Standard Chartered Bank
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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 +38% YoY
CET 1 ratio 13.6% +60 bps YoY

1) Source: Standard Chartered Research, weighted average of 2017e real GDP growth rates across respective regions
GCNA = Greater China & North Asia, ASA = ASEAN & South Asia, AME = Africa & Middle East, EA = Europe & Americas, C&OI = Central & other items
CIB = Corporate & Institutional Banking, RB = Retail Banking, CB = Commercial Banking, PvB = Private Banking, C&OI = Central & other items
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

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

Established Country

<table>
<thead>
<tr>
<th>Year</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>1858</td>
<td>India</td>
</tr>
<tr>
<td>1859</td>
<td>Singapore</td>
</tr>
<tr>
<td>1862</td>
<td>Myanmar</td>
</tr>
<tr>
<td>1863</td>
<td>Indonesia</td>
</tr>
<tr>
<td>1872</td>
<td>Philippines</td>
</tr>
<tr>
<td>1875</td>
<td>Malaysia</td>
</tr>
<tr>
<td>1892</td>
<td>Sri Lanka</td>
</tr>
<tr>
<td>1894</td>
<td>Thailand</td>
</tr>
<tr>
<td>1904</td>
<td>Vietnam</td>
</tr>
<tr>
<td>1905</td>
<td>Bangladesh</td>
</tr>
<tr>
<td>1953</td>
<td>Cambodia</td>
</tr>
<tr>
<td>1958</td>
<td>Brunei</td>
</tr>
<tr>
<td>1964</td>
<td>Australia</td>
</tr>
<tr>
<td>1986</td>
<td>Nepal</td>
</tr>
<tr>
<td>1996</td>
<td>Laos</td>
</tr>
</tbody>
</table>

YTD Q3 income by markets

- Singapore: 37%
- India: 28%
- Malaysia: 10%
- Indonesia: 7%
- Others: 11%
- Bangladesh: 7%

= 100%
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


¹) AEC = ASEAN Economic Community, ²) Gap refers to the difference between current infrastructure spending plans and projected infrastructure spending plans over 2015-30
Reshaping the ASA portfolio to improve quality of income and returns

**Priorities**

<table>
<thead>
<tr>
<th>Portfolio focus</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Grow / turnaround</strong></td>
<td>Singapore, India, Bangladesh, Malaysia, Indonesia</td>
</tr>
<tr>
<td><strong>Maintain</strong></td>
<td>Brunei, Australia, Nepal</td>
</tr>
<tr>
<td><strong>Reshape</strong></td>
<td>Thailand, Philippines</td>
</tr>
<tr>
<td><strong>‘Mix-shift’</strong></td>
<td>Drive ‘mix-shift’ to ‘asset-light’ products</td>
</tr>
<tr>
<td><strong>Digitise</strong></td>
<td>Deploy end-to-end market leading digital capabilities in key RB markets</td>
</tr>
</tbody>
</table>

**Financial performance**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>H1 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>4,253</td>
<td>4,052</td>
<td>1,964</td>
</tr>
<tr>
<td>Expenses</td>
<td>(2,621)</td>
<td>(2,518)</td>
<td>(1,250)</td>
</tr>
<tr>
<td>Loan impairment</td>
<td>(1,942)</td>
<td>(762)</td>
<td>(315)</td>
</tr>
<tr>
<td>Underlying profit / (loss) before tax</td>
<td>(358)</td>
<td>629</td>
<td>400</td>
</tr>
</tbody>
</table>

- Excl. impact of business exits, 9M17 income down 2% YoY
- 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

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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

- GCNA
- ASA
- AME

<table>
<thead>
<tr>
<th># of markets</th>
<th>4</th>
<th>9</th>
<th>14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of income</td>
<td>40%</td>
<td>37%</td>
<td>23%</td>
</tr>
</tbody>
</table>

Our clients

<table>
<thead>
<tr>
<th>Sub-segment</th>
<th>Sales turnover range</th>
<th># of clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Corporate</td>
<td>US$ 50m – US$ 1.5bn</td>
<td>~20,000 client groups</td>
</tr>
<tr>
<td>Medium Enterprises</td>
<td>US$ 10m – US$ 50m</td>
<td>~21,000 client groups</td>
</tr>
</tbody>
</table>

Our evolution

- Consumer Banking
  - SME
- Wholesale Banking
  - Local Corporates and Middle Market
- Commercial Clients
  - Medium-sized enterprise clients from Consumer Banking, SME
  - Middle Market segment from Wholesale Banking
- Commercial Banking
  - Commercial Clients
  - Local Corporates from Corporate and Institutional Clients

1) Exact sub-segment sales turnover range varies by market
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**
- **Strengthen foundations in risk and control**
- **Improve efficiency, productivity and service quality**
- **Embed innovation, digitisation and analytics**
- **Invest in people, strengthen culture and conduct**
- **Accelerate NTB, shift product mix and deepen clients**
- **Enhance credit risk management and monitoring**
- **Shorten turnaround times – particularly for the basics**
- **Improve analytics and frontline tools – enable focused targeting and client management**
- **Improve engagement and quality of relationship managers**
Significant opportunity, at the heart of the Bank

Financial performance

<table>
<thead>
<tr>
<th></th>
<th>US$m</th>
<th>2015</th>
<th>2016</th>
<th>H1 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td>1,605</td>
<td>1,295</td>
<td>660</td>
</tr>
<tr>
<td>Expenses</td>
<td>(US$m)</td>
<td>(1,071)</td>
<td>(929)</td>
<td>(427)</td>
</tr>
<tr>
<td>Loan impairment</td>
<td></td>
<td>(1,160)</td>
<td>(491)</td>
<td>(42)</td>
</tr>
<tr>
<td>Underlying profit (loss) before tax</td>
<td></td>
<td>(643)</td>
<td>(120)</td>
<td>188</td>
</tr>
</tbody>
</table>

- 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 NTB\(^1\) acquisition

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)
Private Banking
Private Banking overview

Presence in 6 leading financial centres

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

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6 Advisory and booking centres

~350 Relationship managers

~$60bn Asset under management
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**
   
<table>
<thead>
<tr>
<th>Region</th>
<th>2016</th>
<th>2021E</th>
<th>2016</th>
<th>2021E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific</td>
<td>38.1</td>
<td>61.3</td>
<td>8.1</td>
<td>12.0</td>
</tr>
<tr>
<td>Middle East and Africa</td>
<td>9.9</td>
<td>8.1</td>
<td>6.0</td>
<td>223.1</td>
</tr>
<tr>
<td>Global</td>
<td>166.5</td>
<td></td>
<td>6.0</td>
<td></td>
</tr>
</tbody>
</table>

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

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¹ Source: BCG

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Different advantages through our footprint, strong corporate relationships and open architecture
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

<table>
<thead>
<tr>
<th></th>
<th>US$m</th>
<th>2015</th>
<th>2016</th>
<th>H1 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>534</td>
<td>496</td>
<td>242</td>
<td></td>
</tr>
<tr>
<td>Expenses</td>
<td>(341)</td>
<td>(463)</td>
<td>(243)</td>
<td></td>
</tr>
<tr>
<td>Loan impairment</td>
<td>(94)</td>
<td>(1)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Underlying profit / (loss) before tax</td>
<td>99</td>
<td>32</td>
<td>(1)</td>
<td></td>
</tr>
</tbody>
</table>

- 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

1) NNM = Net New Money