

FY'21 and 4Q'21 Results and Investor Update

17 February 2022



standard
chartered

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FY'21 and 4Q'21 Performance



A resilient FY'21 performance returning to top line growth in 2H'21, an increased dividend and a buyback

(\$bn)	FY'20	FY'21	YoY1	ccy1
Net interest income	6.9	6.8	(1)%	(2)%
Other income	7.9	7.9	0%	(0)%
Operating income	14.8	14.7	(0)%	(1)%
Operating expenses	(9.8)	(10.3)	(5)%	(3)%
UK bank levy	(0.3)	(0.1)	70%	69%
Pre-provision operating profit	4.6	4.3	(6)%	(5)%
Credit impairment	(2.3)	(0.3)	89%	89%
Other impairment	0.0	(0.4)	Nm ¹	Nm ¹
Profit from associates	0.2	0.2	7%	7%
Underlying profit before tax	2.5	3.9	55%	61%
Restructuring	(0.4)	(0.5)	(33)%	(32)%
Goodwill impairment	(0.5)	-	100	100
Other items	(0.0)	(0.0)	(75)	(83)
Statutory profit before tax	1.6	3.3	108%	119%
Risk-weighted assets (RWA)	269	271	1%	
Net interest margin (NIM) (%)	1.31	1.21	(10)bps	
CET1 ratio (%)	14.4	14.1	(28)bps	
Liquidity coverage ratio (LCR) (%)	143	143	-	
Underlying RoTE (%)	3.0	6.0	300bps	

- FY'21 income was broadly flat YoY with a return to top line growth in 2H'21, up 4% ex-DVA at ccy
- FY'21 expenses 5% higher, 3% at ccy
 - Flat after normalising for performance related pay and at constant currency
- Credit impairment \$263m, down from \$2,294m in 2020
 - High risk assets² down \$6bn in 2021
- Other impairment of \$355m, mainly relating to \$300m China Bohai Bank impairment
- Restructuring charges of \$0.5bn, mainly redundancy related
- Loan and advances up \$17bn / 6% in 2021
- RWA increased 1% in 2021
- Return on tangible equity up 300bps to 6.0%
- Capital is strong; CET1 of 14.1%
 - Final ordinary dividend of 9 cents per share equating to \$277m
- A \$750m share buy-back to start imminently

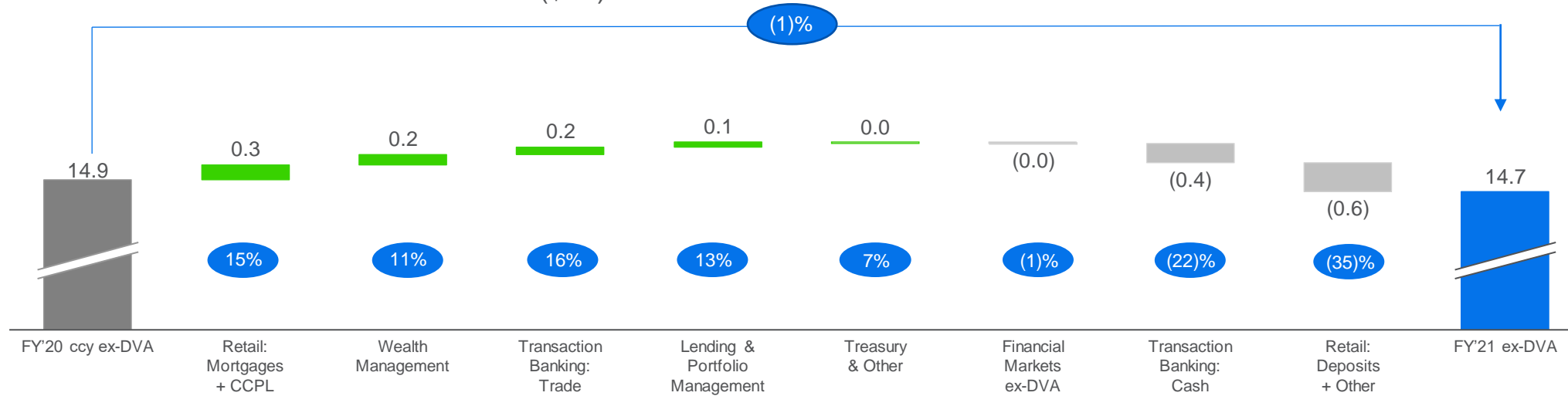
→ **Introduction**

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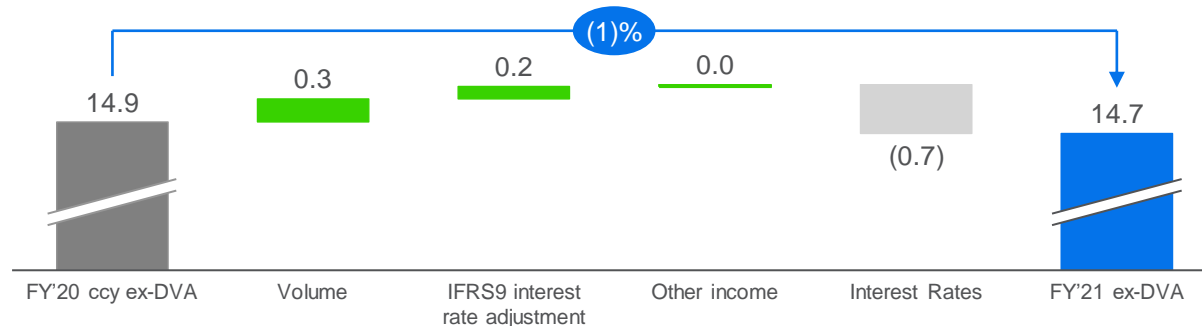
Full year income down 1%; returned to growth of 4% in the second half

Income FY'21 vs FY'20¹ – Product view (\$bn)

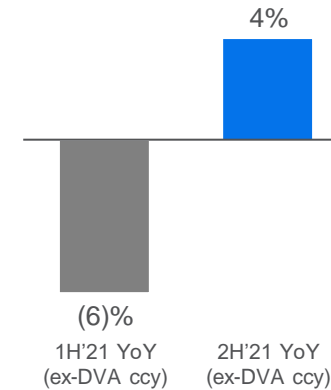


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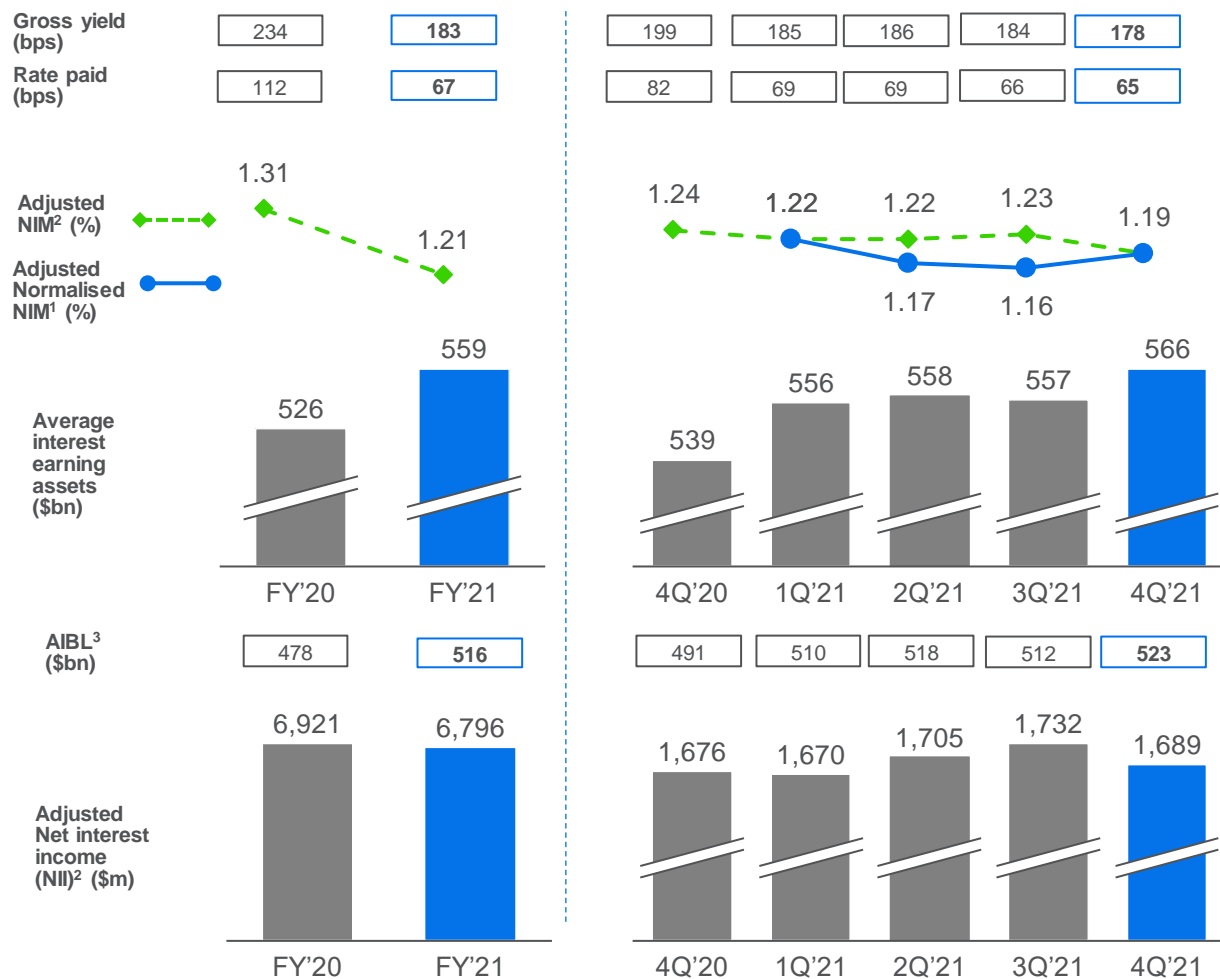
Income FY'21 vs FY'20¹ – Driver view (\$bn)



Income 1H'21 and 2H'21 vs 2020 (%)



NII down 2% as asset growth of 6% more than offset by 10bps NIM decline



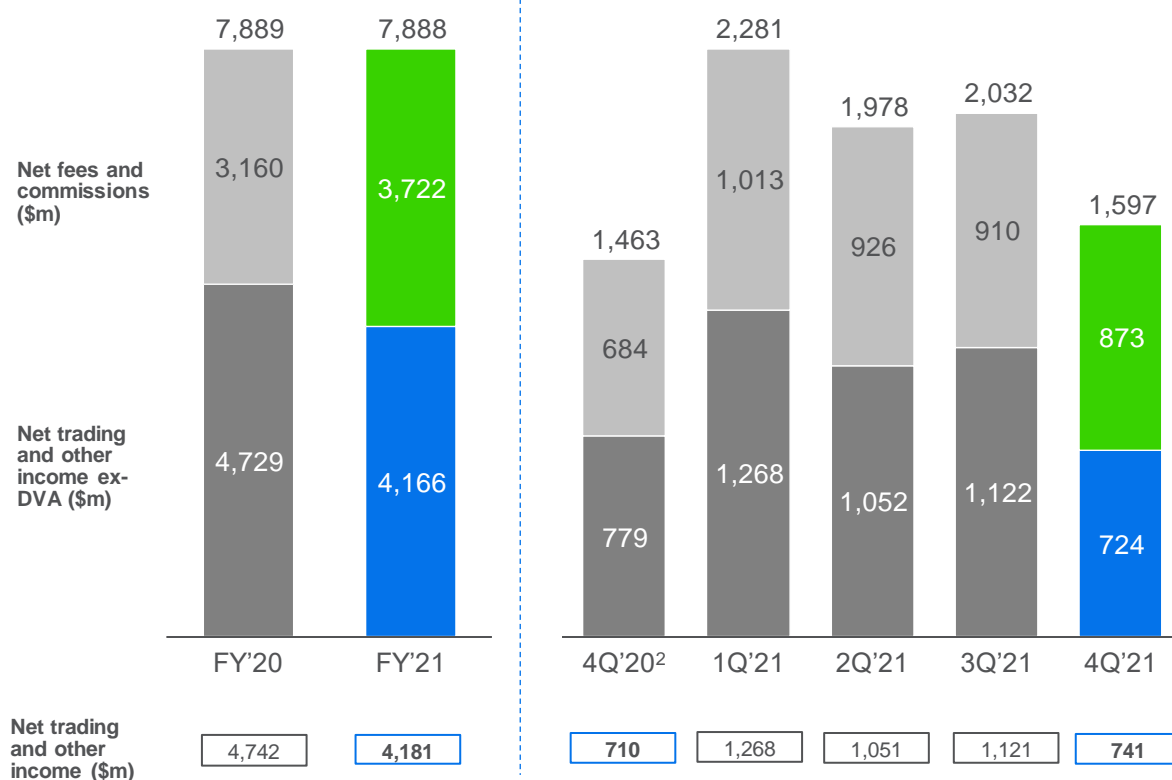
- NII² down 2% YoY
 - AIEA up \$33bn / 6% more than offset by...
 - ...10bps / 8% decline in NIM¹
- 4Q'21 NII down 2% QoQ
 - Up 3% excluding \$96m IFRS9 interest income adjustment in 3Q'21
 - AIEA up \$8bn / 1% QoQ...
 - ...NIM² of 119bps up 3bps on 3Q'21
 - Structural hedge programme 1bp
 - Increase in HIBOR (3M up 12bps QoQ)
- Updated interest rate sensitivity guidance: +100bps = ~\$1.3bn NII year 1 impact (slide 39 for further details)

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FY'21 Other income ex-DVA was flat YoY¹

Other income, statutory basis (\$m)



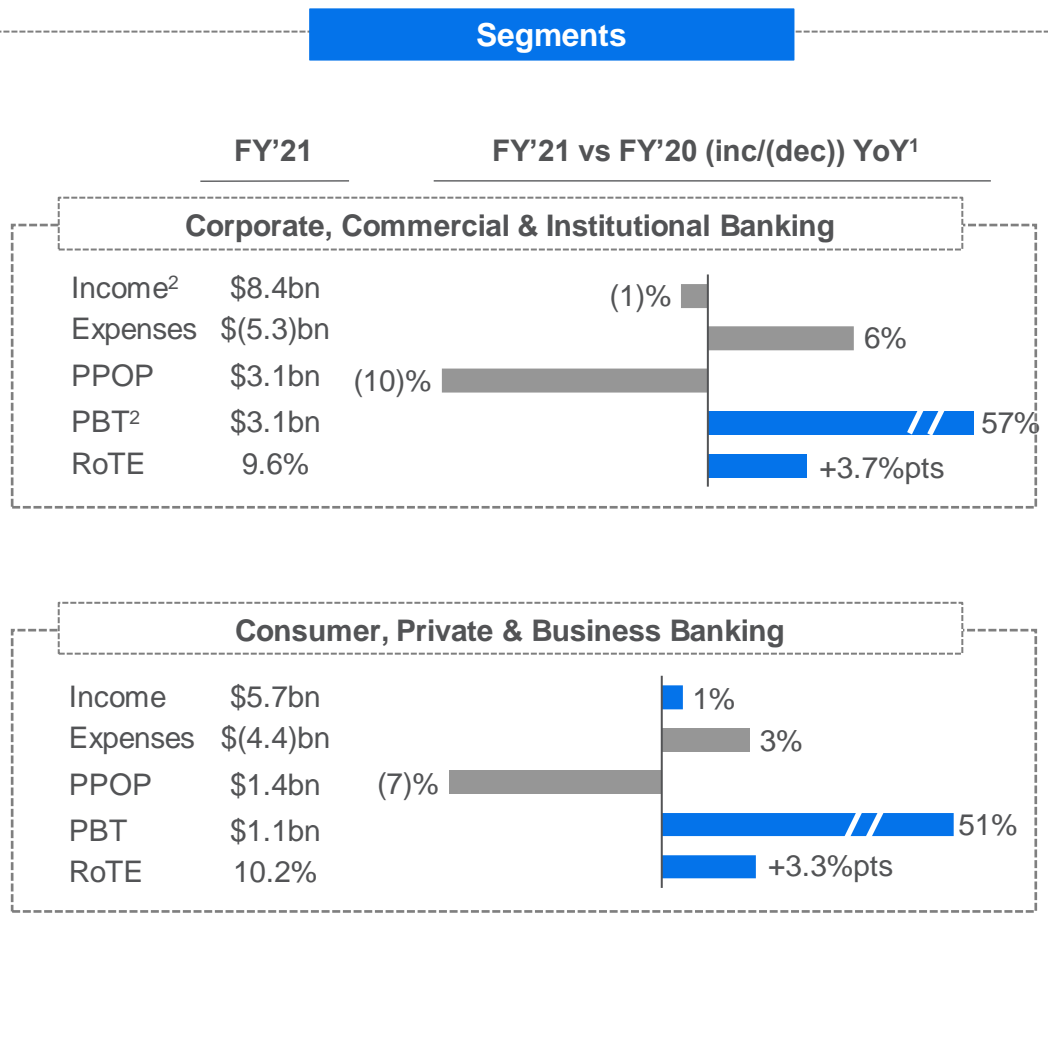
- Net fees and commissions up 18% YoY
 - CPBB up 17% YoY driven by Wealth Management
 - CCIB up 21% YoY driven by Transaction Banking and Financial Markets
 - 4Q'21 up 28% YoY
- Net trading and other income down 12% ex-DVA
 - Lower Treasury realisation gains
 - Lower Financial Markets

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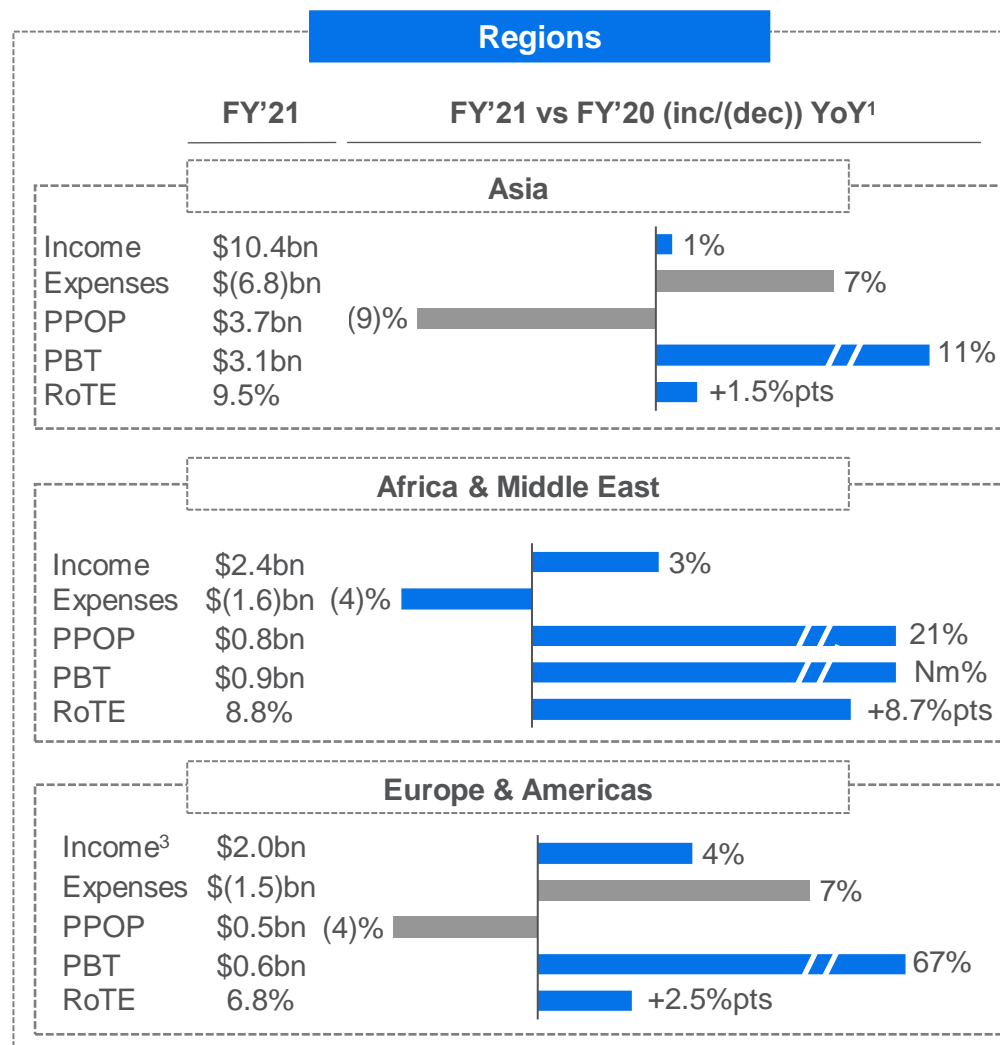


Increased returns driven by lower impairments and resilient income

Segments



Regions



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Large market progress: Top 5 markets delivering around 10%+ RoTE; Optimisation markets PBT up ~3X since 2018



Hong Kong



Singapore



India



Korea



China
(ex. Bohai)

	FY'21 Income	YoY ccy %	FY'21 RoTE	YoY change %pts
Hong Kong	\$3,440m	(2)%	14%	(0)%pts
Singapore	\$1,608m	2%	12%	10%pts
India	\$1,282m	3%	11%	4%pts
Korea	\$1,102m	2%	9%	1%pts
China (ex. Bohai)	\$1,087m	11%	9%	4%pts

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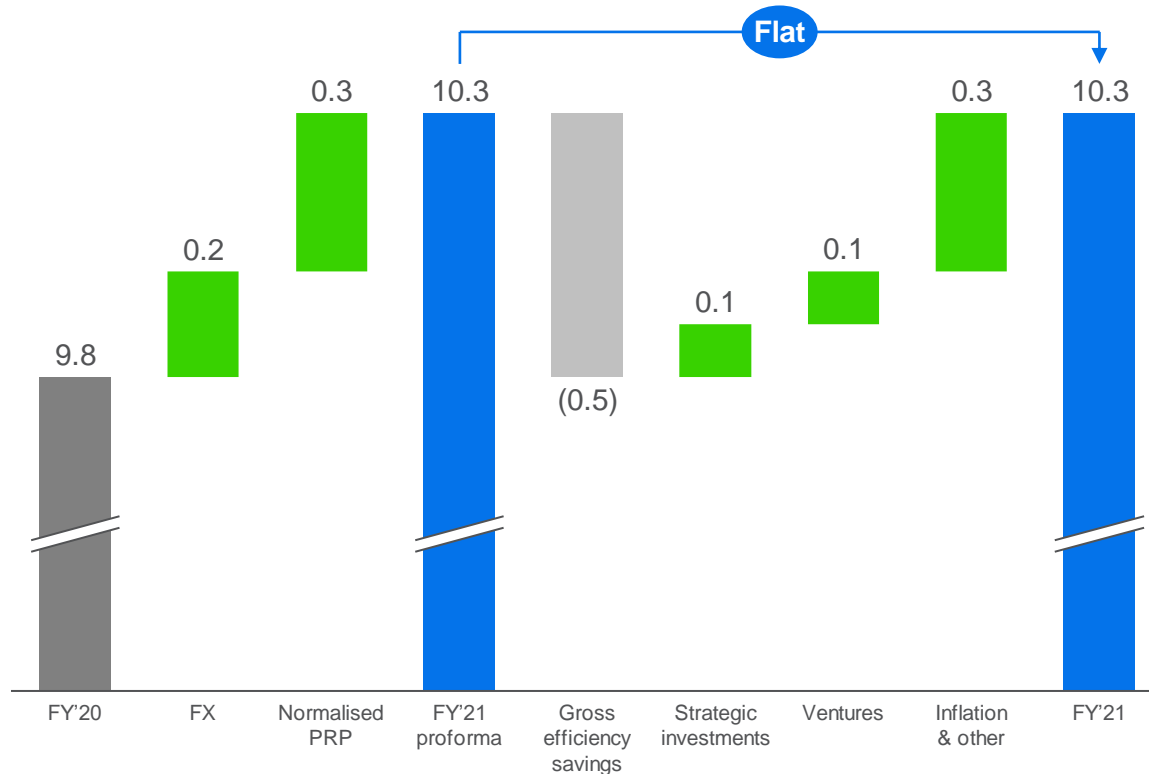
Optimisation Markets: aggregate
(India, Korea, UAE and Indonesia)

FY'21 PBT	FY'18 PBT	\$ change 2018-21 PBT
\$1,111m	\$409m	\$702m



Expenses flat after normalising for performance related pay and at constant currency

Total operating expenses FY'20 to FY'21 (\$bn)



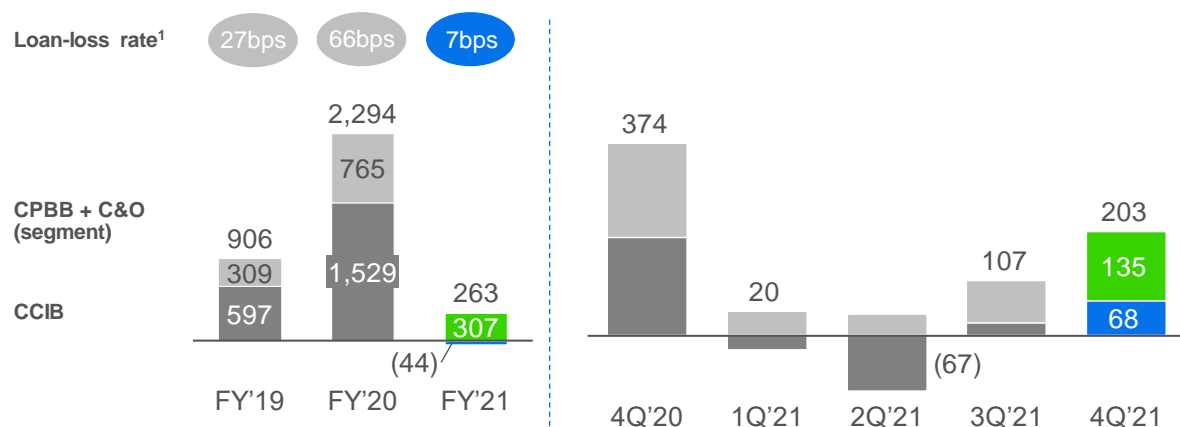
- FY'21 expenses \$10.3bn, up 5% YoY; 3% ccy
 - Performance-related pay (PRP) has increased after low levels in 2020
 - Overall cash investment spend increased 19% YoY, with spend on strategic initiatives up 39%
- Positive income-to-cost jaws of 260bps in 2H'21 (ex. DVA at ccy)
- \$0.5bn gross efficiency savings achieved in 2021, including
 - 46 branch closures
 - ~450k sq. ft. reduction in office space
- Restructuring charges of \$0.5bn, mainly redundancy related

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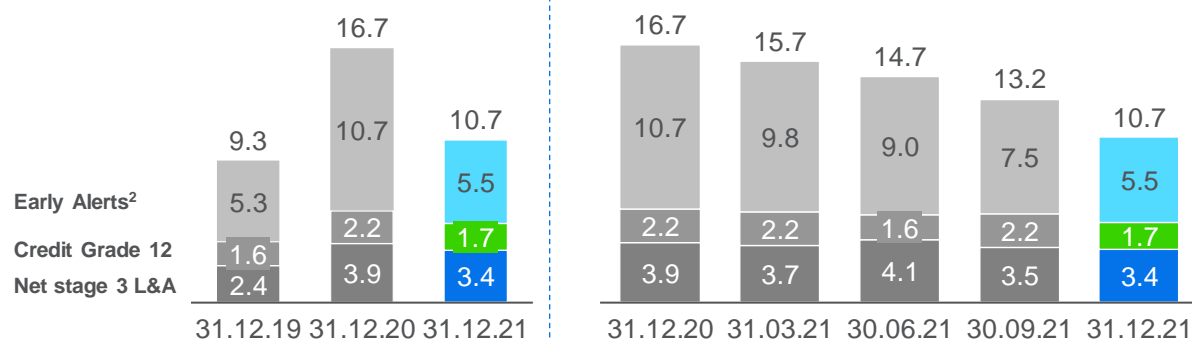


FY'21 Credit Impairment remains low and high-risk assets decline further

Credit impairment (\$m) / Loan-loss rate



Credit quality (\$bn)



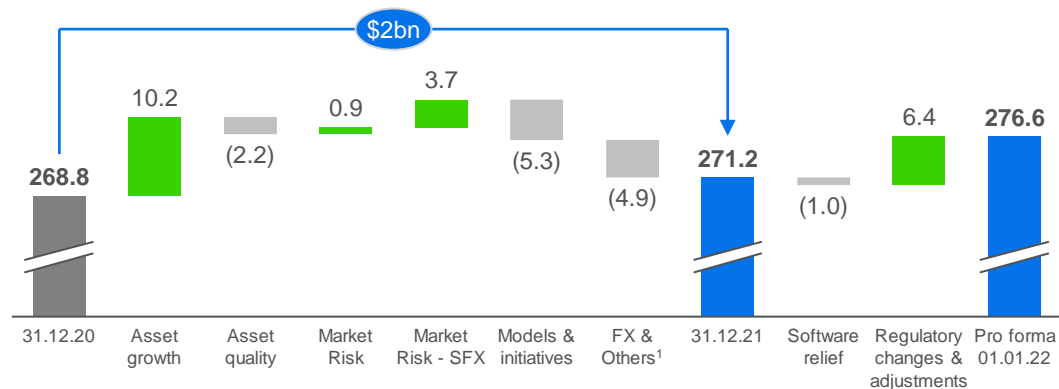
- FY'21 credit impairment of \$263m, down \$2,031m
 - CCIB net releases \$(44)m offset by CPBB net charge of \$285m
- 4Q'21 \$203m, up \$96m QoQ
- Management overlay of \$343m, up \$37m QoQ
 - COVID-19 overlay \$248m, down \$58m
 - New China CRE overlay in CCIB \$95m
- High-risk assets³ down \$6bn since 31.12.20
 - Early Alerts down \$5.2bn in line with pre-COVID levels
- Strong cover ratio of 75%⁴ down 1%pts YoY
- Days-past-due⁵ for 30 days down 19bps and 90 days down 7bps since 31.12.20

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RWA up 1%, CET1 strong enabling shareholder returns

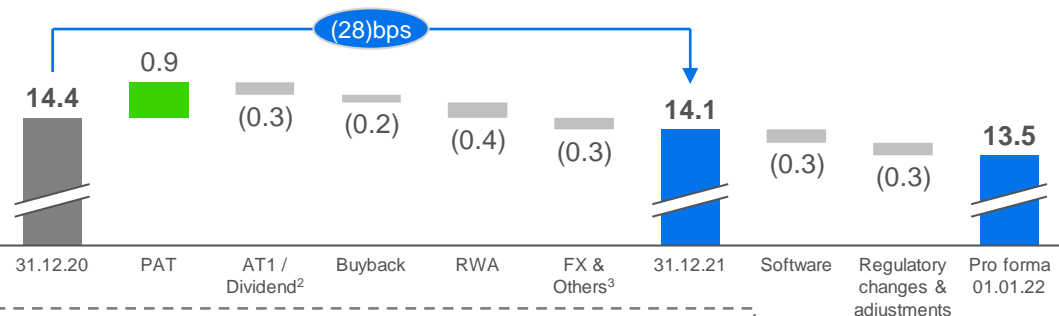
Risk-weighted assets (RWA) (\$bn)



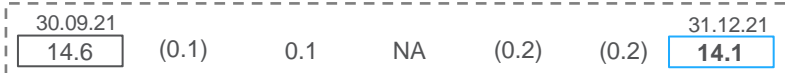
QoQ



CET1 ratio (%)



QoQ



- RWA up \$2bn, 1% in 2021 to \$271bn
 - Client led asset growth \$10bn and Structural FX impact \$4bn, offset by asset quality improvements, model changes and FX
- RWA up \$4bn, 1% in 4Q'20
- Pro forma RWA 01.01.22 of \$277bn from cessation of software relief and recent industry wide regulatory changes to align IRB model performance
- CET of 14.1% including \$277m final ordinary dividend
- CET1 pro forma of 13.5% after the cessation of software relief⁴ and the impact of regulatory changes & adjustments⁵
- A \$750m share buy-back to start imminently

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A resilient 2021 performance, positive action on capital and good momentum into 2022

Summary

- We have returned to top line growth in the second half of 2021
- We continue to manage costs tightly and have taken further restructuring actions to create room for investment
- We are returning surplus capital through a buy back and an increased dividend

2022 Guidance

- Solid start to 2022 against a strong prior year comparator
- Income expected to grow in the 5-7% underlying target range with some support from rising interest rates
- Operating expenses to grow around \$0.4bn, including impact of inflation, to \$10.7bn, excluding currency impact
- Impairment expected to start to normalise towards the medium-term target range
- Intend to operate dynamically in the 13-14% CET1 range

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Strategy Update



We have conducted a bottoms-up review of the business... and identified areas where we can do more

	Progress Made	Future Focus
RWA Optimisation	Reduction of CCIB low-returning RWA	Further reductions and faster
Organisational simplification	Transformation of culture	Simplification of the way we operate
Efficiency and productivity	Consistent cost discipline	Further transformation of business processes

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Actions to deliver a return on tangible equity of 10 per cent by 2024



CCIB Income RoRWA up ~160bps to ~6.5%

CPBB CIR ~60% from 76%

Double China onshore and offshore profit before tax

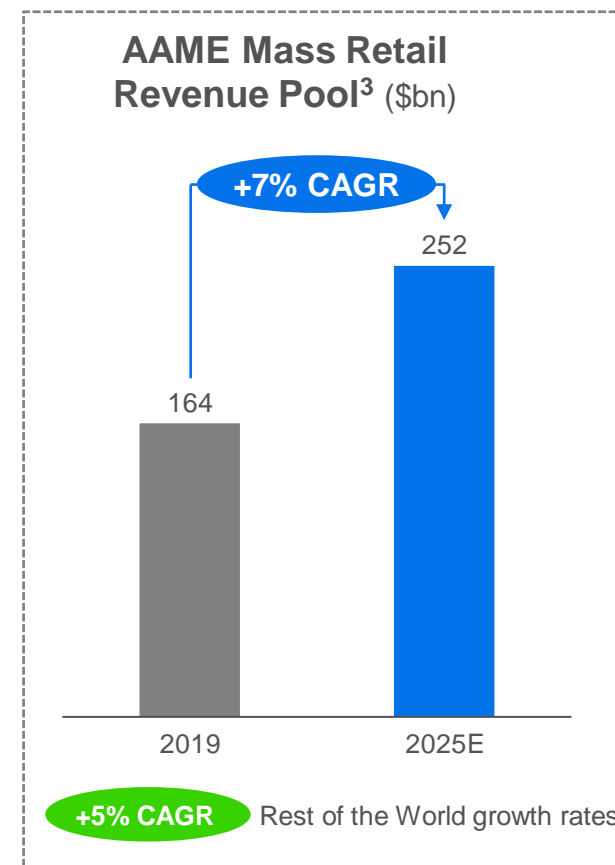
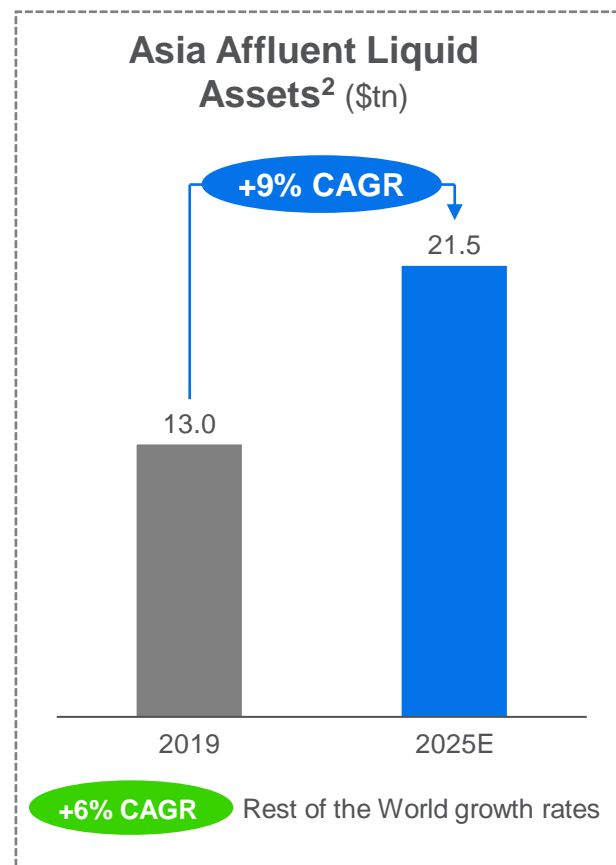
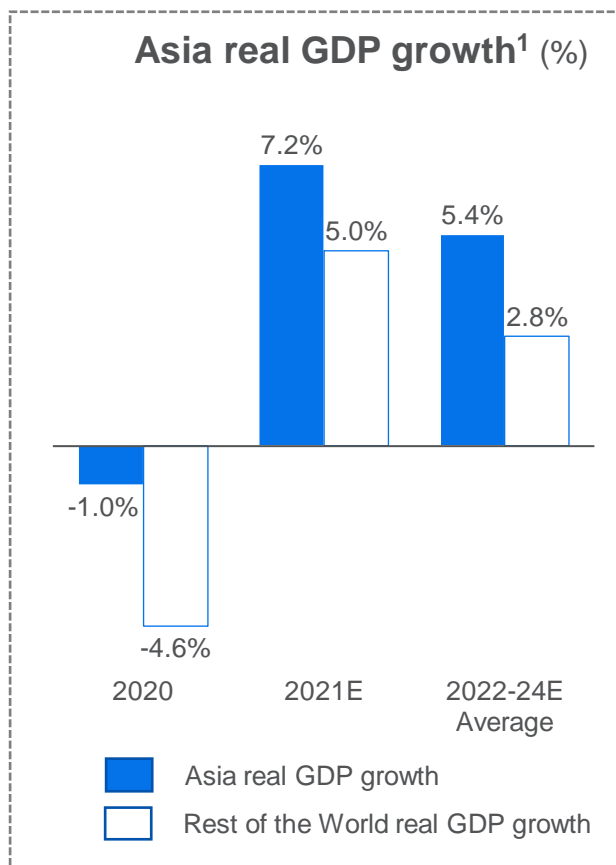
2% positive jaws (average per annum before impact of rate rises)

Shareholder returns >\$5bn

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We continue to expect strong growth across our footprint...



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...and see exciting opportunities emerging, albeit COVID-19 risks remain

Industry opportunities



Government and Central Bank policies generating Financial Markets and Wealth Management opportunities



Accelerated trade flows and supply chain shifts in and around Asia driving demand for Trade



Sustainability remains an imperative and an opportunity with increasing activity among clients and governments



Clients and competitors accelerating pivot to digital

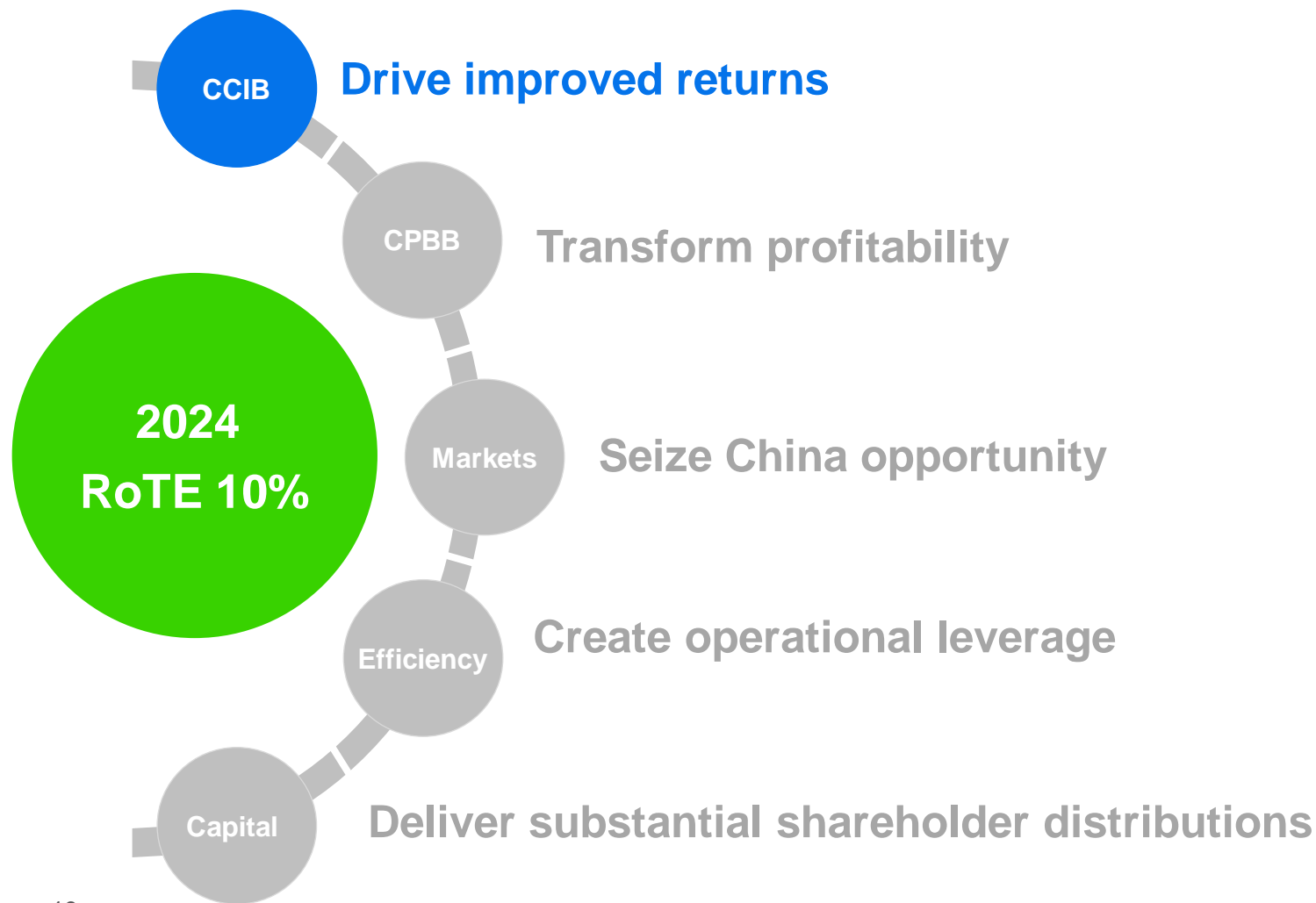


China opening accelerating

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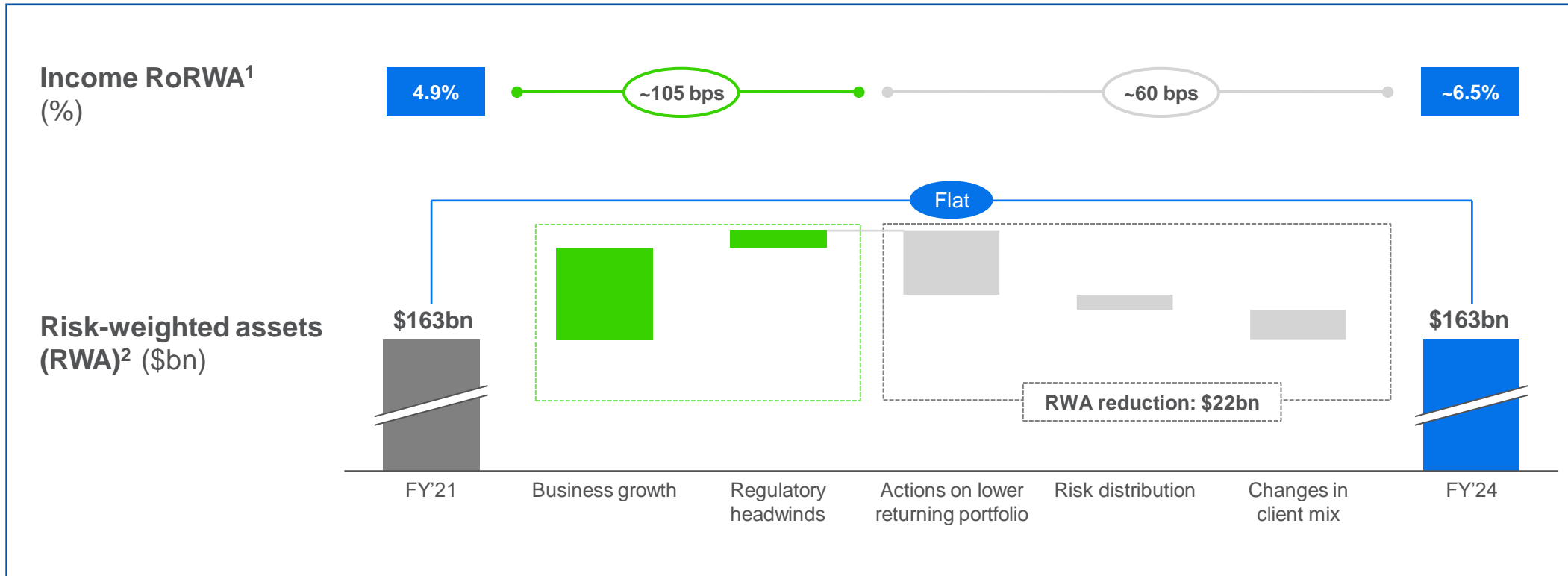
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Sharpen focus on RWA optimisation



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2024 Targets

c.160 bps improvement in income return on RWA

\$22bn reduction of RWA to create capacity for growth

CCIB RWA held flat at 2021 levels



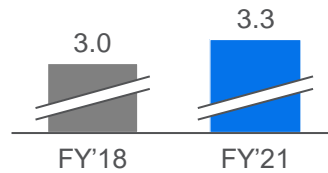
Drive growth in high returning Financial Institutions segment

Good trajectory in high-returning Financial Institution (“FI”) clients...

...which we will further boost in the coming years



FI segment income \$bn



FI as % of CCIB income



FI segment IRoRWA¹ (%)



- Key focus on Investors and Banks clients as growth drivers
- Expand relationships with FI clients offering tailored products
- Innovative financing solutions and advisory services for Sponsors and Insurers
- FI IRoRWA¹ of 9% is ~400bps higher compared to Corporate client returns

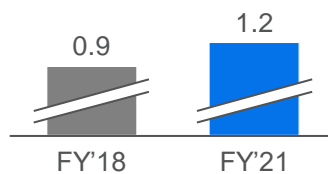
2024 Targets ~50% FI contribution to CCIB total income

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Investors, Sponsors & Insurers

Income \$bn

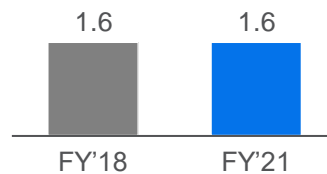


IRoRWA¹



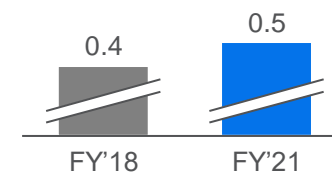
- Better technology and product capabilities – deepen client intensity
- ESG & Structured financing solutions provider
- Advisory services to clients in the Insurance sector

Banks & Broker Dealers



- Correspondent banking business – facilitating global institutional flows
- Securities services business – scale to capture growth in capital investment flows

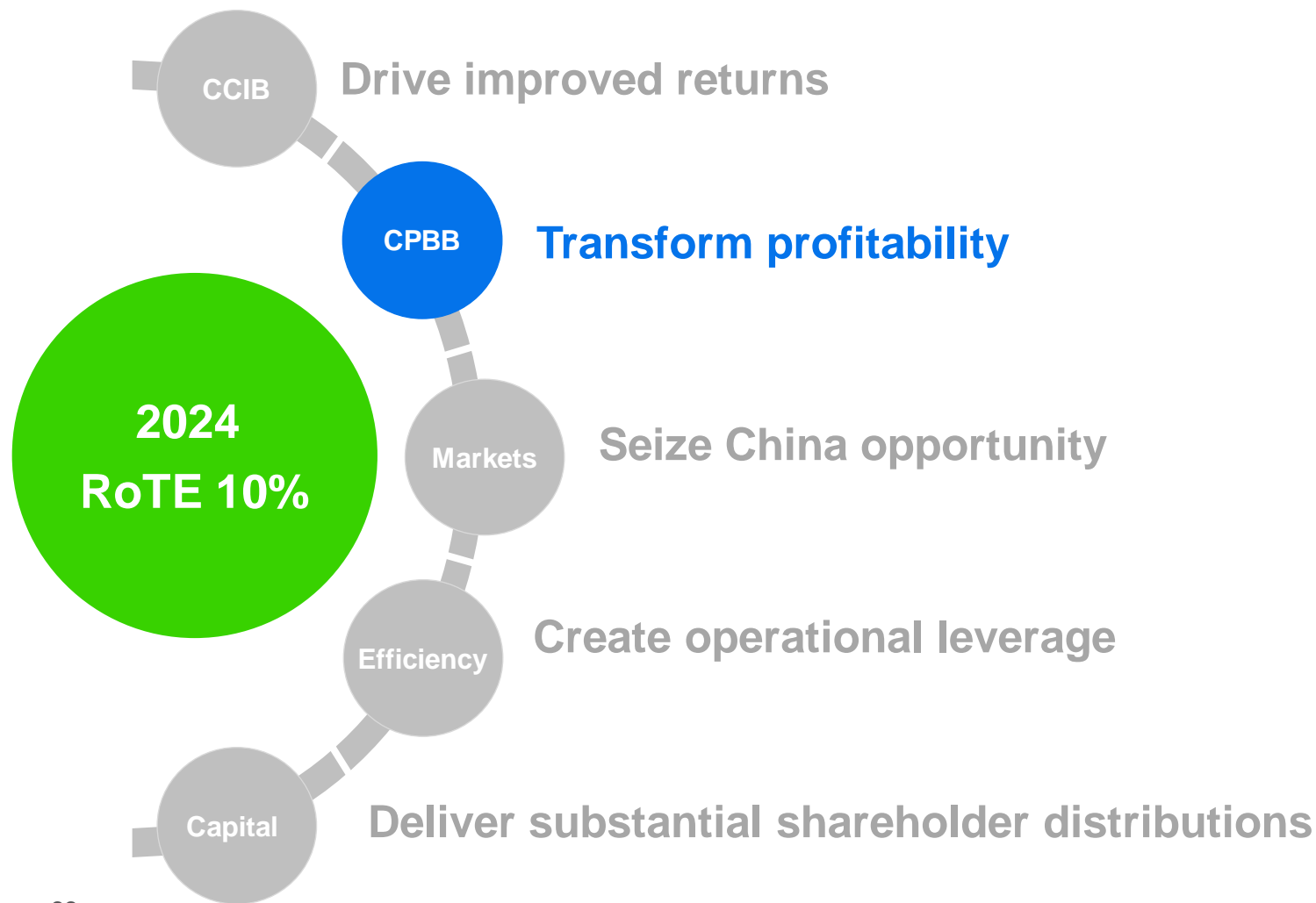
Public Sector & Development Organisations



- Strong partner to Sovereign Clients
- Partner with multilaterals & export credit agencies to provide financing solutions with focus on infrastructure



Actions to deliver a return on tangible equity of 10 per cent by 2024



CCIB Income RoRWA
up ~160bps to ~6.5%

CPBB CIR
~60% from 76%

Double China
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profit before tax

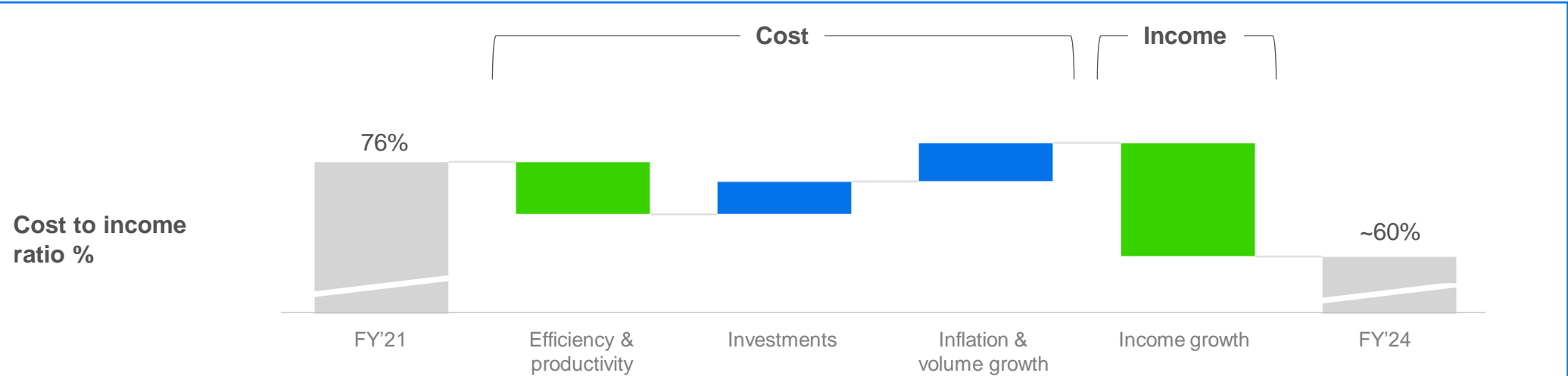
2% positive jaws
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Shareholder returns
>\$5bn

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Efficiency actions creating investment capacity and improving CIR to ~60%



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Targeting ~\$500m¹ cumulative gross business savings 2022-2024 (\$200m in 2022)

Strategic Lever	Outcome
Digital-first sales & service model	Serve Mass Retail digitally and Affluent via digital-led, remote/hybrid model Improve client experience, reshape cost base and reduce physical channels
Increase straight through processing	Redesign/automate more complex processes Optimise operations costs and improve straight through processing to ~90%
Simplify operating model	Streamline country/central organisations and harmonise applications/platforms Drive better synergy and lower overheads
Sharper participation	Optimise/exit suboptimal segments and products Improve returns and create capacity to invest in income growth



Drive growth in Affluent and Wealth and scale up Mass Retail profitably

Affluent

Strong momentum in 2021...

	FY'21 YoY	FY'18-'21
Affluent Wealth income Growth	12%	8% CAGR
Affluent NPS	+7.9	+10.4
	FY'21	FY'18-'21
Affluent AUM ¹ (\$bn)	\$250	8% CAGR

...with competitive differentiators...

- International brand with pan-Asia, AME & UK banking corridors
- Wealth continuum proposition with strength in mass affluent (<\$5m)
- Open architecture and distribution strength
- Strong Bancassurance proposition

...that will drive future growth

- Enhanced cross-border digital channels
- Private Banking solutions to Priority HNW
- Digital wealth advisory and personalised portfolio solutions
- Expanded Bancassurance product suite and digital offerings

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2024 Target

Grow Affluent AUM¹ to ~\$320bn by 2024

Mass Retail

Clear improvements in 2021²...

	FY'21 YoY	FY'18-'21
Working Profit Growth	90%	from – to +
Digital NPS	+4.8	+6.1
	FY'21	FY'18-'21 Average
% of New Affluent Clients Upgraded from Mass	69%	67%

..and a focused plan...

- Scale through partnerships
- Capital optimisation via accretive CCPL growth and exit of unprofitable portfolios
- Best in class digital journeys to grow digital sales and lower cost to serve
- Strong pipeline for future mass affluent clients

...to scale up and improve returns

- Robust partnership pipeline
- Standardised global solutions that meet local customer needs
- Digital-first sales and service model
- Deeper client penetration with mortgages and tech-enabled wealth propositions

2024 Target

Grow Mass Retail Clients² ~1.8x by 2024



Actions to deliver a return on tangible equity of 10 per cent by 2024



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Shareholder returns
>\$5bn

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Our China business is well positioned for structural changes

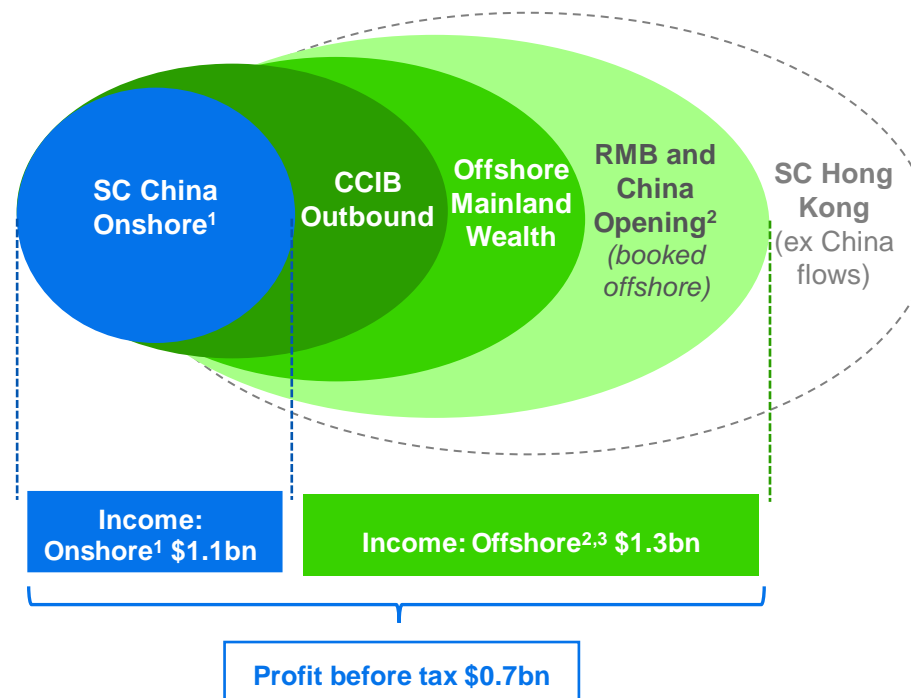
Structural shifts are driving significant opportunity



Structural Trends

- Global asset redenomination to RMB assets
- Supply chain shifts
- Mainland wealth creation and offshore diversification
- Domestic and offshore growth of Chinese corporates

Uniquely positioned with China at the core and HK as capabilities hub...



... and already a significant contributor to the Group with double digit RoTE

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We will further invest in China, one of our key markets for growth

Investing a further \$300m in growth opportunities and strategic priorities in our China-related business...

CCIB

- Strengthen financial institutions proposition
- Enhance financial markets, trade and payment clearing solutions

CPBB

- Strengthen Affluent sales, digital and product proposition
- Leverage partnerships to build scale profitably

GBA and YRD

- Leverage strong Hong Kong and China franchise on GBA
- Sharpen focus on Yangtze River Delta as a growth engine

Hong Kong

- Strengthen proposition in strategic growth areas: global flows into China; affluent offerings; RMB solutions; innovative digital capabilities

...building on our strong leadership positions and capabilities to date



China-ASEAN corridor Trade Assets and Contingents

Up 46%¹



Market share in Bond Connect

26%²



Onshore Wealth Management Income

Up 27%³



Partnerships launched⁴

5 + 2 soft launched



Cross-border RMB clearing

Up 78%

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2024 Targets

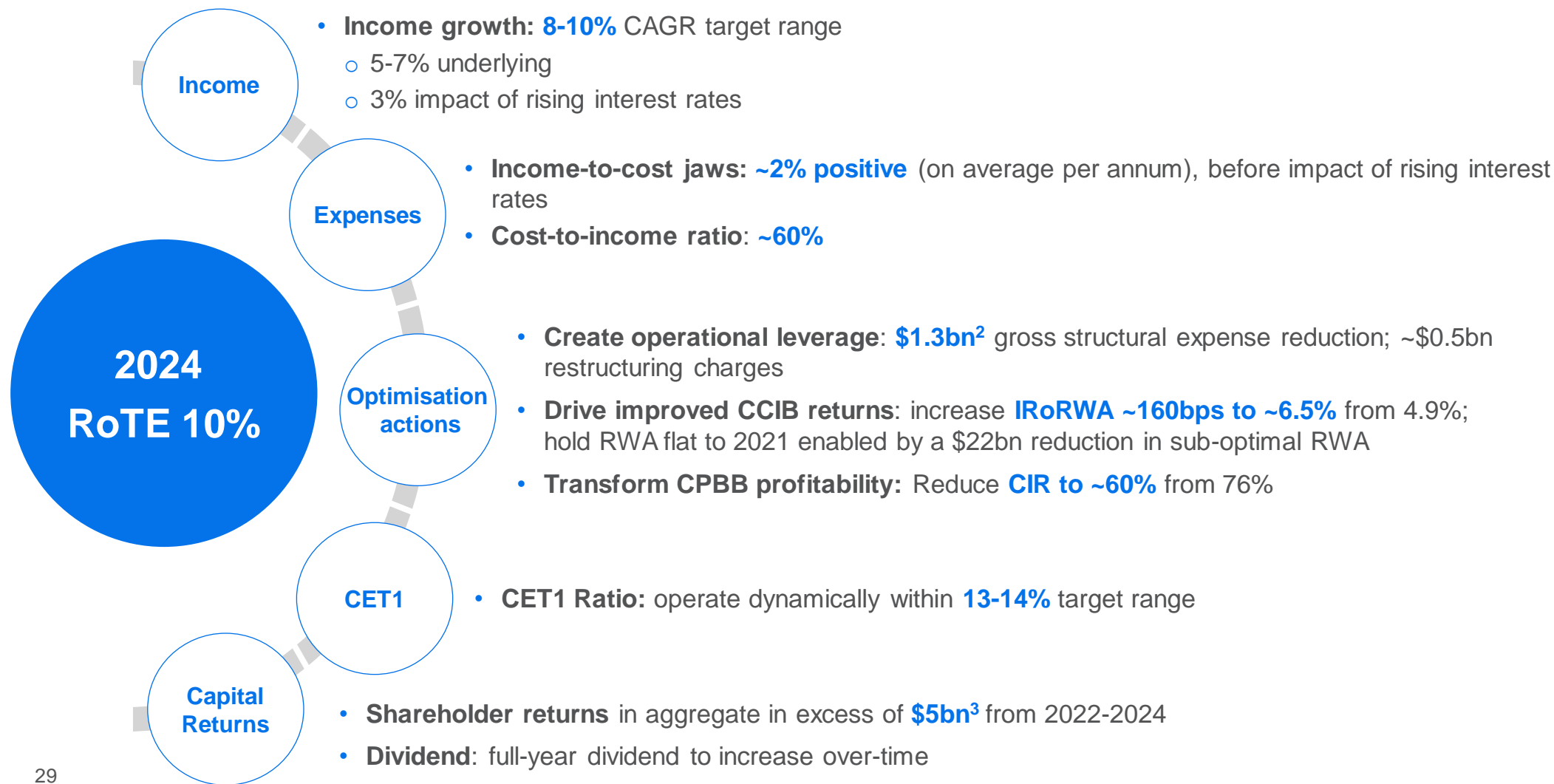
Double China onshore and offshore profit before tax



Financial Framework



Refreshed Financial Framework¹: we are now targeting 10% RoTE by 2024, enabled by series of management actions, underpinned by rising interest rates

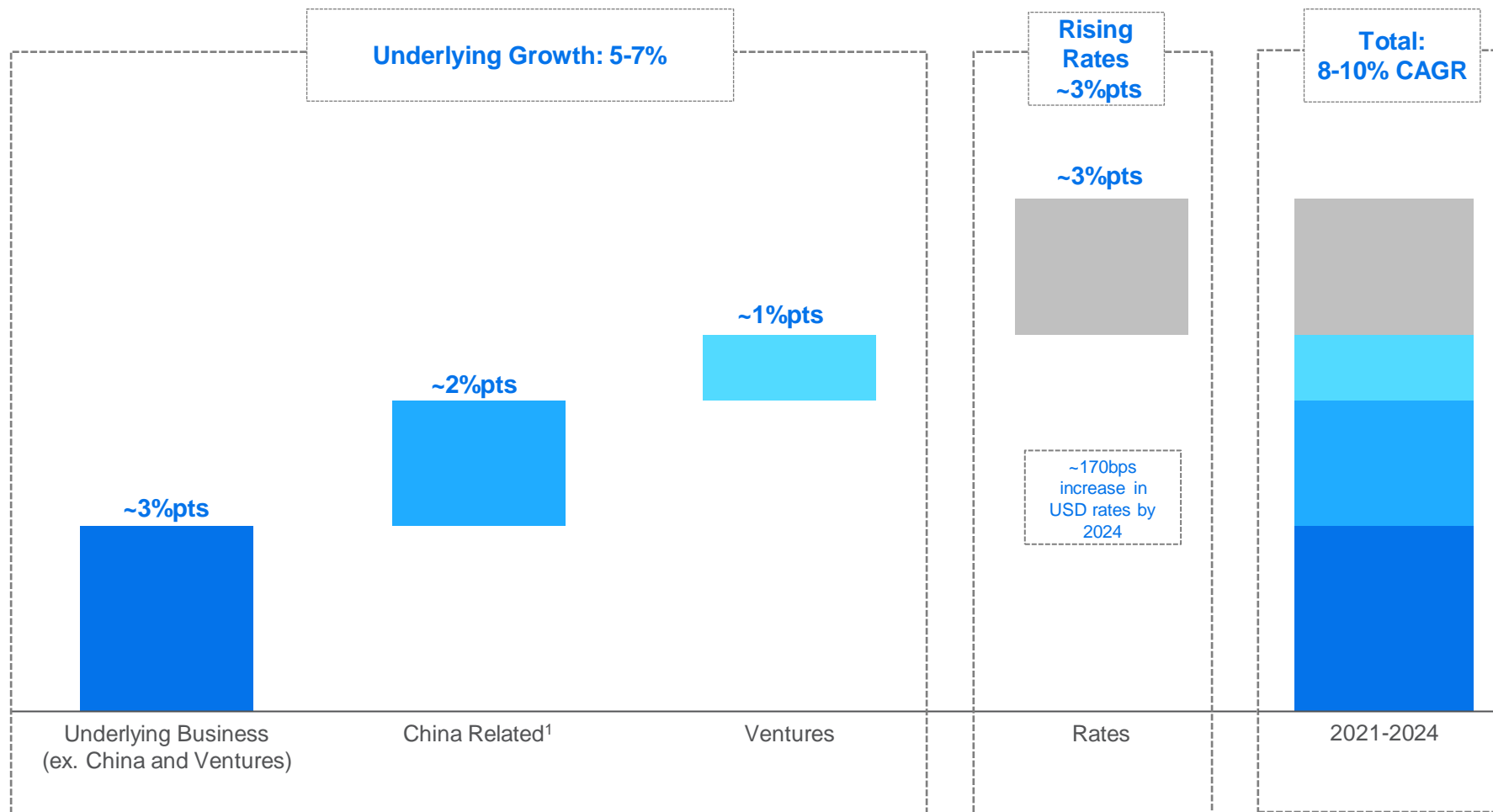


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We expect income to grow 8-10% CAGR over the next three years, 5-7% underlying and 3% from rising rates

Operating income: expected contribution to 2021-2024 income growth CAGR

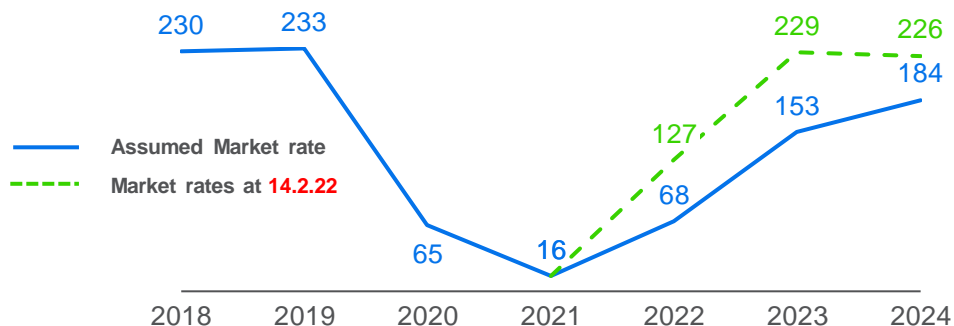


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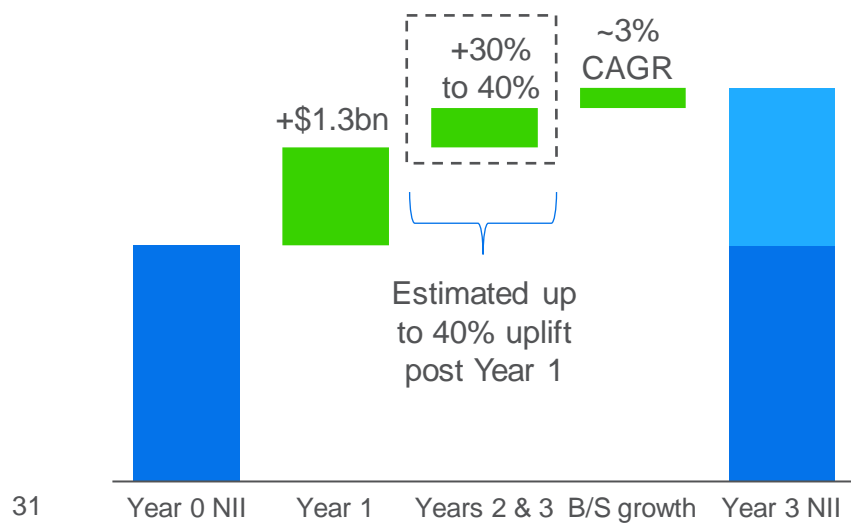


Significant income opportunity from rising interest rates

3-month USD rate (LIBOR)¹ (bps)



Estimated run-rate benefit to banking book NII from +100bps parallel shift in interest rates across all currencies^{1,2}



Interest rate assumptions in our targets

- Our targets assume a more cautious view than the current market outlook on interest rate rises over the next 3 years
 - LIBOR increase ~170bps from 2021 to 2024

Interest rate sensitivities

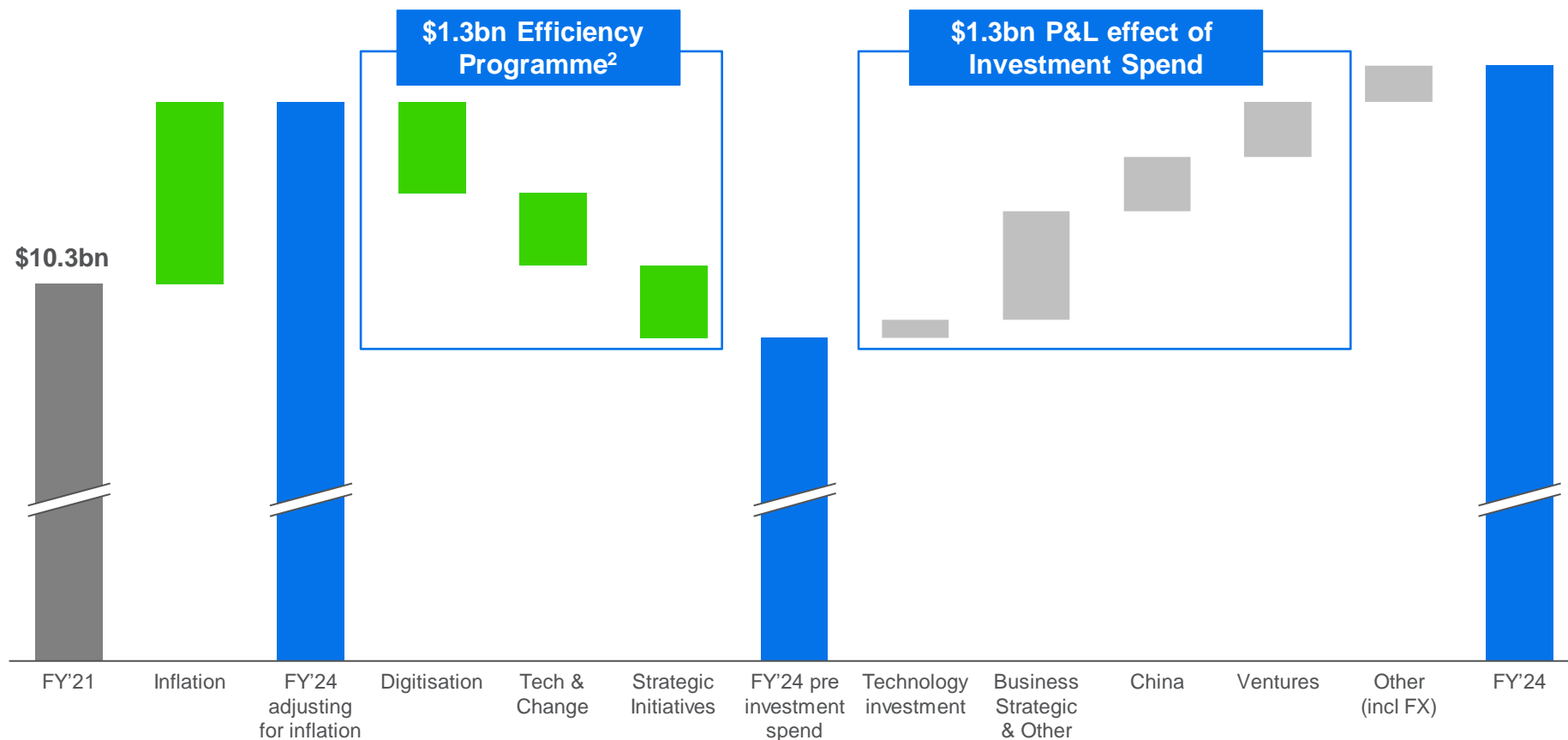
- Updated interest rate sensitivity guidance^{2,3,4}: +100bps = ~\$1.3bn first year NII impact (see page 39 for details)
 - >50% of Group sensitivity to rising interest rates denominated in USD and HKD
 - Assume medium term average deposit betas⁵ of 0-20% for CPBB and 40-60% for CCIB
- Majority of re-pricing complete by end of Year 3 due to:
 - Full year impact of exposures re-pricing part way through Year 1
 - Exposures re-pricing in Years 2 and 3

- Introduction
- Income
- Segment/region
- Expenses
- Risk
- Capital
- Summary
- Strategy update
- **Financial framework**
- Conclusion



Targeting ~2% average positive income-to-cost jaws before the impact of rising rates

Operating expenses¹ (\$bn)



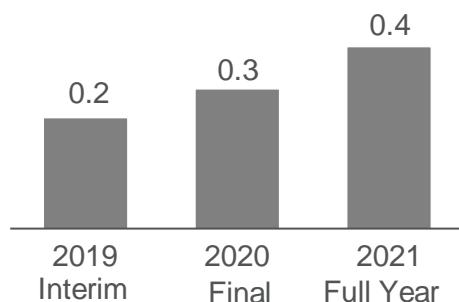
- Introduction
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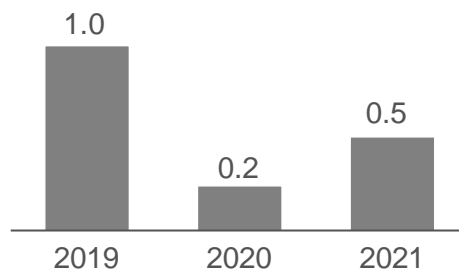
We aim to more than double shareholder distributions over the next 3 years

Shareholder Distributions 2018-2021

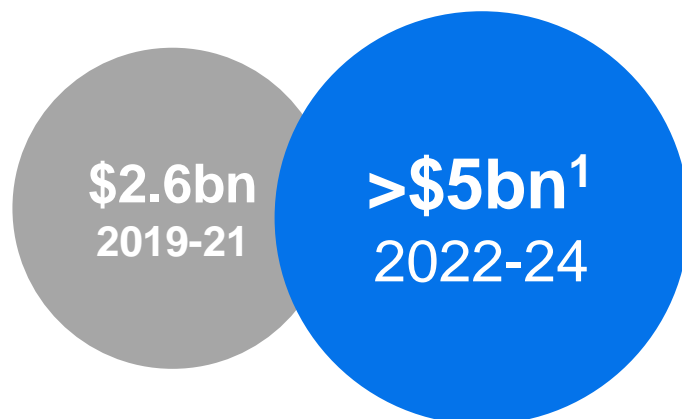
Ordinary dividend
(paid/declared \$bn)



Share buy-back
(paid \$bn)



Delivering future sustainable shareholder distributions



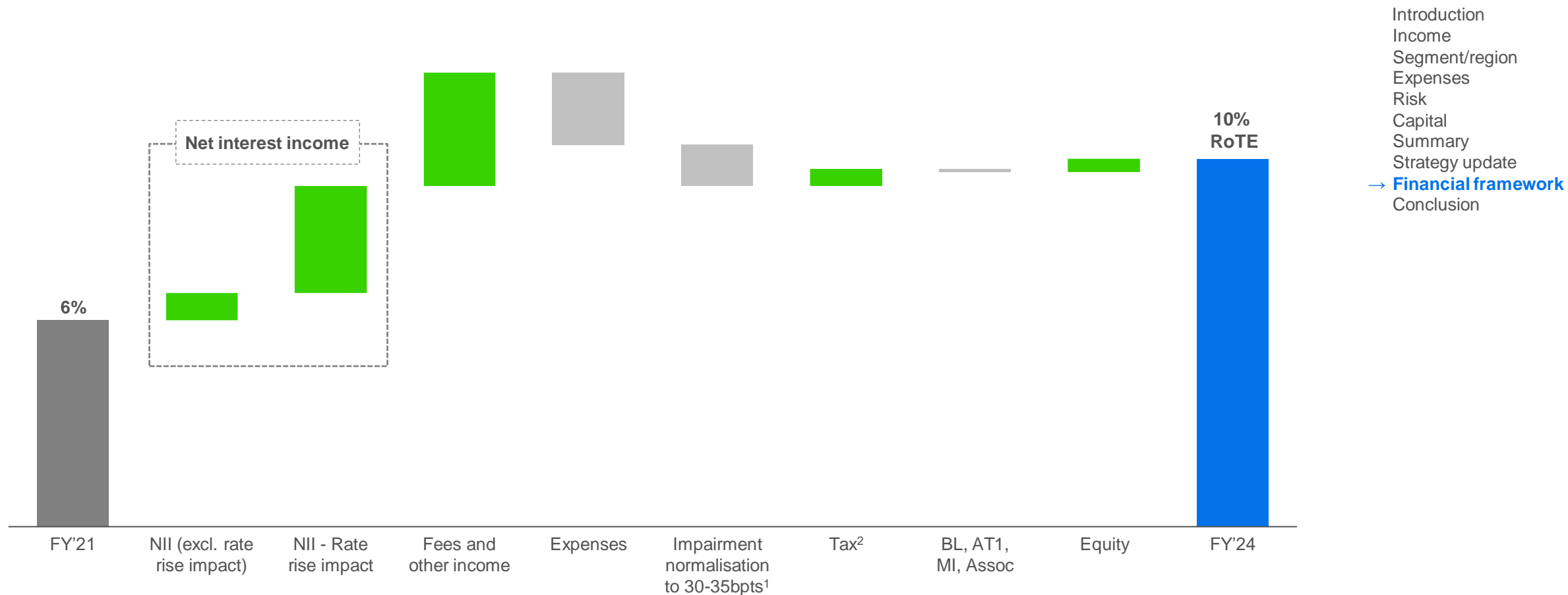
- Over the last 3 years the Group has returned \$2.6bn of capital to shareholders in the form of \$0.9bn dividends (paid/declared) and \$1.7bn in share buy-backs...
- ...reducing shares in issue by 6%
- Continue to operate dynamically within the 13-14% CET1 target range...
- ...whilst delivering substantial shareholder distributions...
- ... with plans to return in aggregate in excess of \$5bn by 2024
 - Including a \$750m share buy-back announced today to start imminently...
 - ... and targeting increasing the full-year dividend per share over-time

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We have a clear and actionable path to deliver 10% RoTE by 2024

Underlying RoTE FY'21 to FY'24 (%)



- Introduction
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Conclusion



In conclusion

**Foundations
and momentum
are strong**

- Resilient FY'21 performance
- Income outlook is good
- Expense actions enable strategic investment
- Underlying economic and interest rate outlook supportive

**Taking action
to accelerate
our progress**

- Invest for continued income growth
- Drive improved efficiency
- Manage capital actively

**Double digit
returns**

- **Delivering 10% RoTE by 2024**

- Introduction
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- **Conclusion**



Appendix

Macroeconomic indicators, Interest rate sensitivity, Strategic priorities, Central & Others, Digital Ventures, China exposure

Information for fixed income investors

Sustainability

Notes, abbreviated terms and important notice



Stage 1 and 2 credit impairments

Changes to baseline forecasts¹ for key footprint markets

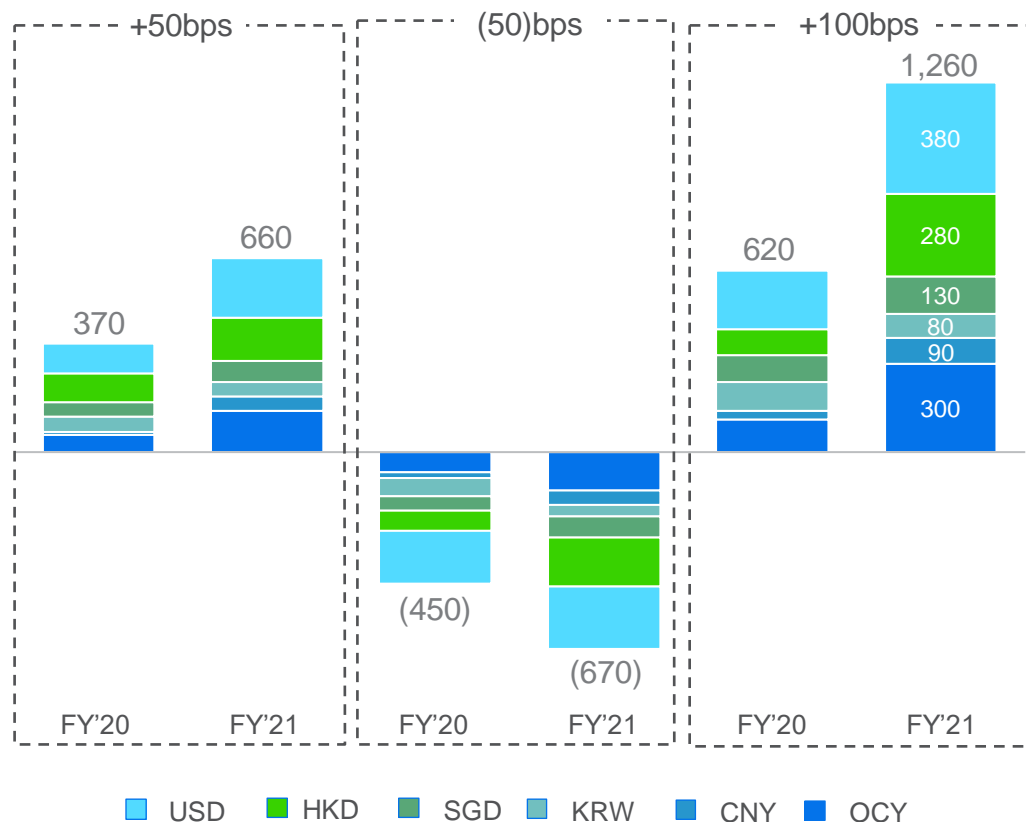
	3Q'21 ⇒ 4Q'21 ¹					Crude price Brent, bbl
	China	Hong Kong	Korea	Singapore	India	
GDP (YoY): 2022 Forecast	5.6% ⇒ 5.6%	3.0% ⇒ 3.0%	2.9% ⇒ 2.7%	3.6% ⇒ 3.6%	8.0% ⇒ 6.9%	\$58.5 ⇒ \$66.6
GDP (YoY): 2023 Forecast	5.5%	2.5%	2.5%	2.5%	5.5%	\$60.0
GDP (YoY): 5 year average base forecast	5.4% ⇒ 5.4%	2.8% ⇒ 2.6%	2.7% ⇒ 2.5%	2.6% ⇒ 2.5%	5.8% ⇒ 6.4%	\$58.7 ⇒ \$63.7
Unemployment: 5 year average base forecast	3.4% ⇒ 3.4%	3.9% ⇒ 3.8%	3.4% ⇒ 3.3%	3.1% ⇒ 3.1%	N/A ⇒ N/A	
3 month interest rate: 5 year average base forecast	2.8% ⇒ 2.8%	1.2% ⇒ 1.5%	1.6% ⇒ 1.6%	1.1% ⇒ 1.4%	5.3% ⇒ 5.4%	
House prices (YoY): 5 year average base forecast	5.2% ⇒ 4.0%	3.4% ⇒ 3.1%	3.1% ⇒ 2.7%	3.5% ⇒ 3.6%	7.0% ⇒ 7.1%	



Interest Rate Risk in the Banking Book

Significant income exposure to rising interest rates

Annualised benefit to banking book NII from instantaneous parallel shifts in interest rates across all currencies (\$m)^{1, 2, 3}



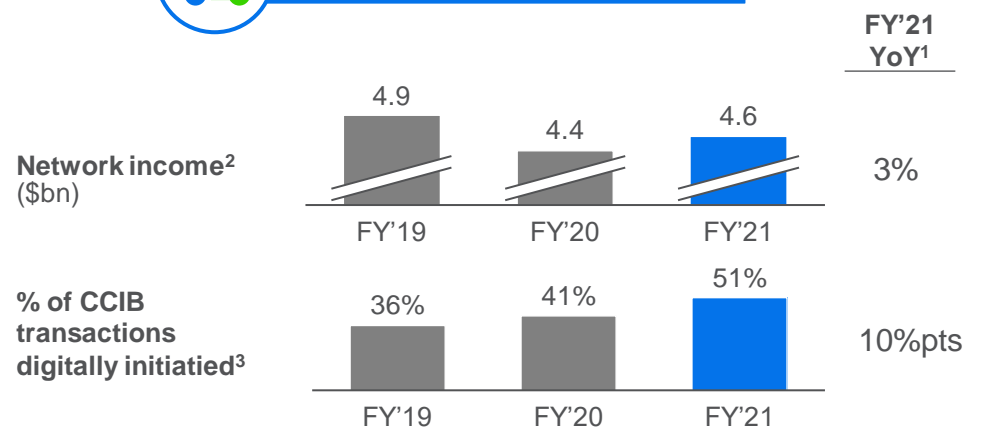
- >50% of Group sensitivity to rising interest rates denominated in USD and HKD
- Increase in sensitivity since FY'20 driven by:
 - Updating modelling assumptions to reflect actual CASA pass-through rates
 - Including income earned by the Banking Book on funding the Trading Book to align with NIM calculation
- ~80% assets contractually floating or expected to re-price within 3-6 months
- Projections assume medium term deposit betas of 0-20% for CPBB and 40-60% for CCIB



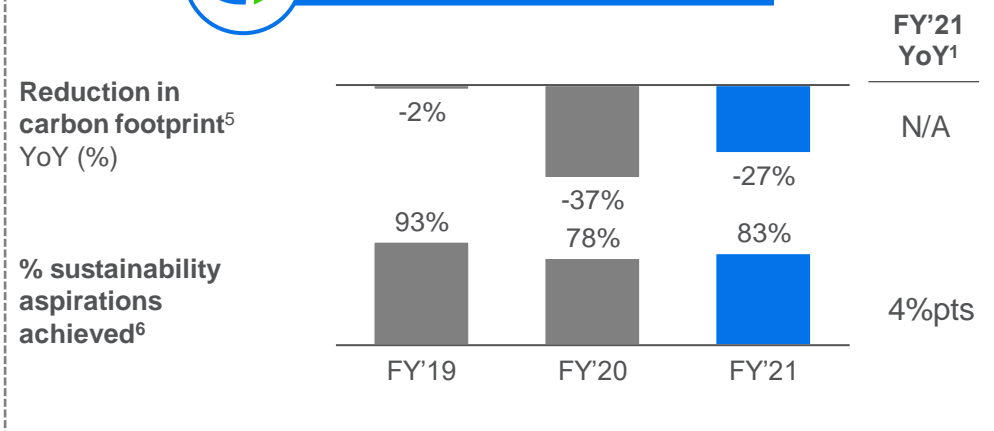
We continue to make good progress on our strategic priorities



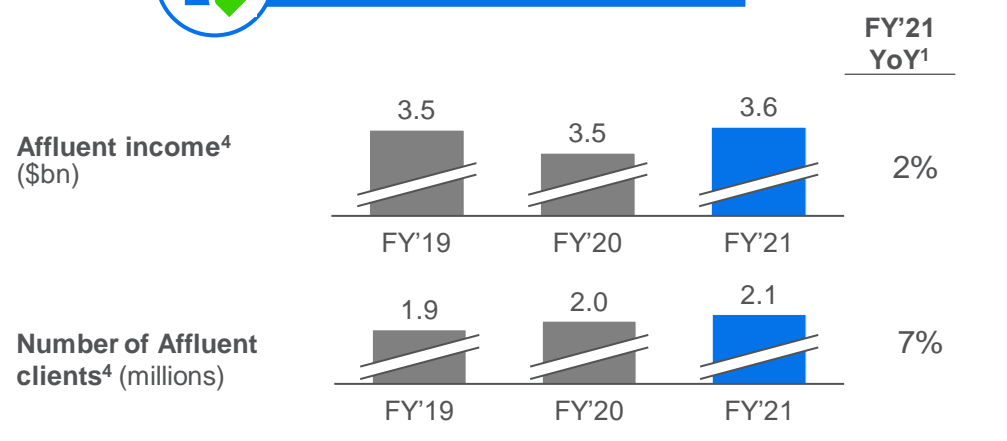
Network



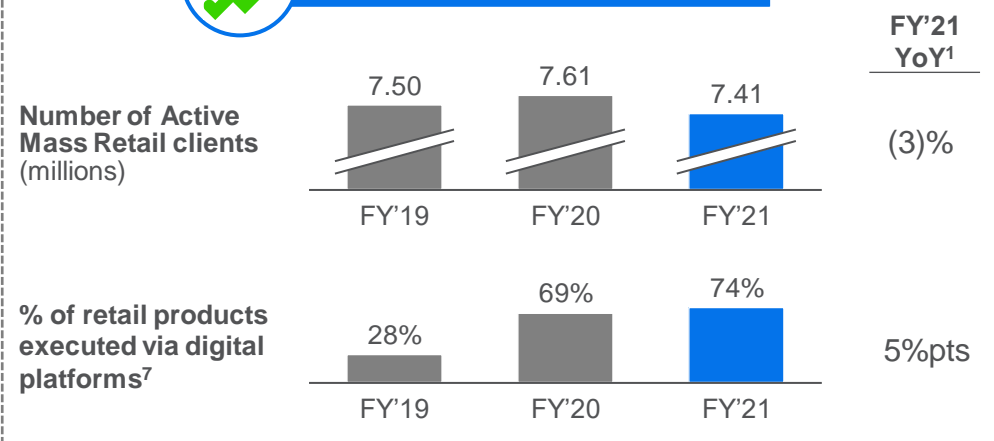
Sustainability



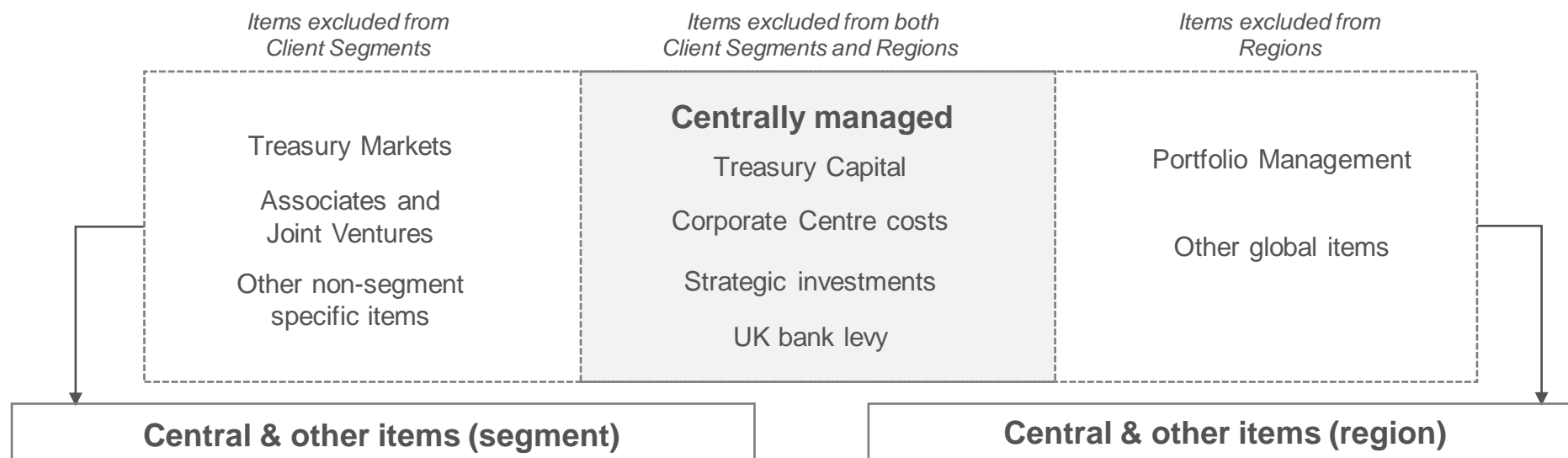
Affluent



Mass Retail



Central & other adversely impacted by interest rate reductions



	FY'21	FY'20	YoY% ¹
Income	\$0.6bn	\$0.6bn	(3)
Expenses	\$(0.7)bn	\$(0.9)bn	21
Profit / (loss) before tax ²	\$(0.3)bn	\$(0.2)bn	(53)
RWA	\$57bn	\$51bn	12

- Income down due to lower Treasury realisation gains
- Expenses declined 21% more than offset by the \$300m impairment of the Group's investment in China Bohai Bank





	FY'21	FY'20	YoY% ¹
Income	\$(0.2)bn	\$0.1bn	Nm ¹
Expenses	\$(0.5)bn	\$(0.7)bn	31
Profit / (loss) before tax	\$(0.7)bn	\$(0.7)bn	(2)
RWA	\$2bn	\$(2)bn	Nm ¹

- Income down mainly due to lower returns paid to Treasury on the equity provided to the regions in a lower interest rate environment broadly offset by a \$231m reduction in the UK bank levy and lower other impairment



We are launching new digital ventures with significant value creation opportunities

Scaling Current Ventures

By 31.12.21		300k+ Total Downloads	Achieved #1 app ranking in Singapore Google / Apple App Store in the Lifestyle category
		140k+ / \$106m+ Total SME's / GTV	Over \$100m Gross Transaction Value (GTV) YTD volumes
		200k + Clients	~200k customers with total average deposits ~\$715m
		~\$6.3bn YTD TPV	Combined Currency Fair and Assembly Payments Transaction Processing Volume (TPV)

Launching New Ventures

- **SC Bank Solutions** – JV virtual bank in Singapore in partnership with NTUC planning to go live in 2022
- **Olea** JV with Linklogis was approved by Chinese regulators and the entity was incorporated in October
- **Zodia Markets** - Post BC Group announcement, work underway to establish trading business (FCA license pending)
- **Litmus** - Supply Chain Finance platform venture with Lenovo
- **letsbloom** – Cloud platform proving prebuilt, bank-grade security and compliance controls for building, testing and deploying technology in regulated industries

Exciting Pipeline

- **MyZoi** - migrant worker payroll solution based in the UAE focusing on inclusion
- **Shoal** - a sustainable deposits and investments platform partnering with Starling Banking
- **Solv Kenya** - expansion of Solv India tech stack to Kenya to attract financial anchors for scale with additional countries being assessed
- ~10+ Venture ideas being assessed and incubated, plus M&A opportunities

Targets

Increase income by ~\$0.5bn by 2024

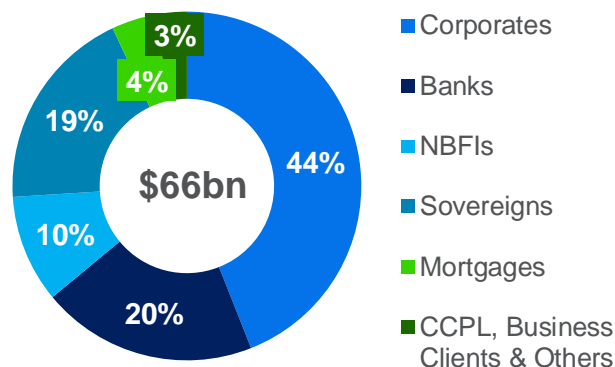
Grow Retail and SME client base 5X over the medium-term

Generate volumes and payment flow growth of 50X over the medium-term

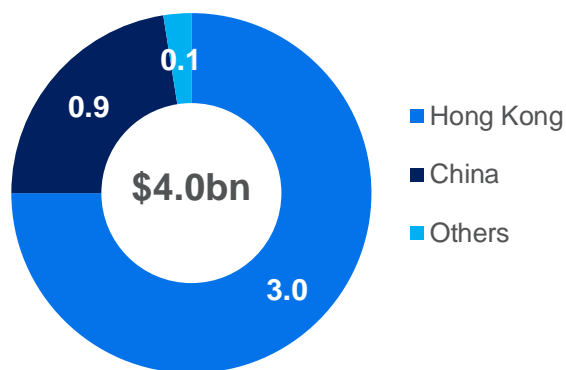


China Exposure

China ultimate parent company exposure¹ (\$bn)



China Commercial Real Estate Exposure by booking location² (\$bn)



Resilient China book

- 78% of CCIB exposure is investment grade
- 73% of corporate exposure is <1 year tenor
- 90% of bank exposures to top 5 banks³; 89% <1 year tenor
- 92% of bank and non-bank financial institutions (NBFI) exposures and 40% of corporate exposures to State Owned Enterprises
- \$15.8bn Loans & Advances (L&A) to Customers financially booked in China: low stage 2 and 3 as % of L&A at 0.6% and 0.1% respectively

CRE portfolio being actively managed

- Policy changes to deleverage the property sector led to restricted cash flows at property developers
- Some impairments and \$95m of management overlays taken
- 24% of the portfolio on Early Alert⁴ for closer monitoring and management
- Expect portfolio to remain resilient: 37% investment grade⁴, >45% secured with LTV < 50%
- Some policy measures recently introduced to support the industry



Appendix

Macroeconomic indicators, Interest rate sensitivity, Strategic priorities,
Central & Others, Digital Ventures, China exposure

Information for fixed income investors

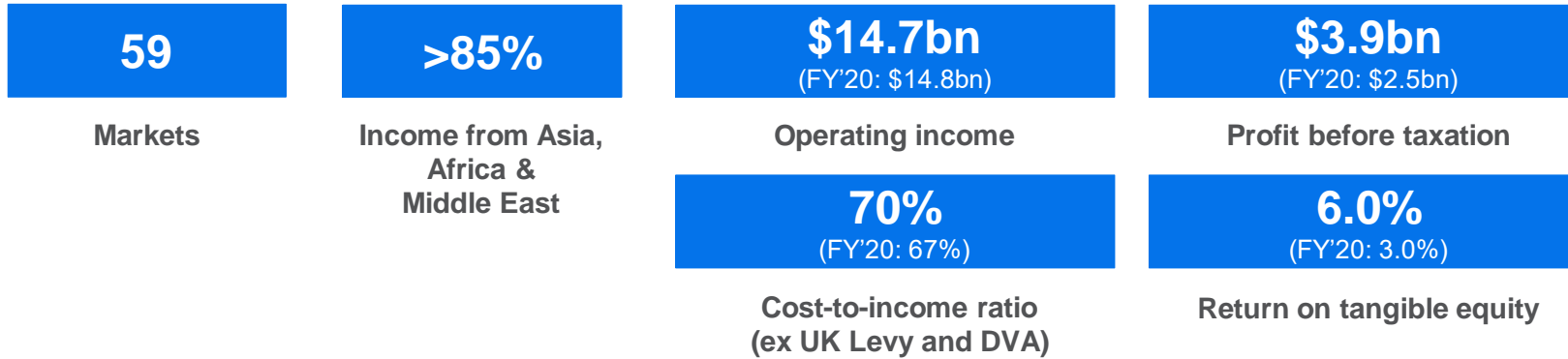
Sustainability

Notes, abbreviated terms and important notice

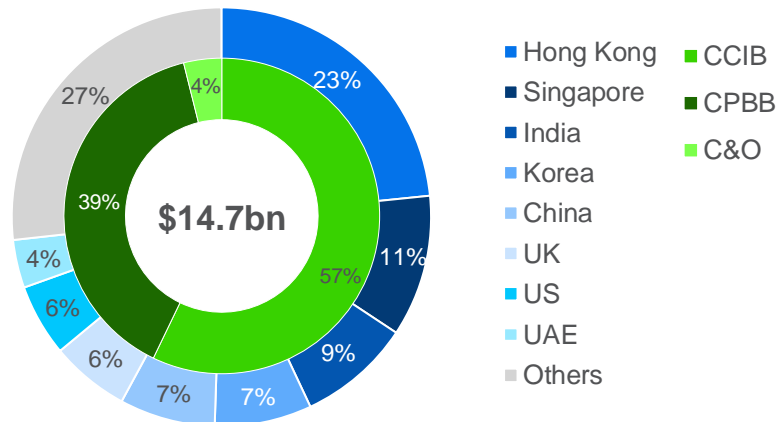


Resilient performance¹ founded on a unique franchise

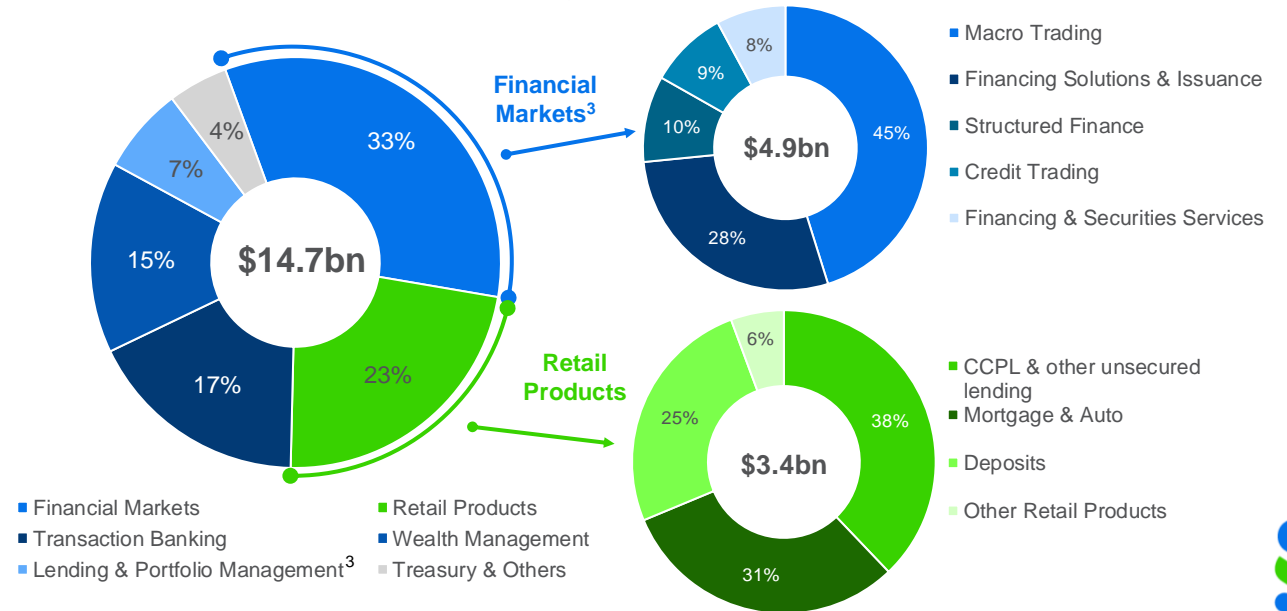
Over 160 years in some of the world's most dynamic markets



Group income diversified by market and segment²

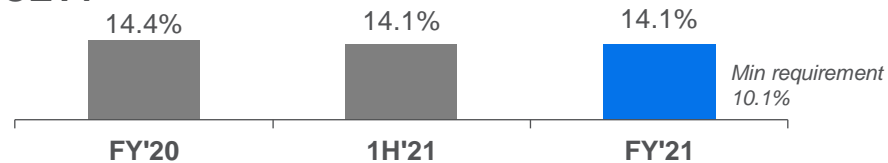


Group income diversified by product²



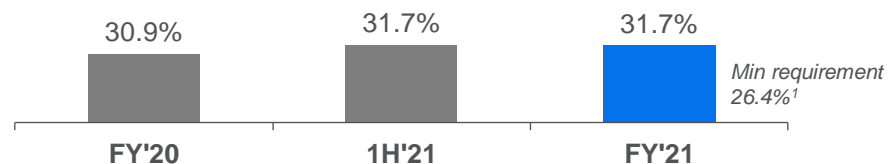
Balance sheet strength through volatile times

CET1



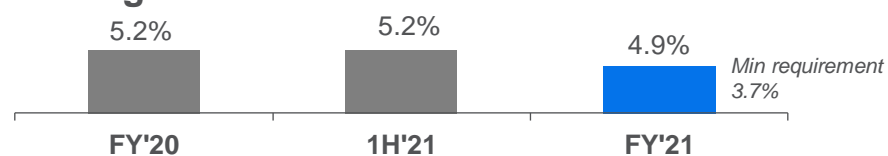
- CET1 capacity to support shareholder distributions and growth

MREL



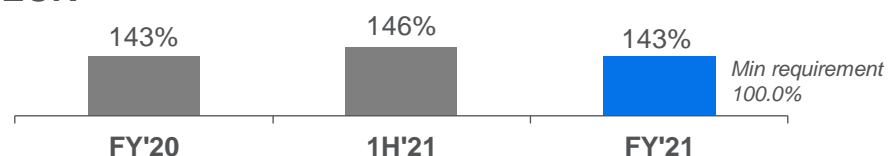
- MREL issuance of \$10.8bn in FY'21 across capital structure, strong buffer to 2022 requirement

Leverage ratio



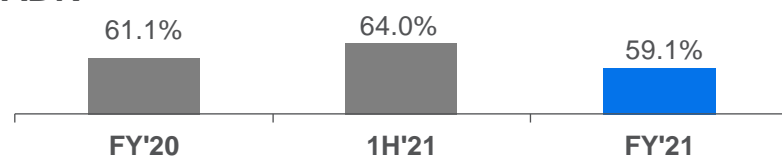
- Leverage ratio has significant headroom to minimum requirements

LCR



- LCR resilient: continued focus on LCR management with better liability quality, tenor extension and net outflows reduction

ADR



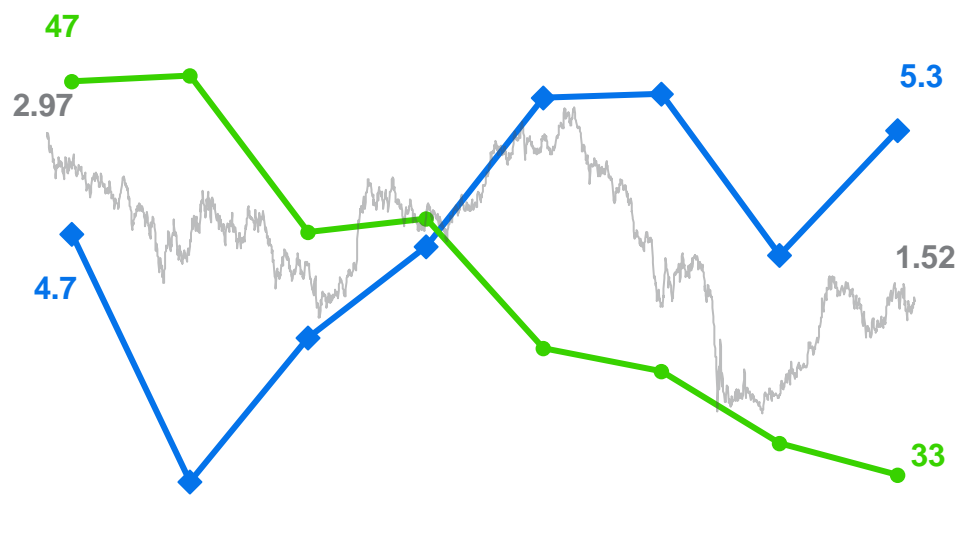
- ADR has capacity, and provides strong foundation, for future growth



Progress on improving capital deployment and funding quality

More efficient use of capital

Improving returns despite interest rate headwinds via capital efficiencies and prudent risk management

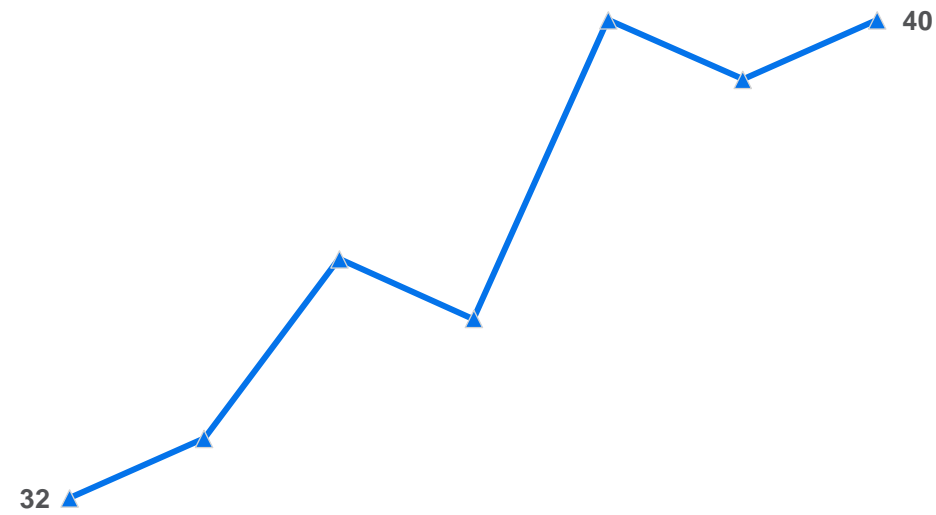


2014	2015	2016	2017	2018	2019	2020	2021
Net fees, commission, trading and other income as a proportion of Total income ^{1,2}							
40	38	45	43	47	50	54	54

◆ Income minus credit impairment¹ / RWA (%) ● RWA density (%)
 — US Treasuries 10yr yield (%)³

Continued improvement to funding quality

Significant increase in high-quality liabilities driving a better funding mix



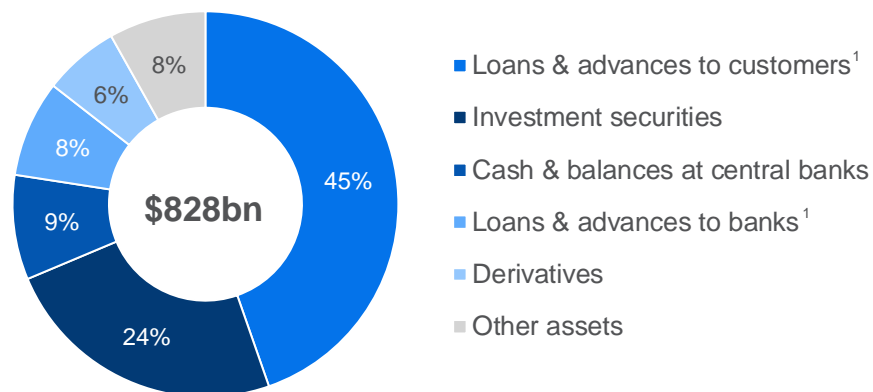
▲ OPAC⁴ + Retail Deposits⁵ / Total Liabilities (%)



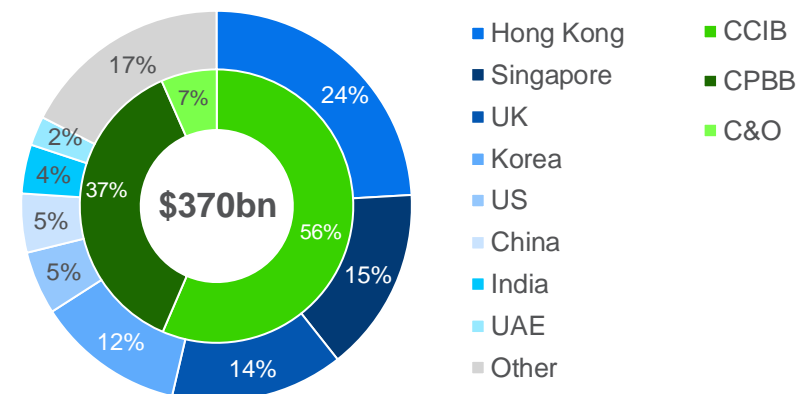
Balance sheet

Business and geography diversity underpins resilience

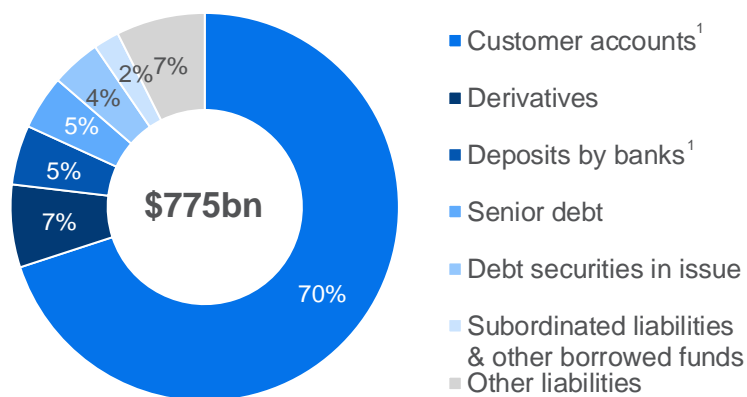
FY'21 Balance sheet assets¹



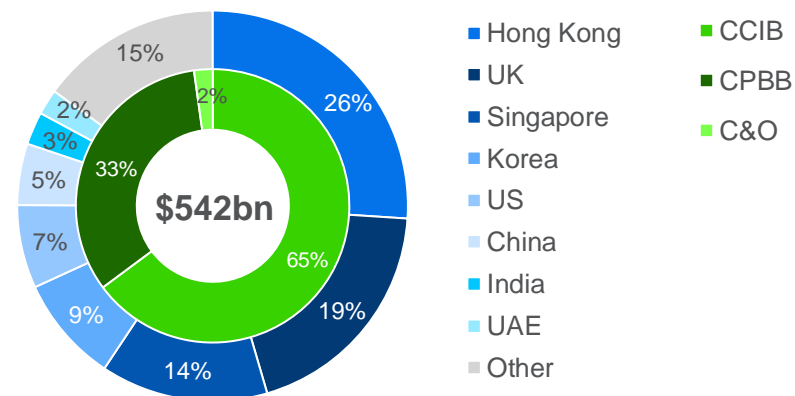
FY'21 Customer loans & advances^{1,2} by market and segment



FY'21 Balance sheet liabilities¹



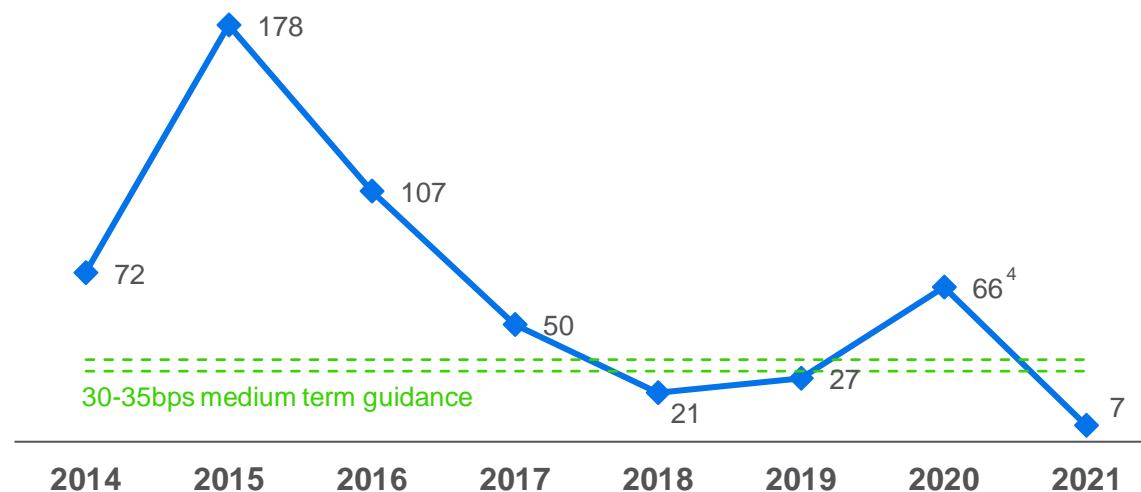
FY'21 Customer accounts^{1,2} by market and segment



Stronger foundations supporting resilient performance

Key risk indicators	FY'21 (IFRS 9)	FY'14 (IAS 39)	1H'21-FY'14 Movement
Investment grade as a % of corporate exposure	69%	42%	↑
Top 20 corporates as a % of Tier 1 capital	61%	83%	↓
Total cover ratio (excl / incl collateral) ¹	58% / 75%	52% / 62%	↑
Loan-to-value of mortgage portfolio	41%	49%	↓
Affluent income ² % of CPBB	62%	44%	↑

Loan loss rates³ (bps)



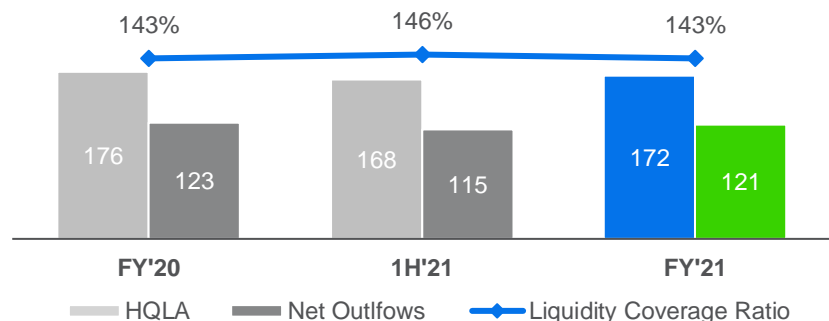
- Key portfolio indicators improved since FY'14 reflecting:
 - Investment grade focus for new origination, reduction in single name concentrations
 - Strengthening the Group's risk culture & tightened risk appetite
 - Highly diverse by industry sector, product and geography
 - Reduction of exposure to more volatile sectors
- Stronger risk foundations result in lower loan loss rates, resilient performance through pandemic and a lower 30-35 bps cost of risk guidance through the cycle



Funding and Liquidity

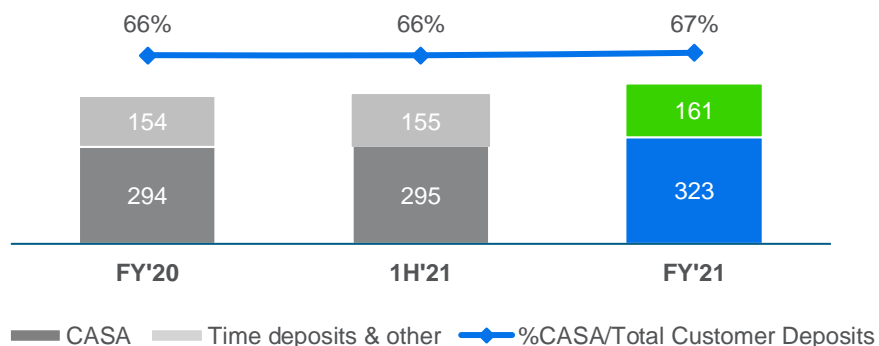
The Group's liquidity position remained resilient in FY'21

Liquidity coverage ratio (\$bn)



- LCR has remained resilient during FY'21: well above regulatory minimum requirements
- Continued focus on managing LCR with better liability quality and tenor extension, reducing net outflows in FY'21

Total customer deposits^{1,2} (\$bn)



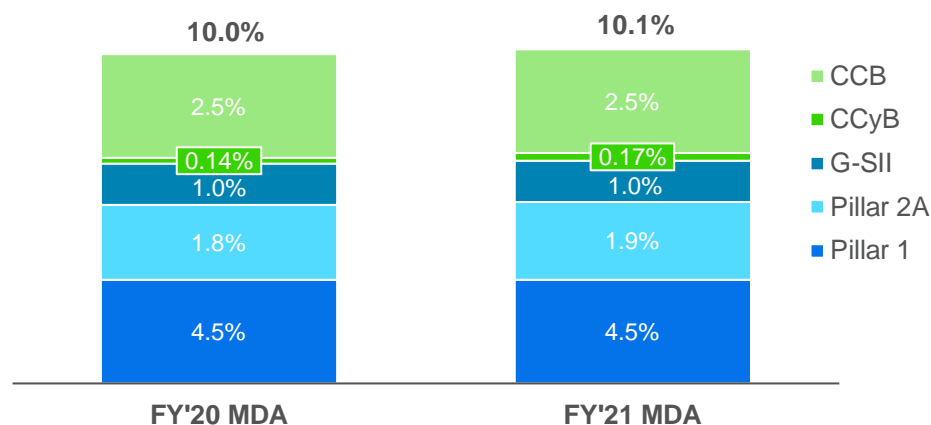
- Funding quality has improved with CASA to TD ratio increasing YoY
- The Group's growth aspirations continue to be supported by its strong customer deposit base



CET1

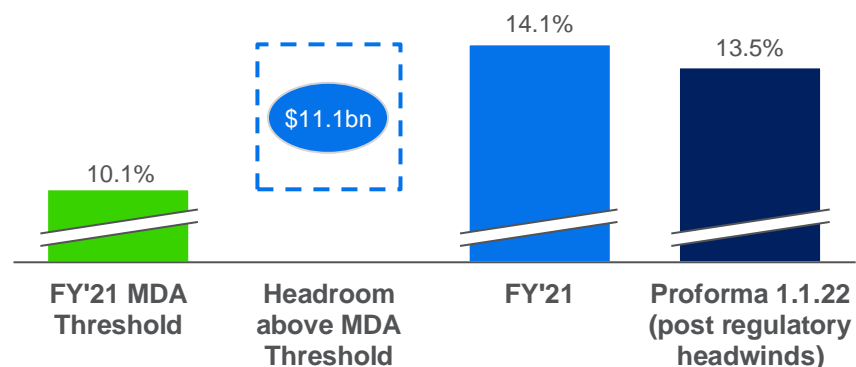
Strongly positioned: absolutely and relative to requirements¹

CET1 minimum requirement slightly increased in the period



- Minimum CET1 requirement increased by 10bps due to new P2A guidance
- P2A now reflects move of SFX risk to Pillar 1
- Changes to UK CCyB regime expected to have minimal impact

CET1 position materially above revised MDA² threshold



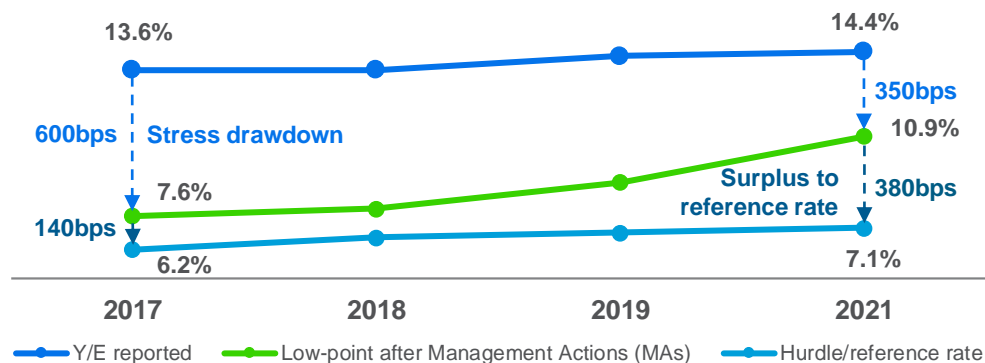
- Will operate dynamically within the 13-14% CET1 target range
- Proforma 1.1.22 CET1 ratio is 13.5% after regulatory headwinds: removal of software relief, Post Model Adjustment³, SA-CCR⁴ and IFRS9 transitional impact
- Day 1 impact of Basel 4 now expected to be ~1-2% of RWA though timing is uncertain
- Standard Chartered PLC distributable reserves at FY'21 of \$15.0bn



Bank of England Stress Test (BoE ST)

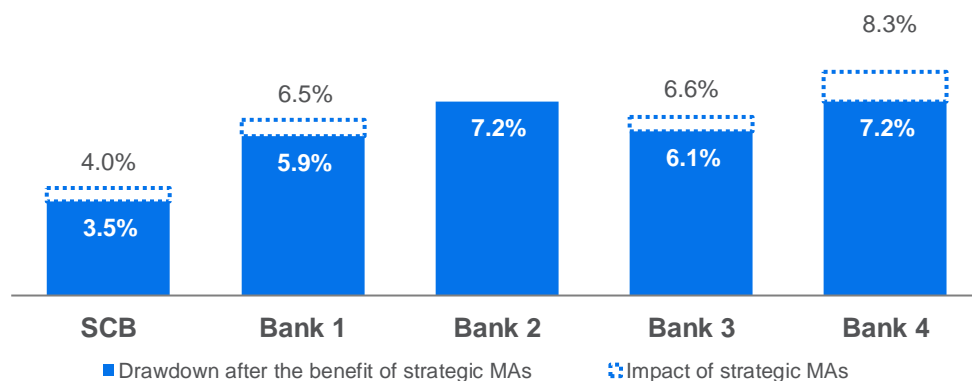
Results demonstrate continued capital strength and resilience to stress

CET1 capital ratio - BoE ST results (transitional)¹



- Strong capital position in 2021 test with CET1 well above the 7.1% reference rate:
 - 390bps stress drawdown before strategic management actions² (MAs) deployment: lowest relative to other banks
 - Low point of 10.9% CET1 after MAs
 - No AT1 conversion triggered
 - Well-positioned on a non-transitional IFRS9 basis
- Tier 1 leverage ratio low-point of 4.9% well above 3.6% reference rate

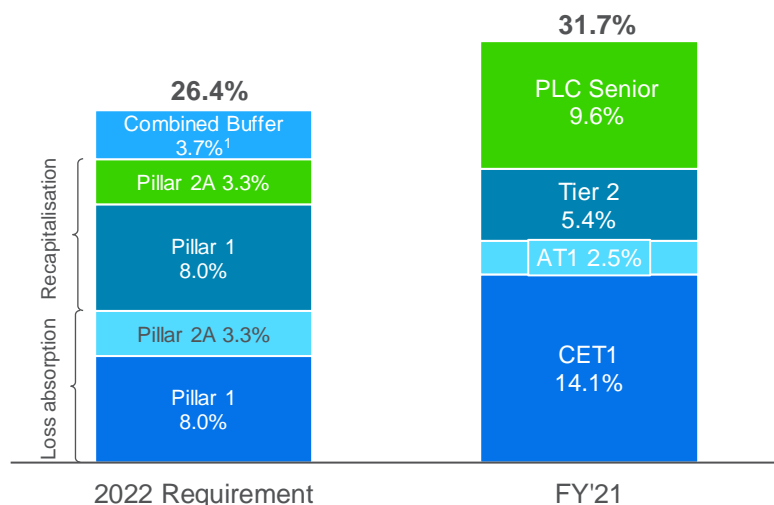
CET1 ratio - 2021 BoE ST drawdown (non-transitional)



MREL transition

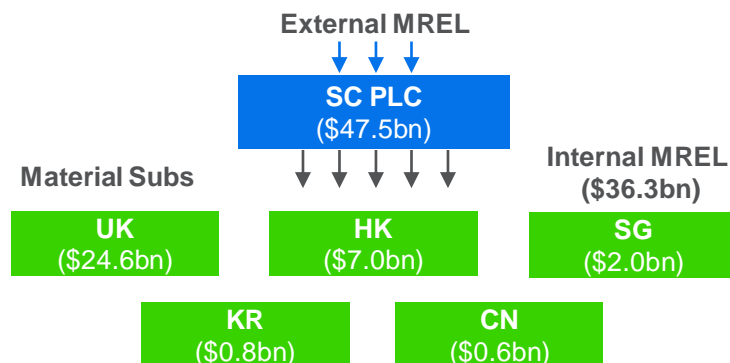
Well positioned for future growth and requirements

External MREL position ahead of known 2022 requirement



- FY'21 MREL position of 31.7% of \$271bn RWA meets expected 2022 MREL requirement with a buffer of ~530bps
- Hold Co issuance strategy results in little non-compliant capital in MREL
- Group total MREL of \$85.9bn

Internal MREL met via internal issuance



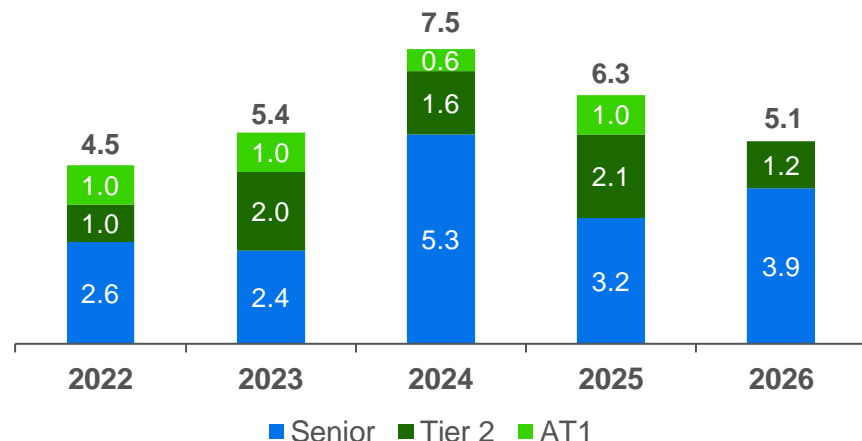
- Internal MREL
 - Required for Group's five material subsidiaries
 - Scaled in 75-90% range: FSB TLAC term sheet²
 - Expected sum < the Group's external MREL
- Internal Instruments: AT1, Tier 2 and Senior Non-Preferred



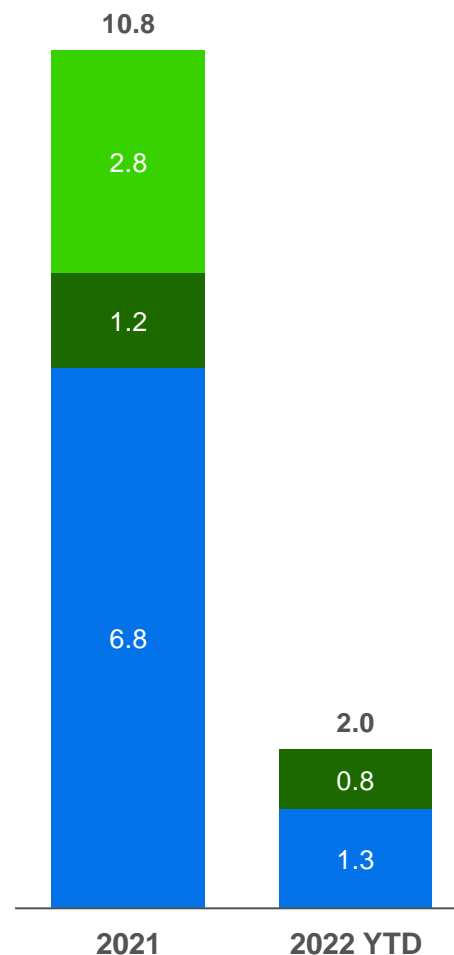
Debt Issuance

Good progress on delivery of funding programme

Maturity profile of existing stock (\$bn)¹



Recent Issuance (\$bn)



2021 and 2022 YTD Issuance by tenor & currency



Existing stock - Currency mix (\$bn)²




	USD	EUR	GBP	Other	USD Total
Senior	18.6	3.5	0.8	2.3	25.2
Tier 2	10.7	3.9	0.9	-	15.5
Preference shares	1.5	-	0.3	-	1.8
AT1	5.7	-	-	0.6	6.3
Total	36.6	7.4	2.0	2.8	48.8





Strong credit ratings maintained through COVID

Delivery of Group strategy to defend and, over time, improve credit ratings

Senior long- and short-term ratings

	S&P	Moody's	Fitch
Standard Chartered Bank	A+  A-1 Stable	A1 P-1 Stable	A+ F1 Negative
Standard Chartered PLC	BBB+ A-2 Stable	A3  Not rated Stable	A F1 Negative
Tier 2	BBB-	Baa2	BBB+
AT1	BB-	Ba1	BBB-
Standard Chartered Bank (Hong Kong)	A+ A-1 Stable	A1 P-1 Stable	Not rated
Standard Chartered Bank Singapore	A+  A-1 Stable	A1 P-1 Stable	A+ F1+ Stable

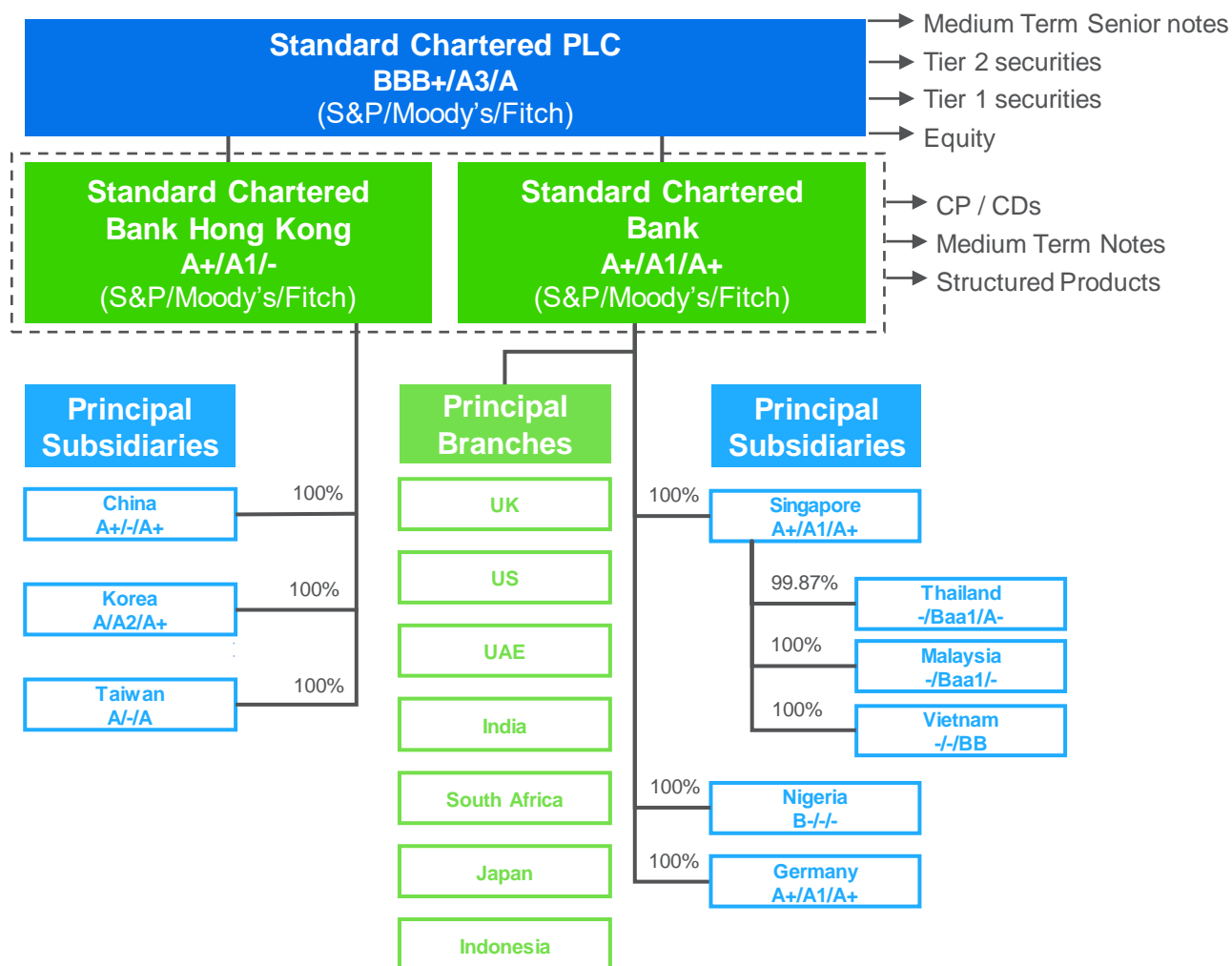
 Upgraded in 2021  Downgraded in 2021

- Well-rated with strong credit fundamentals, absolutely and relative to peers:
 - Well-established network is a franchise strength
 - Recognition of strong risk management, controlled risk appetite, reduced loan concentrations and improved exposure quality
 - Funding and liquidity are key strengths
- S&P upgrade to A+ post methodology change, recognising strengthened risk management, pandemic resilience and higher loss-absorbing capacity
- Moody's debt buffer methodology change mechanically reduced PLC rating by one notch to A3: fundamental credit factors were unchanged



Standard Chartered Group

Simplified legal structure, completion of ASEAN hub



- Completion of the ASEAN hub based in Singapore in December 2021
 - follows full subsidiarisation of the Singapore business in 2019
 - reflects Group status as the only “Significantly Rooted Foreign Bank” in Singapore
 - supports growth of the business franchise in ASEAN
 - aligns management and entity structures within ASEAN
- PRA and FCA remain lead regulators in the supervision of the Group
- No change to the Group’s BoE led Single Point of Entry preferred resolution strategy



Appendix

Macroeconomic indicators, Interest rate sensitivity, Strategic priorities,
Central & Others, Digital Ventures, China exposure
Information for fixed income investors

Sustainability

Notes, abbreviated terms and important notice



We will lead with a differentiated sustainability offering...

... making a difference in the world where it matters most



Our impact

- EM are most at risk from climate change...
 - ... but have the biggest opportunity to move to low carbon
 - Average CO₂ avoided per dollar of financing is 7x higher in the least, lower and lower-middle income OECD DAC countries than in developed nations
- There isn't enough financing to meet the UN SDGs
 - <60% being met in EM; just 10% in Africa¹
 - \$10tn gap by 2030 in 15 of our footprint markets (SDGs 6, 7 & 9)²
- We are in a unique position to mobilise finance
 - Over 84% of our SF assets are in Asia, Africa and the Middle East
 - Over 70% are in emerging and developing economies³



We are part of the solution

Our plan

- Net zero by 2050 for financed emissions
- \$1bn SF income in the medium-term
- Financing commitments
 - Mobilise \$300bn for green and transition finance from Jan 2021 – Jan 2030
 - \$15bn for small business clients from Jan 2020 – Dec 2024
 - \$3bn for microfinance institutions from Jan 2020 – Dec 2024
- Double Sustainable Investing Assets Under Management
- No new direct thermal coal financing
- Clients to be <5%¹ coal dependent by 2030
 - January 2021, no clients 100% dependent on coal
 - <80% by 2024, <60% by 2025 and <40% by 2027
- Launch and grow green mortgages in key markets across Asia, Africa and the Middle East
- Net zero by 2025 for our operations

2021 achievements

- SF income up 146% YoY, SF Assets up 62% YTD Dec'21
- Facilitated \$9.6bn for sustainable infrastructure and \$22bn for renewable energy
- \$618m extended to microfinance institutions, up 21%
- Updated our Position Statements covering all sensitive sectors
 - Introduced enhanced requirements effective from 2022
 - Restrictions placed on thermal coal dependent clients give clear direction and support transition
- Reviewed 786 clients and 547 transactions that presented potential specific risks against our Position Statements
- Launched five core sustainability-focused retail products
- 83% of Sustainability Aspirations on track or achieved
- 27% reduction in our carbon footprint



Our roadmap to net zero financed emissions by 2050

Recognising the pivotal role we can play in the transition



- Catalyse finance and partnerships to scale impact, capital and climate solutions to where they are needed most
 - Mobilise \$300bn in green and transition finance by 2030
- Accelerate new solutions to support a just transition in our markets
 - New dedicated Transition Acceleration Team of bankers to support clients in high-emitting sectors, and launching sustainable products
- 2030 interim targets to reduce financed emissions
 - Absolute thermal coal mining emissions to be reduced by 85%
 - Revenue based carbon intensity targets for power and oil and gas, to be reduced by 63% and 30% respectively
- Stop financing, at an individual client entity level (e.g. subsidiaries), companies that are expanding in thermal coal
- Aligns to the International Energy Agency's (IEA's) Net Zero Emissions by 2050 scenario (NZE)



Appendix

Macroeconomic indicators, Interest rate sensitivity, Strategic priorities,
Central & Others, Digital Ventures, China exposure

Information for fixed income investors

Sustainability

Notes, abbreviated terms and important notice



Notes

These notes refer to the metrics and defined terms on the following pages

Page	Explanatory note or definition
4	<ol style="list-style-type: none"> 1. YoY = year-on-year variance is better/(worse) other than for RWA, CET1 ratio and LCR, which is increase/(decrease) / Ccy = constant currency / Nm = Not meaningful; change rates for NIM, CET1 ratio, LCR and RoTE are basis points change year-on-year 2. High-risk assets in this context means exposures classified in EA(NPP), CG12 and Net Stage 3
5	<ol style="list-style-type: none"> 1. Group income growth on a constant currency basis and excluding (1) debit valuation adjustment (DVA) and, (2) impact of the IFRS9 interest income catch-up adjustment in relation to interest earned on impaired assets as required by IFRS9 Financial Instruments: Recognition and Measurement
6	<ol style="list-style-type: none"> 1. Normalised NIM excludes a \$96 million interest income catch-up adjustment reported in 3Q'21, and \$75m in 2Q'21 in relation to interest earned on impaired assets as required by IFRS9 Financial Instruments: Recognition and Measurement 2. Income Statutory basis; the Group in 2019 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 3. AIBL – Average interest-bearing liabilities
7	<ol style="list-style-type: none"> 1. Other income is on a statutory basis 2. Net fees & commissions included a \$(104)m year-to-date (YTD) catch-up in 4Q'20 in relation to fee guarantees paid on CLOs. In previous quarters, this expense was reported as an interest expense but from 4Q'20 onwards it will be reported as a fee debit. The YTD catch-up reduced fees and commissions by \$104m and increased statutory net interest income by \$104m. There is no impact on total income or NIM
8	<ol style="list-style-type: none"> 1. YoY = Year-on-year (FY'21 vs FY'20) % variance is increase/(decrease) 2. Corporate, Commercial & Institutional Banking income was down 1% and profit before tax was up 57% excluding movement in DVA 3. Europe & Americas income was up 4% and profit before tax was up 69% excluding movement in DVA
11	<ol style="list-style-type: none"> 1. Loan-loss rate is on a year-to-date annualised basis 2. Early Alerts (Non-Purely Precautionary) (EA(NPP)) are on a net nominal basis 3. High-risk assets in this context means exposures classified in EA(NPP), CG12 and Net Stage 3 4. Cover ratio for 31.12.21 after collateral 5. CPBB accounts that are 30 or 90 Days Past Due



Notes

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Page	Explanatory note or definition
12	<ol style="list-style-type: none">1. RWA FX & Others include FX of \$(4.4)bn, RWA efficiencies of \$(1.1)bn, software relief of +\$0.3bn and Operational RWA of +\$0.3bn2. AT1/Dividend includes a foreseeable dividend accrual in respect of the final 2021 ordinary share dividend in the fourth quarter3. CET1 FX & Others includes: FVOCI (12)bps, PVA (6)bps, intangibles (4)bps and other movements ~(7)bps4. The total benefit to CET1 from the revised treatment of software assets as of 31st December is rolling off from 1st Jan 2022 following PRA guidance5. The UK PRA SA-CCR rules have gone live on 1 January 2022. The SA-CCR Basel standard has been implemented in the UK by PRA <u>Policy Statement PS22/21</u> (Oct 2021) and PS 17/21 following consultation paper CP 5/21 (February 2021). Chapter 8 of CP 5/21 covers the implementation of the Basel standard on Counterparty Credit Risk into the PRA Rulebook requiring firms without IMM permission to use the Standardised Approach to Counterparty Credit Risk (SA-CRR) to calculate counterparty credit risk RWA, for the leverage ratio and large exposures purposes. PRA rules do not deviate substantially from the Basel standard. On the post model adjustment (PMA), the PRA has adopted new standards for IRB models which are intended to introduce specific elements of conservatism and make modelled outcomes more consistent across institutions and changes to how default is defined and PD and LGD are estimated. We are required to take the estimated RWA impact of these changes into our numbers from 1 January 2022 and ahead of approval of the new IRB models themselves. Both SA-CCR and PMA together has ~(31) bps impact to CET1
17	<ol style="list-style-type: none">1. Source: SCB Research2. Source: https://financialservices.globaldata.com/Analytics/InteractiveDataMarketAnalyzers/GlobalWealthMarketsAnalytics3. Source: McKinsey: Global Banking Annual Review 2021, page 48



Notes

These notes refer to the metrics and defined terms on the following pages

Page	Explanatory note or definition
20	<ol style="list-style-type: none"> 1. Income return on risk weighted assets (IRoRWA) % are based upon average RWA balances 2. Risk weighted assets (\$ billions) are period end balances, not average balances
21	<ol style="list-style-type: none"> 1. Income return on credit risk weighted assets (excluding market risk and operational risk RWA)
23	<ol style="list-style-type: none"> 1. The Group's \$1.3bn Efficiency Programme includes CPBB \$500m cumulative gross business savings
24	<ol style="list-style-type: none"> 1. Includes Wealth Management Assets under Management and Deposits 2. Excludes Digital Ventures
26	<ol style="list-style-type: none"> 1. Bohai income not included due to minority shareholding 2. Additional income relating to China Opening opportunities and SC's associated capabilities e.g. RMBI that is booked outside China like from Bond Connect 3. Offshore Income excludes SC Hong Kong (excluding network income inbound from China)
27	<ol style="list-style-type: none"> 1. Based on FY'21 vs FY'20. In this context, corridor origination Trade Assets and Contingents refers to those assets originated in China but booked in an ASEAN market, or vice versa 2. Market share in Bond Connect refers to Northbound flow (into Mainland China) amounts in custody 3. For FY'21 onshore Wealth Management income vs FY'20 4. Partnerships include: Ant Financial, Ctrip.com, Lexin, JD.com, Linklogis
29	<ol style="list-style-type: none"> 1. All financial targets are for the three-year period 2022-2024 unless otherwise stated 2. Group \$1.3bn Efficiency Programme includes CPBB \$500m cumulative gross business savings referenced on page 23 3. Including the \$750m buyback announced on 17th February 2022, stating imminently
30	<p>Note: bars are illustrative and not to scale</p> <ol style="list-style-type: none"> 1. China related includes: SC China + CCIB Network (Outbound) + CPBB offshore mainland wealth + RMB and China Opening (booked offshore); excludes SC Hong Kong (excluding network income inbound from China)



Notes

These notes refer to the metrics and defined terms on the following pages

Page	Explanatory note or definition
31	<ol style="list-style-type: none">1. Forward rates sourced from Cortex as at 26.1.222. NII sensitivity estimate based on instantaneous parallel shift (increase or decrease) across all currencies. Estimate subject to significant modelling assumptions and subject to change3. Refer to page 256 of the Full Year Report 2021. IRRBB assumptions include that the size and mix of the balance sheet remain constant and that there are no specific management actions in response to the change in rates. For FY'21, the reported sensitivity includes income earned by the Banking Book on funding the Trading Book which was previously excluded from the reporting scope4. FY'20 sensitivities have been re-stated due to correction of interest rate basis for certain USD denominated interest rate swaps and HKD denominated mortgages5. Based on a medium-term forward looking forecast of expected interest rate pass through if market rates were to increase by 100bps, supported by quantitative back-testing to ensure the reasonableness of the forecast
32	<p>Note: bars are illustrative and not to scale</p> <ol style="list-style-type: none">1. Total operating expenses excluding the UK bank levy2. Group \$1.3bn Efficiency Programme includes CPBB \$500m cumulative gross business savings referenced on slide 23
33	<ol style="list-style-type: none">1. Include the \$750 share buy-back announced on 17th February 2022
34	<p>Note: bars are illustrative and not to scale</p> <ol style="list-style-type: none">1. Loan-loss rate assumed for the purpose of this illustrative walk to normalise to 30-35bps over the medium-term2. Underlying Effective Tax Rate is to normalise to mid-20% level over time
38	<ol style="list-style-type: none">1. Forecasts based on SCB Research as at 01 December 2021
39	<ol style="list-style-type: none">1. NII sensitivity estimate based on instantaneous parallel shift (increase or decrease) across all currencies. Estimate subject to significant modelling assumptions and subject to change2. Refer to page 256 of the Annual Report 2021. IRRBB assumptions include that the size and mix of the balance sheet remain constant and that there are no specific management actions in response to the change in rates. For FY'21, the reported sensitivity includes income earned by the Banking Book on funding the Trading Book which was previously excluded from the reporting scope.3. FY'20 sensitivities have been re-stated due to correction of interest rate basis for certain USD denominated interest rate swaps and HKD denominated mortgages. Refer to page 256 of Annual Report 2021



Notes

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Page	Explanatory note or definition
40	<ol style="list-style-type: none">1. YoY = year-on-year variance is better/(worse)2. Network income : CCIB income generated outside of a client's headquarter country (excluding risk management, trading and ship leasing)3. Proportion of CCIB transactions executed through the Group's digital platforms; 2019 includes indicative data for FM digitally initiated transactions4. Affluent income from Priority, Premium and Private Banking clients; Number of active Priority, Premium and Private Banking clients5. Based on Scope 1, 2 and 3 tonnes CO2 emissions6. In 2020 the Group released updated Sustainability Aspirations with 37 new annual and multi-year performance targets (vs 29 targets previously disclosed)7. Proportion of retail products executed via digital platforms, excluding the impact of the Ant Financial JV in China was 41% (up 4%pt YoY)
41	<ol style="list-style-type: none">1. YoY = year-on-year variance is better/(worse), except for RWA which is simply increase/(decrease)
43	<ol style="list-style-type: none">1. Net Nominal basis: based on where the ultimate parent entities and credit responsibility is2. Booking location includes exposures where the ultimate parent entities and credit responsibility is in China and to entities outside of China but with substantial cashflow generated from China3. By Tier 1 Capital as of 30 September 20214. % in Early alert (non-purely precautionary) and investment grade % are on a net nominal basis (see selected technical and abbreviated terms page 69)
45	<ol style="list-style-type: none">1. Figures are presented on an underlying basis2. Breakdown of pie charts might not add to 100% due to rounding3. The Group has integrated the majority of its Corporate Finance business within Financial Markets. The remaining elements of the Group's Corporate Finance business – primarily M&A advisory – have been transferred into Lending and Portfolio Management.
46	<ol style="list-style-type: none">1. Fully-phased minimum requirements from 01.01.22 with Pillar 2A at December 2021 level



Notes

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Page	Explanatory note or definition
47	<ol style="list-style-type: none">1. Statutory basis2. In FY'19, the Group began to recognize all gains and losses on financial assets and liabilities held at fair value through profit or loss, including contractual interest, in net trading income. FY'18 figure has been restated.3. Sourced from Federal Reserve Economic Data4. Period-end Operating Account Balances5. Consumer, Private & Business Banking customer accounts without repurchase agreements
48	<ol style="list-style-type: none">1. Breakdown of pie charts might not add to 100% due to rounding2. Loans & advances to customers and Customer accounts includes reverse repurchase agreements and repurchase agreements respectively and financial instruments held at fair value through profit or loss
49	<ol style="list-style-type: none">1. FY'14 includes both individual and portfolio impairment provisions. FY'21 includes Stage 3 provisions. Following adoption of IFRS9, the definition of nonperforming loans and Stage 3 loans has been aligned2. Affluent income is that generated from Priority and Premium clients in the Retail Banking segment and from clients in the Private Banking segment. FY'14 affluent segment contribution to Retail Banking income is based on client income3. Total credit impairment including restructuring portfolio for loans and advances to customers over average loans and advances to customers. Credit impairment under IFRS 9, effective from 1 January 2018, covers a broader asset base than loan impairment under IAS 39. Loan loss rates between 2014 and 2017 were prepared on an IAS 39 basis4. Includes management overlay, mostly arising from COVID-19, contributing 11bps in FY'20
50	<ol style="list-style-type: none">1. Excludes repurchase agreements and other similar secured borrowing. Customer deposits include \$9,291m of customer accounts held at FVTPL.2. CASA includes Retail CASA and Transaction Banking non-bank CASA



Notes

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Page	Explanatory note or definition
51	<ol style="list-style-type: none">1. Absolute buffers are as at 31.12.21. The MDA thresholds assume that the maximum 2.1% of the Pillar 1 and Pillar 2A requirement has been met with AT12. As PRA's capital buffers rules set out, firms that do not meet their combined buffer shall face restrictions on their distributions, and be subject to a MDA3. On the post model adjustment (PMA), the PRA has adopted new standards for IRB models which are intended to introduce specific elements of conservatism and make modelled outcomes more consistent across institutions and changes to how default is defined and PD and LGD are estimated. We are required to take the estimated RWA impact of these changes into our numbers from 1 January 2022 and ahead of approval of the new IRB models themselves.4. The UK PRA SA-CCR rules have gone live on 1 January 2022. The SA-CCR Basel standard has been implemented in the UK by PRA Policy Statement PS22/21 (Oct 2021) and PS 17/21 following consultation paper CP 5/21 (February 2021). Chapter 8 of CP 5/21 covers the implementation of the Basel standard on Counterparty Credit Risk into the PRA Rulebook requiring firms without IMM permission to use the Standardised Approach to Counterparty Credit Risk (SA-CRR) to calculate counterparty credit risk RWA, for the leverage ratio and large exposures purposes. PRA rules do not deviate substantially from the Basel standard.
52	<ol style="list-style-type: none">1. Bank of England Stress Test (BoE ST) was cancelled in 20202. The Bank of England invites banks to submit planned strategic management actions that would be taken during the scenario in order to boost their capital ratios. These can include actions such as sales of part of the business but must be consistent with the market-wide stress, be executable in stress and form part of, or be consistent with the bank's recovery plan
53	<ol style="list-style-type: none">1. Combined Buffer comprises the Capital Conservation Buffer, G-SII Buffer and any Countercyclical Buffer2. Financial Stability Board's (FSB) "Principles on Loss-absorbing and Recapitalisation Capacity of G-SIBs in Resolution" Total Loss-absorbing Capacity (TLAC) Term Sheet: https://www.fsb.org/wp-content/uploads/TLAC-Principles-and-Term-Sheet-for-publication-final.pdf
54	<ol style="list-style-type: none">1. Standard Chartered PLC modelled on earlier of call date or maturity date as at 10.02.22. \$2bn Senior and \$1bn Tier 2 was redeemed in Jan-222. Standard Chartered PLC only as at 10.02.22. Includes the \$0.75bn Tier 2 and \$1.25bn Senior issued in Jan-22
58	<ol style="list-style-type: none">1. Source: UNEP Finance Initiative (2018) Rethinking Impact to Finance the SDGs. Available online at: https://www.unepfi.org/wordpress/wp-content/uploads/2018/11/Rethinking-Impact-to-Finance-the-SDGs.pdf2. Source: Standard Chartered (2020) Opportunity2030. Available online at: https://av.sc.com/corp-en/content/docs/Standard-Chartered-Opportunity-2030.pdf3. Source: Standard Chartered Sustainable Finance Impact Report (2021). Available online at: https://av.sc.com/corp-en/content/docs/sustainable-finance-impact-report-2021.pdf
59	<ol style="list-style-type: none">1. Revenues from thermal coal, measured by EBITDA at Group level



Selected technical and abbreviated terms

Term	Definition
Affluent activities	Personal banking services offered to affluent and emerging affluent customers
ADR	Advances-to-Deposits ratio
AIBL	Average interest-bearing liabilities
AIEA	Average interest-earning assets
bps	Basis points
CASA	Client current accounts and savings accounts
ccy	A performance measure on a constant currency basis is presented such that comparative periods are adjusted for the current year's functional currency rate
CCIB	The Group's Corporate, Commercial & Institutional Banking client segment
CET1	Common Equity Tier 1 capital, a measure of CET1 capital as a percentage of RWA
CG12	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
CIR	Cost-to-Income ratio
C&O	Central & Others segments
CPBB	The Group's Consumer, Private & Business Banking client segment
DPD	Days-Past-Due: one or more days that interest and/or principal payments are overdue based on the contractual terms
DVA	Debit Valuation Adjustment: the Group calculates DVA on its derivative liabilities to reflect changes in its own credit standing
EA (NPP) / Early Alerts	Early Alerts: a non-purely precautionary early alert account is one which exhibits risk or potential weaknesses of a material nature requiring closer monitoring or attention by management
EM	Emerging Markets
FI	Financial Institutions, e.g. banks, insurance companies, funds, brokers
FM	The Group's Financial Markets business
HNW	High Net Wealth [clients]
IRoRWA	Annualised income return on risk weighted assets
L&A	Loans & Advances to customers
LCR	Liquidity Coverage Ratio

Term	Definition
Loan-loss rate (LLR)	Total credit impairment for loans and advances to customers over average loans and advances to customers
MREL	Minimum requirement for own funds and eligible liabilities
n.a.	Not applicable
Network activities	Corporate and institutional banking services offered to clients utilising the Group's unique network in 59 markets across Asia, Africa and the Middle East
Net nominal	Net Nominal is the aggregate of loans and advances to customers/loans and advances to banks after impairment provisions, restricted balances with central banks, derivatives (net of master netting agreements), investment debt and equity securities, and letters of credit and guarantees
NFI	Non-Funded Income
NII	Net Interest Income
NIM	Net Interest Margin: net interest income adjusted for interest expense incurred on amortised cost liabilities used to fund the Financial Markets business, divided by average interest-earning assets excluding financial assets measured at fair value through profit or loss
Nm	Not meaningful
NTB	New to bank clients
PBT	Underlying profit before tax
PPOP	Pre-Provision Operating Profit: income net of expenses but before impairments
P&L	Profit and loss statement
QoQ	Quarter-on-Quarter change
RoTE	Return on Tangible Equity: the ratio of the current year's profit available for distribution to ordinary shareholders to the weighted average tangible equity, being ordinary shareholders' equity less the average goodwill and intangible assets for the reporting period. Where target RoTE is stated, this is based on profit and equity expectations for future periods
RWA	Risk-Weighted Assets are a measure of the Group's assets adjusted for their associated risks
tn	Trillion
WM	The Group's Wealth Management business
YoY	Year-on-Year change
YTD	Year-to-date
%pt	Percentage point



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.

Forward-looking statements involve inherent risks and uncertainties. They are not guarantees of future performance and actual results could differ materially from those contained in the forward-looking statements. Recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements. Forward-looking statements are based on current views, estimates and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Group and are difficult to predict. Such risks, factors and uncertainties may cause actual results to differ materially from any future results or developments expressed or implied from the forward-looking statements. Such risks, factors and uncertainties include but are not limited to: changes in the credit quality and the recoverability of loans and amounts due from counterparties; changes in the Group’s financial models incorporating assumptions, judgments and estimates which may change over time; risks relating to capital, capital management and liquidity; risks associated with implementation of Basel III and uncertainty over the timing and scope of regulatory changes in various jurisdictions in which the Group operates; risks arising out of legal and regulatory matters, investigations and proceedings; operational risks inherent in the Group’s business; risks arising out of the Group’s holding company structure; risks associated with the recruitment, retention and development of senior management and other skilled personnel; risks associated with business expansion or other strategic actions, including engaging in acquisitions, disposals or other strategic transactions; reputational, compliance, conduct, information and cyber security and financial crime risks; global macroeconomic and geopolitical risks; risks arising out of the dispersion of the Group’s operations, the locations of its businesses and the legal, political and economic environment in such jurisdictions; competition; risks associated with the UK Banking Act 2009 and other similar legislation or regulations; risks associated with the discontinuance of IBORs and transition to alternative reference rates; changes in the credit ratings or outlook for the Group; market force or condition, future exchange and interest rates, commodity prices, equity price and other market risk; foreign exchange risk; financial market volatility; systemic risk in the banking industry and among other financial institutions or corporate borrowers; country risk; risks arising from operating in markets with less developed judicial and dispute resolution systems; legislative, regulatory, policy developments, development of standards and interpretations, the ability of the Group to mitigate the impact of climate change effectively, risks arising out of regional hostilities, terrorist attacks, social unrest or natural disasters; risks arising out of health crises and pandemics, such as the coronavirus outbreak; climate related transition, environmental, social or physical risks; business model disruption risks; changes in tax rates, future business combinations or dispositions and other factors specific to the Group; the implications of a post-Brexit and the disruption that may result in the United Kingdom and globally from the withdrawal of the United Kingdom from the European Union; and failure to generate sufficient level of profits and cash flows to pay future dividends. Please refer to the Company’s latest Annual Report for a discussion of certain other risks and factors which may impact the Group’s future financial condition and performance.

Any forward-looking statement contained in this document is based on past or current trends and/or activities of the Company and should not be taken as a representation that such trends or activities will continue in the future. No statement in this document is intended to be a profit forecast or to imply that the earnings of the Company and/or the Group for the current year or future years will necessarily match or exceed the historical or published earnings of the Company and/or the Group. Each forward-looking statement speaks only as of the date of the particular statement. Except as required by any applicable law or regulations, the Company expressly disclaims any obligation or undertaking to release publicly or make any updates or revisions to any forward-looking statement contained herein whether as a result of new information, future events or otherwise.

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