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**These Q&As describe certain implications of the Standard Chartered PLC rights issue for holders of Indian Depository Receipts. These Q&As do 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 are 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.**

## **STANDARD CHARTERED PLC RIGHTS ISSUE INDIAN DEPOSITORY RECEIPTS (IDR) Q&As**

1.	<p><b>Q. (i) Are IDR holders able to participate in the rights issue? Why not?</b></p> <p>A. (i) No, there are procedural impediments preventing Standard Chartered PLC (the “<b>Company</b>”) from making a rights issue available to holders of Indian depository receipts (“<b>IDRs</b>”). Certain procedural requirements in India cannot be complied with within the timeframe available for the corresponding rights issue in the United Kingdom and Hong Kong. It has not been possible for the Company to fully resolve these procedural impediments, which would result in significant timing implications on the rights issue of shares in the United Kingdom and Hong Kong. It is therefore not practicable for the Company to extend the rights offering to the IDR holders.</p> <p><b>Q. (ii) Are Standard Chartered Bank (SCB) India employees who hold IDRs able to participate in the rights issue?</b></p> <p>A. (ii) Employees of Standard Chartered Bank, India, whether they hold shares or IDRs, cannot participate in the rights issue.</p> <p><b>Q. (iii) Does this restriction apply only to IDR holders? Can Indian investors holding shares of the Company participate?</b></p> <p>A. (iii) For legal reasons Indian investors (including Indian employees), other than Indian ‘qualified institutional investors’, holding shares of the Company cannot participate in the rights issue.</p>
2.	<p><b>Q. (i) What dilution will IDR holders encounter?</b></p> <p>A. (i) IDR holders will have their proportionate shareholdings in the Company diluted by approximately 22.22 per cent.</p> <p><b>Q. (ii) Are there any mechanisms to avoid this dilution?</b></p> <p>A. (ii) This dilution cannot be avoided.</p>

3.	<p><b><i>Q. (i) Why are IDR holders being treated differently compared to the rest of the investors?</i></b></p> <p>A. (i) As stated above, the Company is not able to extend the rights issue to the IDR holders, due to certain procedural constrains. IDR holders are entitled to the rights to Standard Chartered shares, even if they cannot take these up. IDR holders together have an entitlement to 1,714,285 new Standard Chartered shares, and for the purposes of equitable treatment, this indirect entitlement of the IDR holders to the underlying Standard Chartered shares will be sold and the proceeds (above the UK rights issue price and net of fees, foreign exchange costs and other expenses) will be distributed in Indian Rupees <i>pro rata</i> to the holders of IDRs based on their respective holdings on the record date. Shareholders of the Company in certain other jurisdictions, such as the United States, Canada, South Africa, India, the UAE and Malaysia are also not entitled to participate in the rights issue for various reasons.</p> <p><b><i>Q. (ii) Why has the Company taken the decision not to extend the rights issue to IDR holders on 18 November, after making the initial announcement on 3 November?</i></b></p> <p>A. (ii) The record date for the IDR rights offering and the manner in which such rights would be extended to the IDR holders would have had to have been determined prior to the publication of the prospectus for the rights offering in the United Kingdom and Hong Kong. As was previously announced, this prospectus was to be published on 18 November 2015. Unfortunately, it has not been possible for the Company to fully resolve certain procedural impediments in relation to fixing the record date for IDR holders for making the rights issue or, as a result, the manner in which such rights issue would be extended to the IDR holders within the time available.</p>
4.	<p><b><i>Q. What is the reaction of SEBI, RBI and the Stock Exchanges on the decision of the Company to not extend the rights offering to the IDR holders?</i></b></p> <p>A. The Company has specifically informed SEBI of this development and the reasons as to why it is impracticable to conduct the rights offering to the IDR holders, specifically the procedural issues it has been facing as well as the impact on the overall rights issue by the Company of any extension in the record date. The Company has also specifically informed the RBI in this regard.</p> <p>The Company has sent suitable announcements to both BSE and NSE, after informing them about the procedural concerns in extending the issue to the IDR holders and discussing the Company's proposal to provide the cash-out option to the IDR holders, in light of the overall rights issue timelines.</p>

5. **Q. (i) Will I receive any rights entitlements?**

A. (i) You will not receive any rights entitlements. However, if you are on the IDR register as at 1 December 2015 (the IDR record date) you will have an indirect entitlement to the rights but you will not be able to take this up. IDR holders together have an entitlement to 1,714,285 new Standard Chartered shares. These rights will be sold in accordance with the process described below.

**Q. (ii) When will the depository sell my rights?**

A. (ii) The terms of the Deposit Agreement do not require the sale of rights at a specific time. It is intended that sales of the rights of the IDR holders to the new Standard Chartered shares will take place in the UK as soon as reasonably practicable, commencing on 2 December 2015, being the date immediately following the record date for IDR holders. Once all the rights are sold, the net proceeds from the sales will be distributed pro rata to IDR holders.

**Q. (iii) What is the process for the sale of the rights?**

A. (iii) The depository has appointed J.P. Morgan Securities plc and Merrill Lynch International (the "Joint Global Coordinators") to execute the sales of nil paid rights on its behalf. The aim is to sell all the rights on a single day. If volumes do not allow this, the sale of rights will be executed over as many days as are required during the offer period. The Joint Global Coordinators have agreed to use reasonable endeavours to procure purchasers for all or as many of such rights as is practical, for a price per right that is at a premium to expenses incurred in the sale. The net proceeds will be distributed to the custodian for the IDR Programme as the UK shareholder. The proceeds will be further distributed to the Domestic Depository for the IDR Programme, which will distribute the proceeds, net of fees, foreign exchange costs and other expenses, to the IDR holders in accordance with the Deposit Agreement.

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.

**Q. (iv) How will the proceeds be converted into Indian Rupees?**

A. (iv) The net proceeds, if any, will be converted on the basis of the Pounds Sterling/Indian Rupees rate of exchange as derived from the Reserve Bank of India website at the close of business in India on the day following the last day of completion of the sale of rights.

**Q. (v) When will I get the proceeds?**

A. (v) The net proceeds, if any, will be paid to you 15 business days after the sale of all the rights (or underlying shares) is completed.

**Q. (vi) Will I be charged fees?**

A. (vi) Under the terms and conditions of the IDRs, the Domestic Depository is entitled to deduct a fee for services in relation to the sale of the rights to new Standard Chartered shares. This fee will be US\$ 0.00457 for every new Standard Chartered share represented by IDRs. This fee will be converted to sterling using the spot US dollar/Pounds Sterling rate of exchange as quoted by Standard Chartered Bank at the close of business in London on the same day as the Pounds Sterling proceeds of the sale of rights are converted into Indian Rupees.

**Q. (vii) How much money will I get?**

A. (vii) The amount of proceeds that you receive will depend on your holding of IDRs and your share of the fee for selling the rights (or underlying shares). If the rights (or underlying shares) cannot be sold for an amount that is greater than their exercise price plus the costs of sale and the domestic depository's fee, you will not receive any payment for your entitlement.

6.	<p><b>Q. (i) Will the rights issue change the 10:1 ratio of IDRs to the Standard Chartered shares?</b></p> <p>A (i) The ratio will not change.</p> <p><b>Q. (ii) Will there be more IDRs issued?</b></p> <p>A. (ii) Further IDRs will not be issued as a result of this rights issue.</p>
7.	<p><b>Q. Will the Company pay compensation to the IDR holders?</b></p> <p>A. No. IDR holders will receive their share of the net proceeds of sale of the rights to acquire new shares.</p>
8.	<p><b>Q. What actions should IDR holders take now?</b></p> <p>A. No action is required to be taken.</p>
9.	<p><b>Q. On what basis has the entitlement of IDR holders been calculated?</b></p> <p>A. Every 10 IDRs represents 1 Standard Chartered share; the rights issue is on the basis of 2 new Standard Chartered shares for every 7 Standard Chartered shares held. There are 6,000,000 Standard Chartered shares in the IDR programme. Thus, for IDR holders the total entitlement is 1,714,285 new Standard Chartered shares. This entitlement cannot be taken up and will be sold in the manner prescribed above.</p>

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