

press release

FOR IMMEDIATE RELEASE

Standard Chartered's industry-first relationship banking puts a smile on emerging-affluent customers

New proposition completes high value segment offering

11 August 2010, Singapore – Standard Chartered today announced the launch of Preferred Banking for the rapidly growing emerging-affluent¹ segment completing their suite of offerings in the high value segment category in Singapore. The Bank is first to introduce a product and service offering catered to this segment, based on extensive research on their needs and requirements.

Emerging-affluent: The new sweet spot for businesses

Standard Chartered believes that the emerging-affluent segment in Singapore represents one of the fastest growing and most attractive demographics for consumer businesses, with banking as no exception. The underserved emerging-affluent demographic numbers 725,000 in Singapore and constitutes 19 per cent of the population. From 2005 to 2009, the emerging-affluent segment grew at a CAGR of 10 per cent despite the challenging economic conditions of the past year. The segment is also dominated by young, upwardly mobile executives, professionals, couples and families standing at over 43 per cent of the emerging-affluent segment in 2009 and representing nascent and untapped potential.

¹ Definition: An emerging affluent individual has monthly income between S\$6,000 to S\$16,000 and/ or investible assets between S\$50,000 to S\$200,000 in Singapore

Standard Chartered research reveals the following findings that have shaped the Bank's proposition:

- The young emerging-affluent like being rewarded for their relationship. They enjoy instant gratification and want to earn rewards fast²
- Customers in this segment are looking for recognition and would like to have access to services, benefits and privileges, similar to an affluent customer³
- They prefer to have the ability to seek the assistance of a skilled Relationship Manager when required to help them on their financial requirements
- These customers are 'time poor', highly mobile, techno-literate and value banking convenience on the go⁴.

Standard Chartered's enhanced focus on customer needs and formulating differentiated and distinct value propositions based on these needs has been a successful one. For example, since the launch of Priority Banking⁵ last year, its Priority Banking customer base has grown by over 40 per cent. And customers are happier as Priority Banking customer satisfaction has increased by three-fold since the second half of 2009, with a marked increase of 21 points in Net Promoter Score⁶.

Preferred Banking Relationship – First in Singapore

Through the Preferred Banking proposition, Standard Chartered is introducing a differentiated product and service offering with a relationship approach to customers in this segment, a first of its kind in Singapore. The key highlights of the offer are:

² Over 64% of customers surveyed with monthly income of at least S\$6,000 rated a credit card with a better rewards scheme as the most influential criteria in their choice of a banking partner

³ 64% and 62% of all respondents found a priority queue system at branches and an exclusive hotline helpful, respectively

⁴ 60% of customers surveyed with monthly income of at least S\$6,000 rated online transaction convenience as a key influencer for their bank of choice

⁵ Definition: A Priority Banking customer has a monthly income of \$16,000, and a minimum S\$200,000 Assets Under Management with the Bank or have S\$1 million mortgage loan with the Bank

⁶ Net Promoter Score (NPS) is a common customer satisfaction measure used by banks and other industries as the ultimate measure of customer advocacy. It is the difference between the percentage of customers who give the three highest ratings (e.g. 8, 9 or 10) and the percentage of customers who give the bottom five ratings. The marks "Net Promoter", "NPS", and "Net Promoter Score" are trade marks of Satmetrix Systems, Inc., Bain & Company, and Fred Reichheld.

- *Making banking **more rewarding***: Preferred Banking customers earn reward points (Standard dollars or Std\$) on their total relationship with the Bank including mortgages, investments, deposits and even online transactions, in addition to more rewards for spends on their Preferred World MasterCard Credit Card. This allows Preferred customers to redeem rewards, from must-have gadgets to exotic getaways, faster. Preferred customers also benefit from World MasterCard privileges worldwide including travel, hotel, spa and gourmet experiences and enjoy complimentary Starwood Preferred Guest Gold membership and Hertz Gold status.
- *Making banking **more personal***: Preferred Banking customers will be assisted by a team of Preferred Bankers who will be available on demand at the branches and on phone. Preferred Bankers are qualified through intensive, specialist training, that enable them to provide expert assistance to customers on their key financial decisions and queries, across their full spectrum of banking, borrowing, investment and insurance needs.
- *Making banking **more convenient***: Preferred Banking customers will have access to a 24-7 preferred banking service line and enjoy the convenience of a preferential queue at all branches. With the new and innovative Standard Chartered Breeze, available for the desktop and iPhone, customers can bank on the go with ease.

Ngo Min Ying, General Manager, Premium Banking, Singapore and Malaysia, Standard Chartered Bank, said:

“The needs of the emerging-affluent segment are quite distinct from those of the mass market as well as the affluent customers. The emerging-affluent is an underserved one, representing strong growth potential for the Bank. These distinct and underserved needs form the cornerstone of our new Preferred Banking offering. Not only are we deepening relationships by enhancing our suite of offerings, we are also the first to offer a comprehensive relationship-management programme to this segment based on their spending and banking needs. With this first-mover advantage in

Singapore, we believe we are well-positioned to compete materially in this space."

- Ends -

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Note to Editors:

Standard Chartered in Singapore is part of an international banking group with an extensive network of over 1,700 branches and outlets in more than 70 countries in the Asia Pacific Region, South Asia, the Middle East, Africa, the United Kingdom and the Americas. It is committed to building a sustainable business over the long term and is trusted worldwide for upholding high standards of corporate governance, social responsibility, environmental protection and employee diversity. The Bank's heritage and values are expressed in its brand promise, 'Here for good'.

Standard Chartered has a history of 150 years in Singapore, opening its first branch here in 1859 and in October 1999 was among the first international banks to receive a Qualifying Full Bank (QFB) licence, an endorsement of the Group's long-standing commitment to its businesses in the country.

It serves both Consumer and Wholesale Banking customers. Consumer Banking provides credit cards, personal loans, mortgages, deposit taking and wealth management services to individuals and small to medium sized enterprises. Wholesale Banking provides corporate and institutional clients with services in trade finance, cash management, lending, securities services, foreign exchange, debt capital markets and corporate finance.

The Bank employs over 6,000 people in Singapore and has a network of 18 branches, 29 ATMs, and 6 Priority Banking centres. Standard Chartered is the only international bank to offer NETS service, giving its customers access to EFTPOS at over 17,000 outlets islandwide. The Bank's global businesses - Consumer and Wholesale Banking - are managed out of Singapore, as are its global Technology and Operations functions.

Key awards/achievements

- Leading the way through product innovation, for example, MortgageOne, eSaver, CashOne, Business Instalment Loan, BusinessSaver, FamilyLink and Visa Infinite
- First Singapore \$100 million Fixed Rate Note bond offering by The Central American Bank for Economic Integration, a Latin American issuer
- XtraSaver named "Best Deposit Product in Asia Pacific and Gulf States" (Asian Banker Journal - 2007)
- Best Bank in Singapore (The Asset Triple A Country Awards – 2009)
- Best Debt House in Singapore (The Asset Triple A Awards – 2003, 2005, 2007, 2008, 2009)

- Best Trade Finance Bank in Singapore (Global Finance – 2006 to 2009)
- Country Deal of the Year, Singapore (Islamic Finance News Awards 2009)
- Singapore Capital Markets Deal of the Year (IFR Asia Review of the Year 2009)
- Retail Bank of the Year (Asian Banking and Finance – 2007, 2008)
- Best branch initiative - Vivo City branch (Asian Banking and Finance – 2007, 2008)
- Best self-service Initiative - Online banking (Asian Banking and Finance – 2008)
- Best core banking system initiative - Virtual banking relationship centre (Asian Banking and Finance – 2008)
- Best Corporate and Employee Citizenship Award (HRM 2008, 2009)
- Leader in HR practices (Singapore HR Awards 2009)
 - *Learning and Human Capital Development*
 - *Talent Management, Retention and Succession Planning*
 - *Corporate Social Responsibility*
 - *Performance Management (Special Mention)*
 - *Regional/International/Global HR practices (Special Mention)*
- Best Graduate Development Practices and Fair Employment Practices (HRM 2010)
- President's Social Service Award 2008
- National Volunteerism and Philanthropy Centre Corporate Citizen Award for Volunteerism 2009