



SUSTAINABILITY SUMMARY 2019

Here for good

Driving commerce and prosperity
through our unique diversity



Standard Chartered is a leading international banking group

Standard Chartered is a leading international banking group and the largest international bank in Kenya. Established in 1911, Standard Chartered, Kenya is one of the oldest banks servicing this market.

Our heritage and values are expressed in our brand promise, *Here for good*. Our operations reflect Our Purpose, which is to drive commerce and prosperity through our unique diversity. We offer banking services that help people and companies to succeed, creating wealth and growth across our market.

We are committed to promoting economic and social development in Kenya by focusing on three sustainability pillars – contributing to sustainable economic growth, being a responsible company and investing in communities.

About this report

For more information about our sustainability performance, visit sc.com/sustainability

Sustainability reporting is embedded throughout our 2019 Annual Report. Visit sc.com/annualreport



@StanChart

linkedin.com/company/standard-chartered-bank

facebook.com/standardchartered

Introduction

Progressing sustainability

2019 SUSTAINABILITY HIGHLIGHTS

Microfinance Institutions

Kshs. 12bn

Reduced water use since 2018

57%

Women in senior roles

41%

Invested in communities

Kshs. +40m

Committed to cut emissions
from our operations by 2030*

Net zero

Girls reached through Goal
since 2015

+16,000

[Read more about our 2019 performance](#)

*Net zero: In aggregate, we do not produce any emissions from our operations (Scope 1 & 2)

“We work with our clients and peers, directly and through our participation in the UN Global Compact, to deliver sustainable development. Anchored in our Sustainability Aspirations, we ensure our actions are aligned to our strategy and the UN Sustainable Development Goals.”

Kariuki Ngari Chief Executive Officer



What we deliver

Through our three business segments and five product groups, we deliver an extensive set of solutions, products and services, adapted to the needs of our clients.

The value we create

We aim to create long-term value for a broad range of stakeholders, in a sustainable manner:

Clients

We enable individuals to grow and protect their wealth. We help businesses to trade, transact, invest and expand. We also help a variety of financial institutions – including banks, public sector clients and development organizations – with their banking needs.

Regulators and Governments

We engage with relevant authorities to play our part in supporting the effective functioning of the financial system and the broader economy.

Investors

We aim to deliver robust returns and long-term sustainable value for our investors.

Colleagues

We offer colleagues opportunities to learn and progress. We encourage them to improve, innovate, take ownership of their careers and succeed together.

Society

We strive to operate as a responsible and sustainable business, collaborating with local partners to promote social and economic development.

Suppliers

We work with suppliers to ensure they can provide the right goods and services for our business efficiently and sustainably.

Products and services

Wealth Management

- Investments
- Portfolio management
- Insurance and advice
- Planning services

Corporate Finance

- Structured and project financing
- Strategic advice

Transaction Banking

- Cash management
- Payments and transactions
- Securities services
- Trade finance products

Financial Markets

- Investments
- Risk management
- Debt capital markets

Retail products

- Deposits
- Savings
- Mortgages
- Credit cards
- Personal loans



Our Award Winning SC Mobile app allows our clients to open an account, invest, protect their wealth and access over 70 banking services 24/7 on the go!

Guiding and supporting our businesses

FUNCTIONS

Our client facing business are supported by our functions which work together to ensure operations run smoothly and consistently with our legal and regulatory obligations, our purpose and our risk appetite.



Human Resources

Maximises the value of investment in people through recruitment, development and employee engagement.



Legal

Enables sustainable business and protects the bank from legal-related risk.



Technology & Innovation

Responsible for systems development and technology infrastructure.



Risk

Responsible for the sustainability of our business through good management of risk and ensuring that business is conducted in line with regulatory expectations.



Operations

Responsible for all client operations, end-to-end, and ensures the needs of our clients are at the centre of our operational framework. The function's strategy is supported by consistent performance metrics, standards and practices that are aligned to client outcomes.



Finance

Comprises seven support functions: Finance, Treasury, Strategy, Investor Relations, Corporate Development, Supply Chain and Property. The leaders of these functions report directly to the Chief Financial Officer.



Corporate Affairs & Brand and Marketing

Manages communications and engagement with stakeholders in order to protect and promote the bank's reputation, brand and services.



Internal Audit

An independent function whose primary role is to help the executive committee to protect the assets, reputation and sustainability of the bank.



Conduct, Financial Crime and Compliance

Enables sustainable business by delivering the right outcomes for our clients and our markets by driving the highest standards in conduct, compliance and fighting financial crime.

VALUED BEHAVIOURS

Our valued behaviours demand that we do things differently, in order for us to succeed. Only then will we realise our potential and truly be Here for good.



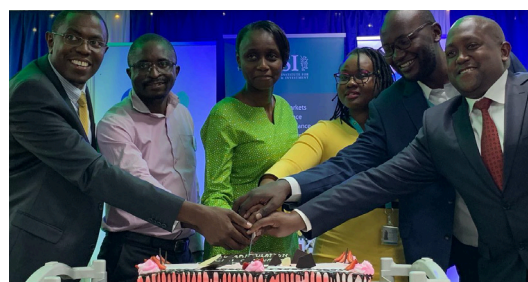
Never settle

- Continuously improve and innovate
- Simplify
- Learn from your successes and failures



Better together

- See more in others
- "How can I help?"
- Build for the long term



Do the right thing

- Live with integrity
- Think client
- Be brave, be the change



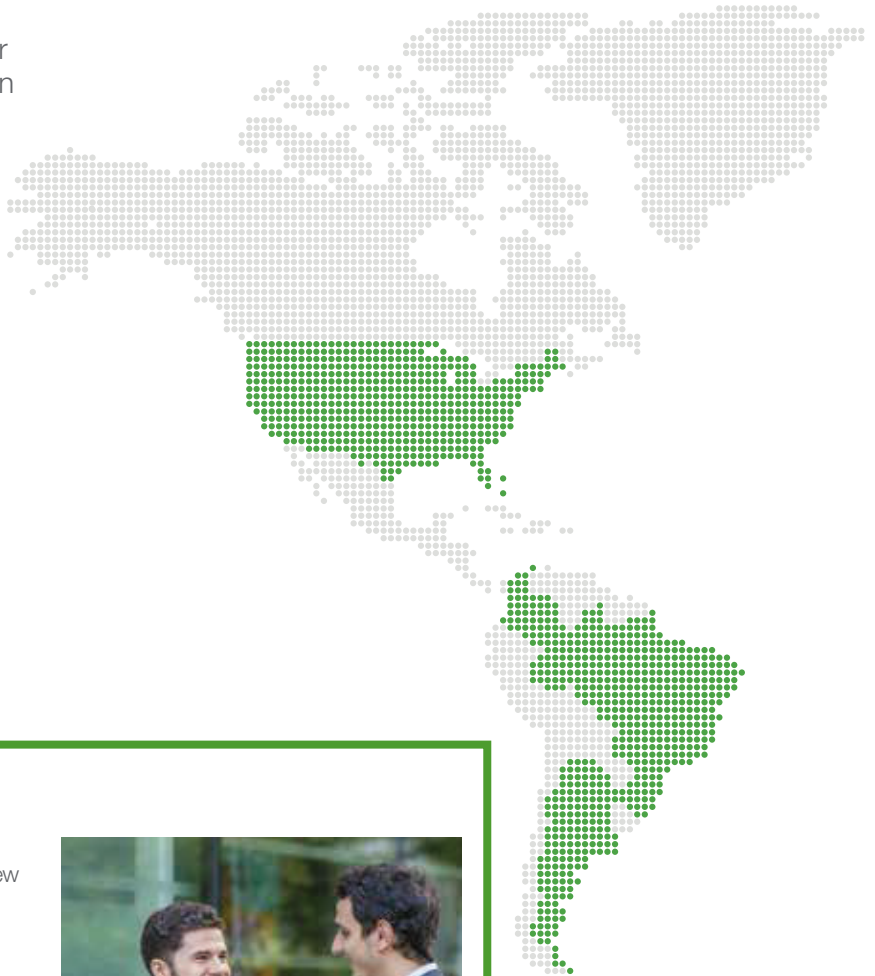
Where we operate

We are present in 59 markets
and serve clients in a further 85

We make the most of our deep roots in rapidly developing Asian, African and Middle Eastern local markets to seek out opportunities at every turn.

We have been operating in these markets for more than 160 years, supporting better lives by providing banking where and when it matters the most.

We place a particular focus on supporting customers who trade, operate or invest across our unique footprint. What sets us apart is our diversity – of people, cultures and networks.



Europe & Americas

The Group supports clients in Europe & Americas through hubs in London and New York as well as a presence in several European and Latin American markets.

Argentina	Ireland
Brazil	Jersey
Colombia	Sweden
Falkland Islands	Turkey
France	UK
Germany	US
Guernsey	



ASEAN & South Asia

We are the only international bank present in all 10 ASEAN countries. With meaningful operations across many key South Asian markets, we are in a strong position to be the 'go-to' banking partner for our clients.

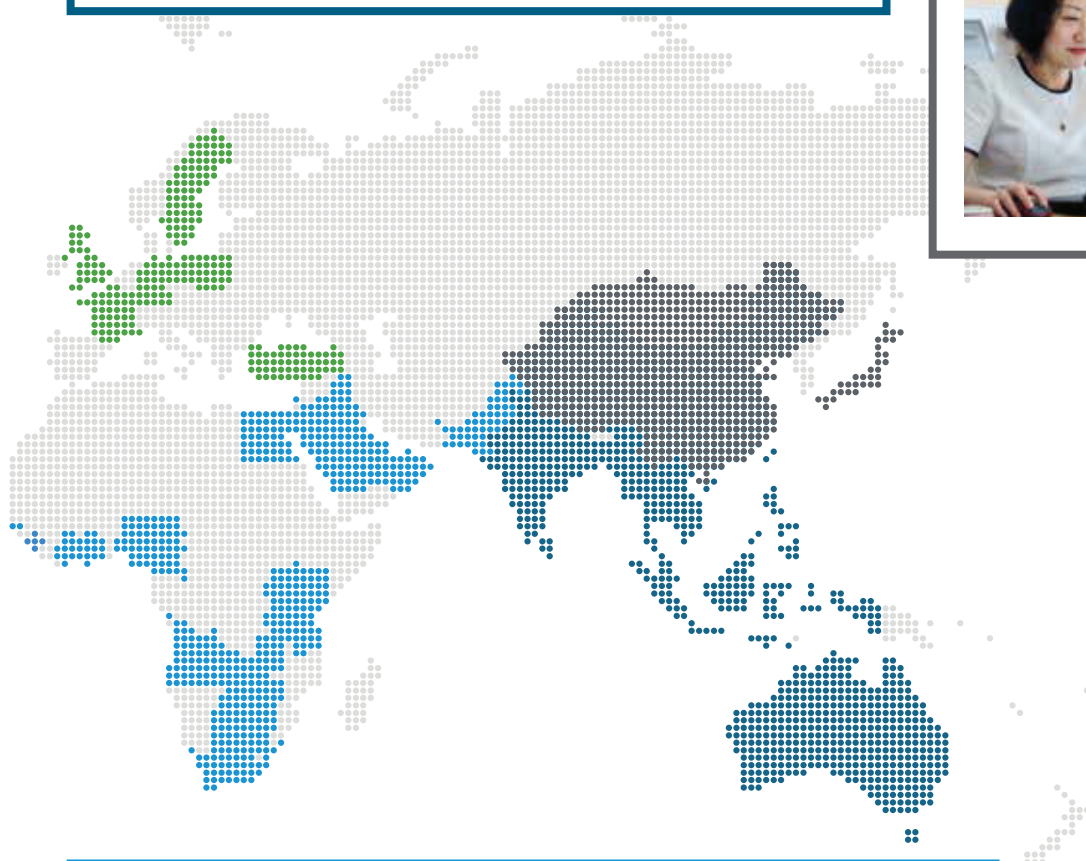
Australia	Myanmar
Bangladesh	Nepal
Brunei	Philippines
Cambodia	Singapore
India	Sri Lanka
Indonesia	Thailand
Laos	Vietnam
Malaysia	



Greater China & North Asia

Greater China & North Asia generated the largest share of the Group's income in 2019, at 40 per cent.

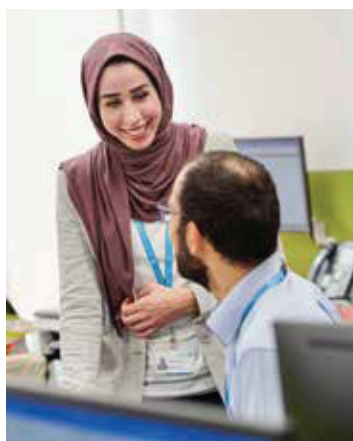
Mainland China	Korea
Hong Kong	Macau
Japan	Taiwan



Africa & Middle East

We have a deep-rooted heritage of over 160 years in Africa & Middle East and are present in 25 markets. We are present in the largest number of sub-Saharan African markets of any international banking group.

Angola	Jordan	Sierra Leone
Bahrain	Kenya	South Africa
Botswana	Lebanon	Tanzania
Cameroon	Mauritius	UAE
Cote d'Ivoire	Nigeria	Uganda
Egypt	Oman	Zambia
The Gambia	Pakistan	Zimbabwe
Ghana	Qatar	
Iraq	Saudi Arabia	



Creating sustainable prosperity

“We are committed to working together for sustainable prosperity that benefits everyone for the long-term.”

The 17 Sustainable Development Goals (SDGs) give an urgent call of action to tackle global issues that affect the wellbeing of people and the planet. Five years since 193 countries globally, including Kenya, adopted the SDGs, we are behind our targets to deliver by 2030, and with each passing year, the cost and impact of inaction will rise significantly. Today, business have the responsibility to take bold steps that will lead to sustainable economies that work for our country and its people.

We are committed to achieving sustainable outcomes across our business, which are outlined in our Sustainability Aspirations, focused on three core pillars:

- Contributing to sustainable economic growth
- Being a responsible company
- Investing in communities

We are proud to work with our clients to promote sustainable economic growth, and as a responsible company we have commitments to manage our own performance including reducing our environmental impact and fighting financial crime. In 2019, we launched our new community investment strategy, Futuremakers by Standard Chartered to tackle inequality and promote greater financial inclusion in our communities between 2019 – 2023. Futuremakers will support young people from low income households to take part in programmes focused on education, employability and entrepreneurship, empowering the next generation to learn, earn and grow. Our staff also play an important role supporting Futuremakers and other community projects through volunteering.

This report summarises our progress in 2019. Communicating our progress to our stakeholders is an integral part of our sustainability journey to ensure we are learning, evolving and perhaps most of all, keeping our promise to be Here for good.

Susan Njoroge
Head, Sustainability and
Community engagement

OUR STRATEGY – what we have achieved since 2015

Since our last strategy review in 2015, we have focused on People, Risk, Innovation, Digital and Execution to enable us to secure a strong foundation, build a lean and focused business, and capture growth opportunities.

People

Why we have focused on this

To develop the next generation of leaders as well as to drive productivity.

Risk

Why we have focused on this

To ensure that we have a diverse and resilient balance sheet, as well as a sustainable approach to risk.

Innovate & Digitise

Why we have focused on this

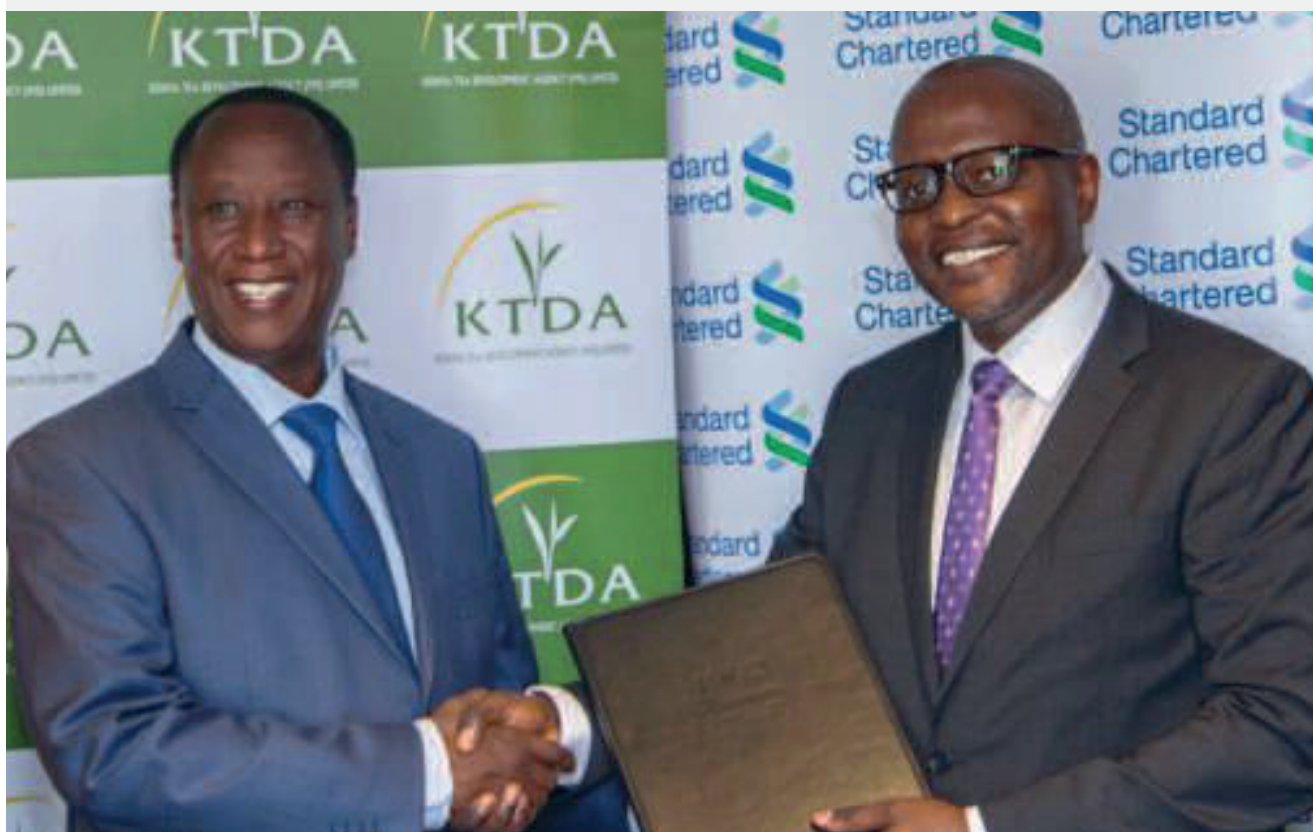
To deliver a better client experience and drive growth.

We remain focused on delivering our strategy by continuously improving our service, delivering a differentiated proposition to our clients and stakeholders, and becoming a future-ready bank. Building on our purpose of driving commerce and prosperity through our unique diversity, we will have a particular focus on the following areas for the next three years to improve our growth.

SUSTAINABLE FINANCE

Innovating finance grows the tea sector

We believe sustainable financing is vital to drive Kenya's economy and sustainable development. We provided Kenya Tea Development Agency (KTDA) with financing worth Sh3.5 billion for the purchase 95,000 tonnes of fertiliser for over 650,000 farmers spread across the country to boost yields and green leaf quality. Tea is a key sector to our country's economy.



Left: Lerionka Tiampati, CEO KTDA and Kariuki Ngari during a deal sign off to finance importation of fertilizers for tea farmers.

Our approach to sustainability



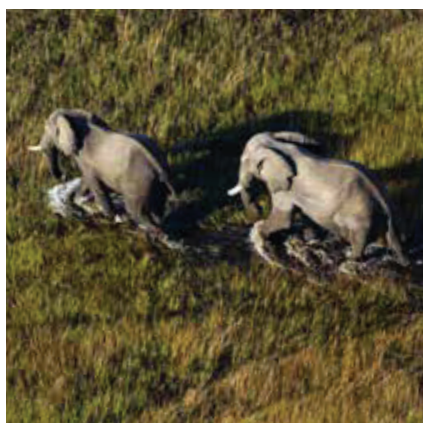
Our approach

Our purpose is to drive commerce and prosperity through our unique diversity. Our sustainability vision is to become the most sustainable and responsible bank, and the leading private sector catalyser of finance for the SDGs.

We embed sustainability across our business, operations and communities through our sustainability framework. By focusing on three sustainability pillars – Sustainable Finance, Responsible Company and Inclusive Communities – we believe we can deliver sustainable prosperity in line with our valued behaviours and our promise to be Here for good.

This approach is framed around a Sustainability Philosophy that informs our decision-making, Position Statements that set out our environmental and social client standards, and a list of Prohibited Activities ([sc.com/prohibitedactivities](https://www.sc.com/prohibitedactivities)) that sets out the activities that the Bank will not finance.

It is underpinned by our Sustainability Aspirations, which provide tangible targets for sustainable business outcomes aligned to the SDGs.



Estimated number of elephants poached each year (WWF)

20,000



RESPONSIBLE COMPANY

Tackling the illegal wildlife trade as a financial crime

The illicit poaching of wildlife is driving many species to the edge of extinction. The World Wildlife Fund (WWF) estimates that on average more than 20,000 African elephants and more than 1,000 rhinos are killed each year. But the illegal wildlife trade (IWT) is not just a conservation issue. A report by the United Nations Environmental Programme estimates that it is worth between \$7 billion and \$23 billion annually, making it the fourth most significant trafficking crime behind arms, human and narcotics trafficking.

Many countries within our unique footprint are vulnerable to IWT either as source, transit or destination markets. This puts us on the frontline of the challenge to do our part to disrupt and prevent this illicit activity. We have included IWT-specific content in the anti-money laundering training completed by all employees and delivered targeted awareness sessions in key markets. We have also made IWT a focus for our financial crime investigators, enabling those efforts through new artificial intelligence and machine-learning tools.

We believe that partnering to lead in the fight against financial crime is the best way to protect our business, clients and communities. That's because we recognise that no single company, law enforcement or sovereign acting alone can eradicate financial crime. We will only succeed if we collaborate with each other.

As a member of The Royal Foundation's United for Wildlife (UfW) IWT Financial Taskforce, we are working with other financial institutions around the world, as well as government bodies and NGOs, to raise awareness of the importance of tackling IWT as a financial crime and to build IWT into members' business-as-usual compliance operations. We are sharing what we have learned with our clients by integrating IWT into our correspondent banking academies in countries such as Brazil, Cambodia, South Africa and Vietnam in 2019. We also contributed to the delivery of UfW training workshops on IWT during 2019, including workshops in Beijing, Hong Kong and Nairobi.

In 2019, we signed up to the UN Principles for Responsible Banking, supporting our progress and that of the industry as we demonstrate our contribution to achieving society's goals. As part of our commitment, we are embarking on third-party, limited assurance on a selection of our Sustainability Aspirations as they represent our most significant impacts.

Our focus on good governance extends to the development of new sustainable finance products. In 2019, we developed a Green and Sustainable Product Framework and a Green and Sustainable Bond Framework that set out all eligible and excluded activities and themes for future sustainable products that help fund the SDGs. The frameworks were developed in collaboration with leading environmental, social and governance research provider Sustainalytics and will be subject to internal review annually.

Engaging Stakeholders

We believe that our stakeholders are an integral part of our long-term prosperity and sustainability. We are committed to regular and constructive engagement and dialogue with our stakeholders to guide our strategic and operational direction. Stakeholder feedback helps inform our responses to issues and maintain good relationships.

Clients

How we serve and engage

Clients are at the heart of everything we do. By building and fostering long-term relationships with our clients, we can serve them better, deepen our relationships, uphold our reputation and attract new customers to grow our business.

Delivering fair outcomes for clients is a priority, starting with products and services that are well designed, fairly and reasonably priced, and supported by clear and concise information. Client interests are factored into our business strategies, including how we set and monitor revenue targets, govern new product development, review and assess existing products and discontinue products.

Good business conduct remains central in all our client interactions. Across our business segments, we aim to ensure that client-facing colleagues are trained and certified, provide the right information about products and deliver on service level promises.

In Commercial and Corporate & Institutional Banking, colleagues must be open and honest in identifying and managing conflicts of interest with clients, and carry out all client orders in a way that treats all clients fairly.

Regulators and Government

How we serve and engage

We engage with relevant authorities to play our part in supporting the effective functioning of the financial system and the broader economy. Standard Chartered Bank Kenya Limited maintains a Government & Regulatory Relations Plan which evidences the Company's efforts to maintain transparent relations in its engagements with regulators and government agencies. We actively engage with relevant government bodies, regulators and policymakers to share insights and technical expertise on key issues. In 2019, we engaged to exchange information on topics such as implementation of the Banking Sector Charter, supporting credit growth in the small and medium size enterprises (SME) sector, fintech, cloud strategy, cyber security, fighting financial crime and sustainable finance, in addition to participating in industry working groups. This engagement supports the development of best practice.

Investors

How we serve and engage

We aim to deliver robust returns and long-term sustainable value for our investors. Our operating footprint, along with a commitment to sustainable and responsible banking, uniquely connects investors in established capital markets with opportunities in emerging markets. In this context we believe that an integrated approach to Environmental Social and Governance (ESG) issues and a strong risk and compliance culture provide a competitive advantage. Using the capital that we receive from investors, we execute our business model with a focus on delivering sustainable value for all shareholders. Whether they have a short or long-term investment horizon, we provide all investors with information about all aspects of our financial and sustainability performance.

During 2019, we engaged with investors and market analysts through the annual general meeting as well as briefing events to guide them through our performance and business strategy.

In 2020 we will continue to engage on how we will sustainably improve our returns to create value over the long term. For more information about Board engagement with shareholders in 2019, please see page 59 in the corporate governance section of the annual report.



Standard Chartered COO, Peter Gitau (left) giving CBK Governor, Dr. Patrick Njoroge (centre) a tour of Standard Chartered Women in Tech Stand during the inaugural INUA Biashara event.



Shareholder arrives for the Annual General Meeting



Second left, Gladys Warirah, Financial Controller awarding supply partners during the 'Ride for the Future' event.

Supply Partners

How we serve and engage

We work with local and global suppliers to ensure they can provide the right goods and services for our business, efficiently and sustainably. Engagement with suppliers is guided by our Supplier Charter, which sets out what we expect of vendors on issues such as ethics, anti-bribery and anti-corruption, human rights and environmental performance. Suppliers must recommit to the charter annually, and regular engagement to monitor performance is built into our procurement practices and standards.

In 2019, our global innovation arm SC Ventures set up an Africa hub in Kenya and held engagement sessions with strategic

suppliers and fintech suppliers in Nairobi to strengthen collaboration and innovation around digital transformation.

In recognition of International Anti-Corruption Day, we held a dialogue session with our strategic vendors to discuss the importance of Anti Bribery and Corruption. In 2020, we will work closely with our vendors to build their knowledge in responsible business in line with our ESG commitments.

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

Colleagues

How we serve and engage

We believe that great client experience is driven by great colleague experience. We want our people to pursue their ambitions, to deliver with purpose, and have a rewarding career enabled by great people leaders.

Purpose-led cultural change

Our culture is the foundation for delivering on our purpose to drive commerce and prosperity through our unique diversity. We continue to embed our culture through our valued behaviours (Never Settle, Do the Right Thing and Better Together), which describe a culture that balances innovation, client focus, ethics and inclusion. We have integrated these valued behaviours into the way we hire, recognise, reward and develop our people.

In 2019, we introduced our leadership standard PA²CE –which focuses on People, Accountability, Agility, Clients and Execution as clear building blocks of transforming the Company through building new skills and capabilities required today and into the future of banking.

Our commitment to wellbeing

We are committed to bringing out the best in colleagues by establishing and maintaining a work environment that promotes positive wellbeing and healthy lifestyle choices. Our vision is to create a culture where employees have access to a range of wellbeing resources to help them remain healthy and productive, and can seek help when they need it. We recognise that every employee has different needs and our four wellbeing pillars - mental, physical, social and financial - allow us to provide support to employees at every stage of their lives.

Building a future ready workforce

There is a rising need to focus on continuous skills development and embed our learning culture as part of being future ready. The future is now, therefore employees are to be empowered to take learning into their own hands and be responsible for their own career paths by building confidence in skilling themselves around emerging technologies and being open to further skilling requirements.

In 2019, the Company invested in technology to make learning accessible to everyone through free access to online learning platforms of Skillsoft, Percipio and Intuition. Percipio has 408 active users, representing 29 per cent of our staff and Intuition has 63 per cent of staff enrolled.

Through our Inclusive Leadership programme aimed at strengthening a culture of inclusion, we reached 86 per cent of our people leaders. A further 93 per cent of first-time leaders went through a leadership programme that introduces the fundamental skills required to succeed as a leader.



Embracing diversity to achieve our purpose

Unique diversity underpins our purpose. We can only drive commerce and prosperity by embracing the power of our diversity and unleashing its full potential. An inclusive culture is central to enabling our diversity, prompting innovation and driving performance.

The company focuses on diversity and inclusion pillars of Nationality & Ethnicity, Disability, Gender and Generations.

Gender equality

Our goal is to engage and support all genders, and progress towards gender equality. We subscribe to the UN principles that underpin our commitment to support women in the workplace, marketplace and community. Our overall gender split stands at 52% women and 48% men.

In 2019, the female representation in senior leadership roles stood at 41% and continues to shift closer to our intended goal of having a fair split of 50:50 between male and female leaders. This was recognised by the market and the Company was feted by various bodies including the Kenya Bankers Association, Federation of Kenya Employers and the Nairobi Securities Exchange.

We understand that gender equality can only be reached by a focus on all genders. Our Flexible Working Policy, Parental Leave Policy, Fair Pay Charter, mentoring and leadership programmes continue to support all our colleagues.



Staff members during the International Women's Day event.

Understanding our sustainability themes

	SUSTAINABILITY PILLARS		
	Sustainable Finance	Responsible Company	Inclusive Communities
SUSTAINABILITY ASPIRATIONS	1. Infrastructure	7. People	11. Futuremakers; Education Employability Entrepreneurship
	2. Climate	8. Environment	
	3. Entrepreneurs	9. Conduct	
	4. Digital	10. Financial Crime Compliance	
	5. Commerce/Trade		
	6. Impact & sustainable finance		

By delivering against our three sustainability pillars – Sustainable Finance, Responsible Company and Inclusive Communities – and 11 Sustainability Aspirations as shown above, we can achieve our purpose and be Here for good.

Environmental and social issues	Responses (www.sc.com)
Climate change	<ul style="list-style-type: none"> Position Statements 2019 Climate Change (sc.com/tcfd) Climate Change Aspiration Group Chief Risk Officer's review (2019 Annual Report & Accounts - p38)
Conduct, values and ethics	<ul style="list-style-type: none"> Group Code of Conduct (sc.com/codeofconduct) Conduct Aspiration
Environmental and social risk management	<ul style="list-style-type: none"> Environmental and Social Risk Management (sc.com/positionstatements) Our standards and policies (sc.com/sustainability)
Human rights	<ul style="list-style-type: none"> 2019 Modern Slavery Statement (sc.com/modernslavery) Position Statements (sc.com/positionstatements)
Talent attraction and engagement	<ul style="list-style-type: none"> People Aspiration (p13)

Pillar 1: Business Sustainable Finance

Objective

We use our core business to promote sustainable development in our markets, while managing the environmental and social risks associated with our financing activities.



Sustainable finance

Recognising that our most significant environmental and social impact comes from the businesses we finance, we have set out how we balance economic, environmental and social needs in our decision making through our Sustainability Philosophy. Our purpose and valued behaviours are the foundation for our Sustainability Philosophy. Economic and social growth is leading to rapid urbanisation and creating increased need for infrastructure, power and technology. We believe finance plays a key role in meeting these needs. It enables individuals to build a positive future for themselves and their families, for businesses to thrive and grow, and governments to deliver economic prosperity for the wider community. Supporting sustainable and responsible growth, including delivering the UN Sustainable Development Goals ('SDGs'), represents a significant opportunity for us. In pursuing this opportunity, we are guided by our brand promise, Here for good.



Panel discussion on Sustainable Finance during the 2019 Africa Summit hosted for policy makers, industry leaders and Standard Chartered clients.

Our 2020 Sustainability Aspirations can be found at the back of this document

Managing environmental and social risks

Our Environmental Risk Management Framework is a critical tool we use to assess the risks of our lending activities. We apply the framework to our Corporate clients, and embed our framework directly into our credit approvals process. It is the role of our relationship managers to carry out an Environmental & Social Risk Assessment (Client ESRA). This allows us to evaluate client performance against our Environmental & Social (E&S) criteria.

In 2019, we reviewed 40 high impact lending activities against our Environmental and Social Risk Management (ESRM) framework versus 70 in 2018, and 16 in 2017.

We are active participants in Kenya Bankers Association Sustainable Finance Initiative and also members of the UN Global Compact Network in Kenya, whose four principles on human rights, labour, environment and anti corruption we are committed to embedding in our business strategy and operations.

Kenya Bankers Association awarded the bank the Best Sustainable Finance Bank 2019 for our positive socio-economic impact in Kenya.

2019 SUSTAINABILITY ASPIRATIONS: SUSTAINABLE FINANCE

Aspirations

Infrastructure

Everyone should have access to safe, reliable and affordable power and infrastructure which transforms lives and strengthens economies



Climate change

Climate change is one of today's greatest challenges and addressing it is essential to promote sustainable economic growth



Entrepreneurs

Entrepreneurs are the heart of local economies, creating jobs and empowering people



Digital:

Everyone should have access to digital banking products enabling safe, efficient and inclusive banking



Commerce

Trade creates jobs and contributes to economies by enabling people to connect across borders



Impact and sustainable finance

Innovative financial products and partnerships can help us solve global development challenges and improve the lives of millions in our markets

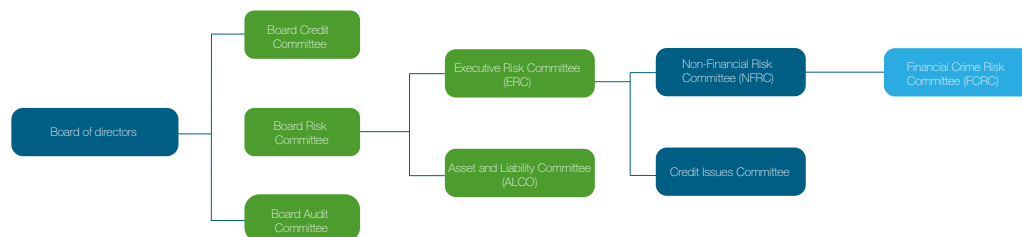


Pillar 2: Operations

Responsible Company

Promoting good conduct

In 2019, we signed up to the UN Principles for Responsible Banking, supporting our progress and that of the industry as we demonstrate our contribution to achieving society's goals.



Fighting financial crime

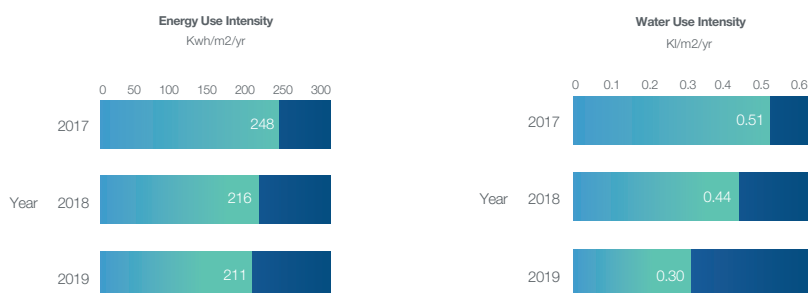
We maintain sound defences against money laundering, terrorist financing, sanctions compliance breaches, bribery and other forms of corruption. A dedicated Financial Crime Compliance (FCC) team leads our risk management activities, which include adhering to anti-money laundering (AML) and sanctions policies and applying core controls such as client due-diligence screening and monitoring. Anti-bribery and corruption (ABC) policies aim to prevent colleagues, or third parties working on our behalf, from participating in active or passive bribery or corruption, or from making facilitation payments. In 2019, 100 per cent of our staff completed ABC, AML and sanctions training.

Managing our environmental footprint

We aim to reduce the direct environmental impact of our operations, namely our branches and offices, which use paper, water and energy. In 2018, we surpassed our Energy Use Intensity (EUI) target of 230 Kwh/m²/yr by 2019 achieving 216 Kwh/m²/yr through measures including LED lighting and grid-tiered solar panels. This year our EUI was 211 Kwh/m²/yr, a further 2.3 per cent reduction from the prior year, as a result of a revamp of the fresh air-cooling system at the Chiromo Head Office.

Our Water Use Intensity (WUI) was at 0.30 kl/m²/yr against a target of 0.50 kl/m²/yr by end of 2019, representing a drop of 31.8 per cent compared to 2018. This significant reduction was achieved through the elimination of water dispensers and installation of a water filtration system at the Chiromo Head Office. The use of the waste water treatment plant which was commissioned in November 2018, also made a great impact on the reduction.

We aim to minimise waste and continued to reduce single use plastic at our Chiromo Head Office and continue to identify ways to improve our environmental performance. In 2020, we will review the methodology used to measure our energy, water and waste, and increase monitoring of plastic usage to set more robust reduction targets.



2019 SUSTAINABILITY ASPIRATIONS: RESPONSIBLE COMPANY

Aspirations

People

Our people are our greatest asset, and our diversity drives our business success



Environment

Reducing our own impact on the environment will protect our planet for the benefit of our communities



Conduct

Good conduct and high ethical standards are essential in achieving fair outcomes for our clients



Financial crime compliance

Financial crime has serious social and economic consequences, harming individuals and communities



Pillar 3: Communities

Inclusive Communities

We aim to create a more inclusive economy by sharing our skills and expertise, working closely with local partners to deliver programmes that promote empowered communities, in line with our Purpose and Valued Behaviours. Our investments in communities are governed by our Sponsorship and Donations Policy to foster credible partnerships and relevant outcomes.

In 2019, we invested +40 million for our communities. In addition, our staff contributed more than 1,000 volunteering days in service to communities.

Girls and young women supported with life skills	Young women : Training & entrepreneurship	Youth offered financial literacy training
+16,000	+460	28,000
Financial Literacy training	Women led start ups incubated in 2019	
+ 270 MSMES	20	

Futuremakers by Standard Chartered

In 2019, we launched and began to roll out our 2019 – 2023 community investment approach, Futuremakers by Standard Chartered. Futuremakers by Standard Chartered is our global initiative to tackle inequality and promote greater economic inclusion in our market. We will do this by supporting disadvantaged young people from low-income households, particularly girls and people with visual disability, to take part in programmes focused on education, employability and entrepreneurship. Our ambition is to raise USD50 million between 2019 and 2023 to empower the next generation to learn, earn and grow.

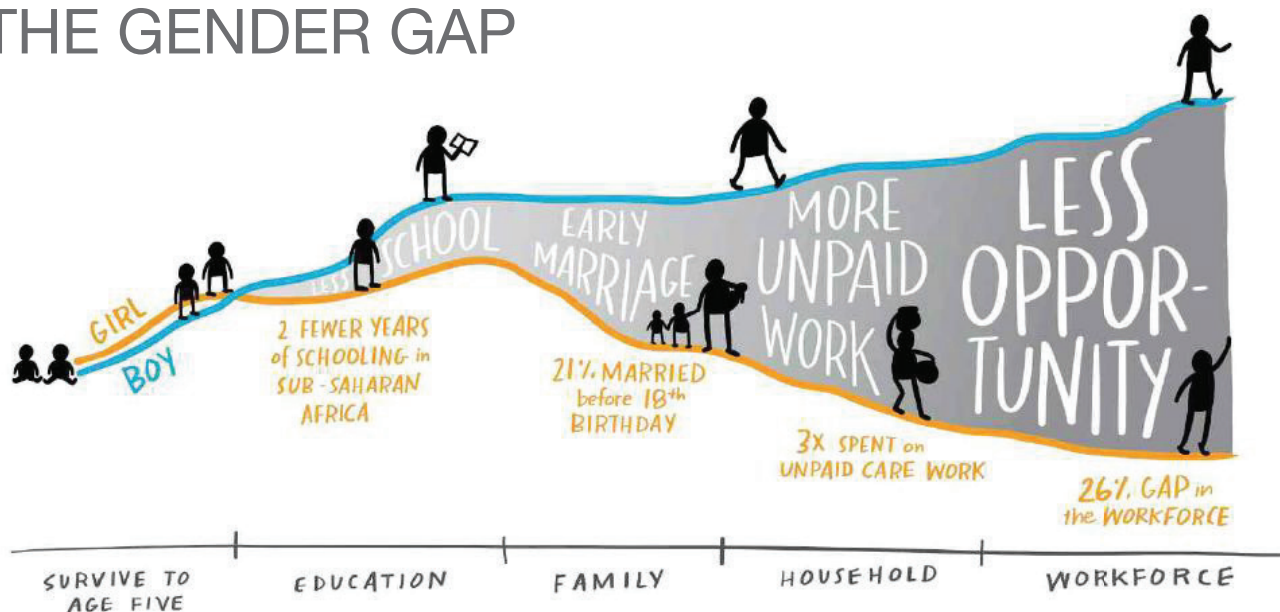
We have three core pillars to our Futuremakers by Standard Chartered community engagement:

Education

The Gates Foundation published their 2019 Goal Keepers report – Examining Inequality. How Geography and Gender Stack The Deck For (Or Against) You. A key highlight from this report was that ‘no matter where you are born, your life will be harder if you are born a girl. If you are born in a poor country or district, it will be even harder.’ It also highlighted that adolescence is when girls’ and boys’ futures really start to diverge – with boys’ futures expanding, and that for girls’ contracting.

This is a key reason why we focus on empowering adolescent girls (12 – 19 years old) with life skills. We are primarily doing this through our Goal programme where we work to empower young women through education and sports. In 2019, we reached over 4,400 girls through our programme. Since 2015 our Goal programme has supported over 16,000 girls and young women with life skills training.

THE GENDER GAP



Inclusive Communities (continued)

We also deliver financial education training to young people through our staff who volunteer their time and skills to influence behavioural change and engrain financial responsibility at a young age. Since we began in 2016, we have reached 28,000 youth across the country and worked to build their financial education capabilities.

Employability

The Employability pillar focuses on work readiness and vocational training schemes for youth - aged between 16 to 30 years and encourages prioritising women and people with visual impairments and/or disability. We expanded our Goal programme to include employability and entrepreneurship capability building for our Goal beneficiaries.



Center: Sunil Kaushal, Standard Chartered AME Regional CEO, Eva Muraya, Entrepreneur and CEO, Kariuki Ngari interact with Tech Company Founders who are beneficiaries of the Women in Tech Incubator programme.

Since 2015, more than 460 young women have received vocational training and entrepreneurship skills training to support their future pathways.

We recognised the 2019 World Youth Skills Day by hosting a skills café for over 200 Form 4 students from five high schools across Nairobi. Over 50 staff volunteered to share their experience and coach the youth on communication skills, career and planning, youth and peer pressure. In 2020, we will launch a new employability programme that will focus on increasing employability opportunities for young people (16 – 25 years) including youth with disabilities.

Entrepreneurship

For this community investment focus area, we provide training, capacity building and financing for micro and small business owners, prioritising women. We continued our commitment to supporting women-led enterprises leveraging technology to grow their business, under our Women in Technology programme. The ten businesses selected in late 2018 to the incubator programme successfully completed the programme in early 2019. In April 2019, we awarded five companies with a monetary award of KShs 1 million each to grow their businesses.

Since 2017, 30 companies have participated in our programme and we have invested KShs 27 million to support women-led micro and small businesses through the Women in Technology programme. Our third cohort launched in September 2019 and received 700 applications. A final 10 companies were shortlisted and are currently participating in the incubation programme.

In 2019, the Kenya Women in Technology programme was recognised by the Standard Chartered Group's Global Recognition Awards under the category: Do the right thing - Women In Tech Incubator - Empowering female entrepreneurs across Africa & Middle East. Following its successful launch in Kenya, the Women in Technology programme has been rolled out across our Africa & Middle East region. From Kenya, the programme has now expanded to Nigeria, Pakistan and United Arab Emirates.

We also run a financial education for entrepreneurs programme targeting non-client micro and small businesses in our communities. This is delivered by employee volunteers. Since we began in 2016, we have trained over 270 micro and small businesses.

Standard Chartered Nairobi Marathon

The Standard Chartered Nairobi Marathon moved back to Nyayo Stadium for the 17th Edition which was held on 27 October 2019. The Nairobi Marathon is a key platform to nurture upcoming Kenyan athletes and celebrates Kenya as the home of long-distance international athletes. It is Kenya's only marathon that has the International Association of Athletics Federations (IAAF) and Association of International Marathons and Distance Races (AIMS) recognitions, and the only marathon held in our capital city and with international prestige.

Inclusive Communities (continued)

Key achievements:

KShs + 30 million was raised towards Futuremakers by Standard Chartered;

+17,000 registered participants;

+240 corporate teams took part;

+400 staff volunteered; and

450 external (non-staff) volunteers.

The event features six race categories; 42km male and female, 21km male and female, 21km wheelchair male and female, 10km male and female, 5km Family Fun Run race and the Corporate Challenge. The winners take home prize money totalling KShs 10 million up from KShs 8 million in 2018.



Marathon enthusiasts taking part at the 2019 Standard Chartered Nairobi Marathon.

We sincerely thank our partners: Nairobi County Government, Athletics Kenya, AAR, All Terrain Services, AUA Industria, Coca-Cola, Internet Solutions, Radio Africa Group, Subaru Kenya and the Kenya International Convention Centre; for support to the 2019 Nairobi Marathon.

Seeing is Believing (2003 – 2018)

In 2018, after achieving our global goal of raising USD 100 million to fight against avoidable blindness and visual impairment, we concluded our Seeing is Believing (SiB) community investment programme. Our fundraising goal was achieved two years ahead of target. 2019, saw the start of our new community investment approach, Futuremakers by Standard Chartered.

There were existing SiB programmes which were concluding in 2019, and we ensured that we kept our commitments to these partners and programmes from start to end. As a result, in 2019, we achieved some very positive outcomes in supporting avoidable blindness and visual impairment as we wrapped up our programmatic commitments. In 2019, we screened over 102,000 people, performed more than 22,500 eye treatments and surgeries, and provided eye health education to more than 170,000 Kenyans.



Seeing is Believing beneficiary after undergoing a successful eye surgery.

Our eye health programme on diabetic retinopathy, which concluded in December 2019, focused efforts on the links between diabetes and eye health. Non-communicable illnesses, like diabetes, are on the rise in Kenya particularly in urban areas.















Through our support we have partnered with public hospitals, like Mbagathi Hospital in Nairobi County, to introduce diabetic retinopathy screening. Together with our partners, we screened over 4,600 people for diabetic retinopathy, about 140 received eye treatments related to diabetic retinopathy, and we trained 70 eye health workers and peer educators in diabetic retinopathy.

We extend our sincere gratitude to all our eye health community partners for their support in delivering Seeing is Believing impact country-wide and reaching nearly 20 million Kenyans since 2003.











2020 Sustainability Aspirations

Standard Chartered PLC Sustainability Aspirations build on our three sustainability pillars with measurable targets to show how we are achieving sustainable outcomes across our business. These also allow us to demonstrate how we support the United Nations Sustainable Development Goals (SDGs).

Pillar one: Sustainable Finance

Aspirations	Targets: We will work with our clients to:	Target date
Infrastructure Everyone should have access to safe, reliable and affordable power and infrastructure which transforms lives and strengthens economies	<ul style="list-style-type: none"> Provide project financing services for \$40 billion of infrastructure projects that promote sustainable development that align to our verified Green and Sustainable Product Framework Catalyse \$5 billion of finance via blended finance transactions 	Jan 2020 – Dec 2024 Jan 2020 – Dec 2024
  		
Climate change Climate change is one of today's greatest challenges and addressing it is essential to promote sustainable economic growth	<ul style="list-style-type: none"> Provide \$35 billion worth of project financing services, M&A advisory, debt structuring, transaction banking and lending services for renewable energy that align to our verified Green and Sustainable Product Framework Develop a methodology to measure, manage and ultimately reduce the CO₂ emissions from the activities we finance Only provide financial services to clients who are: <ul style="list-style-type: none"> By Jan 2021, less than 100% dependent on earnings from thermal coal (based on % EBITDA at group level) By Jan 2025, less than 60% dependent on earnings from thermal coal (based on % EBITDA at group level) By Jan 2027, less than 40% dependent on earnings from thermal coal (based on % EBITDA at group level) By Jan 2030, less than 10% dependent on earnings from thermal coal (based on % EBITDA at group level) 	Jan 2020 – Dec 2024 Jan 2019 – Dec 2020 Jan 2020 – Jan 2030
 		
Entrepreneurs Entrepreneurs are the heart of local economies, creating jobs and empowering people	<ul style="list-style-type: none"> Provide \$15 billion of financing to small business clients (Business Banking) Provide \$3 billion of financing to microfinance institutions 	Jan 2020 – Dec 2024 Jan 2020 – Dec 2024
		
Commerce Trade creates jobs and contributes to economies by enabling people to connect across borders	<ul style="list-style-type: none"> Bank 10,000 of our clients' international and domestic networks of suppliers and buyers through banking the ecosystem programmes 	Jan 2020 – Dec 2024
 		
Digital Everyone should have access to digital banking products enabling safe, efficient and inclusive banking	<ul style="list-style-type: none"> Roll out digital-only bank in a total of 12 markets and double the number of clients we bank in Africa to 3.2 million 	Jan 2020 – Dec 2021
  		
Impact finance Innovative financial products and partnerships can help us solve global development challenges and improve the lives of millions in our markets	<ul style="list-style-type: none"> Introduce ESG scores for equity investments for Private Banking clients allowing them to tailor their investment choices in a sustainable manner Develop a tailored Impact Profile for all Private Bank clients providing a framework that enables them to understand their passions and harness capital market solutions to support the SDGs Increase the proportion of Private Bank investment solutions (across funds, bonds, structured products and discretionary mandates) with a sustainability lens from below 10% to 50% 	Jan 2020 – Dec 2020 Jan 2020 – Dec 2024 Jan 2020 – Dec 2024
  		

Pillar 2: Responsible Company

Aspirations	Targets: We will:	Target date
People Our people are our greatest asset, and our diversity drives our business success <div>    </div>	<ul style="list-style-type: none"> Conduct a feasibility analysis to incorporate a Living Wage into agreements for all non-employed workers Complete disability confidence assessments for 44 of our large markets Embed an integrated health and wellbeing strategy to support building and re-skilling a future-ready, diverse workforce Support all employees to develop a personalised growth plan to reflect the future skills needed to respond to the changing and digitised nature of work Increase gender representation: 35% women in senior roles with an interim target: - Dec 2020: 30% Increase our 'Culture of Inclusion' score to 84.5% with an interim target: - Dec 2021: 80% 	Jan 2019 – Dec 2020 Jan 2020 – Dec 2020 Jan 2020 – Dec 2021 Jan 2020 – Dec 2021 Sept 2016 – Dec 2024 Jan 2020 – Dec 2024
Environment Reducing our own impact on the environment will protect our planet for the benefit of our communities <div>    </div>	<ul style="list-style-type: none"> Reduce annual greenhouse gas emissions (Scope 1 and 2) to net zero by 2030 with an interim target: - Dec 2025: 60,000 tCO₂e Source all energy from renewable sources Join the Climate Group 'RE100' Reduce our Scope 3 value chain emissions from business travel by 7% Introduce an emissions offset programme for Scope 3 travel emissions Reduce annual office paper use by 57% to 10kg/headcount/year Reduce waste per colleague to 40kg Recycle 90% of waste 	Jan 2019 – Dec 2030 Jan 2020 – Dec 2030 Jan 2020 – Dec 2020 Jan 2020 – Dec 2020 Jan 2020 – Dec 2020 Jan 2012 – Dec 2020 Jan 2020 – Dec 2025 Jan 2020 – Dec 2025
Conduct Good conduct and high ethical standards are essential in achieving fair outcomes for our clients <div>   </div>	<ul style="list-style-type: none"> Learn from risks identified through concerns raised via our Speaking Up programme and conduct plans and publish an annual Threats and Themes Report Develop enhanced internal policies and guidelines on privacy, data ethics and algorithmic fairness, and embed a new governance framework for all data-related risks 	Ongoing Jan 2020 – Dec 2021
Financial crime compliance Financial crime has serious social and economic consequences, harming individuals and communities <div>   </div>	<ul style="list-style-type: none"> Tackle financial crimes such as illegal wildlife trade (IWT) by developing red flags for financial flows, training frontline staff to identify potential suspicious transactions and participating in public-private partnerships to share intelligence and good practices Deliver at least 18 correspondent banking academies 	Ongoing Jan 2020 – Dec 2020

Pillar 3: Inclusive Communities

Aspirations	Targets: We will:	Target dates
Community engagement Health and education are vital for thriving and prosperous communities <div>      </div>	<ul style="list-style-type: none"> Invest 0.75% of prior year operating profit (PYOP) in our communities Raise \$50m for Futuremakers by Standard Chartered Education: Reach one million girls and young women through Goal Employability: Reach 100,000 young people Entrepreneurship: Reach 50,000 young people, and micro and small businesses Support the development of the Vision Catalyst Fund Increase participation for employee volunteering to 55% 	Jan 2006 – Dec 2020 Jan 2019 – Dec 2023 Jan 2006 – Dec 2023 Jan 2019 – Dec 2023 Jan 2019 – Dec 2023 Jan 2019 – Dec 2020 Jan 2020 – Dec 2023

Further information

Our online resources provide further information to support this document.

Annual Report

For a full review of our performance during 2019 visit

<https://av.sc.com/ke/content/docs/ke-2019-annual-report.pdf>

Approach to sustainability

You can learn more about our sustainability philosophy and our approach at

<https://www.sc.com/ke/sustainability/>

Position Statements

For details of our environmental and social standards and how we apply these in our work with clients, visit

<https://www.sc.com/ke/sustainability/responsible-company/>

Code of Conduct

You can download our Code of Conduct

at <https://www.sc.com/global/av/ke-code-of-conduct.pdf>

Contact us

If you have any comments or questions about the information in this report, contact us at <https://www.sc.com/ke/help/contact-us/>

