

Dear Indian Depository Receipt Holder,

March 16, 2020

Re: Termination of the IDR Programme by Standard Chartered Plc

As you are aware, Standard Chartered PLC (the “**Company**”) issued 240,000,000 Indian Depository Receipts (the “**IDRs**”) with every 10 IDRs representing one ordinary share of US\$ 0.50 nominal value (the “**Shares**”) of the Company, in June 2010 (the “**IDR Program**”).

The purpose of this communication is to inform you that in accordance with the Deposit Agreement dated May 8, 2010 entered into between the Company and Standard Chartered Bank, Mumbai (the “**Domestic Depository**”) and as amended from time to time (the “**Deposit Agreement**”), and the terms and conditions of the IDRs, as disclosed in the Prospectus issued by the Company on May 31, 2010 (the “**IDR Terms**”), the Company has now decided to terminate the IDR Programme, and consequently delist the outstanding IDRs from BSE Limited and The National Stock Exchange of India Limited (the “**Indian Stock Exchanges**”).

Separately, on February 28, 2020, the Company announced that it would commence a share buy-back from March 2, 2020, pursuant to which the Company would repurchase up to a maximum aggregate value of USD 500 million of its Shares (the “**Buy-back**”). In this respect, the Company has entered into an irrevocable, non-discretionary agreement with J.P. Morgan Securities plc (“**JPMS**”) to enable the purchase of Shares on UK recognized investment exchanges (the “**UK RIEs**”), including the London Stock Exchange (the “**LSE**”) and/or CBOE Europe Equities, by it, acting as principal, from March 2, 2020 and the on-sale of such Shares by JPMS to the Company. The Buy-back will continue (while regulatory approval remains in place) until the earlier of (i) May 14, 2020; or (ii) the date on which Shares worth the maximum consideration of USD 500 million have been purchased. The company is providing the option to the holders of outstanding IDRs (the “**IDR Holders**”) to participate in the Buy-back process, as a part of this Termination Process.

The Company has received a letter dated March 6, 2020 from the Securities and Exchange Board of India approving (subject to conditions stated therein) the Termination Process.

Termination Process – Key Steps

We have set out below key steps of the Termination Process, with respect to the IDR Program:

1. **Termination Notice by the Company:**

In terms of the Deposit Agreement and the IDR Terms, the Company has the option of terminating the Deposit Agreement by providing at least ninety (90) days’ notice to the Domestic Depository and the Overseas Custodian.

The Company has issued a termination notice of ninety (90) days’, on March 12, 2020 to the Domestic Depository and the Overseas Custodian, intimating them of its decision of terminating the Deposit Agreement and the IDR Programme, with such ninety (90) days’ period commencing from March 18, 2020. Accordingly, the notice period of ninety (90) days’ shall begin on March 18, 2020 and end on June 15, 2020 (the “**Notice Period**”). The Deposit Agreement shall stand terminated on June 15, 2020.

2. **Options with the IDR Holders during the Notice Period:**

As part of the submission of the form attached hereto (the “**Withdrawal Order**”), during the Notice Period, the IDR Holders may select either, or a combination of both, of the following options, in respect to some or all of their IDRs:

(i) *Option 1: Withdrawal of IDRs and consequent delivery of Shares to the IDR Holders (the “**Conversion Option**”)*

Under this option, the IDR Holders are entitled to receive the Shares underlying the IDRs submitted for redemption under this option. The IDR Holders will only be entitled to receive Shares under the withdrawal and delivery process to the extent permitted by all applicable laws.

In order to request for the redemption of the IDRs into Shares, the IDR Holders are required to have unencumbered title over the relevant IDRs and to open and have a valid and active CREST Account in the United Kingdom. The IDR Holders will be required to approach their respective stockbrokers for assistance in opening the CREST Account in the United Kingdom. Any Shares that are the subject of valid requests received from the IDR Holders pursuant to the submission of a Withdrawal Order, will be credited to the UK CREST client account details provided in the Withdrawal Order within a period of fifteen (15) Business Days from the date of receipt of such request.

(ii) *Option 2: Surrender of IDRs for sale of underlying Shares on the LSE and receipt of cash proceeds (the “Cash-out Option”)*

Under this option, during the Notice Period, the IDR Holders are entitled to surrender some or all of their IDRs for cash proceeds (after deducting applicable taxes and brokerage fees) from the sale of underlying Shares on the LSE. The Shares corresponding to the IDRs surrendered under the Cash-out Option by the IDR Holders would be offered for sale on the LSE in the open market, and such Shares may be purchased by JPMS under the Buy-back process or any third party outside the Buy-back process. The proceeds (net of brokerage fee and applicable taxes) of sale of the Shares shall be distributed to the IDR Holders by the Domestic Depository.

As stated above, the Buy-back will continue (while regulatory approval remains in place) until earlier of (i) May 14, 2020; or (ii) the date on which Shares worth the maximum consideration of USD 500 million (the “**Buy-back Headroom**”) have been purchased. The Shares purchased under the Buy-back will be cancelled by the Company.

The Buy-back Headroom is applicable only with respect to Shares that can be purchased JPMS on the UK RIEs as part of the Buy-back process. Please note that such Buy-Back Headroom is not applicable with respect to purchase of Shares by any third party (other than if JPMS is purchasing under the Buy-back process) on the LSE, pursuant to an open market purchase.

Since JPMS may purchase the Shares offered on the LSE only until the earlier of the date on which the Buy-back Headroom (i.e. USD 500 million) is reached or until May 14, 2020, the Shares offered on the LSE post such date shall not be purchased by JPMS under the Buy-back process, but can be purchased by any third party. Further, the IDRs surrendered under the Cash-out Option, vide, Withdrawal order submitted after June 12, 2020, shall be considered as ‘Sale IDRs’ (as defined below) and the Shares underlying such IDRs will be sold, on the LSE.

A fortnightly sale cycle will be followed under this option. The distribution of the net proceeds (i.e. post deduction of brokerage expenses incurred by the Domestic Depository and applicable taxes) for a sale undertaken in a week would likely take place within fifteen (15) Business Days from the end of such week. The IDR Holders do not require a CREST account for this option.

If at the end of the Notice Period, an IDR Holder does not submit a Withdrawal Order or does not select any of the options set out above or a combination thereof, in such case, the outstanding IDRs of such IDR Holder would be treated as ‘Sale IDRs’ (as defined below), and would be mandatorily sold on the LSE, alongside the Shares underlying any other outstanding IDRs after completion of the Notice Period in terms of sub-paragraph (5) below.

3. Delisting of the IDRs:

Immediately upon completion of the Notice Period, the Company will apply to the Indian Stock Exchanges for delisting of the IDRs such that the IDRs will cease to be listed on the Indian Stock Exchanges upon receipt of such approval, and post such delisting, no trading in the IDRs can be undertaken.

4. Record Date and Freezing of ISINs:

The third Business Day after the date of receipt of approval from the Indian Stock Exchanges for delisting of IDRs, shall be considered ‘record date’ (the “**Sale Record Date**”) for identification of IDR Holders of the outstanding IDRs, including the IDRs for which (a) no Withdrawal Order is submitted during the Notice Period; or (b) an invalid Withdrawal Order has been submitted during the Notice Period; or (c) Withdrawal Order is submitted after May 29, 2020, to the extent of IDRs surrendered under the Cash-out option; or (d) a Withdrawal Order is submitted selecting the Cash-out Option, but the Shares (all or part) underlying such IDRs could not be sold on the LSE, prior to the end of the Notice Period-to extent of the IDRs representing such unsold Shares (all such outstanding IDRs referred to as the “**Sale IDRs**”).

The National Securities Depositories Limited (“**NSDL**”) and the Central Depository Services (India) Limited (“**CDSL**”), and together with NSDL, referred to as “**Securities Depository(ies)**” shall freeze the ISINs of the Sale IDRs which are in dematerialised form, one (1) Business Day after the Sale Record Date.

5. Mandatory sale of the Sale IDRs:

The Domestic Depository shall arrange for (i) sale of the Shares underlying the Sale IDRs as soon as reasonably practicable, after the delisting, on the London Stock Exchange, at the prevailing market price, and (ii) the net proceeds (post deduction of brokerage expenses incurred by the Domestic Depository and applicable taxes) of such sale to be distributed to the IDR Holders in proportion to the number of Sale IDRs held by each IDR Holder.

The distribution of the net proceeds would likely take place within fifteen (15) Business Days of the completion of sale of all the Shares underlying all Sale IDRs.

With respect to the Sale IDRs which are subject to any encumbrance/ pledge as per records of the Security Depository(ies) (the “**Encumbered IDRs**”), the proportionate net proceeds (without any interest) shall be distributed after the release/ enforcement of the encumbrance over such Encumbered IDRs.

6. Extinguishment and cancellation of Sale IDRs:

Upon sale of all Shares underlying the Sale IDRs, the Domestic Depository shall issue instructions to the Registrar to cancel the Sale IDRs in certified form. Simultaneously, the Domestic Depository shall also intimate the Security Depositories to make necessary changes to the securities account of the relevant IDR Holders and extinguish the Sale IDRs held in demat form, except in the case of (i) Encumbered IDRs; and (ii) subject to suspension of the relevant demat account of the relevant IDR Holder (the “**Suspended Account**”). Once the changes are confirmed by the Security Depositories, the Domestic Depository shall forward such confirmation to the Registrar.

All Sale IDRs, which are Encumbered IDRs, shall stand extinguished/ cancelled immediately upon release/ enforcement of such encumbrance, and the net proceeds (without any interest, whatsoever) shall be distributed accordingly upon such release/ enforcement, as per the communication received by the Domestic Depository from the Registrar/ Security Depository. All Sale IDRs subject to a Suspended Account shall be extinguished / cancelled immediately upon such demat account ceasing to be suspended.

7. If there are any unclaimed proceeds lying with the Domestic Depository from the sale of Shares underlying the Sale IDRs, the Domestic Depository shall hold these in trust for twelve (12) years (from the date it has received such proceeds for distribution) to the relevant IDR Holder(s). After completion of a period of twelve (12) years, the Domestic Depository shall transfer an amount equal to that unclaimed distribution to the “Investor Protection and Education Fund” established pursuant to the Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009 (as amended/substituted from time to time).

Exercise of Conversion Option, Cash-out Option or both:

We have explained below the process by which you can exercise the Conversion Option, the Cash-out Option or a combination of both options (as the case may be):

1. You are entitled to withdraw/surrender your IDRs to exercise the Conversion Option, the Cash-out Option or combination of both options (as the case may be), within the Notice Period (i.e. from March 18, 2020 to June 15, 2020).
2. If you wish to do so, you must submit your request, in the form of the enclosed Withdrawal Order, during the Notice Period. Please note that such instructions will be irrevocable.

Please ensure that your instructions are delivered no later than 5.00 p.m. (Mumbai time) on June 15, 2020. Any instructions received after that point will not be processed.
3. **PLEASE NOTE THAT YOU NEED NOT PAY ANY STAMP DUTY ON THE WITHDRAWAL ORDER SUBMITTED BY YOU, IRRESPECTIVE OF THE OPTION SELECTED.**
4. Please note that the Domestic Depository has decided to waive the fee payable by you, vis’ a’ vis cancellation of IDRs.
5. A request for any of the option under the Withdrawal Order may only be made in respect of minimum 10 IDRs or multiples thereof.
6. Do not submit same set of IDRs under both the Conversion Option and the Cash-out Option – In such case, the Withdrawal Order may be rejected.
7. For exercising the Conversion Option, fill in **Part A** of the Withdrawal Order.

8. For exercising the Cash-out Option, fill in **Part B** of the Withdrawal Order.
9. For exercising both the Conversion Option and the Cash-out Option, fill in **Part A and Part B**, respectively, of the Withdrawal Order, provided the IDRs submitted under each of the options should be different.
10. If you hold IDRs in demat form, please attach the demat slip as received from your depository participant confirming transfer of IDRs from account to the SCPLC Termination Account.
11. You also need to attach a copy of PAN Card along with the Withdrawal Order.

The IDR Holders must ensure that the IDRs held by them are free of any encumbrance, prior to submitting a Withdrawal Order. Even if you are not submitting a Withdrawal Order, for the purpose of distribution of the net cash proceeds after sale of the Shares underlying the Sale IDRs, you must ensure that encumbrance, if any, over the IDRs held by you is released during the Notice Period.

The Company has advertised the implementation of the Termination Process for the IDR Holders, in all editions of Financial Express and Business Standard, English national daily newspapers; and all editions of Jansatta and Business Standard, Hindi national daily newspapers, on March 16, 2020.

In order to efficiently implement the Termination Process, the Deposit Agreement was amended pursuant to the amendment agreement dated March 12, 2020 between the Company and the Domestic Depository (the “**Amendment Agreement**”). A copy of the Amendment Agreement is available, on request, at the office of the Domestic Depository at Standard Chartered Bank, Securities Services, 23-25 MG Road, 3rd Floor, Fort, Mumbai 400 001.

To facilitate the the Termination Process, the Company has submitted the termination operating guidelines to the Indian Stock Exchanges (the “**Termination Operating Guidelines**”) on March 13, 2020. The Termination Operating Guidelines are also available on the Company’s website at <https://www.sc.com/en/investors/shareholder-information/indian-depository-receipts/idr-indian-depository-receipts/> and a copy may be obtained on request from the office of the Company at 1 Basinghall Avenue, London, EC2V 5DD, UK, the Domestic Depository at Standard Chartered Bank, 23/25 MG Road, 3rd Floor, Fort, Mumbai – 400 001, the Overseas Custodian at The Bank of New York Mellon, One Piccadilly Gardens, Manchester, M1 1RN, UK, and the Registrar at KFin Technologies Private Limited, Selenium Tower B, Plot Nos. 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032.

The Company has also addressed some likely questions concerning the termination of the IDR Programme and these are available at <https://www.sc.com/en/investors/shareholder-information/indian-depository-receipts/idr-indian-depository-receipts/> (the “**FAQs**”). **The IDR Holders are advised to read the FAQs along with the Termination Operating Guidelines, and copies of these are hereby enclosed with this letter.**

To address the queries of the IDR Holders, the Domestic Depository and the Registrar have set up dedicated telephone helplines, during the working hours (i.e. 9:00 am to 6:00 pm) on all working days, until completion of the Termination Process and six (6) months thereafter. The details of the dedicated telephonic lines are:

Domestic Depository: +91 (0)22 -6115-7854/ +91 (0)22 -6115-7758.

Registrar: 1800 3454 001

The aforesaid details of the help are also available on the Company’s website at <https://www.sc.com/en/investors/shareholder-information/indian-depository-receipts/idr-indian-depository-receipts/>.

Yours sincerely,

Vikas Tandon

Standard Chartered Bank, India

Encl:

1. *Format of Withdrawal Order*
2. *Termination Operating Guidelines*
3. *FAQs*