Forward looking statements

This document contains or incorporates by reference “forward-looking statements” regarding the belief or current expectations of Standard Chartered PLC (the “Company”), the board of the Company (the “Directors”) and other members of its senior management about the strategy, businesses and performance of the Company and its subsidiaries (the “Group”) and the other matters described in this document. Generally, words such as “may”, “could”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue” or similar expressions are intended to identify forward-looking statements.

Forward-looking statements involve inherent risks and uncertainties. They are not guarantees of future performance and actual results could differ materially from those contained in the forward-looking statements. Recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements. Forward-looking statements are based on current views, estimates and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Group and are difficult to predict. Such risks, factors and uncertainties may cause actual results to differ materially from any future results or developments expressed or implied from the forward-looking statements. Such risks, factors and uncertainties include but are not limited to: changes in the credit quality and the recoverability of loans and amounts due from counterparties; changes in the Group’s financial models incorporating assumptions, judgments and estimates which may change over time; risks relating to capital, capital management and liquidity; risks associated with implementation of Basel III and uncertainty over the timing and scope of regulatory changes in various jurisdictions in which the Group operates; risks arising out of legal and regulatory matters, investigations and proceedings; operational risks inherent in the Group’s business; risks arising out of the Group’s holding company structure; risks associated with the recruitment, retention and development of senior management and other skilled personnel; risks associated with business expansion and engaging in acquisitions; reputational risk; pension risk; global macroeconomic risks; risks arising out of the dispersion of the Group’s operations, the locations of its businesses and the legal, political and economic environment in such jurisdictions; competition; risks associated with the UK Banking Act 2009 and other similar legislation or regulations; changes in the credit ratings or outlook for the Group; market, interest rate, commodity prices, equity price and other market risk; foreign exchange risk; financial market volatility; systemic risk in the banking industry and among other financial institutions or corporate borrowers; cross-border country risk; risks arising from operating in markets with less developed judicial and dispute resolution systems; risks arising out of regional hostilities, terrorist attacks, social unrest or natural disasters; the implications of the results of the 23 June 2016 referendum in the United Kingdom and the disruption that may result in the United Kingdom and globally from the withdrawal of the United Kingdom from the European Union; and failure to generate sufficient level of profits and cash flows to pay future dividends.

Any forward-looking statement contained in this document is based on past or current trends and/or activities of the Company and should not be taken as a representation that such trends or activities will continue in the future. No statement in this document is intended to be a profit forecast or to imply that the earnings of the Company and/or the Group for the current year or future years will necessarily match or exceed the historical or published earnings of the Company and/or the Group. Each forward-looking statement speaks only as of the date of the particular statement. Except as required by any applicable law or regulations, the Company expressly disclaims any obligation or undertaking to release publicly or make any updates or revisions to any forward-looking statement contained herein whether as a result of new information, future events or otherwise.

Important notice

Nothing in this document shall constitute, in any jurisdiction, an offer or solicitation to sell or purchase any securities or other financial instruments, nor shall it constitute a recommendation or advice in respect of any securities or other financial instruments or any other matter.
Bill Winters
Group Chief Executive
Opening Remarks

• Encouraging progress in 2016
  ▪ Strong foundations laid
  ▪ Business stabilised
  ▪ Organisation strengthened

• Significant further improvement in financial performance is required

• Long-term opportunities in our markets remain compelling

• Focused on what we can control and demonstrating ability to grow safely
Andy Halford
Group Chief Financial Officer
# Financial Performance Summary

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>YoY Better/(Worse)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating income</strong></td>
<td>$13.8bn</td>
<td>(11)%</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>$9.6bn</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Loan impairment</strong></td>
<td>$2.4bn</td>
<td>41%</td>
</tr>
<tr>
<td><strong>Underlying profit</strong></td>
<td>$1.1bn</td>
<td>31%</td>
</tr>
<tr>
<td><strong>Restructuring costs</strong></td>
<td>$0.9bn</td>
<td>54%</td>
</tr>
<tr>
<td><strong>Statutory profit</strong></td>
<td>$0.4bn</td>
<td>$1.9bn</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2015: $(1.5)bn</td>
</tr>
<tr>
<td><strong>CET 1 ratio</strong></td>
<td>13.6%</td>
<td>100bps</td>
</tr>
<tr>
<td><strong>Normalised ROE</strong></td>
<td>0.3%</td>
<td>70bps</td>
</tr>
</tbody>
</table>

1) Excludes UK bank levy

- Stable quarterly income
- Second successive year of cost reduction
- 50% increase in investment
- Overall credit quality improved
- Strengthened capital position
- Low but improved returns
- No ordinary dividend declared
Stable Income in the Year

Income by quarter ($m)

- Q1 15: 4,421
- Q2 15: 4,074
- Q3 15: 3,682
- Q4 15: 3,262
- Q1 16: 3,345
- Q2 16: 3,465
- Q3 16: 3,465
- Q4 16: 3,533

2016 Income (11)% YoY

Internal and external factors impacting income

- Principal Finance
- Divestments
- Currency translation
- RWA optimisation
- Client activity
- Liquidation portfolio

Quarterly trends stable through the year

- Early progress against strategic priorities
  - Significant further improvement required
- Priority now to improve income trends
  - Safely and sustainably
  - With higher returns
Maintained Tight Control of Expenses

Operating expenses

2015
Gross cost efficiencies
Compensation and other inflation
Increase in investment (P&L)
Other items incl. currency translation
2016
$10.0bn
$(1.2)bn
$0.3bn
$0.3bn
$0.2bn
$9.6bn

(4)%

On track to deliver 2018 expenses below 2015

• Operating expenses down 4% YoY
  ▪ Second successive year of costs reduction
• Delivered >$1.2bn gross cost efficiencies
• Further cost efficiencies in 2017-18
• Reiterating total expenses 2018<2015

1) All references to expenses on this page exclude the UK bank levy

$2.9bn
>$1.1bn
>$1.2bn
$0.6bn
Gross target (2015-2018)

2015 efficiency
2016 efficiency
2017-2018 efficiency
Investing to Deliver Cost, Control & Profitability Transformation

Cash investment

$1.4bn

50%

$0.4bn

$0.9bn

$0.6bn

$0.2bn

$0.1bn

2015

2016

Strategic
- ~$150m CIB – client platforms and ecosystem
- ~$100m RB – digitisation and self-service capabilities
- ~$100m WM and PB – technology investment
- ~$50m Group functions – IT, C&CC and data analytics

Systems
- ~$300m Enhancement
- ~$100m Replacement

Regulatory
- ~$400m BCBS 239, IFRS 9, MiFID II and stress testing
- ~$200m Financial Crime Risk Mitigation Programme
Overall Credit Quality has Improved

Gross NPLs ($bn) and cover ratio (%)

- Building resilience and actively managing portfolios in challenging markets
- Significant reduction in liquidation portfolio
- Repositioning ongoing corporate portfolio
  - Increasingly diverse
  - Less concentrated
  - Significantly improved cover ratio
- Commodity-related stresses remain
- Managing emerging risks
Sharpened Business Focus

1. Reduced liquidation portfolio RWA
   - Exited >80% of RWA in liquidation portfolio
   - $3.8bn
   - $15.8bn

2. Optimised low-returning client RWA
   - Optimisation target: ~$50bn
   - Optimised up-tiered: ~$28bn
   - Optimised reduced: ~$22bn
   - Exited/Transferred
   - In progress

3. Addressing underperforming businesses
   - Announced sale or closure of 12 non-strategic businesses since November 2015
   - Taking action on Principal Finance
   - Stabilising Permata to progress strategic options

4. Launched multiple strategic partnerships
   - Mandatory Provident Fund distribution with Manulife in Hong Kong
   - General insurance partnership with Allianz
   - Asia Miles alliance in Hong Kong
   - Enhanced client payment capabilities (Apple Pay, Samsung Pay, Android Pay)
**Client Segment Profit Progression**

### YoY change in underlying profit before tax ($m)

<table>
<thead>
<tr>
<th>Segment</th>
<th>2015</th>
<th>2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate &amp; Institutional Banking</td>
<td>834</td>
<td></td>
<td>1,093</td>
</tr>
<tr>
<td>Retail Banking</td>
<td>30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial Banking</td>
<td>523</td>
<td></td>
<td>(74)</td>
</tr>
<tr>
<td>Private Banking</td>
<td>(153)</td>
<td></td>
<td>(67)</td>
</tr>
<tr>
<td>Central &amp; other items</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Key operational themes**

**Corporate & Institutional Banking**
- Lower income but improved costs and LI
- Principal Finance losses ~$650m

**Retail Banking**
- Better costs and LI
- Income down YoY; up slightly HoH

**Commercial Banking**
- Better costs and significantly improved LI offset decline in income

**Private Banking**
- Income down; market volatility and actions to improve risk profile
- Invested to underpin momentum

**Central & other items**
- Impacted by Permata
**Geographic Region Profit Progression**

### YoY change in underlying profit before tax ($m)

<table>
<thead>
<tr>
<th>Region</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater China &amp; North Asia</td>
<td>834</td>
<td>1,093</td>
</tr>
<tr>
<td>ASEAN &amp; South Asia</td>
<td>987</td>
<td>(324)</td>
</tr>
<tr>
<td>Africa &amp; Middle East</td>
<td>243</td>
<td>(464)</td>
</tr>
<tr>
<td>Europe &amp; Americas</td>
<td>1,340</td>
<td>629</td>
</tr>
<tr>
<td>Central &amp; other items</td>
<td>(183)</td>
<td>1,093</td>
</tr>
</tbody>
</table>

### Key operational themes

**Greater China & North Asia**
- Better costs and LI
- Income down YoY but up HoH

**ASEAN & South Asia**
- Lower costs and significantly better LI offset lower income
- Impacted by losses in Permata

**Africa & Middle East**
- Slightly lower costs and better LI
- YoY decline in income

**Europe & Americas**
- Impacted by higher LI and transfer of assets to liquidation portfolio

**Central & other items**
- Principal Finance losses
## Restructuring Charges

### Restructuring charges

<table>
<thead>
<tr>
<th>Year</th>
<th>Total since Nov 15</th>
<th>Remaining charges</th>
<th>Estimated total charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$1.8bn</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>$2.7bn</td>
<td></td>
<td>~$3.0bn</td>
</tr>
</tbody>
</table>

### Restructuring progress

- **$855m** of restructuring charges in 2016
  - Exited >80% of RWAs in liquidation portfolio
  - Rationalised headcount and retail branches
  - Wrote down legacy assets
  - Divested peripheral businesses
- Cumulative restructuring charges **$2.7bn**
- Exiting Principal Finance
- Around $3bn once complete

### Restructuring charges breakdown to end of 2016

- **Total** $2.7bn
  - Impairment
  - Redundancy
  - Other
  - Redundancy $0.9bn
  - Impairment $0.3bn
  - Other $1.5bn
Higher Quality and More Liquid Balance Sheet

Customer loans & advances ($bn)

- Increasingly liquid balance sheet
  - Customer loans & advances down 2% YoY
  - Customer deposits up 5% YoY
- 68% advances-to-deposits ratio

Customer deposits

- More selective origination, lower client activity
- Management actions to improve risk profile
- Change in product mix
Strengthened Capital Position

**CET 1 capital ratio**

- **Group remains well capitalised**
  - CET1 +50bps Q4 16; largely restructuring
  - Above 12-13% CET1 target range

- **Issued further $1bn of AT1 securities in Jan 17 in addition to $2bn in Aug 16**

- **RWA down 11% YoY**
  - 50% from exit of liquidation portfolio
  - Eventual outcome of regulatory reforms to finalise banks’ capital requirements remains unclear

**Risk-weighted assets**

- **2015**
  - Credit RWA: $303bn
  - Operational/Market RWA: $(13)bn
  - Restructuring: $(2)bn
  - Currency & other: $(16)bn

- **2016**
  - Credit RWA: $269bn
  - Operational/Market RWA: $(3)bn
  - Restructuring: $(33)bn
  - Currency & other: $(3)bn

- **Changes**
  - $303bn to $269bn: $(33)bn
  - $(13)bn to $(3)bn: $(10)bn
  - $(16)bn to $(3)bn: $(13)bn

- **Currency & other**
  - $(2)bn to $(3)bn: $(1)bn
  - $(16)bn to $(3)bn: $(13)bn
Summary

• Encouraging early progress against the strategy

• Ended the year with
  ▪ Income stability and lower costs
  ▪ Higher quality balance sheet
  ▪ Improved capital and liquidity

• Investing to deliver cost, control and profitability transformation

• Significant further improvement in financial performance is required
Bill Winters
Group Chief Executive
Strategic Performance Summary

• Early progress against strategic priorities in businesses, regions and functions
  ▪ Taking actions to address challenges
  ▪ Priority now to improve income trends

• Significant progress on risk priorities

• Advancing our conduct and control agendas

• Some headwinds easing, but uncertainty remains
Corporate & Institutional Banking
Focusing on our client needs

Challenges

• Difficult market conditions
• Principal Finance losses
• Impact of management actions on business momentum

2016 progress

• Restructured coverage model to improve efficiency
• Significant action to improve risk profile and to reduce cost base
• Optimised low returning client relationships identified in 2015

2017 priorities

• Deliver a service that is more aligned to client needs
• Diversify and expand our client base, particularly in OECD countries
• Improve balance sheet and business efficiency
Retail Banking
Focused on affluent segments in core cities, enabled by digital

Challenges
- Planned investments increased near term cost-income ratio
- Lower income, partly due to currency, divestments and product mix
- Interest rates remained low through 2016

2016 progress
- Improved share of income from Priority clients to 39% (2014: 27%)
- Significant investment in digital to improve client experience
- Commenced multi-year Wealth Management technology overhaul
- Launched focused campaigns with new alliance partners

2017 priorities
- Drive return on investments through both income and cost lines
- Improve quality of income – client and product mix, and risk profile
- Reinvigorate our brand and simplify our product and service offering
Commercial Banking
Repositioning business for sustainable and differentiated growth

Challenges
• Credit losses still elevated
• Economic slowdown in some markets
• Strong local competition, particularly at smaller end of client base

2016 progress
• Enhanced credit risk management and improved operational risk profile
• Integrated Local Corporates, reduced costs and aligned systems
• Focused strategy on capital-light income and international product set

2017 priorities
• Further improve risk profile of the segment
• Drive further capital-light growth through international product set
• Continue to streamline through digital adoption and process efficiencies
Private Banking
Year of transformation and investment

Challenges
• Income impacted by market volatility and actions to improve risk profile
• Investment in people takes time to translate into top-line growth

2016 progress
• Commenced multi-year Wealth Management technology overhaul
• Installed new executive management team and intensified front-line hiring
• Enhanced business selection and operational controls

2017 priorities
• Monetise people investment with improved top-line growth
• Attract new clients with new products and cross-segment referrals
• Continue senior Relationship Manager hiring
• Roll out significant improvements to client interface and core platform
Regions
Executing targeted segment plans, leveraging local expertise

Europe & Americas
- Serve our clients better in our emerging markets
- Attract new International Corporate clients
- Enhance capital efficiency, strong risk oversight
- Grow our PB franchise
- Continue to deliver financial crime remediation work

Greater China & North Asia
- Capture China opening opportunities
- Strengthen market position in Hong Kong
- Further improve Korea profitability
- Build on alliance partnership successes
- Drive network connectivity

Africa & Middle East
- Invest in Africa – digital and frontline staff
- Strengthen conduct, controls and governance
- Protect and grow RB in core markets
- Become a market leader in providing best-in-class structuring and financing solutions in CIB
- Rebuild CB

ASEAN & South Asia
- Continue RB investments in Singapore, India, Malaysia, Bangladesh and Vietnam
- Drive safe, differentiated growth in CB
- Deliver CIB transformation for better returns
- Turnaround performance of PB in Singapore
Building Resilience and Actively Managing our Portfolios

**Significant progress on risk priorities**

- Business plans fully aligned with tightened risk appetite
- Exited >80% of RWA in liquidation portfolio
- Proactive portfolio reshaping
- Improving risk infrastructure
- Managing emerging risks

**Continuing to build on our risk culture**

- End-to-end ownership of risk
- Healthy risk culture
- Strong first line of defence
Good conduct is integral to our business

- Essential for sustainable and safe growth
- Increasingly a competitive differentiator

Why fighting financial crime matters

- Investing in people, systems and controls
- De-risking through education
  - Correspondent Banking Academies

Raising awareness of our work in this space ➔ sc.com/fightingfinancialcrime
Some Headwinds Easing, but Uncertainty Remains

<table>
<thead>
<tr>
<th>Real GDP growth (%)</th>
<th>Region income as % of Group⁠¹</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>GCNA</td>
<td>Hong Kong</td>
<td>1.9</td>
<td>2.2</td>
</tr>
<tr>
<td></td>
<td>South Korea</td>
<td>2.7</td>
<td>2.3</td>
</tr>
<tr>
<td></td>
<td>China</td>
<td>6.7</td>
<td>6.6</td>
</tr>
<tr>
<td>ASA</td>
<td>Singapore</td>
<td>2.0</td>
<td>1.3</td>
</tr>
<tr>
<td></td>
<td>India²</td>
<td>6.8</td>
<td>7.2</td>
</tr>
<tr>
<td></td>
<td>Indonesia</td>
<td>5.0</td>
<td>5.3</td>
</tr>
<tr>
<td>AME</td>
<td>UAE</td>
<td>2.4</td>
<td>2.1</td>
</tr>
<tr>
<td></td>
<td>Nigeria</td>
<td>(1.7)</td>
<td>2.8</td>
</tr>
<tr>
<td>EA</td>
<td>UK</td>
<td>2.0</td>
<td>1.7</td>
</tr>
<tr>
<td></td>
<td>US</td>
<td>1.6</td>
<td>2.1</td>
</tr>
</tbody>
</table>

Source: Standard Chartered Global Research

1) As of FY2016, excluding Central & other items
2) India’s financial year starts in April

- US and global protectionism
- Divergence in monetary policies
- Political/regulatory uncertainties
- Brexit
- EM specific (e.g. India demonetisation)
- US reflation
- Some DM economies
- Interest rates
- Commodity prices
- China stability
• Encouraging progress in 2016
  ▪ Strong foundations laid
  ▪ Business stabilised
  ▪ Organisation strengthened

• Significant further improvement in financial performance is required

• Long-term opportunities in our markets remain compelling

• Focused on what we can control and demonstrating ability to grow safely
Fixed Income
The Group is well positioned

- CET1 of 13.6% and Total Capital of 21.3%
- Above the Group’s CET1 target range of 12-13%
- Current surplus to known 2019 requirements
  - CET1 Maximum Distributable Amount (MDA) threshold
  - Minimum Requirement for Own Funds and Eligible Liabilities (MREL)
  - Bank of England stress test Systemic Reference Point
  - Leverage ratio
- No UK ring fencing requirement
- Substantial Hold Co debt outstanding

Note: Estimates of future regulatory capital, leverage, loss absorption requirements are based on current rules which are subject to change
1) From 2019 2) From 2022
Balance Sheet Diversity

Balance sheet assets
- Loans to customers: 40%
- Investment securities: 11%
- Cash: 19%
- Loans to banks: 11%
- Derivatives: 10%
- Other assets: 9%

Total assets: $647bn

Customer loans by country and segment
- Hong Kong: 24%
- Korea: 19%
- China: 11%
- Singapore: 11%
- India: 10%
- UAE: 9%
- UK: 8%
- US: 6%
- Other: 5%
- Other: 4%

Total loans: $256bn

Balance sheet liabilities
- Customer accounts: 63%
- Other debt securities in issue: 17%
- Senior debt: 8%
- Derivatives: 7%
- Deposits by banks: 6%
- Subordinated liabilities and other borrowed funds: 3%
- Other liabilities: 6%

Total liabilities: $598bn

Customer deposits by country and segment
- Hong Kong: 27%
- Korea: 17%
- China: 15%
- Singapore: 15%
- India: 11%
- UAE: 8%
- UK: 6%
- US: 5%
- Other: 4%
- Other: 3%

Total deposits: $378bn
Funding Profile

Issuance

- $4.4bn
- $3.6bn
- $2.0bn
- $1.3bn
- $2.0bn
- $1.0bn

Maturity Profile

- 2016:
  - Tier 1: $2.0bn
  - Tier 2: $3.6bn
  - PLC Senior: $1.0bn
- 2017:
  - Tier 1: $3.0bn
  - Tier 2: $3.4bn
  - PLC Senior: $1.8bn
- 2018:
  - Tier 1: $2.0bn
  - Tier 2: $3.9bn
  - PLC Senior: $2.3bn
- 2019:
  - Tier 1: $2.0bn
  - Tier 2: $2.0bn
  - PLC Senior: $0.5bn
- 2020:
  - Tier 1: $2.0bn
  - Tier 2: $2.0bn
  - PLC Senior: $0.5bn
- 2021:
  - Tier 1: $2.0bn
  - Tier 2: $2.0bn
  - PLC Senior: $0.5bn

1) As at 31 December 2016. The Group issued $1bn of AT1 in January 2017
2) Capital refinancing has been modelled based on first call date at the Group level only
3) $ values based on FX translation at issuance
Example Application of UK Resolution Waterfall

- **Internal Loss Absorbing Capacity (LAC)** is designed to recapitalise the OpCo, avoid OpCo failure, and maintain critical economic functions.

- Quantum of internal LAC will be set in conjunction with the Group’s resolution authority and the relevant local regulators.

- If losses transmitted from OpCo cannot be absorbed by the HoldCo, then the HoldCo would be placed into resolution.

- If the HoldCo is placed into resolution, externally-issued liabilities will be written-down or converted to equity.

- At FY 2016 the Group estimated it had >$70bn of MREL eligible instruments of which ~$57bn was subordinated to PLC senior.

---

1) Example based on the Group’s current understanding of the Bank of England’s approach to resolution. Subject to change as rules evolve.

2) There are currently instruments issued externally from the Group’s main operating company (Standard Chartered Bank) and certain other banking subsidiaries, these instruments would rank pari-passu with internally issued instruments.
MREL Transition – Well Positioned

- BoE implementing TLAC through MREL
- G-SII status requires transitional MREL from 2019
- MREL requirement to increase through to 1 January 2022
- From 2022, expected minimum requirement = 2 x (Pillar 1 + 2A)
- Combined Buffer to sit on top of MREL
- HoldCo (PLC) issuance strategy results in substantial existing HoldCo stock
- Current estimate excludes
  - Non-European Economic Area law capital instruments
  - Regulatory capital and PLC senior < 1 year remaining tenor
- In November 2016, the European Commission published legislative proposals covering, among other things, the eligibility criteria for MREL instruments. Until the proposals are in final form it is uncertain how they will affect the Group

1) Chart for illustrative purposes only. MREL requirements and definitions are subject to significant change as rules evolve
2) Estimate and description based on Statement of Policy on the Bank of England’s approach to setting a minimum requirement for own funds and eligible liabilities from November 2016
3) Combined Buffer comprises Capital Conservation Buffer, G-SII Buffer and any Countercyclical Buffer
4) Non-equity capital includes AT1, Tier 2 with a remaining maturity of greater than 1 year and Standard Chartered PLC issued subordinated debt with a remaining maturity of greater than 1 year that is outside the scope of regulatory capital recognition
Standard Chartered Group – Simplified Legal Structure

Standard Chartered PLC
BBB+/A1/A+
(S&P/M/F)

Standard Chartered Bank
A'/Aa3/A+
(S&P/M/F)

Standard Chartered Holdings Limited

1) Singapore Retail subsidiary excluding Private Bank
2) Hong Kong Subsidiary (Standard Chartered Bank (Hong Kong) Ltd.) is 51% owned by Standard Chartered Bank and 49% owned by Standard Chartered Holdings Ltd, an intermediate holding company
3) Ratings where available S&P/Moody’s/Fitch

100% 100% 100% 100% 100% 99.99% 98.99% 100% 100% 99.99% 51% 49%

Principal Branches

Principal Subsidiaries

Germany India Japan Singapore (ex Retail) South Africa UAE UK US

China Korea Kenya Malaysia Nigeria Pakistan Singapore (Retail) Taiwan Thailand Hong Kong

A/-/A A/-/A A A3/- A A A3/- A+B A+B A3/-/A+ A+a3/-/A+ A+a3/-/A+
Distribution Considerations

- A breach of the Combined Buffer\(^1\) restricts discretionary distributions
- Combined Buffer began to phase-in from 2016 and will include any future Countercyclical Capital Buffer (CCyB)
- Discretionary distributions include dividends, variable compensation and AT1 coupons\(^2\)
- FY 2016 Standard Chartered PLC distributable reserves of $15.2bn
- $1bn AT1 issuance in January 2017 takes the Group’s stock of AT1 to ~$6.7bn

---

1) As of 31 December 2016, it was the Group’s understanding that the fully phased Combined Buffer (“CB”) will be made up of a G-SII Buffer of 1%, a Capital Conservation Buffer of 2.5% and a CCyB of 0.1%. The CB sits on top of the CRD IV minimum Pillar 1 and Pillar 2A requirements. The CB is subject to change over time; 2) The maximum permitted amount of discretionary payments is calculated by multiplying the profits made since the most recent distribution by a scaling factor. In the bottom quartile of the buffer the scaling factor is 0, in the second quartile the scaling factor is 0.2, in the third it is 0.4 and in the top quartile it is 0.6; 3) The MDA thresholds assumes that the maximum 2.0% of the Pillar 1 and Pillar 2A requirement has been met with AT1. As of 31 December 2016, the Group had ~2.1% of AT1 outstanding. MDA based on CRD IV as transposed in the UK and does not reflect current proposals of the European Commission, which envisage including the TLAC/MREL requirement in the calculation of the MDA threshold; 4) Absolute buffers based on 31 December 2016 RWA of $269bn
Appendix
<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>2016 vs 2015 %(^1)</th>
<th>Q4 2016</th>
<th>Q3 2016</th>
<th>Q4 2015</th>
<th>Q4 16 vs Q3 16 %(^1)</th>
<th>Q4 16 vs Q4 15 %(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td>13,808</td>
<td>15,439</td>
<td>(11%)</td>
<td>3,533</td>
<td>3,465</td>
<td>3,262</td>
<td>2%</td>
<td>8%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(8,466)</td>
<td>(9,032)</td>
<td>6%</td>
<td>(2,369)</td>
<td>(2,109)</td>
<td>(2,180)</td>
<td>(12%)</td>
<td>(9%)</td>
</tr>
<tr>
<td>Regulatory expenses</td>
<td>(1,127)</td>
<td>(1,006)</td>
<td>(12%)</td>
<td>(303)</td>
<td>(278)</td>
<td>(316)</td>
<td>(9%)</td>
<td>4%</td>
</tr>
<tr>
<td>UK bank levy</td>
<td>(382)</td>
<td>(440)</td>
<td>13%</td>
<td>(382)</td>
<td>-</td>
<td>(440)</td>
<td>nm</td>
<td>13%</td>
</tr>
<tr>
<td><strong>Pre-provision operating profit</strong></td>
<td>3,833</td>
<td>4,961</td>
<td>(23%)</td>
<td>479</td>
<td>1,078</td>
<td>326</td>
<td>(56%)</td>
<td>47%</td>
</tr>
<tr>
<td>Loan impairment</td>
<td>(2,382)</td>
<td>(4,008)</td>
<td>41%</td>
<td>(690)</td>
<td>(596)</td>
<td>(1,126)</td>
<td>(16%)</td>
<td>39%</td>
</tr>
<tr>
<td>Other impairment</td>
<td>(383)</td>
<td>(311)</td>
<td>(23%)</td>
<td>(106)</td>
<td>(64)</td>
<td>(64)</td>
<td>(66%)</td>
<td>(66%)</td>
</tr>
<tr>
<td>Profit from associates</td>
<td>25</td>
<td>192</td>
<td>(87%)</td>
<td>(42)</td>
<td>40</td>
<td>13</td>
<td>nm</td>
<td>nm</td>
</tr>
<tr>
<td><strong>Underlying profit/(loss) before tax</strong></td>
<td>1,093</td>
<td>834</td>
<td>31%</td>
<td>(359)</td>
<td>458</td>
<td>(851)</td>
<td>nm</td>
<td>58%</td>
</tr>
<tr>
<td>Restructuring</td>
<td>(855)</td>
<td>(1,845)</td>
<td></td>
<td>(599)</td>
<td>(141)</td>
<td>(1,845)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt buyback</td>
<td>84</td>
<td>-</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own credit adjustment</td>
<td>-</td>
<td>495</td>
<td></td>
<td>234</td>
<td>(164)</td>
<td>(130)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other exceptional items(^2)</td>
<td>87</td>
<td>(1,007)</td>
<td></td>
<td>87</td>
<td>-</td>
<td>(1,225)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Statutory profit/(loss) before tax</strong></td>
<td>409</td>
<td>(1,523)</td>
<td>127%</td>
<td>(637)</td>
<td>153</td>
<td>(4,051)</td>
<td>nm</td>
<td>84%</td>
</tr>
<tr>
<td>Taxation</td>
<td>(600)</td>
<td>(673)</td>
<td>11%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss for the year</td>
<td>(191)</td>
<td>(2,196)</td>
<td>91%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Better/(Worse)
2) Other exceptional items include net gains/(losses) on businesses disposed/held for sale (2016: $253m, 2015: $218m), valuation methodology changes (2016: nil, 2015: $863m), goodwill impairment (2016: $166m, 2015: $362m)
### Restructuring and Other Items

($m)  

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>2016 vs 2015 %¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Underlying profit/(loss) before tax</strong></td>
<td>1,093</td>
<td>834</td>
<td>31%</td>
</tr>
<tr>
<td><strong>Restructuring</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income</td>
<td>(855)</td>
<td>(1,845)</td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(236)</td>
<td>(695)</td>
<td></td>
</tr>
<tr>
<td>Loan impairment</td>
<td>(409)</td>
<td>(968)</td>
<td></td>
</tr>
<tr>
<td>Other impairment</td>
<td>(63)</td>
<td>(56)</td>
<td></td>
</tr>
<tr>
<td>Goodwill impairment</td>
<td>-</td>
<td>(126)</td>
<td></td>
</tr>
<tr>
<td>Profit/(loss) from associates</td>
<td>(62)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Own credit adjustment</strong></td>
<td></td>
<td>495</td>
<td>234 (164) (130)</td>
</tr>
<tr>
<td><strong>Gain on sale²</strong></td>
<td>253</td>
<td>218</td>
<td>253 - -</td>
</tr>
<tr>
<td><strong>Valuation methodology changes</strong></td>
<td>-</td>
<td>(863)</td>
<td>- - (863)</td>
</tr>
<tr>
<td><strong>Debt buy back</strong></td>
<td>84</td>
<td>-</td>
<td>- - -</td>
</tr>
<tr>
<td><strong>Goodwill impairment</strong></td>
<td>(166)</td>
<td>(362)</td>
<td>(166) - (362)</td>
</tr>
<tr>
<td><strong>Statutory profit/(loss) before tax</strong></td>
<td>409</td>
<td>(1,523)</td>
<td>127%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Q4 2016</th>
<th>Q3 2016</th>
<th>Q4 2015</th>
<th>Q4 16 vs Q3 16 %¹</th>
<th>Q4 16 vs Q4 15 %¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Restructuring</strong></td>
<td>(599)</td>
<td>(141)</td>
<td>(1,845)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income</td>
<td>(207)</td>
<td>11</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(211)</td>
<td>(15)</td>
<td>(695)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan impairment</td>
<td>(102)</td>
<td>(107)</td>
<td>(968)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other impairment</td>
<td>(17)</td>
<td>(30)</td>
<td>(56)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goodwill impairment</td>
<td>-</td>
<td>-</td>
<td>(126)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit/(loss) from associates</td>
<td>(62)</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Own credit adjustment</strong></td>
<td></td>
<td>234</td>
<td>(164)</td>
<td>(130)</td>
<td></td>
</tr>
<tr>
<td><strong>Gain on sale²</strong></td>
<td>253</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Valuation methodology changes</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(863)</td>
<td></td>
</tr>
<tr>
<td><strong>Debt buy back</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Goodwill impairment</strong></td>
<td>(166)</td>
<td>-</td>
<td>(362)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Statutory profit/(loss) before tax</strong></td>
<td>(637)</td>
<td>153</td>
<td>(4,051)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Better/(Worse)  
2) Net gains on businesses disposed/held for sale
By Client Segment

<table>
<thead>
<tr>
<th></th>
<th>2016 ($m)</th>
<th>2015 ($m)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CIB</td>
<td>Retail Banking</td>
</tr>
<tr>
<td>Operating income</td>
<td>6,472</td>
<td>4,669</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(4,268)</td>
<td>(3,413)</td>
</tr>
<tr>
<td>Pre-provision operating profit</td>
<td>2,204</td>
<td>1,256</td>
</tr>
<tr>
<td>Loan impairment</td>
<td>(1,401)</td>
<td>(489)</td>
</tr>
<tr>
<td>Other impairment</td>
<td>(368)</td>
<td>(1)</td>
</tr>
<tr>
<td>Profit from associates</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Underlying profit/(loss) before tax</td>
<td>435</td>
<td>766</td>
</tr>
<tr>
<td>Statutory profit/(loss) before tax</td>
<td>(24)</td>
<td>719</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2016 ($m)</th>
<th>2015 ($m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>7,181</td>
<td>5,107</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(4,456)</td>
<td>(3,510)</td>
</tr>
<tr>
<td>Pre-provision operating profit</td>
<td>2,725</td>
<td>1,597</td>
</tr>
<tr>
<td>Loan impairment</td>
<td>(2,076)</td>
<td>(678)</td>
</tr>
<tr>
<td>Other impairment</td>
<td>(244)</td>
<td>-</td>
</tr>
<tr>
<td>Profit from associates</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Underlying profit/(loss) before tax</td>
<td>405</td>
<td>919</td>
</tr>
<tr>
<td>Statutory profit/(loss) before tax</td>
<td>(1,651)</td>
<td>524</td>
</tr>
</tbody>
</table>

YoY%\(^1\)

<table>
<thead>
<tr>
<th></th>
<th>2016 ($m)</th>
<th>2015 ($m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>(10%)</td>
<td>(9%)</td>
</tr>
<tr>
<td>Underlying profit/(loss) before tax</td>
<td>7%</td>
<td>(17%)</td>
</tr>
</tbody>
</table>

1) Better/(Worse)
## By Geographic Region

<table>
<thead>
<tr>
<th></th>
<th>Greater China &amp; North Asia</th>
<th>ASEAN &amp; South Asia</th>
<th>Africa &amp; Middle East</th>
<th>Europe &amp; Americas</th>
<th>Central &amp; other items</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2016 ($m)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income</td>
<td>5,190</td>
<td>4,052</td>
<td>2,742</td>
<td>1,664</td>
<td>160</td>
<td>13,808</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(3,546)</td>
<td>(2,518)</td>
<td>(1,730)</td>
<td>(1,302)</td>
<td>(879)</td>
<td>(9,975)</td>
</tr>
<tr>
<td>Pre-provision operating profit</td>
<td>1,644</td>
<td>1,534</td>
<td>1,012</td>
<td>362</td>
<td>(719)</td>
<td>3,833</td>
</tr>
<tr>
<td>Loan impairment</td>
<td>(424)</td>
<td>(762)</td>
<td>(563)</td>
<td>(511)</td>
<td>(122)</td>
<td>(2,382)</td>
</tr>
<tr>
<td>Other impairment</td>
<td>(47)</td>
<td>3</td>
<td>(18)</td>
<td>1</td>
<td>(322)</td>
<td>(383)</td>
</tr>
<tr>
<td>Profit from associates</td>
<td>167</td>
<td>(146)</td>
<td>-</td>
<td>-</td>
<td>4</td>
<td>25</td>
</tr>
<tr>
<td>Profit before tax (underlying)</td>
<td>1,340</td>
<td>629</td>
<td>431</td>
<td>(148)</td>
<td>(1,159)</td>
<td>1,093</td>
</tr>
<tr>
<td>Profit before tax (reported)</td>
<td>1,456</td>
<td>186</td>
<td>349</td>
<td>(261)</td>
<td>(1,321)</td>
<td>409</td>
</tr>
</tbody>
</table>

|                  |                             |                   |                      |                   |                       |         |
| **2015 ($m)**    |                             |                   |                      |                   |                       |         |
| Operating income | 6,077                       | 4,253             | 2,858                | 1,877             | 374                   | 15,439  |
| Operating expenses | (3,763)                   | (2,621)           | (1,790)              | (1,387)           | (917)                 | (10,478) |
| Pre-provision operating profit | 2,314                   | 1,632             | 1,068                | 490               | (543)                 | 4,961   |
| Loan impairment  | (935)                      | (1,942)           | (844)                | (192)             | (95)                  | (4,008) |
| Other impairment | (28)                       | (63)              | (36)                 | 18                | (202)                 | (311)   |
| Profit from associates | 172                      | 15                | -                    | -                 | 5                     | 192     |
| Profit before tax (underlying) | 1,523                   | (358)             | 188                  | 316               | (835)                 | 834     |
| Profit before tax (reported) | 1,220                    | (905)             | 77                   | (200)             | (1,715)               | (1,523) |

|                  |                             |                   |                      |                   |                       |         |
| **YoY%**         |                             |                   |                      |                   |                       |         |
| Operating income | (15%)                      | (5%)              | (4%)                 | (11%)             | (57%)                 | (11%)   |
| Profit before tax (underlying) | (12%)                  | 276%              | 129%                 | (147%)            | (39%)                 | 31%     |

1) Better/(Worse)
## By Product

<table>
<thead>
<tr>
<th>($m)</th>
<th>2016</th>
<th>2015</th>
<th>2016 vs 2015 %</th>
<th>Q4 2016</th>
<th>Q3 2016</th>
<th>Q4 2015</th>
<th>Q4 16 vs Q3 16 %</th>
<th>Q4 16 vs Q4 15 %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transaction Banking</strong></td>
<td>2,884</td>
<td>3,250</td>
<td>(11%)</td>
<td>744</td>
<td>722</td>
<td>733</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Trade</td>
<td>1,199</td>
<td>1,481</td>
<td>(19%)</td>
<td>295</td>
<td>300</td>
<td>314</td>
<td>(2%)</td>
<td>(6%)</td>
</tr>
<tr>
<td>Cash Management and Custody</td>
<td>1,685</td>
<td>1,769</td>
<td>(5%)</td>
<td>449</td>
<td>422</td>
<td>419</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Financial Markets</strong></td>
<td>2,729</td>
<td>2,921</td>
<td>(7%)</td>
<td>676</td>
<td>714</td>
<td>582</td>
<td>(5%)</td>
<td>16%</td>
</tr>
<tr>
<td>Foreign Exchange</td>
<td>1,150</td>
<td>1,401</td>
<td>(18%)</td>
<td>272</td>
<td>249</td>
<td>281</td>
<td>9%</td>
<td>(3%)</td>
</tr>
<tr>
<td>Rates</td>
<td>677</td>
<td>758</td>
<td>(11%)</td>
<td>147</td>
<td>187</td>
<td>106</td>
<td>(21%)</td>
<td>39%</td>
</tr>
<tr>
<td>Commodities and Equities</td>
<td>190</td>
<td>344</td>
<td>(45%)</td>
<td>53</td>
<td>59</td>
<td>50</td>
<td>(10%)</td>
<td>6%</td>
</tr>
<tr>
<td>Credit and Capital Markets</td>
<td>364</td>
<td>366</td>
<td>(0%)</td>
<td>97</td>
<td>112</td>
<td>81</td>
<td>(13%)</td>
<td>20%</td>
</tr>
<tr>
<td>Other Financial Markets</td>
<td>348</td>
<td>52</td>
<td>nm</td>
<td>107</td>
<td>107</td>
<td>64</td>
<td>-</td>
<td>67%</td>
</tr>
<tr>
<td><strong>Corporate Finance</strong></td>
<td>1,897</td>
<td>1,837</td>
<td>3%</td>
<td>532</td>
<td>421</td>
<td>459</td>
<td>26%</td>
<td>16%</td>
</tr>
<tr>
<td><strong>Wealth Management</strong></td>
<td>1,483</td>
<td>1,633</td>
<td>(9%)</td>
<td>377</td>
<td>387</td>
<td>364</td>
<td>(3%)</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Retail Products</strong></td>
<td>3,658</td>
<td>3,970</td>
<td>(8%)</td>
<td>900</td>
<td>925</td>
<td>915</td>
<td>(3%)</td>
<td>(2%)</td>
</tr>
<tr>
<td>CCPL and other unsecured lending</td>
<td>1,557</td>
<td>1,909</td>
<td>(18%)</td>
<td>370</td>
<td>394</td>
<td>417</td>
<td>(6%)</td>
<td>(11%)</td>
</tr>
<tr>
<td>Deposits</td>
<td>1,287</td>
<td>1,185</td>
<td>9%</td>
<td>326</td>
<td>333</td>
<td>283</td>
<td>(2%)</td>
<td>15%</td>
</tr>
<tr>
<td>Mortgage and Auto</td>
<td>739</td>
<td>798</td>
<td>(7%)</td>
<td>185</td>
<td>178</td>
<td>197</td>
<td>4%</td>
<td>(6%)</td>
</tr>
<tr>
<td>Other Retail Products</td>
<td>75</td>
<td>78</td>
<td>(4%)</td>
<td>19</td>
<td>20</td>
<td>18</td>
<td>(5%)</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>1,374</td>
<td>1,774</td>
<td>(23%)</td>
<td>324</td>
<td>326</td>
<td>297</td>
<td>(1%)</td>
<td>9%</td>
</tr>
<tr>
<td>Asset and Liability Management</td>
<td>308</td>
<td>371</td>
<td>(17%)</td>
<td>28</td>
<td>63</td>
<td>45</td>
<td>(56%)</td>
<td>(38%)</td>
</tr>
<tr>
<td>Treasury</td>
<td>592</td>
<td>681</td>
<td>(13%)</td>
<td>170</td>
<td>170</td>
<td>118</td>
<td>-</td>
<td>44%</td>
</tr>
<tr>
<td>Other Product</td>
<td>(2)</td>
<td>2</td>
<td>nm</td>
<td>23</td>
<td>-</td>
<td>nm</td>
<td>nm</td>
<td>nm</td>
</tr>
<tr>
<td>Lending and Portfolio Management</td>
<td>476</td>
<td>720</td>
<td>(34%)</td>
<td>103</td>
<td>93</td>
<td>134</td>
<td>11%</td>
<td>(23%)</td>
</tr>
<tr>
<td><strong>Principal Finance</strong></td>
<td>(217)</td>
<td>54</td>
<td>nm</td>
<td>(20)</td>
<td>(30)</td>
<td>(88)</td>
<td>33%</td>
<td>77%</td>
</tr>
</tbody>
</table>

**Total operating income**

<table>
<thead>
<tr>
<th>($m)</th>
<th>2016</th>
<th>2015</th>
<th>(11%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>13,808</td>
<td>15,439</td>
<td>(11%)</td>
<td></td>
</tr>
</tbody>
</table>

1) Better/(Worse)
Exited Over 80% of RWA in Liquidation Portfolio

<table>
<thead>
<tr>
<th>($m)</th>
<th>31 Dec 16</th>
<th>31 Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ongoing business</td>
<td>Liquidation portfolio</td>
</tr>
<tr>
<td>Underlying loan impairment</td>
<td>2,382                     -</td>
<td>2,382</td>
</tr>
<tr>
<td>Restructuring loan impairment</td>
<td>-</td>
<td>409</td>
</tr>
<tr>
<td><strong>Statutory loan impairment</strong></td>
<td><strong>2,382</strong>                  <strong>409</strong></td>
<td><strong>2,791</strong></td>
</tr>
<tr>
<td>Gross loans and advances</td>
<td>258,396</td>
<td>3,854</td>
</tr>
<tr>
<td>Net loans and advances</td>
<td>254,463</td>
<td>1,433</td>
</tr>
</tbody>
</table>

**Credit quality**

|                                | 31 Dec 16                  | 31 Dec 15                  |
|                                |                            |                            |
| Gross Non Performing Loans     | 5,880                      | 3,807                      | 9,687       | 5,247            | 7,512          | 12,759      |
| Individual Impairment Provisions| (3,355)                   | (2,421)                   | (5,776)     | (2,584)          | (3,544)        | (6,128)     |
| Net Non Performing Loans       | 2,525                      | 1,386                      | 3,911       | 2,663            | 3,968          | 6,631       |
| Credit Grade 12 accounts¹     | 1,499                      | 22                         | 1,521       | 893              | 318            | 1,210       |
| Cover ratio (%)²              | 69                         | 64                         | 67          | 62               | 47             | 53          |
| Cover ratio (after collateral) (%)³ | 73                       | 80                         | 76          | 71               | 64             | 67          |

**Risk-weighted assets**

|                                | 31 Dec 16                  | 31 Dec 15                  |
|                                | 265,637                    | 3,808                      | 269,445     | 283,298          | 19,627         | 302,925     |
# Glossary

## Acronym/term | Explanation
---|---
A/D ratio | Advances-to-deposits ratio
AME | Africa & Middle East
ASA | ASEAN & South Asia
AT1 | Additional Tier 1 Capital
BCBS | Basel Committee of Banking Supervision
C&CC | Command and Control Centre
C&OI | Central and other items
CASA | Current and savings account
CB | Commercial Banking
CET 1 | Common Equity Tier 1 capital
CG12 | Credit grade 12
CIB | Corporate & Institutional Banking
Cover ratio | Represents extent to which NPLs are covered by impairment allowances
DM | Developed markets
EA | Europe & Americas
Ecosystem | Group initiative to bank clients’ networks of suppliers and buyers
Exposures | Represent the amount lent to a customer, together with any undrawn commitments
GCNA | Greater China & North Asia
IFRS | International Financial Reporting Standards
LI | Loan impairment
Liquidation portfolio | Portfolio of assets beyond current risk appetite metrics and is held for liquidation
NIM | Net interest margin
NPL | Non-performing loans
OCA | Own credit adjustment
PB | Private Banking
RB | Retail Banking
RWA | Risk-weighted assets
WM | Wealth Management
YoY | Year-on-year