

Consumer Banking

September 2011

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Group Executive Director &
CEO Consumer Banking



Key messages

- CB transformation on track and delivering
- Well positioned to weather current challenges - competition, margins
- Continuing to pace investment for long term growth

CB Strategy remains unchanged



**The World's Best International Consumer Bank
in each of our chosen markets and segments**

Participation model

- Focus on High Value Segments*
- Three standard models
- Prioritised investment
- Hub and spoke, shared utilities

Customer focus

- Distinctive Customer Value Propositions (CVP) and world class RMs
- Main bank relationship & Payroll driven
- Needs based bundling

'Back to basics

- Re-engineering and Centres of Excellence
- Liquidity and secured lending
- Strong risk and cost discipline
- Performance management

* High Value Segments (HVS) - SME, Private, Priority

Entering “Tune” phase of transformation



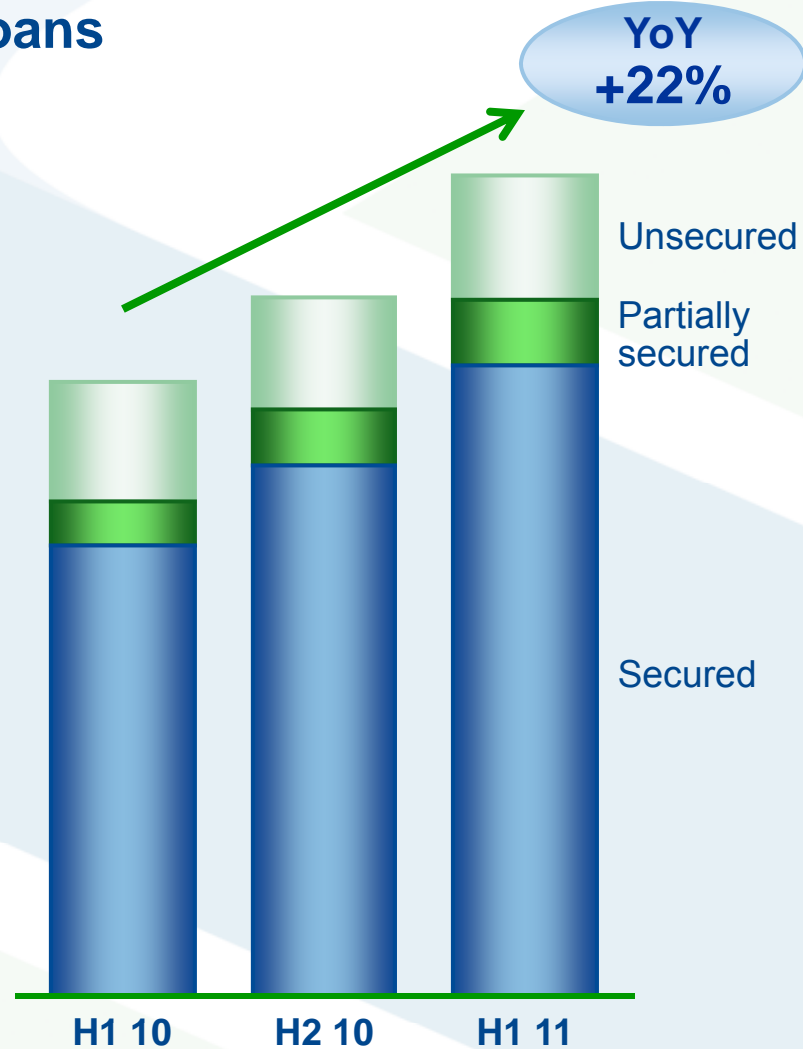
* Net Promoter Score leadership

Consumer Banking performance

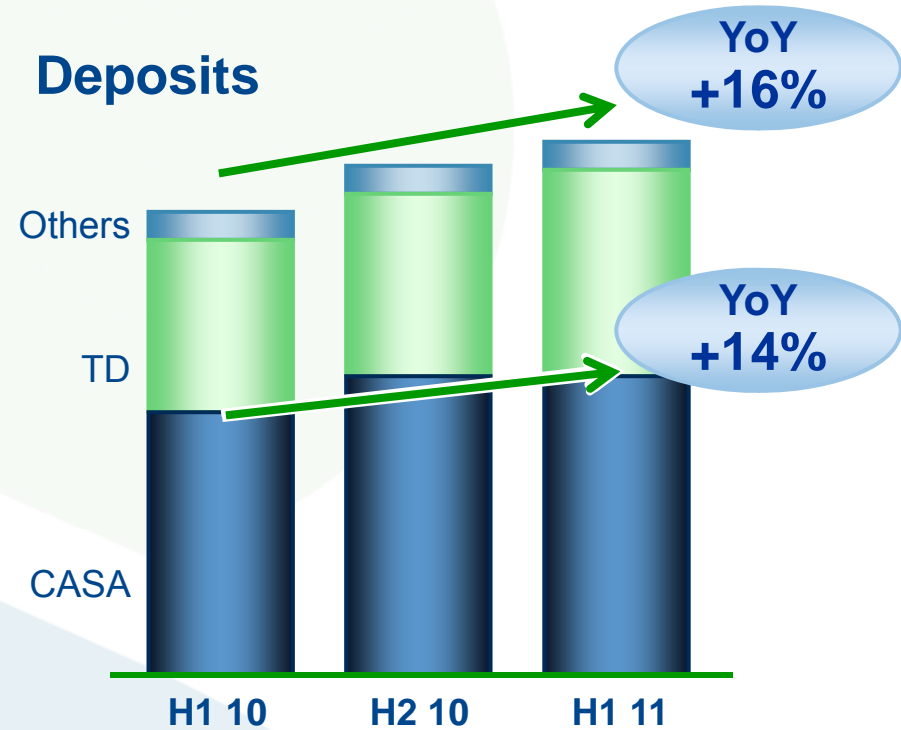
US\$m	H1 10	H2 10	H1 11	H1 11 vs H1 10 %	H1 11 vs H2 10 %
Income	2,912	3,167	3,337	15	5
Expenses	(1,966)	(2,210)	(2,109)	7	(5)
Operating profit before impairment	946	957	1,228	30	28
Loan impairment	(299)	(279)	(211)	(29)	(24)
Other impairment	(4)	(8)	(4)	0	(50)
Operating profit	643	670	1,013	58	51

Delivering high quality footings growth

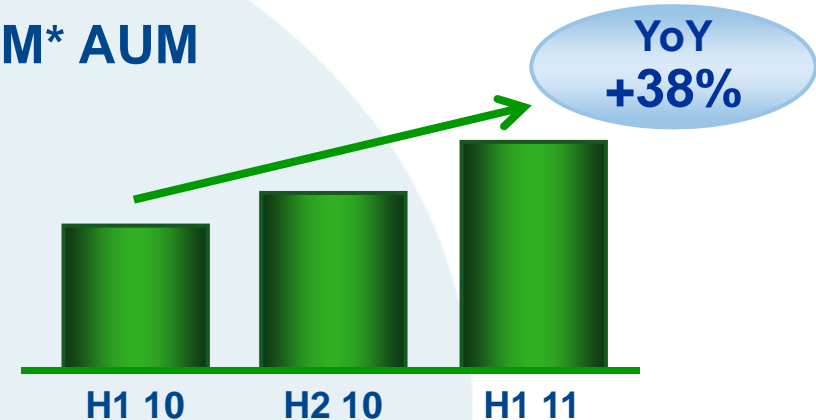
Loans



Deposits



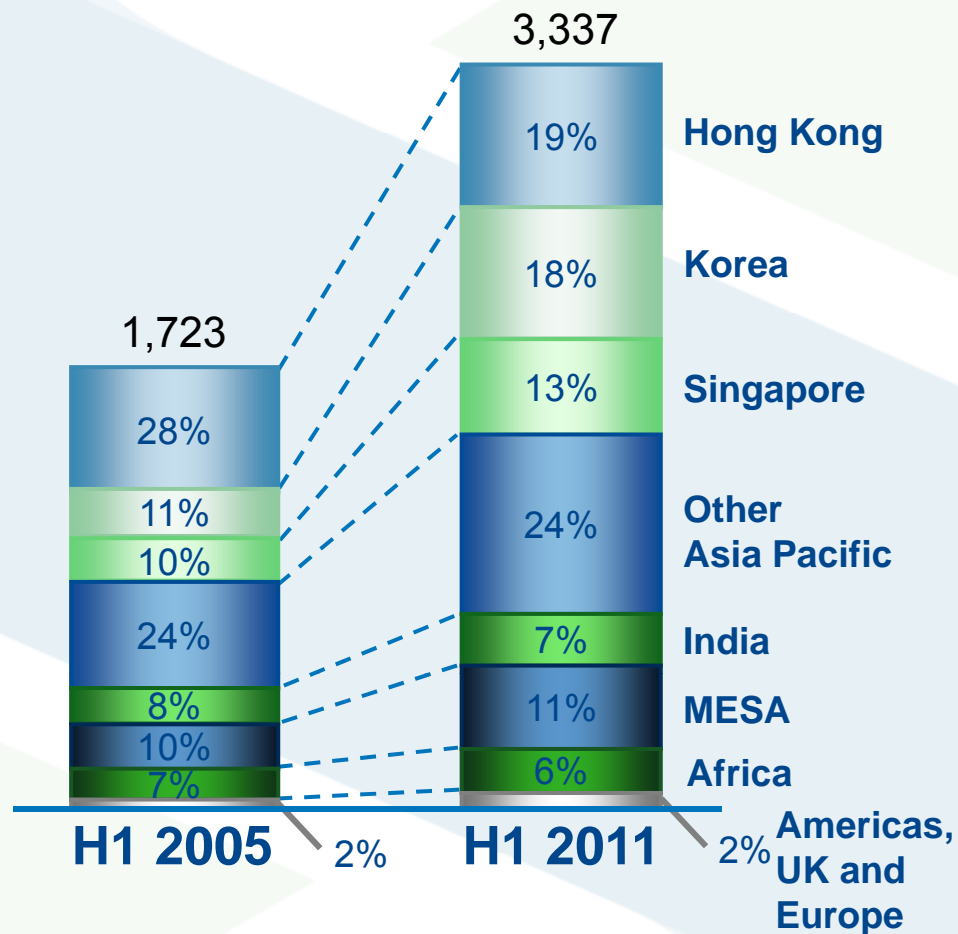
WM* AUM



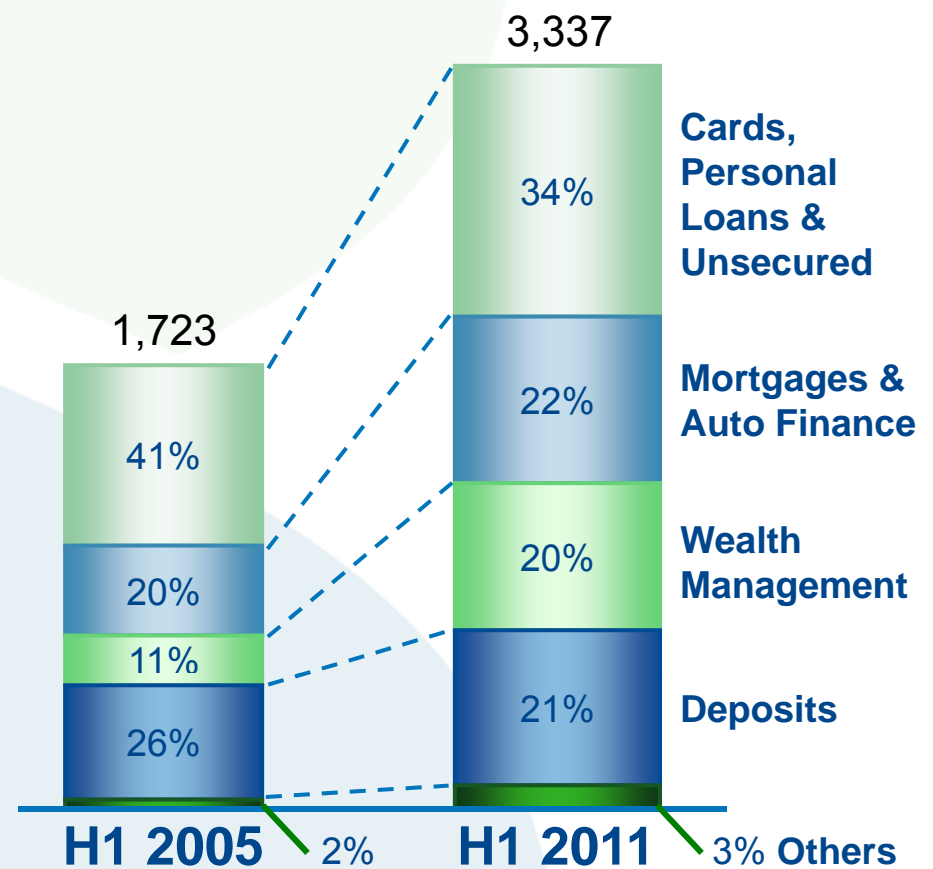
2010 and 2011 numbers are at respective FX rates,
* Wealth Management Assets Under Management

CB is well positioned with an increasing diversified portfolio

Income mix by geography
US\$m



Income mix by product
US\$m



Source: SCB data

Consumer Banking loan impairment trend



		H1 10	H2 10	FY 10	H1 11
Mortgages	LI/ANR	0.05%	0.09%	0.07%	0.04%
	30dpd/ENR	0.70%	0.61%	0.61%	0.60%
	Loan book (US\$bn)	61	71	71	73
	LI (US\$m)	17	32	49	13
SME	LI/ANR	0.60%	0.71%	0.66%	0.40%
	90dpd/ENR	1.10%	0.72%	0.72%	0.58%
	Loan book (US\$bn)	14	17	17	20
	LI (US\$m)	44	60	104	38
Other Including personal loans & credit cards	LI/ANR	1.93%	1.33%	1.61%	1.03%
	30dpd/ENR	2.58%	2.32%	2.32%	2.09%
	Loan book (US\$bn)	28	29	29	33
	LI (US\$m)	238	187	425	160
Total	LI/ANR	0.58%	0.49%	0.53%	0.35%
	30dpd/ENR	1.20%	1.02%	1.02%	0.95%
	Loan book (US\$bn)	103	117	117	126
	LI (US\$m)	299	279	578	211

NOTE: LI - Loan impairment, ANR - Average net receivables, ENR - End period net receivables

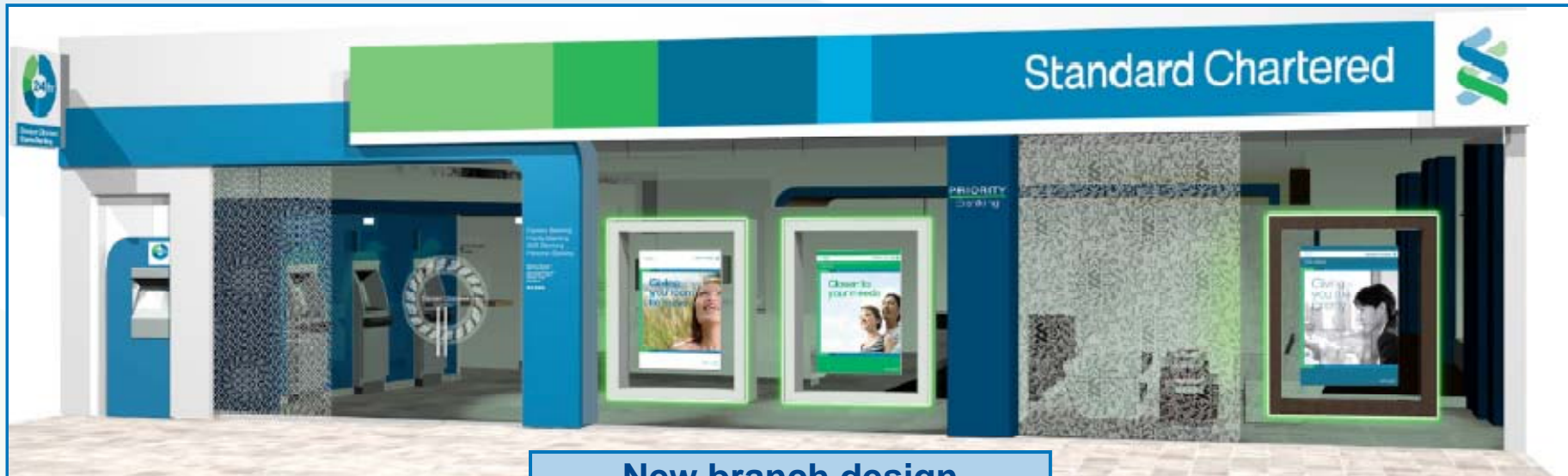
Redefining customer experience



iPhone Breeze



Express Banking Centres



New branch design

Fast and accurate service



"1-Day Mortgage Approval" Service Pledge



1-hr approval guaranteed

Standard Chartered

8 Minutes Service Pledge

At Standard Chartered Bank, we don't just promise to be here for you, we prove it. That's why our tellers have pledged to serve every one of our valued customers within 8 minutes.

\$S1 will be contributed to charity every time our pledge is not met.

Standard Chartered

Mortgage Master Home Purchase Financial Management Services - The total first-class mortgage services plus

"1-Day Mortgage Approval" Service Pledge + Mortgage iPhone App "scbhk mobile" + Service Hours Mon to Sun 9am - 9pm

Click here to contact our Mortgage Master and receive "Smart Homebuyers" handbook

The "Smart Homebuyers" Handbook contains useful tips from experts, including:

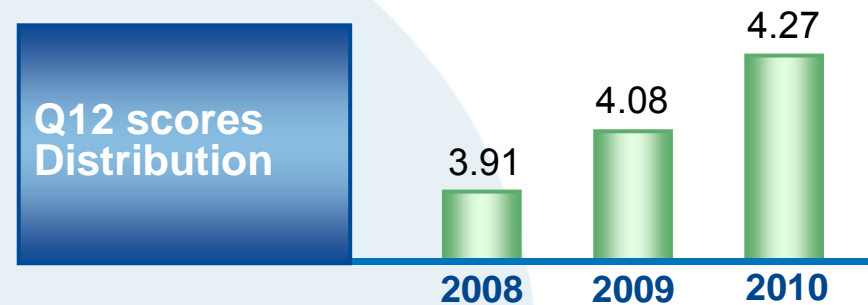
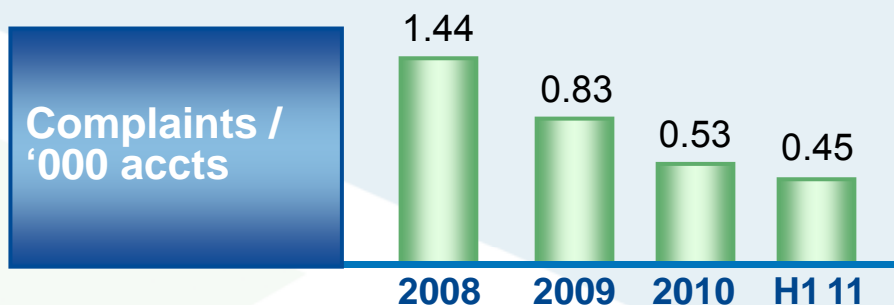
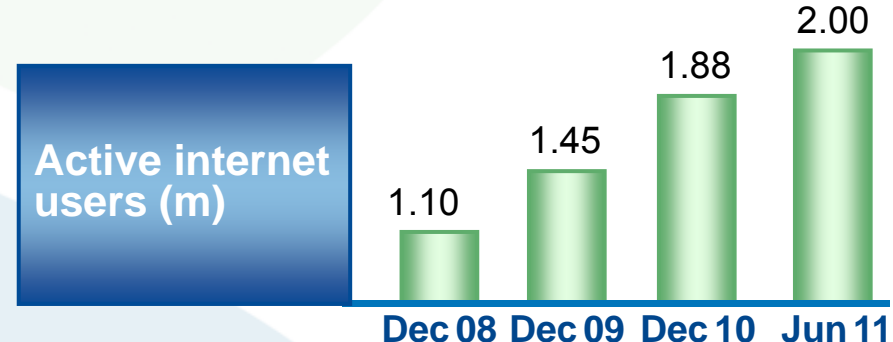
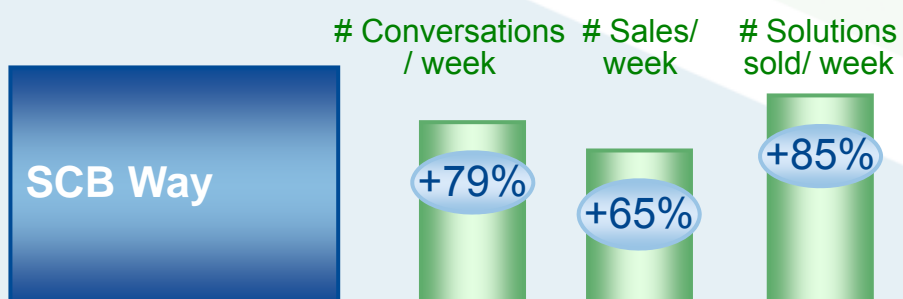
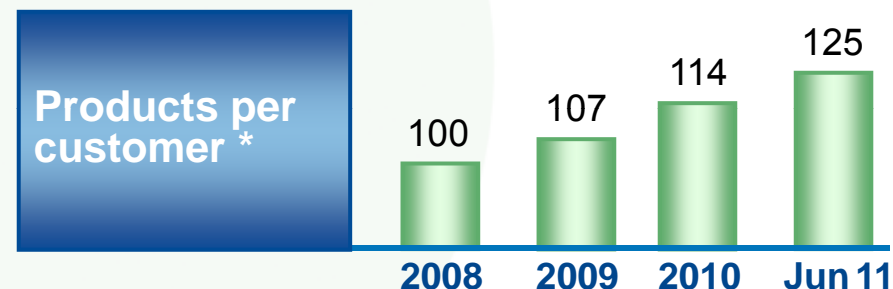
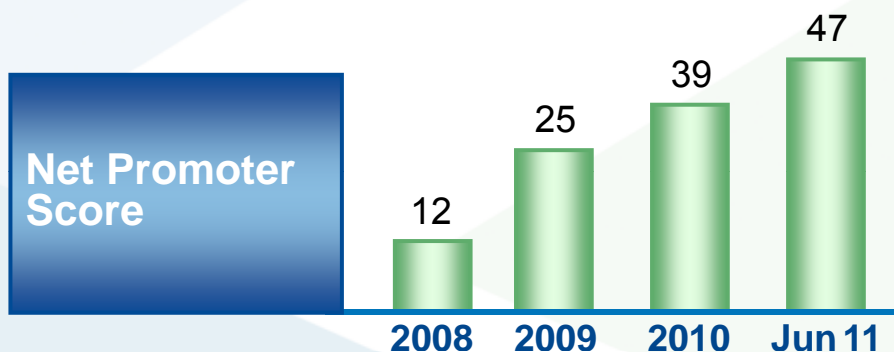
- A warm reminder DVD on Mortgage Application Process by Wong Cho Lam
- Property inspection tips from Mr. Tsui Chai Nam

Mortgage Hotline: 2886 8855

Here's how to qualify for our 1-hour home loan service guarantee:

- Apply for a home loan (up to two applicants per loan). Applicants must be salaried Singaporeans or Permanent Residents with no existing home loans with us.
- Loan amount below \$2.5 million for private residential or \$400,000 for HDB (current market valuation must be less than \$3 million)

Customer metrics show strong progress

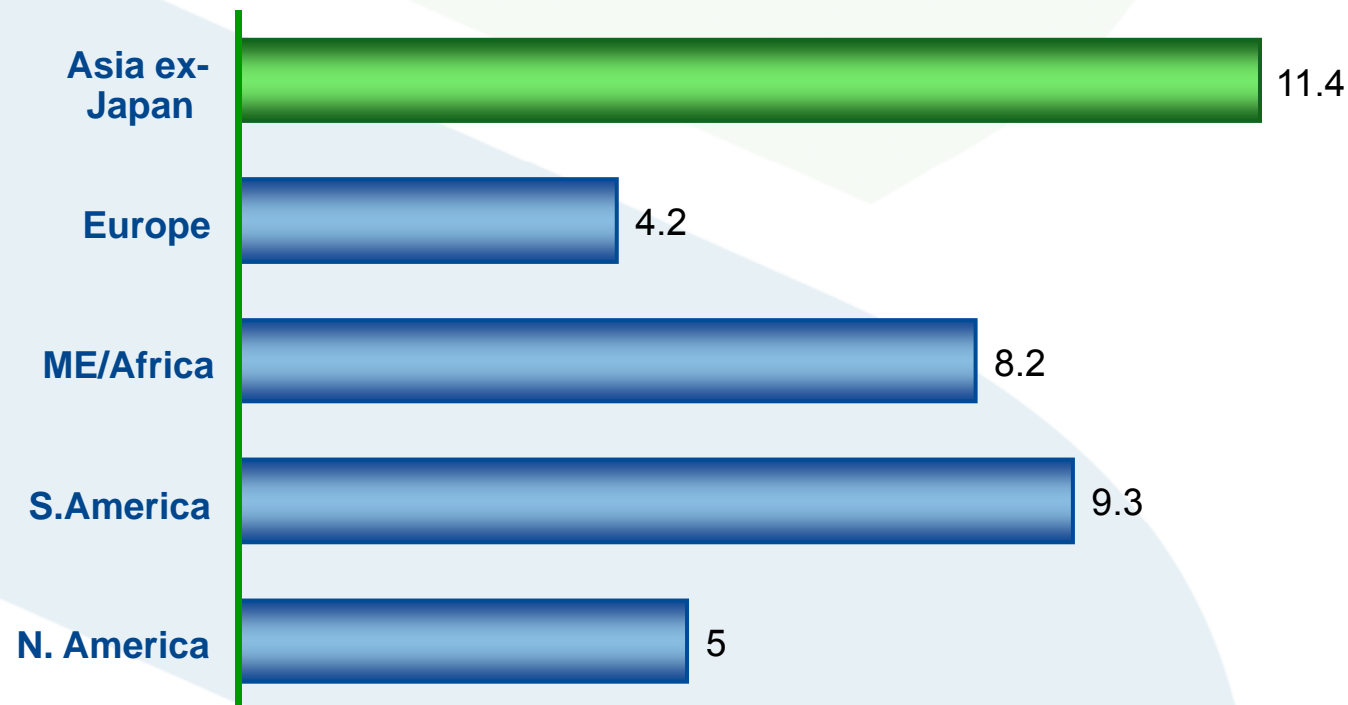


SCB Way: Standard Chartered Bank Way, *Products per customer (PPC) index

We are well positioned to capture the growth opportunity

Fastest growth of Wealth is projected to be in Asia

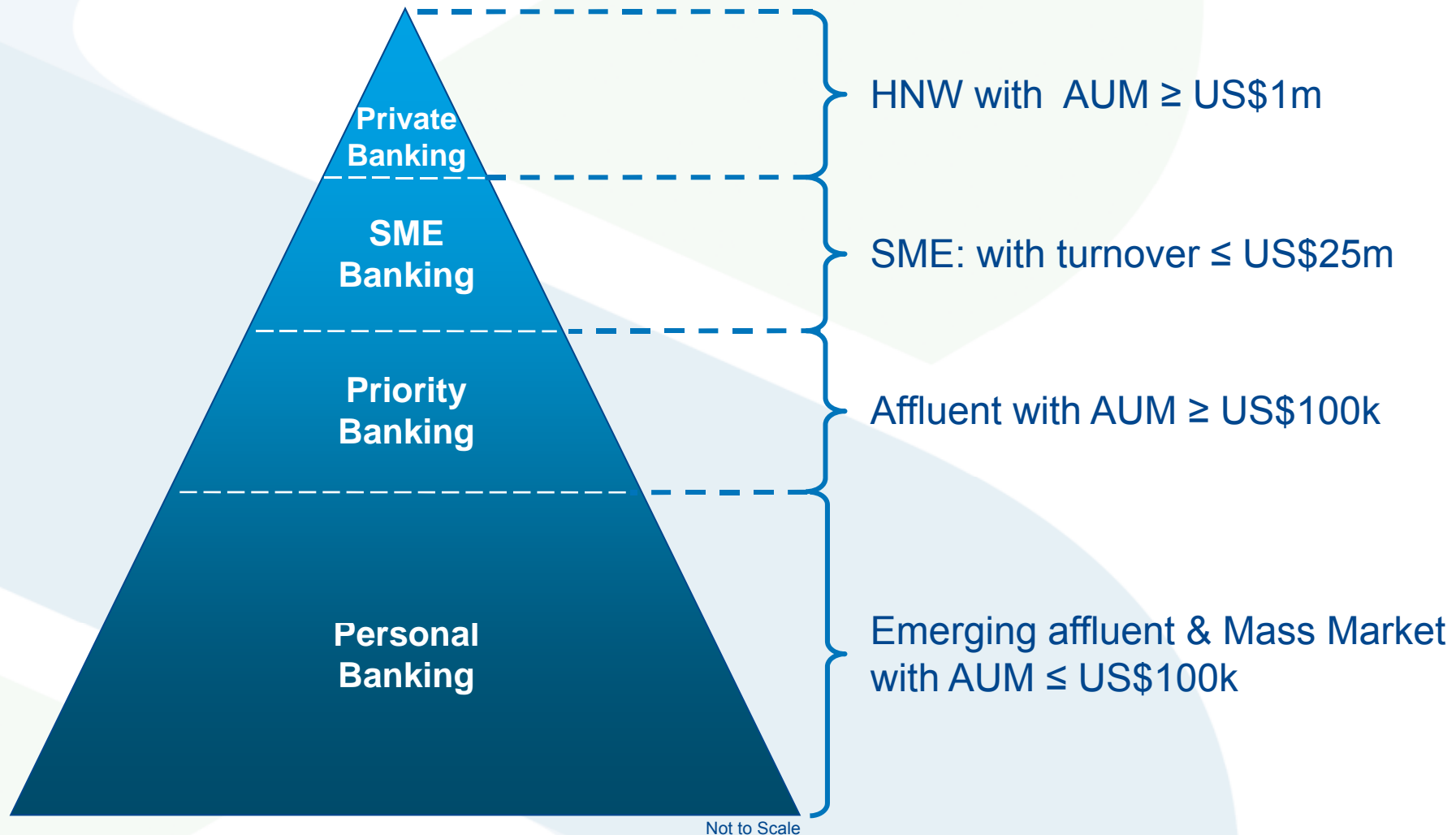
Global Wealth CAGR 2010-2015 (%)



Source: BCG Wealth Market Sizing Database 2011, excluding currency effects.

Customer segments

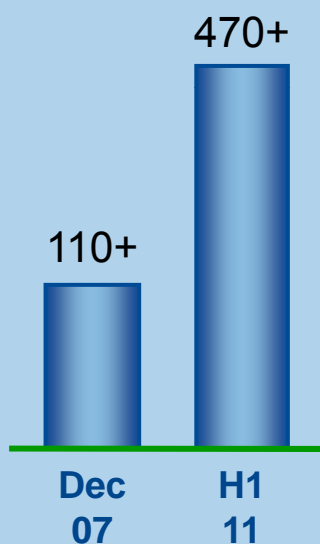
Program criteria



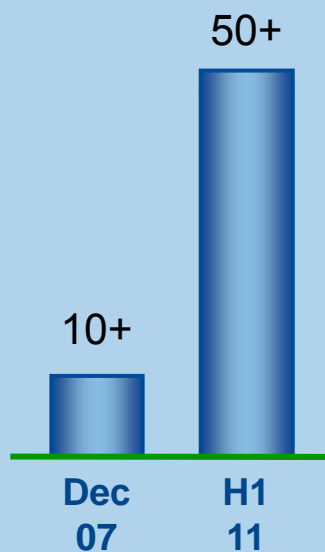
Program criteria are indicative and vary by countries based on local market environment

Strong Private Banking franchise...

Number of RMs



AUM (US\$bn)



...with recognition from the industry

FT / Investors Chronicle



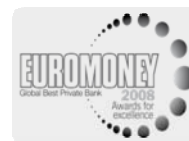
Global Best Private Bank
2011

Private Banker International



Outstanding Private Bank,
Asia Pacific
2008, 2009, 2010

Euromoney Global Awards for Excellence



Global Best Private Bank
2008

The Banker / Professional Wealth Management



Global Best Private Bank
2010



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Simple application for trade and working capital facilities of up to S\$1.25 million.

Commitment guaranteed

A dedicated Relationship Manager and team of Specialists to take care of your business needs.



Get a credit decision faster with yet another service guarantee

Receive your credit decision in two working days—**guaranteed*** or we'll give you \$950* for every working day of delay.

Solutions to your trade and working capital needs are just 48 hours away. Take advantage of the latest business opportunities today.

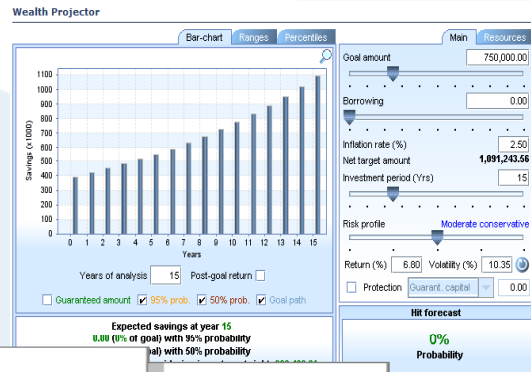
Call 1800 743 3000 to find out more.

Here for good
standardchartered.com.sg

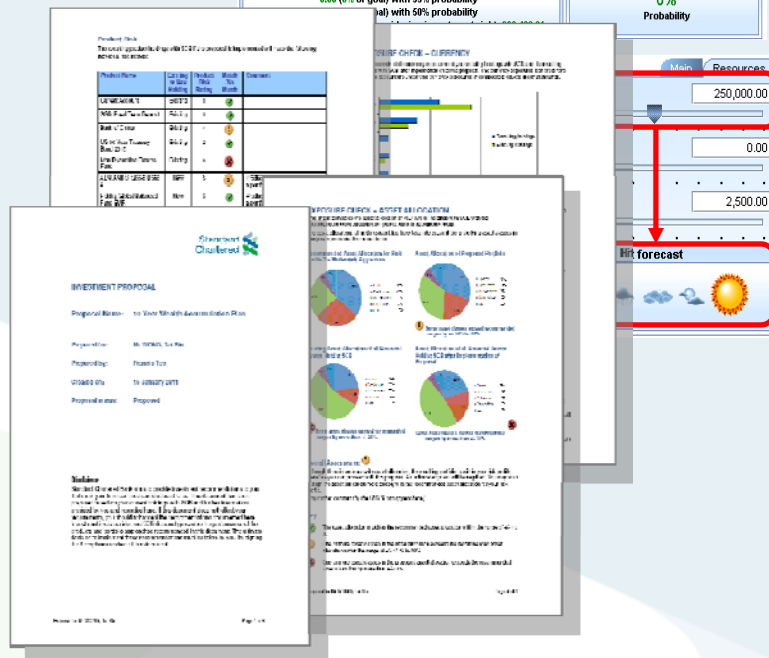
- Deposits led business with double digit income and footings growth
- Good progress on delivering strengthened customer value propositions
- Rolled out service guarantees to support our SME proposition
- SME banking operates in 29 countries

Fundamental change from product led to advice led proposition

Investment needs calculator



Investment proposals



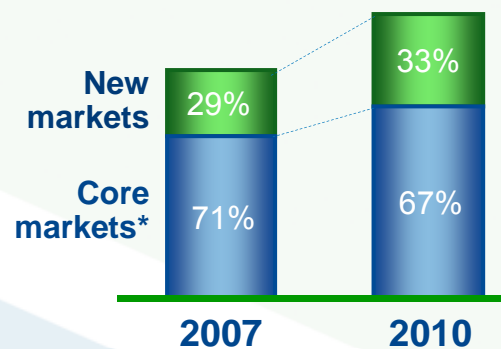
- **Enhanced advisory proposition** with emphasis on holistic portfolio advice
- Access to **superior insights and investment opportunities** to the fastest growing markets
- **World class technology platform** enabling multi-channel execution and transparent and timely reporting
- Access to **investment specialists** across key asset classes

Wealth Management resilience

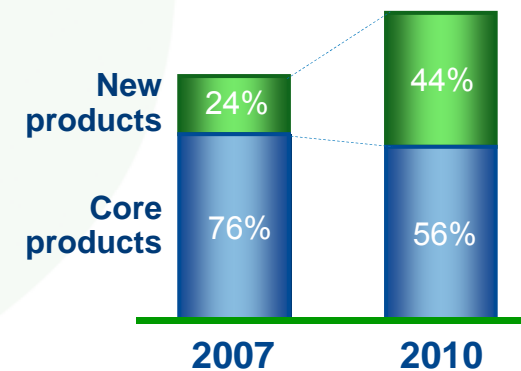
Increased number of RMs



Income contribution from new markets



Income contribution from new products



Wealth income



AUM



* Core markets are Hong Kong, Singapore, Korea and Taiwan

Challenges and risks

Business & Geographic

- Balance sheet growth
- Declines in working profit in India
- Korea: making progress but significant challenges
- China: ongoing investment

Regulation

- Pace of regulatory changes
- Lack of convergence

Competition

- Re-investment in our markets
- Pressure for talent and customers

Execution priorities

Participation model

- **Increase bundle and PPC penetration**
Optimise income growth through pricing
- **Grow annuity income and unsecured mix**
- Profitably grow personal segment



**Balance sheet and
AUM growth**

Customer focus

- **Deliver the customer charter and SCB Way**
Expand use of external customer guarantees and increase online channel usage
- Embed WM Trusted Advisor proposition
- Continue developing and empowering our staff



**Become most
recommended bank**

‘Back to basics’

- **Maintain balance sheet and AUM growth momentum**
- **Drive standardisation to improve service, productivity and the control environment**
- Maintain tight cost and risk discipline to create investment capacity



**Alignment
to frontline**

Targeted H2 investment

Distribution & RMs



Online & mobile

Breeze



Credit Card
On-line Sales

Marketing & bundles



Standard Chartered

A smiling man in a white polo shirt with black horizontal stripes and a lion logo on the chest. He is carrying several shopping bags (orange, yellow, and white with a black and white pattern) over his shoulder and holding a black credit card in his other hand. The background is a blurred indoor setting, possibly a mall or store.

lifestyle & **Standard Chartered**

Standard Chartered Inner Circle Platinum Card.



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Bringing it all together

To be the world's best international Consumer Bank in each of our chosen markets and segments across Asia, Africa and the Middle East

Participation model

Customer focus

'Back to basics'

Our customer charter

Our team is here to give you...

Friendly, fast and accurate service

Solutions to financial needs

Recognition & reward overall banking relationship

Our goal is to be the Bank you recommend to friends, family and colleagues

Culture

SCB Way

Brand

Deliver sustainable operating performance

Key messages

- CB transformation on track and delivering
- Well positioned to weather current challenges - competition, margins
- Continuing to pace investment for long term growth

Q&
A