



Standard Chartered Bank

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Standard Chartered overview

Over 150 years in some of the world's most dynamic markets

~70 markets

~85% income from Asia, Africa & Middle East

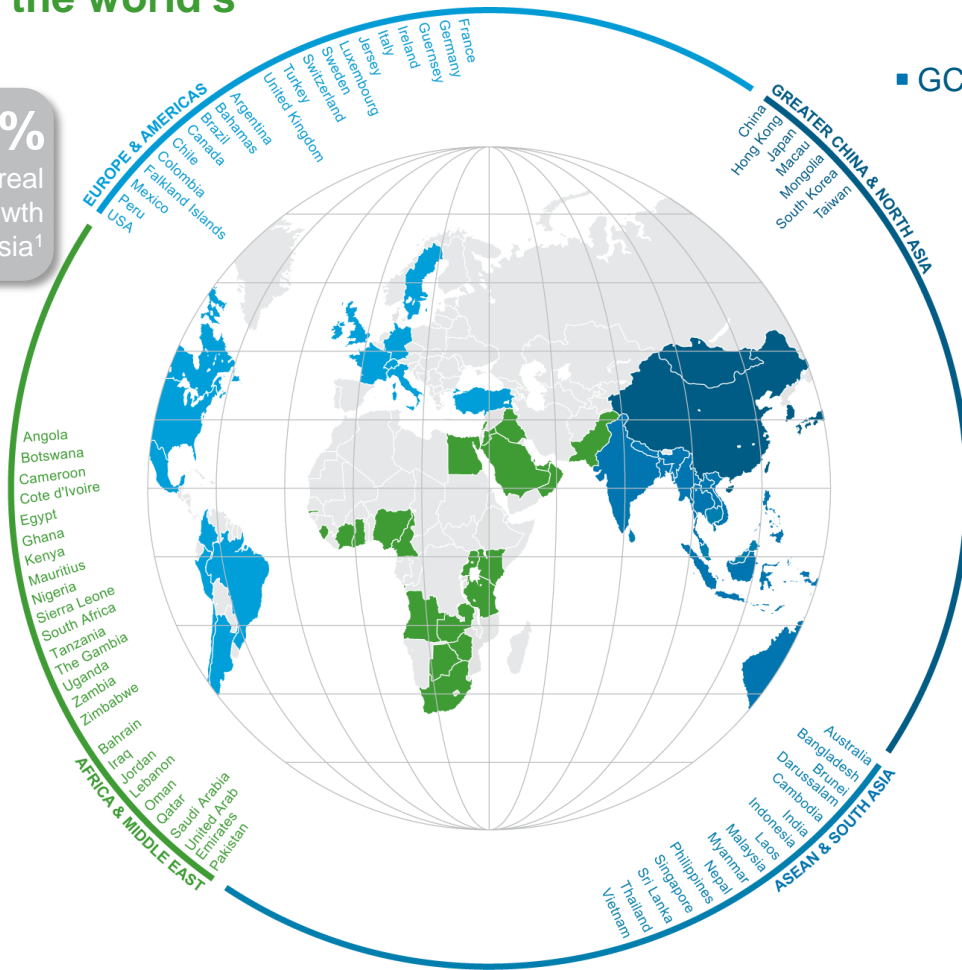
6.1% Average real GDP growth across Asia¹

YTD Q3 2017 highlights

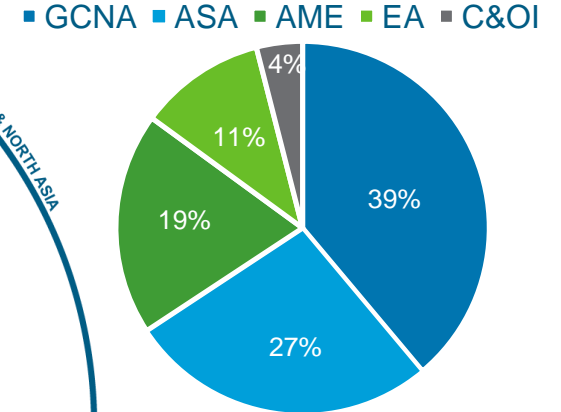
Operating income **\$10.8bn** **+5% YoY**

Underlying profit before tax **\$2.7bn** **+88% YoY**

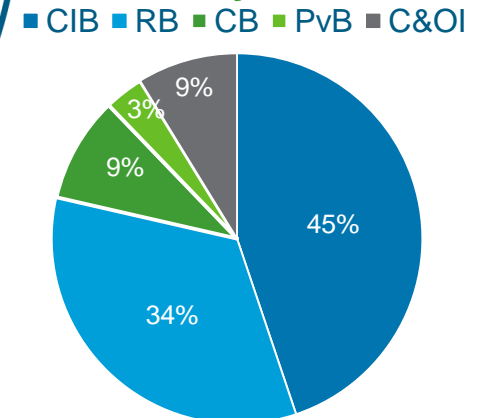
CET 1 ratio **13.6%** **+60bps YoY**



Income by regions



Income by clients



ASA, Commercial and Private Banking

Making steady progress, but a lot more to do

Secured the foundations, continue to tightly manage risk *through enhancing credit risk management and monitoring*

Sharpened geographic focus, *prioritising larger markets and selectively reshaping subscale markets*

Improving quality of income and returns, *focusing on Wealth Management, driving asset light products (Cash, FX) and increasing client penetration of international wallet*

Investing in digital to profitably scale up Retail and Wealth, *improving analytics and frontline tools to enable focused targeting and client management*

Driving cost discipline, *improving both process efficiency and client satisfaction*

Building on progress for sustainable growth

ASEAN & South Asia

ASEAN & South Asia (ASA) overview

Deep and long presence across ASA region



Established Country

1858	India
1859	Singapore
1862	Myanmar
1863	Indonesia
1872	Philippines
1875	Malaysia
1892	Sri Lanka
1894	Thailand
1904	Vietnam
1905	Bangladesh
1953	Cambodia
1958	Brunei
1964	Australia
1986	Nepal
1996	Laos

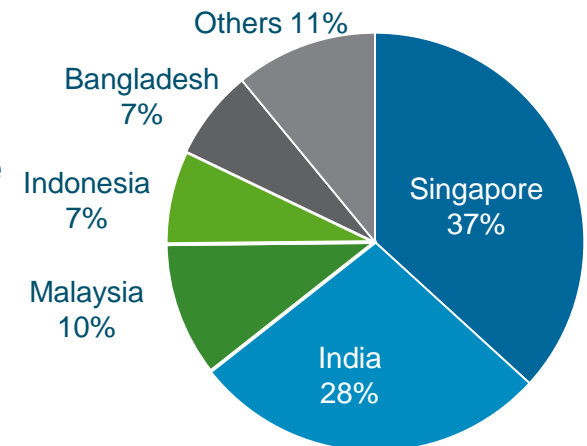
Grown with region since 1858 – The largest and oldest foreign bank in most our markets

Presence in all 10 ASEAN markets and all four South Asian markets

Attractive region, despite near term challenges

Unparalleled network – Facilitating trade within and between ASA and the rest of the world

YTD Q3 income by markets



Attractive demographics, improving trade and digital connectivity

Strong underlying growth potential



ASEAN is the **4th largest economic zone** globally – GDP to grow 5x to **US\$10tn** by 2030



ASA's **share of AAME trade is rising**, 19% to **23%** ('08 vs. '22); should benefit further from regional pacts and policies – **AEC¹**, India's '**Act East**' policy



High investment interest – **~85%** of US, EU and AU companies expect to **increase trade & investment** in ASEAN over 2018-2022



US\$174bn annual infrastructure funding gap² in ASEAN-5 and India over 2015-2030; **Belt & Road** has potential to transform regional infrastructure



India and ASEAN-5 smart phone users projected to grow at **10% CAGR** over 2016-2019

Reshaping the ASA portfolio to improve quality of income and returns

Priorities

	Portfolio focus	Country
Optimise geographic portfolio¹	Grow / turnaround	Singapore Vietnam ²
		India Sri Lanka ²
		Bangladesh
		Malaysia
		Indonesia
	Maintain	Brunei Australia Nepal
	Reshape	Thailand Philippines

‘Mix-shift’
Drive ‘mix-shift’ to ‘asset-light’ products

Digitise
Deploy end-to-end market leading digital capabilities in key RB markets

Financial performance

US\$m	2015	2016	H1 17
Income	4,253	4,052	1,964
Expenses	(2,621)	(2,518)	(1,250)
Loan impairment	(1,942)	(762)	(315)
Underlying profit / (loss) before tax	(358)	629	400

- Excl. impact of business exits, 9M17 income down 2% YoY³
- Recent performance impacted by management actions, investments and lower market volatility impacting FM
- Significant action to improve risk profile, though risks remain
- External conditions remain challenging
- Focus on asset-light income growth whilst managing cost

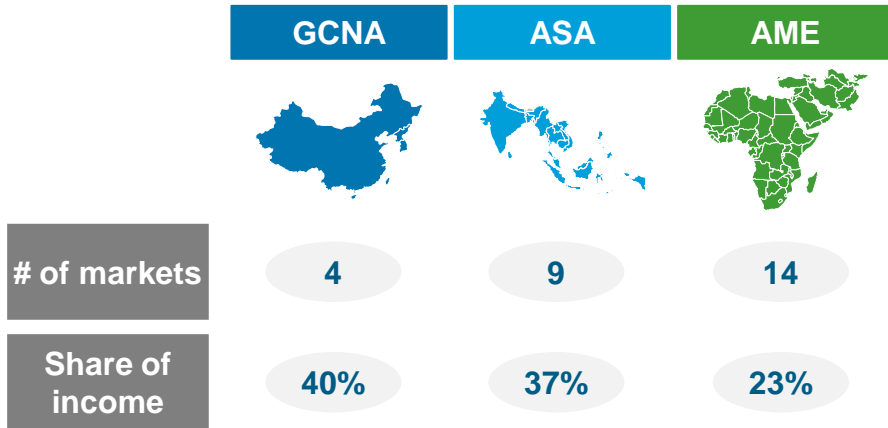
1) No changes to our Representative office strategy in Cambodia, Laos and Myanmar
 2) Future priority markets
 3) YoY = year-on-year



Commercial Banking

Commercial Banking overview

Our markets



Our clients

Sub-segment	Sales turnover range ¹	# of clients
Local Corporate	US\$ 50m – US\$ 1.5bn	~20,000 client groups
Medium Enterprises	US\$ 10m – US\$ 50m	~21,000 client groups

Our evolution



We are now building a sustainable international CB business

CB vision

To grow with our clients as their main international bank

Focus on clients and growth, and drive cross-bank collaboration

Accelerate NTB, shift product mix and deepen clients

Strengthen foundations in risk and control

Enhance credit risk management and monitoring

Improve efficiency, productivity and service quality

Shorten turnaround times – particularly for the basics

Embed innovation, digitisation and analytics

Improve analytics and frontline tools – enable focused targeting and client management

Invest in people, strengthen culture and conduct

Improve engagement and quality of relationship managers

Significant opportunity, at the heart of the Bank

Why Bank with us?

Network



Helping clients grow and connect internationally

- Reach – 26 CB markets; 60+ SCB markets, and network of partner banks
- Expertise – 100 years+ in many markets
- Straight2Bank – Award winning global platform

Product solutions



Extensive product range and experience to provide best-fit solutions

- Industry leading cash-management solutions
- Innovative supply chain “Ecosystem” structured trade products
- Comprehensive FX – 130+ currency pairs

Relationship



Broad-based relationship covering full product spectrum

- Many clients with long term history
- Multi-country relationship model
- Building relationships across all areas of need (e.g. PvB, Employee Banking)

Financial performance

US\$m

2015

2016

H1 17

Income

1,605

1,295

660

Expenses

(1,071)

(929)

(427)

Loan impairment

(1,160)

(491)

(42)

Underlying profit / (loss) before tax

(643)

(120)

188

- 9M17 income was up 1% YoY
- Significant progress in securing foundations
- Material improvement in financial performance
- Better loan impairment from enhanced risk management
- Focused on building sustainable income growth
- Positive momentum in balance sheet and NTB¹ acquisition

Private Banking

Private Banking overview

Presence in 6 leading financial centres



6
Advisory and
booking centres

~350
Relationship
managers

~\$60^{bn}
Asset under
management

Focused on 4 priorities to drive transformation

Capturing the footprint opportunity

- Unlocking potential in footprint markets segments
- Leveraging UK presence for clients across emerging markets
- Accelerating momentum around referrals

Delivering culture of excellence

- Enhancing expertise of teams through investment hire
- Focused training and development programs
- Incubating a culture of ownership and accountability

Streamlining and simplifying

- Improving trading capabilities
- Enhancing productivity and turnaround time
- Delivering multi-year technology transformation

Balancing growth and control

- Implementing country coverage plan
- Continuing risks mitigation
- Fostering closer collaboration with functions
- Focusing on potential areas of conduct related risks

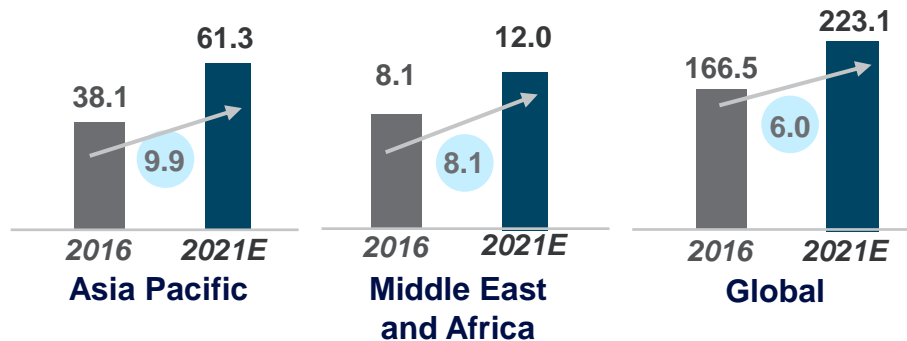
Differentiated advantage through our footprint, strong corporate relationships and open architecture

1

Our footprint presents attractive opportunities

Private Financial Wealth¹ (US\$ tn)

● 2016-21 CAGR



- Strongest growth expected from our most significant markets - Asia Pacific, Middle East and Africa
- Strong international network, with the potential to offer seamless cross-border banking services
- Multiple booking centres for Private Banking clients, including Singapore, Hong Kong and United Kingdom

2

Strong corporate relationships to deliver a “One Bank” advantage

- Stronger potential for cross-bank referrals
- Investment / corporate banking capabilities for clients
- Synergy in Wealth Management with Retail Banking...
- ...enabling better capabilities and product offering

3

Open architecture for unbiased client solutions

- Open architecture in platforms
 - Access to comprehensive range of solutions
 - Ability to put client at the centre
 - Enhanced price discovery with counterparties
- Open architecture in advisory
 - Diversity of information – best opinions sought
 - Diversity of people and thought processes

Driving continued transformation

Our priorities



Build on **control environment**



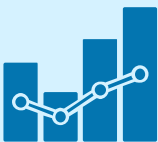
Leverage investment in **improved technology**



Deliver great service through new **relationship teams**



Keep focus on “**One Bank**” referral opportunity



Improve **productivity and profitability**

Financial performance

US\$m

2015

2016

H1 17

Income

534

496

242

Expenses

(341)

(463)

(243)

Loan impairment

(94)

(1)

-

Underlying profit /
(loss) before tax

99

32

(1)

- 9M17 income up 2% YoY, excl. insurance recovery in 9M16
- Cost base increased during investment phase
- Growth below market given de-risking actions
- Momentum emerging, particularly in GCNA
- Grow NNM¹ via people and enhanced product offering

