

## Driving investment, trade and the creation of wealth across Asia, Africa and the Middle East

# Dividend Terms and Conditions

### **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**PLEASE KEEP HOLD OF THIS DOCUMENT AS IT APPLIES TO ALL FUTURE DIVIDEND PAYMENTS UNLESS WE INFORM YOU OTHERWISE. YOU WILL NOT BE SENT ANOTHER COPY AT THE NEXT DIVIDEND UNLESS THERE HAS BEEN A CHANGE TO THE TERMS AND CONDITIONS.**

Extra copies can be downloaded from our website <http://investors.standardchartered.com/en/dividend.cfm>

This document is for use by the holders of ordinary shares in Standard Chartered PLC. Holders of Standard Chartered PLC's Indian Depository Receipts are not entitled to participate in the proposals referred to in this document.

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STANDARD CHARTERED PLC (Stock Code: 02888)

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All references to 'dividend' in this document relate to any dividend announced by Standard Chartered PLC (the 'Company') including the interim dividend and final dividend. This document should be read in conjunction with the dividend document for the current dividend (the 'Dividend Circular') which is issued in relation to each dividend and can be downloaded from the Company's website <http://investors.standardchartered.com/en/dividend.cfm>. All references to specific dates (eg Record Date) are in relation to the dates displayed in the Dividend Circular.

## 1. Summary

To be entitled to the dividend you must have held ordinary shares in the Company at the opening of business (Hong Kong time) on the Record Date. You have the following choices on how to receive your dividend:

Option 1: **Share dividend offer.** You may choose to receive your cash dividend in new fully paid ordinary shares ('new shares').

Option 2: **Hong Kong dollar cash dividend.** Hong Kong registered shareholders will automatically receive their cash dividend in Hong Kong dollars, unless they have a standing instruction in place to receive it in US dollars, sterling or as new shares.

Option 3: **Cash dividend in other currency.** Hong Kong registered shareholders may choose to receive their cash dividend in US dollars or sterling.

You can arrange to have a standing instruction in place for any of the above options, which will be honoured for all future dividends. If you sell some of your ordinary shares or buy more, your standing instruction will apply to your new shareholding as long as they are registered in the same share account.

For further details on each of these options please see pages 3 to 4 of this document.

## 2. Terms of the share dividend offer

You may choose to receive new shares instead of some or all of the cash dividend.

The number of new shares that you are entitled to receive under the share dividend offer is based on the US dollar equivalent of the share dividend price. The share dividend price is the average of the middle market quotations for the Company's ordinary shares on the London Stock Exchange for the five dealing days commencing the day on which the Company's ordinary shares were first quoted ex-dividend. The US dollar equivalent of the share dividend price is calculated using the sterling/US dollar forward exchange rate at or around the fifth dealing day after the ex-dividend date.

To qualify for the share dividend you need to have held enough ordinary shares on the Record Date. The required number of shares for each dividend can be calculated by dividing the share dividend reference price by the share dividend amount and then rounding it up to a whole share (this figure will be displayed in the current Dividend Circular). If you held insufficient ordinary shares on the Record Date and/or the cash value of your dividend (including any residual cash balances brought forward from previous dividends) is less than the offer price for a new share, you will not be able to receive the share dividend and your dividend will be paid to you in cash unless you have a standing instruction in place to receive new shares, in which case your dividend payment will be carried forward without interest and added to the next dividend payment (unless you choose to give it to charity - please refer to the current Dividend Circular).

If the value of your cash dividend (plus any residual cash balance brought forward from a previous share dividend offer) is more than the share dividend price, and if you have a standing instruction in place, you will receive the share dividend. Any cash balance left over will be carried forward without interest to the next dividend payment (unless you choose to give it to charity - please refer to the current Dividend Circular).

You can only receive a whole number of new shares. We will not issue fractions of a share. If you choose to receive new shares for only some of your dividend, the rest will be paid to you in cash. The cash part of your dividend will be paid in Hong Kong dollars unless you ask for it to be paid in US dollars or sterling.

Once we receive your election form for the current dividend, you cannot cancel or amend it. However, if you make your election online you will be able to log on to our branch registrar's Investor Centre to update, cancel and/or amend your standing instruction at any time up to the Election Deadline Date when your final instructions must be recorded. For further details on how to do this please see page 5 of this document. Please contact our branch registrar at 2862 8555 or email to [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk) in advance before register with the Investor Centre.

## 3. Deciding whether to elect for, or continue to elect for, the share dividend

When deciding whether you want to receive your dividend in cash or in new shares, please remember that the price of the Company's shares can go down as well as up and that the value of a Standard Chartered PLC ordinary share on the date on which the then prevailing US dollar/Hong Kong dollar and US dollar/sterling forward exchange rates are used for calculating the Hong Kong dollar and sterling cash dividend may be lower or higher than the share dividend price (due to share price movement and/or movement in the US dollar/Hong Kong dollar exchange rate and/or movement in the US dollar/sterling exchange rate). Whether or not it is to your advantage to elect to receive new shares or payment in Hong Kong dollars, US dollars or sterling is a matter for individual decision by each shareholder. The Company does not accept any responsibility for your decision. If you are not sure what to do, please contact an appropriate independent professional adviser.

## 4. What to do

### a) If you want to receive your dividend in new shares

If you have a standing instruction in place to receive new shares and want to continue receiving your dividends in the same way, no further action is required. We will automatically give you your dividend in new shares.

If you do not have a standing instruction in place and you wish to receive the new shares available to you under the share dividend offer, you can log on to our branch registrar's Investor Centre to update, cancel and/or amend your standing instructions at any time up to the Election Deadline Date when your final instructions must be recorded. For further details on how to do this please see page 5 of this document. If you are not able to do this electronically, you can complete the election form and send it to our branch registrar to be received by the Election Deadline Date (see page 5 for contact details and further details on how to do this). If your instructions are not received by our branch registrar by the specified deadline in the current Dividend Circular, your cash dividend will be paid to you in Hong Kong dollars or in accordance with your existing standing instructions.

We cannot issue fractions of a share so you may have a small amount of cash left over after receiving your new shares (the 'Cash Balance'). We will carry this Cash Balance forward to the next dividend payment, unless you choose to give it to charity (please refer to the current Dividend Circular).

If you set up a standing instruction, we will send you a statement when the next dividend is paid which shows the number of shares registered in your name that qualify for the dividend, the number of new shares you will receive and the amount of any cash balances carried forward. If you have chosen to communicate with the Company electronically this information will be sent to you by email and/or made available through our branch registrar's Investor Centre. We will inform you on how you can access this information.

**b) *If you want to receive your dividend in Hong Kong dollars***

If you are a Hong Kong registered shareholder, you will automatically receive your cash dividend in Hong Kong dollars, which is the default currency provided you do not have a standing instruction in place to receive your dividend in new shares, US dollars or sterling.

If you have a standing instruction in place to receive your dividend in new shares, US dollars or sterling, but wish to receive your cash dividend in Hong Kong dollars, you can log on to our branch registrar's Investor Centre to update, cancel and/or amend your standing instruction at any time up to the Election Deadline Date when your final instructions must be recorded. For further details on how to do this please see page 5 of this document. If you are not able to do this electronically, you can write to our branch registrar to cancel your existing standing instruction but your correspondence must be received by the Election Deadline Date (see page 5 for contact details and further details of how to do this).

If you want your cash dividend paid directly into a Hong Kong dollar account, we can arrange this for you, provided your account is held with a bank in Hong Kong. Please register your changes to your mandate online at [www.computershare.com/hk/investors](http://www.computershare.com/hk/investors) or contact our branch registrar at 2862 8555 or email to [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk) for a mandate form (see page 5 for contact details).

The cash dividend is quoted in US dollars and the amount that you will receive in Hong Kong dollars is calculated by using the forward US dollar/Hong Kong dollar exchange rate (the date and source for this calculation will be published in the current Dividend Circular and made available on our website at <http://investors.standardchartered.com/en/dividend.cfm>).

**c) *If you want to receive your dividend in US dollars or sterling***

If you have a standing instruction in place to receive your cash dividend in US dollars or sterling and want to continue receiving your dividends in the same way, no further action is required.

If you hold shares on the main UK register you will automatically receive your cash dividend in sterling which is the default currency for shareholders on the main UK share register.

If you are a Hong Kong registered shareholder and if you want to receive your dividend in US dollars or sterling, you can log on to our branch registrar's Investor Centre to update, cancel and/or amend your standing instructions at any time up to the Election Deadline Date when your final instructions must be recorded. For further details on how to do this please see page 5 of this document. If you are not able to do this electronically, you can complete the election form and send it to our branch registrar to be received by the Election Deadline Date (see page 5 for contact details). If your instructions are not received by our branch registrar by the specified deadline in the current Dividend Circular, your cash dividend will be paid to you in Hong Kong dollars or in accordance with your existing standing instruction.

The cash dividend is quoted in US dollars and the amount that you will receive in sterling is calculated by using the forward US dollar/sterling exchange rate (the date and source for this calculation will be published in the current Dividend Circular and made available on our website at <http://investors.standardchartered.com/en/dividend.cfm>).

Your currency instruction will remain in force until (i) you advise our branch registrar in writing to cancel or amend it, (ii) you sell or transfer your shareholding, or (iii) the facility is withdrawn by the directors.

**d) *If you want to receive your dividend partly in new shares and the rest in cash***

You are unable to have a standing instruction in place to receive dividends partly in new shares and the rest in cash. This will need to be elected at each dividend.

If you wish to receive your dividend partly in new shares and the rest in cash, you can log on to our branch registrar's Investor Centre to update, cancel and/or amend your standing instructions at any time up to the Election Deadline Date when your final instructions must be recorded. For further details on how to do this please see page 5 of this document. If you are not able to do this electronically, you can complete the election form and send it to our branch registrar to be received by the Election Deadline Date (see page 5 for contact details). If your instructions are not received by our branch registrar by the specified deadline in the current Dividend Circular, your cash dividend will be paid to you in Hong Kong dollars or in accordance with your existing standing instruction.

The cash part of your dividend will be paid in Hong Kong dollars unless you elect to receive it in US dollars or sterling. The cash dividend is quoted in US dollars and the amount that you will receive in sterling or Hong Kong dollars is calculated by using the forward exchange rates (the date and source for this calculation will be published in the current Dividend Circular and made available on our website at <http://investors.standardchartered.com/en/dividend.cfm>).

**5. General information**

**a) *Multiple shareholdings***

If, for any reason, your shareholding is recorded in the Company's register of members in more than one share account and as a result you have received more than one election form or website notification letter then, unless you are able to make arrangements with our branch registrar to have your holdings consolidated before the Election Deadline Date, they will be treated as separate holdings and you should complete separate election forms for each holding. Equally, if you are submitting your elections electronically, you will need to do this for each shareholder account.

**b) *Electronic elections (Investor Centre)***

Making elections online not only reduces our impact on the environment but it offers you an instant and secure system for submitting your elections. By using this facility you avoid the risk of your forms being lost in the post and missing the deadline for the share dividend. It also allows you to make changes to your elections online provided your final instructions are received by the Election Deadline Date.

You can make your election for the dividend electronically by first registering at the Investor Centre website [www.computershare.com/hk/investors](http://www.computershare.com/hk/investors). **Please contact our branch registrar at 2862 8555 or email to [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk) in advance before register with the Investor Centre (by using the website link above and clicking on 'Register') without delay as you may need to receive an activation code which is issued to safeguard your interests. For security purposes the code will be sent to you by post.** Once registered you can make your dividend election by selecting 'Dividend Plans' which must be received no later than the Election Deadline Date.

In addition to the above, you can also choose the currency in which you would like your dividends to be paid and amend and/or cancel your existing standing instruction through our branch registrar's Investor Centre. You can make changes to your standing instruction throughout the period of the share dividend offer through the website provided that your final instructions are submitted by the Election Deadline Date.

If you have any difficulty in using the website, please contact the branch registrar at [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk).

**c) *Sending in your printed election form***

If you prefer to use printed election forms, please return the election form to our branch registrar (contact details below). If you have not received a printed election form, please contact our branch registrar and one will be sent to you. All forms and letters are sent at your own risk. We are not able to acknowledge receipt. If our branch registrar does not receive your form in time, we will send you your dividend in accordance with your existing standing instruction. Please note that once your election form for the relevant dividend has been received by our branch registrar, you will not be able to cancel or amend it.

**d) *Branch Registrar's details and helpline***

Our branch registrar is Computershare Hong Kong Investor Services Limited. All written communication can be sent to them at **Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong**. If you have any questions about the dividend arrangements, please call our shareholders' helpline between 9.00am and 6.00pm (HK time) Monday to Friday, excluding Hong Kong public holidays. The telephone number is **2862 8555**. The helpline will not be able to give you advice on the merits of the share dividend offer or any financial advice. If you need financial advice you will need to contact an appropriate independent professional adviser.

**e) *If you have recently bought or sold shares***

If you bought the Company's shares on or after the Ex Dividend Date you are not entitled to the dividend on them.

If you bought or sold shares in the Company before the Ex Dividend Date, and this is not reflected in the number of shares shown on your election form or statement of shareholding, you should contact the person who arranged the purchase or sale without delay. Appropriate arrangements can then be made to transfer the dividend.

**f) *Payment of your dividends into a bank account***

We can also arrange for dividend payments to be paid directly into a Hong Kong dollar bank account provided the account is held with a bank in Hong Kong. You can register your mandate instructions online at [www.computershare.com/hk/investors](http://www.computershare.com/hk/investors) or contact our branch registrar at 2862 8555 or email to [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk) for a mandate form.

**g) *Payment of cash balances***

Any accumulated cash balances will be sent to you (without interest) if:

- you sell all of your shares
- you choose to receive some or all of your dividend in cash
- you cancel your standing instruction
- you write to our branch registrar and ask them to send it to you

**6. *Cancelling and altering your standing instruction***

***Cancellation***

- You can cancel your existing standing instruction online by visiting our branch registrar's Investor Centre at [www.computershare.com/hk/investors](http://www.computershare.com/hk/investors) (and once registered selecting 'Dividend Plans'). Instructions must be received by the Election Deadline Date or you will receive your dividend payment in accordance with your existing standing instruction.
- Alternatively you may cancel your standing instruction by writing to our branch registrar who must receive your letter by the Election Deadline Date. If they do not receive your instructions by this date you will receive your dividend payment in accordance with your existing standing instruction.
- We will automatically cancel a standing instruction if we are advised a shareholder has died.
- We will automatically cancel your standing instruction if you sell or transfer all of your shares.

***Alteration***

- You can alter your existing standing instruction online by visiting our branch registrar's Investor Centre at [www.computershare.com/hk/investors](http://www.computershare.com/hk/investors) (and once registered selecting 'Dividend Plans'). Changes can be made to your instructions throughout the share dividend offer period but you must ensure your final instructions are received by the Election Deadline Date.
- Alternatively, you may alter your standing instruction in writing. You must first write to our branch registrar to cancel your existing standing instruction, this letter must arrive at our branch registrar no later than seven working days prior to the Election Deadline Date. You must then complete and return your new election form to our branch registrar by the Election Deadline Date. Please note that once your printed election form for this dividend has been received by our branch registrar you will not be able to cancel or amend it.

If your instructions are received after the dates set out above, your dividends will be paid to you in accordance with your existing standing instruction.

## **7. Cancellation of the share dividend offer**

The directors may cancel the share dividend offer in accordance with the relevant provisions of the articles of association of the Company at any time before the new shares have been issued. If the directors decide to do this, we will advise you.

## **8. Tax**

Details of the tax implications for you if you choose to receive the share dividend and are Hong Kong resident are given in the current Dividend Circular.

If you are unsure about how your tax position is affected, please contact an appropriate independent professional adviser.

## **9. Overseas shareholders**

### ***General***

If you live outside Hong Kong this document is only an invitation for you to take up the share dividend offer if it could be made to you where you live without the Company having to meet any legal or registration requirements.

It is your responsibility to make sure that any legal requirements are met and/or that any necessary agreements are obtained.

All references to time in this document are to Hong Kong time, unless otherwise indicated.

In the case of any conflict between any translation and the English version of this document, the English text shall prevail.

**You can view or download this document from the Company's website at <http://investors.standardchartered.com/en/dividend.cfm>.**

**However, if you would like a paper copy of this document and the election form, copies will be available from our branch registrar. To request a copy, please call the shareholder helpline (see page 5 for contact details).**

### ***United States ('US') shareholders***

The share dividend is available to shareholders who live in the US. However, the Company's shares have not been registered under the United States Securities Act of 1933 (as amended) (the 'Securities Act') or under the law of any state in the US. Shares may not be sold or transferred to anyone in the US unless an exemption from registration is available. Shares may be sold or transferred outside the US in accordance with Regulation S under the Securities Act. An individual person resident in California may not receive the share dividend. Any entity located in California that chooses to elect for the share dividend in so choosing represents that it is an institutional investor of one of the following types: any bank, savings and loan association or savings institution, trust company, insurance company, investment company registered under the Investment Company Act of 1940, pension or profit-sharing plan or trust (other than a self-employed individual retirement account), a qualified institutional buyer as defined in Rule 144A, a 501(c)(3) organisation that has total assets of not less than US\$5 million, any corporation with a net worth on a consolidated basis of not less than US\$14 million, any wholly-owned subsidiary of any of the foregoing federal, state and local governments, government agencies and instrumentalities.

If you are a US shareholder you should consider the possible tax consequences described in the current Dividend Circular.

### ***Canadian shareholders***

The share dividend is available to shareholders who live in Canada. However, you may not sell or transfer the shares in certain provinces of Canada unless such a sale is covered by an exemption from the appropriate provincial securities legislation.

# Examples

Note: the examples below are for illustrative purposes only.

- **The example cash dividend is 25 US cents per share.**
- **The example price of one new share (under the share dividend) is US\$30.**
- **A holding of 1,500 shares is assumed in the following examples.**
- **Nil cash balance brought forward from previous dividend is assumed.**

## Example 1

**You choose to receive all of your dividend in new shares.**

Cash value of your dividend =  
 1,500 shares x 25 US¢ = US\$375  
 Number of new shares = US\$375\* ÷ US\$30 = 12.5 new shares  
 Rounded down to 12 new shares

Value of new shares = 12 x US\$30 = US\$360  
 Cash balance = US\$375 – US\$360 = US\$15

In this case the cash balance of US\$15 will be carried forward to the next dividend or, if you choose, paid to charity.

\*Add this to any cash balance brought forward from the previous dividend.

## Example 2

**You choose to receive the share dividend on only 750 of your shares.**

Cash value of your dividend =  
 750 shares x 25 US¢ = US\$187.50  
 Number of new shares = US\$187.50 ÷ US\$30 = 6.25 new shares  
 Rounded down to 6 new shares  
 Value of new shares = 6 x US\$30 = US\$180  
 Cash balance = US\$187.50 – US\$180 = US\$7.50

In this case, unless you have asked to receive your cash balance in US dollars or sterling, the cash balance of US\$7.50 will be added to your cash dividend and US\$195 will be converted to Hong Kong dollars and paid to you by cheque or direct into your bank account if you have completed a mandate form.

## Example 3

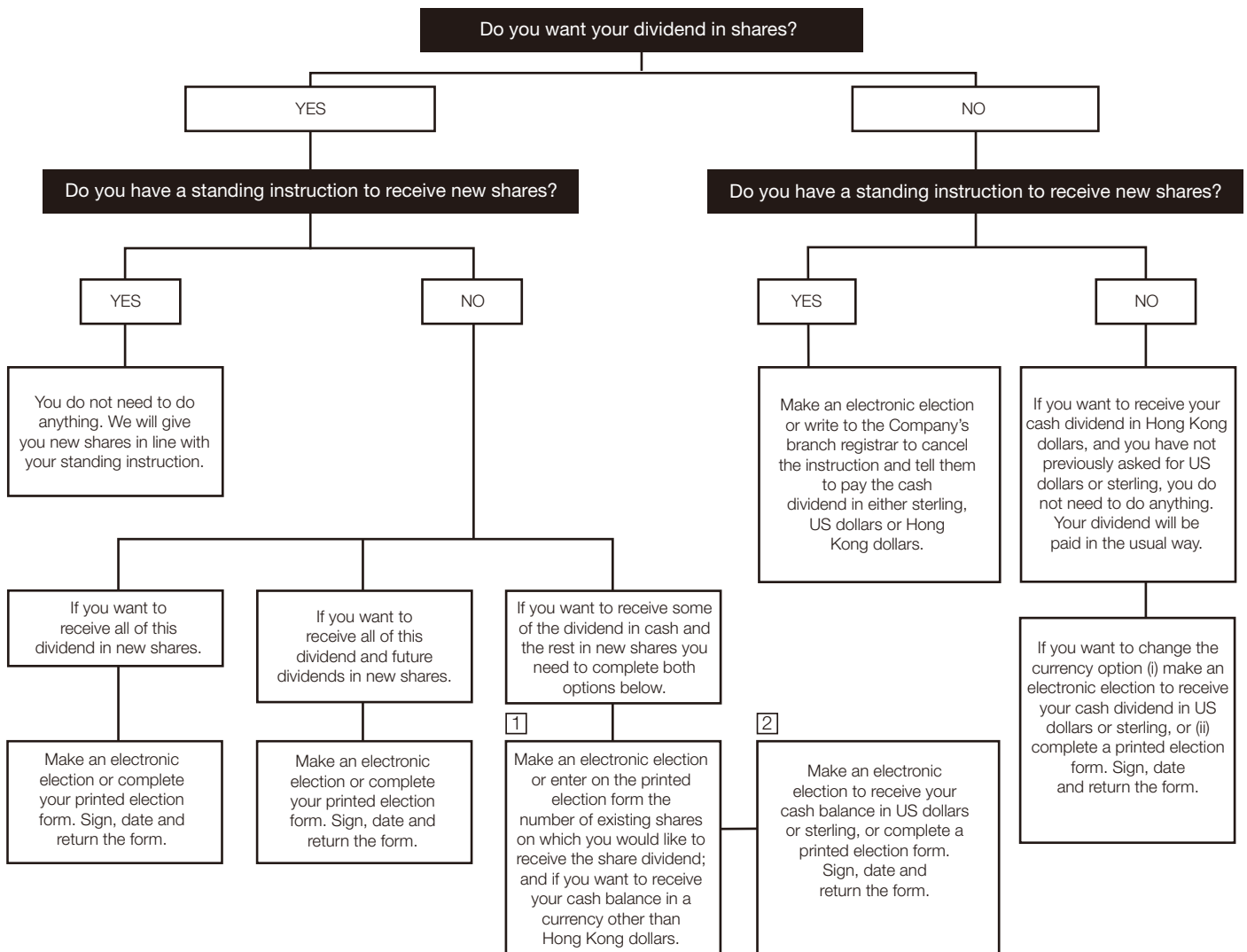
**You wish to receive all of your dividend in cash in Hong Kong dollars.**

You do not need to do anything unless you have previously put a standing instruction in place to receive new shares, US dollars or sterling for all of your future dividends. You will then need to cancel the standing instruction electronically or by writing to our registrars to be received by them by the Election Deadline Date.

## Example 4

**You wish to receive new shares for this dividend and all future dividends.**

If you have not yet put a standing instruction in place, please make an electronic election or complete the election form.



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