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27 November 2015

To: Holders of Standard Chartered Indian Depository Receipts ("IDRs")

Dear IDR Holder

## **Standard Chartered PLC (the "Company") Rights Issue**

### ***Introduction***

On 3 November 2015, the Company announced that it would be raising approximately £3.3 billion (net of expenses) by way of a rights issue of 2 new Standard Chartered shares for every 7 existing Standard Chartered shares at an issue price of 465 pence per new share (the "**Rights Issue**"). We are writing to you in our capacity as depository for the IDRs to explain what we are intending to do with your rights under the Rights Issue.

### ***Background***

The Company announced in the first week of November that it was seeking certain regulatory approvals and clarifications to enable it to extend the Rights Issue to IDR holders. The Company needed clarity in respect of, and exemptions from, certain regulations in India so that any Rights Issue to IDR holders could run in tandem with the Rights Issue in the United Kingdom and Hong Kong.

The Company has been unable to resolve all of the procedural impediments so as to enable an offer to IDR holders to be made within the timeframe prescribed for the United Kingdom and Hong Kong offers. As a result, the Company is not in a position to be able to extend the Rights Issue to the IDR holders.

### ***Proposed course of action***

Even though holders of IDRs are not able to take up new Standard Chartered shares under the Rights Issue, they do have an indirect entitlement to rights under the Rights Issue on the basis of IDRs held on 1 December 2015. This date is the record date, set in accordance with Indian listing rules, for determining entitlements under the Rights Issue. IDR holders together have an entitlement to rights to acquire 1,714,285 new Standard Chartered shares.

We are proposing to arrange for the sale in the United Kingdom of the rights of holders of IDRs as soon as reasonably practicable commencing on 2 December 2015, being the date immediately following the record date for IDR holders.

We have appointed J.P. Morgan Securities plc and Merrill Lynch International to execute sales on our behalf (together, the "**Joint Global Coordinators**").

The Joint Global Coordinators have agreed to use reasonable endeavours to find buyers in the market for the rights at a price per right that is at a premium to expenses incurred in the sale (including any applicable brokerage, currency conversion costs and commissions, transaction levies, trading fees and commissions and amounts in respect of VAT).

Entitlements of holders of IDRs will be based on the total amount received from the sale of all of the rights.

We have arranged for the Joint Global Coordinators to notify us on a daily basis of sales effected and of the total sale proceeds on that day. In accordance with the market rules in the United Kingdom, settlement for sale transactions will take place on the business day after the sales have been executed. The proceeds of such sales will be applied in meeting the expenses of procuring that sale, and the balance will be distributed to the Bank of New York Mellon, in its capacity as custodian, which is the shareholder of record for the Standard Chartered shares underlying the IDRs. The proceeds will be further distributed to us.

These sale proceeds will be received by us in Pounds Sterling. As required by the terms and conditions of the IDRs, we will convert these proceeds into Indian Rupees. We are proposing to effect this conversion after deduction of the fee referred to below and on the basis of the Pounds Sterling/Indian Rupees rate of exchange as derived from the Reserve Bank of India website on the day following the last day of completion of the sale of rights.

If the Joint Global Coordinators are unable to find buyers in the market before 10 December 2015, for any rights at a premium to the expenses of sale described above, any remaining rights will lapse (and holders of IDRs will not have any entitlement in respect of lapsed rights). In that case, the Joint Global Coordinators have agreed with the Company that they will use reasonable endeavours to find buyers in the market for the new Standard Chartered shares represented by the lapsed rights if they can be sold at a premium to 465 pence per new Standard Chartered share and the expenses of sale. If this is not possible, IDR holders will not have any entitlement as regards the new Standard Chartered shares represented by lapsed rights.

### **Standard Chartered Bank**

Securities Services  
Crescenzo, Floor 3, C-38/39  
G-Block, Bandra Kurla Complex  
Bandra (East), Mumbai, 400051

Incorporated in England with limited liability by Royal Charter 1853 Reference Number ZC18  
The Principal Office of the Company is situated in the U.K.



Once all the rights and, if applicable, new Standard Chartered shares have been sold, the total net proceeds converted into Indian Rupees as described above, will be distributed *pro rata* to holders of IDRs entitled thereto within 15 business days of the completion of the sale.

#### **Fee**

Under the terms and conditions of the IDRs, we are entitled to deduct a fee for our services in relation to the sale of the rights to new Standard Chartered shares. In accordance with the terms and conditions of the IDRs, this fee will be deducted from the proceeds of sale of the rights to new Standard Chartered shares and, if applicable, the proceeds of sale of new Standard Chartered shares, before these are distributed to holders of IDRs entitled to them.

#### **Taxation**

Holders of IDRs are recommended to consult their own professional adviser as to the tax consequences for them of the sale of their rights to new Standard Chartered shares and, if applicable, the sale of new Standard Chartered shares as described in this letter.

#### **General**

An expected timetable of principal events is set out below. Further information is available on the Company's IDR website at <http://investors.sc.com/en/idr.cfm>, or by contacting Karvy Computershare Private Limited at No. 040 – 67161506 or No. 040 – 67161559. The information on the Company's IDR website is solely for holders of IDRs and for information only.

Persons in the United States, Canada, South Africa, India (other than holders of IDRs, in their capacity as such), the UAE or Malaysia will be unable to access the Prospectus and other information in relation to the Rights Issue through the Company's IDR website.

Yours sincerely,



Rajesh M Sharma  
Standard Chartered Bank, India

#### **EXPECTED TIMETABLE OF PRINCIPAL EVENTS FOR HOLDERS OF IDRS**

30 November 2015	<b>IDRs marked “ex-rights” by the Bombay Stock Exchange/National Stock Exchange of India</b>
1 December 2015	<b>Record date for entitlements of holders of IDRs under the Rights Issue</b>
As soon as reasonably practicable from 2 December 2015	<b>Sales of rights of holders of IDRs to new shares commence</b>
11 December 2015	<b>Sales of relevant new shares represented by the rights of IDR holders that have not been sold in nil paid form</b>
Within 15 business days of the sale of rights/new shares	<b>Distribution of net proceeds of sale of rights or as applicable net proceeds of sale of any shares to holders of IDRs in accordance with the Deposit Agreement and the terms and conditions of IDRs</b>

***This letter does not constitute an offer for sale of securities of the Company in the United States, Canada, South Africa, India, the UAE or Malaysia or any other jurisdiction and is for information purposes only. Such securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration thereunder.***