

press release

FOR IMMEDIATE RELEASE

Standard Chartered Bank Launches First Islamic Euro Nostro Account

Bank Alfalah is the first bank to sign up for this product

Standard Chartered Bank today announced the launch of the industry's first Islamic Euro Nostro¹ Account. Islamic banks across the world will now be able to earn Shariah-compliant profits on their account balances at Standard Chartered Bank Germany Branch in Frankfurt. Bank Alfalah Limited, one of the leading banks in Pakistan is the first to sign an agreement with Standard Chartered Bank for Islamic Euro Nostro Account at the recently concluded "Bankers Conference 2012" which was held in Istanbul, Turkey.

The Standard Chartered Saadiq EUR clearing Account utilises a Shariah-compliant account sweep facility. At the end of each business day, available EUR balance in Client's Saadiq clearing account will be invested using the Islamic finance mode of Murabaha. Profit generated from these transactions will be credited on a monthly basis.

"Following the success of our Saadiq² US Dollar Nostro Account last year, we have identified a need to extend this innovation to our Euro clients," said Afaq Khan, Standard Chartered Saadiq's Chief Executive for the Bank's Global Islamic Banking business. "We would like to congratulate Bank Alfalah for being the first financial institution to benefit from this unique Shariah-Compliant structure."

¹ A Nostro account is established in a foreign country and usually in the currency of that country for the purpose of carrying out transactions.

² Standard Chartered Saadiq is the Bank's global Islamic banking arm

“We congratulate Standard Chartered for leading the way in Islamic Banking and introducing this innovative product. Standard Chartered Bank has always been one of our valued correspondent banks and we are proud to be the first to sign up for this product” said Ali Sultan, Group Head, Treasury & Financial Institutions Division, Bank Alfalah.

The Saadiq EUR Nostro Accounts will be available to clients globally, across SCB network. The facility allows Financial Institutions to earn profits on available EUR balances in their accounts and provides Shariah-Compliant account reporting statements as well as a full range of commercial and treasury payment capabilities. It also provides a full suite of beneficiary deduction and principal protected products for incoming and outgoing payments and the ability to customize transaction fees on multiple levels – by customer, beneficiary, country, branch or code word.

Motasim Iqbal, Regional Head of Transaction Banking, Financial Institutions, MENA Standard Chartered Bank, commented: “The launch of the Islamic Euro Nostro Accounts is a direct consequence of our client-led approach. We have been able to deliver another industry first through frequent client interaction and feedback.”

The Third Middle East, North Africa and Pakistan and Turkey, Bankers Conference was held from the 17th to the 19th of September, 2012 in Istanbul, Turkey. The conference was titled, “**Fragile West, Resilient East**” and addressed the opportunities, trends and challenges of the banking industry in MENA. More than 100 senior bank representatives from Morocco, Egypt, Lebanon, Jordan, GCC, Iraq, Turkey and Pakistan attended the three-day conference.

To ensure Standard Chartered’s products comply with the principles of Shariah, the Bank is advised by an independent committee comprising three of the world’s most renowned Shariah scholars – Dr. Abdul Sattar Abu Ghuddah, Sheikh Nizam Yaquby and Dr. Mohamed Ali Elgari.

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Notes to editors:

Standard Chartered – leading the way in Asia, Africa and the Middle East

Standard Chartered is a leading international banking group. It has operated for over 150 years in some of the world's most dynamic markets and earns more than 90 per cent of its profits in Asia, Africa and the Middle East. This geographic focus and commitment to developing deep relationships with clients and customers has driven the Bank's growth in recent years. Standard Chartered PLC is listed on the London and Hong Kong stock exchanges as well as the Bombay and National Stock Exchanges in India.

With 1,700 offices in 70 markets, the Group offers exciting and challenging international career opportunities for nearly 87,000 staff. It 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. Standard Chartered's heritage and values are expressed in its brand promise, 'Here for good'.

For further information please visit www.standardchartered.com. Follow Standard Chartered at www.facebook.com/standardchartered and on Twitter [@StanChart](https://twitter.com/StanChart).

Standard Chartered Pakistan

Standard Chartered is the largest international Bank in Pakistan with 131 branches in 29 cities. Standard Chartered's core businesses in Pakistan are in Consumer Banking and Wholesale Banking.

Standard Chartered has been awarded "Best Bank in Pakistan" by The Asset Triple A Awards for 2011.

Standard Chartered Pakistan is the first international bank to get an Islamic Banking license and to open the first Islamic Banking branch in Pakistan. The Bank has been given credit ratings of AAA/ A1+, the highest long-term and short-term rating assigned by PACRA to any private sector commercial bank.

As part of the Bank's sustainability agenda, where we believe in giving back to the community we operate in, our efforts are also noticeable in the field of Education, Preventable Blindness (Seeing is Believing) and HiV Awareness among the youth.

For more information, please visit: www.standardchartered.com.pk

About Standard Chartered's USD clearing operations

Established in 1974, Standard Chartered's US dollar clearing operations are the seventh-largest in the world, according to the Clearing House for International Payments (CHIPs). In June 2010, Standard Chartered surpassed \$200 billion in daily volume, a new record for the bank.

About Bank Alfalah Limited

Bank Alfalah is a progressive, full service banking institution operating in Pakistan since 1997. Owned and operated by Abu Dhabi Group with assets worth Rs. 468 billion, the Bank has a network presence of 407 branches spanning 158 cities across the country with international presence in Afghanistan, Bangladesh, a wholesale banking unit in Bahrain and a representative office in the UAE. The Bank services more than 1 million corporate, institutional, personal, small business, agricultural, Islamic and asset financing customers.