

Our Ref.: CS025(12)

5 April 2012

Corporate Communications Department
Hong Kong Exchanges and Clearing Limited
12th Floor, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Dear Sirs

Re: Consultation Paper on ESG Reporting Guide

We are pleased to submit our responses to the Consultation Paper published by the Stock Exchange of Hong Kong Limited (the "Exchange") on ESG Reporting Guide (the "Consultation Paper").

As an international financial institution, the greatest contribution we can make to the societies in which we operate is through our direct contribution to the real economy. We believe in promoting sustainable finance to contribute to the challenges and opportunities presented by social and environmental risk. We also empower our staff to help tackle the challenges we face in our markets, from environmental degradation to ill health. We strongly believe that the long term success of our business depends on the health and prosperity of the communities in which we operate.

We fully support that the ESG guide could be a tool to raise ESG awareness and encourage issuers to report on ESG matters. We appreciate that the general approach on the proposed ESG guide has considered the fact not all ESG subject areas, aspects and Key Performance Indicators ("KPIs") in the ESG guide are relevant to an issuer's business as some may be more important to an issuer's business than others. Accordingly, it is unnecessary to report on all subject areas, aspects and KPIs and we could have a choice to report on relevant ESG subject areas, aspects and KPIs that have material environmental and social impacts. We currently publish ESG information and the KPIs as adopted in our Sustainability Review report which you may find more details at the website: <http://reports.standardchartered.com/sr2011/servicepages/welcome.html>.

In this context, we generally support the ESG guide as proposed in the Consultation Paper but would like to offer some thoughts and suggestions that we hope you may find it useful as part of this consultation process. Amongst the proposed four areas: Workplace Quality, Environmental Protection, Operating Practices and Community Involvement, we would adopt alternative approach in the areas of Workplace Quality and Operating Practices. You may note from our responses to the questions under 'Working conditions' (Aspect A1) and 'Development and training' (Aspect A3) that we do not typically look at the proposed indicators on a macro level as we think it is important to reflect the differing business, market, statutory and regulatory conditions (See our response to Q.8 to 10 and Q.17 to 19).

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On Operating Practices under 'Supply chain management' (Aspect C1), we would question whether the disclosure on risk management of supply chain policies and the description of practices, implementation and monitoring would bring too excessive information to our stakeholders. We believe this area may be more relevant to the retail industry than a banking group like us (See our response to Q.45 to 47). Regarding intellectual property rights protection in Q.52, we think that the proposed KPI would need to be more specific by defining the scope and addressing the purpose for such disclosure in order to avoid creating unnecessary compliance burden on listed issuers. Similarly, in respect of Aspect C3 'Anti-corruption', we have responded that whilst we agree to disclose our Anti-Bribery Policy, we would need further guidance in terms of the meaning of non-compliance as there may be difficulty in judging what non-compliance means, or which standards, rules and regulations are applicable to a global organization (See our response to Q.56).

We hope that you find our submission useful in your deliberations. We welcome the opportunity of having a continuing dialogue in relation to this consultation process. In the meantime, if there is any additional information you require, please do not hesitate to contact the undersigned at 2820 3963 or Michelle Ma at 2820 3965.

Yours faithfully
For and on behalf of
Standard Chartered PLC


Assistant Company Secretary

Encl.

Standard Chartered PLC

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Part B Consultation Questions

Please indicate your preference by checking the appropriate boxes. Please reply to the questions below on the proposed changes discussed in the Consultation Paper downloadable from the HKEx website at: <http://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp201112.pdf>.

Where there is insufficient space provided for your comments, please attach additional pages.

1. Should the ESG Guide be a recommended best practice appended to the Listing Rules?

Yes

No

If your answer is “No”, please give reasons and alternative views.

2. Do you agree with the proposed Main Board Listing Rule 13.91 and paragraph 53 of Appendix 16/ GEM Listing Rules 17.103 and 18.84 in Appendix I of the Consultation Paper?

Yes

No

If your answer is “No”, please give reasons and alternative views.

We generally support it as an area of recommended best practices for listed issuers to adopt given ESG reporting is seen as one of the ways contributing to good corporate governance. In addition, as set out in paragraph 2 of Appendix 27, it provides a listed company the flexibility to make ESG reporting by reference to international ESG reporting standards. Since not all ESG subject areas, aspects and KPIs set out in the proposed Appendix 27 are applicable to us, we support on the footing that we shall continue to report on those ESG subject areas that are relevant to SCPLC and by making reference to international standards adopted by us from time to time.

Content of the proposed Environmental, Social and Governance Reporting Guide

Introduction

3. Do you agree with the Introduction section?

The proposed Introduction section states:

1. This guide sets out Environmental, Social and Governance (“ESG”) subject areas, aspects, general disclosure and key performance indicators (“KPIs”).
2. This guide is not comprehensive. We encourage an issuer to identify and disclose additional ESG issues and KPIs that are relevant to its business. It may also refer to existing international ESG reporting guidance for its relevant industry or sector.
3. An issuer may adopt a higher level of ESG reporting based on international guidance and standards.
4. An issuer may disclose the ESG information in its annual report regarding the same period covered in the annual report, or in a separate report, in print or on its website. Where the information is included in a separate report, an issuer is free to report on any period.
5. It is important to involve the board of directors in preparing the ESG report. The board of directors is responsible for ESG reporting but it may delegate the task of compiling the ESG report to its employees or a committee that reports to the board.

Yes

No

If your answer is “No”, please give reasons and alternative views.

Please refer to our response to Question 2 above.

General Approach

4. Do you agree with the guidance under the General Approach section?

The proposed General Approach section states:

Identify subject areas, aspects and indicators that are relevant

8. Not all ESG subject areas, aspects and KPIs in this Guide may be relevant to an issuer's business. Also, some may be more important to an issuer's business than others. For example, product responsibility, an ESG aspect, may be important to a retailer.
9. The ESG report could prioritise ESG subject areas, aspects and KPIs that are material in the context of its corporate strategy, which could be given prominence in the report.
10. It is unnecessary to report on all subject areas, aspects and KPIs. An issuer could identify and report on relevant ESG subject areas, aspects and KPIs that have material environmental and social impacts. Materiality can be addressed in strategic, operational and financial terms.

Engage stakeholders

11. It is important to engage stakeholders to identify material aspects and KPIs and understand their views. Stakeholders are parties that have interests in or are affected by the decisions and activities of an issuer. They may include shareholders (including independent shareholders), business partners, employees, suppliers, sub-contractors, consumers, regulators and the public.
12. The ESG report could disclose the issuer's stakeholders and the basis for their identification. It may also disclose the activities the issuer has arranged to engage stakeholders, the objectives and how it has responded to stakeholders' views. Stakeholder engagement may be conducted through meetings (e.g. personal or annual general meetings), conferences, workshops, advisory committees, round-table discussions, focus groups, questionnaires, web-based forums and written consultations.
13. The ESG report may also disclose a mechanism for stakeholders to provide feedback.

Yes

No

If your answer is "No", please give reasons and alternative views.

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| <p>We have no objection to the guidance as it allows us to identify and report only those relevant ESG subject areas, aspects and KPIs rather than to report all subject areas, aspects and KPIs on a mandatory basis.</p> |
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Reporting guidance

5. Do you agree with the guidance under the Reporting Guidance section?

The proposed Reporting Guidance section states:

Scope of reporting

14. The ESG report could state which entities in the group and/or which operations have been included for the report. If there is change in the scope, the issuer could explain the difference and reason for change.

Approaches to reporting

15. Once an issuer starts reporting, it could continue to do so regularly. The aspects and KPIs reported could be consistent for each period or there could be an explanation of the changes. An issuer may also explain why some aspects and KPIs are not reported.
16. An ESG report could state the issuer's ESG management approach, strategies, priorities, objectives and explain how they relate to its business. It could discuss the issuer's management, measurement and monitoring system to implement its ESG strategies.
17. An ESG report could also discuss ESG opportunities, risks, challenges and how they are addressed. For example, a telecommunication company may see an opportunity to promote teleconferencing as an alternative to travel due to climate change concerns. An information and technology company may see the damage to its reputation from a breach in consumer privacy as an ESG risk.

Reporting on line items

18. The Guide does not provide a definition for each KPI. An issuer could explain how the KPIs are calculated and include information that is necessary for interpreting the KPIs. It may use the same definition and calculation method each period for comparison over time. If there is a change to the definition or calculation method, the issuer could explain the difference and reason for the change.
19. Over time, an issuer may present time series of data for comparison over a period already reported on. The time period used may be consistent for every report.
20. An issuer may report line items with objective and representative industry benchmarks.
21. Quantitative information could be presented in a table format.

Yes

No

If your answer is "No", please give reasons and alternative views.

See response to Question 4 above.

Key ESG Subject Areas

6. Do you agree with the proposed ESG areas, namely: Workplace Quality, Environmental Protection, Operating Practices and Community Involvement?

Yes

No

If your answer is “No”, please give reasons and alternative views.

We have no objection to the proposed ESG areas on the basis that we report only those ESG areas, aspects and indicators that are relevant to us.

Aspects for each ESG Area

7. Do you agree with the following proposed aspects?

| Areas and aspects |
|--|
| <p style="text-align: center;">A. Workplace quality</p> <p>Aspect A1 Working Conditions</p> <p>Aspect A2 Health and safety</p> <p>Aspect A3 Developmen and training</p> <p>Aspect A4 Labour standards</p> |
| <p style="text-align: center;">B. Environmental protection</p> <p>Aspect B1 Emissions</p> <p>Aspect B2 Use of resources</p> <p>Aspect B3 The environment and natural resources</p> |
| <p style="text-align: center;">C. Operating practices</p> <p>Aspect C1 Supply chain management</p> <p>Aspect C2 Product responsibility</p> <p>Aspect C3 Anti-corruption</p> |
| <p style="text-align: center;">D. Community involvement</p> <p>Aspect D1 Community investment</p> |

Yes

No

If your answer is “No”, please give reasons and alternative views.

We have no objection to the proposed ESG areas on the basis that we report only those ESG areas, aspects and indicators that are relevant to us.

A. Workplace quality

Aspect A1 Working conditions

8. Do you agree with the following general disclosure for Aspect A1: Working conditions?

Information on:

- (a) the policies; and
- (b) compliance and material non-compliance with relevant standards, rules and regulations

on compensation and dismissal, recruitment and promotion, working hours, rest periods, diversity and other benefits and welfare.

Yes

No

If your answer is “No”, please give reasons and alternative views.

We have no objection to the general disclose on the basis that only those ESG areas, aspects and indicators that are relevant are reportable. While we have a One Bank approach to remuneration, compensation must be structured to reflect differing local market, statutory and regulatory conditions. As such, we do not typically look at these indicators on a macro level.

9. Do you agree to include KPI A1.1: “Total workforce by employment type, age group and geographical region”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

We publish our total workforce by geographical region and core business only due to age-related regulations that affect the UK and other core markets.

10. Do you agree to include KPI A1.2: “Employee turnover rate by age group and geographical region”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

The Bank does not publish its global attrition rate externally. We do however publish the attrition rate of High percentiles and high performers, as these are the population of people we would like to stay in the bank.

11. Do you have any additional KPIs for Aspect A1?

Yes

No

Please give reasons for your proposals.

We publish the breakdown of our workforce by nationality, years of service and details on the volumes completing our annual engagement survey and performance processes.

Aspect A2 Health and safety

12. Do you agree with the following general disclosure for Aspect A2: Health and safety?

Information on:

(a) the policies; and

(b) compliance and material non-compliance with relevant standards, rules and regulations

on providing a safe working environment and protecting employees from occupational hazards.

Yes

No

If your answer is “No”, please give reasons and alternative views.

13. Do you agree to include KPI A2.1: “Fatality number and rate”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

14. Do you agree to include KPI A2.2: “Lost days due to work injury”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

15. Do you agree to include KPI A2.3: “Description of occupational health and safety measures adopted, how they are implemented and monitored”?

Yes

No

If you answer is “No”, please give reasons and alternate views.

16. Do you have any additional KPIs for Aspect A2?

Yes

No

Please give reasons for your proposals.

Aspect A3 Development and training

17. Do you agree with the following general disclosure for Aspect A3: Development and training?

Policies on improving employees’ knowledge and skills for discharging duties at work.

Training refers to vocational training. It may include internal and external courses

paid by the employer.

Yes

No

If your answer is “No”, please give reasons and alternative views.

We have no objection to the general disclose on the basis that only those ESG areas, aspects and indicators that are relevant are reportable. We employed nearly 87,000 people in 71 countries at the end of 2011. All our development is based on the philosophy of being a strengths-based organisation and while we have a One Bank approach, development is tailored to reflect the differing business, market and individual needs. As such, we do not typically look at these indicators on a macro level.

18. Do you agree to include KPI A3.1: “Description of training activities provided and if relevant, the percentage of employees trained by employee category (e.g. senior management, middle management, etc.)”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

We have no objection to the general disclose on the basis that only those ESG areas, aspects and indicators that are relevant are reportable. There are multiple tools and processes for managing organisational learning and knowledge management and as such we do not typically look at these indicators on a macro level.

19. Do you agree to include KPI A3.2: “The average training hours completed per employee by employee category”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

We do publish the total number of training days and the average training days per employee.

20. Do you have any additional KPIs for Aspect A3?

Yes

No

Please give reasons for your proposals.

Aspect A4 Labour standards

21. Do you agree with the following general disclosure for Aspect A4: Labour standards?

Information on:

- (a) the policies; and
- (b) compliance and material non-compliance with relevant standards, rules and regulations

on preventing child or forced labour.

Yes

No

If your answer is “No”, please give reasons and alternative views.

We have no objection to the general disclose on the basis that only those ESG areas, aspects and indicators that are relevant are reportable. We publically endorse the following frameworks:

- UN Universal Declaration of Human Rights
- ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy
- OECD guidelines for Multinational Enterprises

22. Do you agree to include KPI A4.1: “Description of measures to review employment practices to avoid child and forced labour”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

See answer to Q.21

23. Do you agree to include KPI A4.2: “Description of steps taken to eliminate such practices when discovered”?

Yes

No

If you answer is “No”, please give reasons and alternate views.

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| See answer to Q.21 |
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24. Do you have any additional KPIs for Aspect A4?

Yes

No

Please give reasons for your proposals.

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B. Environmental protection

Aspect B1 Emissions

25. Do you agree with the following general disclosure for Aspect B1: Emissions?

Information on:

- (a) the policies; and
- (b) compliance and material non-compliance with relevant standards, rules and regulations

on air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous wastes, etc.

Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.

Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

Hazardous wastes are those defined by national regulations.

Yes

No

If your answer is “No”, please give reasons and alternative views.

All of the KPI in Section B should indicate coverage of data. It is not explicitly mentioned whether it is based on sampled and extrapolated data or if it needs to be fully measured and verified. It would also be useful to determine the organisational boundaries used for reporting. Lack of clarity will lead to variable quality of responses. HKEx should consider how it wishes to use or disclose the information provided.

26. Do you agree to include KPI B1.1: “The types of emissions and respective emissions data”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

27. Do you agree to include KPI B1.2: “Greenhouse gas emissions in total (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility)?”

Yes

No

If your answer is “No”, please give reasons and alternative views.

It is unclear how to differentiate between scope 1, 2 and 3 emissions.
Intensity would generally be kgCO₂e/m²/yr.

28. Do you agree to include KPI B1.3: “Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility)?”

Yes

No

If your answer is “No”, please give reasons and alternative views.

Not applicable for our sector but no issue in principle.

29. Do you agree to include KPI B1.4: “Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility)?”

Yes

No

If your answer is “No”, please give reasons and alternative views.

We suggest the weight of waste recycled or reused should be captured.
Intensity would generally be by employee kg/FTE/yr.

30. Do you agree to include KPI B1.5: “Description of measures to mitigate emissions and results achieved”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

While we generally support, we have concerns on how to measure the results achieved.

31. Do you agree to include KPI B1.6: “Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

32. Do you have any additional KPIs for Aspect B1?

Yes

No

Please give reasons for your proposals.

Aspect B2 Use of resources

33. Do you agree with the following general disclosure for Aspect B2: Use of resources?

Policies on efficient use of resources including energy, water and other raw materials.

Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.

Yes

No

If your answer is “No”, please give reasons and alternate views.

34. Do you agree to include KPI B2.1: “Energy consumption by type (e.g. electricity, gas or oil) in total (kwh in ‘000s) and intensity (e.g. per unit of production volume, per facility)”?

Yes

No

If your answer is “No”, please give reasons and alternate views.

Intensity would generally be kWh/m²/yr.
Like what we have responded to Q.25, organisational boundaries should be clearly defined.

35. Do you agree to include KPI B2.2: “Water consumption in total and intensity (e.g. per unit of production volume, per facility)”?

Yes

No

If your answer is “No”, please give reasons and alternate views.

Intensity would generally be m³/FTE/yr or kL/m²/yr.
Please also consider if it is necessary to split disclosure of water withdrawal by source e.g. ground water, grey water, surface water etc.

36. Do you agree to include KPI B2.3: “Description of energy use efficiency initiatives and results achieved”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

37. Do you agree to include KPI B2.4: “Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

38. Do you agree to include KPI B2.5: “Total packaging material used (in tonnes), and if applicable, with reference to per unit produced”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

Not applicable for banking sector but have no issue in principle.

39. Do you have any additional KPIs for Aspect B2?

Yes

No

Please give reasons for your proposals.

We suggest that renewable energy on-site generation or purchase by volume per year may also be considered to include as KPIs under Aspect B2.

Aspect B3 The environment and natural resources

40. Do you agree with the following general disclosure for Aspect B3: The environment and natural resources?

Policies on minimizing the operation’s significant impact on the environment and natural resources.

Yes

No

If your answer is “No”, please give reasons and alternative views.

41. Do you agree to include KPI B3.1: “Total paper used”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

42. Do you agree to include KPI B3.2: “Paper use efficiency initiatives and results achieved”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

43. Do you agree to include KPI B3.3: “Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

44. Do you have any additional KPIs for Aspect B3?

Yes

No

Please give reasons for your proposals.

C. Operating practices

Aspect C1 Supply chain management

45. Do you agree with the following general disclosure for Aspect C1: Supply chain management?

Policies on risk management of supply chain.

Yes

No

If your answer is “No”, please give reasons and alternative views.

Stakeholders do have a need to know if the company has a policy to mitigate supplier risk appropriately or not. But we don't think disclosing the policy itself is appropriate as those policies needs to be read in the context of the organisation internal operational infrastructure and risk control governance structure and mechanism. For it to become a standalone document fully comprehensible by laymen (external stakeholders or investors) does not contribute to its effective implementation in any way. Regulators and auditors can of course review it any time if necessary.

46. Do you agree to include KPI C1.1: “Number of suppliers by geographical region”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

As a result of globalisation, we don't feel disclosure on the physical location of suppliers is meaningful as suppliers can be offshore, onshore or both. This figure does not carry any risk meaning from stakeholder perspective, as more suppliers or few suppliers each has their pros and cons.

47. Do you agree to include KPI C1.2: “Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

Stakeholders may need to know if the organisation has policies and processes for it. In terms of the description of the practices and how they are implemented and monitored, these should fall to the internal control aspect. We think by making its governance mechanism fully transparent to external stakeholders would contain too excessive information. Nevertheless, regulators and auditors are welcomed to review or assess its sufficiency any time but we think that such role should not be taken by an external stakeholder.

48. Do you have any additional KPIs for Aspect C1?

Yes

No

Please give reasons for your proposals

Aspect C2 Product responsibility

49. Do you agree with the following general disclosure for Aspect C2: Product responsibility?

Information on:

(a) the policies; and

(b) compliance and material non-compliance with relevant standards, rules and regulations

on health and safety, advertising, labelling, privacy and methods of redress.

Yes

No

If your answer is “No”, please give reasons and alternative views.

From health and safety perspective, this is not applicable to us as we don't produce any product (or service) which will have significant health and safety impacts.

Our Sustainability Review report published on our website refers in general to policies and procedures in place which support the fair treatment of customers (and these include areas such as new financial products and product marketing).

50. Do you agree to include KPI C2.1: “Percentage of total products sold or shipped subject to recalls for safety and health reasons”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

This is not applicable to us. We do not produce any product (or service) which will have significant health and safety impacts.

51. Do you agree to include KPI C2.2: “Number of products and service related complaints received and how they are dealt with”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

From a Consumer Bank perspective, our overall complaints data is already published on our website within our Sustainability Review report and we would therefore refer to this source for this information.

52. Do you agree to include KPI C2.3: “Description of practices relating to observing and protecting intellectual property rights”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

In the context of ESG reporting, the question of intellectual property seems peripheral. It could relate to everything from incorporation of music or photographs in our marketing materials to trademark registrations and clearances, patents and, even potentially to our management of confidential information, and so on. Unless the scope and purpose for such disclosure could be properly defined and addressed, it is expected that this will create additional compliance burden on listed issuers.

53. Do you agree to include KPI C2.4: “Description of quality assurance process and recall procedures”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

Our Sustainability Review report published on our website refers to service quality measures in place. The recall procedures (as stated in the question) seems more aligned to companies providing consumer goods (such as electricals etc) rather than Financial Services, so this may not be applicable for our business.

54. Do you agree to include KPI C2.5: “Description of consumer data protection and privacy policies, how they are implemented and monitored”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

55. Do you have additional KPIs for Aspect C2?

Yes

No

Please give reasons for your proposals.

Aspect C3 Anti-corruption

56. Do you agree with the following general disclosure for Aspect C3: Anti-corruption?

Information on:

(a) the policies; and

(b) compliance and material non-compliance with relevant standards, rules and regulations

on bribery, extortion, fraud and money laundering.

Yes

No

If your answer is “No”, please give reasons and alternative views.

We agree to make disclosure of the Group’s Anti-Bribery Policy, and have already done so. However regarding paragraph (b), it is unclear whether non-compliance refers to customers, vendors and intermediaries or by Bank staff. We expect that there may be difficulty in judging what non-compliance means, or which standards, rules and regulations are applicable to a global organisation. In the absence of an authoritative judgement from a suitably empowered third party, i.e. a regulator or court of law, we are reluctant to publish such opinions.

57. Do you agree to include KPI C3.1: “Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

By concluded, we assume this is referring to criminal convictions for bribery, rather than systems and controls breaches. Also, only those cases which relate to current employees.

58. Do you agree to include KPI C3.2: “Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

We would consider releasing details concerning our whistle-blowing systems and controls, but do not release details of cases currently.

59. Do you have any additional KPIs for Aspect C3?

Yes

No

Please give reasons for your proposals.

D. Community involvement

Aspect D1 Community investment

60. Do you agree with the following general disclosure for Aspect D1: Community investment?

Policies on understanding the community’s needs in where it operates and ensuring its activities takes into consideration of communities’ interests.

Yes

No

If your answer is “No”, please give reasons and alternative views.

61. Do you agree to include KPI D1.1: “Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

62. Do you agree to include KPI D1.2: “Resources contributed (e.g. money or time) to the focus area”?

Yes

No

If your answer is “No”, please give reasons and alternative views.

63. Do you have any additional KPIs for Aspect D1?

Yes

No

Please give reasons for your proposals.

Yes, specific community investment initiatives may also have KPIs to indicate how the programme is delivering. Examples are in Standard Chartered's 2011 Sustainability Review.

<http://reports.standardchartered.com/sr2011/servicepages/welcome.html>

Assurance

64. Do you agree that we should not recommend that issuers to seek external assurance for issuers that report on ESG performance?

Yes

No

If your answer is "No", please give reasons and alternative views.

We are indifferent on this question. We currently do not seek external assurance.

- End -