

Corporate Social Responsibility

Corporate Social Responsibility (CSR) is at the core of our values. Standard Chartered believes that with appropriate policies and practices in place it can be a legitimate influence for good. It does this by promoting high standards of socially responsible business in the emerging markets. A new corporate social responsibility website was launched in 2002. This details policies and procedures put in place to enable Standard Chartered to meet or exceed the legal, ethical, commercial and public expectations of the communities in which it operates. The Bank strongly supports the trend toward delivering shareholder value in a socially, ethically and environmentally responsible manner.

This has been recognised externally. Standard Chartered has been a member of FTSE4Good since its launch in July 2001. FTSE4Good is a Socially Responsible Investment index that only includes companies reaching certain standards of corporate social responsibility. The Company has publicly declared its support for the United Nations Global Compact and the OECD Guidelines for Multinational Business. It is an active member of the Prince of Wales International Business Leaders Forum and has been included in Morley Fund Management's Sustainability Matrix.

For the latest environmental report and more detail on community projects please visit the CSR website:

www.standardchartered.com/ourbeliefs

Community

Our community programmes mainly target those countries in Asia, Africa and the Middle East from which we derive our profits. In 2002 \$3.9 million was spent on such initiatives. Apart from funding many of the projects, staff are encouraged to take part in activities to support the community.

Living with HIV

We won several awards for our HIV/AIDS staff education programme 'Staying Alive' rolled out to Africa staff in 2000. The Bank is now committed to roll out its new 'Living with HIV' education programme to all employees by December 2003. Training of staff champions will continue through 2003. We share the programmes we have developed with other corporations, government institutions and community groups.

Seeing is Believing

In February 2003, we launched a global campaign in partnership with Sight Savers International to raise enough funds to restore the sight of 28,000 people. The campaign was initially launched in Bangladesh.

Africa

The Community Partnership for Africa, begun in 2001, sets aside \$1 million per annum for worthy high impact projects.

Ghana – in partnership with Water Aid donated 100 wells to support the provision of clean drinking water to 100 villages.

Kenya – donated 27 maize mills and six boreholes to provide food and water to the community.

Uganda – supported the Nsumba Children's Home as a rehabilitation centre to train and counsel street children.

Zambia – supported a University Teaching Hospital Paediatrics wing in Lusaka.

Middle East and South Asia

Bangladesh – employees donated blood to the Bangladesh National Blood Bank, cleaned up the children's ward of the Islamiya Eye hospital and also donated mosquito nets and food packets to patients.

Lebanon – supported the SOS Children's Village through donations and children's visits to the Bank for a learning experience.

Sri Lanka – provided support to Vajira Rehabilitation Children's Home and Maharagama Cancer Hospital. The Bank has donated a heavy-duty suction unit, TV, furniture and medicine to the hospital.

Nepal – supported an education programme for young girls through the United Nations Women's organisation project 'Kamlarni Scholarship Programme'.

India – continued to support Pratham Delhi an education initiative to provide pre-school education for street children, Victoria Memorial School for the blind and an exhibition and sale of articles produced by developmentally handicapped children of SPJ Sadhana School.

North East Asia

Hong Kong – the Hong Kong Council of Social Service awarded the Bank with the Caring Company Award 2002/2003. The award recognises Standard Chartered's long-term commitment to the community and dedicated support of the many staff who volunteer to help charities.



We are part of the fabric of the local community. Our policies and procedures ensure that we promote high standards of socially responsible business ethics.

Standard Chartered supports many youth projects in the area of health and education. In India the Bank supports Prem Dan Learning Centre and the Victoria Memorial School for the blind. In Hong Kong and Singapore the Bank sponsors marathons which raise considerable funds for charity.

The Community Partnership for Africa oversees many worthy projects on the continent including the refurbishment of the Kurasini Orphanage in Tanzania.

Corporate Social Responsibility

Continued

Hong Kong – raised HK\$1.8 million (\$230,770) for the Hong Kong Sports Association for the Physically Disabled through the 2002 Hong Kong marathon. For the fifth year, the Bank has sponsored the Asian Youth Orchestra's rehearsal camp in Hong Kong, the Children's Heart Fund and the Youth Arts festival.

Taiwan – adopted and developed Victoria Garden, a small park outside our flagship branch in Taipei.

South East Asia

Thailand – in co-operation with the Thailand Business Initiative for Rural Development handed over a village meeting centre at Ang Hin. The centre will be used as a venue for vocational training, a library and a meeting place.

Singapore – sponsored a series of monthly lunches for 90 elderly one-room flat dwellers.

Indonesia – provided support to the elementary school for children of low-income earners.

United Kingdom and the Americas

United States – staff volunteered to paint and refurbish a primary school in the Bronx section of New York City.

Peru – supported the Santa Rosa Community Project in Peru to replace the existing makeshift classroom made of wooden poles, cardboard and plastic sheets. The classroom is for 28 nursery school children aged 3–5.

United Kingdom – supported the Tower Hamlets Education Business Partnership. Standard Chartered staff volunteered and provided interviewing skills, mentoring, reading and numerical learning for children from four schools.

Environment

2002 saw significant progress on environmental matters. In 2001 we published our first environmental report which concentrated on preliminary work in the United Kingdom, and presented management and performance targets for subsequent years. In 2002 this was followed with the launch of a three-year global environmental management programme. This programme has developed a global environmental management system designed to formally manage the Bank's most significant operational impacts such as waste production and energy use. It is currently being implemented in 19 locations in seven countries, covering 40 per cent of staff.

Possible environmental risks are managed by an environmental and social credit risk policy. In a recent study, ISIS concluded that Standard Chartered had 'engaged in a serious review of environmental credit risk assessment, and established policies and operating procedures in their home markets'.

Improvements in our management of environmental issues have also begun to be reflected in external benchmarks. In the United Kingdom, the Business in the Environment Index of Corporate Environmental Engagement improved its rating of the Bank. Additionally we became a signatory to the United Nations Environmental Programme (UNEP) Statement on the Environment and Sustainable Development.

We also continued to support a number of environmental projects across the Group. To mark our environmental commitment and to raise awareness among staff, customers and the community, we launched a 'Clean and Green' campaign in October. Various activities took place during the week, which included an environmental quiz on the website, recycling of clothing and computer materials, conservation of energy and joining in community projects to protect the environment.



Bank employees in Venezuela participate in tree planting during Standard Chartered's 'Clean and Green' week.

There follow a few examples of the many environmental projects that have taken place this year around the world.

Africa

Staff from 13 territories in Africa planted more than 10,000 trees.

Kenya

Standard Chartered Kenya sponsored the 31st Annual World Environment Day promoted by the United Nations Environment Programme (UNEP). About 100 staff joined 150 youth groups in a 'Clean Up' campaign and raised the local community's environmental awareness.

China

Staff in Shanghai participated in the cleaning of the Huang Pu River while a team from Shenzhen participated in a beach cleaning exercise.

India

Staff cleaned a park and planted near the Sarita Vihar slum in New Delhi.

The Bank partnered with the South Chennai Chapter of Exnora and ONYX organised the 'Clean Up Marina Beach campaign'.

Brunei

Staff in Darussalam were involved in a beach cleaning exercise which included the replanting of vegetation and release of 150 young turtles into the South China Sea.

Philippines

All employees in the Philippines received a green book, which provided staff with useful information about the environment, including recycling, energy conservation, decomposing and health tips.

Nepal

The Bank donated 25 personal computers to Shree Tilingtar Higher Secondary School at Dhapasi Government School.

Malaysia

A plant gala was organised at one of our branches and more than 300 ornamental plants of all types were donated for sale.

Pakistan

Staff supported a kidney centre for six years via an annual donation of \$25,000, sponsored Art students at Indus Valley School for six years via ArtFest and donated over 200 computers to schools and charities.

Qatar

Standard Chartered employees in Qatar collected 50 bags of garbage from the Crescent of Isle Banana to support conservation and cleanliness.

Bahrain

Standard Chartered Bahrain won an award from the Electricity and Water Ministry for a power conservation programme.

The Bank held a charity walk to raise funds for sponsoring a 72-page book on environmental issues.

United Kingdom

The Bank issued green paper recycling collection boxes to every employee. Now more than 3,000 kilos of paper are recycled each week.

A 'what a turn off' campaign was introduced to encourage staff to switch off the lights and other equipment when not in use – 950 kilowatts of energy are saved each week.

Details of this and the progress planned for next year can be found in our second environmental report available at: www.standardchartered.com/ourbeliefs



Standard Chartered Ghana contributes to improving people's life by giving access to clean water. 100 wells have been donated to 100 villages.

21 employees of the Bank scaled Mount Kinabalu in Malaysia raising funds for charity.