

Our People

We are committed to attracting and developing talented people, providing the skills and resources necessary to succeed across our diverse markets, and rewarding them with competitive incentives and opportunities to maximise their potential within the Bank.

Three principles underpin our approach to managing people:

- A focus on talent management to identify, reward and retain talented employees.
- Building a strengths-based focus, providing the skills to develop individuals and teams.
- Driving employee engagement through the development of exceptional managers to identify and build talent.

Human Capital Roadmap

Our approach to people management is reflected in our Human Capital Roadmap. There are five areas of focus, each supported by key people processes, which provide a consistent framework for management practices and policies.

How do we attract and retain the best talent?

Harnessing our diversity through inclusion

Standard Chartered employs over 33,000 people across 56 countries and territories. The workforce comprises 80 nationalities and close to half are female. We want to lead by example in building a multi-talented, diverse and representative workforce and leadership. We recognise there is more we can do to harness the differences individuals bring, enabling them to realise their full potential to deliver high performance and true competitive advantage. In 2004, a Diversity Council was established to provide a strategic, global focus to diversity and inclusion in the Bank.



Outserving our competitors

Outserve represents Standard Chartered's commitment to service excellence as a key competitive differentiator. The above image is taken from one of our Outserve posters featuring two of our Zimbabwean colleagues, in recognition of their innovative approach to delighting customers.

Identifying future leaders

Our global graduate recruitment website provides a leading edge method of attracting and recruiting talented graduates. Successful applicants join a two-year International Graduate Programme, which stretches them through on-the-job learning, in-depth business training, ongoing performance coaching, and three international residential workshops.

Helping our people to make a difference

We work alongside our employees to help plan their careers through our talent development programme, which includes personal development plans,

mentoring, structured learning and career development moves. For example, in 2004, Wholesale Banking moved 70 talented junior individuals into new roles, either internationally or across business units.

How are we expected to do things here?

Creating winning teams through engagement

We believe that providing employees with the right working environment encourages the application of their individual talents and discretionary effort. Investing in employee engagement is a key element of building the high-performance culture to drive our business forward.

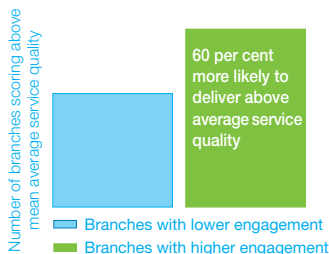


Human Capital Roadmap



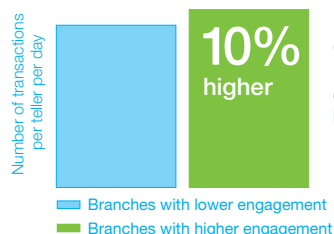
Programme Care

Launched in Hong Kong in 1997, Programme Care leads the way in caring for our colleagues, families, communities and ourselves. Partnered with our Corporate Responsibility initiatives, Programme Care involves healthcare seminars, charity events in the local community and lifestyle/shopping discounts to promote work-life balance and community spirit.



Business value – Hong Kong, Consumer Banking

Branches with higher employee engagement were 60 per cent more likely to deliver above average service quality.



Business value – Ghana, Consumer Banking

Branches with higher employee engagement delivered 10 per cent higher transactions per teller per day.

In 2000, we introduced Q12 – an annual tool to measure employee and team engagement. Teams use the results to discuss and develop action plans, whilst continually monitoring the follow-through. In 2004, across all 56 countries and territories, 97 per cent of employees completed the survey voluntarily – a clear indication of employee commitment to improving individual and team performance. This focus has seen the number of engaged teams treble since 2001, rising 14 per cent in 2004.

Internal research conducted in Hong Kong, India, Kenya and Ghana demonstrates the impact of higher engagement on business performance, with Consumer Banking reporting:

- Greater profit margin growth
- Higher customer satisfaction ratings
- Increased productivity
- Greater employee loyalty
- Lower employee turnover

How do I develop my strengths?

Playing to our strengths

A strengths-based approach lies at the core of Standard Chartered's people development philosophy. We encourage managers to identify and develop individuals' strengths, to help themselves and their teams to deliver sustainable performance.

Leadership and executive development

Our leadership model for senior employees involves a range of development and assessment programmes. These include individual leadership plans focusing on personal contributions to our business,

developing strengths, identifying learning opportunities and mentoring.

Standard Chartered also sponsors executive development programmes with leading academic institutions.

Nurturing our talent

Our Organisation Learning function and One Bank curriculum help employees take responsibility for their own personal and professional development and learn consistently across our markets. The number of learning days has almost doubled since 2001.



Graduate Associates

During the International Career Development Programme in Malaysia, the Graduate Associates dressed as inspirational people who have led the way through history.

How am I doing?

Raising the performance bar

Our performance management system provides an objective view of employee performance. This includes not only an assessment of performance against objectives but also how they were accomplished. The Bank's values form part of the annual objective setting and appraisal process. Half-yearly appraisals and a strong emphasis on managerial coaching skills help maintain focus, expectations and clarity whilst supporting and encouraging development.

How am I recognised and rewarded?

Differentiating high performance

We are committed to providing compensation and benefits competitively positioned to attract, retain and motivate talented individuals. Consistent with our values, base salaries, bonus and share awards are benchmarked against our key competitors, focusing on high performing employees. Almost 40 per cent of our global workforce participate in our all-employee sharesave scheme. Core benefits such as annual leave, life cover, saving for retirement, sickness and medical benefits are provided across our businesses and geographies.

Service delivery

Effective service delivery is the backbone of the Human Resources (HR) function, which aims to deliver efficient, value-added service throughout the Bank.

The Human Resources Shared Service Centre (HR SSC), based in Chennai, India, became operational in 2002. It maintains a centralised employee database and administers a range of services including payroll, retirement benefits and share schemes across the Bank. The HR SSC serves over 27,000 staff in 29 countries, 42 per cent more than in 2003. Year-on-year, the HR SSC delivers higher value services, freeing local HR to provide greater strategic support to the business. For example, our payroll team now process almost 39 per cent of the Bank's employees, a 30 per cent increase from 2003. Considered an industry benchmark, the HR SSC is continually improving and growing.



The right fit

To further consolidate our strengths-based approach, Consumer Banking has adopted a structured selection tool methodology. For example, pilot research in Thailand in 2004 showed that sales staff recruited using the tools typically exceeded sales targets by 32 per cent.



Creating a healthy and safe place to work

Our approach to ensuring a healthy and safe environment for our employees and customers is about creating the right culture. We focus on providing appropriate training and establishing risk assessment capability for our employees to manage health and safety. The launch of a specially developed system in 2005 will be the cornerstone for supporting superior health and safety performance across the Bank.