

press release

FOR IMMEDIATE RELEASE

Standard Chartered Village Bank launches unsecured lending service for farmers

8 July 2009, Huhhot – Inner Mongolia Helingeer Standard Chartered Village Bank Limited (“Standard Chartered Village Bank”) announced the recent launch of its unsecured lending service to farmers. The first loan application has been approved and disbursed to a local farmer.

Katherine Tsang, Executive Vice Chairman and CEO, Standard Chartered Bank (China) Limited, said, “The launch of Standard Chartered Village Bank’s unsecured lending service marks a significant milestone for Standard Chartered’s direct rural financing efforts in China, forming one of our cornerstones for future growth. We fully support the Chinese Government’s efforts to enhance economic development and financial reform in rural areas; and we are very grateful for the support and guidance we have received from our regulators and local authorities.”

Standard Chartered Village Bank’s unsecured lending service provides relief to farmers facing difficulties in financing their operations by improving their cash flow, offering loans of up to RMB50,000 with a maximum loan term of 1 year. Applicants must be residents of Helingeer with a valid ID, and engaged in farming, stockbreeding or other agricultural activities as defined by China’s rural economic policy.

Qian Xiaodong, Head of Village Banking, Standard Chartered Bank (China) Limited, said, “We have effectively combined Standard Chartered’s international risk management expertise with our local market insight to set up a robust risk management system. We will strive to provide a greater variety of products and services to serve our customers’ financial needs.”

Standard Chartered Village Bank is a wholly-owned subsidiary of Standard Chartered Bank located at Cheng Guan Town in Helingeer, Inner Mongolia. Standard Chartered Village Bank is Standard Chartered’s first village bank, offering lending, deposits and remittance services. It commenced operation on 27 November 2008 and celebrated its grand opening on 4 February 2009.

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Note to editors:

About Standard Chartered's Rural Financing Strategy

Globally, Standard Chartered committed at the second Clinton Global Initiative to establish a \$500 million Microfinance facility across our markets by 2011, which is estimated to benefit 4 million people currently excluded from participation in the financial sector.

In China, Standard Chartered has adopted a 3-pronged strategy to our rural financing – focusing on agri-business, intermediaries and direct financing. Standard Chartered Village Bank is an example of participation via direct financing.

Agri-business: Standard Chartered has specialised teams in Beijing and Shanghai who work closely with our agricultural experts around the world, offering the best solutions for our agri-business corporate clients in 18 provinces across China. For example, Standard Chartered and Esquel signed a Memorandum of Understanding on a Microfinance program in Urumqi, Xinjiang, in 2007. As part of the first phase of this project, which was launched in December 2007, credit-based loans were granted to over 600 beneficiaries from 110 households. All the principal and interest incurred in Phase 1 was repaid by the end of 2008. Riding on this success, Phase 2 of the programme was launched with 204 needy households receiving loans before the spring sowing season in 2009.

Intermediaries: Standard Chartered partners with local, expert intermediaries in micro-finance to reach out to farmers. For example, in January 2008, we signed loan and co-operation agreements with the China Foundation for Poverty Alleviation (CFPA) to provide credit loan facilities to support farmers in China. This signing was witnessed by Chinese Premier Wen Jiabao and UK Prime Minister Gordon Brown. To date, this programme has benefited over 6,000 farmers in the Shanxi Province, through a RMB20 million credit loan facility.

About Standard Chartered

Standard Chartered PLC, listed on both London and Hong Kong stock exchanges, ranks among the top 25 companies in the FTSE-100 by market capitalisation. The London-headquartered Group has operated for over 150 years in some of the world's most dynamic markets, leading the way in Asia, Africa and the Middle East. Its income and profits have more than doubled over the last five years primarily as a result of organic growth and supplemented by acquisitions.

Standard Chartered aspires to be the best international bank for its customers across its markets. The Bank derives more than 90 per cent of its operating income and profits from Asia, Africa and the Middle East, generated from its Wholesale and Consumer Banking businesses. The Group

has around 1,600 branches and outlets located in over 70 countries. The extraordinary growth of its markets and businesses creates exciting and challenging international career opportunities.

Leading by example to be the right partner for its stakeholders, the Group is committed to building a sustainable business over the long term and is trusted worldwide for upholding high standards of corporate governance, social responsibility, environmental protection and employee diversity. It employs 70,000 people, nearly half of whom are women. The Group's employees are of 125 nationalities, of which 70 are represented among senior management.

In China, the Bank set up its first branch in Shanghai in 1858 and has remained in operation throughout the past 150 years. Standard Chartered Bank (China) Limited is one of the first foreign banks to locally incorporate in China in April 2007. This demonstrates the Bank's commitment to the China market, and its leading position as a foreign bank in the banking industry.

Standard Chartered has one of the largest foreign bank networks – with 15 branches, 37 sub-branches, 1 representative office and a Village Bank in China. In 2008, Standard Chartered China clinched the Asian Banker's Best Foreign Retail Bank in China Award, and the "Outstanding Corporate Award of 2008 Corporate Social Responsibility Ranking in China" by China Business Network.

For more information on Standard Chartered, please log on www.standardchartered.com