

press release

FOR IMMEDIATE RELEASE

Standard Chartered to incorporate Consumer Banking Business in Singapore

A positive move to reaffirm its strong long-term commitment to the local market

29 February 2012, Singapore – Standard Chartered Bank (the Bank) today announces its intention to establish and incorporate a wholly-owned subsidiary in Singapore. As its Consumer Banking business continues to grow in Singapore, the Bank has decided to subsidiarise its Consumer Banking retail and SME operations here. The decision was taken working in conjunction with the Monetary Authority of Singapore (MAS), and is in line with MAS thinking. It follows the MAS setting out its view that “there are clear benefits for foreign banks with a large retail presence in Singapore to operate their retail business from a locally-incorporated subsidiary”.

Subject to the necessary regulatory and legal approvals, Standard Chartered’s new locally-incorporated subsidiary (the Subsidiary) will hold a Full Bank License with Qualifying Full Bank privileges and the transfer of the business to the Subsidiary is targeted to take around 18 months. It will oversee the entire Consumer Banking retail and SME businesses in Singapore. Standard Chartered Wholesale Banking and Private Bank in Singapore will continue to operate under the existing branch structure (the Branch).

Local incorporation reflects the success, growing scale and significance of Standard Chartered’s Consumer Banking business in Singapore. In addition, the Bank sees further opportunities to grow its Consumer Banking business in Singapore and believes that local incorporation will help it to achieve its aspirations. The Bank is making a strong signal of its commitment to Singapore and looks forward to being

regarded more as a local institution as the domestic banking landscape evolves over time. At the same time, the Bank will continue to benefit from global efficiencies associated with a branch structure and be able to minimise changes to its Private Bank and Wholesale Banking businesses.

Ray Ferguson, Chief Executive, Standard Chartered Bank Singapore said:

“We have been operating in Singapore for over 150 years, and have always focused on building a long-term sustainable business in Singapore.

In recent years especially, we have been investing significantly in our people and capabilities to grow our presence. As a result, income from our Consumer Banking business has almost tripled, and our Wholesale Banking business has grown almost six-fold since 2005. Standard Chartered in Singapore has just announced our strong financial performance for FY2011, with overall profit up 40% and Consumer Banking income up 27% over the prior year. We are a leading market player in Singapore with substantial market share in key businesses including unsecured lending, deposits and investments and secured assets. Our Consumer Banking business now serves around a quarter of Singapore’s banking population¹, which is more than 700,000 customers. Our decision to incorporate locally is a reaffirmation of our strong commitment to the local market, as echoed by our brand promise – that we are Here for good.

We are looking forward to continue growing our Singapore Consumer Banking operations at pace, and expanding our presence and potential customer base in Singapore.”

With the incorporation of the Subsidiary, it is business-as-usual and it is anticipated that there will be no change to the Bank’s products and services. All our customers will continue to enjoy the same quality of services and facilities and the Bank is working closely with the relevant authorities to minimise any impact on customers’ accounts and dealings with the Bank. A special project team has been set up to

¹ Banking population share is based on the number of Standard Chartered Bank in 2011 vs. Singapore population aged 15 yrs old and above. Data source: Singapore Department of Statistics, 2011

manage the transfer of the business and will be keeping customers informed of the developments.

Private Bank clients who maintain retail transactional services such as a current account, will do so as customers of the Subsidiary, in addition to their existing relationship with the Branch. Their Private Bankers will remain the same.

As for Wholesale Banking clients, the Branch will be given adequate time to cater for any minor transitional adjustments to current operations. In the meantime, Wholesale Banking clients will continue to have access to all the branches of the Subsidiary.

Please visit our website for more details: www.standardchartered.com.sg/subsidiary

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Note to Editors:

Mr Lim Hng Kiang, Minister for Trade and Industry, and Deputy Chairman, Monetary Authority of Singapore, said at the 38th Association of Banks in Singapore (ABS) Annual Dinner on 28 June 2011: "There are clear benefits, however, for foreign banks with a large retail presence to operate their retail business from a locally-incorporated subsidiary. Where the banks have corporate or investment banking businesses, these activities can continue to operate as part of their existing branches. This will allow banks to continue to benefit from cost efficiencies associated with a branch structure and minimise changes to their business models. Moreover, by conducting retail activities from a separate locally incorporated entity, the bank will be seen by local retail customers as being strongly committed to the local market for the long-term."

Standard Chartered in Singapore is part of an international banking group with an extensive network of over 1,700 branches and outlets in more than 70 countries in the Asia Pacific Region, South Asia, the Middle East, Africa, the United Kingdom and the Americas.

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. The Bank's heritage and values are expressed in its brand promise, 'Here for good'.

Standard Chartered has a history of more than 150 years in Singapore, opening its first branch here in 1859 and in October 1999 was among the first international banks to receive a Qualifying Full Bank (QFB) licence, an endorsement of the Group's long-standing commitment to its businesses in the country.

It serves both Consumer and Wholesale Banking customers. Consumer Banking provides credit cards, personal loans, mortgages, deposit taking and wealth management services to individuals and small to medium sized enterprises. Wholesale Banking provides corporate and institutional clients with services in trade finance, cash management, lending, securities services, foreign exchange, debt capital markets and corporate finance.

The Bank employs over 7,000 people in Singapore and has a network of 20 branches, 6 Priority Banking centres and 30 ATMs. Standard Chartered is the only international bank to offer NETS service, giving its customers access to EFTPOS at over 17,000 outlets islandwide. The Bank's global businesses - Consumer and Wholesale Banking - are managed out of Singapore, as is its global Technology & Operations function.

Key awards/achievements

Business

- Leading the way through product innovation, for example, MortgageOne, e\$aver, CashOne, Business Instalment Loan, Business\$aver, FamilyLink, LinkOne & Visa Infinite
- First Singapore \$100 million Fixed Rate Note bond offering by The Central American Bank for Economic Integration, a Latin American issuer
- Best Deposit Product in Asia Pacific and Gulf States - Xtra\$aver (Asian Banker Journal - 2007)
- Best in Singapore (Structured Products Asia – 2008)
- Deal of the Year in Singapore (The Banker – 2008)
- Best Bank in Singapore (The Asset – 2009)
- Best Debt House in Singapore (The Asset - 2007, 2008, 2009, 2010)

- Best Trade Finance Bank in Singapore (Global Finance – 2007, 2008, 2009)
- Country Deal of the Year, Singapore (Islamic Finance News – 2009, 2010)
- Singapore Capital Markets Deal of the Year (IFR Asia – 2009)
- Retail Bank of the Year (Asian Banking and Finance – 2007, 2008)
- Best Branch Initiative - Vivo City branch (Asian Banking and Finance – 2007, 2008)
- Best Self-Service Initiative - Online banking (Asian Banking and Finance – 2008)
- Best Core Banking System Initiative - Virtual banking relationship centre (Asian Banking and Finance – 2008)
- Best Consumer Internet Bank, Singapore (Global Finance – 2010, 2011)
- Best Corporate/ Institutional Internet Bank in Singapore (Global Finance – 2010)
- Best Project Financing, Singapore (Asiamoney – 2010)
- Best Singapore Deal (FinanceAsia – 2010)
- Best Singapore Deal at the Islamic Finance Awards 2010 (The Asset – 2010)
- Country Deal of the Year, Singapore (Asiamoney – 2011)
- Best Payments Product – Pay Any Card (The Asian Banker – 2011)
- Service Excellence Award, Best in Category – Breeze (Banking and Payments Asia – 2011)

Corporate / Sustainability

- Best Corporate and Employee Citizenship Award (HRM – 2008, 2009)
- Leader in HR practices (Singapore HR Awards)
 - *Learning and Human Capital Development (2009, 2010)*
 - *Talent Management, Retention and Succession Planning(2009, 2010)*
 - *Performance Management (Special Mention) (2009, 2010)*
 - *Regional/International/Global HR practices (Special Mention) (2009, 2010)*
 - *Corporate Social Responsibility (2009, 2010, 2011)*
- Best Graduate Development Practices and Fair Employment Practices (HRM – 2010)
- President's Social Service Award 2008
- National Volunteerism and Philanthropy Centre Corporate Citizen Award for Volunteerism 2009
- Silver Award for Best Community Programme (Global CSR Award 2010)
- Special Commendation Prize for Learning and Talent Development (Asian Human Capital Award 2010)