

We are a diverse organisation. Our employees represent over 100 nationalities globally and there are more than 50 among our most senior 500 employees

Standard Chartered employs almost 60,000 people in over 50 countries and territories. Demographic changes, competition and our own rapid growth mean that our ability to attract, develop and engage our talent is firmly on the Group's agenda.

Meeting our growth aspirations

In 2006 we saw a 15 per cent net increase in the number of people we employ through organic growth alone and we have welcomed almost 8,000 new employees through acquisitions.

The markets we operate in are increasingly competitive, particularly in key growth markets such as China, India and Korea.

Standard Chartered is alive with career opportunities and we are thinking creatively about how we attract and retain talented individuals. In 2006 we reinvigorated our employee referral programme to encourage employees to introduce family or friends to the Group for a cash incentive. Employee referral is known to be one of the most effective resourcing channels. The programme was implemented in Hong Kong, Singapore, United Arab Emirates and India and resulted in over 1,000 successful appointments in 2006. The global programme will be launched in early 2007.

We have improved the way we welcome new employees. The Right Start programme implemented in 2006 begins before an employee joins and takes them through their first nine months

of service. We set minimum global standards and track its success quarterly for every country and business. 'Day One Readiness' is a key measure to assess if an employee has everything they need to do their job on their first day. Readiness has improved by nine per cent and employee turnover within the first three months has reduced by two per cent, with significant improvements in our key markets of China, India and Korea.

Our International Graduate Programme selects, nurtures and challenges our future leaders. The graduate programme is one of the most international in the world, celebrating original thought and diversity – the qualities we look for in future leaders. We had over 70,000 graduate applications in 2006 compared with over 50,000 in 2005. We have increased our intake of International Graduates by over five times over the last five years, increasing 37 per cent in 2006. We will maintain our focus on recruiting a pipeline of future leaders of the Group, with recruitment for 2007 increasing by a further 26 per cent. We have begun to recruit MBAs on a global basis and over 150 candidates are currently participating in the selection process.

Diversity through inclusion

Our markets, customer groups and talent pools are changing – as is the Group in its size and reach. Standard Chartered's success depends on its ability to manage these changes, and our approach



▶▶ Leading the way in Korea

Kim Seon-Joo is SC First Bank's first female executive and the most senior in Korean financial services. As Executive Vice President and Head of Shared Distribution she is leading the progress of women at SC First Bank. We also promoted a 32-year-old to become Korea's youngest bank branch manager. These appointments help us to be an employer of choice in Korea and attract the best talent.



▶▶ Meet a D&I Champion

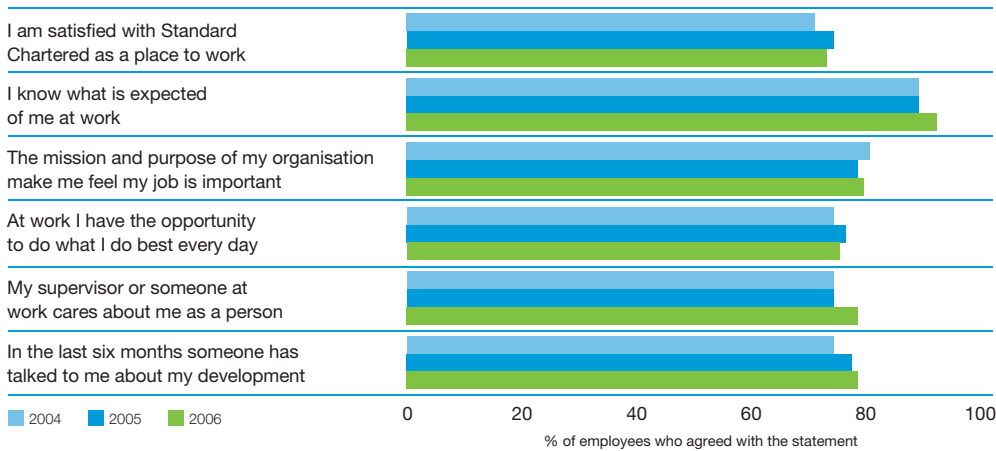
In addition to her busy day job as Value Centre General Manager of Unsecured Lending, Naana Abban is Ghana's Diversity and Inclusion Champion. With the help of her D&I Council, Naana has improved awareness of D&I in Ghana.



▶▶ Living the values

Henry and Joseph, our Seeing is Believing ambassadors, travel the world and live the Bank's values through teamwork and partnership. Living the values is also expected of all Standard Chartered employees. At the beginning of the year, each employee has a discussion with their manager about how they will live the Group's values – Responsive, Trustworthy, Creative, International, Courageous – in their role. In 2006, 98% of employees received a rating according to how well they had lived the values.

Employee engagement (Source: The Gallup Organization, 2006)



to Diversity and Inclusion (D&I) is integral to our journey. D&I lies at the heart of our values and is already a natural strength. Our commitment is simple – to get the best out of the broadest spectrum of people. We focus on inclusion to ensure that each individual feels valued for what they bring to the Group. D&I is a long-term priority for the Group and we all have a shared responsibility to foster an inclusive culture.

We are already a diverse organisation. Our employees represent over 100 nationalities globally and over 50 within our most senior 500 employees. Overall female representation is broadly equal to male, and 16 per cent of our senior managers are women. We continue to focus on increasing this proportion. The Group's initial focus is on three strands of diversity – gender, nationality and disability, with particular reference to visual impairment.

Creating an inclusive culture

Over 300 people are involved in driving D&I across the Group. Jaspal Bindra, General Manager, South East and South Asia, was appointed Chairman of our D&I Council in early 2006, reflecting the strong support and sponsorship of D&I from our Group Management Committee. We also created a D&I Ambassador role for a number of senior employees with the sole purpose of raising awareness of D&I across our business.

Many D&I issues are market specific. To address this, we appointed 50 D&I Champions across 48 markets and territories and established 28 Country Councils to support the Champions. Our market-specific approach identifies, tracks and resolves issues locally rather than adopting a one-size-fits-all approach. In 2006 we listened to employees to determine local issues through a review and action-planning process. In 2007 we will implement the plans and monitor our progress.

We also want to continue to improve the way we work by creating a more flexible working environment so that employees can balance their work and personal commitments, maximise their potential and perform to their best.

Building winning teams

We have measured employee engagement globally for six years with a voluntary participation rate of 97 per cent in 2006. We continue to see an increase in engagement each year. SC First Bank completed the survey for the first time in 2005 and recorded 98 per cent participation in that year and in 2006. Team-specific data helps each team to design an action plan to enhance engagement.

Managers play an important role in increasing employee engagement. In 2007, we will launch the Great Manager

Programme, and throughout the year over 9,000 managers will share and learn from ideas, stories and best practice to improve how they manage and drive engagement in their teams.

Managing our talent

To build our capability to attract and develop people, we have a global, systematic approach to talent management. In 2006 we have focused on identifying and developing talent at a junior level to build the skills we need for the future. We have increased the number of less experienced high-potential employees by 47 per cent and held one-day career development workshops for high-potential employees across the Group. Only three per cent of our leavers are identified as high performers or high potential.

We also leverage our global footprint to provide international experience at all levels. We currently have over 700 employees on international assignment. SC First Bank employees in Korea took up more than 50 international assignments in 2006.

Coaching for high performance

We believe the key to high performance is ensuring employees know what is expected of them. In 2006, 98 per cent of employees had both a recorded performance rating and talent classification through our bi-annual performance review process. Annual performance survey results show that 94 per cent of employees had a discussion with their manager about their performance in 2006 and 95 per cent understand how their objectives will contribute to the continued success of the Group.

We reward our employees competitively for their contribution to our performance. As part of our total reward philosophy, we offer employees the opportunity to share in the Group's success. In 2006, over 3,000 employees were awarded shares as part of their compensation.

Resourcing, D&I, employee engagement and managing talent remain key elements of our drive for sustainable performance.

 To find out more about our approach to people management and career opportunities at Standard Chartered, please log on to www.standardchartered.com/sustainability/ourpeople

People



Our dynamic, international and talented workforce is one of our core strengths, and diversity lies at the heart of our values



►► Early engagement strategy at SC First Bank

Creating a unified culture between two very different organisations was one of the biggest challenges at SC First Bank. Highly innovative sessions using large pictorial maps were used to communicate SC First Bank's vision and the part all employees play in it. SC First Bank also sought employees' opinions on how to achieve its vision and received over 5,000 suggestions that have been an invaluable source of ideas to increase performance. Harnessing the energy and enthusiasm of employees has proved a vitally important step in creating shared clarity and collaborative working. This process will become a standard component of future integrations.

►► Fusion in Pakistan

In Pakistan we have launched Fusion, an innovative and interactive workshop designed to unite the employees of Standard Chartered and the recently acquired Union Bank. Fusion involved over 2,500 people in building a sense of identity and commitment and defining the future. This was the largest in-house employee engagement effort we had undertaken. Over 95% of participants found the Fusion workshops effective and satisfying.

►► Educational support

In United Arab Emirates (UAE) we have launched the Al Tahadi Educational Support Programme which provides sponsorship to selected UAE national students. The programme gives access to opportunities across the Group. We have already recruited 137 graduates this way. We are dedicated to developing the experience and expertise of our employees in UAE as an essential part of our commitment to the local community and business.

on the move ▶▶▶▶▶

- ▶▶ Almost 60,000 employees
- ▶▶ Over 100 nationalities, over 50 within senior management
- ▶▶ 16% net growth in employees



▶▶ Driving work-life balance

In Hong Kong we are leading the way as one of the first organisations to adopt a five-day working week. This sends a clear message to our employees and the public that we are strong advocates for improving the work-life balance of our employees. This is in line with our aim to create a more flexible working environment so that our employees can balance their work and personal commitments and achieve their potential to perform to their best at work.

▶▶ International partnership in action

We launched an International Partnership Programme in 2006 to encourage SC First Bank employees to live our International value – either through interacting with other employees across the network or working in a different country. Fifty-eight employees have taken the opportunity to work in one of 10 host countries, with a further 300 attending training or assignments in other markets.

▶▶ Enabling opportunities

Scope International, a wholly owned subsidiary of the Group in India, has maintained strong relations with the local Ability Foundation charity which works to promote opportunities for people with disabilities. In addition to hosting workshops and events with the charity, Scope International currently employs 15 people from Ability Foundation.