Our ongoing transformation is enabling us to weather the macroeconomic storm

We are pursuing exciting initiatives in dynamic markets, with a higher quality and lower risk business

**Strategic progress**

- We are creating a single pan-Asia region to more effectively deliver our **Network** there
- We will combine our operations that serve individuals to grow our **Affluent** business …
- … and sharpen the focus on our **Digital** plans, with our virtual bank now live in Hong Kong
- These organisation changes will also support initiatives to improve **Productivity**
- Profit in our four large **Optimisation Markets** improved 16% YTD\(^1\)
- Providing **Sustainable Finance** where it matters most: 86% in least developed markets

**Performance**

- Underlying growth in focus areas offset by lower interest rates: income down 10%\(^2\)
- Cost discipline created capacity for investment with operating expenses broadly flat\(^2\)
- Credit impairment up $74m YoY, but down $258m QoQ (2\(^{nd}\) consecutive quarter decline)
- Underlying profit fell 40% driven by the more challenging external conditions
- We face continued uncertainty with stronger CET1 and substantial ECL provisions

---

1. YTD: year-to-date at constant currency (aggregate underlying profit before tax growth in India, Korea, UAE and Indonesia)
2. 3Q'20 year-on-year change, at constant currency and - for income - excluding debit valuation adjustment
3Q’20 Results

Financial performance
Our capital remains very strong, despite profitability impacted as expected by the external environment.

<table>
<thead>
<tr>
<th>($bn)</th>
<th>3Q’19</th>
<th>3Q’20</th>
<th>YoY¹</th>
<th>Ccy¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income ex-DVA</td>
<td>4.0</td>
<td>3.5</td>
<td>(11)%</td>
<td>(10)%</td>
</tr>
<tr>
<td>DVA</td>
<td>0.0</td>
<td>(0.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income</td>
<td>4.0</td>
<td>3.5</td>
<td>(12)%</td>
<td>(11)%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(2.5)</td>
<td>(2.5)</td>
<td>1%</td>
<td>(0)%</td>
</tr>
</tbody>
</table>

- Income down due to interest rates, as previously guided
  - Down 10%² having absorbed 38bps reduction in NIM
- Expenses flat ccy, despite continued investment
- Impairment $74m (27%) higher YoY; down $258m QoQ
  - Stage 1 & 2 down $108m QoQ
  - Stage 3 down $150m QoQ
- $231m goodwill impairment in UAE and Indonesia
- Risk-weighted assets increased slightly QoQ, as guided
  - Up $4bn / 2% in 3Q’20: credit migration and FX
- Balance sheet is very strong
  - CET1% 14.4% above the top of 13-14% range
  - The Board will consider resuming shareholder returns at the time of FY’20 results, subject to regulatory consultation
  - LCR up 9%pt YoY at 142%
- Return on tangible equity down 450bps to 4.4%

| Pre-provision operating profit | 1.5   | 1.0   | (30)%| (30)%|
| Credit impairment             | (0.3) | (0.4) | (27)%| (32)%|
| Other impairment              | (0.0) | (0.0) |      |      |
| Profit from associates        | 0.0   | 0.1   | 64%  | 61%  |

- Underlying profit before tax
  - 1.2 vs 0.7 (40)% vs (41)%
  - Goodwill impairment, restructuring & other items (0.1) vs (0.3) Nm³

| Statutory profit before tax  | 1.1   | 0.4   | (61)%| (62)%|
| Risk-weighted assets         | 269   | 267   |      |      |

- Net interest margin (NIM) (%)
  - 1.61 vs 1.23 (38)bps
- CET1 ratio (%)
  - 13.5 vs 14.4 90bps
- Liquidity coverage ratio (LCR) (%)
  - 133 vs 142 9%pt

- Underlying RoTE (%)
  - 8.9 vs 4.4 (450)bps

¹. YoY: year-on-year variance is better/worse than for risk-weighted assets, common equity tier 1 (CET1) and liquidity coverage ratio, which is increase/(decrease) / Ccy: constant currency
². At constant currency and excluding debit valuation adjustment (DVA)
³. Nm: Not meaningful
3Q’20 income was down 10% at constant currency and ex-DVA, despite diversity benefits

Recovery in Wealth Management and strength in Financial Markets outweighed by the impact of interest rate cuts

Income 3Q’20 vs 3Q’19 ($m)

<table>
<thead>
<tr>
<th>Segment</th>
<th>3Q’19 ex-DVA</th>
<th>3Q’19 constant currency ex-DVA</th>
<th>Wealth Management</th>
<th>Financial Markets ex-DVA</th>
<th>Lending &amp; Portfolio Management</th>
<th>Corporate Finance</th>
<th>Retail Products</th>
<th>Transaction Banking</th>
<th>Treasury &amp; Other</th>
<th>3Q’20 ex-DVA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,964</td>
<td>3,942</td>
<td>80</td>
<td>79</td>
<td>23</td>
<td>9</td>
<td>(108)</td>
<td>(216)</td>
<td>(268)</td>
<td>3,541</td>
</tr>
<tr>
<td>Income 3Q’19 vs 3Q’19 (%)</td>
<td></td>
<td></td>
<td>16%</td>
<td>9%</td>
<td>12%</td>
<td>3%</td>
<td>(11)%</td>
<td>(25)%</td>
<td>(96)%</td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital/Liquidity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Income impacts:
- Wealth Management: -10% (79)
- Financial Markets: -12% (23)
- Lending & Portfolio Management: -3% (9)
- Corporate Finance: +16% (80)
- Retail Products: -22% (22)
- Transaction Banking: -216
- Treasury & Other: -268
- Total: -10% (3,541)
The net interest margin should stabilise slightly below the 3Q’20 level

The 1Q’20 rate cuts should be fully reflected in the NIM over the next two quarters

<table>
<thead>
<tr>
<th>Gross yield (bps)</th>
<th>Rate paid (bps)</th>
<th>Adjusted NIM (%)</th>
<th>Adjusted net interest income ($m)</th>
<th>AIEA ($bn)</th>
<th>AIBL ($bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>340</td>
<td>195</td>
<td>1.61</td>
<td>6,029</td>
<td>490</td>
<td>441</td>
</tr>
<tr>
<td>246</td>
<td>123</td>
<td>1.34</td>
<td>5,245</td>
<td>522</td>
<td>474</td>
</tr>
</tbody>
</table>

1. Statutory basis: the Group has changed its accounting policy for net interest income and basis of preparation of its net interest margin to better reflect the underlying performance of its banking book. See notes to the financial statements in the 2019 Annual Report for further details
2. AIEA: Average interest earning assets / AIBL: Average interest bearing liabilities
3. Upside risk = continued progress on optimising mix and pricing / Downside risk = more aggressive pricing competition and/or further rate cuts

- 3Q’20 adjusted NII down 20% YoY / 4% QoQ
- Adjusted NIM\(^1\) down 5bps QoQ
  - Drag from lower rates partially offset by better pricing and improved mix (below)

- Should stabilise slightly below 1.23% over the next two quarters\(^3\)
- Expectations for FY’21:
  - Positive NII drivers expected to include volume growth at stabilised NIM\(^3\) as well as continued mix and pricing optimisation

---

1. CASA includes Retail CASA and TB Operating Account Balances
2. CASA as a % of total group customer deposits excluding repurchase agreements and other similar secured borrowing

---

1. Statutory basis: the Group has changed its accounting policy for net interest income and basis of preparation of its net interest margin to better reflect the underlying performance of its banking book. See notes to the financial statements in the 2019 Annual Report for further details
2. AIEA: Average interest earning assets / AIBL: Average interest bearing liabilities
3. Upside risk = continued progress on optimising mix and pricing / Downside risk = more aggressive pricing competition and/or further rate cuts
Strong growth in fees and commissions was more than offset by lower trading income: Other income\(^1\) down 6%

Net fees and commissions and net trading and other income is now 56% of total income, and is up 8% YTD

### Income, statutory basis ($m)

<table>
<thead>
<tr>
<th></th>
<th>YTD'19</th>
<th>YTD'20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net fees and commissions ($m)</td>
<td>6,028</td>
<td>6,508</td>
</tr>
<tr>
<td>Net trading and other income ($m)</td>
<td>3,302</td>
<td>4,032</td>
</tr>
</tbody>
</table>

- **Net fees and commissions up 3% YoY**
  - RB + PvB up 11% driven by Wealth Management and Mortgage & Auto

- **Net trading and other income down 14% YoY (down 11% ex-DVA)**
  - Lower Treasury income\(^2\)
  - FM income flat excluding a $36m negative DVA movement

---

\(^1\) Statutory basis net fees and commissions + net trading & other income; 3Q'20 vs 3Q'19 %

\(^2\) Lower Treasury income in 3Q'20 was due to a $67 million negative movement in hedging ineffectiveness, including hedge mark-to-market losses incurred in 3Q'20, reduced FX swap income and lower realisation gains
Robust cost control continued in 3Q’20 and will be maintained through 2021

We are on track for expenses to be below $10bn (FY’19: $10.1bn) in both FY’20 and FY’21\(^2\)

1. Cost-to-income ratio is calculated as Income ex-DVA / Operating expense ex-UK bank levy. The equivalent ratio in 3Q’19 / 3Q’20 including DVA is 63% / 70%
2. Excludes the UK bank levy
3. Excludes the UK bank levy at constant currency basis

<table>
<thead>
<tr>
<th>Cost-to-income ratio(^1) (%)</th>
<th>YTD’19</th>
<th>YTD’20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>64</td>
<td>63</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other operating expenses(^2) ($m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YTD’19</td>
</tr>
<tr>
<td>YTD’20</td>
</tr>
</tbody>
</table>

- Expenses improved 1% YoY; flat ccy
  - Investment up 12% QoQ
- FY’20 expenses\(^2\) on track to be below $10bn
- Efficiency actions underway to reinforce FY’21 expenses target
  - FY’21 expenses likely to increase YoY\(^3\) given ambitious digital investment plans…
  - … but are expected to be below $10bn
The outlook for credit quality remains uncertain, but we still expect a lower charge HoH in 2H’20

Asset quality was broadly stable, with high risk assets remaining at elevated levels

Credit impairment ($m) / Loan loss rate (bps)

<table>
<thead>
<tr>
<th>Loan loss rate¹ (bps)</th>
<th>23bps</th>
<th>74bps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1 and Stage 2 Credit impairment ($m)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>533</td>
<td>1,920</td>
<td></td>
</tr>
<tr>
<td>Stage 3 Credit impairment ($m)</td>
<td>396</td>
<td>1,143</td>
</tr>
<tr>
<td>YTD’19</td>
<td>YTD’20</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income Statement ($m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3Q’19</td>
</tr>
<tr>
<td>279</td>
</tr>
<tr>
<td>224</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Balance Sheet ($bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>30.09.19</td>
</tr>
<tr>
<td>4.0</td>
</tr>
<tr>
<td>1.6</td>
</tr>
</tbody>
</table>

- Credit impairment up $74m / 27% YoY
  - Significant reduction QoQ in 3Q’20
  - Stage 1/2 includes $77m overlay (bringing total overlay to $377m YTD³)
  - Stage 3 down 38% QoQ
- 3Q’20 outcome reinforces belief that 2H’20 < 1H’20

- Net stage 3 L&A and CG12 up $0.8bn QoQ
- EA down $1bn, ~80% from Aviation and M&M⁴
- Strong cover ratio at 58% (2Q’20: 60%)⁵ / 76% including collateral (2Q’20: 80%)
- Investment grade exposures up 2%pt to 59%
- L&A to Vulnerable sectors⁶ down $1.3bn QoQ
- Retail Banking DPDs⁷ peaked in May

1. Loan loss rate is on a year-to-date annualised basis
2. Early Alerts (Non-Purely Precautionary) are on a net nominal basis
3. Overlay is net of a $16m release related to Hong Kong booked in 4Q’19 and released in 1Q’20
4. M&M: Metals & Mining
5. Cover ratio before collateral
6. "Vulnerable sector" exposures identified at 1Q’20 – see page 18 and refer to pages 37 and 38 of the 3Q’20 Results for further details
7. Retail Banking 30 and 90 Days Past Due
We have ample capital headroom to fund both growth and dividends\(^1\) in 2021

**Risk-weighted assets ($bn)**

<table>
<thead>
<tr>
<th>30.06.20</th>
<th>Asset growth</th>
<th>RCF drawdown</th>
<th>Derivatives</th>
<th>Asset Quality</th>
<th>Market Risk</th>
<th>FX/Other(^2)</th>
<th>30.09.20</th>
</tr>
</thead>
<tbody>
<tr>
<td>262.6</td>
<td>0.2</td>
<td>-0.9</td>
<td>-1.7</td>
<td>5.2</td>
<td>(0.5)</td>
<td>1.8</td>
<td>266.7</td>
</tr>
</tbody>
</table>

- RWA up 2% or $4.1bn from 30.06.20
  - Credit migration and FX impact
- 4Q'20 RWA expected to increase slightly QoQ
- Expect RWA ≤ asset growth in 2021 overall
  - Disciplined lending in less RWA-dense areas (e.g. Network business)
  - Ongoing low-returning RWA optimisation and model improvement programmes

**CET1 ratio (%)**

<table>
<thead>
<tr>
<th>30.06.20</th>
<th>PAT</th>
<th>AT1</th>
<th>CRWA/MRWA</th>
<th>FX/Other(^3)</th>
<th>30.09.20</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.3</td>
<td>0.1</td>
<td>0.0</td>
<td>(0.1)</td>
<td>0.2</td>
<td>14.4</td>
</tr>
</tbody>
</table>

- CET1 above the top of target 13-14% range
  - Board will consider resuming shareholder returns at the time of FY’20 results\(^1\)
  - Includes 8bps benefit from COVID relief regulatory changes\(^4\)
- UK leverage ratio 5.2% flat vs 30.06.20, well above minimum requirement of 3.7%

---

1. Subject to regulatory consultation
2. Includes FX impact $2.2bn, Models $(0.1)bn and Initiatives $(0.4)bn
3. Includes FX benefit of 8bps and lower regulatory deductions benefit of 9bps
4. COVID relief changes comprise: IFRS9 transitional relief on dynamic provisions announced in June 2020 and PVA calculation changes
3Q’20 Results

Strategic progress and concluding remarks
We are streamlining our organisation to sharpen focus on our competitive advantages and improve productivity

These changes will create a leaner organisation ...

Segments

- Corporate & Institutional Banking
- Commercial Banking
- Retail Banking
- Private Banking

Corporate, Commercial & Institutional Banking

- 29k clients²
- 59% Group income¹
- 7.3% RoTE¹

Consumer, Private and Business Banking

- 9.6m customers²
- 37% Group income¹
- 8.5% RoTE¹

Regions

- Greater China & North Asia
- ASEAN & South Asia

Asia

- 21 markets¹
- 69% Group income¹

Africa & Middle East

Europe & Americas³

... that will drive incremental strategic benefits

<table>
<thead>
<tr>
<th>Our existing strategic priorities³</th>
<th>Deliver Network</th>
<th>Grow Affluent</th>
<th>Improve Productivity</th>
<th>Transform with Digital</th>
<th>Optimise four markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>✅</td>
<td></td>
<td></td>
<td>✅</td>
<td></td>
<td>✅</td>
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<tr>
<td>✅</td>
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<td>✅</td>
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<td></td>
<td></td>
<td></td>
<td>✅</td>
</tr>
</tbody>
</table>

1. September YTD 2020; The income figures by segment shown on this page do not aggregate to 100% of the Group; the remaining 4% of our income is reported in Central & other (segment)
2. As at 31.08.20; ~1.9m of the customers served by the combined segment are considered ‘affluent’ (Premium, Priority or Private), for whom we currently manage assets > $200bn
3. As set out in February 2019 alongside our 2018 full-year results
4. Our businesses in the Europe & Americas region predominately enable corporate and institutional clients based there to utilise our network throughout Asia, Africa and the Middle East, so from 01.01.21 they will report to the CEO, Corporate, Commercial & Institutional Banking
Our virtual bank Mox is now live in Hong Kong, and is just one of several exciting and differentiated digital initiatives.

- Mox is a key differentiator in our digital strategy:
  - Our first standalone digital retail bank; it will not be the last
  - We are not afraid to disrupt even our biggest markets digitally
  - ‘Cloud native’ technology stack is scalable and portable
  - Collaborating with leading partners¹ and technology platforms

- A successful launch:
  - >35k new accounts opened
  - Already >$325m in deposits
  - Median account opening time of ~8 minutes
  - >50% of new accounts opened outside branch opening hours²
  - Highest-rated HK banking App: iOS App Rating 4.8

1. Mox by Standard Chartered in partnership with PCCW, HKT and Trip.com
2. Business days between 9am and 5pm
Our purpose is driving our business decisions, bold actions and ambitious commitments

Our purpose: Driving commerce and prosperity through our unique diversity

We understand our responsibilities

- Retained ‘AA’ ESG\(^1\) rating from MSCI
- Target of ‘net zero emissions’\(^2\) from our operations by 2030
- Established partnership with Imperial College on assessing climate risks in our decisions
- Focus shifted to delivering Sustainability Aspirations supporting the UN SDGs\(^1\)

We will lead sustainable financing across emerging markets

- Launched annual sustainable finance impact report in July:
  - $3.9bn of sustainable financing; 86% in least developed nations
  - 739k tonnes of avoided emissions from clean energy projects financed
  - Reached over 1.3m people through microfinance institution funding
- Tripled sustainable deposits: now close to $2bn
- c900 E&S\(^1\) reviews completed: up 19%

We will continue to invest in our people

- We are changing the way we will work post COVID
  - Hybrid solutions being implemented in 9 markets
  - Future skills academies (human and technical) launched
  - Creating a culture of learning
  - 50k learners on new digital platform
- Signed the ‘UK Race at Work’ Charter
- Partnering with ‘Leadership Enterprise for a Diverse America’ to support ethnic minority representation

We support the communities where we work and live

- $50m COVID Global Charitable Fund:
  - Phase 1: $25m distributed as emergency relief; 120 partners in 59 markets
  - Phase 2: $3m contributed for economic recovery
- $1bn financing for companies providing goods and services to fight COVID:
  - $600m approved; >80% disbursed
  - $9.8bn Loans & Advances subject to COVID relief (pg 20)
  - 3% of total Group L&A
  - Down $4.7bn in 3Q’20
  - 83% of RB\(^1\) loans secured

1. SDG = United Nation’s Sustainable Development Goals. ESG = Environmental, Social and Governance. E&S reviews = Environmental and Social Risk Assessment carried out at a client or transaction level by our specialist team. RB = Retail Banking
2. ‘Net zero’ emissions means in aggregate we will not produce any emissions from our operations. For example, a net zero carbon building is a building that is fully powered by renewable energy sources

Note: data on this page does not necessarily relate to 3Q’20 alone
Concluding remarks

Positive signs of economic recovery are emerging but risks persist

- Some large economies in our footprint to recover from COVID sooner and faster …
- … which would support client demand and continued asset quality improvement in 2021
- Income:
  - Similar 4Q QoQ seasonality to 2019
  - Recovery-led volume growth in 2021, with NIM stabilising slightly lower over the next two quarters
  - Continued NII optimisation efforts and NFI momentum in 2021
- FY’20 and FY’21 expenses <$10bn
- Credit impairment 2H’20 < 1H’20
- RWA to increase slightly QoQ in 4Q’20, but RWA growth ≤ asset growth in FY’21

Outlook expectations

We believe some of our larger markets will start to drive the global economy out of recession

IMF: real GDP growth forecasts %

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>World Output</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced Economies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>United States</td>
<td>(4.3)</td>
<td>3.1</td>
</tr>
<tr>
<td>Euro Area</td>
<td>(8.3)</td>
<td>5.2</td>
</tr>
<tr>
<td>Emerging / Developing Asia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>1.9</td>
<td>8.2</td>
</tr>
<tr>
<td>India</td>
<td>(10.3)</td>
<td>8.8</td>
</tr>
<tr>
<td>ASEAN 5(^4)</td>
<td>(3.4)</td>
<td>6.2</td>
</tr>
<tr>
<td><strong>IMF: World Economic Outlook October 2020, IMF:</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 1. Upside risk = continued progress on optimising mix and pricing / Downside risk = more aggressive pricing competition and/or further rate cuts
| 2. Total expenses excluding the UK bank levy, which is paid in the 4th quarter and is currently forecast to be around $330m for 4Q’20. The FY’21 cost guidance is on a constant currency basis
| 4. ASEAN 5 = Indonesia, Malaysia, Philippines, Thailand and Vietnam

14
Appendix

Vulnerable sectors, macroeconomic indicators and COVID relief measures

Information for fixed income investors

Abbreviated terms and important notice
Vulnerable sectors, macroeconomic indicators and COVID relief measures
We continue to monitor exposures to sectors most at risk from COVID and lower oil prices particularly carefully.

Loans and advances in “Vulnerable sectors” decreased by $1.3bn during 3Q’20 and are now 8% of Group total.¹

<table>
<thead>
<tr>
<th>IFRS 9 (as at 30 September 2020)</th>
<th>Commodity Traders</th>
<th>Oil and Gas</th>
<th>Metals &amp; Mining</th>
<th>Aviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>% &lt; 1 year maturity²</td>
<td>91%</td>
<td>54%</td>
<td>76%</td>
<td>26%</td>
</tr>
<tr>
<td>Net Stage 3 L&amp;A ($bn)</td>
<td>8.8</td>
<td>8.7</td>
<td>5.0</td>
<td>4.3</td>
</tr>
<tr>
<td>Net Stage 2 L&amp;A ($bn)</td>
<td>8.2</td>
<td>6.9</td>
<td>1.2</td>
<td>2.0</td>
</tr>
<tr>
<td>Net Stage 1 L&amp;A ($bn)</td>
<td>0.2</td>
<td>0.2</td>
<td>0.1</td>
<td>0.2</td>
</tr>
</tbody>
</table>

**Change in total Net L&A from 30.06.20 ($bn)**
- (0.8)
- (0.1)
- (0.2)
- (0.2)

**Gross L&A by credit grade (%)**:
- CG 1A – 11C (Strong / Satisfactory)
- CG 12 (Higher risk)
- Defaulted
- % in Early Alert (NPP)²

**Vulnerable sectors**
- Off balance sheet exposure 13% of Group, stable QoQ
- ECL provision up $0.2bn to $1.3bn
- M&M decrease of $0.2bn in CG12

**Other sectors considered COVID-sensitive³**
- Commercial Real Estate
  - $18.2bn Net L&A, down $0.1bn
  - 98% strong/satisfactory credit grade
- Hotels & Tourism
  - $2.7bn Net L&A, down $0.2bn
  - 95% strong/satisfactory credit grade

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¹. Based on net loans and advances to customers and banks as at 30 September 2020
². “% in Early alert (non-purely precautionary)” and “% < 1 year maturity” are on a net nominal basis
³. See pages 37 and 38 of the 3Q’20 Results for further details of the Group’s COVID-sensitive vulnerable sectors
### Changes to macroeconomic forecasts for key footprint markets: 2Q’20 to 3Q’20

#### Baseline: change in macroeconomic forecasts

<table>
<thead>
<tr>
<th></th>
<th>China</th>
<th>Hong Kong</th>
<th>Korea</th>
<th>Singapore</th>
<th>India</th>
<th>Crude price Brent, bbl</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GDP (YoY): 2020 Forecast</strong></td>
<td>2.5% ⇒ 2.4%</td>
<td>(7.2)% ⇒ (7.2)%</td>
<td>(0.6)% ⇒ (0.6)%</td>
<td>(6.0)% ⇒ (5.9)%</td>
<td>(4.0)% ⇒ (8.0)%</td>
<td>$34 ⇒ $36</td>
</tr>
<tr>
<td><strong>GDP (YoY): 2021 Forecast</strong></td>
<td>7.5% ⇒ 7.5%</td>
<td>6.0% ⇒ 6.0%</td>
<td>2.2% ⇒ 2.2%</td>
<td>8.2% ⇒ 8.2%</td>
<td>13.1% ⇒ 10.0%</td>
<td>$44 ⇒ $44</td>
</tr>
<tr>
<td><strong>GDP (YoY): 5 year average base forecast</strong></td>
<td>5.9% ⇒ 5.9%</td>
<td>1.9% ⇒ 2.9%</td>
<td>2.0% ⇒ 2.4%</td>
<td>2.1% ⇒ 3.4%</td>
<td>6.0% ⇒ 5.5%</td>
<td>$50 ⇒ $53</td>
</tr>
<tr>
<td><strong>Unemployment: 5 year average base forecast</strong></td>
<td>3.8% ⇒ 3.5%</td>
<td>4.1% ⇒ 4.4%</td>
<td>3.9% ⇒ 3.4%</td>
<td>3.5% ⇒ 3.3%</td>
<td>N/A ⇒ N/A</td>
<td></td>
</tr>
<tr>
<td><strong>3 month interest rate: 5 year average base forecast</strong></td>
<td>2.4% ⇒ 2.5%</td>
<td>2.1% ⇒ 1.4%</td>
<td>1.6% ⇒ 1.4%</td>
<td>1.7% ⇒ 1.2%</td>
<td>4.4% ⇒ 3.7%</td>
<td></td>
</tr>
<tr>
<td><strong>House prices (YoY): 5 year average base forecast</strong></td>
<td>6.4% ⇒ 6.1%</td>
<td>3.9% ⇒ 4.0%</td>
<td>2.3% ⇒ 2.5%</td>
<td>3.8% ⇒ 4.7%</td>
<td>6.0% ⇒ 6.9%</td>
<td></td>
</tr>
</tbody>
</table>

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1. Forecast from Standard Chartered Global Research as at 31 August 2020
We are providing relief from the impact of COVID for individual customers, small business owners and corporate clients.

Loans subject to relief down $4.7bn since June to $9.8bn: 3% of total Group L&A\(^4\)

**Approved Retail Banking COVID relief applications by region\(^{1,5}\) ($m)**

<table>
<thead>
<tr>
<th>Region</th>
<th>30-Jun-20</th>
<th>30-Sep-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>GCNA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ASA</td>
<td>7,386</td>
<td></td>
</tr>
<tr>
<td>AME</td>
<td>909</td>
<td>771</td>
</tr>
<tr>
<td>E&amp;A</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

% of which are CB\(^2\) Clients (at 30 Sep 2020):
- GCNA: 96%
- ASA: 96%
- AME: 68%
- E&A: 4%

**Approved CCIB\(^2\) COVID relief applications by region\(^{1,5}\) ($m)**

<table>
<thead>
<tr>
<th>Region</th>
<th>30-Jun-20</th>
<th>30-Sep-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>GCNA</td>
<td>1,962</td>
<td>1,727</td>
</tr>
<tr>
<td>ASA</td>
<td>2,592</td>
<td>3,108</td>
</tr>
<tr>
<td>AME</td>
<td>697</td>
<td>1,289</td>
</tr>
<tr>
<td>E&amp;A</td>
<td></td>
<td>356</td>
</tr>
</tbody>
</table>

% of which are CB\(^2\) Clients (at 30 Sep 2020):
- GCNA: 96%
- ASA: 96%
- AME: 68%
- E&A: 4%

- RB\(^3\) relief applications reduced by $5.5bn to $3.4bn during 3Q'20
  - India and Malaysia initial schemes ended in 3Q'20
  - 3% of total RB\(^3\) L&A\(^4\) subject to relief
- 83% are fully secured; 70% Mortgages & Auto (with Loan-to-Value of 45%)
- Additional measures have been put in place in some markets post initial schemes ending
- CCIB\(^2\) relief applications increased $0.9bn to $6.5bn
  - $4.2bn in CB\(^2\); 15% of total L&A\(^4\)
  - $2.3bn in CIB\(^2\); 1% of total L&A\(^4\)
- $2.8bn have been repaid
- ~5k clients, similar to 2Q'20, 95% in CB\(^2\)

---

1. Outstanding loan balances as at 30 June 2020 and 30 September 2020
2. CCIB = Corporate, Commercial & Institutional Banking; CIB = Corporate & Institutional Banking; CB = Commercial Banking
3. RB = Retail Banking
4. L&A = Loans and advances to customers
5. See page 36 of the 3Q'20 Results for further details of the Group's COVID relief measures
Information for fixed income investors
Balance sheet strength through volatile times

- **CET1%**
  - 13.8% (31.12.19)
  - 14.3% (30.06.20)
  - 14.4% (30.09.20)
  - Min req: 10.0%

- **MREL%**
  - 28.6% (31.12.19)
  - 30.7% (30.06.20)
  - 30.4% (30.09.20)
  - Min req: 26.2%

- **Leverage ratio**
  - 5.2% (31.12.19)
  - 5.2% (30.06.20)
  - 5.2% (30.09.20)
  - Min req: 3.7%

- **LCR**
  - 144% (31.12.19)
  - 149% (30.06.20)
  - 142% (30.09.20)
  - Pillar 1 Min req: 100%

1. Fully-phased minimum requirements from 1 January 2022 with Pillar 2A at Sep’20 level

- **CET1 remains above target range:** Board will consider resuming shareholder returns at the time of FY’20 results, subject to consultation with regulators.

- **MREL position supported by $8.9bn of issuance in 2020 across the capital structure:** well above our 2022 requirement.

- **Leverage ratio stable:** operating with significant headroom to minimum requirements.

- **LCR remains resilient:** further improvement in funding quality, capacity to support clients as some of our key markets lead the economic recovery from COVID.
The Group’s liquidity position remained resilient in 3Q’20

- **Total customer deposits**
  - Breakdown: Time deposits & other, CASA, %CASA/Total Customer Deposits

- **Advances-to-deposits ratio**
  - 30.06.19: 64%, 31.12.19: 64%, 30.06.20: 63%, 30.09.20: 64%

- **Liquidity coverage ratio**
  - 30.06.19: 139%, 31.12.19: 144%, 30.06.20: 149%, 30.09.20: 142%

- LCR has remained above 140% during 2020: well above minimum requirements.
- Market liquidity conditions continued to improve in 3Q’20: liquidity is being managed dynamically and prudently ahead of potential uncertainties such as the US elections and Brexit.
- Capacity to support clients through further COVID-related disruption and to take advantage of future growth opportunities.
- Funding quality further improved QoQ with Retail CASA growth supporting a reduction in Time Deposits: CASA now 65% of Customer Deposits.
CET1 position strong: absolutely\(^1\) and relative to requirements

Material headroom to minimum CET1 requirements

- CET1 of 14.4%: over $11bn of headroom to MDA\(^2\) threshold
- Capacity to continue to support clients through, and absorb further impacts of, the COVID pandemic
- Expected CET1 benefit of ~20bps from changes to treatment of software intangibles in 4Q'20\(^3\)
- Continue to target 13-14% CET1 over the medium term
- Surplus capital will first support growth, then fund dividends with any remainder being returned to shareholders

External MREL position ahead of known 2022 requirement

- Meet expected 2022 MREL today with a buffer of over 400bps
- Proactively raised $7.4bn of MREL eligible liabilities by 3Q'20 despite challenging markets:
  - $5.3bn senior, $1.1bn Tier 2 and $1bn AT1
  - Ability to access G3 and franchise currencies
  - Further $1.5bn senior issuance since period end
- Total Group loss absorbing capacity >$80bn as at 3Q'20
Abbreviated terms and important notice
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affluent activities</td>
<td>Personal banking services offered to affluent and emerging affluent customers</td>
</tr>
<tr>
<td>AME</td>
<td>The Group’s business in the Africa &amp; Middle East region</td>
</tr>
<tr>
<td>ASA</td>
<td>The Group’s business in the ASEAN &amp; South Asia region</td>
</tr>
<tr>
<td>bps</td>
<td>Basis points</td>
</tr>
<tr>
<td>CASA</td>
<td>Current account and savings account</td>
</tr>
<tr>
<td>C&amp;A</td>
<td>Central &amp; Other</td>
</tr>
<tr>
<td>CB</td>
<td>The Group’s Commercial Banking segment</td>
</tr>
<tr>
<td>Ccy</td>
<td>Variance on a Constant Currency basis</td>
</tr>
<tr>
<td>CCR</td>
<td>Counterparty Credit Risk: the potential for loss in the event of the default of a derivative counterparty, after taking into account the value of eligible collaterals and risk mitigation</td>
</tr>
<tr>
<td>CMV</td>
<td>Current market value</td>
</tr>
<tr>
<td>COVID</td>
<td>COVID-19 (coronavirus disease) caused by the SARS-CoV-2 virus</td>
</tr>
<tr>
<td>CET1</td>
<td>Common Equity Tier 1 capital. CET1 ratio = a measure of CET1 capital as a percentage of RWA</td>
</tr>
<tr>
<td>CG12</td>
<td>Credit Grade 12 accounts. Credit grades are indicators of likelihood of default. Credit grades 1 to 12 are assigned to performing customers, while credit grades 13 and 14 are assigned to non-performing or defaulted customers</td>
</tr>
<tr>
<td>CB</td>
<td>The Group’s Corporate &amp; Institutional Banking segment</td>
</tr>
<tr>
<td>DPD</td>
<td>Day past due: one or more days that interest and/or principal payments are overdue based on the contractual terms</td>
</tr>
<tr>
<td>DVA</td>
<td>The Group calculates Debit Valuation Adjustments on its derivative liabilities to reflect changes in its own credit standing</td>
</tr>
<tr>
<td>EA</td>
<td>The Group’s business in the Europe &amp; Americas region</td>
</tr>
<tr>
<td>EAD</td>
<td>Exposure At Default: The estimation of the extent to which the Group may be exposed to a customer or counterparty in the event of, and at the time of, that counterparty’s default. At default, the customer may not have drawn the loan fully or may already have repaid some of the principal, so that exposure is typically less than the approved loan limit</td>
</tr>
<tr>
<td>Early Alerts</td>
<td>Early Alerts: a non-purely precautionary early alert account is one which exhibits risk or potential weaknesses of a material nature requiring closer monitoring, supervision, or attention by management</td>
</tr>
<tr>
<td>ECL</td>
<td>Expected Credit Loss represents the present value of expected cash shortfalls over the residual term of a financial asset, undrawn commitment or financial guarantee</td>
</tr>
<tr>
<td>EPS</td>
<td>Earnings Per Share</td>
</tr>
<tr>
<td>FM</td>
<td>The Group’s Financial Markets business</td>
</tr>
<tr>
<td>FTE</td>
<td>Full-Time Equivalent employee</td>
</tr>
<tr>
<td>GBA</td>
<td>Greater Bay Area consisting of nine cities and two special administrative regions in south China</td>
</tr>
<tr>
<td>GCNA</td>
<td>The Group’s business in the Greater China &amp; North Asia region</td>
</tr>
<tr>
<td>Jaws</td>
<td>The relationship between income growth and cost growth in a given period. ‘Positive’ jaws = income growth &gt; cost growth</td>
</tr>
<tr>
<td>L&amp;A</td>
<td>Loans &amp; Advances</td>
</tr>
<tr>
<td>Loan loss rate (LLR)</td>
<td>Credit impairment for loans and advances to customers over average loans and advances to customers (annualised)</td>
</tr>
<tr>
<td>LGD</td>
<td>Loss Given Default: The percentage of an exposure that a lender expects to lose in the event of obligor default</td>
</tr>
<tr>
<td>M&amp;M</td>
<td>Metals &amp; Mining industry sector</td>
</tr>
<tr>
<td>MEV</td>
<td>Macroeconomic Variable: The determination of expected credit loss includes various assumptions and judgements in respect of forward-looking macroeconomic information</td>
</tr>
<tr>
<td>Network activities</td>
<td>Corporate and institutional banking services offered to clients utilising the Group’s unique network in 60 markets across Asia, Africa and the Middle East</td>
</tr>
<tr>
<td>NBV</td>
<td>Net book value</td>
</tr>
<tr>
<td>NIM</td>
<td>Net interest margin, adjusted for interest expense incurred on amortised cost liabilities used to fund financial instruments held at fair value through profit or loss, divided by average interest-earning assets</td>
</tr>
<tr>
<td>NEW</td>
<td>Non-Employed Worker</td>
</tr>
<tr>
<td>NPL</td>
<td>Non-Performing Loan: An NPL is any loan that is more than 90 days past due or is otherwise individually impaired. This excludes retail loans renegotiated at or after 90 days past due, but on which there has been no default in interest or principal payments for more than 180 days since renegotiation, and against which no loss of principal is expected</td>
</tr>
<tr>
<td>O&amp;G</td>
<td>Oil &amp; Gas industry sector</td>
</tr>
<tr>
<td>PD</td>
<td>Probability of Default: an internal estimate for each borrower grade of the likelihood that an obligor will default on an obligation over a given time horizon</td>
</tr>
<tr>
<td>PbB</td>
<td>The Group’s Private Banking segment</td>
</tr>
<tr>
<td>RB</td>
<td>The Group’s Retail Banking segment</td>
</tr>
<tr>
<td>RCF</td>
<td>Revolving Credit Facility: a line of credit arranged between the Group and a business</td>
</tr>
<tr>
<td>RoRWA</td>
<td>Return on RWA: annualised profit as a percentage of RWA</td>
</tr>
<tr>
<td>RoTE</td>
<td>Return on Tangible Equity: Group average tangible equity is allocated to client segments based on average RWA utilised and the global level underlying effective tax rate is applied uniformly</td>
</tr>
<tr>
<td>RWA</td>
<td>Risk-Weighted Assets are a measure of the Group’s assets adjusted for their associated risks</td>
</tr>
<tr>
<td>TB</td>
<td>The Group’s Transaction Banking business</td>
</tr>
<tr>
<td>TD</td>
<td>Time deposit: A time deposit or term deposit is a deposit with a specific maturity date or a period to maturity, commonly referred to as its “term”</td>
</tr>
</tbody>
</table>
Important notice

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.

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