

Developing our talent

“With rapid growth across our franchise and changing customer and employee demographics, the Bank believes that our innovative and sustainable approach to managing our people is a source of competitive advantage.” Tracy Clarke, Group Head of Human Resources

For more information visit: www.standardchartered.com/sustainability

2007 Highlights

70,000

number of employees at the end of 2007, up from 59,000 in 2006

95%

voluntary participation in the employee engagement survey

42%

of our eligible employees participate in our Sharesave scheme

5,500

people managers participated in the Great Manager Programme

At Standard Chartered we recognise that it is increasingly important to have a diverse, talented and engaged workforce to drive the many growth opportunities we have in our markets.

In 2007, we made good progress in three key areas as part of our approach to managing our people: Diversity and Inclusion (D&I), Employee Engagement and Health and Safety.

Diversity and Inclusion

We took several steps in 2007 as part of our ongoing commitment to create an inclusive environment for our people, customers and communities.

We have in place executive succession plans for over 200 critical leadership roles globally and our aim is to build a leadership pipeline that reflects the diversity of the markets we operate in. Over 40 nationalities across our global network are represented in the succession pool.

The International Graduate Programme enables us to develop our leaders of tomorrow. In 2007, over 300 graduates from 28 countries joined the programme.

In 2007, the Bank introduced part-time and flexible-time working arrangements

in Ghana, Singapore, the United Kingdom and the United States as part of a pilot programme to create a flexible working environment.

During 2008, the flexible working framework will be extended to more countries. Our medium-term goal is to make this policy available to all employees across the Bank and to expand our flexible working arrangements to include other opportunities, such as working from home. This will help improve our ability to retain employees, increase engagement and attract a larger and more diverse pool of talent.

To further increase employees' understanding around D&I, the Bank began to raise awareness across our markets, by creating and piloting an education programme. In 2008, we aim to roll out the programme globally so that all employees understand what D&I means, why it is important and what they can do to create a more inclusive working environment within the Bank.

2007 also saw good progress in the Bank's gender diversity strategy from a customer, community and workplace perspective. We organised our second Global Women's Forum, partnered with the Global Banking Alliance for Women,



“I work better in the mornings so I have the space to really focus. I also study in the evenings so flexible working gives me more time to spend with my family before taking time for myself.”

Hind Naciri, UK Corporate Affairs

Learning @ Standard Chartered

The one-stop learning portal offers every employee access to the latest learning tools and solutions. Individual Learning Development Plans enable our people to tailor their development.



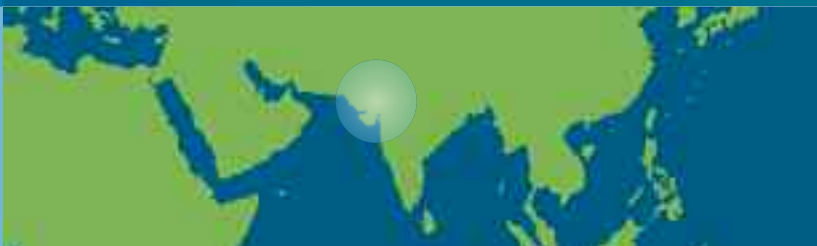
Raising the bar on people management

The Great Manager Programme was rolled out across the Bank in 2007 to improve the way people managers engage their teams for high performance.

5,500 people managers have attended the programme so far. Whether it is listening to a podcast, attending a workshop or visiting the website, the Great Manager Programme is about encouraging great conversations with team members about their development, performance and strengths. This programme applies to each and every people manager, regardless of whether someone has been managing people for years or whether he or she is in their first managerial position. Raza Ali Sadiq, Operational Risk Manager in Standard Chartered Pakistan, has participated in the programme, commenting: "I have been practising to listen to my team more intently over the last five months than I used to do before. I have, as a result, become much more effective in generating the type of results I desire and building my credibility further."

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increased our focus on microfinance (of which 80 per cent of the beneficiaries are women) and we continue to drive women's empowerment in the community through sports-based development.

Employee Engagement

To provide a work environment where every employee is engaged remains high on our agenda. In our seventh year of measuring employee engagement, 10,000 more employees participated in the annual Q12 survey, a 25 per cent increase from 2006. Overall, employee engagement rose for a seventh consecutive year from 3.99 in 2006 to 4.02 in 2007 on a scale of 1 to 5. Our focus in 2008 will be on the development and implementation of team action plans to continuously improve engagement.

Engaging employees is key to retaining our talent. After recognising high market attrition rates in our India retail business, we developed and piloted an integrated approach to engage employees. The pilot programme will be extended in 2008 to the UAE and other key markets. We are pleased to report that only three per cent of our leavers in 2007 were classed as high-potential, high-performing employees. In addition, to improve the focus on emerging talent, the Bank implemented a process whereby high-potential employees at middle management level have access to increased development opportunities and targeted career workshops.

We offer the opportunity for all our employees to benefit from the success that they help create for the Bank. Our Sharesave scheme offers eligible employees the opportunity to save for the future and invest in the Bank. The 2007 participation in the scheme was 42 per cent.

A comprehensive review process of all global HR policies incorporating the Equal Opportunities, Diversity and Dignity at Work Policy, took place in all of our markets, involving union representatives,



Global Women's Forum

The second Global Women's Forum was held in Dubai in 2007, involving over 100 of Standard Chartered's emerging women leaders from across 37 countries.

Our goals and achievements in 2007

governmental departments and other bodies such as employers' federations. These more concise and inclusive policies increase our employees' understanding of the Bank's values and standards.

Health and Safety (H&S)

In 2007, we continued to work on increasing awareness around H&S procedures worldwide with an emphasis on managing risks at the workplace, ensuring a safe and healthy working environment for all staff.

We also adopted a new risk management process for all countries to ensure comprehensive security risk reporting for our people. We will continue to monitor the threats and risks faced by the Bank and embed this process in 2008.





Our revised global H&S standards were launched this year setting out the minimum requirements for all countries along with guides to help countries achieve these standards. H&S coordinators are now in place in each of our markets, ensuring that our H&S standards are embraced in all our branches and offices globally.

In 2007, our HIV/AIDS Policy was incorporated within the Group's new Equal Opportunities, Diversity and Dignity at Work Policy. The Bank believes an effective HIV workplace programme depends upon an atmosphere of trust, openness and respect for the basic rights of those affected by HIV/AIDS. Any stigma or discrimination compromises employee welfare and leads to a lack of consistent and fair treatment for employees. This will not be tolerated by the Bank. The policy will be assured using the Group's standard risk assurance tools.

Our goals for 2007

Our goals for 2007	Status	What we have done
Launch the Great Manager Programme, to improve manager capability	✓ Completed	5,500 people managers across 35 locations through more than 700 workshops
Roll out our D&I awareness programme and country action plans globally	➔ Ongoing	Initiated our awareness-raising programmes and implemented action plans for all our 48 Country Champions
Support managers in fostering a flexible working environment	➔ Ongoing	Flexible working piloted in four markets – Ghana, Singapore, the UK and the US
Develop the Bank's disability strategy from a customer, community and workplace perspective	➔ Ongoing	Continued to raise awareness through D&I Champions to provide an inclusive and accessible environment for our customers and employees
Develop and implement an integrated approach to managing employee retention	➔ Ongoing	Piloted a programme to reduce attrition rates in India

Awards in 2007

-  2007 Personnel Today Award for HR Measurement
-  Hewitt Best Employers in India 2007 Study awarded to SCOPE International
-  Singapore HRM Award for Best Training, Learning and Development Practices
-  ACCA Award for the development of employees in Uganda

Our priorities in 2008

- Meeting the growth agenda by tapping into diverse talent pools both inside and outside the Bank
- Continue to drive employee engagement by strengthening our people management using the Great Manager Programme
- Roll out D&I awareness-raising programme across all markets
- Expand implementation of flexible working to include new markets and/or new kinds of flexible working arrangements
- Ensure all new employees are educated on HIV/AIDS



Communication in non-English speaking markets

In 2007, learning materials became available in four additional languages – Korean, Chinese, Thai and Bahasa Indonesia – to ensure all employees have access to training regardless of language.



Welcoming our newest employees

Dustin Woods, Manager, Organisation Learning, ran engagement workshops in Pakistan during the Union Bank acquisition.

"It's all in the dialogue. Through sharing stories of 'Me At My Best', individuals build a common understanding of what they want from the workplace. This leads to a collective vision of the future for the 'new' organisation."