

COMMERCIAL BANKING

International markets

Whether you are an exporter or importer, entering new markets can bring significant rewards. We have the experience and expertise to support your international trade ambitions.



LLOYDS BANK

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Seizing the benefits of international trade

We can help you expand your horizons

UK products, services and expertise are in demand across the globe, and businesses of all sizes can benefit from cross-border trade. So whether you are an exporter or importer, entering new markets can bring significant rewards.

Expanding into new markets and territories can help your business:

- Achieve greater levels of growth
- Extend the commercial lifespan of your products and services
- Increase your return on investment in research and development
- Bolster your brand recognition potentially leading to interest from new investors
- Diversify, reducing your reliance on a single market or currency to potentially make it easier to weather a downturn.

By sourcing from more countries you can:

- Reduce risk to your business by increasing your supplier pool
- Potentially source products more cost-effectively
- Build a competitive advantage through increasing your customer base or reducing your costs.

85%

85% of companies say exporting has led to a level of growth not otherwise possible.

Source: <https://www.exportingisgreat.gov.uk/>



5,000

We have committed to support an extra 5,000
businesses to trade internationally every year until 2020

Source: Lloyds Banking Group



Exploring global opportunities

Experience and expertise to help you trade internationally

Strategic approach

We can support you in building a targeted trade strategy to meet the challenges you may face, providing you with the flexibility to seize business opportunities, while mitigating risk.

Whether you're new to trading overseas or a more experienced global business, we have the expertise to help you maximise opportunities. We'll help you connect to new markets, with funding options to support your working capital cycle, solutions to reduce your exposure and tools to simplify day-to-day logistics.

UK strength, global reach

We have pledged to back UK businesses of all sizes with the support they need to unlock growth and compete globally. We can support your ambitions in the UK, Europe and beyond, delivering the services and guidance you need through our offices in Europe, North America and Singapore, and a network of partner banks in over 100 countries.

Built on a personal relationship

A strong, knowledgeable and experienced support team can be the key to breaking into new markets successfully. You'll benefit from the personal support of your Relationship Manager and a dedicated international team local to you. They'll share insight and help build the knowledge and confidence you need to succeed.

Backing your international ambitions

We're committed to supporting UK businesses abroad

Working in partnership with the Department for International Trade

As part of our commitment to helping UK businesses succeed globally, Lloyds Banking Group is working in partnership with the Department for International Trade (DIT), to support 5,000 new exporters each year until 2020, and to create a UK Directory of Exporters which will connect UK exporters with importers around the world.

This partnership will help us support international trade and investment by:

- Supporting UK exports to reach 1 trillion pounds by 2020
- Increasing the number of businesses we help to trade internationally to 75,000 by 2017
- Backing work to double the UK's stock of foreign investment by 2020.

96%

The UK accounts for 4% of global GDP. That leaves 96% of the world to aim for.

Source: <https://www.exportingisgreat.gov.uk/new/>



British manufactured goods are in huge demand from overseas marketplaces.

The new facility from Lloyds Bank will be instrumental in helping businesses mitigate the risks involved when working with customers that use different currencies and work to longer time frames, leaving us well placed to continue enhancing our product line and exploiting developing markets.

Andrew Elsby-Smith

Group Finance Director, Amtico International



An aerial photograph of Rio de Janeiro, Brazil, taken during the golden hour of sunset. The Christ the Redeemer statue is silhouetted against the sky atop Corcovado Mountain. The city's dense urban landscape is visible, with numerous high-rise buildings. In the foreground, a cable car is suspended from cables, moving across the frame. The bay below is filled with many sailboats. The overall atmosphere is warm and scenic.

10,000+

In 2016, we helped over 10,000 to export for first time.

Source: Lloyds Banking Group.

Supporting you through your trade cycle

Turning the global market into your local market

Global opportunities, local knowledge

Our team at Lloyds Bank can help you to understand local & global market conditions, commercial terms and common risks that you need to be aware of. With our support and insight, combined with our close relationships with industry bodies and a network of local banks we can help you:

- Discover what drives customer demand in potential markets
- Understand the regulatory, political and economic risks associated with specific countries
- Identify the factors that influence local customers' decision-making processes – is it price, quality, brand reputation or something else entirely?
- Analyse the competitive landscape
- Identify and mitigate areas of risk.

Risk management

Our team of specialists can work with you to help you identify, quantify and manage the risks associated with international trade. Areas of consideration are:

- Settlement risk: if you or your supplier has concerns as to credit risk of parties involved, ability to make payment
- Counterparty risk: ensure the goods are what you asked for, of the right quality and arrive in time
- Currency risk: importing and exporting overseas inherently brings exchange rate risk, be that securing the cost of goods or remaining competitive

There are a range of solutions we can help you with to mitigate these risks, giving you confidence and comfort when entering into new areas of growth.

* DG Market is one of the largest procurement portals in the world providing access to government and development agency contracts and tenders. TED (Tenders Electronic Daily) is the online version of the 'Supplement to the Official Journal' of the EU, dedicated to European public procurement

Financial security

We can provide an analysis of the typical trade cycle and payment terms in your target market to help you understand:

- Your trading partners' typical terms of trade, for example, open account, letters of credit
- The preferred payment method and currency
- How you can improve certainty of payment
- Review optimal currencies for payments.

We can then support you with services to meet these terms, helping you close the financial gaps within your trade cycle and reduce the risks to your business. We can also help you assess the creditworthiness of potential customers or the ability of a new supplier to deliver.



INTERNATIONAL TRADE PORTAL

Opportunities for international trade are growing. Our International Trade Portal offers you a powerful, easy to use gateway to exploring those opportunities.

Key benefits:

- Identify potential buyers and suppliers, and explore worldwide business opportunities sourced by the Department for International Trade, DG Market, TED and others.*
- Comprehensive country and market information.
- Identify the best market for their product or service.
- Information on customs, local regulations and standards.
- Calculate and optimise shipping costs.
- Sanctions checks on potential suppliers and clients.
- Access to the latest industry and market reports.
- Links to trade shows and networks for each country and industry.
- Customisable alerts based on user preferences.

<http://www.lloydsbanktrade.com/>

Managing currencies

Reducing Exposure to Foreign Exchange

Volatility in financial markets can affect every UK commercial business either directly or indirectly. Be that through Importing, Exporting, Investment or Financing - they all create risk to your bottom line.

Our regional team of financial risk managers will help you identify, quantify and manage your risks. With our support and expertise, we can help you:

- Understand how currency exposure can impact your business
- Show how an FX risk management policy can assist you in making financial forecasts with greater confidence
- Manage your cash flow more effectively

Situations where Foreign Exchange may occur:

- Tendering & negotiation of overseas contracts
- Importing or exporting goods
- Overseas acquisitions and disposals
- Overseas repatriation or distribution of funds
- Creation or repayment of debt in alternative currency to GBP

Dependent on your contractual terms and risk appetite, we can explore different strategies and solutions with you.

Our services can help you access the market, from same day conversion, through to securing future dated requirements via a comprehensive suite of solutions.

We can facilitate simple trades which will give you certainty of a fixed conversion rate for a future date, as well as more flexible instruments. Giving you both protection at a known exchange rate, and the ability to participate from favourable market movements.

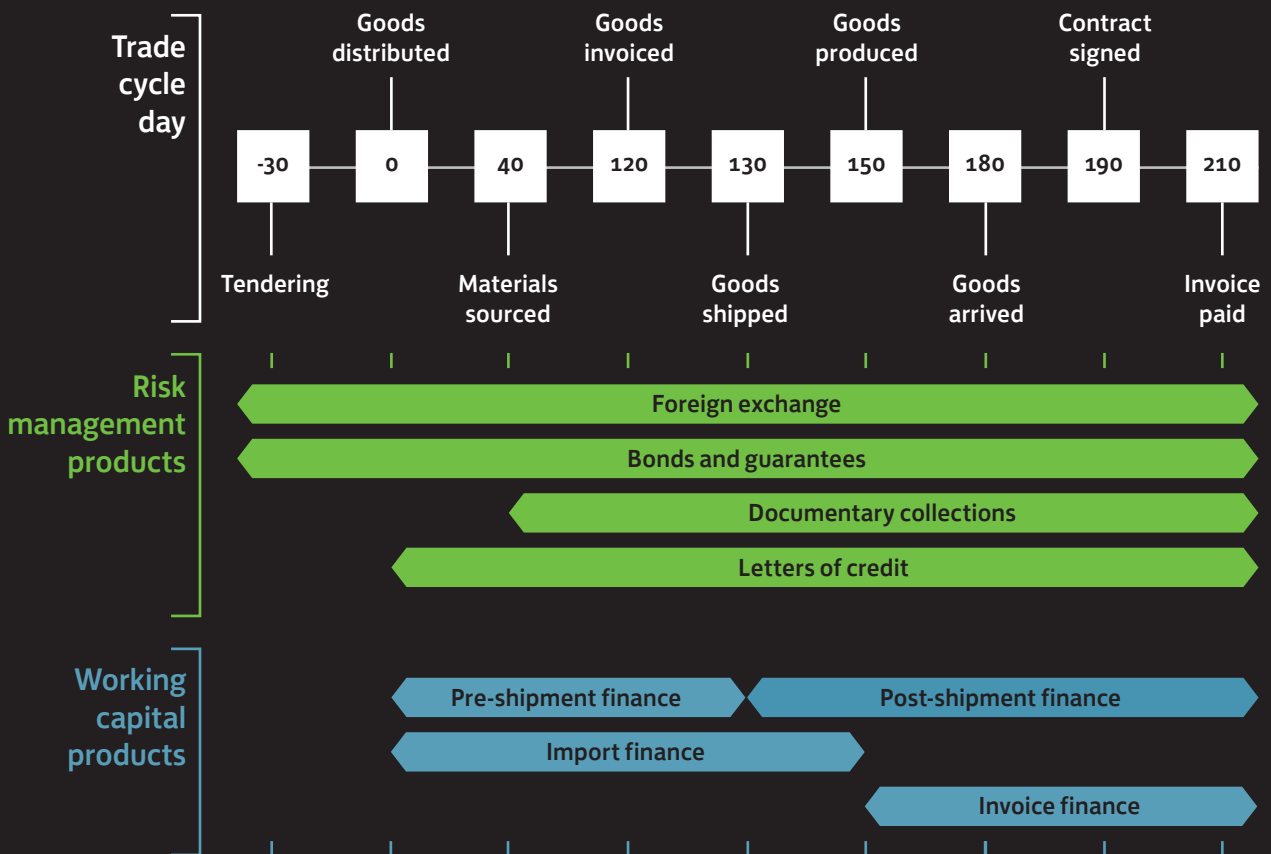
Whether over the phone, face to face, through our video technology or via our e-platform, we'll ensure it's easy and straightforward to execute your foreign currency exchange needs.

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100+

Send international payments
to over 100 countries online

Working Capital and Risk Management solutions



Meeting the challenges of new global markets

Solutions to mitigate the risks of trading overseas

Entering new markets may bring increased opportunities. We can help you reduce the risk to your business so you can take full advantage of these opportunities.

Bonds and Guarantees

Issued by the guarantor (usually the seller's bank), the guarantee provides that the bank undertakes to pay the buyer an agreed amount of compensation if the seller fails to deliver the goods or services as described in the contract.

The benefits are:

- For the seller, creditworthiness with the buyer is strengthened and better terms and conditions of the trade agreement may be negotiated.
- For the buyer, it is a reliable, efficient and convenient instrument for protecting against trade risk, e.g. withdrawal by the seller from the transaction or refusal to deliver the services.

Different types of guarantees can be used throughout the trade cycle, supporting your ability to perform under a contract or meet payment obligations. They may also be used to underpin any bid to win new business.

Documentary Collections

We act as an intermediary to collect payment from the buyer in exchange for the transfer of documents relating to the supply of goods by your company. Documentary collections provide protection and a certain level of security for both seller and buyer. They are straightforward and cost-effective to use, making them a reliable way to send and receive international trade payments with your trusted trading partners.

Documentary Letters of Credit*

These provide a more secure method of settling your international transactions. Payment will be made if the transaction is carried out according to the terms of the Letter of Credit.

As an **importer**, you can benefit by:

- Ensuring that goods are delivered according to your contract terms and reducing your risk
- Potentially negotiating better prices with suppliers as payment is guaranteed by your bank.

As an **exporter**, you can benefit by:

- Reducing the risk of non-payment for goods sold and shipped
- Unlocking funds if payment is due 'at sight'
- Financing your contract with buyers.

* Documentary Letters of Credit are subject to internationally agreed trade rules (ICC Uniform Customs and Practice for Documentary Credits).

Support for your working capital

Finance solutions to strengthen your trade cycle

We can provide a range of trade finance options to help mitigate the risks involved whilst optimising your working capital and realising the financial benefits of global commerce.

Working Capital

We know how vital it is to effectively manage working capital. When trading overseas, transactions can take longer, and production and shipping times can increase. These, as well as any cultural differences and trading terms, can all put additional pressure on your working capital.

By managing your working capital efficiently you can:

- Reduce risk in your business
- Unlock your cash potentials
- Streamline your operations
- Maximise the financial benefits of global commerce.

Our relationship managers know how important this is, and have been trained in understanding clients' core working capital requirements. This expertise, coupled with a wide range of tools, enables us to talk to you in detail about your creditor, inventory and debtor cycles. By discussing your business in depth we are able to understand your pressure points and ensure that the solutions we offer you are fit for purpose.



We can help you source the working capital you need to produce and ship the goods.



Trade Finance

Pre-shipment finance – if you have a confirmed order from a quality buyer supported by a documentary credit, we may be able to advance you the working capital you need to produce and ship the goods. This can help you agree new contracts with confidence and support your business growth.

Post-shipment finance – after you have shipped the goods to your customer we may be able to advance payment. This will provide you with funds to support further operations without having to await customer settlement.

Import finance – we can provide short-term finance linked to your trading cycle. This can help you pay your suppliers promptly (possibly to secure favourable terms) whilst having access to funds to support any further development or re-selling process.

Invoice Finance

To help you to improve your credit management and free up cash flow to support business growth.

UK Export Finance

Lloyds Bank participates in the UK Export Finance (UKEF) scheme, offering products to support UK businesses trading internationally, including the Bond Support Scheme that guarantees up to 80% of bond value, subject to availability, and the Export Working Capital Scheme to help businesses with cash flow for international contracts.



UK Export
Finance

Our tools put you in control

Efficient options to help maximise trade

We can support your international trade with a wide range of online tools and services designed to help you make payments or receive money as efficiently and securely as possible.

Online banking services

Our online banking services provide you with the visibility and capabilities your business needs to manage your international payments on a day-to-day basis. You can benefit from flexible authorisation settings and will have access to a number of reporting options. Your statement information will be available to view and download.

Trading in China

If you're importing from, or exporting to, China, your business needs to be able to trade in one of the world's key currencies, the Renminbi (RMB).

We offer a full range of RMB services to help you trade in this key market:

Payments capability – Payments can be made on your behalf to mainland China and to offshore accounts.

RMB currency accounts – Allow you to receive and hold Renminbi, pending currency conversion or subsequent outward payment.

Foreign exchange facilities – Manage currency risk, transact spot deals and bespoke currency risk management trades. We'll work with you to develop a risk approach that works for your business.

International Cash Management

We can help you determine the best approach to your payment management – and as a key member of all major UK and European payment schemes we can support all your transactional needs.

Our Sterling and currency payment services are flexible and cost-effective, helping you to streamline your domestic and international payment processes in a secure environment:

Commercial cards – support your working capital management, automate your payments and make it easier to reclaim VAT.

Single Euro Payment Area (SEPA) products – SEPA currently consists of 35 European countries: the EU member states plus Iceland, Liechtenstein, Monaco, Norway, San Marino and Switzerland. Payment solutions within SEPA include:

- **SEPA Credit Transfer** – a straightforward cross-border solution that can help you to establish trade relationships with new customers in the Eurozone.
- **SEPA Direct Debits** – provides a way to accept and make direct debit payments in Euros. It can help reduce operational costs, simplify processing and strengthen cash management forecasting.

Currency and cross-border flows – our currency capabilities are extensive, including 38 major international trading currencies used by the UK's import and export community.

We offer the option to transact through our online system, Arena, or by phone via our dedicated foreign exchange teams.

Virtual Bank Service – an in-country receivables management service that offers an easy and cost effective way to manage receivables in Europe and the US without the need to set up a new account.

Our tools continued

Efficient options to help maximise trade

Lloyds Online Trade Services

Lloyds Online Trade Services (LOTS) provides you with control and visibility over your trade transactions, allowing you to monitor, operate and control your international transactions when it suits you:

- Secure real-time online trade services at your fingertips
- View all trade activity in one, customised management information dashboard
- Manage workflows efficiently by monitoring tasks and transactions online
- Access frequently updated news and reports from our trade services team
- Manage documentary credits (buying or selling), documentary collections, guarantees and standby letters of credit all in one place.

Arena

Arena is our comprehensive e-solution combining foreign exchange and money markets trading with economic insight. It offers you access to the data, tools and economic research that matter to you, in a secure online environment:

- Get valuable economic insight and analysis for the best view of the markets
- Access fast, efficient Foreign Exchange and Money Markets trading at your fingertips
- Customise pre and post trading tools to support your trading decision.

www.lloydsbankcommercial.com/arena

Economics & Market Insight

In today's fast changing and dynamic markets, it's more important than ever to make informed decisions.

Our suite of economic reports and market intelligence provide leading insights, considered views and sound forecasts to help you respond to market developments with confidence.

From macroeconomics, FX, commodities and interest rates markets, we'll keep you connected to developments.

Choose from daily, weekly, monthly and market-driven reports. Receive invitations to live calls around key market events. Stay current with our views and analysis. Know what's happening and what to look out for.

Business resource centre

Our online business resource centre features content, tailored by business leaders and industry specialists, to help you build the knowledge to achieve your business ambition.

Our service promise. If you experience a problem, we will always try to resolve it as quickly as possible. Please bring it to the attention of any member of staff. Our complaints procedures for businesses with an annual turnover of up to £25m are published at lloydsbank.com/business/contactus and for businesses with an annual turnover of £25m or more they can be found at lloydsbankcommercial.com/contactus

I want to trade internationally

 Go to lloydsbank.com/commercialbanking

 Speak to your relationship team

Please contact us if you would like this information in an alternative format such as Braille, large print or audio.

If you have a hearing or speech impairment you can use the Next Generation Text (NGT) Service (previously Text Relay/Typetalk).

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