Barclays Global Financial Services Conference 2021

Q&A with Simon Cooper, Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas, Standard Chartered PLC
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(Amended in places to improve accuracy and readability)

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
Good morning and good afternoon. Thank you everyone. For joining the European track of the Barclays Global Financial Services Conference. I'm Aman Rakkar, I work in the European Banks equity research team at Barclays. Delighted to have with us this morning, Simon Cooper. Simon is the Chief Executive Officer of the Corporate, Commercial & Institutional Banking division at Standard Chartered. Simon, thank you very much for your time.

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Thanks for having me.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
Before we kick things off, just a gentle reminder to anyone that's dialed in around the audience response survey questions, you have the ability to answer these. You should see a button to the top right of the screen. Hopefully you're somewhat familiar with them now, just for the benefit of Simon, I'm just going to quickly run through the questions and we'll run through the answers perhaps later on in the call.

Question #1, what would cause you to be more positive on Standard Chartered shares, positive revenue surprises, greater cost savings, better asset quality, stronger capital dividends and de-escalation in geopolitical tensions?

Question #2, what's the biggest influence on Standard Chartered revenues in the coming 12 months, volumes, pricing, policy rates, fees & commissions?

Question #3, how do you think about Standard Chartered’s cost developments versus expectations, likely to beat, likely to meet, likely to miss expectations? Not sure, would like to see more cost savings.

Question #4, is, some of these are at the Group level obviously, around dividends. How do you see Standard Chartered positioned on capital and dividends? Upside surprise on lower requirements, better earnings; downside surprise from weaker earnings and capital requirements.

Question #5, how do you see Standard Chartered position on ESG?

Question #6, what do you see as the biggest area of revenue growth at Standard Chartered? Wealth Management, Financial Markets, investing in loan growth, inorganic. If you have a moment to answer those, would really appreciate that.

You also have the ability to submit ad hoc questions to us, if you don't think it’s anything that we have covered, we can cover them. So without further ado Simon, thank you again very much for your time, do really appreciate it. Happy to kind of hand things over to you to kick things off.

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Sure, thanks, Aman. Thanks for having me. I'm in New York, so I was hoping to see you face to face, but we'll continue the tradition of the last 18 months and do it virtually. So I think, as I look at the 2021 performance so far and projections going forward, it's shaping up to be pretty good year for CCIB, but I

think we are on a good path to achieve higher returns. You know, the change in macroeconomic trends, is broadly in our favor. The GDP growth rate expectations have been revised upwards in most of the major markets where we operate in and we're seeing demand picking up, driving up consumer prices, supporting infrastructure spend, oil prices rebounding has helped our AME business and the markets in there. And I think as we look at emerging markets' exporters, they should benefit from that stimulus that's been pumped into the developed economies and we should see trade flows across our footprint continue to grow.

So generally, pretty good. I think it's fair to say that although the COVID rollout, or the vaccination rollout has been progressing well, there is still that uncertainty of new variants in some of our markets. But despite that, the multinational client base that we have seems very ready to invest and is looking at our footprint to do that. So yeah, we closed the first half with a ROTE of 11.2%, but that was 360 basis points higher year-on-year. And we did an exercise looking at loan impairments that have been unusual over the last two years, so we normalised to the first half of 2019 impairments; and even if you were to adjust for that level of impairments, you still get a 9.5% ROTE.

We've got some income headwinds. Overall income is 6% lower year on year, but that was on the back of that very strong first half of last year. Within that FM, 3% down year on year, as we've seen volatility drop, but again, within that, I would argue that we've outperformed the market on FICC. Trade is doing very well, we've got very strong momentum, we're 16% up year on year, volumes now back to pre-pandemic levels; I feel we're gaining market share. Cash, obviously, mainly hit by a decrease in interest rates with NIMs still under pressure, but we've managed to offset that by growing fee income and by growing volumes. So if you strip out last year's anomaly, then comparing ourselves the first half of '19, despite that much lower interest rate environment, our income is broadly flat. So we've managed to offset roughly half a billion decline in Cash [Management] income with the shift in business towards more Financial Markets. So that's up 17% as we've invested in that business to grow our capabilities and deepen our relationship with clients.

And we've shifted from a very interest rate driven business to have more fee income. So, fees were 59% of our income in 2019, and they're now 63% in the first half of 2021. So, okay so far, as we look forwards I do expect impairments to stay muted for the third quarter. So we can expect a 10% or thereabouts ROTE for Q3. And I think we'll close the full year, slightly up from 2020. You do the maths, and that means that we are looking at the second half being slightly higher than the first half.

We see Financial Markets with a slight uptick in the second half. That really depends on the execution of the global credit pipeline that we have, but with what we're seeing at the moment with the reopening of economies and the client flows that we're seeing in the Markets business, that's a pretty good estimate at the moment. We'll see the balance sheet therefore grow probably around very low single digits. Mostly on the back of Trade and Global Credit, but we'll see our RWA consumption decrease. So we'll continue that ruthless optimisation of our balance sheet.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
That's actually really good colour. If we were to address some of those points then, I mean, there's quite a nuanced picture across your footprint currently, with uneven recoveries in a lot of your key markets and a mixed experience around COVID. I mean, how would you describe current activity levels?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
I think you've started off in the question. It's very difficult to generalise. So if I pick it apart a little bit, in China, we see a pretty robust level of our activity. COVID is broadly stable and we see a pretty broad-based pickup in event-driven transactions and pretty healthy growth in the balance sheet onshore. Hong Kong as well, a more stable operating environment this year. COVID again broadly under control. And we're seeing the pickup of activity through Hong Kong, particularly from mainland Chinese companies increase. I think the biggest headwind there remains in margin compression, but we see flow and event business doing well. If you move down to India, again we've seen new cases drop from about 400,000 a

day in May, to still a high number, but 40,000 a day currently. And vaccines have quadrupled from 2 million a day to 8 million a day over the same time period.

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
So again, we are seeing recovery in growth, but I think it's going to take a little longer to come through. Capacity utilisation still below 75%, but the central bank remains pretty accommodative, that they've maintained ample liquidity, and I don't see that being withdrawn. Strong liquidity, buoyant equity capital markets, a number of corporate clients looking at IPOs. So, pretty good. Rest of Asia, South Asia really impacted by the second and third waves of the virus. So we've seen a visible drop in trade volumes in Indonesia, Malaysia, Singapore. And consumer activities are somewhat more muted than they were. But generally, I think we feel positive about the momentum coming through. And the areas of technology, sustainability, as you I'm sure you've heard from others, are clearly areas that are driving forward.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
So with respect to Financial Markets, and it's a key division within the businesses. I mean, Q2 revenue performance was impacted by tough comparators as you kind of alluded to. I think you indicated at Q2 that you've exited the quarter quite strongly, is this still the case? What are you seeing in Q3 so far across Macro, Credit and Financing?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Yeah, so overall I think we'll close Q3 high single-digit growth compared to Q3 2020, which puts us approximately back to the levels we had in the first quarter of 2021. And we have, to the specifics of your question, we continue to see momentum through July and August, August a little quieter as it was everywhere as people, I think, breathed a sigh of relief and actually went on holiday when they could, but the business momentum continues. And that's across both Financing and Trading.

We saw strong performance in Credit in flow and Structured Financing. Seeing the number of large deals closing, due to close in Q3, I think on the back of travel starting to resume and getting back to some level of normality. Macro on the other hand, remained subdued. The volatility remains low and we're not seeing huge EM flows, but we have seen our volumes increase. So we've been able to compensate, in part, for those shrinking margins by growing volumes. Commodities has had a good time. Strong metal cycle, rising oil prices has benefited the Commodities business.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
I guess when we look longer term then what do you see as the key areas for growth? Is it a case of attracting new clients or is it deepening the share of wallets for existing clients? Can you expand the product set and are there synergies that you can derive merging your Corporate Finance business with the Markets business?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
You should be answering the question, you almost answered it when you asked it. So I think as we look longer term, clearly expanding our product suite across our footprint is important as is deepening wallet share with our existing clients. In terms of adding clients, I think the majority of client addition is going to come in the Investor space, where we see Investors increasingly looking towards EM assets and increasingly looking to ESG-led initiatives. And so green, sustainable financing, again, back to largely our footprint.

You mentioned the integration of Corporate Finance into Financial Markets, and we're definitely seeing that starting to accelerate our ability to distribute assets. Going from that, we get enhanced secondary loan trading, distribution; we're seeing more NAV and mezzanine financing and starting to work more directly with investors who are saying, "in this still low interest rate environment, we want duration, we want yields, we want exposure to emerging markets." So I think we're in a pretty good place to expand there. And ultimately the vision has to be the leading fixed income and financing franchise across emerging markets.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
Could you help us think about competition in your markets, particularly in the fall-out of COVID. How are you seeing things?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Yeah, I think COVID has really put the focus on, I mentioned before, it's put it on sustainability and it's put it on technology. And we've definitely seen competitors launch new initiatives in those areas. At a global level, HSPC, Citi, JP have all made funding commitments in the ESG space. Some of the local banks in the likes of Singapore and India have brought in some new ESG products to market. And then for us, we've been very clear that we've got an aspiration to fund and facilitate $75 billion of sustainable infrastructure across Cleantech and renewables between 2022 to 2025. And I think we are, from a brand position and the market share position, delivering against that. We issued the first dollar sustainability bond in March. We've partnered with DBS, Singapore Exchange and Temasek to launch Climate Impact X, which is a global exchange for carbon credits. We launched the first sustainable deposit. So that interplay of product development and footprint I think is benefiting us. But it's going to be in the space where others are playing.

If you look at the technology and digital space, again, we're seeing others in the space, obviously JPM has got it. Linked payments network, HSBC, you've got a multicurrency wallet, DBS, digital exchange, et cetera. But we continue our transformation journey. We've got initiatives to support clients across our markets. And importantly we're seeing the adoption of digital onboarding and client experiences really grow since. To put some numbers on that, 70% of our Cash clients are now on Straight2Bank Next Gen, which is the main engine we have launched. Put that in context, that was 56% back in December of 2020. So I think COVID plus that investment strategy has really driven that.

We've got a client onboarding portal live in ten markets and we'll have our SCB Pay in five markets. I think that we're really starting to see the joining up of digitalisation and sustainable finance as well. So yes, competition is always going to be there but I think we're holding our own in terms of the sand pit that we want to play.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
Just as a reminder to those dialed in, please do participate in the audience response survey questions at the top right of your screen. Just a reminder, you have to press submit at the bottom once you actually answer questions to make sure that you can register them. And again, you can submit questions into us directly through the button.

If I was to switch focus to another key business for you then. So Transaction Banking, I guess I think about this in two parts. This business, I guess in total has come under pressure. I think you alluded to that earlier on around the impact of rate cuts in the Cash Management business. Obviously, that's outside of your control in terms of what happens to the global rate backdrop. How do you think about this? Do you think we're past the worst of this pressure or is there more to come?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
I think that the short answer is we are past the worst. But when you drill down a little bit more into your question we have had those interest rate reductions as you said. But we've been able to mitigate quite a substantial proportion of that impact through active re-pricing, through growing liabilities, and as I said earlier, through driving up fees.

So if you look at the first half, our average liabilities are up about 16% year on year and fee income is up 18%. So I don't think we're suddenly going to see a ratchet up of rates. I think we're going to see low rates continue for the rest of this year and into next year, but I don't see them getting worse. In our minds we're forecasting quarter-on-quarter uptick, possibly coming from Q3 in Transaction Banking.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
I guess the other component of Transaction Banking is trade and revenue momentum to me it looked like it was improving in the first half. I guess the backdrop seems to be a complex one, given the disruption to global supply chains. How do you see things? How are you operating? And how are you operating in this backdrop? And can you drive momentum from here?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Yeah, so the second quarter was actually our highest performing quarter since 2018. So we did see momentum continue. We saw volumes up 20% in the first half, margins up 14 basis points year on year. When you drill down where that was coming from across China, we had a pretty resilient performance, despite some of those pandemic resurgences that we saw. We're seeing clients become a bit more sophisticated in the nicest possible way and we're seeing that in our footprint, and many clients start to use supply chain financing tools more than they did in the past, looking to optimise their balance sheets and working capital, and looking to support their suppliers.

And we're also starting to see, and I think that's particularly strong in Asia, clients looking to monetise assets and fund working capital. So I expect to see momentum continue and volume uptick in the second half. The caveat to that is always COVID. If there is a really dramatic, I'm not sure what wave we're on, depending on what market we're talking about, but if there is another massive series of lockdowns then clearly that will have a negative impact. But at the moment as we're seeing economies start to recover in the next 12 months or so, then we feel pretty well-placed to capture that recovery.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
I guess the division you're responsible for is two thirds of the Group's capital. CCIB is a key part of the Group hitting the 5 to 7% targeted revenue CAGR at a Group level. When can CCIB deliver on this? Are there any particular headwinds or tailwinds, you've alluded to some of them, but when you think about your ability to deliver on that in 2022, is there any reason to think that we can't? And is there any reason to think we might be able to actually beat that range?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
So look, I think we're going to see growth over the next few years. High single digits across CCIB's income line. I think we'll see slightly higher growth than that in Transaction Banking as we do start to see, at some point in the future, rates pick up and what I've just talked about, pan out. FM probably slightly lower than that but still high single digits. And we remain focused on trying to shift the balance of income and the products as I alluded to.

We talked about products and capabilities, so Financial Markets is about extending its product capability and penetrating more so building that credit franchise for EM is critical, executing on that originate to distribute strategy, deepening our security services business, we often don't talk about that, but I did put that into Financial Markets before I did Corporate Finance - we're seeing good adjacency with that. And I think we will see the focus on ESG and, in time, crypto benefit our Markets business. Cash, it's really around retaining deposits, and in Trade it's about capturing the shift towards open account with receivable services and continuing to capture the multinational space in the new economy and tech, which is increasingly important, and clients looking to transition: so, oil & gas, metals & mining. One of your fellow analysts was talking about the opportunities that ESG gives to us and I think they're right - there's significant opportunity in that, and then continue to grow in some of our key markets, China, India, Vietnam. And drill down on some of the markets that are still under-performing. We've been quite honest that not everybody is paying the freight at the moment and we'll continue to address those that are not.

I think the big headwinds remain the uncertainty around COVID. Having traveled around the world in the last few weeks, the world is definitely schizophrenic in terms of its perceptions of where we're at in the

COVID journey and where we're at on the road to recovery. On balance the big capital flows certainly of the West, I think, are in the optimistic mode and looking towards our markets. And so that's led to the tailwinds we talked about earlier. Then as and when rates pick up, obviously that's given that we've enhanced our liabilities position both in terms of absolute amount, but also in terms of quality, we stand to benefit from those when they happen. But we're not relying on those for the future.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
I guess perhaps related to that then is the border closure between Hong Kong and China. What impact is that having on your business and are you hopeful of a snapback in activity that might, maybe, support us next year?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Yeah. So I think even with the border being closed, we're still seeing Hong Kong be that super connector between China and the rest of the world. And we've seen a reasonably high level of financing in Hong Kong this year, especially coming from mainland Chinese clients. So if you look at the year-on-year comparison, I think I'm right in saying the first nine months of 2021, mainland Chinese clients raised $60 billion in the Hong Kong syndication loans market. For the whole of 2020, they raised about $66 billion. So yes, we would all like to see the border re-open and, that will be a definite boost to the economies and things like bancassurance across the retail side of the bank as well. But, we are seeing it continue to grow. And the same is true of Hong Kong clients and other international clients. There was $29 billion raised in Hong Kong in the first nine months of the year. And again, there was only $36 [billion] raised in the whole of last year. So, it helps that we're number one in the league tables for Greater China.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
I'm going to touch upon a couple of questions that I've gotten from clients that are related to the next question anyway. And it's around China, it's obviously a key market for you, and the targets for growth that you alluded to. Some investor concerns around high-profile interventions from the Chinese authorities recently and what this might mean for businesses like yours. How do you navigate this backdrop and what does it mean for a clients' appetite to conduct business in China and Hong Kong?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Yes, so I fully appreciate and understand some of the short-term overhangs that that uncertainty and various news in the last few days has bought. But despite that we continue to see vast opportunities across China and Hong Kong. And more importantly, we continue to see significant appetite for our clients to do business in mainland China and Hong Kong. FDI in China grew almost 30% in the first half of this year. So, yes, investors are watching intently. Yes, there is some nervousness, but it is not stopping fundamental FDI and fundamental belief, I think, in the Chinese economy. We're in a fortunate position, I think, given the network that we have, that we we've been able to facilitate some of that investment coming in, but we've got a global network of Chinese corridor bankers that helps clients navigate the space to your point. But, it remains important that, firstly, you've got to have a robust process to ensure that you're dealing with the right clients who are going to be around in the long-term, and secondly, that you stick to your corporate values to support your core business of clients, and that you maintain really close on the ground skillsets to navigate and support institutional understanding of what is a complex market.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
Okay. Switching away from revenues then. I guess, around costs, CCIB cost-base up 8% year-on-year in the first half. And that was honestly in a period in which the income came under pressure, probably by similar amounts in the other direction. I guess the Group for second half, indicated potential upward pressure on compensation, presumably within CCIB. If I'm wrong in that characterisation and I guess it'd be good to get you to clarify that for me, but I mean, how are you thinking about the cost basis in 2022 and long-term?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
So, you're right, I need to highlight the contrast between '20 and '21 is going to be skewed. We were quite aggressive in terms of performance pay last year, and appropriately so, given the environment that we were all facing. And we also continue with the investments that we said we would invest in, and we continued with them in the first half to really build those digital pathways to new business. But longer term, I've always been quite consistent that we'll see costs in CCIB grow around 3% or below the rate of inflation in our markets. But essentially that means 3 to 4%.

And we deploy about, around half a billion dollars of saves each year, in terms of focusing on initiatives that drive revenue, Credit Trading, Carbon Trading, Cash and Trade, Sustainable Finance. So, I think near-term, the investment that we have is going to continue into next year, continuing to focus on income growth and clients, and commercialising the platforms that we've been investing in. I think when you look at CCIB's cost-income ratio over the last five years, we've managed it down from, in the seventies to, in the fifties. I hope we've given credibility that we can manage our cost base.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
Yeah. I guess a lot of that spend reflects the investment that you are making into the business, especially in digital. Is this revenue generating? How's this digitalisation going to drive your business?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Yeah, so in CCIB we're aiming to invest about $700 million a year, focusing on income growth, on client experience, and on sustainability. And the bulk of those investments you could characterise as being around digitalisation of the business. 70% of our clients have now migrated to S2B next-gen. So that's 53,000-odd clients. So that's a significant growth in the year. We're seeing 95% of transactions digitally initiated, we're seeing higher FX volumes through the digital channel. Auto risk management, TB FX. We're seeing SC Pay rollout in India. We're seeing clients onboarding initiatives. So all in all, I think we're seeing that the KPIs and metrics that we're using to say is this investment worthwhile and is it paying off? Yes, I think what we will also start to see, but it's too early to see that yet is that the more we digitise, at your question around costs, the more we can leverage the cost base more effectively and have a lower marginal cost for increased volumes.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
Just one final reminder on ARS, we're going to maybe take one more question and then we'll switch to ARS, but if you've not had a chance to fill it out, please do complete the survey and submit your questions.

Asset quality, it's remarkable how low down the agenda list this has become versus say 12 months ago.

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Yeah.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
Given the risk of evidence taking place over the last 12 to 18 months. What portfolios are you currently monitoring? Are you observing any signs of stress, or are we leaning towards releasing further provisions?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Yeah, so look, I think the quality of the balance sheet is improving and we've seen improvement in some of the stressed areas in our balance sheet. So overall, I would expect impairments to remain low for the next few quarters.

Where do we have stressed sectors? Commodities, well actually commodity prices have come up. Aviation, but our focus is on a pretty small group of high credit quality airlines, 95% of our fleet is narrow bodied, so they've been flying much more than the wide bodies. So yeah, I'm generally optimistic, but we do continue to monitor the pandemic. So, the country views of India, other ASEAN markets, we've not identified any additional risks, but we remain prudent.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
We've got about five minutes left. I'm going to run through the ARS responses in a fairly fast fashion.

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Okay.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
So, hopefully you were listening earlier on when I read out the questions. But question #1, what would cause you to become more positive on Standard Chartered shares? Most popular response here is positive revenue surprises, 55% of respondents. I don't know if you have a comment on that…

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Yeah. So, as I said, I'm not surprised by that. I talked about expectations of increasing revenues over the next few years. I think the Credit Market space, Sustainable Finance space, is going to be critical in that.

If I had been asking the questions, I'd have probably added in improvement in returns, which I think, talking to investors around this conference, it's almost the output of your five points. But I think that's probably the biggest focus that I get.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
Yeah, absolutely. I think that revenue growth is, obviously given the control over the cost base, the implied operating leverage. That's become a path to the ROTE bridge.

Question #2. What do you expect to be the biggest influence on Standard Chartered's revenues in the coming 12 months. Actually, rather encouraging, 55% of people have replied fees & commissions; the next closest answer was policy rates, 25%. Given your rates sensitivity, I'm surprised by that answer, I have to say.

Question #3, how do you think about Standard Chartered's cost developments versus expectations? Strongest answer at around 60% likely to meet expectations. I guess that's a relief.

Question #4, how do you see Standard Chartered positioned on capital and dividends? Again, some of these questions are obviously at the Group level. Half of respondents, actually about 80% of respondents, see upside surprise potential on capital dividends from a combination of better earnings and lower capital requirements.

Question #5, how do you see Standard Chartered positioned on ESG? Two thirds of respondents had said in-line with average.

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
I would have hoped for more above average actually.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
So 10% of respondents have said above average. 10% of the people have also said not sure, haven't taken a view on this ESG yet.

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Interesting.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
I guess final question, question #6, where do you see the biggest opportunity for Standard Chartered to grow revenue? This is at the Group level again. So, number #1 Wealth Management, #2 Financial Markets, #3 investing in the footprint, loan growth in the footprint, #4 inorganic, 50% of respondents have said investing in loan growth across the footprint.

I guess perhaps then just as a final question that the remaining two minutes that we have. For me, I think there's an interesting discussion around capital. As I said, you comprise two thirds of Group RWAs. I think there's a really lively debate at the Group level about pursuing growth versus deploying buybacks given it's accretive at the current valuation. And how do you think about that trade-off and what's your role in that discussion?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
I think the Group has been quite categoric that we are going to operate pretty dynamically within that 13 to 14% target range. And if we have excess capital we'll return it to shareholders. I think from my business's perspective, that focus on returns and in particularly on the suboptimal part of our portfolio, making sure we're aggressively managing down the RWAs that are not paying the freight and actually using the credit markets and the distribution capabilities to improve that, I think will be important as well. So for me it's making sure that the allocation of capital is done well, and that's why I said I'm surprised returns was not in the list of possible answers, I think that's crucial to make sure that we're sweating the RWA appropriately.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
The appetite for acquisitions that the Groups has indicated, does that extend to your business?

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
I mean, it could do, but to be honest in CCIB, we're much more focused on organic growth given all the initiatives that I'm overseeing. But we are looking at partnerships, talked about one with Linklogis that you would've seen, some other joint ventures with fintechs and payments companies who want to leverage our footprint and client base and who we can leverage off. So I think you're more likely to see that construct than you are outright acquisitions in the CCIB space.

<<Aman Rakkar – Director, Banks Equity Research (Barclays Investment Bank)>>
Okay, perfect. I thought I'd try and squeeze that last question in there. I think we're about done for time. Simon it's been a really good chat. I really appreciate your time and for taking our questions. So thank you very much. Thank you to everyone who's dialed in with us today and hope you have a good day.

<<Simon Cooper - Chief Executive Officer, Corporate, Commercial & Institutional Banking and Chief Executive Officer, Europe & Americas (Standard Chartered PLC)>>
Thanks very much Aman. Thank you.