Key messages

- CB transformation on track and delivering
- Well positioned to weather current challenges - competition, margins
- Continuing to pace investment for long term growth
### CB Strategy remains unchanged

The World’s Best International Consumer Bank in each of our chosen markets and segments

<table>
<thead>
<tr>
<th>Participation model</th>
<th>Customer focus</th>
<th>‘Back to basics’</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Focus on High Value Segments*</td>
<td>▪ Distinctive Customer Value Propositions (CVP) and world class RM</td>
<td>▪ Re-engineering and Centres of Excellence</td>
</tr>
<tr>
<td>▪ Three standard models</td>
<td>▪ Main bank relationship &amp; Payroll driven</td>
<td>▪ Liquidity and secured lending</td>
</tr>
<tr>
<td>▪ Prioritised investment</td>
<td>▪ Needs based bundling</td>
<td>▪ Strong risk and cost discipline</td>
</tr>
<tr>
<td>▪ Hub and spoke, shared utilities</td>
<td></td>
<td>▪ Performance management</td>
</tr>
</tbody>
</table>

* High Value Segments (HVS) - SME, Private, Priority
Entering “Tune” phase of transformation

“Install”
Jan 2009 - Apr 2011
- Participation models
- CVPs for HVS
- Customer Charter
- “The SCB Way”
- B/S momentum
- Performance Mgt

“Tune”
May 2011 - Dec 2012
- Personal & Islamic CVP
- Embed Charter & SCB Way
- “Trusted Advisor”
- Strengthen Brand
- Drive B/S momentum
- Alternative distribution

“Outperform”
Jan 2013+
- Multi-channel experience
- Brand/NPS* leadership
- Competitive RORWA
- World class technology
- Optimised Analytics
- Employer of choice

* Net Promoter Score leadership
## Consumer Banking performance

<table>
<thead>
<tr>
<th>US$m</th>
<th>H1 10</th>
<th>H2 10</th>
<th>H1 11</th>
<th>H1 11 vs H1 10 %</th>
<th>H1 11 vs H2 10 %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td>2,912</td>
<td>3,167</td>
<td>3,337</td>
<td>15</td>
<td>5</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td>(1,966)</td>
<td>(2,210)</td>
<td>(2,109)</td>
<td>7</td>
<td>(5)</td>
</tr>
<tr>
<td><strong>Operating profit before impairment</strong></td>
<td>946</td>
<td>957</td>
<td>1,228</td>
<td>30</td>
<td>28</td>
</tr>
<tr>
<td><strong>Loan impairment</strong></td>
<td>(299)</td>
<td>(279)</td>
<td>(211)</td>
<td>(29)</td>
<td>(24)</td>
</tr>
<tr>
<td><strong>Other impairment</strong></td>
<td>(4)</td>
<td>(8)</td>
<td>(4)</td>
<td>0</td>
<td>(50)</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>643</td>
<td>670</td>
<td>1,013</td>
<td>58</td>
<td>51</td>
</tr>
</tbody>
</table>
Delivering high quality footings growth

Loans
- YoY +22%
- Unsecured
- Partially secured
- Secured

Deposits
- YoY +16%
- Others
- TD
- CASA

WM* AUM
- YoY +38%

2010 and 2011 numbers are at respective FX rates,
* Wealth Management Assets Under Management
CB is well positioned with an increasing diversified portfolio

**Income mix by geography**

<table>
<thead>
<tr>
<th>Region</th>
<th>H1 2005</th>
<th>H1 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hong Kong</td>
<td>19%</td>
<td>18%</td>
</tr>
<tr>
<td>Korea</td>
<td>28%</td>
<td>13%</td>
</tr>
<tr>
<td>Singapore</td>
<td>11%</td>
<td>24%</td>
</tr>
<tr>
<td>Other Asia Pacific</td>
<td>10%</td>
<td>7%</td>
</tr>
<tr>
<td>India</td>
<td>24%</td>
<td>11%</td>
</tr>
<tr>
<td>MESA</td>
<td>8%</td>
<td>6%</td>
</tr>
<tr>
<td>Africa</td>
<td>10%</td>
<td>7%</td>
</tr>
<tr>
<td>Americas, UK and Europe</td>
<td>7%</td>
<td>6%</td>
</tr>
</tbody>
</table>

**Income mix by product**

<table>
<thead>
<tr>
<th>Product</th>
<th>H1 2005</th>
<th>H1 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cards, Personal Loans &amp; Unsecured</td>
<td>34%</td>
<td>22%</td>
</tr>
<tr>
<td>Mortgages &amp; Auto Finance</td>
<td>22%</td>
<td>20%</td>
</tr>
<tr>
<td>Wealth Management</td>
<td>20%</td>
<td>21%</td>
</tr>
<tr>
<td>Deposits</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Others</td>
<td>11%</td>
<td>6%</td>
</tr>
<tr>
<td>Americas, UK and Europe</td>
<td>2%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: SCB data
## Consumer Banking loan impairment trend

<table>
<thead>
<tr>
<th></th>
<th>H1 10</th>
<th>H2 10</th>
<th>FY 10</th>
<th>H1 11</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mortgages</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LI/ANR</td>
<td>0.05%</td>
<td>0.09%</td>
<td>0.07%</td>
<td>0.04%</td>
</tr>
<tr>
<td>30dpd/ENR</td>
<td>0.70%</td>
<td>0.61%</td>
<td>0.61%</td>
<td>0.60%</td>
</tr>
<tr>
<td>Loan book (US$bn)</td>
<td>61</td>
<td>71</td>
<td>71</td>
<td>73</td>
</tr>
<tr>
<td>LI (US$m)</td>
<td>17</td>
<td>32</td>
<td>49</td>
<td>13</td>
</tr>
<tr>
<td><strong>SME</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LI/ANR</td>
<td>0.60%</td>
<td>0.71%</td>
<td>0.66%</td>
<td>0.40%</td>
</tr>
<tr>
<td>90dpd/ENR</td>
<td>1.10%</td>
<td>0.72%</td>
<td>0.72%</td>
<td>0.58%</td>
</tr>
<tr>
<td>Loan book (US$bn)</td>
<td>14</td>
<td>17</td>
<td>17</td>
<td>20</td>
</tr>
<tr>
<td>LI (US$m)</td>
<td>44</td>
<td>60</td>
<td>104</td>
<td>38</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LI/ANR</td>
<td>1.93%</td>
<td>1.33%</td>
<td>1.61%</td>
<td>1.03%</td>
</tr>
<tr>
<td>Including</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30dpd/ENR</td>
<td>2.58%</td>
<td>2.32%</td>
<td>2.32%</td>
<td>2.09%</td>
</tr>
<tr>
<td>personal loans</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan book (US$bn)</td>
<td>28</td>
<td>29</td>
<td>29</td>
<td>33</td>
</tr>
<tr>
<td>&amp; credit cards</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LI (US$m)</td>
<td>238</td>
<td>187</td>
<td>425</td>
<td>160</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LI/ANR</td>
<td>0.58%</td>
<td>0.49%</td>
<td>0.53%</td>
<td>0.35%</td>
</tr>
<tr>
<td>30dpd/ENR</td>
<td>1.20%</td>
<td>1.02%</td>
<td>1.02%</td>
<td>0.95%</td>
</tr>
<tr>
<td>Loan book (US$bn)</td>
<td>103</td>
<td>117</td>
<td>117</td>
<td>126</td>
</tr>
<tr>
<td>LI (US$m)</td>
<td>299</td>
<td>279</td>
<td>578</td>
<td>211</td>
</tr>
</tbody>
</table>

**NOTE:** LI - Loan impairment, ANR - Average net receivables, ENR - End period net receivables
Redefining customer experience

iPhone Breeze

Express Banking Centres

New branch design
Fast and accurate service

At Standard Chartered Bank, we don’t just promise to be here for you; we prove it. That’s why our tellers have pledged to serve every one of our valued customers within 6 minutes. $5 will be contributed to charity every time our pledge is not met.

Here’s how to qualify for our 1-hour home loan service guarantee:

• Apply for a home loan (up to two applicants per loan). Applicants must be salaried Singaporeans or Permanent Residents with no existing home loans with us.

• Loan amount below $2.5 million for private residential or $800,000 for HDB (current market valuation must be less than $3 million).
Customer metrics show strong progress

**Net Promoter Score**
- 2008: 12
- 2009: 25
- 2010: 39
- Jun 11: 47

**Products per customer**
- 2008: 100
- 2009: 107
- 2010: 114
- Jun 11: 125

**SCB Way**
- # Conversations / week: +79%
- # Sales/ week: +65%
- # Solutions sold/ week: +85%

**Active internet users (m)**
- Dec 08: 1.10
- Dec 09: 1.45
- Dec 10: 1.88
- Jun 11: 2.00

**Complaints / ‘000 accts**
- 2008: 1.44
- 2009: 0.83
- 2010: 0.53
- H1 11: 0.45

**Q12 scores Distribution**
- 2008: 3.91
- 2009: 4.08
- 2010: 4.27

SCB Way: Standard Chartered Bank Way, *Products per customer (PPC) index*
We are well positioned to capture the growth opportunity

Fastest growth of Wealth is projected to be in Asia

Global Wealth CAGR 2010-2015 (%)

- Asia ex-Japan: 11.4%
- Europe: 4.2%
- ME/Africa: 8.2%
- S.America: 9.3%
- N. America: 5%

Source: BCG Wealth Market Sizing Database 2011, excluding currency effects.
Customer segments

Program criteria are indicative and vary by countries based on local market environment.

- **Private Banking**
  - HNW with AUM $\geq$ US$1m

- **SME Banking**
  - SME: with turnover $\leq$ US$25m

- **Priority Banking**
  - Affluent with AUM $\geq$ US$100k

- **Personal Banking**
  - Emerging affluent & Mass Market with AUM $\leq$ US$100k
Private Bank

Strong Private Banking franchise...

<table>
<thead>
<tr>
<th>Number of RM</th>
<th>AUM (US$bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 07</td>
<td>110+</td>
</tr>
<tr>
<td>H1 11</td>
<td>470+</td>
</tr>
<tr>
<td>Dec 07</td>
<td>10+</td>
</tr>
<tr>
<td>H1 11</td>
<td>50+</td>
</tr>
</tbody>
</table>

...with recognition from the industry

- **FT / Investors Chronicle**
  - Global Best Private Bank 2011

- **Private Banker International**
  - Outstanding Private Bank, Asia Pacific 2008, 2009, 2010

- **Euromoney Global Awards for Excellence**
  - Global Best Private Bank 2008

- **The Banker / Professional Wealth Management**
  - Global Best Private Bank 2010
SME Banking

- Deposits led business with double digit income and footings growth

- Good progress on delivering strengthened customer value propositions

- Rolled out service guarantees to support our SME proposition

- SME banking operates in 29 countries
Wealth Management strategy

Fundamental change from product led to advice led proposition

- Enhanced advisory proposition with emphasis on holistic portfolio advice
- Access to superior insights and investment opportunities to the fastest growing markets
- World class technology platform enabling multi-channel execution and transparent and timely reporting
- Access to investment specialists across key asset classes
Wealth Management resilience

Increased number of RMs

Income contribution from new markets

Income contribution from new products

YoY +480

New markets

Core markets*

2007 2010

29% 33%

71% 67%

2007 2010

24% 44%

76% 56%

Wealth income

AUM

YoY 23%

YoY 38%

* Core markets are Hong Kong, Singapore, Korea and Taiwan
Challenges and risks

**Business & Geographic**
- Balance sheet growth
- Declines in working profit in India
- Korea: making progress but significant challenges
- China: ongoing investment

**Regulation**
- Pace of regulatory changes
- Lack of convergence

**Competition**
- Re-investment in our markets
- Pressure for talent and customers
## Execution priorities

<table>
<thead>
<tr>
<th>Participation model</th>
<th>Customer focus</th>
<th>‘Back to basics’</th>
</tr>
</thead>
</table>
| ▪ Increase bundle and PPC penetration  
  Optimise income growth through pricing  
▪ Grow annuity income and unsecured mix  
▪ Profitably grow personal segment | ▪ Deliver the customer charter and SCB Way  
  Expand use of external customer guarantees and increase online channel usage  
▪ Embed WM Trusted Advisor proposition  
▪ Continue developing and empowering our staff | ▪ Maintain balance sheet and AUM growth momentum  
▪ Drive standardisation to improve service, productivity and the control environment  
▪ Maintain tight cost and risk discipline to create investment capacity |

### Balance sheet and AUM growth

### Become most recommended bank

### Alignment to frontline
Targeted H2 investment

Distribution & RMs

Online & mobile
Breeze

Marketing & bundles

Credit Card
On-line Sales

24-hr Express Banking

On-line Sales

24-hr Express Banking
Unsecured – measured growth

Co brand with Lifestyle - India

Go for more. Get the most!
Standard Chartered Inner Circle Platinum Card.

Up to $5 back at Lifestyle, homecentre & affiliated brands.

Get 15% CashBack every time you shop!

Value Employee Banking Pack comes with:
- Savings Account
- Employee Banking Platinum Debit Card
- Titanium Credit Card OR Platinum Rewards

2882 3800
Bringing it all together

To be the world’s best international Consumer Bank in each of our chosen markets and segments across Asia, Africa and the Middle East

Participation model

Customer focus

‘Back to basics’

Our customer charter

Our team is here to give you...

Friendly, fast and accurate service

Solutions to financial needs

Recognition & reward overall banking relationship

Our goal is to be the Bank you recommend to friends, family and colleagues

Culture

Brand

SCB Way

Deliver sustainable operating performance
Key messages

- CB transformation on track and delivering

- Well positioned to weather current challenges - competition, margins

- Continuing to pace investment for long term growth