

press release

FOR IMMEDIATE RELEASE

Standard Chartered pilots a series of initiatives in FTZs

Strong and timely commitment to the development and construction of the FTZs

21 April 2015, Shanghai – Standard Chartered Bank (China) Ltd (“Standard Chartered”) has announced a series of initiatives for the construction and development of free trade zones (FTZs), immediately following the launch of three new FTZs in Guangdong, Fujian and Tianjin.

In Fujian FTZ, Standard Chartered successfully completed a cross-border RMB payment for Youda Trade (Fuzhou) Company, Ltd (“Youda”) with its parent company Grobest in Taiwan. This is the Bank’s first cross-border RMB payment for a Taiwanese enterprise in Fujian FTZ. Meanwhile, the Bank received two more cross-border RMB sweeping business mandates from Youda and Xiamen Zhongjiu Trading Company, the sub-company of Likeit International. Once the relevant rules are announced, the Bank will provide cross-border RMB two-way sweeping services to the two companies, which will also mark the first transactions for cross-border RMB two-way sweeping by a foreign bank in Fuzhou and Xiamen.

In Guangdong, as one of the first batch of banks to launch cross-border RMB loans in Qianhai, Standard Chartered completed a series of milestone deals in the zone. In September 2013, Standard Chartered Shenzhen Qianhai Sub-branch commenced operation, bringing a range of comprehensive and quality banking services, including foreign exchange and RMB-related services, to customers in and around the Qianhai zone. In Nansha FTZ, Standard Chartered provides services including trade finance, cash management, financial markets and unsecured business installment loans to clients including multinational companies, local corporates, and small- and medium-sized enterprises. Under the future management and service framework of the FTZ, Standard Chartered will target more clients in the zone and launch new services, including but not limited to warehousing logistics, financial leasing and shipping finance. In addition, the Bank has followed the construction of Hengqin FTZ closely and continuously provides advice on financial innovations in the zone. Standard Chartered will maintain its support of enterprises in the zone and provide first-class financial solutions for their cross-border transactions.

In Tianjin, the Bank actively participated in the construction and development of the FTZ from the start. By working closely with the FTZ management committee, Standard Chartered provides financial solutions to enterprises to help them reduce costs and improve cash management efficiency. In the future, Standard Chartered will take advantage of its network and product innovation to carry out integrated financial services, as well as contribute to the construction of the “One Belt One Road” plan and the synergic development of the Beijing-Tianjin-Hebei Region.

Yesterday, the plan to further deepen the reform and opening-up in the China (Shanghai) Pilot Free Trade Zone was officially announced, that Shanghai PFTZ, which covers 28.78 square kilometres, will add 91.94 square kilometres to encompass a total area of 120.72 square kilometres, including Lujiazui, Zhangjiang and Jinqiao districts. Following the expansion, Standard Chartered’s China head office, Shanghai branch, as well as the sub-branches in the PFTZ and Shanghai Urban Construction International Center, will all be located in the zone to further promote financial reform and product innovation, as well as strengthen business marketing and organizational building, demonstrating the Bank’s determination to support the construction of Shanghai as an international financial centre.

Jerry Zhang, CEO and Executive Vice Chairman of Standard Chartered China, commented, “The launch of the three new FTZs is a significant step towards China’s further economic reform and opening-up, when the country will play a more important role in the increasingly integrated global economy and promote the mutual development of other regions and markets. Standard Chartered is delighted to announce a series of transactions and services, immediately following the launch of the three new FTZs. By leveraging our strong network and financial innovation capabilities, we are leading the way in cross-border RMB business, supported by our proven experience in operating in the Shanghai PFTZ, which we aim to replicate in the new FTZs. Capitalizing on our own unique expertise and capturing the opportunities brought about by the financial innovation in the FTZs, Standard Chartered Bank China is well positioned to provide value-added services to our clients as they venture abroad and contribute to China’s ‘One Belt and One Road’ initiative.”

Besides business expansion, Standard Chartered has been offering guidance on the construction and development of the FTZs. The Bank shares its expertise on cross-border RMB business and the Shanghai FTZ with regulators and local companies, and also advises on the formulation of policies in the FTZs.

Standard Chartered Bank plays an active role in the development of the Shanghai PFTZ. Currently, the Bank has a sub-branch in the zone, providing cross-border RMB sweeping services, cross-border RMB loans, central collection services and support for clients who are setting up new financial leasing companies in the zone. In February 2014, Standard Chartered approved the first cross-border RMB two-way sweeping transaction for Baoxin Group, which helped the Bank receive an award for the Model Business in Innovation from the Shanghai PFTZ Administration. In addition, this transaction also ranked among the highly commended list in Best Cash Management at the Taozhu Gong Awards by Euro Finance.

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About the three new FTZs:

Guangdong FTZ:

- Guangdong FTZ, which neighbours Hong Kong and Macao, is set to develop a high-end financial services industry and has good development potential. Standard Chartered is very familiar with the construction and development of Guangdong FTZ, and will utilise its successful experiences in Shanghai FTZ and unique advantages in Hong Kong to participate in the development of the zone.
- Standard Chartered has 4 branches and 21 sub-branches in Guangzhou, Shenzhen, Zhuhai and Foshan, offering comprehensive financial products and services to various enterprises and individuals in Guangdong Province. The Shenzhen and Zhuhai branches were established in 1985 and 1987 respectively, and were the first batch of foreign banks in these two areas.
- Guangdong FTZ emphasizes the cooperation of Guangdong, Hong Kong and Macao, promoting deeper economic integration between mainland China, Hong Kong and Macao. As one of the three note-issuing banks in Hong Kong, Standard Chartered has developed an extensive business network and a solid customer base in Hong Kong. Standard Chartered Hong Kong also takes the lead position in cross-border RMB services.

Fujian FTZ:

- Standard Chartered has monitored the development of Fujian FTZ closely. Leveraging our successful experiences gained in the Shanghai FTZ and our trade network between Fujian and Taiwan, we will actively participate in the construction of Fujian FTZ, further promote economic and trade exchanges across the Taiwan Strait, and drive the development of the cross-border RMB business.
- Standard Chartered currently has two branches and six sub-branches in Fujian Province. Standard Chartered Xiamen branch was launched in 1987 and was amongst the first batch of foreign banks in the city. Fuzhou branch was established in 2012 in order to support the development of Haixi Economic Zone with our innovative and first-class products and services.
- Fujian is a strong link for economic and trade exchanges between mainland China and Taiwan. Standard Chartered's first branch in Taiwan was launched in 1985. As an international bank with one of the most extensive networks, we provide individual and corporate clients with a full range of financial products and services, and have already completed a series of landmark deals in cross-border RMB.

Tianjin FTZ:

- As the first FTZ in North China, Tianjin FTZ serves and drives the economy in the Circum-Bohai zone, following the "One belt one road" plan, the synergic development of the Beijing-

Tianjin-Hebei Region, and financial leasing (especially aviation leasing). We are confident about the future development of the Tianjin FTZ.

- Standard Chartered currently has one branch and five sub-branches in Tianjin. Standard Chartered Tianjin branch was established in 1992 and is one of the earliest, largest and fastest growing foreign banks in Tianjin. We provide a full range of financial services for local large- and medium-sized enterprises as well as mid- and high-end individual clients.

For further information, please contact:

Song Yu

Head of Corporate Communications

Standard Chartered Bank (China) Limited

Phone: (8620) 3815 8330

Email: Song.Yu@sc.com

Note to Editors:

Standard Chartered

We are a leading international banking group, with more than 86,000 employees and a 150-year history in some of the world's most dynamic markets. We bank the people and companies driving investment, trade and the creation of wealth across Asia, Africa and the Middle East, where we earn around 90 per cent of our income and profits. Our heritage and values are expressed in our brand promise, Here for good.

Standard Chartered PLC is listed on the London and Hong Kong Stock Exchanges as well as the Bombay and National Stock Exchanges in India.

In China, the Bank set up its first branch in Shanghai in 1858 and has remained in operation throughout the past 155 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 in China – with 27 branches, 78 sub-branches and 1 Village Bank, totally 106 outlets, including the China (Shanghai) Pilot Free Trade Zone Sub-Branch opened in March 2014.

Standard Chartered China has been laurelled with a number of awards since 2013, honouring its achievements and endeavours in different areas including "Best Practice of Social Responsibility Award" by China Banking Association, 2014 Corporate Social Responsibility Award by the British Chamber of Commerce in China and the China-Britain Business Council, "Best Performance Award for Loan Syndications in 2014" by the China Banking Association, "China Top 10 Best Trade Finance Provider" by Ministry of Commerce of the People's Republic of China, 2013 "Best Trading for Cross Currency Swap" and "The Best FX Market Maker for Non-CNY Currency Pair" by China Foreign Exchange Trade System, "Best Transaction Bank in China" and "Best Structured Trade Finance Provider in China" by "The Asset", 2014 "Excellence In Customer Experience" by "Retail Banker", and the Stars of China 2014 on Best Wealth Management Service, Small Business Lending and Supply Chain Finance by "Global Finance", the Award for Model Business in Innovation from China (Shanghai) Pilot Free Trade Zone in 2014.

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