

Environment and Climate Change Policy

Purpose and Scope

Standard Chartered (the “Bank”) takes a long term view of the environmental consequences of its actions, either directly from our operations or indirectly through our relationship with business partners. We ensure we build a sustainable business that brings benefit to our shareholders, society, the environment and local economies. The Environment and Climate Change (“ECC”) Policy provides a framework for managing our environmental impacts (including climate change) by establishing a set of group-wide commitments to deliver on the ECC strategy, developed by the Group Environment Committee (“GEC”).

Responsibility

The GEC is responsible for the annual review and delivery of the ECC Policy. The GEC reports to the Group Management Committee (“GMC”) and the Sustainability and Responsibility Committee (“SRC”). Successful delivery of the Policy will require all Standard Chartered businesses and functions, across all geographies to take a shared ownership of the Policy. The areas or functions with primary responsibility for successful Policy implementation are Wholesale Banking (“WB”), Consumer Banking (“CB”), Corporate Real Estate Services (“CRES”), Corporate Affairs, Risk, Group Technology and Operations (“GTO”) (including Product and Vendor Management), Human Resources (“HR”), and Regional Governance (Country CEOs).

Policy Statement

We recognise that effective ‘Environment and Climate Change’ management is critical to building a sustainable business and our approach includes:

Operational Impacts – The Bank’s direct environmental impacts are managed through the following steps:

- a. Monitor resource use across large buildings through the Global Environment Management System
- b. Set targets to reduce emissions and resource use in targeted areas
- c. Disclose at least annually our impacts via the Sustainability Review, website and other applicable avenues

Commercial Opportunities and Sustainable Finance – managing environmental risk and the integration of climate change considerations into the development and provision of products and services:

- a. Manage environment risk through the Group Environment and Social Risk Policy and implementation of the Equator Principles, and take into account all Position Statements pertaining to environment considerations

- b. We will pursue commercial opportunities which help facilitate a low carbon economy across WB, in line with the Renewable Energy and Environmental Finance strategy, and will work with CB to identify and develop relevant opportunities in this space.

Engagement – ensuring that internal and external stakeholders are fully engaged to optimise implementation of the strategy

- a. Implement a structure for internal engagement and awareness raising around environmental issues
- b. External stakeholder management to ensure relevant groups are engaged

Reporting – assurance of delivery of the policy and strategy is critical to effective delivery

- a. Issue owners will report to the GEC on progress against the ECC strategy and key policy elements on at least an annual basis.
- b. The GEC will report progress against the ECC policy and strategy to the SRC and the GMC, as requested.

Procedure & Other Related Documents

Environment and Climate Change Procedures; Group Environment and Social Risk Policy; Position Statements and Practitioners' Guides.

Definitions

Equator Principles (“EP”): A set of guidelines for managing the social and environmental impacts associated with financing projects across all industry sectors including mining, oil and gas.

Global Environmental Management System (“GEMS”): The system, modelled on the ISO14001 international environmental management standard, through which the Bank's energy consumption, water use and other environmental resources consumption are monitored.

Group Environment Committee (“GEC”): An executive committee responsible for implementing the environment arm of the Bank's 'Building a Sustainable Business' strategy.

Position Statements (“PS”): A series of documents detailing the standards and practices that the Bank requires adherence to, enabling the effective management of environment, social and governance risks in all financing activity.

Practitioners Guides (“PG”): An assessment framework for the implementation of the position statements on our financing activities across sensitive sectors, and to foster the ability to document and manage risk exposures to environmental, social and governance matters associated with the clients we finance.

Renewable Energy and Environmental Finance Strategy (“REEF”): A strategy developed by the Renewable Energy and Environmental Finance team to identify commercial opportunities in renewable energy and clean technology.

Sustainability and Responsibility Committee (“SRC”):

A Board level committee responsible for the oversight, governance, and delivery of the Bank’s sustainability agenda.

Sustainability Review: The Bank’s annual sustainability publication, made available to our key stakeholders online only, offering an analysis of progress against our sustainability strategy, highlights from the previous year, and future focus areas.

Policy Assurance Check

Business and support functions responsible for each of the four areas (Operational Impacts, Commercial Opportunities and Sustainable Finance, Engagement, and Reporting) will compile compliance reports on an annual basis. The GEC will review the compliance reports against the policy commitments and the underlying procedures, as well as compliance with the annual Group Environment action plan. See the Environment and Climate Change Procedures for details of responsibilities and processes for assurance.

Policy Dispensation

No dispensation permitted

Policy Owner

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Enquiry Contact

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Approving Committee

Group Environment Committee

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Key Words for Quick Search

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