1H'20 / 2Q'20 Results Presentation

30 July 2020

Here for good

Please see page 57 for an explanation of some of the technical and abbreviated terms used in this document

Contents

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Bill Winters

Group Chief Executive

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Our client franchise remains healthy and we are seeing encouraging early signs of recovery in some of our larger markets

We came through extremely challenging conditions with operational and financial resilience

Strategic progress

- The COVID crisis has reinforced the relevance of our strategic priorities:
  - Our differentiated strengths help **Network** and **Affluent** clients navigate the crisis
  - Helping clients manage risk in our **optimisation markets**[1] helped lift profit there 7%
  - Existing **productivity** initiatives are being accelerated, and new ones catalysed
  - **Digital** engagement increased significantly during lockdown; processing was seamless
  - Stimulus measures targeting **sustainable** recovery play to our sustainable finance focus

Performance

- Encouraging underlying momentum continued into 1H'20: income up 5%[2]
- Discipline over costs contributed to healthy 17% pre-provision operating profit growth[2]
- Credit impairment up $1.3bn YoY; down $345m QoQ in 2Q'20
  - As a result underlying operating profit reduced 25% to $2.0bn
- Facing significant uncertainty with strengthened CET1 and substantial ECL provisions

1. India, Korea, the UAE and Indonesia (pg 23)
2. Year-on-year change, at constant currency and excluding positive debit valuation adjustment

Andy Halford

Group Chief Financial Officer

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Resilient first half performance in conditions that were increasingly challenging

($bn)	1H'19	**1H'20**	**YoY[1]**	**Ccy[1]**
Operating income ex-DVA	7.7	7.9	3%	5%
DVA	(0.0)	0.1	Nm	
Operating income	7.7	**8.0**	**5%**	**7%**
Operating expenses	(5.0)	(4.7)	5%	2%
Pre-provision operating profit	2.7	**3.3**	**22%**	**23%**
Credit impairment	(0.3)	(1.6)	Nm	
Other impairment	(0.0)	0.1	Nm	
Profit from associates	0.2	0.1	(52)%	(52)%
Underlying profit before tax	2.6	**2.0**	**(25)%**	**(25)%**
Goodwill and restructuring	(0.2)	(0.3)	(68)%	
Statutory profit before tax	2.4	**1.6**	**(33)%**	**(33)%**
Risk-weighted assets	271	**263**	**(3)%**	
Net interest margin (NIM) (%)	1.66	1.40	(26)bps	
CET1 ratio (%)	13.5	14.3	80bps	
Liquidity coverage ratio (LCR) (%)	139	149	10%pt	
Underlying RoTE (%)	8.4	**6.0**	**(240)bps**	

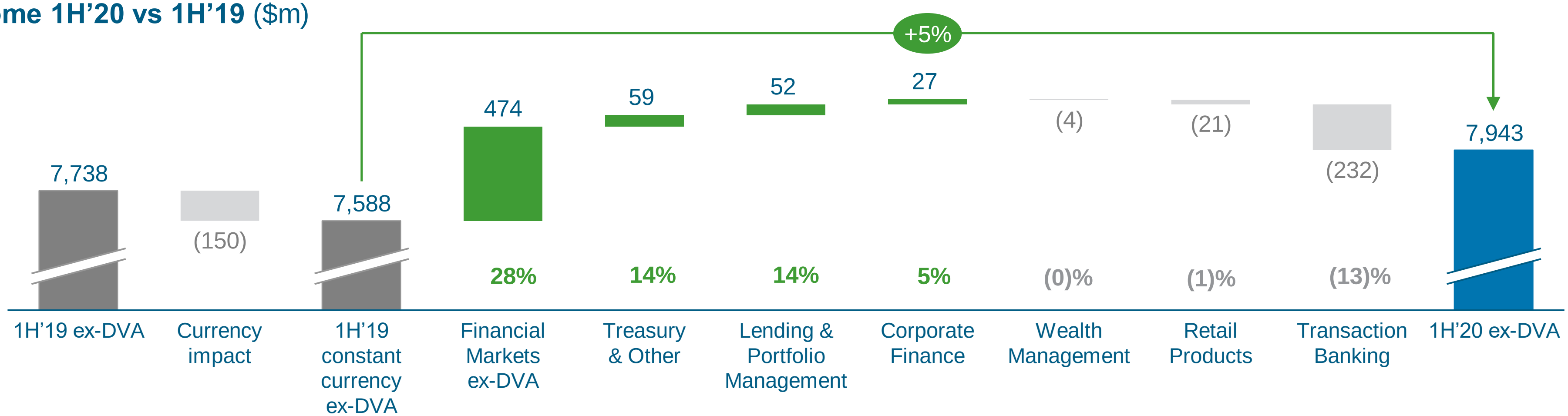
- Income up 5%[2] despite rapid global recession
- Expenses reduced 2% ccy = 7% positive jaws[2]
  - Pre-provision operating profit ex-DVA up 17%
- Impairments significantly higher YoY; down 36% QoQ in 2Q'20
  - Stage 1 & 2 up $586m: ~50% from management overlay
  - Stage 3 up $727m: no significant new exposures in 2Q'20
- Risk-weighted assets down $2bn / 1% since 31.12.19
  - Permata reduction ($9bn) > credit migration ($7bn)
- NIM impacted by sharp reduction in interest rates
- Balance sheet has strengthened since onset of COVID
  - CET1% of 14.3%; up 90bps QoQ, above 13-14% target
  - LCR of 149%; up 7%pt QoQ
  - TB OPAC up 20% and Retail CASA up 9% since 31.12.19
- Return on tangible equity down 240bps to 6.0%

1. YoY: year-on-year variance is better/(worse) other than for risk-weighted assets (RWA), common equity Tier 1 (CET1) and liquidity coverage ratio (LCR), which is increase/(decrease) / Ccy: constant currency
2. At constant currency and excluding debit valuation adjustment (DVA)

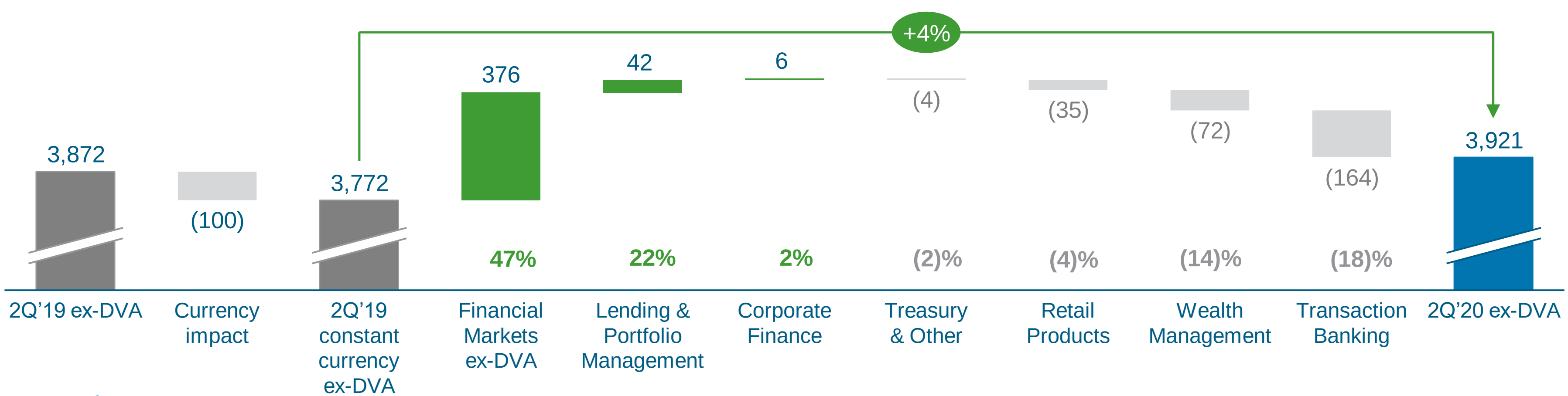
1H'20 income was up 5% at constant currency and ex-DVA; 2Q'20 was up 4% YoY

Strong growth in Financial Markets more than offset the impact of interest rate cuts

Income 1H'20 vs 1H'19 ($m)

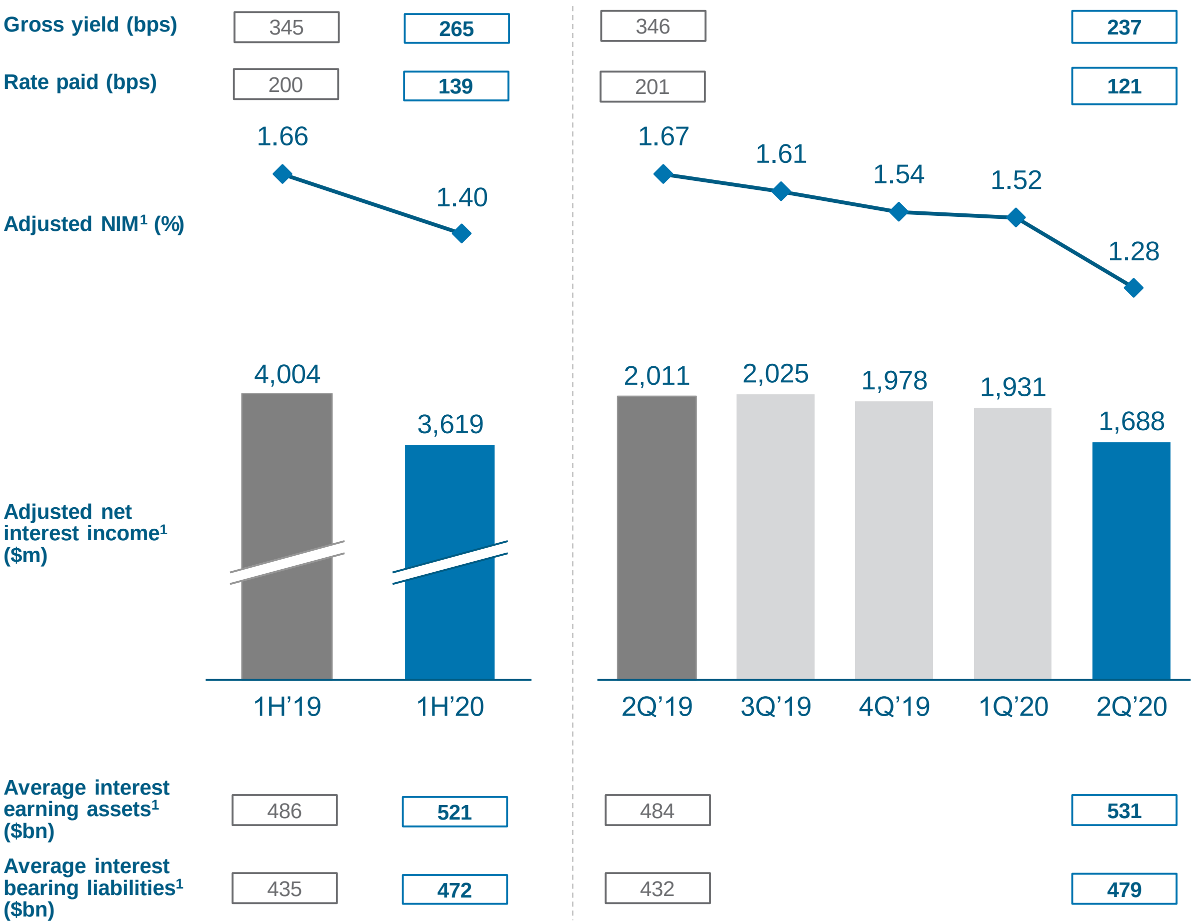


Income 2Q'20 vs 2Q'19 ($m)



The net interest margin fell significantly in 2Q'20 reflecting extremely low rates

We continue to expect further NIM pressure through the remainder of 2020



- NII down 10% YoY / 13% QoQ
- Adjusted NIM[1] down 24bps QoQ from rate cuts in 1Q'20
  - Asset yields down 58bps to 2.4%
  - Rate paid down 36bps from repricing of deposit base
  - AIEA[2] up 4% and AIBL[2] up 3%
  - No NIM impact from COVID relief measures
- Strong liquidity in HK compressing HIBOR
- Interest rate risk sensitivity in the banking book increases as rate approaches zero
  - 1 year impact of +/-50bps: $180m / $(335)m (pg34)

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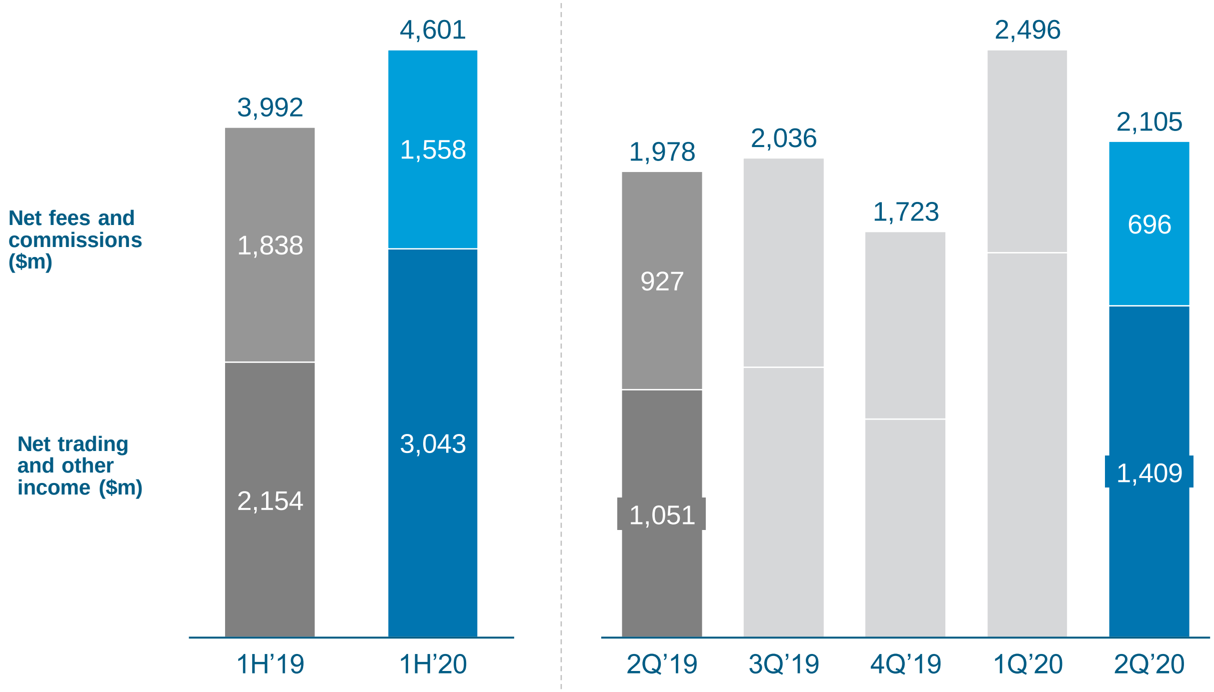
1. Statutory basis; the Group has changed its accounting policy for net interest income and basis of preparation of its net interest margin to better reflect the underlying performance of its banking book. See notes to the financial statements in the 2019 Annual Report for further details
2. AIEA: Average interest earning assets / AIBL: Average interest bearing liabilities

Other income up 15%[1], with strong trading income offsetting decline in fees and commissions

We have diverse sources of income that are less sensitive to interest rates, and tend to be less capital-intensive

Income, statutory basis ($m)



- Net fees and commissions down 15% YoY
  - RB + PvB: ~50% of total, declined 7% driven by Wealth Management
  - CIB + CB + C&O: declined 23% driven by Transaction Banking
- Net trading and other income up 41% YoY (up 34% ex-DVA)
  - Strong FX trading activity
  - $146m positive DVA movement YoY
  - Realisation gains in Treasury Markets
  - Buoyant FM conditions unlikely to repeat in 2H'20

1. Statutory basis

Strong income growth in CIB, but higher impairments offset lower costs in every business …

Standout performance from CIB, with growth in most products and good cost control

Corporate & Institutional Banking

RoTE 8.3%
-1.5%pt

	1H'20	1H'20 vs 1H'19 (inc/(dec)) YoY[1]
Income[2]	$4.0bn	13%
Expenses	$2.0bn	(6)%
Profit before tax[2]	$1.1bn	(13)%
RWA	$137bn	2%

+18% Jaws

Retail Banking

RoTE 7.3%
-7.5%pt

	1H'20	1H'20 vs 1H'19 (inc/(dec)) YoY[1]
Income	$2.5bn	(3)%
Expenses	$1.8bn	(2)%
Profit before tax	$0.3bn	(48)%
RWA	$44bn	3%

Flat Jaws[3]

Commercial Banking

RoTE 5.8%
-3.9%pt

	1H'20	1H'20 vs 1H'19 (inc/(dec)) YoY[1]
Income	$0.7bn	(9)%
Expenses	$0.4bn	(5)%
Profit before tax	$0.2bn	(46)%
RWA	$31bn	(11)%

-3% Jaws

Private Banking

RoTE 8.5%
-7.2%pt

	1H'20	1H'20 vs 1H'19 (inc/(dec)) YoY[1]
Income	$0.3bn	(2)%
Expenses	$0.2bn	(6)%
Profit before tax	$0.1bn	(44)%
RWA	$6bn	(7)%

+4% Jaws

1. YoY: Year-on-year (1H'20 vs 1H'19) % variance is increase/(decrease)
2. Excluding positive movement in DVA, Corporate & Institutional Banking income was up 9% and profit before tax ex-DVA was down 23%
3. Retail Banking: income down (2.54)% / expenses down (2.47)%

… and in every region. Resilient performance in GCNA despite early onset of COVID

Positive jaws in three regions; flat jaws in AME where low oil prices have exacerbated headwinds

Region		1H'20	1H'20 vs 1H'19 (inc/(dec)) YoY[1]	Jaws
Greater China & North Asia	Income	$3.1bn	2%	+5 Jaws
	Expenses	$1.8bn	(3)%	
	Profit before tax	$1.1bn	(15)%	
	RWA	$89bn	5%	
ASEAN & South Asia	Income	$2.4bn	11%	+15% Jaws
	Expenses	$1.2bn	(3)%	
	Profit before tax	$0.5bn	(40)%	
	RWA	$80bn	(14)%	
Africa & Middle East	Income	$1.3bn	(6)%	Flat Jaws[3]
	Expenses	$0.8bn	(7)%	
	Profit before tax	$0.1bn	(80)%	
	RWA	$52bn	1%	
Europe & Americas	Income[2]	$1.1bn	38%	+45% Jaws
	Expenses	$0.7bn	(8)%	
	Profit before tax	$0.4bn	n.m	
	RWA	$44bn	4%	

1. YoY: Year-on-year (1H'20 vs 1H'19) % variance is increase/(decrease)
2. Excluding positive movement in DVA, Europe & Americas income was up 27%
3. AME: income down (6.3)% / expenses down (6.7)%

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Contribution from Central & other items is broadly flat YoY

Items excluded from Client Segments	*Items excluded from both Client Segments and Regions*	*Items excluded from Regions*
	Centrally managed	
Treasury Markets	Treasury Capital	Portfolio Management
Associates and Joint Ventures	Corporate Centre costs	Other global items
Other non-segment specific items	Strategic investments	
	UK bank levy	

Central & other items (segment)

	1H'20	1H'19	YoY%[1]
Income	$0.5bn	$0.4bn	9
Expenses	$0.3bn	$0.3bn	16
Profit / (loss) before tax[2]	$0.3bn	$0.3bn	3
RWA	$44bn	$52bn	(15)

- Lower Treasury NII as rates decline offset by realisation gains on sale of securities
- Profit negatively impacted from a change in timing of revenue recognition of Bohai profits (Associate line)

Central & other items (region)

	1H'20	1H'19	YoY%[1]
Income	$0.2bn	$0.3bn	(49)
Expenses	$0.2bn	$0.3bn	19
Profit / (loss) before tax	$(0.1)bn	$0.1bn	n.m
RWA	$(3)bn	$(2)bn	24

- Lower YoY Income and profit mainly due to lower NII in Treasury Capital as rates declined

1. YoY: year-on-year (1H'20 vs 1H'19) variance is better/(worse) other than for risk-weighted assets (RWA), which is increase/(decrease)
2. Profit before tax includes profit from associates and joint ventures

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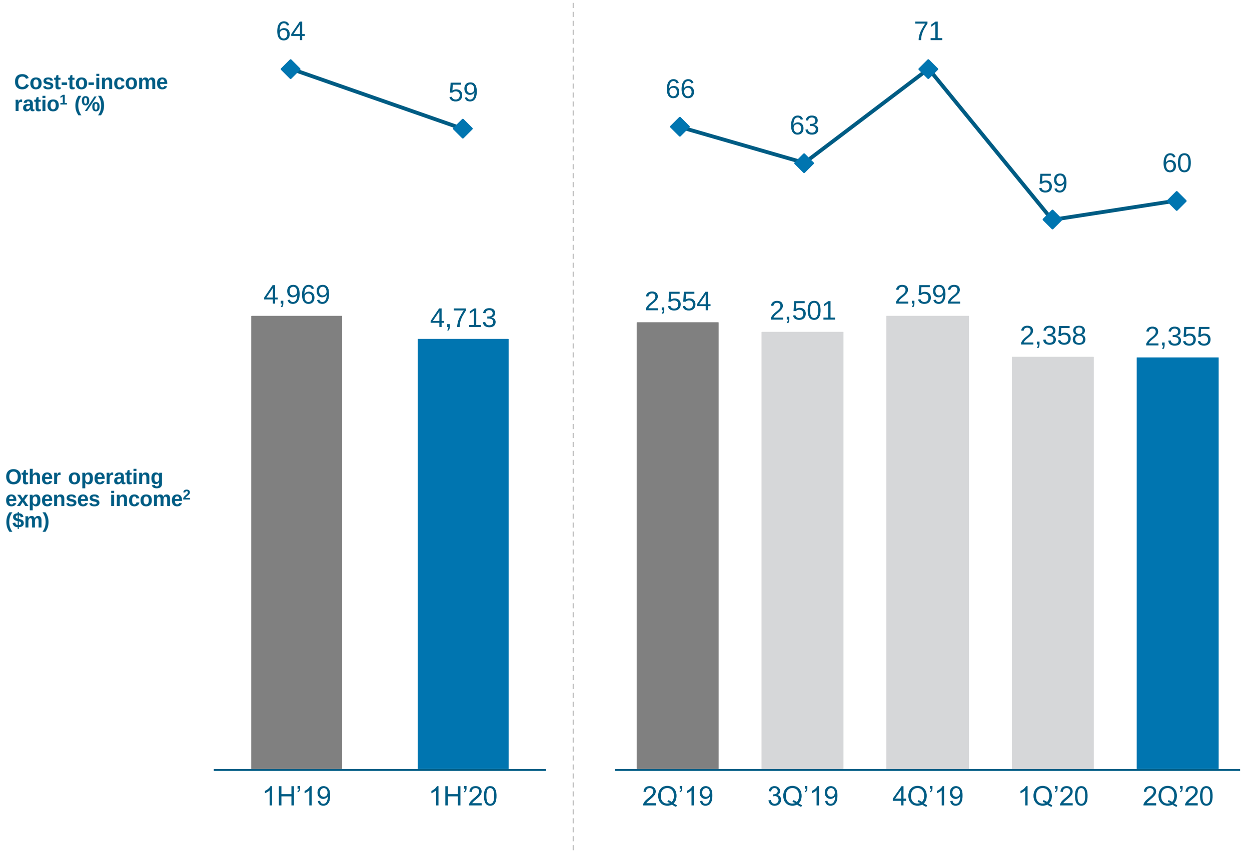
Robust cost control continued in 2Q'20, and will be maintained through 2H'20 into 2021

Initiatives are underway to deliver sustainable cost efficiencies into 2021



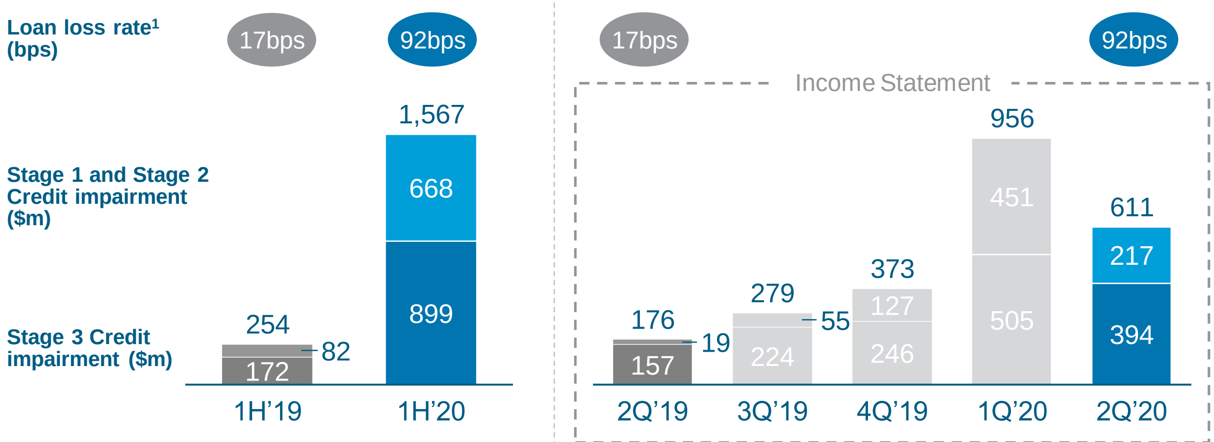
- OpEx improved 5% YoY; or 2% ccy
  - 7% positive jaws at ccy and ex-DVA
  - OpEx broadly flat QoQ
- Continue to expect FY'20 expenses[2] below $10bn
  - Costs in 2H usually higher than in 1H
- Implementing additional efficiency initiatives
  - Intent to maintain rate of investment …
  - … while removing costs structurally
  - As a result, aiming to keep expenses below $10bn[3] in 2021 as well

1. Cost-to-income ratio is calculated as Income ex-DVA / Operating expense ex-UK bank levy. The equivalent ratio in 1H'19 / 1H'20 including DVA is 65% / 59%
2. Excludes the UK bank levy
3. Excludes the UK bank levy and on a constant currency basis

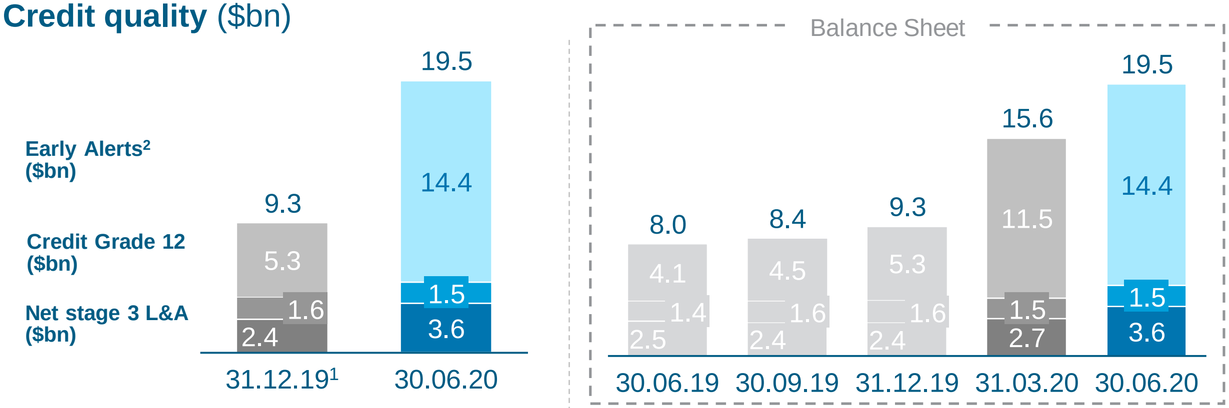
The effects of the rapid spread of COVID significantly impacted credit quality in 1H'20

Securing our foundations in 2015-18 means we are better prepared to navigate extremely challenging conditions

Credit impairment ($m) / **Loan loss rate** (bps)



Credit quality ($bn)



- Credit impairment up $1.3bn YoY
  - Significant reduction QoQ in 2Q'20
  - Stage 3 impairment up $727m: no significant new exposures in 2Q'20
  - See pg14 for Stage 1 and 2 analysis
- Quantum and timing of future impairments not possible to reliably predict
  - If economic conditions do not deteriorate materially, we anticipate 2H'20 < 1H'20

- $3.9bn increase in high risk[3] assets QoQ
  - EA up mostly in April (down MoM in June)
  - Net L&A and CG12 up $0.9bn
  - Strong cover ratio 60% (1Q'20: 65%)[4] / 80% including collateral (1Q'20: 85%)
- Investment grade exposures down 4%pt to 57%
- L&A to Vulnerable sectors[5] up $0.6bn in 1H'20 (pg30)

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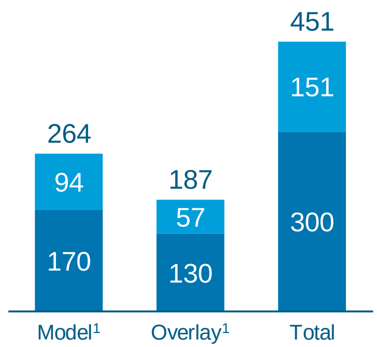
1. Loan loss rate is on a year to date annualised basis
2. Early Alerts (Non-Purely Precautionary) are on a net nominal basis
3. "High risk" in this context means exposures classified in Early Alerts (Non-Purely Precautionary), CG12 or Net Stage 3
4. Cover ratio before collateral
5. "Vulnerable sector" exposures identified at 1Q'20 - Refer to slide 10 of the 1Q'20 Results Presentation

Deteriorating macroeconomic variables drove higher provisions in 1H'20, mainly in 1Q'20

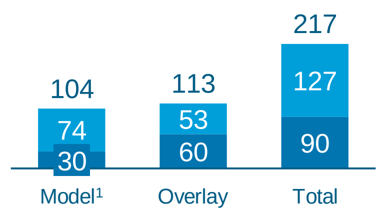
Increased impairments driven by modelled outcomes due to deteriorating MEVs plus management overlay

Stage 1 and 2 credit impairment ($m)

1Q'20 ($m)

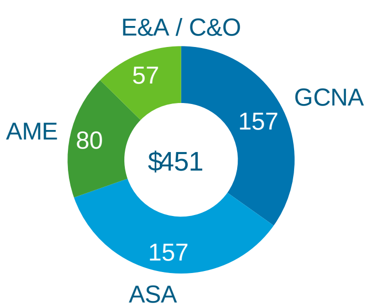


2Q'20 ($m)

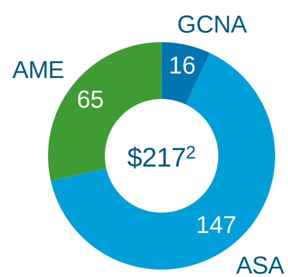


CIB + CB | RB + PvB + C&O

1Q'20 split by region ($m)



2Q'20 split by region ($m)



- Stage 1 and 2 impairment up $586m YoY
  - ~50% from management overlay
  - 2/3 taken in 1Q'20
  - RB overlay includes assessment of loans subject to COVID moratoria
  - Lower management overlay partially offset by increase to PDs and LGDs

- Stress concentrated mainly in ASA region
- GCNA showing early signs of recovery

1. See page 33 for model baseline macroeconomic forecasts in key footprint markets
2. Management overlay is net of a $16m release related to Hong Kong booked in 4Q'19 and released in 1Q'20
3. 2Q'20 E&A / C&O is a net provision release of $(11)m, not reflected in the chart

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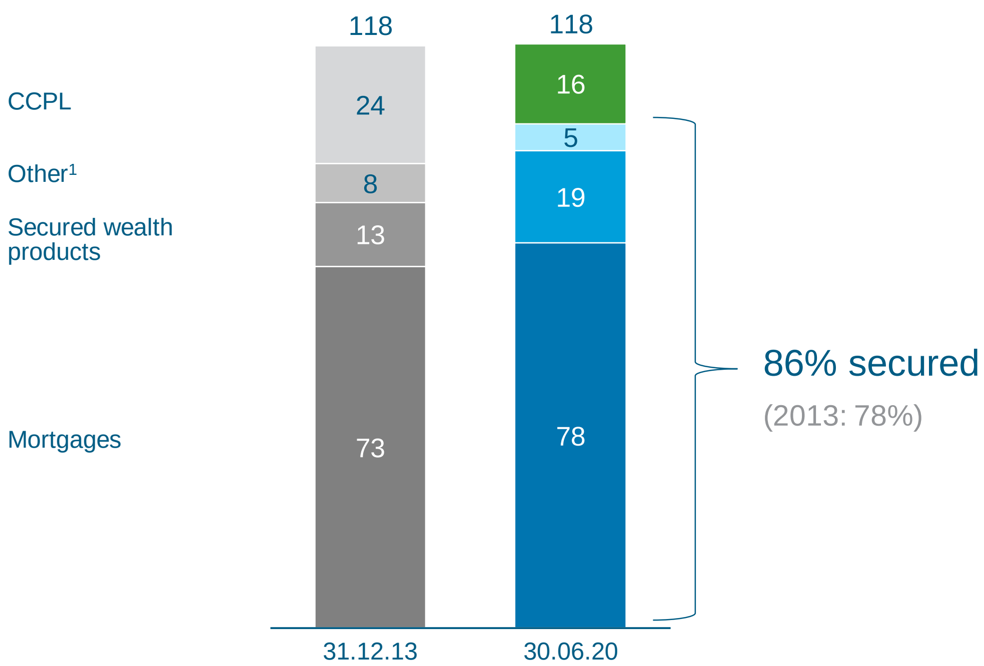
Our Retail Banking lending is predominately secured and extended to affluent customers

We replaced $8bn of unsecured consumer finance with secured exposures during our 2015-2018 turnaround

Retail Banking and Private Banking total loans ($bn)

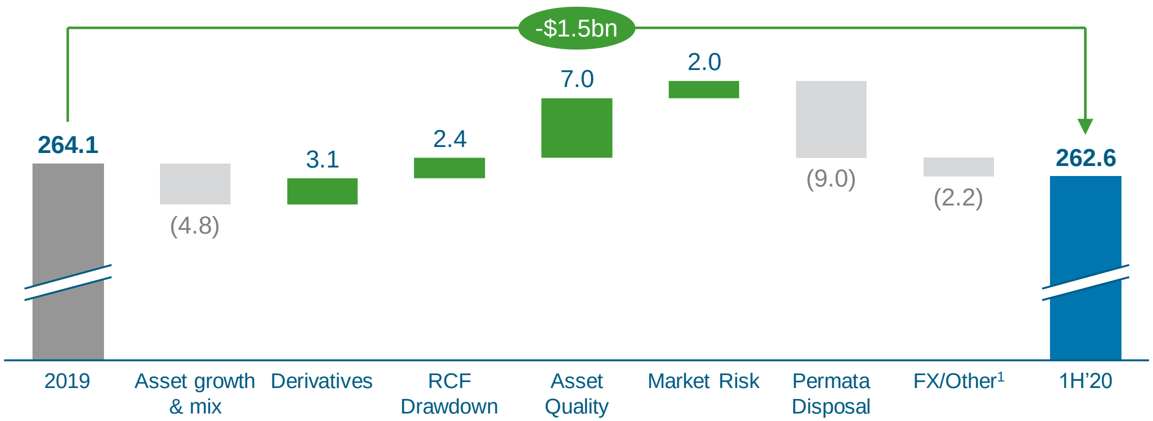


- RB + PvB loans of $118bn are 43% of Group
  - 30% of the unsecured book is extended to affluent 'Priority' segment customers
  - 96% Stage 1: low non-performing loan ratio at 1.0% and high cover ratio[2] at 88%
- Mortgages are ~2/3 of total RB + PvB loans
  - 59% have <50% loan-to-value[3] (average 45%) …
  - … and 3% have >80% LTV[3]
  - HK mortgages ~1/3 of total: average LTV 41%
- 70% of RB book is in GCNA
  - No material COVID moratoria schemes in the region
  - Delinquency levels have returned close to pre-COVID levels

1. Includes Auto loans and other
2. Cover ratio including collateral
3. Refer to p73 of the Half Year Report 2020 for further details of mortgage loan-to-value ratios

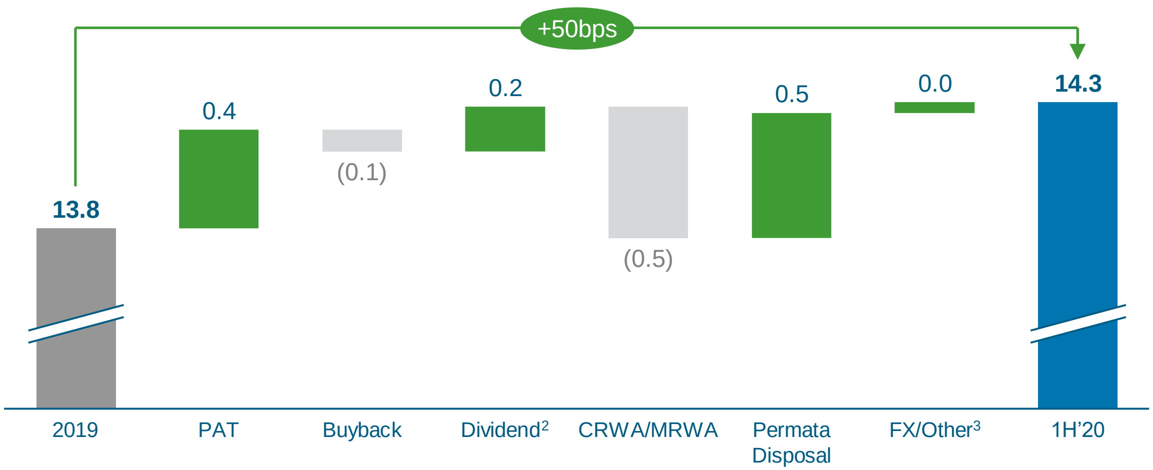
We remain strongly capitalised, enabling us to maximise support for clients and communities

Risk-weighted assets ($bn)



- RWA down ~1% or $1.5bn from 31.12.19
  - Increase mostly due to effects of COVID, including credit migration and RCF drawdowns
  - Offsetting factors include $(9)bn from Permata disposal in 2Q'20 and improved RWA density

CET1 ratio (%)



- CET1 above target 13-14% range
  - Profits and Permata disposal offset RWA impact from effects of COVID
  - Cessation of dividends released 24bps
  - ~15bps in 1H'20 from COVID "relief" regulatory changes[4]
- UK leverage ratio 5.2% flat vs FY'19, well above minimum requirement of 3.6%

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1. Include FX impact -$(3.6)bn; ORWA +$0.2bn; Models +$1.0bn and Initiatives +$0.2bn
2. Includes impact of FY'19 final dividend cancellation $0.6bn partly offset by Tier 1 distributions $(0.2)bn
3. Includes FX $(0.5)bn partly offset by lower regulatory deductions $0.3bn
4. COVID relief changes refer to changes to the Capital Requirements Regulation announced in June 2020 including IFRS transitional relief, Market Risk back-testing exemptions & PVA calculation changes

Bill Winters

Group Chief Executive

Standard Chartered

Our purpose drives our business decisions, bold actions and ambitious commitments

Purpose | Strategic priorities

Our purpose: Driving commerce and prosperity through our unique diversity

We understand our responsibilities

- Retained 'AA' ESG[1] rating from MSCI
- Target of 'net zero emissions'[2] from our operations by 2030
- Established partnership with Imperial College on assessing climate risks in our decisions
- Focus shifted to delivering Sustainability Aspirations supporting the UN SDGs[1]

We will lead sustainable financing across emerging markets

- In 1H'20 we funded/facilitated:
  - $2.2bn infrastructure financing that promotes sustainable development
  - $4.6bn clean-tech projects
- Doubled Sustainable Deposits: now over $2bn
- Launched Opportunity 2030 report[3]
- Women's Livelihood Bond to create livelihoods for 250k+ underserved women
- 570 E&S[1] reviews completed: 25% YoY

We will maximise return from investment in our people

- Focus on wellbeing in crisis
  - 75% home-working at peak
  - No COVID redundancies, or furloughs
- Nine skills academies launched
  - Building future capabilities - human and technical skills
- Creating a culture of learning
  - 30k learners on new digital platform
  - 15k certified in new ways of working

We support the communities where we work and live

- $50m COVID Global Charitable Fund:
  - Phase 1: distributed $22m for emergency relief to 128 partners across 52 markets
  - Phase 2: support young people to rebuild livelihoods and learning through 'Futuremakers'
- 'Futuremakers' projects running in 33 countries
- Launched digital training through 'Women in Tech' incubators
- $1bn financing for companies providing goods and services to fight COVID (see pg20)

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1. SDG = United Nation's Sustainable Development Goals. ESG = Environmental, Social and Governance. E&S = Environmental and Social
2. 'Net zero' emissions means in aggregate we will not produce any emissions from our operations. For example, a net zero carbon building is a building that is fully powered by renewable energy sources
3. Identified a $10tn gap in financing for SDGs in 15 of our key emerging markets, and identified areas of financing that could have the greatest impact in contributing to the SDGs 6, 7 and 9

We are providing relief from the impact of COVID for individual customers and small business owners

A small proportion of RB customers currently require relief: most affected exposures are performing and secured

4% Of RB clients granted relief
- Of which <1/2 sought relief voluntarily
- 88% in ASA

8% Of total RB L&A[1] subject to relief ($8.9bn)
- 71% compulsory[2] (regulatorily approved)
- 89% are 'current'[3]

79% Fully secured
- Of which >2/3 mortgages
- … with 37% average LTV

- Our support for personal customers included:
  - Branches and ATMs remained open, where allowed
  - Our call centres maintained full service levels
  - We ramped up digital outreach, to stay engaged
- ~300k approved relief applications in 24 markets
  - 98% approval rate for voluntary relief schemes
  - ~2/3 for mandatory programmes
  - LTV of moratoria book 37%; total RB portfolio 45%
- Encouraging early signs where moratoria has ended
  - In China and Hong Kong delinquencies peaked in March but are now close to pre-COVID levels

1. Loans and advances to customers
2. As of 30.06.20 relief measures were compulsory (regulatorily approved) in ASA (India, Malaysia, Bangladesh and Nepal) and AME (Bahrain and Jordan) regions
3. 'Current' means scheduled payments at the time of relief were up-to-date. Of the 11% that are non-current, 8%pt are between 1-29 'days past due'

We are supporting corporate clients and financing credit at-cost for businesses that are fighting COVID

Purpose | Strategic priorities

Extensions granted relate to a small proportion of total CCIB[1] L&A[2]: mostly short-term tenor

3% Of total CCIB[1] L&A[2] subject to extensions ($5.6bn)
- Of which 68% is CB[1]
- 20% in vulnerable sectors[3]

~5k Client requests supported
- 96% CB clients / 87% in ASA
- 99% in credit grades 1-11C[4]

~2/3 Is short term (<90 days)
- Of which 36% has been repaid
- Only 3% >180 days

Our $1bn commitment to fund businesses fighting COVID is being put to good use already

- Strong demand, with rapid turnaround
  - $420m funding approved
  - ~50% disbursed, mostly to CB clients
  - Evenly split across ASA, GCNA and AME
- Examples include
  - Apparel manufacturers producing masks in Sri Lanka and Vietnam for overseas markets
  - Conversion of a beverage production plant in Ghana to produce hand sanitiser
  - Chinese toy company adding masks to production line
  - Procuring PPE and critical care equipment for hospitals in Bahrain

1. CCIB = Corporate, Commercial & Institutional Banking / CB = Commercial Banking
2. Loans and advances to customers and banks
3. 'Vulnerable sectors' include Commodity Traders, Oil & Gas, Metal & Mining and Aviation and - for this purpose - Commercial Real Estate and Hotels & Tourism
4. Credit grades are used internally to assess risk. CG1-11C are all 'performing' clients whose credit is considered 'strong' or 'satisfactory' (p158 of 2019 Annual Report)

Our network strength is helping us support clients to manage their risk and reconfigure supply chains

	1H'18	1H'19	**1H'20**	1H'20 YoY[1]
Clients				
'Next + New' income[2]				+14%
Income				
Network[3] ($bn)	2.2	2.3	2.2	-6%
Network %[4]	68%	69%	**65%**	-4%pt
Network Capital-lite %[5]	60%	60%	**59%**	-1%pt
ROTE				
Network[3]	12%	17%	**11%**	-6%pt
Corporate & Institutional Banking	8%	10%	**8%**	-2%pt

- Improving penetration of target clients; income from "New" clients up 37% YoY
- Income from our international network was impacted by the sharp global economic contraction
- TB Trade assets have declined but at a slower rate than the market as a whole
  - Global trade volumes[6] down 20% YoY
  - TB Trade assets down 11% YoY[7]
- Our unique geographic diversity differentiates us
  - Only global bank in every ASEAN market
- Continued focus on supporting China opening
  - Voted "Best Renminbi Bank" in nine markets[8]
  - Launched the GBA Business Confidence Index

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1. 1H'20 YoY: year-on-year (1H'20 vs 1H'19) variance
2. 'Next' clients: those that have the potential to deliver significant and sustainable income growth; 'New' clients: new-to-bank, mainly based in OECD markets
3. 'Network' income: that generated outside of a client's headquarter country (excluding risk management, trading and ship leasing)
4. Network income as % of CIB Income (excluding risk management, trading and ship leasing)
5. 'Capital-lite' income is generated from products with lower RWA consumption or of a non-funding nature
6. SWIFT Documentary Letters of Credit global volumes (MT 700) 1H'20 vs 1H'19 $ volumes
7. Transaction Banking period end Trade assets as at 30.6.20 vs 30.06.19
8. The Asset Triple A Treasury, Trade, SSC & Risk Management Awards 2020

Our affluent client business showed resilience in more difficult conditions

	1H'18	1H'19	**1H'20**	1H'20 YoY[1]
Clients				
Number of Retail Banking Priority clients[2]				+2%
Private Banking Net New Money ($bn)	0.0	1.7	(0.2)	-$1.8bn
Affluent AUM[4] ($bn)	89	93	89	-5%
Income				
Affluent[3] ($bn)	1.7	1.8	1.8	-1%
Affluent[3] % of Retail Banking + Private Banking	60%	63%	**63%**	+1%pt
ROTE				
Affluent[3]	31%	32%	**24%**	-8%pt
Retail Banking + Private Banking	12%	15%	**7%**	-7%pt

- Affluent client base continues to grow while AUM negatively impacted by lower market valuations
- Private Banking productivity is improving
  - Income per RM[5] up 35% since 2018
  - >7x increase in digital client engagement in 1H'20
- F2F client engagement impacted by lockdowns…
- … but digital adoption improved rapidly (see pg25)

1. 1H'20 YoY: year-on-year (1H'20 vs 1H'19) variance
2. Number of qualified priority banking clients in the top 10 Retail Banking Priority markets
3. Affluent income is that generated from Priority and Premium clients in the Retail Banking segment and from clients in the Private Banking segment; Variance +1%pt = 1H'19 62.5% vs 1H'20 63.2%
4. Private Banking, Retail Priority and Retail Premium Wealth Management Assets Under management. This replaces the previously reported KPI "WM + Deposits % of Retail Banking"
5. Income / RM: relationship manager

We continue to see encouraging progress in four large markets where we are optimising returns

Purpose | Strategic priorities

	India	Korea	UAE	Indonesia
Income growth YoY *Reported / constant currency*	44% / 53%	9% / 14%	(3)% / (3)%	37% / 40%
Cost-to-income ratio	Improved	Improved	Improved	Improved
Pre-provision operating profit[1]	**$406m / 133%**	**$206m / 79%**	**$120m / 3%**	**$111m / 95%**
Profit before tax[1]	**$239m / 80%**	**$191m / 57%**	**$(72)m / nm%[2]**	**$47m / 38%**

Aggregate PBT[4]

$405m

+7% YoY

Aggregate PPOP[4] $843m

+82% YoY

India

- **Digitisation / reset cost base**
  - ✓ Digital adoption 69%
  - ✓ CIR improved to 43%
- **Higher quality income**
  - ✓ Global Subs +16%
  - ✓ Business Banking +53%
  - ✓ Sub-optimal RWA down 30%

Korea

- **Cost, capital and RWA**
  - ✓ CIR improved to 62%
  - ✓ Headcount down ~180
  - ✓ Continued execution of branch optimisation plans: 4 closed in 1H'20
- **Grow differentiated income**
  - ✓ Priority Banking income +17%

UAE

- **Streamline cost base**
  - ✓ CIR improved 2%pt
  - ✓ Priority / RB income[3] up 7%pt to 57%
- **Grow Affluent/Network**
  - ✓ TB Cash liability +31%
  - × Network income -19%

Indonesia

- **Higher quality income**
  - ✓ Global Subs +20%
  - ✓ Priority Banking income +7%
  - × Network income -39%
- **Test disruptive retail digital platforms**
  - ✓ Banking-as-a-service platform announced
  - ✓ Permata sale enables full focus on one entity

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1. Underlying Pre-provision operating profit and underlying profit before tax for 1H'20 and YoY change where negative is decrease
2. UAE underlying profit before tax for 1H'19 was $91m
3. Priority Banking income as a % of Retail Banking income
4. Aggregate underlying profit before taxation / pre-provision operating profit in the four markets

The crisis has accelerated some existing productivity projects, and catalysed new ones

	1H'18	1H'19	**1H'20**	1H'20 YoY[1]
Clients				
Retail Banking % of digital sales[2]	21%	24%	**67%**	+43%pt
Corporate & Institutional Banking on-boarding[3] (Days)	9	7	7	≈
Income productivity				
Income per FTE[4] ($000s)	171	177	185	+5%
PPOP per FTE[5] ($000s)	59	65	79	+21%
Cost efficiency				
Cost:income ratio (ex UK bank levy)	67%	65%	**59%**	-6%pt

- Digital sales grew significantly during the pandemic
  - >4x YoY including Ant Financial JV in China …
  - … digital sales ex-JV up 12%pts
  - Non-digital sales declined 18% YoY due primarily to COVID-related social isolation
- Strongly positive jaws drove:
  - Double-digit growth in PPOP per FTE …
  - … and a 6%pt improvement in cost-to-income ratio
- Targeting expenses <$10bn (ccy) by implementing sustainable cost reduction actions given challenging environment

1. 1H'20 YoY: year-on-year (1H'20 vs 1H'19) variance
2. Digital sales as a % of total sales – now includes sales via Ant Financial JV
3. Days to on-board a new Corporate & Institutional Banking client
4. Income over the past 12 months divided by the 12 month rolling average of full-time equivalent employees
5. Pre provision operating profit over the past 12 months divided by the 12 month rolling average of FTEs. This replaces the previously reported KPI "RAR per client-facing FTE", which was $500k in 1H'20 down 3% on 1H'19 of $517k

We are executing multiple exciting digital initiatives to transform our business

	1H'18	1H'19	**1H'20**	1H'20 YoY[1]
Retail Banking				
Mobile adoption[2]	26%	32%	**37%**	+6%pts
Digital adoption[3]	47%	52%	**56%**	+4%pts
Corporate & Institutional Banking				
FM digital volume ($m)[4]	70	78	93	+19%
Commercial Banking				
S2B utilisation[5]	57%	64%	**70%**	+6%pts

- HK virtual bank "Mox" launching very soon
- Digital-only bank now available in 9 Africa markets
  - Doubled number of new accounts opened in 1H'20 to ~330k new accounts
- Personal lending JV with Ant Financial in China
- Announced nexus[7] banking platform in Indonesia
- Roll out of MyRM[6] in Hong Kong
- Launched CardsPal[8] mobile app in Singapore

"Best Frictionless Customer Relationship Management"[9]

"Best Digital Bank Hong Kong"[9]

Standard Chartered

1. 1H'20 YoY: year-on-year (1H'20 vs 1H'19) variance
2. Mobile adoption by active clients;
3. Mobile and online adoption by active clients
4. Financial Markets sales income originated via E-platforms, prior year periods have not been restated for CIB/CB reorganisation as impact is immaterial
5. % of Commercial Banking clients active on the Group's proprietary Straight2Bank (S2B) application, 1H'17 has not been restated for CIB/CB reorganisation
6. MyRM enables Priority Banking clients to interact with their RM in a secure way via on-line banking or SC mobile banking
7. Nexus is a banking as a service (BaaS) solution that will offer white-label platforms
8. CardsPal is a mobile app that helps the user find the best credit card deals to help maximise savings, covering 70+ cards
9. The Asian Banker's Excellence in Retail Financial Services Award Programme 2020

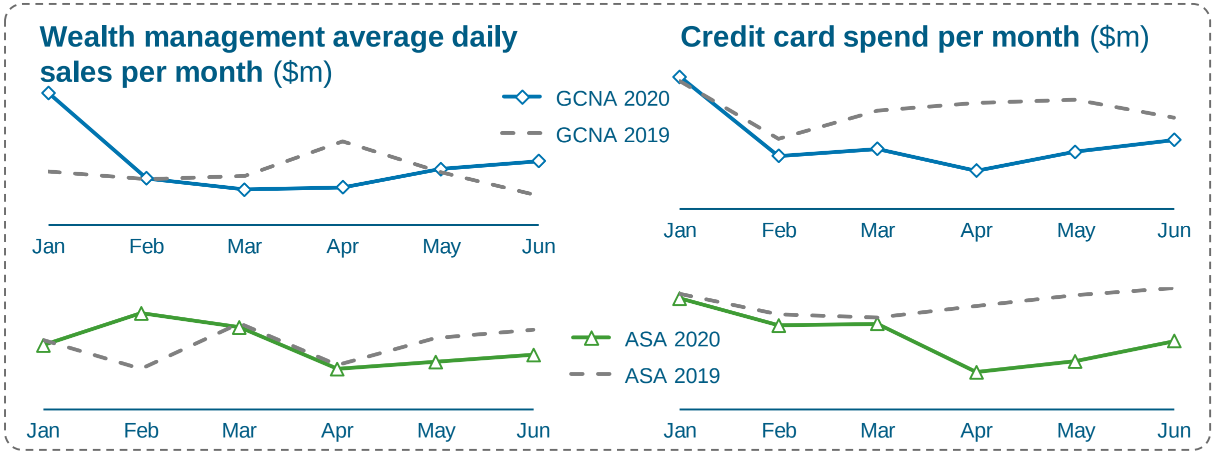
Concluding remarks

The outlook globally is extremely uncertain but some of our larger markets are recovering from COVID

Outlook

- Economic activity is likely to be volatile and uneven across our footprint in 2H'20
  - Geopolitical risks remain elevated
  - Some of our larger markets should start to drive the global economy out of recession
- Income is likely to be lower HoH and YoY in 2H'20
  - Interest rates expected to remain low; buoyant 1H'20 conditions for FM unlikely to repeat
- We are targeting expenses[1] below $10bn in both 2020 and 2021[2]
- It is not possible to reliably predict the quantum or timing of future impairments
  - However, if economic conditions do not materially deteriorate then, given substantial provisions taken already, we anticipate impairments will be lower HoH in 2H'20

We believe some of our larger markets will start to drive the global economy out of recession



1. Total expenses excluding UK bank levy
2. 2021 cost target is on a constant currency basis

Q & A

Appendix

Vulnerable sectors, macroeconomic indicators, detailed risk data and interest rate sensitivity

Information for fixed income investors

Sustainability information

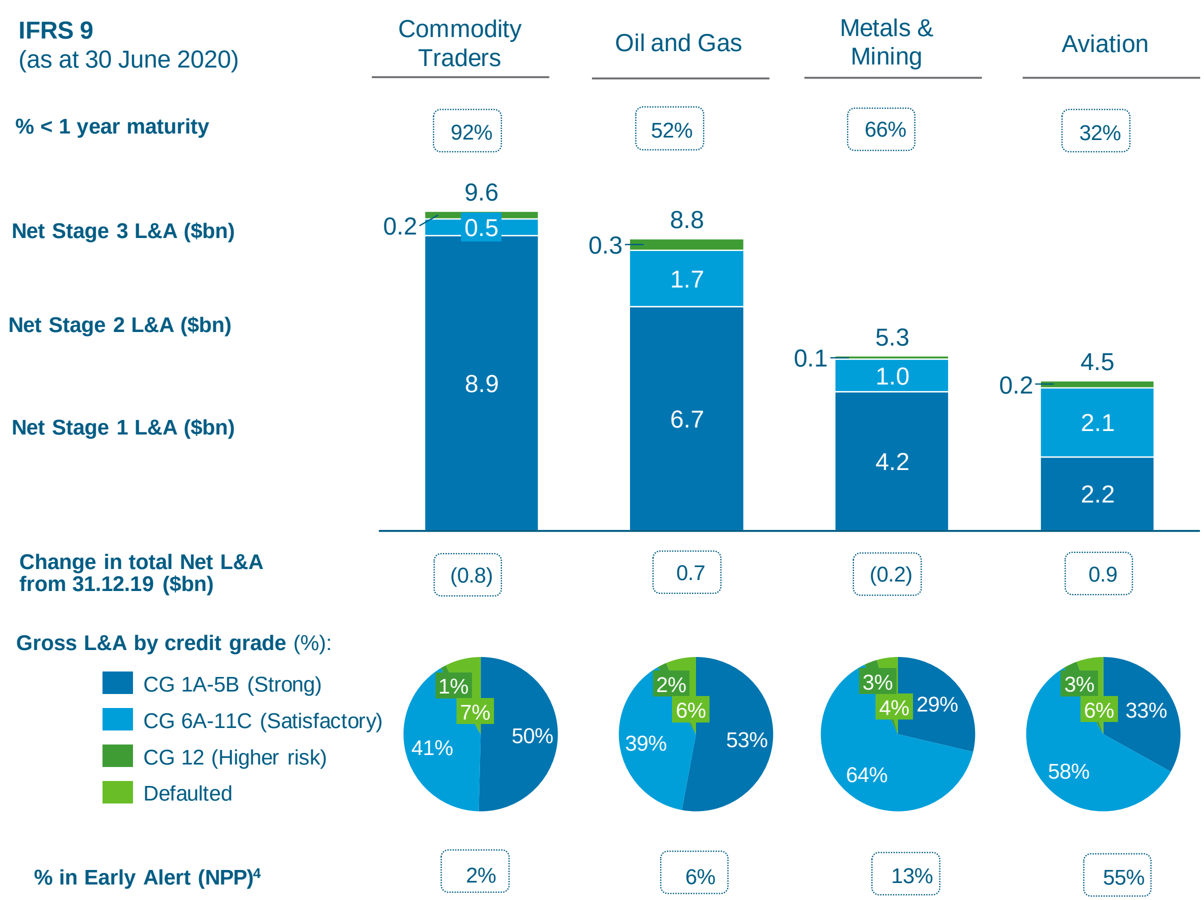
Abbreviated terms and important notice

Standard Chartered

Vulnerable sectors, macroeconomic indicators, detailed risk data and interest rate sensitivity

We continue to monitor exposures to sectors most at risk from COVID and lower oil prices particularly carefully

Loans and advances in "Vulnerable sectors" increased by $0.6bn during 1H'20 and are now 9% of Group total[2]



- Vulnerable sectors
  - Off balance sheet exposures down 7%
  - Collateral more than doubled to $6bn
  - ECL provision up $0.3bn to $1.1bn

- Other sectors considered COVID-sensitive[3]
  - Commercial Real Estate
    - $18.3bn loans & advances
    - 98% strong/satisfactory credit grade
  - Hotels & Tourism
    - $2.9bn loans & advances
    - 97% strong/satisfactory credit grade

1. The data presented at 1Q'20 was on a net nominal basis. On that basis in 2Q'20 Commodity Traders was up $0.3bn, Oil & Gas was up $0.9bn, Metals & Mining was down $0.2bn and Aviation was up $0.6bn (all QoQ)
2. Based on net loans and advances to customers and banks as at 30 June 2020
3. See page 74 of the Half Year Report for further details of the Group's credit quality by industry
4. Early alert (non-purely precautionary) on a net nominal basis as a % of total net nominal exposure

The global economy is likely to contract by 3.3% in 2020 due to the effects of COVID-19

Economic uncertainty remains high

Potential headwinds

- Resurgence and spread of COVID-19 infections
- Escalating US-China tensions
- Geopolitical events including US presidential elections

Potential tailwinds

- Unprecedented increase in central bank balance sheets to support economies
- Large fiscal stimulus to combat impact of COVID-19
- Opportunities for supply chain realignments

Sharp contraction in 2020 and recovery in 2021

	Real GDP growth[1] (%)	2019	2020e		2021e	
GCNA	Hong Kong	-1.2	-7.2	↓	6.0	↑
GCNA	China	6.1	2.5	↓	7.5	↑
GCNA	Korea	2.0	-0.6	↓	2.2	↑
ASA	India	4.2	-4.0	↓	10.0	↑
ASA	Indonesia	5.0	0.4	↓	6.0	↑
ASA	Singapore	0.7	-6.0	↓	8.2	↑
AME	Nigeria	2.3	-4.3	↓	2.5	↑
AME	UAE	2.7	-4.6	↓	1.9	↑
EA	UK	1.4	-8.0	↓	6.5	↑
EA	USA	1.7	-5.4	↓	3.8	↑
	GLOBAL	3.0	-3.3	↓	5.5	↑

1. Source: Standard Chartered Global Research, India's financial year starts in April each year. The forecasts for 2020 reflect Global Research projections, and not necessarily those of the Board

Stage 1 and 2 credit impairments: Changes to baseline forecast in key footprint markets

Changes to macroeconomic forecasts for key footprint markets: 1Q’20 to 2Q’20

Baseline: change in macroeconomic forecasts[1]

	1Q’20 ⇨ 2Q’20					
	China	Hong Kong	Korea	Singapore	India	Crude price Brent, bbl
GDP (YoY): 2020 Forecast	4.0% ⇨ **2.5%**	(4.9)% ⇨ (7.2)%	0.7% ⇨ **(0.6)%**	(2.3)% ⇨ **(6.0)%**	3.1% ⇨ **(4.0)%**	$35 ⇨ **$34**
GDP (YoY): 2021 Forecast	5.8% ⇨ **7.5%**	3.5% ⇨ **6.0%**	2.5% ⇨ **2.2%**	2.8% ⇨ **8.2%**	5.6% ⇨ **13.1%**	$44 ⇨ **$44**
GDP (YoY): 5 year average base forecast	5.3% ⇨ **5.9%**	1.3% ⇨ 1.9%	2.3% ⇨ **2.0%**	1.2% ⇨ **2.1%**	5.7% ⇨ **6.0%**	$49 ⇨ **$50**
Unemployment: 5 year average base forecast	3.8% ⇨ **3.8%**	4.0% ⇨ 4.1%	3.6% ⇨ **3.9%**	3.2% ⇨ **3.5%**	N/A ⇨ **N/A**	
3 month interest rate: 5 year average base forecast	2.6% ⇨ **2.4%**	2.1% ⇨ **2.1%**	1.3% ⇨ **1.6%**	1.7% ⇨ **1.7%**	4.8% ⇨ **4.4%**	
House prices (YoY): 5 year average base forecast	6.2% ⇨ **6.4%**	3.8% ⇨ **3.9%**	2.6% ⇨ **2.3%**	3.6% ⇨ **3.8%**	6.0% ⇨ **6.0%**	

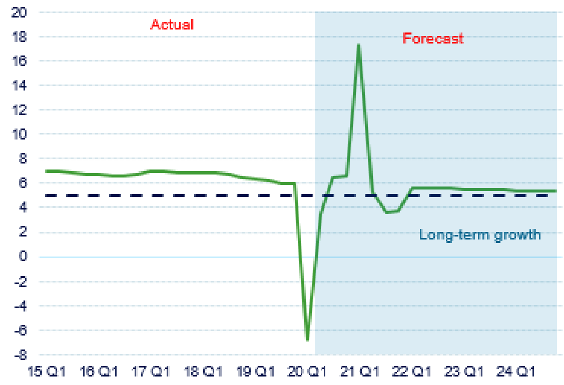
1. Forecast from Standard Chartered Global Research as at 26 May 2020

Standard Chartered

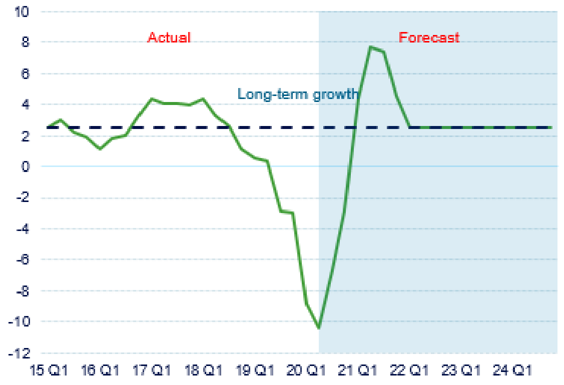
Stage 1 and 2 credit impairments: Baseline forecast GDP trends

Shape of GDP base forecasts[1] in relation to prior period actuals and long-term growth rates

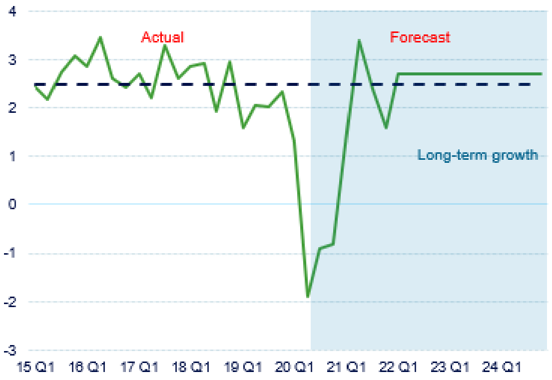
China GDP Forecast



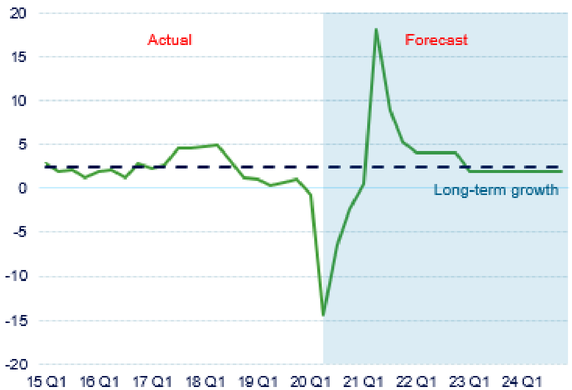
Hong Kong GDP Forecast



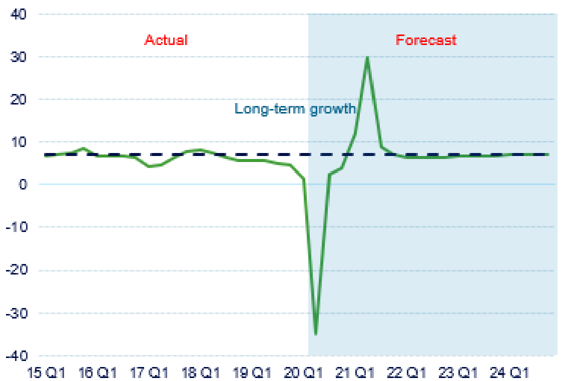
Korea GDP Forecast



Singapore Forecast



India Forecast



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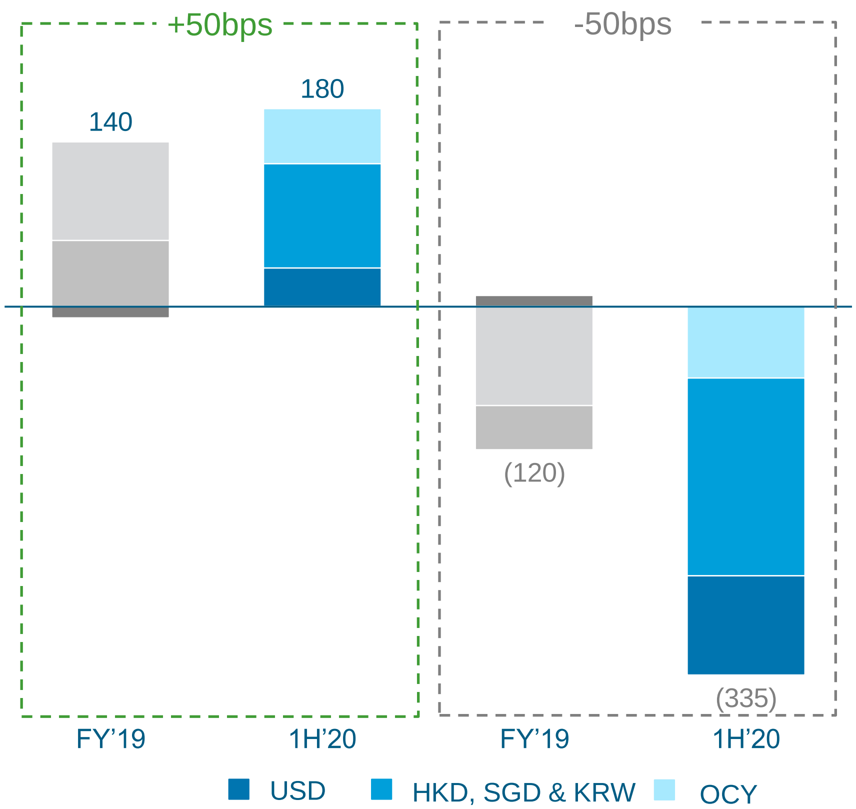
1. Forecast from Standard Chartered Global Research as at 26 May 2020. Long-term quarterly growth forecasts are on a ~10yr forward-looking basis in each market

The (50)bps downside scenario now implies negative interest rates, which increases the earnings sensitivity

Estimate of banking book NII sensitivity to instantaneous +/(-) 50bps change in interest rates across all currencies[1]

Annualised benefit ($m)



- Interest rates globally have been cut significantly since the start of the year, primarily in response to COVID
  - The US Federal Funds target rate was cut by (150)bps in March 2020 to 0.00-0.25%
  - Most major currency rates are now close to zero
- A further cut of (50)bps across all yield curves would make re-pricing liabilities very difficult
- The asymmetry between the +/- scenarios has widened due to:
  - Deposit flooring assumptions as rates approach zero
  - Differing behavioral assumptions, which are scenario-specific
- Benefit of Treasury Markets tenor extension reducing as surplus now being reinvested in a lower rate environment

1. See page 95 of the Half Year Report for further details concerning the calculation of interest rate risk in the banking book

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Information for fixed income investors

Standard Chartered overview: resilient performance founded on a diverse franchise

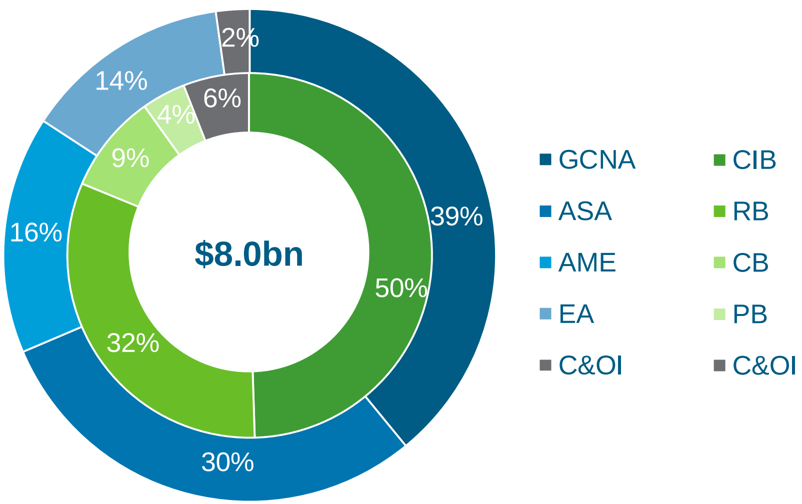
Over 160 years in some of the world's most dynamic markets

60	>80%	4
markets	income from Asia, Africa & Middle East	4 client segments & 4 regions

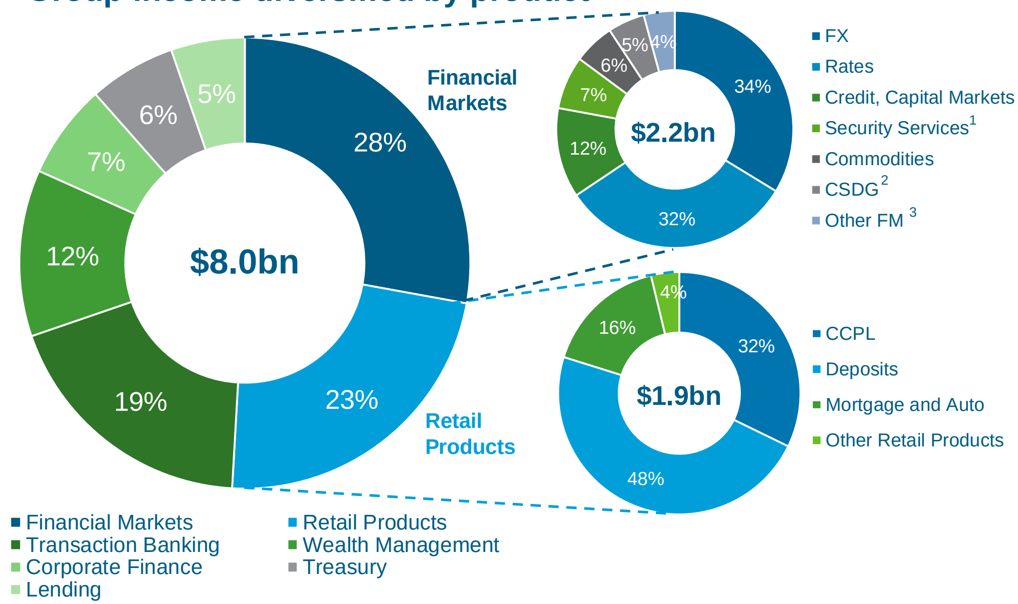
1H'20 Performance highlights

$8.0bn (1H'19: $7.7bn)	$2.0bn (1H'19: $2.6bn)
Operating income	Profit before taxation
59% (1H'19: 65%)	**6.0%** (1H'19: 8.4%)
Cost income ratio (ex UK Levy)	Return on tangible equity

Group income diversified by region and segment

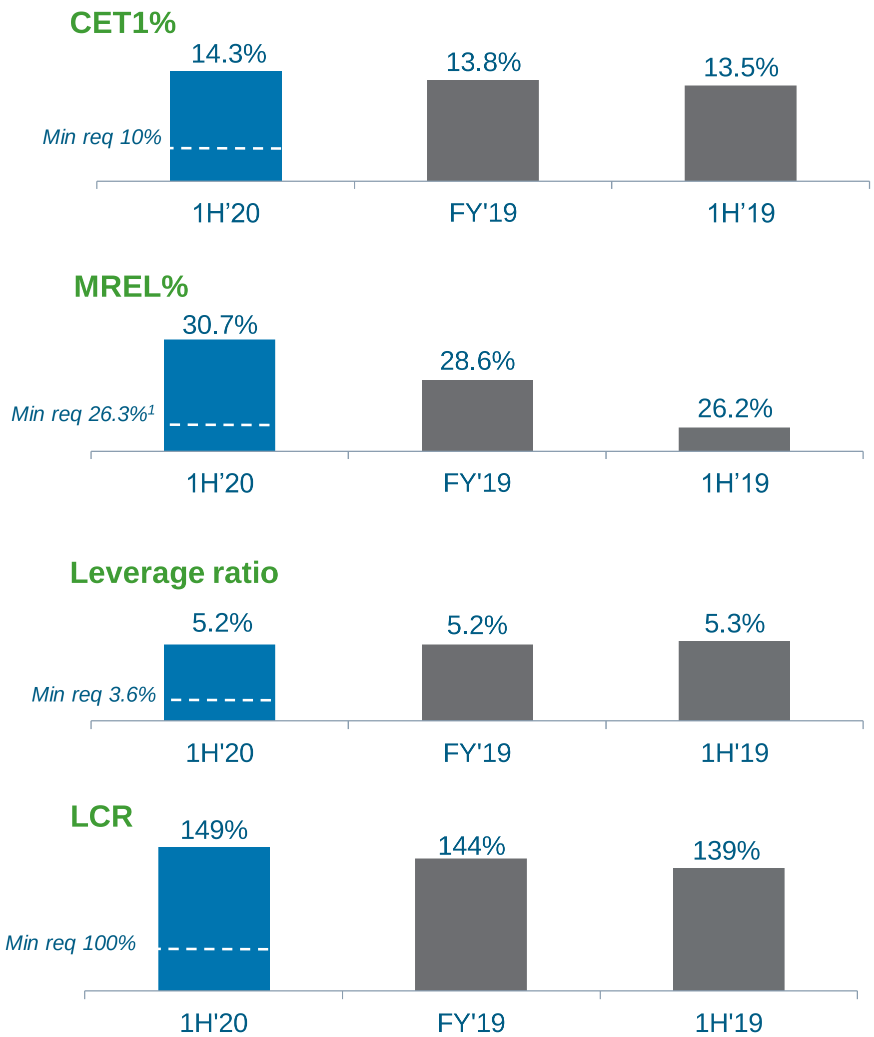


Group income diversified by product



1. Security Services was reclassified from Transaction Banking to Financial Markets following a reorganisation
2. Capital Structuring Distribution Group
3. Includes Debit Valuation Adjustment of $104m

Foundations strengthened amid a difficult operating environment



- Strong and liquid balance sheet positions the Group well to support its clients through current volatile and uncertain times
- CET1 above target range as profits, Permata disposal and distribution actions more than offset negative impacts from COVID
- MREL position further strengthened by $7.4bn of issuance in 1H'20: well above 2022 requirement
- Leverage ratio unchanged: operating with significant headroom to minimum requirements
- LCR strengthened despite COVID market liquidity stress due to improved quality of the funding base

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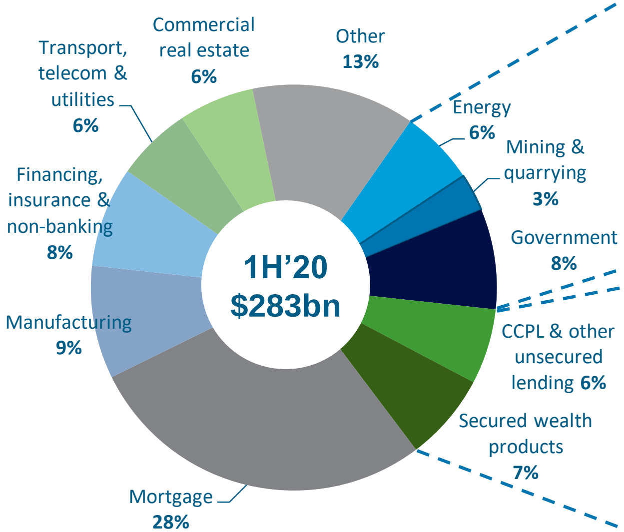
1. Fully phased minimum requirements from 1 January 2022

Risk profile: well prepared for more challenging times

Key risk indicators	1H'20 (IFRS 9)	FY'14 (IAS 39)	1H'20-14 Movement
Investment grade as a % of corporate exposure	57%	42%	↑
Top 20 corporates as a % of Tier 1 capital	61%	83%	↓
CCIB tenor profile % (<1 yr.) including FVTPL	63%	65%	↔
Total cover ratio (excl / incl collateral)[1]	60% / 80%	52% / 62%	↑
Loan-to-value of mortgage portfolio	45%	49%	↓
% of retail banking income from Affluent[2]	63%	44%	↑

Gross customer loans and advances[3] ($bn)



Shift from energy and mining to governments

% of Industry exposure	1H'20	FY'14	1H'20-14 Mvt.
Energy	10%	16%	↓
Mining & quarrying	5%	8%	↓
Government	14%	2%	↑

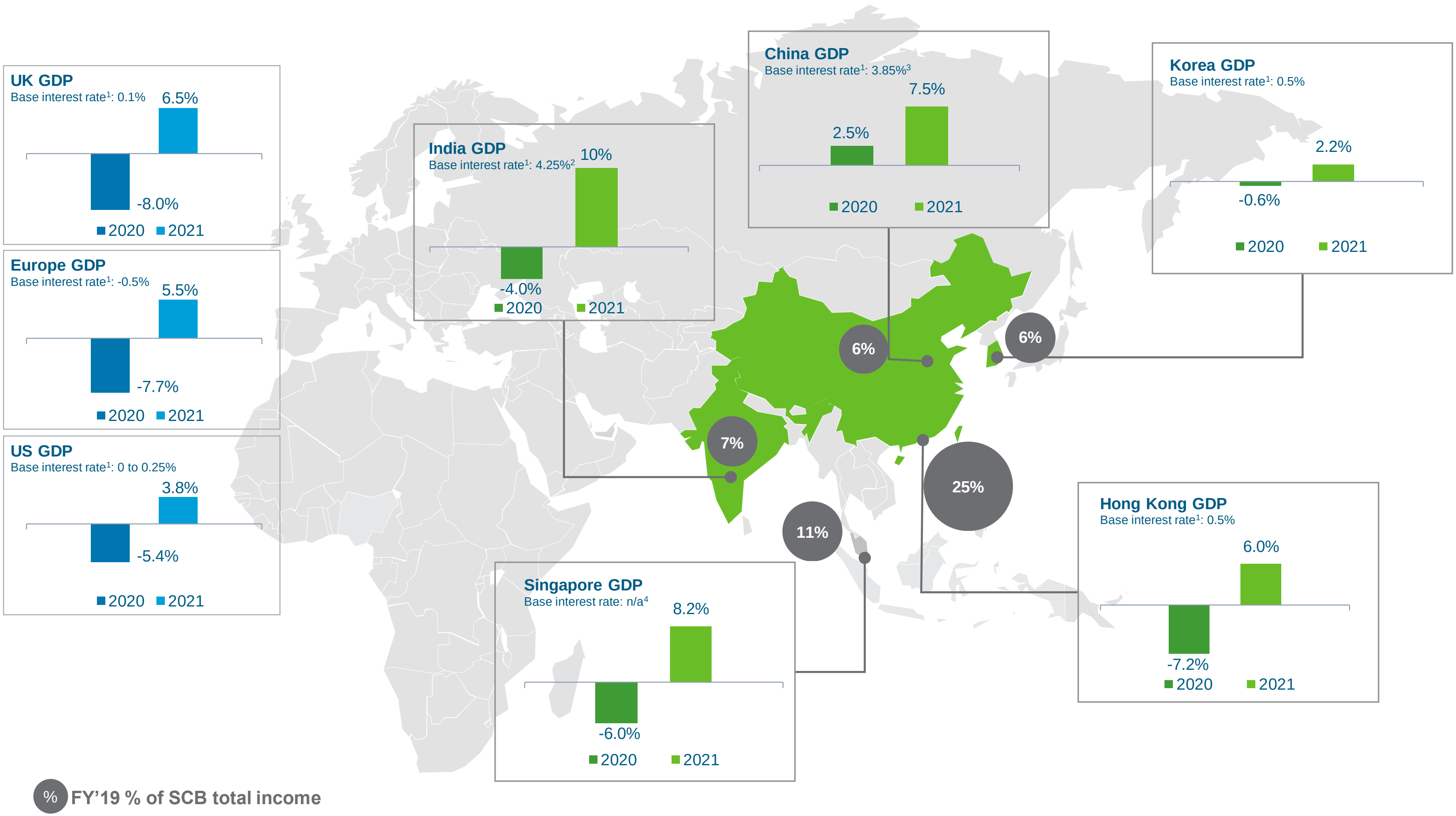
Shift to affluent segments

% of Retail Products	1H'20	FY'14	1H'20-14 Mvt.
CCPL & other unsecured lending	14%	18%	↓
Secured wealth products	16%	13%	↑

- Key portfolio indicators improved since FY'14 reflecting:
  - Focus on investment grade clients for new CIB origination and targeted reduction in single name concentrations
  - Strengthening of the Group's risk culture with more frontline involvement in risk management
  - Shift to more affluent retail customers and reduction of exposure to higher risk unsecured segments
- Quality and resilience of the loan book significantly improved since FY'14
  - Highly diverse by industry sectors, product and geography
  - Re-positioning of corporate portfolio: exiting weaker accounts, higher quality origination and reduction in exposure to vulnerable sectors
  - Retail shift to affluent results in higher quality clients and lower level of unsecured exposures
  - Business banking exposure, of which 80% is secured, is < 3% of the Group's loan book

1. FY'14 includes both individual and portfolio impairment provisions: 1H'20 includes stage 3 provisioning. Following adoption of IFRS 9, the definition of non-performing loans and stage 3 have been aligned
2. Retail banking priority, retail banking premium and private banking. FY14 Affluent segment contribution to retail banking income is based on client income.
3. 1H'20 customer loans and advances does not include reverse repurchase agreements (repos) held at fair value through profit and loss (FVTPL) amounting to $59bn, while FY'14's figures include repos held at FVTPL amounting to $14.3b.

Some of the Group's larger markets in Asia are expected to lead the way in the global COVID recovery

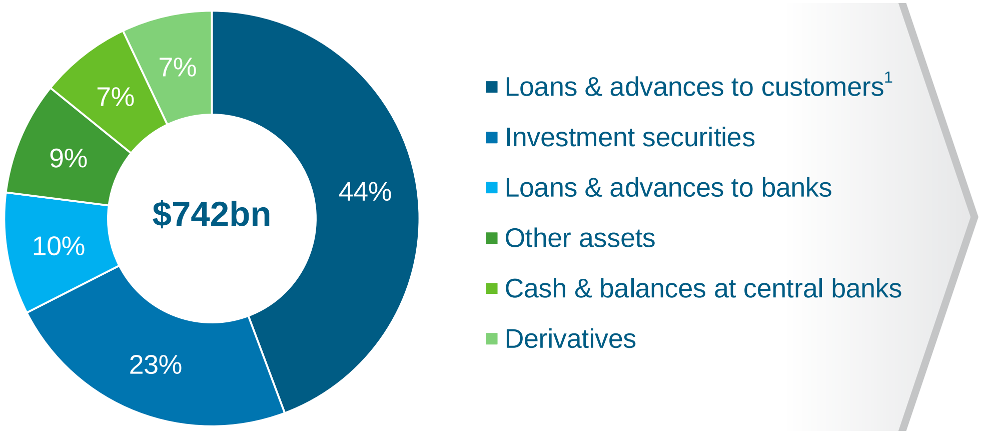


1. Current benchmark rate as at 24 July 2020
2. Bank policy rate
3. One-year loan prime rate
4. Singapore's monetary policy is based on the management of the exchange rate

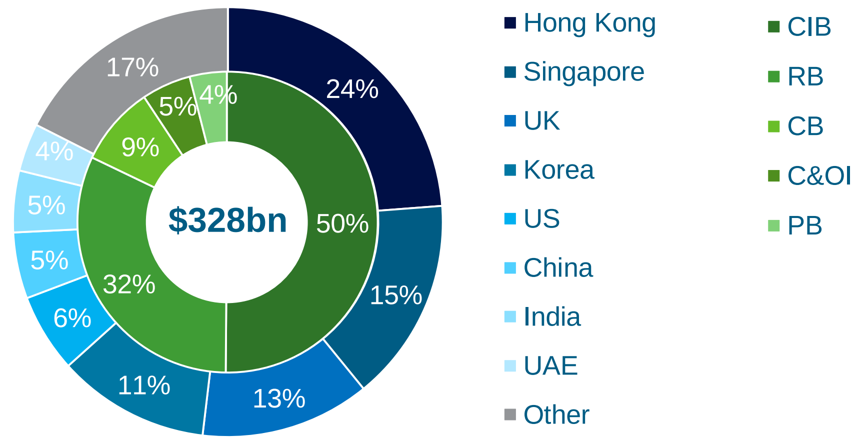
Notes:
- Source of maps: United Nations
- Source of real GDP growth: SC Research Global Focus: Economic Outlook Q3 2020

Balance sheet diversity underpins resilience

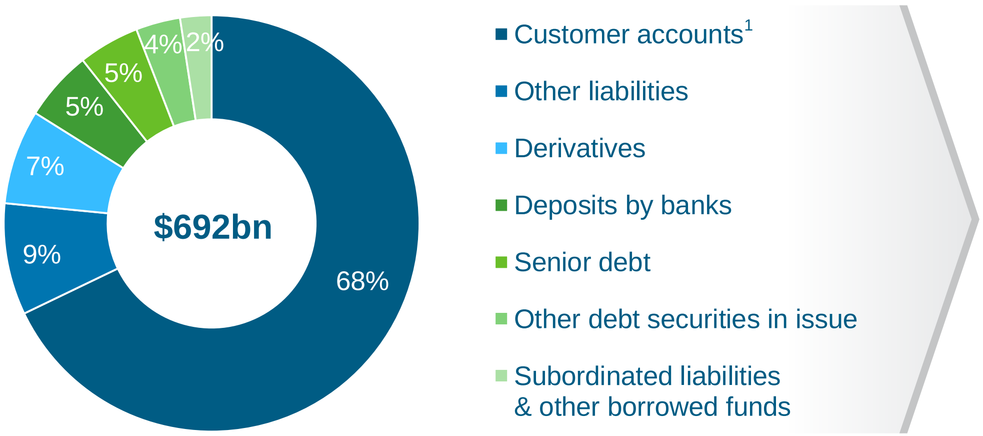
1H’20 Balance sheet assets



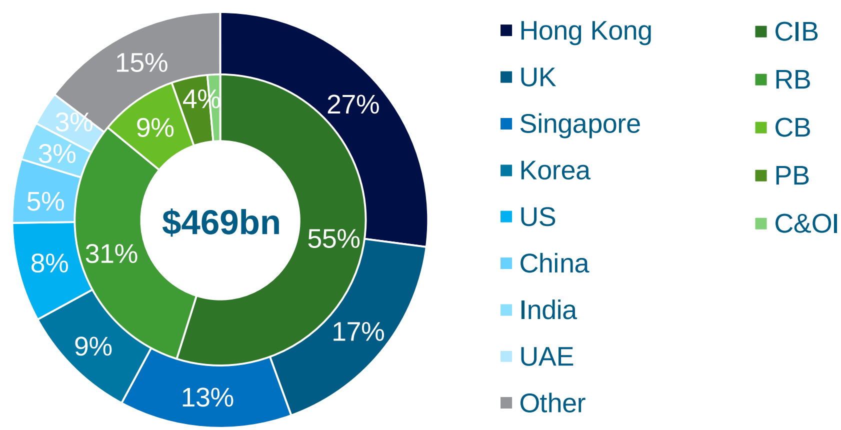
1H’20 Customer loans & advances[1] by market and segment



1H’20 Balance sheet liabilities



1H’20 Customer accounts[1] by market and segment



1. Loans & advances to customers and Customer accounts includes FVTPL

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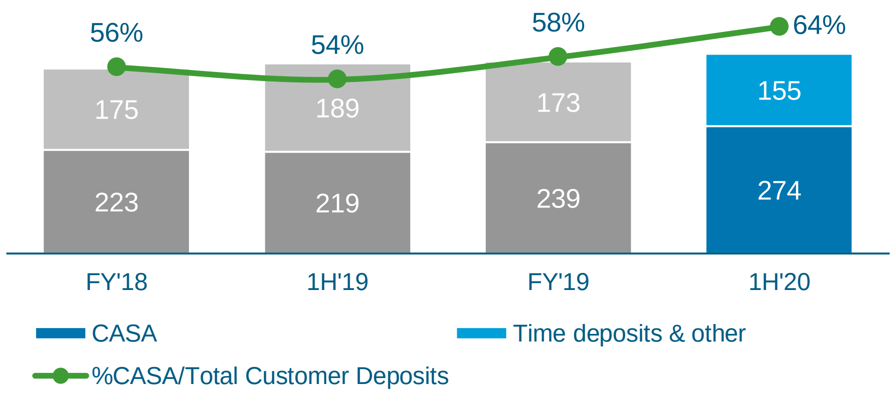
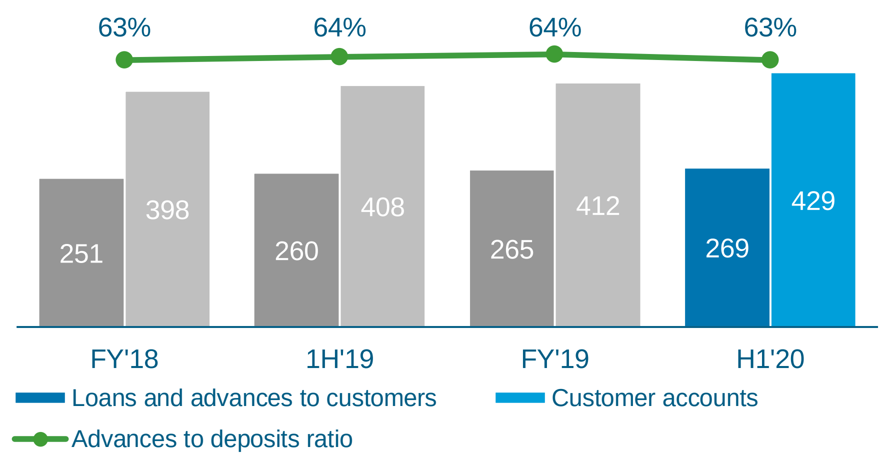
Liquidity position strengthened despite market stress

Total customer deposits[1] ($bn)

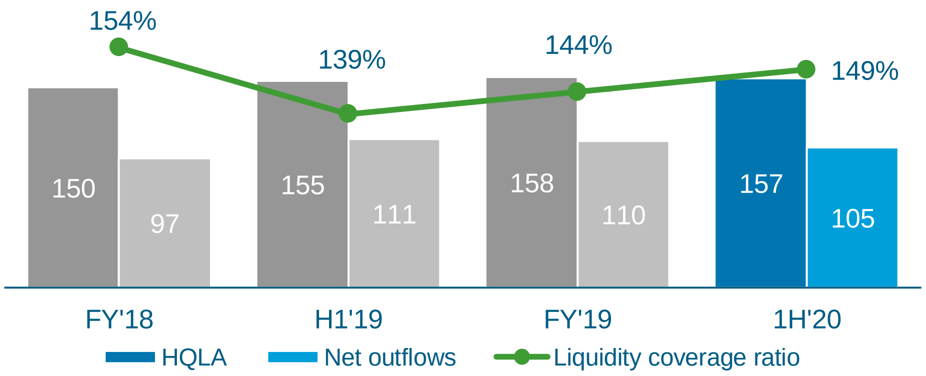


- LCR and ADR strengthened to 149% and 63% respectively
- Liquidity levels maintained at pre-crisis levels despite challenging 1Q'20
- Funding quality improved with CASA balances (including Retail CASA and TB OPAC) increasing by 15% vs FY'19, mainly in UK, US, SG and across GCNA
- The Group remains committed to supporting its clients through this difficult period while continuing to improve the quality of its funding base

Advances-to-deposits ratio[1,2] ($bn)



Liquidity coverage ratio ($bn)



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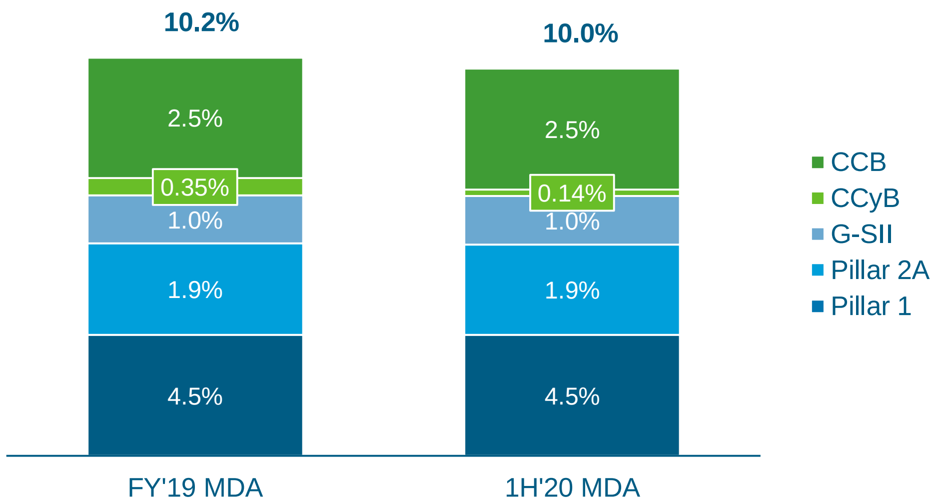
1. Excludes repurchase agreements and reverse repurchase agreements and other similar secured borrowing. Customer deposits and customer accounts include $7,696m of customer accounts held at FVTPL.
2. Loans and advances to customers includes $10,453m of customer loans and advances held at FVTPL and excludes $13,595m of central bank balances that qualify as HQLA.

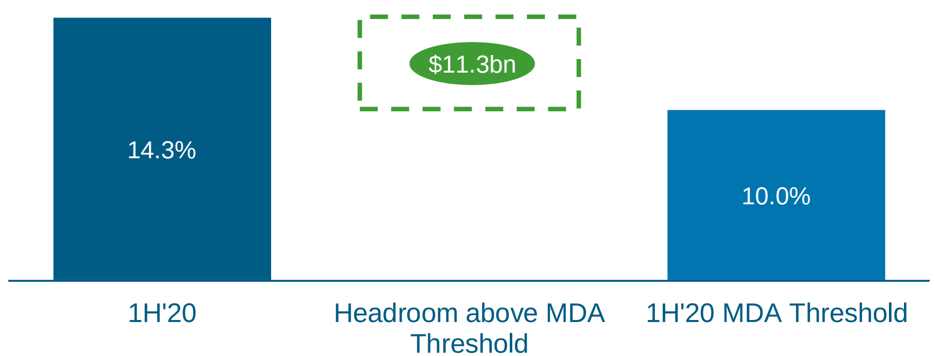
CET1 position strong: absolutely and relative to requirements

CET1 minimum requirement reduced in the period



- Minimum CET1 requirement reduced by ~23bps largely due to a decrease in the Group’s countercyclical buffer by ~21bps, mainly in Hong Kong and the UK

CET1 position materially above revised MDA threshold



- 1H’20 CET1 ratio of 14.3% increases headroom to MDA threshold to $11.3bn
- 1H’20 Standard Chartered PLC distributable reserves of $13.6bn
- Continue to target CET1 ratio in the 13-14% range over the medium term

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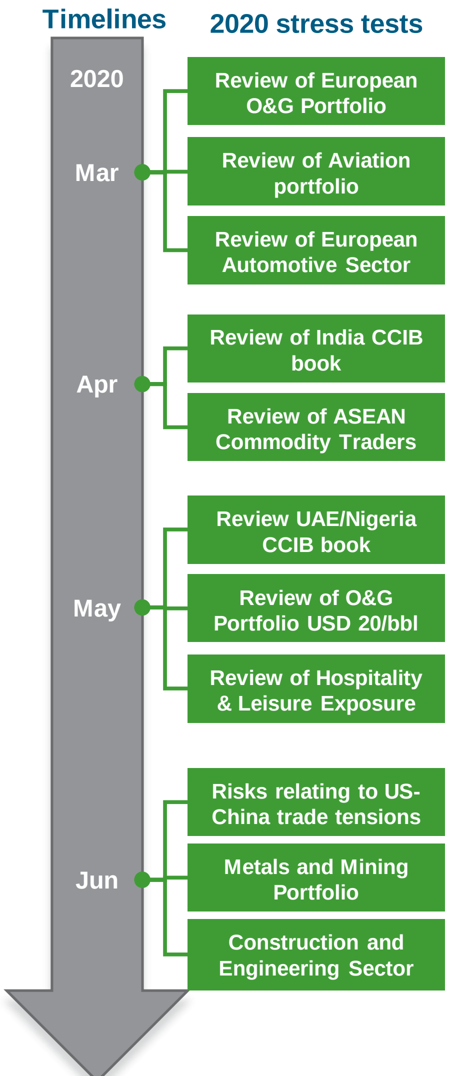
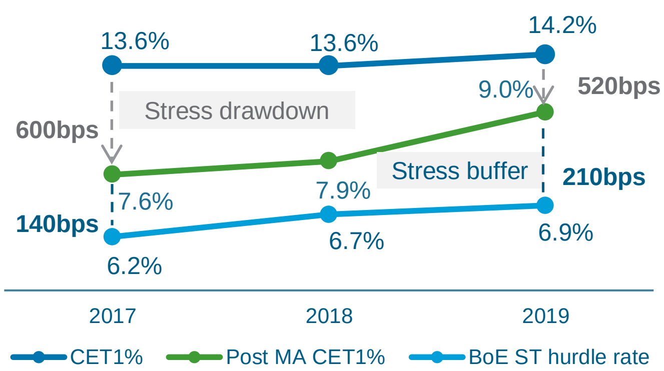
Notes:
- Absolute buffers are as of 30 June 2020
- The Maximum Distributable Amount (MDA) thresholds assumes that the maximum 2.1% of the Pillar 1 and Pillar 2A requirement has been met with AT1

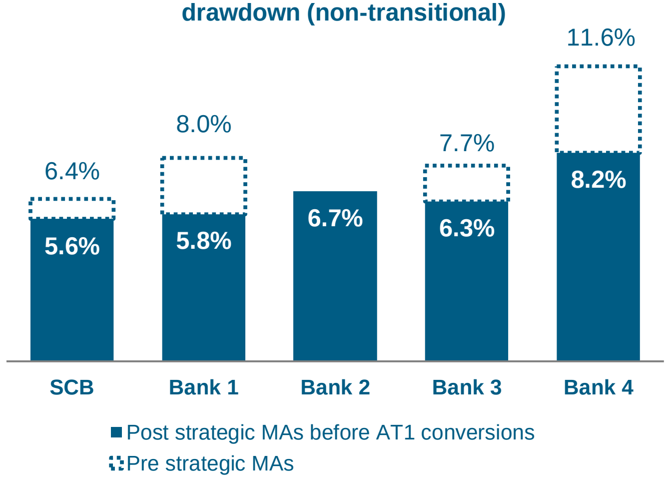
Increasing resilience to stress demonstrated in BoE tests



CET1 ratio – BoE Stress Test results (transitional)



CET1 ratio – 2019 BoE Stress Test stress drawdown (non-transitional)



- Passed 2019 BoE stress test with CET1 well above the 6.9% hurdle rate in stress:
  - Low point of 9.0%[1] CET1 after 'strategic' management actions
  - Well above Tier 1 leverage hurdle rate of 3.6%
  - No AT1 conversion triggered
  - Also well-positioned on a non-transitional IFRS9 basis
- Improved resilience to stress, lower drawdowns and higher buffers:
  - "Aggregate loan impairments were a less material driver of stress in this year's scenario, reflecting continued improvements in credit quality…" [2]
  - Improved foundations prepares Group well to manage COVID stress
  - Proactive credit management supported by internal stress testing programme

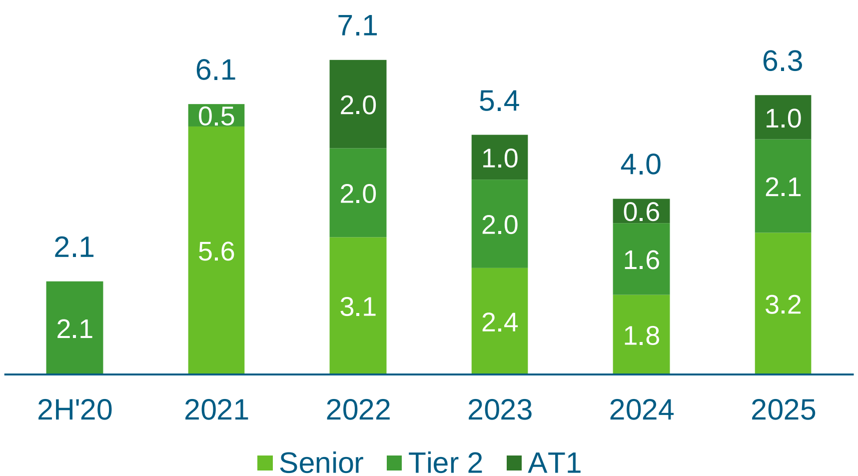
1 On a transitional IFRS 9 basis as assessed by the Bank of England
2 BoE 2018 stress test results statement

Good progress on funding programme despite stressed markets

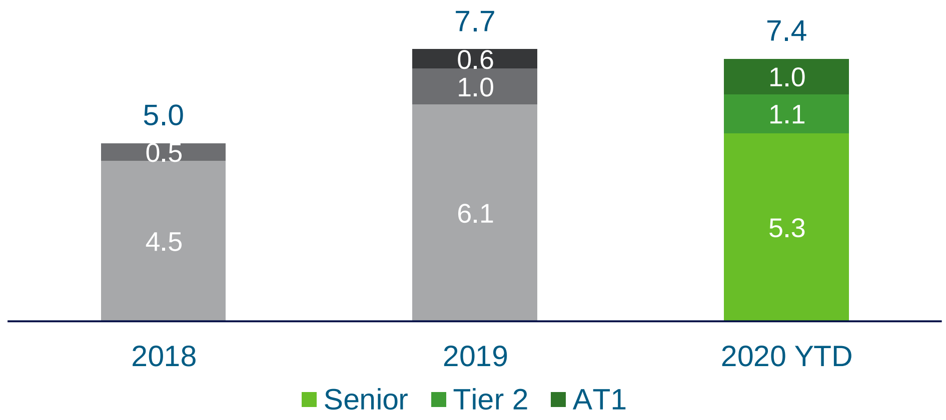
Existing stock - Currency mix ($bn)[1]

	USD	EUR	GBP	Other	USD Total
Senior	15.4	4.2	0.8	2.7	**23.1**
Tier 2	9.7	4.4	0.9	0.5	**15.5**
AT1	5.5	-	0.3	0.6	**6.4**
Total	**30.6**	**8.6**	**2.0**	**3.8**	**45.0**

Maturity profile of existing stock ($bn)[2]



YTD 2020 funding progress



- *Senior $2bn 6NC5*
- *Senior $2bn 11NC10*
- *Senior $100m 30NC5+5 zero coupon*
- *Senior $130m 30NC3+3 zero coupon*
- *AT1 $1bn PerpNC5.5*

- *Senior €750m 8NC7*
- *Tier 2 €1bn 10NC5*

- *Senior ¥5.5bn 3NC2*

- *Senior HK$1bn 3NC2*

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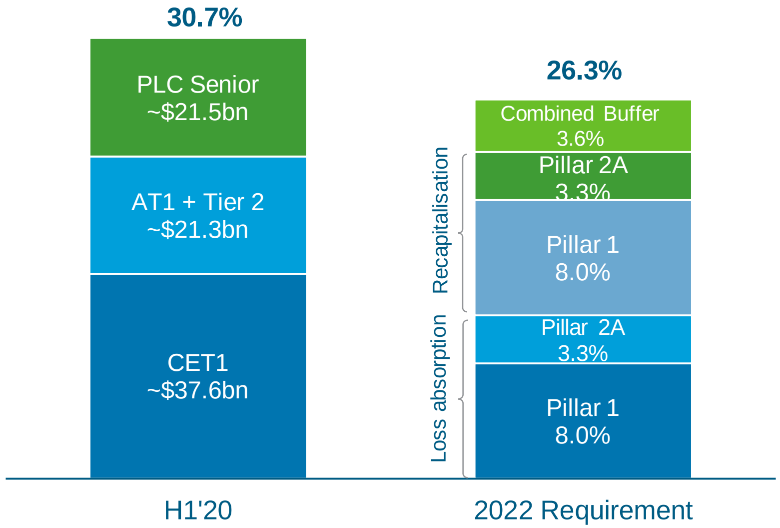
1. SC PLC only
2. SC PLC & SCB: modelled on earlier of call date or maturity date

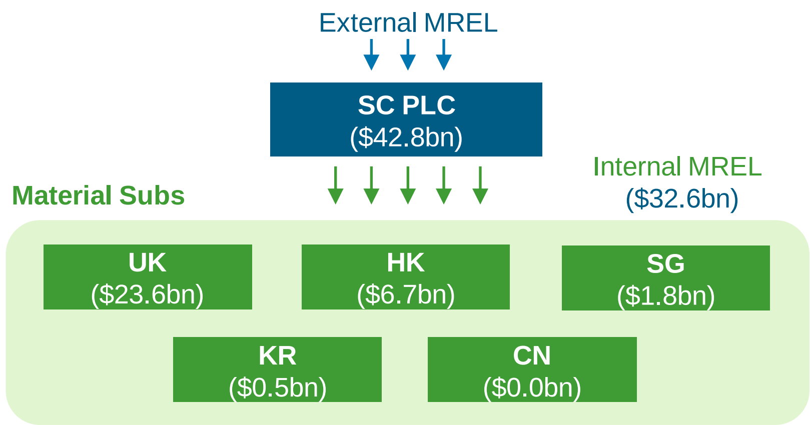
MREL transition: well positioned for future growth and requirements

External MREL position ahead of known 2022 requirement



- At 1H'20, the Group's expected 2022 MREL is 26.3% of RWA including the Combined Buffer[1]
- The Group meets its expected 2022 MREL today
- SC PLC issuance strategy results in:
  - Substantial Hold Co stock today with little non-compliant capital in MREL
  - Compatibility with a Single Point of Entry resolution approach

Internal MREL met via internal issuance



- Internal MREL required for the Group's 5 material subsidiaries
- Internal MREL scaled in the 75-90% range as per FSB TLAC term sheet
- Expected sum of internal MREL < the Group's external MREL
- Internal instruments in the form of AT1, Tier 2 and Senior Non-Preferred

1. Combined Buffer comprises the Capital Conservation Buffer, G-SII Buffer and any Countercyclical Buffer

Strong credit ratings maintained through COVID pressures

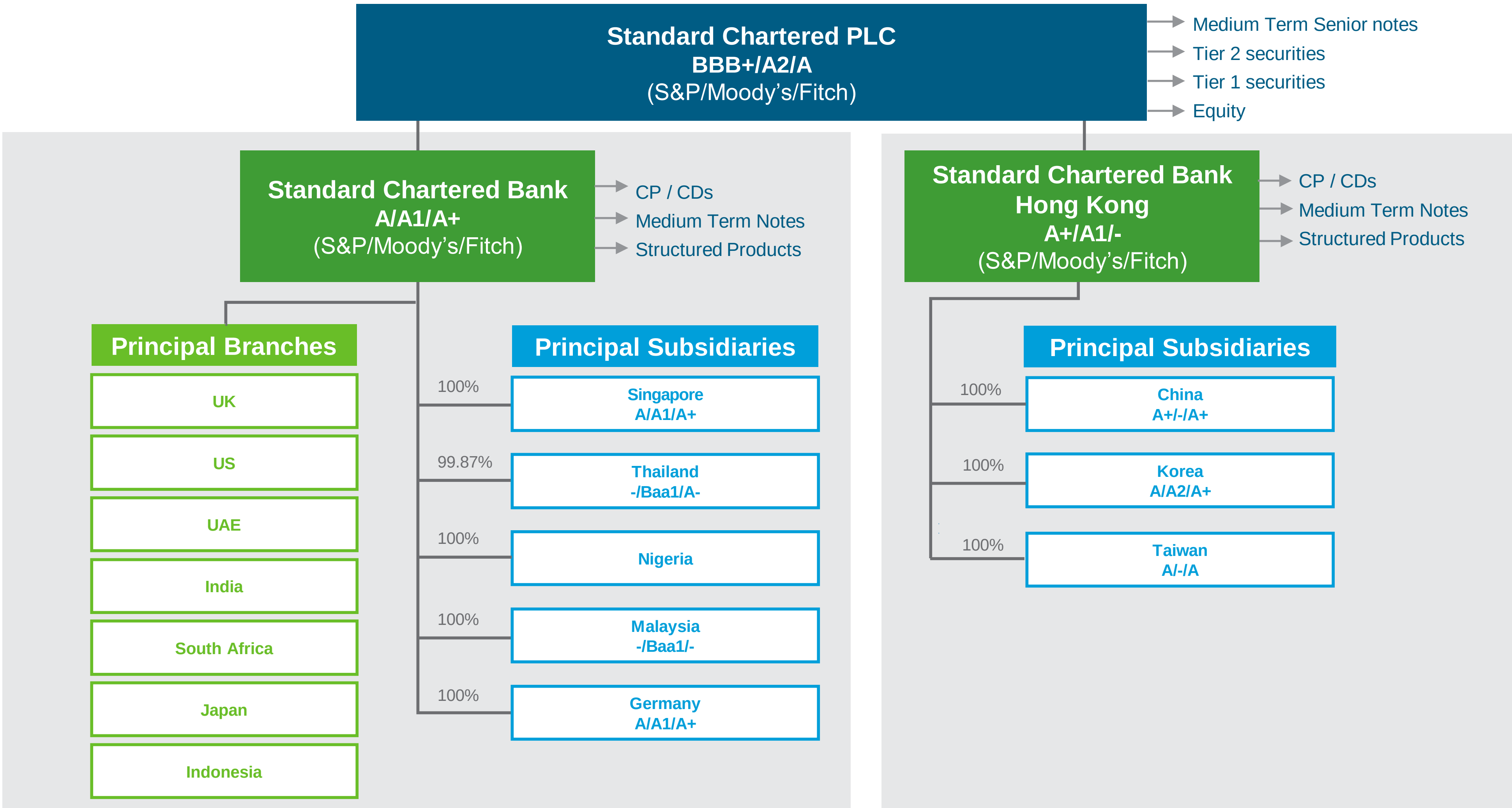
Focus on continued delivery of Group strategy to defend and, over time, improve credit ratings

Senior long and short term ratings

	Moody's	S&P Global Ratings	Fitch Ratings
Standard Chartered PLC	**A2** Not rated	**BBB+** A-2	**A** F1
Standard Chartered Bank	**A1** P-1	**A** A-1	**A+** F1
Standard Chartered Bank (Hong Kong)	**A1** P-1	**A+** A-1	Not rated
Outlook	**Stable**	**Stable**	**Negative**

- The Group has strengthened its foundations in recent years and is focused on sustainable growth to achieve target returns
- The Group remains a well-rated institution with strong credit fundamentals, absolutely and relatively to peers
  - Well-established network is a franchise strength; GCNA exposure a relative strength
  - Recognition of strengthened risk management, more controlled risk appetite, reduced loan concentrations and improved exposure quality
  - Funding and liquidity are key credit strengths
- Despite COVID pressures, to-date the Group has seen limited negative rating actions: remaining on stable outlook at S&P and Moody's
- S&P cite the Group's established franchise and risk-focused culture in the past few years as strengths underpinning its stable rating in the current environment
- Fitch, having taken extensive negative actions on its bank portfolio as a result of COVID, affirmed the Group's ratings but changed the outlook to negative from stable citing heightened risks to the Group from COVID economic fallout

Standard Chartered Group – simplified legal structure



- Fitch upgraded the ratings of SCB Singapore, SC AG, SCB China, SCB Korea and SCB Taiwan to A+ in April 2020

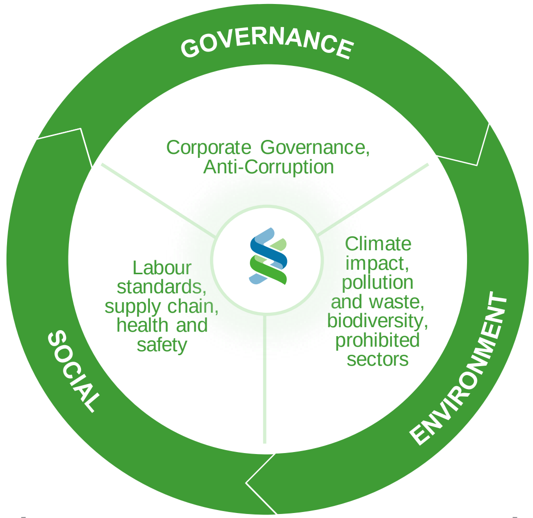
Sustainability information

Our sustainable finance philosophy

Social Impact

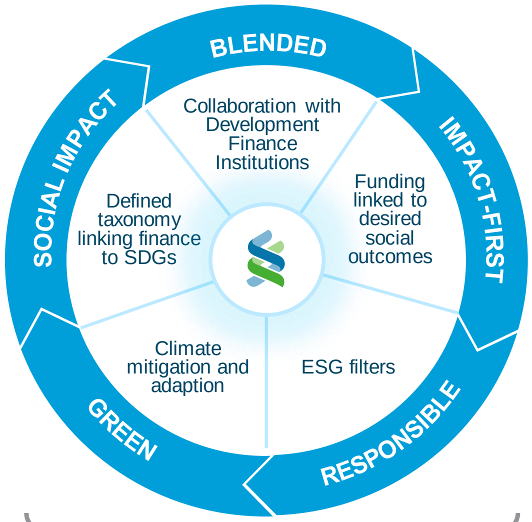
- $2.5tn SDG financing gap in emerging and low income countries [1]
- Achieving global CO_2 targets will be mainly driven in Africa and Asia
- SDGs 90% financed in developed markets, 60% financed in developing markets but only 10% financed in Africa [2]

Responsible Banking



- Managing the impact of our activities on communities and the environment
- Standard Chartered ESRM risk team active since 1997
- Minimum standards & 7 position statements govern our activity
- >19,000 individual client E&S assessments each year

Impact Driven Financing



- We will lead in sustainable financing across emerging markets
- 2.5 million households helped through $1bn of microfinance loans
- Largest commercial provider of blended finance [3]
- Launched the world's first blue bond (Republic of Seychelles) and the first Sustainable Deposit

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1. UNDP report
2. https://www.unepfi.org/positive-impact/rethinking-impact
3. Convergence

Standard Chartered: a unique opportunity

Financing impact in some of the world's least developed countries through a UK regulated institution…

Footprint markets — **60**

Markets in **Greater China & North Asia** — **6**

Markets in **ASEAN & South Asia** — **15**

Markets in **Africa & Middle East** — **25**

Markets in **Europe & America** — **14**

OECD Development Assistance Committee countries in our footprint — **37**

We directly and indirectly support $2.8 billion of value-added impact in East Africa… Equivalent to 2.1% of the region's GDP

We support direct and indirect employment to 1.7% of the region's labour force[4]

#3	#1	#1	AA
Trade bank worldwide[1]	Project finance infrastructure advisor in our markets[2]	Commercial provider of blended finance[3]	MSCI rating

1. Oliver Wyman Transaction Banking Benchmarking Study 2016
2. 2H'18 Dealogic Project Finance League Table
3. Convergence
4. SCB East Africa Study 2018

Sustainability is being embedded across our business

Extractive industries
No to Arctic or Amazon exploration

Power generation
No to coal

Agro-industries
No to deforestation

Over 19,000
bank-wide client assessments against position statements in 2019

Over 1,100
clients and transactions reviewed by Environmental and Social Risk Management team in 2019

Over 1,000
frontline and risk staff trained in environmental and social risk and sustainable finance in 2019

Our main impact on the environment and society is through the business activities we finance. Our **7 Position Statements (5 sectors and 2 thematic)** outline the standards we encourage and expect of our clients and ourselves.

- Extractive industries – oil & gas, metal & mining
- Agro-industries – fisheries, forestry, palm oil, agribusiness
- Power generation – fossil fuel, renewable energy, nuclear energy, dams and hydropower
- Infrastructure and Transport
- Chemicals and Manufacturing

- Climate Change
- Human Rights

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Our refreshed commitments on climate change

> There is still much work to be done to ultimately reduce the emissions generated by our financing activities, but we are making good progress toward doing so and are determined to continue to leverage our strong position across our markets to bring the required capital for sustainable development to where it matters most. *– Bill Winters*

We have recently committed to:

Infrastructure

Provide project financing services for $40bn of infrastructure projects that promote sustainable development that align to our verified Green and Sustainable Product Framework *(Jan 2020 – Dec 2024)*

Climate

Provide $35bn worth of project financing services, M&A advisory, debt structuring, transaction banking and lending services for renewable energy that aligns to our verified green and sustainable product framework *(Jan 2020 – Dec 2024)*

Carbon

Develop a methodology to measure, manage and ultimately reduce the CO_2 emissions from the activities we finance *(Jan 2019 – Dec 2020)*

Exit all clients who remain dependent on thermal coal for over 10% of their revenue by 2030, with interim thresholds *(Jan 2020 – Jan 2030)*

Environment

Reduce annual Scope 1 & 2 greenhouse gas emissions to net zero with interim targets *(Jan 2019 – Dec 2030)*

Source all energy from renewable sources *(Jan 2020 – Dec 2030)*

Join the Climate Group 'RE100' *(Jan 2020 – Dec 2020)*

Reduce our Scope 3 value chain emissions from business travel by 7% *(Jan 200 – Dec 2020)*

Introduce an emissions offset programme for Scope 3 travel emissions *(Jan 2020 – Dec 2020)*

"The Group aims to measure and manage financial and non-financial risks from climate change, and reduce emissions related to our own activities and those related to the financing of clients in alignment with the Paris Agreement"

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Leading private sector catalyser of finance for the UN's Sustainable Development Goals in our footprint

Green & Sustainable Product Framework

Green and Sustainable Product Framework launched in 2019 governs Green and Sustainable Products, developed with Sustainalytics

SUSTAINABLE DEVELOPMENT GOALS

Sustainable Deposits…

- Launched the world's first Sustainable Deposit which is available in London, Singapore, Hong Kong and New York
- Sustainable Deposits give clients the chance to deposit funds referenced to assets that align to UN SDGs
- Investors can put money to work addressing some of the world's biggest long term threats such as: climate change, health, financial inclusion and education
- In May 2020 we had raised over $2bn in Sustainable Deposits

Sustainability Bonds…

- Issued the Group's inaugural EUR 500m emerging markets focused Sustainability Bond in June 2019
- First emerging markets focussed sustainability bond bringing capital to where it matters most to combat climate change and increase access to finance for entrepreneurs
- Impact in emerging markets, but credit risk against Standard Chartered PLC

Green and Sustainability Linked Loans

- 909% growth year on year in green and sustainable loans to clients from $3.2bn to $29.1bn (2018 vs. 2019)

Renewables & Clean tech

- 690% growth year on year in renewables & clean tech from $2.9bn to $20bn (2018 vs. 2019)

Green, Social and Sustainability Bonds

- 201% growth year on year in green, social and sustainability bonds to clients from $9.1bn to $18.3bn (2018 vs. 2019)

Sustainable infrastructure

- 7% growth year on year in sustainable infrastructure from $20.8bn to $22.3bn (2018 vs. 2019)

Financing the UN's Sustainable Development Goals where it matters the most

Leadership in Sustainable Finance

Global Finance	Euromoney	The Banker
World's Best for Sustainable Finance	Africa's Best Bank for Sustainable Finance 2019	Green Finance Deal of the Year (Middle East) 2019 DP World's $2bn Green Revolving Credit Facility

Climate Bonds Initiative	The Asset Triple A Asian Awards 2019	Convergence
Green Bond Pioneer Award 2019 Republic of Seychelles' Blue Bond	Renewable Energy Deal of the year – Solar - 2019 Wardha Solar (Maharashtra) Private Limited	#1 Bank in Blended Finance

GlobalCapital Bond Awards 2018	The Asset Triple A Asian Awards 2018	IFR Asia Awards 2016
Deal of the Year 2018 Asia Pacific Green/SRI Bond	Best Green Bond 2018 Agricultural Development Bank of China Green Bond	Best SRI Bond 2016 TSKB's Green / Sustainable Bond

Committed to Sustainability

- Environmental and Social Risk Management policy created in 1997
- 'Here for good' brand promise established in 2000
- Launched Sustainability philosophy in 2018
- Sustainable finance team promoting Environment, Social, and Governance (ESG) and Sustainable Development Goal (SDG) financing globally
- Market leader in originating and executing Green, Social, and Sustainability bonds
- Committed specialist team looking at clean technology solutions
- New emissions cap commitment in 2018

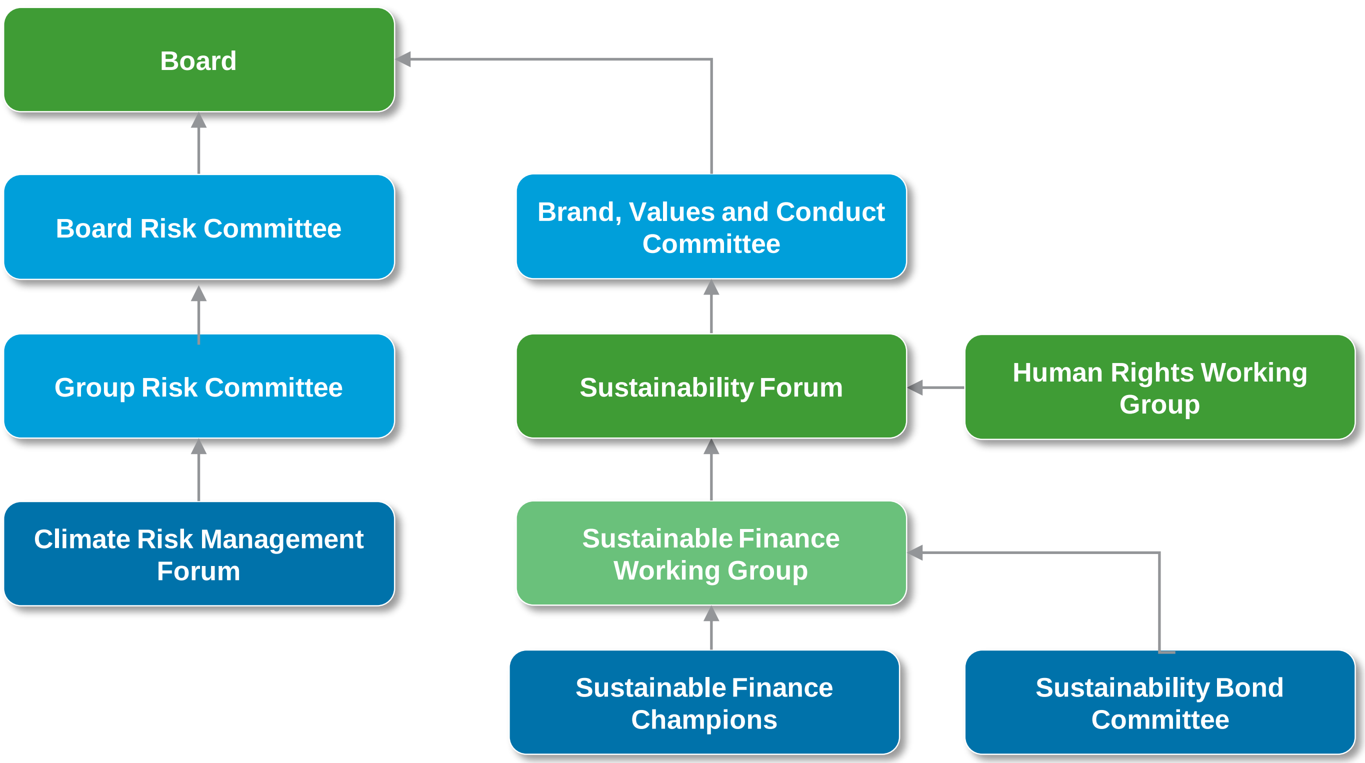
Pioneering Solutions in the Industry

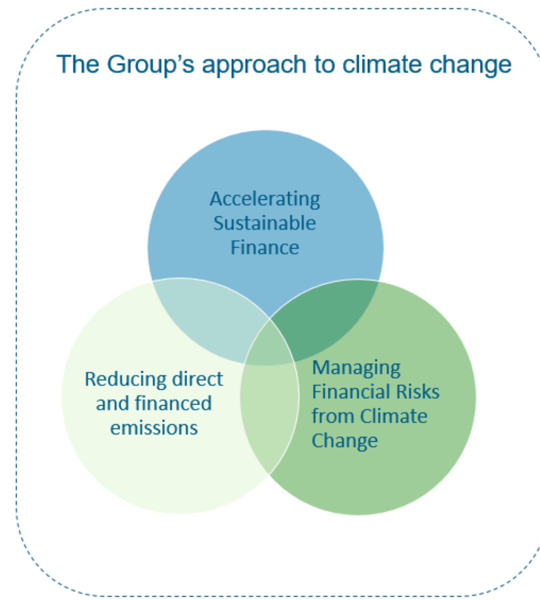
- Leader in sustainable finance, acting as book runner and placement agent for the **landmark $12m Women's Livelihood Bond**
- Thought leader in dialogue with **the Green Bond Principles and Climate Bond Initiative** organisations
- SC PLC issued the **first emerging markets focused sustainability bond** in June 2019
- **Launched the world's first Sustainable Deposit,** dedicated to financing sustainable assets in developing countries aligned to the United Nations SDGs
- **World's first Islamic finance sustainability loan** via an USD 2bn Conventional and Murabaha RCF for DP World
- **Green-line syndicated loan**: Türk Eximbank's EUR 348m and USD 140m MIGA-covered loan
- **Market leader in blended finance,** having led several award winning debt raisings in Ghana, Kenya, Pakistan, South Africa, Sierra Leone
- **First impact-focused subscription finance facility** in May 2020

Sustainable finance governance

We have overhauled our sustainable finance, climate and sustainability governance this year with dedicated forums reporting to management and the Board

- This gives greater board oversight over sustainability matters, including climate risk and sustainable finance
- Tighter controls on labelling of green and sustainable transactions to ensure there is no greenwashing or SDG washing





Abbreviated terms and important notice

Standard Chartered

Selected technical and abbreviated terms used in this document

Term	Definition
Affluent activities	Personal banking services offered to affluent and emerging affluent customers
AME	The Group's business in the Africa & Middle East region
ASA	The Group's business in the ASEAN & South Asia region
bps	Basis points
C&O	Central & Other
CB	The Group's Commercial Banking segment
Ccy	Variance on a Constant Currency basis
CCR	Counterparty Credit Risk: the potential for loss in the event of the default of a derivative counterparty, after taking into account the value of eligible collaterals and risk mitigation
CMV	Current market value
COVID	COVID-19 (coronavirus disease) caused by the SARS-CoV-2 virus
CET1	Common Equity Tier 1 capital. CET1 ratio = 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
CIB	The Group's Corporate & Institutional Banking segment
DPD	Day-past-due: one or more days that interest and/or principal payments are overdue based on the contractual terms
DVA	The Group calculates Debit Valuation Adjustments on its derivative liabilities to reflect changes in its own credit standing
EA	The Group's business in the Europe & Americas region
EAD	Exposure At Default: The estimation of the extent to which the Group may be exposed to a customer or counterparty in the event of, and at the time of, that counterparty's default. At default, the customer may not have drawn the loan fully or may already have repaid some of the principal, so that exposure is typically less than the approved loan limit
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, supervision, or attention by management
ECL	Expected Credit Loss represents the present value of expected cash shortfalls over the residual term of a financial asset, undrawn commitment or financial guarantee
EPS	Earnings Per Share
FM	The Group's Financial Markets business
FTE	Full-Time Equivalent employee

Term	Definition
GBA	Greater Bay Area consisting of nine cities and two special administrative regions in south China
GCNA	The Group's business in the Greater China & North Asia region
Jaws	The relationship between income growth and cost growth in a given period. 'Positive' jaws = income growth > cost growth
L&A	Loans & Advances
Loan loss rate (LLR)	Credit impairment for loans and advances to customers over average loans and advances to customers (annualised)
LGD	Loss Given Default: The percentage of an exposure that a lender expects to lose in the event of obligor default
M&M	Metals & Mining industry sector
MEV	Macroeconomic Variable: The determination of expected credit loss includes various assumptions and judgements in respect of forward-looking macroeconomic information
Network activities	Corporate and institutional banking services offered to clients utilising the Group's unique network in 60 markets across Asia, Africa and the Middle East
NBV	Net book value
NIM	Net interest margin, adjusted for interest expense incurred on amortised cost liabilities used to fund financial instruments held at fair value through profit or loss, divided by average interest-earning assets
NEW	Non-Employed Worker
NPL	Non-Performing Loan: An NPL is any loan that is more than 90 days past due or is otherwise individually impaired. This excludes Retail loans renegotiated at or after 90 days past due, but on which there has been no default in interest or principal payments for more than 180 days since renegotiation, and against which no loss of principal is expected
O&G	Oil & Gas industry sector
PD	Probability of Default: an internal estimate for each borrower grade of the likelihood that an obligor will default on an obligation over a given time horizon
PvB	The Group's Private Banking segment
RB	The Group's Retail Banking segment
RCF	Revolving Credit Facility: a line of credit arranged between the Group and a business
RoRWA	Return on RWA: annualised profit as a percentage of RWA
RoTE	Return on Tangible Equity: Group average tangible equity is allocated to client segments based on average RWA utilised and the global level underlying effective tax rate is applied uniformly
RWA	Risk-Weighted Assets are a measure of the Group's assets adjusted for their associated risks
TB	The Group's Transaction Banking business

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, interest rate, 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; risks arising out of regional hostilities, terrorist attacks, social unrest or natural disasters; risks arising out of health crises and pandemics, such as the COVID-19 (coronavirus) outbreak; climate related transition and physical risks; business model disruption risks; 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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