Key messages

- We operate in attractive markets
- We have a clear and consistent strategy with significant growth potential
- Our Commercial Banking foundation provides us with the platform to deliver enhanced capabilities
- We have deepened our client relationships and delivered market leading transactions
- We are well-positioned and well invested for future growth as competition returns to our markets
Projected change in nominal GDP distribution

**Nominal GDP 2010, US$ 63trn**
(US$ trn, % of global)

- Japan: 9%
- EU-27: 26%
- US: 23%
- 2% SSA
- 4% MENA
- 8% Latam
- 6% Asia ex CIJ
- ROW: 8%

**Nominal GDP 2030, US$ 308trn**
(US$ trn, % of global)

- Japan: 3%
- EU-27: 14%
- US: 12%
- 5% SSA
- 5% MENA
- 5% CIS
- 8% Asia ex CIJ
- Latam: 9%
- ROW: 5%
- 24% China

**Estimated Nominal Global GDP 2011**
US$ 69trn

Sources: IMF, Standard Chartered Research
Our core markets are sustaining premium levels of GDP growth

Real GDP Growth Forecasts %

<table>
<thead>
<tr>
<th>Region</th>
<th>2011F</th>
<th>2012F</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>9.3</td>
<td>10.0</td>
</tr>
<tr>
<td>India</td>
<td>7.7</td>
<td>8.3</td>
</tr>
<tr>
<td>South Korea</td>
<td>3.5</td>
<td>4.0</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>5.0</td>
<td>4.9</td>
</tr>
<tr>
<td>Singapore</td>
<td>4.8</td>
<td>4.6</td>
</tr>
<tr>
<td>US</td>
<td>1.6</td>
<td>2.0</td>
</tr>
<tr>
<td>Euro area</td>
<td>1.8</td>
<td>1.5</td>
</tr>
<tr>
<td>Japan</td>
<td>(0.4)</td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td>2.5</td>
<td>1.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1.9</td>
</tr>
</tbody>
</table>

Source: Standard Chartered Global Research
Operating profit and income growth

Wholesale Banking total income and operating profit (US$bn)

2002 - 2010 Operating profit CAGR: 25%

NOTE: Operating profit and Own account are external figures
Strategic Intent

The Bank of choice for corporate and institutional clients for and in Asia, Africa and the Middle East

Brand promise

Here for good
Our strategy and key enablers

Our Strategy
- Deep ‘core bank’ client relationships
- Local scale and cross-border capabilities
- Strong Balance sheet management

Key Enablers
- Infrastructure
- Values and culture
Continuous product build out

Wholesale Banking Products Total Income, US$m and H1 07 - H1 11 CAGR (%)

Transaction Banking
- CAGR: 14%

Financial Markets
- CAGR: 26%

Corporate Finance
- CAGR: 48%
Commercial banking is key to developing our client franchises

Commercial Banking constituents
- FX flow
- Transaction Banking
- Gross Lending

Client income H1 11
- 46% Others
- 9% FX Flow
- 34% TB
- 11% Lending

YoY Growth
- +6%
- +12%

Source: WB Finance
Commercial Banking = OCC Lending + Transaction Banking + Cash FX; Value Added = FM – Cash FX; Strategic = CF + PF
## Wholesale Banking Transaction Banking

<table>
<thead>
<tr>
<th>Total income by product</th>
<th>US$m</th>
<th>FY 07</th>
<th>FY 08</th>
<th>FY 09</th>
<th>FY 10</th>
<th>H1 11</th>
<th>FY07-FY10 CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade</td>
<td></td>
<td>699</td>
<td>1,023</td>
<td>1,289</td>
<td>1,467</td>
<td>767</td>
<td>28%</td>
</tr>
<tr>
<td>Cash Mgt &amp; Custody</td>
<td></td>
<td>1,334</td>
<td>1,640</td>
<td>1,248</td>
<td>1,303</td>
<td>785</td>
<td>(1)%</td>
</tr>
<tr>
<td>Total Transaction Banking</td>
<td></td>
<td>2,033</td>
<td>2,663</td>
<td>2,537</td>
<td>2,770</td>
<td>1,552</td>
<td>11%</td>
</tr>
</tbody>
</table>

**CAGR**

- **Trade**: 28%
- **Cash Mgt & Custody**: (1)%
- **Total Transaction Banking**: 11%
Growth in trade A&C remained strong and above market levels

SCB trade asset growth vs. global import/export values

Sources: SCB Trade Assets and Contingents (A&C); WB Finance; Trade data: Reuters
Transaction Banking - market share in Asia continues to increase

Primary and secondary transaction banker - Top 10 banks (No of customers)

<table>
<thead>
<tr>
<th>Bank</th>
<th>Secondary</th>
<th>Primary</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCB</td>
<td>118</td>
<td>189</td>
</tr>
<tr>
<td>HSBC</td>
<td>77</td>
<td>191</td>
</tr>
<tr>
<td>Citi</td>
<td>144</td>
<td>121</td>
</tr>
<tr>
<td>BoC</td>
<td>80</td>
<td>64</td>
</tr>
<tr>
<td>DBS</td>
<td>45</td>
<td>84</td>
</tr>
<tr>
<td>JPM</td>
<td>51</td>
<td>73</td>
</tr>
<tr>
<td>BAML</td>
<td>53</td>
<td>58</td>
</tr>
<tr>
<td>Deutsche</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>OCBC</td>
<td>31</td>
<td>29</td>
</tr>
<tr>
<td>UOB</td>
<td>39</td>
<td>20</td>
</tr>
</tbody>
</table>

Source: East & Partners Asian Institutional Transaction Banking Markets Program May ’11
Users: 933 Institutions in Asia - China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, Korea, Taiwan, Thailand
Growth in our key regional trade corridors is forecast to outpace inter-regional trade growth.

**Inter-regional trade forecast (CAGR 2010 - 2030)**

- MENA: 17%
- China: 18%
- All inter-regional trade: 10%

**Source:** Standard Chartered Research; CIJ = China, India and Japan
We continue to diversify our income into Strategic and Value added products.

Client income H1 11

Strategic
- Includes Corporate Finance
- Includes Principal Finance

Value added
- Includes Financial Markets
- Excludes Flow FX

Source: SCB data
Commercial Banking = OCC Lending + Transaction Banking + Cash FX; Value Added = FM – Cash FX; Strategic = CF + PF
<table>
<thead>
<tr>
<th>Total income by product</th>
<th>FY 07</th>
<th>FY 08</th>
<th>FY 09</th>
<th>FY 10</th>
<th>H1 11</th>
<th>FY07-FY10 CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>FX</td>
<td>1,017</td>
<td>1,194</td>
<td>1,349</td>
<td>1,200</td>
<td>769</td>
<td>6%</td>
</tr>
<tr>
<td>Rates</td>
<td>158</td>
<td>748</td>
<td>879</td>
<td>837</td>
<td>450</td>
<td>74%</td>
</tr>
<tr>
<td>Commodities and Equities</td>
<td>49</td>
<td>141</td>
<td>389</td>
<td>411</td>
<td>319</td>
<td>103%</td>
</tr>
<tr>
<td>Capital Markets</td>
<td>259</td>
<td>234</td>
<td>409</td>
<td>541</td>
<td>271</td>
<td>28%</td>
</tr>
<tr>
<td>Credit and Other</td>
<td>(160)</td>
<td>48</td>
<td>285</td>
<td>314</td>
<td>142</td>
<td>NA</td>
</tr>
<tr>
<td>Total Financial Markets</td>
<td>1,323</td>
<td>2,365</td>
<td>3,311</td>
<td>3,303</td>
<td>1,951</td>
<td>36%</td>
</tr>
</tbody>
</table>
FM trading is primarily based upon leveraging client flows

FM Sales and Own Account Income trend H1 07 - H1 11

Note: Sales Income equals Client Sales Income including Brokerage and Origination Income
Corporate Finance is growing consistently across products

Corporate Finance income growth
H1 09 vs. H1 11 (US$m)

Diversification of CF income

- NII accounts for 50% of Corporate Finance income (vs. 41% H1 10)
- 18% uptick in NII YoY
- 61% of NFI from small-mid sized deals (vs. 44% H1 10)

1 Fee income refers to only upfront NFI arising out of new deals
India client segments and client groups

India – client segments

- Clients diversified into Global Corporates (37%), Local Corporates (44%), Financial Institutions (16%) and CTA (3%)
- Close watch on economy and investor sentiment
- Tight underwriting criteria
- Robust early alert process and cautious stance
### Wholesale Banking impairment

<table>
<thead>
<tr>
<th></th>
<th>US$m</th>
<th>H1 10</th>
<th>H2 10</th>
<th>H1 11</th>
<th>H1 11 vs H1 10 %</th>
<th>H1 11 vs H2 10 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan impairment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(138)</td>
<td>(167)</td>
<td>(201)</td>
<td>46</td>
<td>20</td>
</tr>
<tr>
<td>Other impairment</td>
<td></td>
<td>(46)</td>
<td>(18)</td>
<td>(68)</td>
<td>48</td>
<td>nm</td>
</tr>
<tr>
<td><strong>Total impairment</strong></td>
<td></td>
<td>(184)</td>
<td>(185)</td>
<td>(269)</td>
<td>46</td>
<td>45</td>
</tr>
<tr>
<td>Loans and advances to customers (US$bn)*</td>
<td>117.2</td>
<td>130.0</td>
<td>142.7</td>
<td>22</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% IIP** on new accounts</td>
<td>52</td>
<td>74</td>
<td>15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cover ratio (%)</td>
<td>56</td>
<td>50</td>
<td>53</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncovered net at risk (%)</td>
<td>32</td>
<td>37</td>
<td>34</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Excludes portfolio impairment provision

** Individual impairment provision
Building local scale

Client revenue by key geographies (US$m)

<table>
<thead>
<tr>
<th>Geography</th>
<th>2001</th>
<th>2010</th>
<th>CAGR %</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td></td>
<td></td>
<td>25</td>
</tr>
<tr>
<td>Hong Kong</td>
<td></td>
<td></td>
<td>16</td>
</tr>
<tr>
<td>Singapore</td>
<td></td>
<td></td>
<td>22</td>
</tr>
<tr>
<td>UAE</td>
<td></td>
<td></td>
<td>23</td>
</tr>
<tr>
<td>Korea</td>
<td></td>
<td></td>
<td>35</td>
</tr>
<tr>
<td>China</td>
<td></td>
<td></td>
<td>33</td>
</tr>
<tr>
<td>Indonesia</td>
<td></td>
<td></td>
<td>22</td>
</tr>
<tr>
<td>Taiwan</td>
<td></td>
<td></td>
<td>16</td>
</tr>
</tbody>
</table>

Source: WB Finance
Our performance has been recognised by the market

Asia Risk Commodity Rankings 2011

#1 Overall for Precious Metals
#1 for Silver Options
#1 for Oil (Exchange Traded)
#1 for Metals (Derivatives Research)

Deal of the Year 2011

- Sovereigns, Supras and Agencies Deal of the Year in Middle East (Bonds) - Govt of Dubai Dual Tranche
- Deal of the Year in the Middle East (Loans) - Qatar Aviation Lease Co.

Asia Risk Corporate Rankings 2011

- #1 for Interest Rate Derivatives
- #1 for Vanilla Hedging in Currency Derivatives in G7 ex-yen, RMB, HKD, IDR, KRW, PHP and THB

Asia Risk Institutional Rankings 2011

- #1 for Currency Derivatives in Asia
- #1 for Cross Currency Swaps in RMB, INR, SGD
- #1 for Currency Forwards in RMB, INR and SGD
- #1 for Currency Options in HKD
- #1 for Interest Rate Swaps in RMB, IDR, INR, THB

AsiaMoney Fixed Income Poll 2011

Global Finance Best Foreign Exchange Provider 2011

- Best Interest Rates Research & Market Coverage for CNH
- Best Sales Services in Credit Derivatives for HKD and CNY

Asset Asian Awards 2011

- Best Project Finance House in EMEA
- Best Structured Trade Finance House
Strong Balance Sheet management

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 09</td>
<td>108</td>
<td>132</td>
<td>-</td>
<td>81.8</td>
</tr>
<tr>
<td>Jun 10</td>
<td>117</td>
<td>157</td>
<td>16</td>
<td>74.5</td>
</tr>
<tr>
<td>Dec 10</td>
<td>130</td>
<td>173</td>
<td>3</td>
<td>75.1</td>
</tr>
<tr>
<td>Jun 11</td>
<td>143</td>
<td>193</td>
<td>7</td>
<td>74.1</td>
</tr>
</tbody>
</table>

Net Liquidity JAWS = Increase in customer deposits net of increase in customer loans in the same period
Customer loans and customer deposits shown above are A/D qualifying customer loans and deposits
Capital optimisation remains a key area of focus

Client Income, Credit RWA and Customer Assets Growth
H1 09 - H1 11 (CAGR %)

- Client Income: 13%
- Credit RWA: 11%
- Customer Assets: 18%

Wholesale Banking RoRWA increased from 6.7% (H1 09) to 7.2% (H1 11)

Source: SCB data. Client Income excludes GSAM; Client Income used to calculate RoRWA is based on a 12 month rolling average
## Execution through Eight Initiatives

<table>
<thead>
<tr>
<th>Horizon 1: Earning the right to grow</th>
<th>Horizon 2: Traction with ‘tactical’ strategic initiatives</th>
<th>Horizon 3: Step change to ‘World Class’</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client Journey</td>
<td>RWA Efficiency</td>
<td>Engagement Model</td>
</tr>
<tr>
<td>Geographic</td>
<td>Next Generation Markets</td>
<td>Adjacencies</td>
</tr>
<tr>
<td>Products</td>
<td>FFZ Liquidity</td>
<td>MM / SME</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td></td>
<td>Systems</td>
</tr>
<tr>
<td>One Bank</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand and Values</td>
<td></td>
<td></td>
</tr>
<tr>
<td>People and Culture</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Huge opportunity on RMB internationalisation…

RMB trade settlement: zero to 1.5 trillion RMB in less than two years

- Aggregate amount of RMB-denominated cross-border trade
- RMB as percentage of mainland China’s total trade

![Graph showing RMB trade settlement over time](image)

Source: People’s Bank of China, Hong Kong Monetary Authority, Standard Chartered Research
and we are at the leading edge of innovation in RMB internationalisation

- RMB Services now cover **30 markets** (H1 11), up from **19 markets** (FY 2010)

- Total amount of Liabilities **RMB 33.2 bn** (H1 11), up by **+115%** (FY 2010)

- **3rd largest** RMB clearing bank in China, behind Bank of China and ICBC, up to **4th largest** clearing bank in China (FY 2010)

- SCB China won the **Best RMB Cross-Border Settlement Bank** Award from Trade Finance Magazine and the China Trade Finance Web

- **Bank Award from Trade Finance Magazine and the China Trade Finance Web**
Commercial Banking will remain at the heart of the business

Client income by product (%)

2010
- Strategic: 21%
- Value added: 25%
- Transactional: 42%
- Basic lending: 13%

2014
- Strategic: 21%
- Value added: 33%
- Transactional: 40%
- Basic lending: 6%
Key messages

- We operate in attractive markets
- We have a clear and consistent strategy with significant growth potential
- Our Commercial Banking foundation provides us with the platform to deliver enhanced capabilities
- We have deepened our client relationships and delivered market leading transactions
- We are well-positioned and well invested for future growth as competition returns to our markets