Financial Markets Investor Event 14 June 2022 | 09.00 to 10.00 BST

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• Financial Market income split: product and geography



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Introduction



Key Messages

1

FM delivered on the commitments and targets set out in 2019



2

Accelerating the O2D strategy through the combination of FM and Corporate Finance



3

An integrated FM business, driving improved returns, leveraging the network and a significant contributor to CCIB



2024 Targets

~160bps improvement in Income return on RWA to 7.4%

Mid-teens RoTE

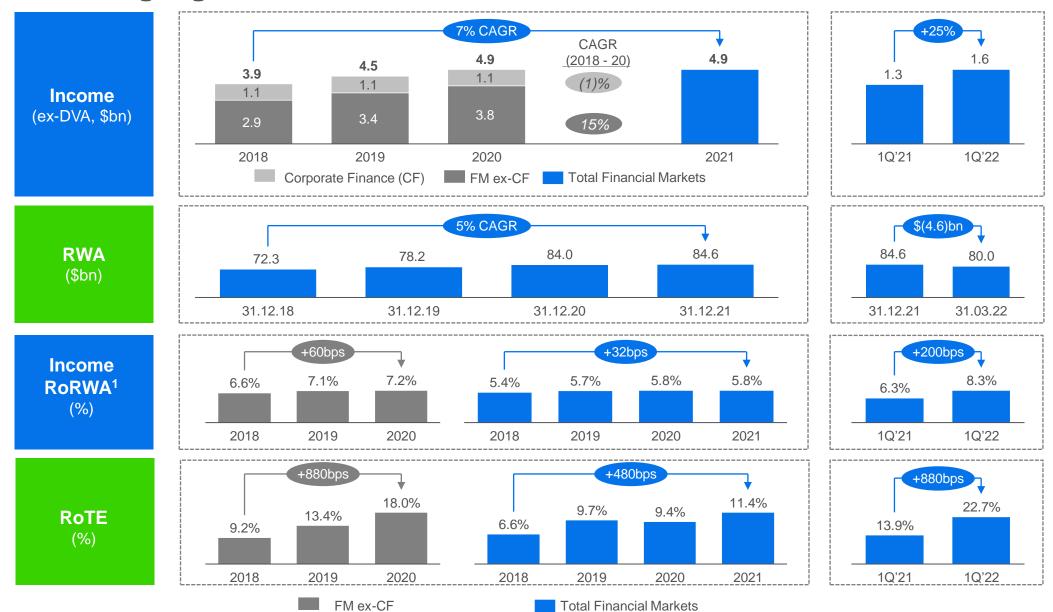
Accelerate income growth rate above historic levels



Financial Markets Overview



Performance Highlights: 2018 to 2021



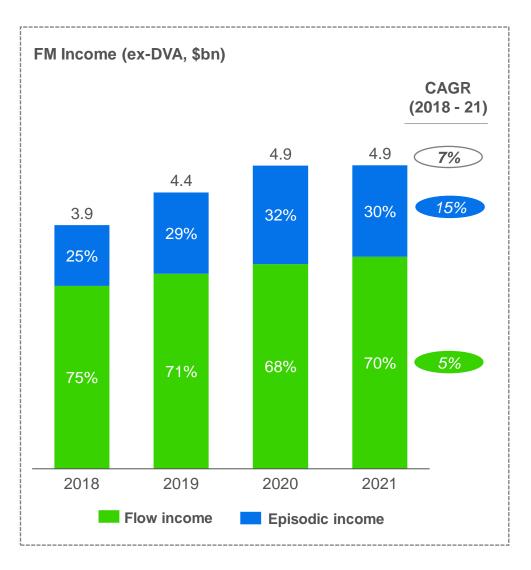


Scorecard: Achievements vs commitments made in 2019

	2019 Commitments	Achievements (2018 to 2021)	
Improve returns	 Income growth > CCIB average Expenses growth < inflation RoTE > Group target 	 Income +7% CAGR vs CCIB +1% Expenses +2% CAGR RoTE 11.4% in 2021 vs Group Target 10% 	
Re-orient sales to deepen target client relationships	Client penetrationProduct adjacencyNetwork maximisation	 Product cross-sell¹ up from 3.0 per client to 3.4 FX income from TB Cash has grown at 14% CAGR Network income +5% CAGR 	
Strengthen credit and key corridor offerings	Credit solutionChina openingAfrica opportunity	 Credit solution² income +34% CAGR China Origination income +22% CAGR Africa Origination³ income +15% CAGR 	
Increase investment in data analytics and process re- engineering	Data analytics Platforms and process re-engineering	 Holistic client level analysis based on returns Re-platforming of the front to back, Algorithmic Trading 	



~2/3rds of FM income is flow related, growing at 5% CAGR 2018 to 2021



	Definition	Characteristics	Products
Episodic Income	Duration, Event & MTM Driven Income > \$500k (Income boundary varies by Product ¹)	 Issuance related M&A Long dated Sizeable market & credit risk MTM Movements on open risk 	 Deal Contingents Loan or Bond Issuance Bridges Total Return Swaps Credit Linked Notes Cross Currency Swaps
Flow Income	Liquidity & Exposure Management Income <\$500k (Income boundary varies by Product ¹)	 Digitised Competitive Programmatic Translation hedging Payment related Shorter dated Cash-flow hedging Market dependent 	 Forwards / NDFs / Spot / Options Yield Enhancement Deposits & Repo Commodity hedging Securities Services Loan and Bond Issuance



Combining Financial Markets and Corporate Finance drove O2D and improved Returns

Benefits of integrating CF into FM

- Combining the FM Distribution and CF Origination teams increased origination and distribution volumes
- The business is delivering higher revenues, touches more clients, with increased balance sheet velocity

What changed following integration in 2021?

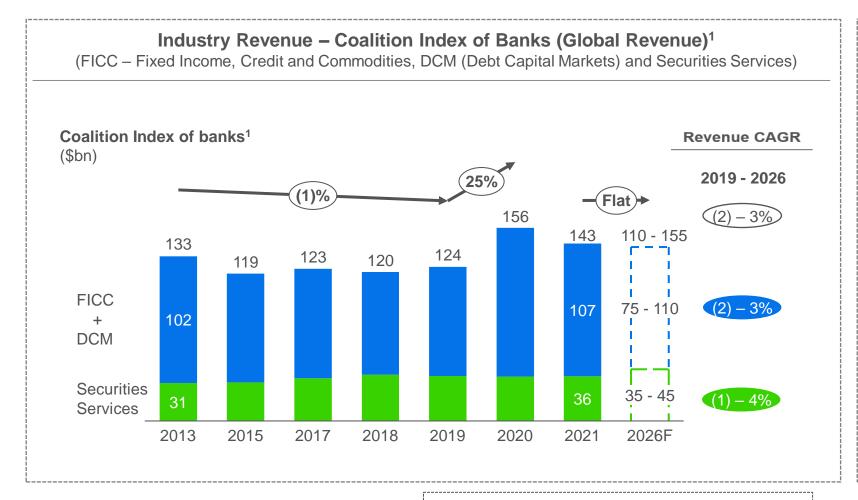
- Emphasis changed to being a lead Origination bank that distributes
- New technology put in place
- Holistic client solutions from Bridge to Syndication
- Team KPI's focused on velocity and returns
- Distribution team proactively selling down low returning assets and de-risking
- Leverage and Acquisition team created to drive Sponsor relationships
- Cost savings from team synergies

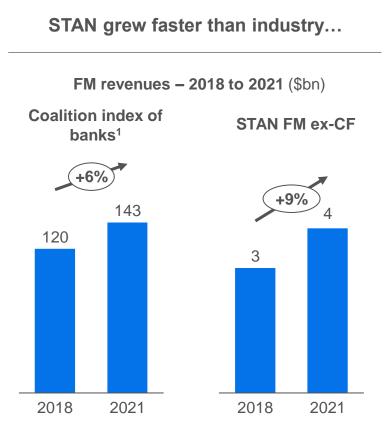
2021 Performance (post combination)

- GCM¹ Income +18% YoY
- Origination volumes up 15% YoY
- Distribution volumes up 55% YoY
- Exited \$3bn of sub-optimal RWA² in 2021
- GCM awarded "Best Loan House" in Global Capital Asia's 2021 awards" (Announced January 2022)
- First ever CMBS³ done in 2021
- Market leader in ESG Financing



FM income grew faster than the industry and increased market share by 1.4%pts





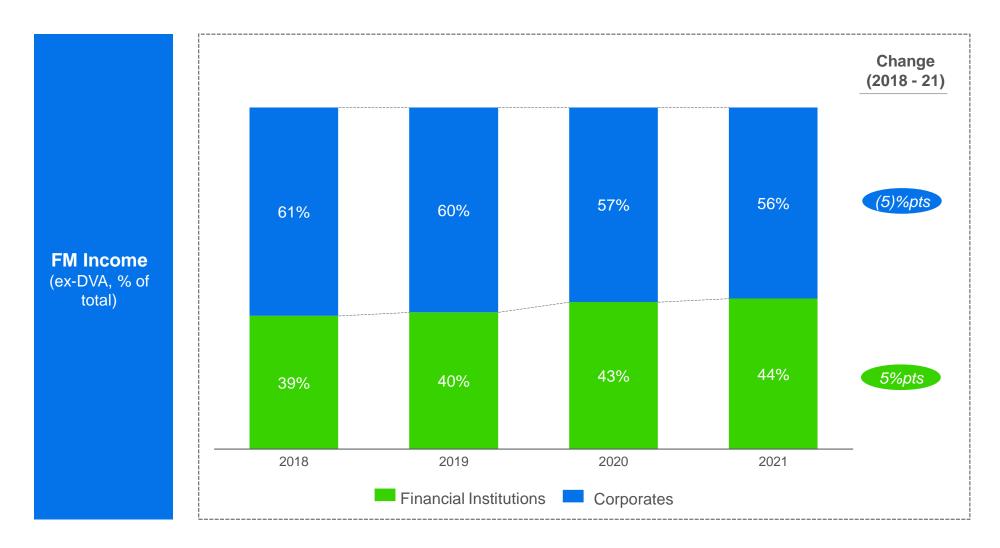
... and increased market share

Market Share

STAN FICC Asia Market² share grew from 8.0% in 2018 to 9.4% in 2021



Income from Financial Institution clients is 44% of total FM, up 5%pts since 2018





A bold vision with a strategy focusing on Clients, Products and Geographies

A bold vision for the FM business ...

- A world class emerging markets franchise in our footprint and leader in sustainable finance products
- A key partner for Corporates and Financial Institution clients as they seek to fund growth, manage risks and invest in our network
- A powerful accelerator for the growth of local markets in our footprint, and in bringing global investors to them

... with strategic priorities focusing on Clients, Products and Geographies ...



Clients:

Increasing our reach, relevance and wallet share with local and network clients



Products:

Expanding our suite to meet the full set of client needs. Innovating across digital platforms, sustainable finance and new business models



Geographies:

Continuing to strengthen our position in our emerging markets footprint by building on our momentum in China and India

... driving improved returns...

2024 Targets

~160bps improvement in Income return on RWA to 7.4%

Mid-teens RoTE

Accelerate income growth rate above historic levels



Strategic priorities: Clients

	Cross Sell	Tailored Investor Franchise	
Priorities	 Further grow number of products sold to Clients Enable expansion of TBFX¹ and Custody FX business 	 Build scalable solutions Enhance coverage and operating model 	
Enablers	 Digitally enable TB clients to trade FX via single client interface Continue development of client analytics 	 Streamline onboarding for FI clients Increase visibility on wallet sizing, tracking and execution 	





	Originate to Distribute	Securities Services and Prime	ESG Opportunity	Digital and Tactical Product Expansion
Priorities	 Expand Credit capabilities Target Sponsor clients to grow Leverage and Acquisition Finance Provide access to higher yielding products 	 Acquisition of new clients via organic and inorganic steps Offer clearing to clients transacting in exchange traded derivatives and 3rd party FX 	 Grow emissions trading and ESG derivatives offering Extend climate finance leadership in Capital Markets, Project and Transition finance 	 Develop capabilities starting with crypto currency trading and custody services Develop execution and digital platforms Expand Commodity and Islamic Products
Enablers	 New product build-out Process improvements Expand risk management capabilities 	 Leverage FM derivative infrastructure to enhance our client proposition Automate front to back client offering 	 Retain industry thought leadership Build supporting infrastructure for scale 	 Continue technology build- out Grow digitally initiated businesses



Strategic priorities: Geographies

	China and India	Strengthen EM Footprint	
Priorities	China: Strengthen onshore presence and offering to serve onshore Corporates, local FIs India: Focused product extensions	 Recently opened branch in Saudi Arabia Obtained preliminary approval for banking license in Egypt Broaden and deepen FICC product offering in LATAM and CEE¹ 	
Enablers .	China: China security company build-out, subject to regulatory approval India: Gift City ² build-out Technology build-out and invest in people talent	 Entity build out in Saudi Arabia and Egypt Market maker in LATAM and CEE Leverage Group's presence across all markets 	
	Throat in pooplo talont	 	



FM is well positioned for structural changes whilst uncertainties remain

The "world" is generally under indexed to China (duration, FX reserves) China Increase share of wallet with Bond connect, FX for custody, China Securities company (subject to regulatory approval) opening China credit to global investors continues to be a volatile Investor and regulatory sentiment is established with a clear direction Sustainable Massive opportunity for client advice and product creation **Finance** Client shift can create temporary revenue volatility Network and Structural global allocation to India and China to continue footprint Increased demand for cross-border risk management as currency and trade regimes shift Strong digitisation strategy offsetting margin compression in the flow business and increases client penetration Digitisation Barrier to entry for Developed Market banks is being lowered via Digitisation



Conclusion



In conclusion

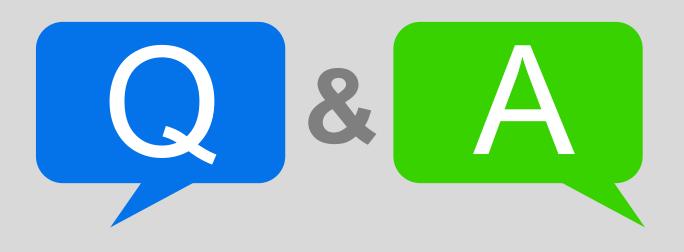
Foundations and momentum are strong

- Record performance in 1Q'22
- A world class team in place leveraging our network and delivering on strategy
- Combination of CF and FM has created significant growth opportunities
- Structural market changes are supportive of growth

Driving improved returns

- A significant contributor to CCIB and the Group, pivotal in driving improved returns
 - Accelerate income growth rate above historic levels
 - ~160bps improvement in Income RoRWA to 7.4%
 - Mid-teens RoTE by 2024





Appendix

- Financial Markets Overview
- Income split by Product and Geography



Financial Markets Overview

Strong growth with improving returns

- Record 1Q'22 income +25% YoY
- \$3bn RWA optimisation in 1Q'22
- Income CAGR¹ of 7% since 2018
- Income RoRWA 5.8%, up 32bps since 2018
- RoTE +480bps 2018 to 11.4% in 2021

Distinctive offering

- Stable and diversified income stream driven by client demand
- Leading provider of RMB and China access solutions
- 9.4% FICC market share in Asia
- Best-in-class for Emerging Markets FX
- Best Loan House in Global Capital Asia's 2021 awards
- Attractive footprint²: Trading desks in 36 markets, with a sales presence in 44 markets

Strategic priorities



Clients: Increasing our reach, relevance and wallet share with local and network clients



Products: Expanding our product suite to meet their full set of needs. Innovating across digital platforms, sustainable finance and new business models



Geographies: Continuing to strengthen our position in our emerging markets footprint by building on our leading edges in China and India

2024 Targets

~160bps improvement in Income return on RWA to 7.4%

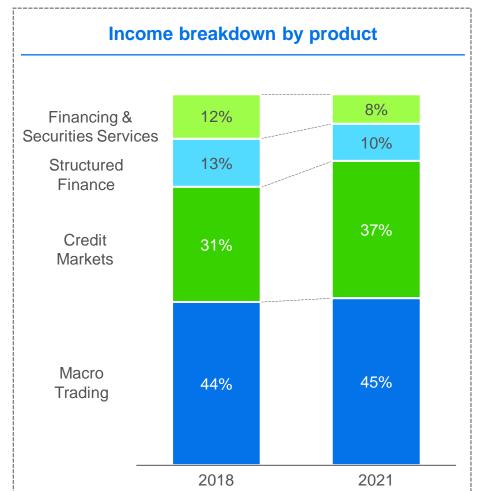
> Mid-teens RoTE

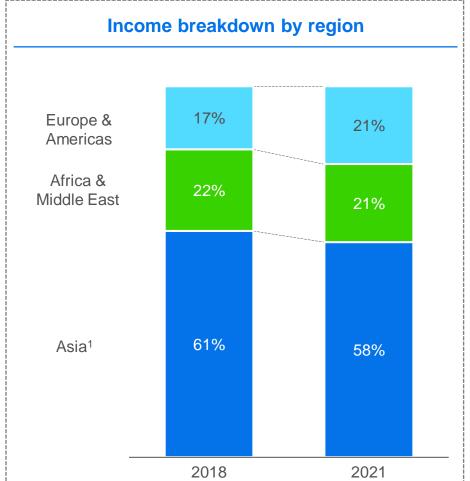
Accelerate income growth rate above historic levels



Financial Markets income breakdown: Product and Geography

FM Income (ex-DVA, % of total)







Speaker biographies



Speaker biographies



Simon Cooper Chief Executive, Corporate, Commercial & Institutional Banking

Simon joined the Group as CEO, Corporate & Institutional Banking in April 2016 and has been a member of the Group Management Team since. He assumed additional responsibility for Commercial Banking in March 2018 and Europe & Americas in September 2020. Simon is based in Singapore

Simon has extensive experience in our client businesses and across our key markets in Asia, Africa and the Middle East. He joined the bank from HSBC where he held a number of senior roles, including Group Managing Director and Chief Executive of Global Commercial Banking, CEO of HSBC Middle East and North Africa, CEO Korea and Head of Corporate and Investment Banking, Singapore

Simon serves on the Advisory Board of Singapore Management University, Lee Kong Chian School of Business

Simon graduated from the University of Cambridge with an MA in Law and is an alumnus of Columbia Business School



Roberto Hoornweg Group Head, Financial Markets

Roberto Hoornweg joined Standard Chartered as Global Head, Financial Markets in January 2017. The business serves to provide Standard Chartered's clients with markets-related services including Foreign Exchange, Rates, Credit, Commodities and Capital Markets

He is a member of the Corporate, Commercial & Institutional Banking Management Team and is based in London.

Roberto joined Standard Chartered from Brevan Howard Asset Management where he was a partner leading the Brevan Howard Liquid Portfolio Strategies funds business.

Before that, he spent three years at UBS Investment Bank in London leading the global Securities Distribution business and then co-heading the global Fixed Income, Currencies and Commodities division. Roberto's financial markets experience was honed during his 17-year career at Morgan Stanley where he held various senior roles in fixed income derivatives, led the global Emerging Markets Fixed Income & FX business, and was latterly Head of Global Interest Rates, Credit and Currencies

Roberto graduated from the Massachusetts Institute of Technology with a Bachelor of Science with a major in Economics. He is a dual citizen of Italy and the Netherlands, a Singapore Permanent Resident and is married with two children



Speaker biographies



Geoff Kot Global Head, FM Electronic Trading & Platforms

Geoff Kot is Managing Director and Global Head of FM Electronic Trading and Platforms for Standard Chartered Bank (Singapore) Limited, based in Singapore

He is responsible for developing the electronic trading capabilities and digital platforms for the Financial Markets business as well as leading the development of Digital Assets for the Corporate, Commercial & Institutional Banking business

He is a Board member of 24Exchange, a multi-asset trading venue and Observer on the Board of Symphony, a global collaboration platform for financial institutions

Prior to joining Standard Chartered Bank in 2014, he worked at Barclays and Merrill Lynch. He graduated from the University of Oxford with a BA in Economics and Management



Molly Duffy Head, Financial Markets, Europe & Americas

Molly Duffy is the Head of Financial Markets, Europe & Americas. She leads the strategy and governance of the Europe and Americas regions across Foreign Exchange, Rates, Credit, Commodities, Debt Capital Markets, Loan Syndication, Leveraged & Acquisition Finance, Project & Export Finance, Aviation Finance, and Securities Services businesses. In addition, she is responsible for delivering coordinated solutions and senior relationship management to the bank's most complex and significant financial institutional clients across Europe and Americas. Molly is a member of the Global Financial Markets Management Team, UK/Europe Regional Management Team, and US Management Team. She is also CEO of the US Broker Dealer, Standard Chartered Securities North America LLC

Prior to joining Standard Chartered in 2017, Molly was a Managing Director in the Global Markets Key Account Management Group at Credit Suisse. During her career at Credit Suisse, Molly also held several senior production and management roles, including Head of Macro Sales Americas and Head of Global Currencies & Emerging Markets Sales Americas

Molly holds a bachelor's degree in Political Science from Boston College



Notes

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

Page	Explanatory note or definition
6	1. Income return on risk weighted assets (IRoRWA) % are based upon average RWA balances
7	Average number of products sold per client entity
1	2. Credit Solution: Includes structured business where transaction like Asset Backed Securities, Mezzanine loans and multi product collateralised lending
	3. Income originated from clients based in the African continent
8	1. The revenue boundary is applied at the product level and varies by product, i.e for Capital Market related episodic transactions the revenue boundary is >\$250k
9	1. GCM: Global Credit Markets products includes erstwhile Corporate Finance business including loan syndication but excludes Aviation
9	2. Sub-optimal RWAs: Assets with low returns (RoRWA less than 3%), high capital usage and minimal cross sell
	3. CMBS: Commercial Mortgage Backed Security is a mortgage-backed security backed by Commercial Real Estate loans.
10	1. Source: Coalition Greenwich Competitor Analytics, FY13-FY21 Coalition Index in Standard taxonomy; 2026F estimated by SCB; Note (1) Index Banks for FICC and DCM includes BofA, BARC, BNPP, CITI, CS, DB, GS, HSBC, JPM, MS, SG & UBS; Note (2) Index Banks for SS includes BBH, BNPP, BNY, CITI, CACEIS, DB, HSBC, JPM, NT, RBC, SG & SS
	2. Source: Coalition Greenwich analysis: Asia ex-Japan and ex-Australia FICC Income
13	1. TBFX: Within CCIB the TB business and FM business collaborate on continuing the growth attached to Cash Management and the FX cross sell
15	CEE: Central and Eastern Europe
	2. Standard Chartered launched its operations at the International Financial Services Centre (IFSC), GIFT City, Gujarat. Off-shore Business Unit (OBU) project at IFSC had gone live on 1 June, 2020
21	1. Compound Annual Growth Rate, over three years
Z I	2. Excluding the 7 Africa markets announced on 14.04.22 as being exited (https://www.sc.com/en/media/press-release/standard-chartered-announces-changes-to-refocus-and-simplify-its-presence-in-africa-middle-east-region/)
22	Asia region includes income for Central & Others (Regions)



Selected technical and abbreviated terms

Term	Definition
bps	Basis points
ссу	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
CF	The Group's Corporate Finance business
СРВВ	The Group's Consumer, Private & Business Banking client segment
DVA	Debit Valuation Adjustment: the Group calculates DVA on its derivative liabilities to reflect changes in its own credit standing
EM	Emerging Markets
ESG	Environmental, Social & Governance
FI	Financial Institution [clients], e.g. banks, insurance companies, funds, brokers & dealers
FICC	Fixed Income, Currency and Commodities
FM	The Group's Financial Markets business
FX	Foreign Exchange
IRoRWA	Annualised income return on risk weighted assets
KPI	Key performance indicators, as a proxy for financial indicators, to measure performance
LATAM	Latin America
L&A	Loans & Advances to customers

Term	Definition
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
O2D	Originate-to-distribute [client assets]
ТВ	The Group's Transaction Banking business
QoQ	Quarter-on-Quarter change
Repo	Repurchase agreement
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
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.

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