

# press release

## **Standard Chartered to pilot industry's first blockchain-based smart guarantees in trade finance**

*Collaborating with Siemens Financial Services and TradeIX to create a self-executing smart guarantees proposition*

**Dubai, 29 August 2018** – Standard Chartered announced today a collaboration with Siemens Financial Services, the financing arm of Siemens, and TradeIX, a digital trade provider, to carry out an industry-first client pilot to create an end-to-end blockchain-based smart guarantees proposition in trade finance. With a view to transform the traditionally paper intensive Bank Guarantees business, this is the first blockchain client pilot that fully digitises the process, from initiation of the bank guarantee to the claim handling.

**Motasim Iqbal, Head, Transaction Banking UAE, Standard Chartered**, said, "This is an industry-defining solution which we believe will transform the way guarantees are issued and processed in the UAE. Siemens Financial Services has been a key partner for us to build and develop this pilot on the distributed ledger and we believe that this technology can further be harnessed by the Dubai Smart City initiative."

Unlike a letter of credit which involves multiple parties, performance details and over 100 pages of documents, a commercial bank guarantee is a much simpler instrument to digitise. This solution will enable Siemens to digitise its guarantee process for customers with large transaction volumes in the future, spanning issuance, amendments and claims, eliminating the multiple touch-points and inefficiencies which are inherent in the paper intensive process today.

**Michael Bueker, Chief Financial Officer, Siemens LLC** said, "While digitalisation is revolutionising whole industries, incorporating digital trade finance solution into our daily operations is an important step. Especially at Siemens, as a digitalisation pioneer, this move is part of our strategic mission of going digital in all arenas. This will streamline our processes and make our trade finance operations smoother, faster and more efficient. We are delighted to partner with Standard Chartered in leading such game-changing transformation which will help our customers go digital in their guarantee and claim processes and achieve higher efficiency."

The pilot started in March 2018 and will be fully completed later this year. The proposition is based on auto-executing smart contracts, leveraging the Corda Distributed Ledger and application layer provided by TradelIX.

**Rob Barnes, TradelIX** said, “We believe that global trade is at the cusp of multi-level digital transformation which will revolutionise the entire business and operating model. As the platform provider, we are excited to be involved with Standard Chartered and Siemens Financial Services to help script this journey and bring the power of the distributed ledger to solve the challenges facing today’s trade ecosystem.”

**Samuel Mathew, Global Head, Trade Products, Standard Chartered**, said, “The future of trade is going to be all about data. To this end, we are excited to be the first in the industry to co-create this solution with Siemens Financial Services and explore innovative ways on how we can digitise trade and leverage real-time data to deliver efficiency gains and transform the way trade finance is conducted. Technology is core to Standard Chartered’s strategy and we remain fully committed to delivering the next generation of best-in-class trade products to facilitate trade flows for our clients across Asia, Africa and the Middle East.”

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## **About Siemens AG**

Siemens AG (Berlin and Munich) is a global technology powerhouse that has stood for engineering excellence, innovation, quality, reliability and internationality for 170 years. The company is active around the globe, focusing on the areas of electrification, automation and digitalization. One of the world’s largest producers of energy-efficient, resource-saving technologies, Siemens is a leading supplier of efficient power generation and power transmission solutions and a pioneer in infrastructure solutions as well as automation, drive and software solutions for industry. With its publicly listed subsidiary Siemens Healthineers AG, the company is also a leading provider of medical imaging equipment – such as computed tomography and magnetic resonance imaging systems – and a leader in laboratory diagnostics as well as clinical IT. In fiscal 2017, which ended on September 30, 2017, Siemens generated revenue of €83.0 billion and net income of €6.2 billion. At the end of September 2017, the company had around 377,000 employees worldwide. Further information is available on the Internet at [www.siemens.com](http://www.siemens.com).

## **About TradelIX**

TradelIX is rewiring the \$8 trillion trade finance market with the TradelIX Platform providing applications, technology tools, and core infrastructure for the trade finance ecosystem. The TradelIX Platform enables trade finance parties to more easily, flexibly and efficiently connect to the broader trade finance market, including suppliers, buyers, service providers, B2B networks, credit underwriters and financial institutions. The Platform provides benefits to all trade finance parties through enhanced funding opportunities, lower cost and reduced risk. For more information visit: [www.tradeix.com](http://www.tradeix.com).

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**Standard Chartered**

We are a leading international banking group, with a presence in more than 60 of the world's most dynamic markets. Our purpose is to drive commerce and prosperity through our unique diversity, and 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.

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