – India, Kenya, Malaysia, Singapore, Hong Kong, Vietnam, and Pakistan.

The Group has made a commitment to extend \$1 billion of financing to women entrepreneurs by 2028. As of December 2025, SC WIN has extended more than \$540 million of financing to women-owned businesses. This results in a year-on-year growth of 72 per cent in financing, 155 per cent in deposits, and 44 per cent in client counts. We are well underway to achieving the Group's commitment.

Beyond financial support, we're laying the foundation for two other factors critical to the success of women entrepreneurs: inclusive training and educational programmes, and community support to enable access to mentorship, networks and resources. Therefore, SC WIN also provides training and development capabilities, as well as a SC WIN community for women founders and business leaders to lean in.

Supporting microlending

We recognise the pivotal role of microlending in fostering economic inclusion and sustainable development. Microlending plays a vital role in supporting underserved communities and creating opportunities for growth. Since 2006, we have financed microfinance partners in India, Bangladesh, the Philippines, Nepal, Pakistan, Kenya, Uganda, Tanzania and Nigeria. From 1 October 2024 to 30 September 2025, we've lent more than \$584 million to microfinance institutions, enabling over 1.05 million loans. These loans support a wide range of needs, from building small businesses to covering education costs or managing unexpected emergencies.

We have continued to grow our partnerships in 2025. In Indonesia we have partnered with Amarthia, a technology company that provides microfinance to women-led microenterprises in rural areas, a region and demographic that has historically had limited access to finance. Through this partnership we aim to empower more female MSMEs, create jobs and build more inclusive economic growth.

Social bond issuance

In March 2025, we issued our inaugural social bond. This €1 billion eight-year non-call seven-year offering will primarily facilitate lending to SMEs, ensuring access to finance, helping create jobs and empowering and nurturing women-owned SMEs. Named after former Group Chair José Viñals who retired from the Board in May 2025 at the end of his nine-year term, the Viñals Social Bond paid tribute to his significant legacy and impact inside and outside the Group.

This bond was issued under our Sustainability Bond Framework. Read more about the framework on page 89.

Our philanthropic activities: community investment

Prevailing youth unemployment continues to be one of the greatest challenges of our time. The consequences are not just for young people, but also pose a threat to broader economic and social prosperity. Our philanthropic approach focuses on helping tackle this global issue through the Standard Chartered Foundation – a charitable organisation established in 2019 – and through community partnerships, client partnerships and employee volunteering.

Social impact

In 2025, the Group contributed \$39.4 million as charitable giving in the form of cash contributions. This includes \$15.3 million on our flagship youth economic empowerment initiative delivered with the Standard Chartered Foundation (formally known as Futuremakers by Standard Chartered), which also received an additional \$4.3 million of fundraising from our employees and partners. Programmes under this initiative are funded by the Standard Chartered Foundation and directly by local Group offices in those markets where regulatory restrictions apply.

Enabling youth economic empowerment with the Standard Chartered Foundation

The Standard Chartered Foundation (the Foundation) governs and sets the strategy for our youth economic empowerment community investment, with a goal to empower young people. Programmes recognise the importance of youth driving growth by working with them to secure decent work and grow their microbusinesses. Prioritisation is given to the underserved, especially young women and those with disabilities, who are too often left behind.

In 2025, working with a range of expert NGO partners, we supported 24,718 young participants and enabled 16,305 jobs through employability and entrepreneurship programmes, of which 53 per cent were for women, and 12 per cent for those with disabilities. This year-on-year decrease¹ is partly due to the completion of remaining pre-2024 legacy projects in the first half of the year, and partly due to challenging economic context in many of our markets during 2025. 106,570² jobs³ have been enabled since 2019 and, we are actively working with our NGO partners to identify ways to scale so that we can deliver the target of 250,000⁴ jobs by 2030.

Catalysing decent jobs

Figures from the International Labour Organization (ILO) show youth unemployment and Not in Employment, Education or Training rates remain high, rising slightly over the last year⁵, of which many live in our markets. Systematic barriers to decent jobs continue to leave many young workers behind. To help, the Foundation's employability programmes focus on working with young people to secure quality jobs – commonly referred to as decent work. Through our employability programmes, in 2025, 14,236 young people accessed decent⁶ jobs with 50 per cent of these being women and 14 per cent being people with disabilities.

The Foundation launched a three-year partnership with UNICEF Generation Unlimited to help 1,500 young women secure decent work in Kenya and Nigeria. Projects from a partnership with Plan International went live in Asia, to equip over 6,000 young people in Indonesia, the Philippines, South Korea, Thailand and Vietnam with the skills, networks and confidence they need to secure decent jobs.

Building disability awareness and inclusion across Foundation employability programmes also progressed well in 2025. For example, 240 prospective employers became more disability-confident hirers in Kenya, Pakistan, Ghana, Tanzania, Uganda and Zambia.

Helping microbusinesses thrive

Supporting smaller businesses, especially women-owned and youth-led enterprises, is essential to building inclusive and sustainable growth. Foundation entrepreneurship programmes integrate financial access with mentorship, business skills training and ecosystem support, ensuring that microbusiness owners not only gain access to capital, but can use it effectively. Focusing on impact, the programmes are tailored to help achieve business growth, build social and green microbusinesses and, in turn, create much needed jobs in communities. Through our entrepreneurship programmes, in 2025, we supported 977 microbusinesses to become thrive, enabling 2,069 jobs. This brings the total number of thriving microbusinesses since 2019 to 18,319, and the total jobs enabled by these microbusinesses to 37,210.

We expanded investment in our Women in Tech entrepreneurship programme across Africa, the Middle East and Pakistan in 2025, in partnership with Village Capital. Over three years, the aim is to support 400 female entrepreneurs to build thriving microbusinesses and create jobs, with 32 catalytic grants totalling \$1.9 million. This programme now covers 14 of our markets.

In Vietnam, entrepreneurs were connected to angel investors, a capital stream they can't typically access, leading to five microbusiness owners receiving investments to help their business grow.

Building ecosystems

For young people to prosper in employment or self-employment, filling gaps in the ecosystem that supports them is critical. In 2025, the Foundation announced a \$5 million commitment to help create a thriving blue economy across ASEAN. Currently in the inception phase, expert organisations are being convened to create a programme of interconnected activities. The aim is to enable young people to secure decent work while maintaining and protecting the ocean. Results from this pilot programme will inform the development of similar ecosystem programmes in other markets and sectors.

1 Over 29,000 jobs were enabled in 2024.

2 The data comprises 69,360 young participants in decent employment, and 37,210 direct jobs enabled by supported microbusinesses.

3 Total jobs-enabled data comprises underserved participants who access decent employment at the end of the intervention, and direct jobs (part-time and full-time direct employees, contractors, support/gig workers, and the entrepreneurs themselves) created by supported microbusinesses within 12 months of the end of the intervention. 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.

4 This target has been revised upwards from 140,000 to 250,000 jobs enabled by 2030, due to a) a revision of the employability KPI to account for underserved male participants and b) moving the baseline from 2024 to 2019 to show progress since the start of programming.

5 ILO (2026) World of Work Series: Employment and Social Trends Report.

6 Decent jobs 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 programmes count those participants who have met minimum wage plus at least two additional ILO criteria.

Measuring societal impact

Driving social impact is at the heart of the Foundation's ambition. We continued to refine a social return on investment model that seeks to measure the broader social and economic impacts of the Foundation's efforts, and quantify the overall impact made beyond the individual. Based on outcomes from youth programmes in 2025, the model estimates that more than 120,000 lives have been impacted. The insights show the Foundation's approach is making progress and we will continue to share successes and learnings with peers and stakeholders.

Promoting skills-based volunteering and other community investments

We believe the most sustainable way to create impact is by sharing what employees know best – their skills. We have continued to focus on skills-based volunteering, connecting colleagues to support social enterprises, NGOs, and youth through mentoring, financial education, green literacy and professional advice. This approach not only drives greater community outcomes but strengthens colleague engagement, leadership and purpose. In 2025, our employees contributed more than 412,900 employee volunteering hours, with more than a quarter (28 per cent) in skills-based volunteering. 50 per cent of Standard Chartered employees volunteered in 2025 (53 per cent in 2024).

In some of our markets, we also support community healthcare, climate, education and agricultural livelihood projects. In 2025, for example, we supported eye health, water, sanitation and hygiene education (WASHE), and education projects in India.

Charitable giving

	2025 \$million	2024 \$million	2023 \$million
Cash contributions	39.4	47.9	31.2
Employee time (non-cash item)	25.8	25.7	28.7
Gifts in-kind (non-cash item) ¹	0.7	0.5	0.4
Management costs	4.6	5.2	5.4
Total (direct contributions by Group)	70.5	79.3	65.7
Leverage ²	4.7	2.7	2.9
Total (including leverage)	75.2	82.0	68.6
Percentage of prior year operating profit (PYOP)	1.3	1.6	1.6

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

2 Leverage: fundraising from employees and partners benefitting the community.



Managing Environmental and Social Risk

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

Our cross-sector Environmental and Social Risk Management (ESRM) Framework describes how we apply international standards and best practices across our markets and helps us make informed decisions when considering trade-offs between sustainability-related risks and opportunities.

On the frontline, our ESRM team within the CSO organisation oversees the management of environmental and social risks associated with our client relationships. Our approach is embedded in our credit approval process and helps us 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. They also outline our expectations for clients to follow industry best practice approaches and encourage them to pursue sustainability initiatives.

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.

Our ESRM Framework explains how we apply our Position Statements in our business relationships with clients and provides further information regarding our environmental and social risk assessment, rating and escalation processes, as well as due diligence and monitoring procedures.

We have been a member of the Equator Principles since 2003. We apply the principles to relevant project-related transactions and report on their application to ensure that the projects we finance and advise on are developed in a socially responsible manner and adhere to sound environmental management practices.

We reviewed 1,204 clients across CIB and WRB client segments and 685 CIB transactions that presented potential for elevated environmental and social risk in 2025. 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 lending relationship if we cannot work with them to align over an agreed timeframe.

In 2025, we advanced our Nature Risk analysis by leveraging our climate risk asset location data to support in-depth risk identification of a potentially material sector and assess our financed assets' exposure to nature impacts and dependencies. 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 111 of this report.

 [Read more about our ESRM Framework at sc.com/esriskframework](https://sc.com/esriskframework)

 [Read more about our Position Statements at sc.com/positionstatements](https://sc.com/positionstatements)

 [Our list of Prohibited Activities can be found at sc.com/prohibitedactivities](https://sc.com/prohibitedactivities)

 [Our reporting against the Equator Principles can be found on page 450 and at sc.com/equatorprinciples](https://sc.com/equatorprinciples)

Position Statements

Cross-sector Position Statements

Climate Change

Human Rights

Nature

Sector-specific Position Statements

Agribusiness

Chemicals and Manufacturing

Extractive Industries

Infrastructure and Transport

Power Generation

Thermal Coal

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/sustainabilitylibrary](https://sc.com/sustainabilitylibrary)

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](https://sc.com/positionstatements)

We will not knowingly enter into relationships with suppliers involved in human trafficking, modern slavery or forced labour including any corporal punishment in the workplace. ILO Conventions 29 and 105 provide further detail in respect of forced labour. Suppliers that are identified as presenting high risks of modern slavery are subject to due diligence. Our Supplier Charter sets out the principles for the behavioural standard that we expect from our suppliers, and those within our suppliers' sphere of influence that assist them in performing their obligations to us.

 [Read our Supplier Charter at sc.com/suppliercharter](https://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.

 [Read more on our alignment to the Fair Pay Charter on page 189 of this Annual Report and in our 2025 Diversity, Equality and Inclusion Impact Report at sc.com/diversityfairpayreport](#)

Integrity, conduct and ethics

We aim to live our valued behaviours – never settle, better together and do the right thing – through our day-to-day actions, decisions and interactions 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.

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.

Code of Conduct and Ethics

The Code of Conduct and Ethics remains the primary tool through which we communicate our conduct expectations. It is aligned with our Stands, strengthening the link between ethics, culture, conduct, leadership 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, geography or role. To guide us, the code has been shaped around 10 conduct outcomes and connects these to our culture, valued behaviours, and ethics. In June 2025, we celebrated Global Conduct Week with the theme #maketherightcall. Throughout the event, we translated #maketherightcall into three core actions: leading with integrity, using conduct as an accelerator driving the Group's strategy, #KnowTheRules and strengthening our commitment to ethical decision-making.

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 mandatory refresher e-learning, and to reaffirm their commitment. In 2025, 99.7 per cent of our colleagues completed the mandatory training and affirmation (99.9 per cent in 2024).

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.

99.7%

of employees affirmed recommitment to our Code annually

 Read our Code of Conduct and Ethics at sc.com/codeofconductandethics

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 Group Investigations team will determine whether the matter is within the scope of the Speaking Up programme or should be investigated via another means, for example as a grievance.

Throughout 2025, 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. Global Conduct Week was held from 23–27 June, themed #maketherightcall, to celebrate good conduct, lead with integrity, reinforce our valued behaviours and promote the importance of ethics and trust. All interactive panels were aimed to encourage colleagues to think about how their daily decisions and individual actions can aggregate to a much wider impact on our business strategy and outcomes for our clients, regulators, communities, and other stakeholders.

We also marked World Whistleblowers Day as part of Global Conduct Week. Colleagues were reminded about our commitment to create an environment where everyone feels safe and empowered to use our Speaking Up channels to raise concerns or instances of behaviour that contradict our code.

The Speaking Up programme continues to be used across all countries, businesses and functions, and our 2025 My Voice survey found that there continued to be a high degree of confidence in the programme. 86 per cent of employees felt comfortable raising concerns through the Speaking Up channels (2024: 87 per cent). Each year, the Board reviews a Speaking Up report, which provides an overview of the effectiveness of the programme. For the period July 2024 to June 2025, Speaking Up channel usage increased by 5 per cent compared to the prior 12 months. The volume of concerns raised via the Speaking Up channels by the Group's employees are now at the highest level in five years, representative of returning to pre-COVID-19 numbers and due to an anticipated increase in concerns during times of transformation.

86%

of employees felt comfortable raising concerns through Speaking Up channels (My Voice survey 2025)



Read more about our Speaking Up programme at sc.com/speakingup

Fighting financial crime

Access to the financial system helps transform lives around the world, helping to reduce poverty and spur economic development. However, 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. The Group is committed to preventing, detecting, and reporting criminals who move money through the banking system.

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, 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. We implement the same set of restrictions, controls, analysis, and response across our entire organisation in all locations. In addition, anti-bribery and corruption (ABC) and fraud prevention controls aim to prevent colleagues, or third parties working on our behalf, from engaging in fraud, bribery or corruption.

Our mission doesn't stop at our door – we are on the front line in the fight against financial crime and our commitment is global, extending beyond countries in which we have a physical presence. To achieve our aspiration to be a leader in the fight against financial crime, we team up with other banks, governments and regulators around the world to raise the bar across the industry and devise innovative ways to stop criminals in their tracks. Throughout 2025, we actively participated in various industry groups, including The Financial Action Task Force, Madison Group, UK Finance and as a member of The Wolfsberg Group of 12 global banks. We continue to keep pace with the identification and analysis of criminal networks through our technology and process capabilities, focusing on the proactive use of data to support early detection and prevention.

Working across our public and private sectors, we are committed to finding increasingly more effective ways to fight financial crime, to protect the communities we serve through providing outreach programmes as part of our aspiration to raise awareness on financial crime risks and raise the bar across the industry. 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, US and UAE. Furthermore, we have worked with law enforcement agencies and regulators to raise awareness of financial crime and to build their capability to prevent, detect and investigate.

Sanctions on Russia remain a significant area of focus. In 2025, the attention continued to be on multilateral and multiagency measures to prevent evasion or circumvention of sanctions (for both Russia and Iran) and evolving 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, managing proliferation financing risk, ABC training for targeted roles, training on tax evasion risk, 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 targeted training module covering ESG and ABC risk, and a new module on FCC Threat-Based Risk Management (TBRM), which is part of the FCC Academy learning programme for CFR colleagues. In addition, masterclasses and forums were held to deepen understanding.

Integrity, conduct and ethics

This was further supported by our Group-wide financial crime awareness campaign, 'The Whole Story', which brings together the Group's leaders and external experts in a series of internally broadcast briefings, case studies and panel discussions. The two-week internal campaign returned for its 10th year in 2025, with the theme '#Awareness to Action', which emphasised the need for all colleagues to focus on the important role they have to play in tackling financial crime through vigilance and timely escalation.

In 2025, 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 2025, 99.7 per cent of colleagues and governance body members completed financial crime mandatory e-learnings, covering topics such as ABC, AML including terrorist financing, sanctions, tax evasion and fraud (Asia: 99.6 per cent, AME: 99.9 per cent, EA: 99.96 per cent, governance body members: 100 per cent). This compares with 99.8 per cent in 2024.

99.7%

of colleagues and governance members completed financial crime mandatory e-learnings.¹

1 Governance body members represent Standard Chartered PLC Board members. 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 clients

The Board of Directors provides oversight of the Group's treatment of WRB retail clients 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.

 [Read more about the Board Risk Committee on page 170](#)

Complaints management

Formal avenues are established for WRB clients 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 clients 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 predetermined turnaround time.

Collections and recoveries

The Group has a set of comprehensive policies that govern collections and recoveries for all WRB segments, in line with the Group's Enterprise Risk Management Framework (ERMF) and under the oversight of the CRO, WRB as Risk Framework Owner. Oversight and governance of WRB retail collections are also the responsibility of the WRB Risk function, with regular reviews of performance metrics and complaints handling data.

The Group's credit policies outline the high-level requirements with respect to all WRB collections and recoveries, which include the following:

- Ensuring that all collections staff receive appropriate training and demonstrate sufficient familiarity with the relevant Code of Conduct and internal policies prior to undertaking any collection activities.
- Providing fair and reasonable treatment to clients, regarding any allowed concession or waiver.
- Adhering to all applicable legal and regulatory requirements, as well as aligning calling and visitation hours to local regulations and practices.
- Monitoring and regularly reviewing all client interactions with the Collections teams, including complaints and feedback, to ensure compliance with the Group's Code of Conduct, internal policies and effective management oversight.
- Offering temporary or permanent modifications to loan terms when required.

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 detailed in local Collections departmental guidelines that comply with the Group policy requirements.

Each collection and recoveries process is designed to be transparent, efficient and supportive, ensuring that both the Group and the clients have the required information to manage the account and the financial distress situation.

All employees responsible for dealing with clients in financial distress are required to undergo mandatory training prior to commencement of any collection activities. In particular, training topics include the Group's Code of Conduct and Ethics, principles of 'treating clients fairly', approaching situations with a client-centric mindset, understanding the client's situation and using the right negotiation skills.

Existing employees also undergo regular training to refresh and reinforce appropriate ways of dealing with clients who are undergoing financial distress. Communications guidance is regularly updated to reflect common circumstances encountered in our markets.

Where external collections agencies are utilised, these agencies also undergo assessment and due diligence in accordance with the Group's sourcing standards. Their employees must undertake the same training as the Group's internal Collections teams and are subject to monitoring to ensure their conduct complies with Group Collections standards.

The retail collection process typically begins with a service-oriented reminder sent to the client. This could be in the form of an email, SMS, or a phone call, reminding them of the overdue payment and encouraging them to settle their account promptly and avoid late fees.

In cases where clients may face financial distress and are willing and able to pay through modified payment plans, the Collections team will have the due conversations and work with these clients to negotiate loan modification (further details below), settlement and payment plans that are affordable to ensure the best outcome for both parties.

Based on the strategic approach and the operating rhythm adopted, certain markets may utilise third-party collections agencies, which specialise in recovering outstanding debts, to handle certain segments of collections and recoveries cases. The external agencies utilised are subject to ongoing oversight from the Group throughout the entire process to ensure adherence to the Group's principles of respecting client rights and ensuring that all collection practices are ethical and lawful.

Clients and products

Our five largest clients together accounted for 2.1 per cent of our total operating income in the year ended 31 December 2025. We aim to design and offer products based on client needs to ensure fair client treatment and to support fair outcomes for clients. The Group has in place a risk framework, comprising policies, standards and controls to support these objectives in alignment with our Conduct Risk Management approach. We ensure products sold are suitable for clients and comply with relevant laws and regulations. We also review our products on a periodic basis and refine them to keep them relevant to the changing needs of clients and to meet regulatory obligations. We have processes and guidelines specific to each of our client industries to promptly resolve client complaints and understand and respond to client issues.

In 2025, the total number of client complaints in CIB was 1,170 (1,585 in 2024). In WRB, we received 119,472 client complaints (201,901 in 2024), an average of 1.83 per 1,000 active clients per month.

Loan modifications

Loan modification options may be offered to our clients in accordance with local regulations and the Group's internal credit policies, which consider the most recently available information on the client's income, expenditures and circumstances. Collections staff managing these arrangements are trained to discuss options thoroughly with clients to agree on restructured payments that are in alignment with their financial situation.

Data privacy and protection

The Group is committed to safeguarding personal data through strong governance, oversight and accountability frameworks. The Group's Privacy Notice is the primary tool through which we fulfil our transparency obligations and communicate to our customers and stakeholders how we collect, share, protect and process personal data, which we operate in accordance with the data protection laws and regulations of the jurisdictions in which we operate.

Our Compliance, Financial Crime and Conduct Risks (CFCR) team sets our global Data Privacy risk and compliance management framework. Compliance with our Privacy obligations is monitored by the CFCR team under our Compliance Principal Risk Type Framework. The Group maintains a formal mechanism to conduct Data Protection Impact Assessments where required, and we conduct regular reviews and risk assessments to ensure ongoing compliance with the Group's Data Privacy Standard and applicable Privacy obligations and to assess, monitor and assure the effectiveness of Privacy controls. The mechanisms for overseeing and governing Data Risks (including Data Privacy risk) are embedded within the Group's governance structures, and are implemented through regular reporting to the Board and Senior Management, through the Board Risk Committee, Board Audit Committee, Group Risk Committee and individual Business and Functions' Non-Financial Risk Committees.

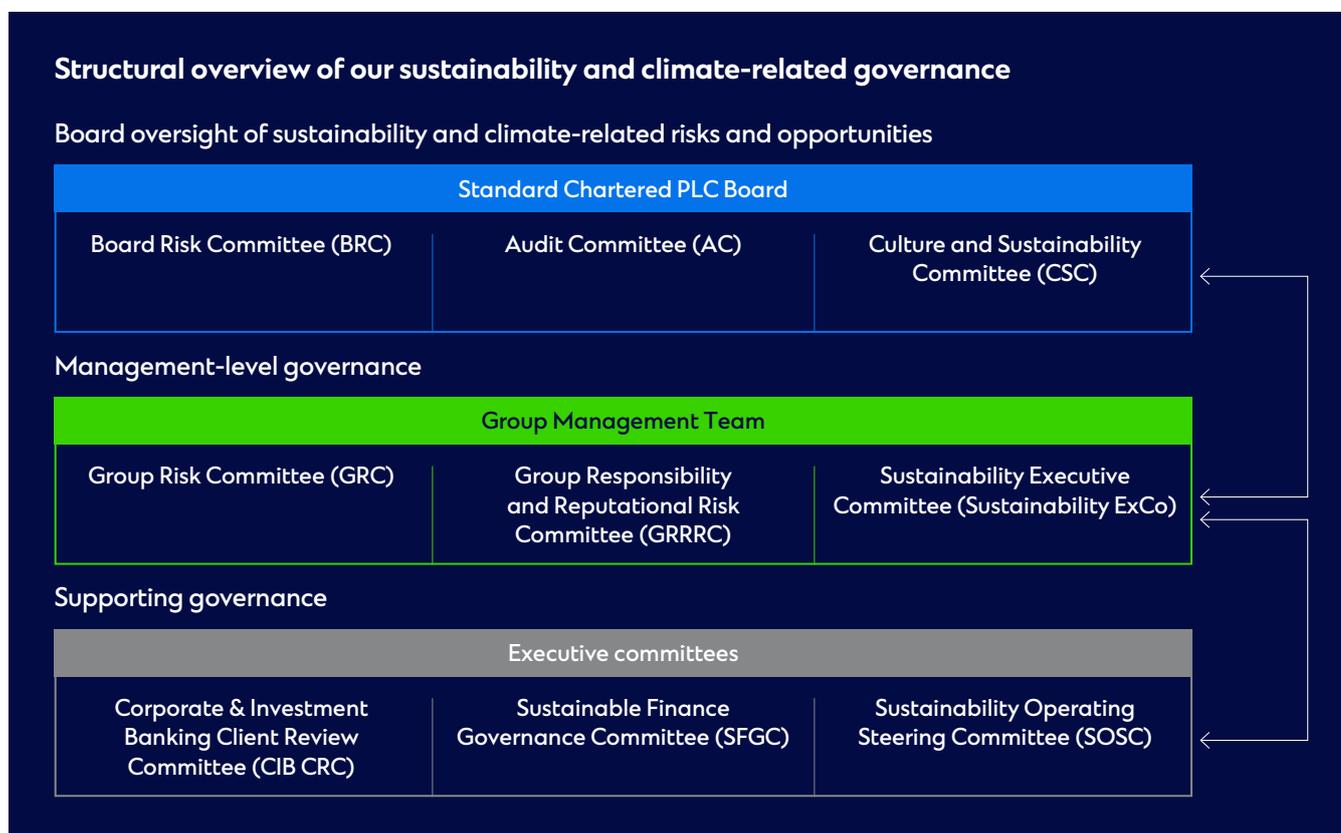
The Group maintains a formal data breach notification process aligned with regulatory obligations. This process ensures that any data breaches are promptly assessed, escalated, and remediated through clear accountability, coordinated communication, and close collaboration among reporters and key functions, in accordance with internal guidelines. In 2025, no material data privacy breaches were reported, reflecting the continued effectiveness of the Group's controls and response capabilities.

The Group continues to raise awareness of the importance of, and cultivate a strong culture of accountability in relation to, Privacy particularly through the Code of Conduct and regular mandatory Privacy training, such as the Group's Privacy and Data Sovereignty Awareness module which is applicable to all employees.

 [Read more on our Privacy Notice at sc.com/dataprivacy](https://sc.com/dataprivacy) and our [Code of Conduct and Ethics at sc.com/codeofconductandethics](https://sc.com/codeofconductandethics)

Sustainability governance

Sustainability-related risks, opportunities and organisational implications are overseen by the Group's Board, Management Team and supporting 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 that consider sustainability and climate-related risks and opportunities when reviewing and guiding strategic decisions. Through these 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. Since 2019, the Board has approved changes to the 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. To reflect the combined Climate Risk and Reputational and Sustainability Risk, a combined Risk Appetite Statement has been in effect from 2025 for a more comprehensive coverage.

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 market(s), client segment or function in line with our net zero roadmap. The management 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.

 [Read more about the structure of our Board and Management Team on pages 130 to 139](#)

Supporting governance

The oversight and management of sustainability- and climate-related risks and opportunities are integrated into our business management. Several executive committees operate under their terms of reference, delineating responsibilities, decision-making process, authority and the escalation route for any material issues. Additionally, several 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.

Governance and steering committees

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 Standard Chartered PLC Board

Chair

Group Chair

Agenda frequency and inputs

- Annual Strategy Review
- Annual Sustainability Strategy Update
- ESGR updates delivered through regular Group CRO reports

Roles and responsibilities

- Oversee the Group's sustainability strategy, with input from the Culture and Sustainability Committee.

Topics covered in 2025

- Considered the Group's position on sustainability as part of the annual strategy discussion.
- Approved the Group's Risk Appetite (RA) Statement including ESGR RA and Board-level RA metrics.
- Received an update on the Group's sustainability strategy, including progress against the four sustainability strategic pillars, the Group's scorecard metrics and the tactical action plan for 2026.
- Endorsed the 2026 sustainability priorities.
- Approved the 2024 Modern Slavery Statement, detailing the steps taken to manage the risk of modern slavery in the business and its supply chain.
- Received updates on ESGR Risk.
- Received training on Climate Risk.

Governance body Board Risk Committee (BRC)

Chair

Independent Non-Executive Director

Agenda frequency and inputs

- ESGR Risk updates provided to BRC in regular Group CRO reports
- One standalone update on ESGR Risk provided in December 2025

Roles and responsibilities

- Oversee the Group's key risks on behalf of the Board and act as the primary risk committee at Board level that oversees ESGR Risk.
- Consider the Group's RA and make recommendations to the Board on the Group's RA Statement including the ESGR RA.
- Assess risk types (including ESGR Risk) and the effectiveness of risk management frameworks and policies.
- Oversee and challenge the design and execution of climate-related Group-wide enterprise stress tests mandated by relevant regulation, when required.

Topics covered in 2025

- Reviewed and discussed an update on the ESGR Risks regulatory environment and emerging risk areas; the Group's ESGR Risk profile; and progress made on embedding Climate Risk.
- Received Climate Risk Information Reports.
- Monitored adherence to RA metrics.

Governance body Audit Committee (AC)

Chair

Independent Non-Executive Director

Agenda frequency and inputs

- Annual climate disclosures within the Group's Annual Report and control environment in Q4
- Group's Net Zero models in May

Roles and responsibilities

- Oversee the Group's financial and non-financial reporting.
- Review the operation and effectiveness of the Company's systems and controls in relation to whistleblowing systems.

Topics covered in 2025

- Reviewed changes to the climate and GHG emissions-related quantitative disclosures to be reported in this Annual Report and the key controls around those quantitative disclosures.
- Received an update on the Group's net zero models and the validation of these under the Group's Model Risk Management framework and provided feedback to management.
- Reviewed the principal non-financial disclosures made by Standard Chartered, including the publication of ESG reporting and Task Force on Climate-related Financial Disclosures (TCFD).

Governance body Culture and Sustainability Committee (CSC)

Chair

Independent Non-Executive Director

Agenda frequency and inputs

- Three times in 2025

Roles and responsibilities

- 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 LTIP scorecards.

Topics covered in 2025

- Reviewed and discussed the Group's Sustainability Strategy and 2026 priorities.
- Reviewed progress on the Group's net zero roadmap and endorsed the approach to annually disclose the Group's methane portfolio emissions intensity.
- Received updates from the CSO on emerging sustainability issues, peer bank developments, policies and developments impacting the Group's key markets, and key initiatives.
- Considered progress on the Group's sustainability-related aspirations and endorsed the modification of two existing KPIs.
- Reviewed progress on the Group's sustainability-related memberships
- Monitored the Group's performance on the prioritised external ESG ratings agencies.
- Received training on the Group's Innovation Hubs (including debt for sustainable development swaps) and the Global Energy Transition Trends.
- Reviewed the sustainability measures included in the Group annual and LTIP scorecards.
- Reviewed progress made against Modern Slavery Statement commitments.

Governance body Group Risk Committee (GRC)

Chair

Group Chief Risk Officer
(GCRO)

Agenda frequency and inputs

- ESGR Risk updates were regularly provided to the GRC via the Group Risk Information Report and GCRO Report

Roles and responsibilities

- 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 RA for all Principal Risk Types (PRT) including ESGR Risk across the Group, to ensure that this is within the approved Board RA and Management Team (MT) limits.

Topics covered in 2025

- Received updates on RA, portfolio risks, recent NGO activity, regulatory updates, net zero, management and local regulatory stress tests via Group CRO Report.
- Received an annual update on ESGR risk, which included: regulatory updates; reputational risk profile updates in CIB, WRB and for third parties; climate risk integration in country risk, credit risk for CIB and WRB, operational and technology risk, country risk, treasury risk, liquidity risk; and scenario analysis and corporate planning.
- Received regular updates on ESGR risk (including Reputational Risk Materiality Assessments and Environmental and Social Risk Assessments, and Climate Risk updates), RA MT Limit and Board RA metrics and monitored adherence to these as part of the GRC Risk Information Report.

Governance body Group Responsibility and Reputational Risk Committee (GRRRC)

Chair

Global Head of
Enterprise Risk
Management (ERM)

Agenda frequency and inputs

- Sixteen times in 2025

Roles and responsibilities

- Oversee and approve Position Statements including sector-specific and cross-sector statements including Climate Risk.
- Oversee ESGR-related RA metrics.
- Escalate very high or high ESGR matters to the GRC and BRC as appropriate
- Make decisions on high-rated clients and/or transactions that are based on the relevant ESGR assessments, while considering trade-offs associated with ESGR risks and opportunities.

Topics covered in 2025

Reviewed and approved:

- Clients and/or transactions with high ESGR risks.
- The Green and Sustainable Product, Transition Finance and Sustainable Bond frameworks.
- The process for net zero portfolio steering and governance, including:
 - evaluating clients' transition plans
 - refreshed financed emissions data for clients in sectors where the Group has set net zero targets
 - ongoing approach to net zero portfolio management.
- Updates for cross-sector and sector-specific Position Statements.

Governance body Sustainability Executive Committee (Sustainability ExCo)

Chair

Chief Sustainability
Officer (CSO)

Agenda frequency and inputs

- Three times in 2025

Roles and responsibilities

- 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.

Topics covered in 2025

Discussed:

- Group's 2026 Sustainability Strategy.
- Group's prioritised ESG ratings.
- Annual Review of memberships, commitments & aspirations.
- Net zero progress.

Governance body Sustainable Finance Governance Committee (SFGC)

Chair

Head, Global
Sustainability
Engagement and
Disclosures

Agenda frequency and inputs

- At least six times
a year

Roles and responsibilities

- Provide leadership, governance and oversight in delivering the Group's sustainable finance offerings.
- Review and endorse sustainable finance products and frameworks.
- Guide the Group in identifying opportunities in sustainable finance and managing the greenwashing risks relating to sustainable finance.
- Oversee appointment, training and qualifications of empowered approvers.

Topics covered in 2025

Reviewed and approved:

- 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 KPIs.
- The Group's GSPF and Sustainable Bond Framework, 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.
- Reviewed and appointed new empowered approvers in alignment with CIB's geographic coverage cluster model.

Governance body Sustainability Operating Steering Committee (SOSC)

Chair

Global Head,
Sustainability Strategic
Initiatives

Agenda frequency and inputs

- At least eight times
a year

Roles and responsibilities

- Central forum where all strategic objectives related to sustainability are consolidated, prioritised and agreed upon
- Oversee and monitor milestones and deliverables of sustainability initiatives with a focus on programme updates, including schedule, business benefits and cost
- Ensure sustainability investment budget is centrally prioritised and allocated to businesses and functions quarterly performance reviews
- Be a forum for escalation and decision-making to remove impediments and mitigate risks across all relevant non-financial risk types relating to delivery of the work in accordance with the CSO's objectives and key results and KPIs

Topics covered in 2025

- 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 ESG data and digital strategy and capabilities to embed sustainability into the client and deal lifecycle, enabling the Group's sustainability ambition and CSO strategic priorities
- Enabled accurate ESG data capture, mitigating operational and greenwashing risks while facilitating accurate and timely reporting and disclosures
- Aided the implementation of the Bank's ESG platform, consolidating ESG data and enabling business lines to assess ESG risks
- Provided updates on advancement within the Group's Innovation Hubs

Governance body Corporate & Investment Banking Client Review Committee (CIB CRC)

Co-Chairs

Global Head,
International
Corporates and CCO
and Head, CIB Advisory,
UK and Europe

Agenda frequency and inputs

- Monthly

Roles and responsibilities

- To serve as a forum for assessing corporate responsibility and stakeholder perception on environmental, social, climate risk, net zero and other related policies when onboarding or maintaining CIB clients
- Approve or reject new client relationships and make decisions on exiting or retaining existing ones in line with the relevant policies
- Establish clear responsibilities for escalation to the Committee so that decisions are made as close to the front line as appropriate

Topics covered in 2025

- Client submissions regarding sanctions risk, defence and dual use goods, sensitive clients and reputational risk
- Coal related exits – client entities that are dependent on thermal coal revenue and will breach our step-down thresholds
- ESGR approvals for previously medium/high risk cases where the risk profile remains unchanged
- Updates from the Net Zero & Climate Risk Working Forum (NZCRWF)
- CIB client committees exits tracking



Read the Committees' terms of reference at [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 are overseen by the Remuneration Committee and the Culture and Sustainability Committee.

Discretionary annual incentives

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 2025 Group scorecard with our Scope 1 and 2 net zero emissions targets now achieved. We continue to include sustainability in the 2026 Group scorecard related to:

- Growing sustainable finance income in our CIB network.
- Net zero decarbonisation: reducing our financed emissions for key sectors in line with our risk appetite.

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 2026-2028 LTIP, focused 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.

 [Read more in the Directors' remuneration report on pages 180 to 206](#)

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 (GMT)	Members of the GMT are eligible for an annual incentive based on the outcome of our Group scorecard and an LTIP award which both include sustainability-related measures. Read more on pages 180 to 206.
Group Chief Risk Officer (GCRO)	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 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 (SCM)	The Global Head of SCM is responsible for the delivery of upstream Scope 3 supply chain (categories 1, 2, 4 and 6) emission reductions and climate-related supply chain objectives and targets.
Global Head of Corporate Real Estate Services (CRES)	The Global Head of CRES is responsible for delivering on our aim to maintain net zero emissions in our Scope 1 and Scope 2 emissions, and to track and monitor Scope 3 (Category 5, 7 and 13) emissions.
All employees	Selected sustainability-related targets are incorporated into our annual Group scorecard, which is a key input in the setting of the employee annual incentive pool.