

## Standard Chartered PLC

### Notice of Annual General Meeting 2020

### Update and Resignation of Auditor

In light of restrictions put in place by the UK Government regarding the maximum number of attendees at meetings, we have decided to adopt further measures, in addition to those outlined in the enclosed Annual General Meeting (AGM) Notice, to streamline our AGM.

The AGM will now take place at our head office, 1 Basinghall Avenue, London EC2V 5DD, rather than at etc.venues, St.Paul's, as stated in the enclosed hard copy AGM notice and associated shareholder documentation. All references to etc. venues in the hard copy AGM notice and associated shareholder documentation should be read as references to our head office. The date and time of our AGM will remain 11:00am London time (6:00pm Hong Kong time) on Wednesday 6 May 2020.

**Shareholders are asked not to attend the AGM and instead vote in advance.**

Assuming government restrictions on the permitted size of gatherings remain in place, shareholders will not be permitted entry to the AGM. All shareholders should therefore vote in advance of the meeting. We aim to host a retail shareholder call later in the year at which shareholders will be able to ask the Board questions.

We are closely monitoring the impact of the novel coronavirus (Covid-19) in the United Kingdom. If it becomes necessary or appropriate to make further changes to the arrangements for the holding of the AGM, we will ensure that shareholders are given as much notice as possible. Further information will be available at [sc.com/en/investors/events-and-presentations/aggm](https://sc.com/en/investors/events-and-presentations/aggm).

#### Resignation of auditor

As announced on 9 November 2017, Standard Chartered PLC's (the Company's) Audit Committee oversaw a formal and comprehensive tender process for the appointment of the external auditor with a view to a new audit firm being appointed to audit the financial statements for the year ending 31 December 2020. Accordingly, shareholder approval will be sought to confirm the appointment of Ernst & Young LLP (EY) as auditor of the Company at this year's AGM. As outgoing auditor, KPMG has provided the Company with a statement of circumstances as required by company law and a copy of this statement is provided on the reverse.



**KPMG LLP**

15 Canada Square  
London E14 5GL  
United Kingdom

The Directors  
Standard Chartered PLC  
1 Basinghall Avenue  
London  
EC2V 5DD

27 March 2020

Ladies and Gentlemen,

**Statement to Standard Chartered PLC (no. 966425) on ceasing to hold office as auditors pursuant to section 519 of the Companies Act 2006**

The reason connected with our ceasing to hold office is the holding of a competitive tender for the audit, in which we were not invited to participate.

Yours faithfully,

A handwritten signature in blue ink that reads 'KPMG LLP'.

KPMG LLP  
Audit registration number: 9188307  
Audit registration address:  
15 Canada Square  
Canary Wharf, London E14 5GL

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## STANDARD CHARTERED PLC

渣打集團有限公司

(Incorporated as a public limited company in England and Wales with limited liability)

(Registered Number: 966425)

(Stock Code: 02888)

### Notice of Annual General Meeting 2020

This year's Annual General Meeting (AGM) will be held at etc.venues, St Paul's, 200 Aldersgate, London, EC1A 4HD on Wednesday 6 May 2020 at 11:00am UK time (6:00pm Hong Kong time). You will be asked to consider and, if thought fit, to pass the resolutions below.

Resolutions 1 to 23 (inclusive) are proposed as ordinary resolutions, which must each receive more than 50 per cent of the votes cast in order to be passed. Resolutions 24 to 30 (inclusive) are proposed as special resolutions, which must each receive at least 75 per cent of the votes cast in order to be passed. Please note that a 'vote withheld' is not a vote in law and will not be counted in the calculation of the proportion of votes 'for' or 'against' a resolution.

The results of the voting on the resolutions proposed at the AGM will be announced to the London Stock Exchange, The Stock Exchange of Hong Kong Limited, the National Stock Exchange of India Limited and the BSE Limited (Bombay Stock Exchange) and published on our website ([sc.com/en/investors/events-and-presentations/agm](http://sc.com/en/investors/events-and-presentations/agm)) as soon as possible after the conclusion of the meeting.

#### Resolution Summary:

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#### Ordinary Resolutions

##### Accounts, Dividend and Remuneration

Resolutions 1–3 ask that shareholders receive the Company's annual report, approve the payment of a final dividend, and the Directors' Remuneration Report.

#### 1. To receive the Company's annual report for the financial year ended 31 December 2019 together with the reports of the directors and auditors.

The directors are required under the Companies Act 2006 to present the reports of the directors and auditors of the Company, for each financial year (in this case for the year ended 31 December 2019), to shareholders at a general meeting.

## **2. To declare a final dividend of US\$0.20 per ordinary share for the year ended 31 December 2019.**

Final dividends must be approved by shareholders but cannot be more than the amount recommended by the directors. If the AGM approves resolution 2, the final dividend of US\$0.20 per ordinary share will be paid in either sterling, Hong Kong dollars or US dollars on 14 May 2020 to shareholders on the UK register of members at the close of business in the UK (10.00pm UK time) on 6 March 2020, and to shareholders on the Hong Kong branch register of members at the opening of business in Hong Kong (9.00am Hong Kong time) on 6 March 2020. The final dividend will be paid in Indian rupees on 14 May 2020 to Indian Depository Receipt holders on the Indian register of Indian Depository Receipt holders at the close of business in India on 6 March 2020.

### **2019 Final Dividend Options**

Shareholders on the UK register and Hong Kong branch register will receive their 2019 final year dividend as cash only. The options available for receiving your cash dividend and the arrangements for calculating and paying the cash dividend are set out on pages 27 to 29.

The cash dividend is quoted in US dollars and the amount that shareholders will receive in Hong Kong dollars is calculated by using the forward US dollar/Hong Kong dollar exchange rate as displayed on the appropriate page of the Bloomberg screen at or around 2.00pm (London time) on Tuesday 21 April 2020, which will be published on our website at [sc.com/en/investors/shareholder-information](http://sc.com/en/investors/shareholder-information).

Indian Depository Receipt holders will receive their dividend in Indian rupees. For further information, including dividend timetable, please see our website at: [sc.com/en/investors/shareholder-information](http://sc.com/en/investors/shareholder-information).

The Stock Exchange of Hong Kong Limited (the Stock Exchange) granted a waiver to the Company on 7 December 2011 from compliance with Rule 13.66(2) of the Rules Governing the Listing of Securities on the Stock Exchange and Note 3 thereunder relating to record dates for the Company's final dividends.

## **3. To approve the annual report on remuneration contained in the Directors' Remuneration Report for the year ended 31 December 2019 as set out on pages 108 to 137 of the 2019 annual report.**

The Directors' Remuneration Report sets out the pay and benefits received by each of the directors for the year ended 31 December 2019. The Company is required to seek shareholders' approval in respect of the contents of this report on an annual basis. The vote on the annual report on remuneration will be advisory.

### **Director's Election/Re-election**

*Resolutions 4–16 concern the election or re-election of the Company's Directors. All Directors are standing for election or re-election. (Ages of Directors are at the date of AGM.)*

In accordance with the UK Corporate Governance Code 2018 (the Code) all directors will stand for election or re-election at the AGM this year. The Board is satisfied that it continues to maintain an appropriate balance of knowledge and skills and that all non-executive directors are independent of Standard Chartered PLC. The Board has concluded that there are no circumstances likely to impair any individual non-executive director's judgement. This follows a process of formal evaluation which confirms that each director being proposed for election or re-election makes an effective and valuable contribution to the Board and demonstrates commitment to the role, and hence the Board is recommending each director's election or re-election.

Biographical details of our directors, which also indicate how each director contributes to the diversity of the Board, are set out on pages 3 to 9 of this document.

#### 4. To elect Phil Rivett (64), an independent non-executive director.

**Appointed:** It was announced on 19 March 2020 that Phil will be appointed to the Board of Standard Chartered on 6 May 2020. Phil will also be appointed to the Court of Standard Chartered Bank on the same date.

**Experience:** Phil has significant professional accountancy and audit experience, specifically focused in the financial services sector. He has a strong technical understanding and broad financial and business experience.

**Career:** Phil joined PricewaterhouseCoopers (PwC) as a graduate trainee accountant in 1976, becoming a Partner in 1986. He spent more than 30 years as a Partner at PwC and was lead relationship Partner for several large FTSE 100 companies including a number of international banks and financial services institutions. He also has substantial international experience, having worked with banks across the Middle East and Asia, in particular China. He became Leader of the Financial Services Assurance practice in 2007 and was appointed Chairman of its Global Financial Services Group in 2011. Phil has sat on a number of global financial services industry groups producing guidelines for best practice in governance, financial reporting and risk management. Phil holds a BSc in Physics from Imperial College, London.

**External Appointments:** Phil is an independent non-executive director of Nationwide Building Society, the world's largest building society.

**Committees:** Member of the Audit Committee and Board Risk Committee.

**Contribution:** Phil's in-depth knowledge and experience of the financial services sector, as well as his significant understanding of the regulatory and governance framework in the UK and overseas will bring additional, relevant accounting and financial experience to the Board, specifically in a banking and financial services context. The Board recommends Phil's election.

#### 5. To elect, David Tang (65), an independent non-executive director.

**Appointed:** June 2019. David was also appointed to the Court of Standard Chartered Bank in June 2019.

**Experience:** David has deep understanding and experience of emerging technologies in the context of some of our key markets, most notably mainland China.

**Career:** David has more than 30 years of international and Chinese operational experience in the technology and venture capital industries, covering venture investments, sales, marketing, business development, research & development and manufacturing. From 1989 to 2004, David held a number of senior positions in Apple, Digital Equipment Corp and 3Com based in China and across the Asia Pacific region. From 2004 to 2010, David held various positions in Nokia, including corporate senior vice president, chairman of Nokia Telecommunications Ltd and vice chairman of Nokia (China) Investment Co. Ltd. He went on to become senior vice president, regional president of Advanced Micro Devices (AMD), Greater China, before joining NGP (Nokia Growth Partners) as managing director and partner in 2013. David holds a bachelor's degree in Computer Science and Engineering and an MBA from California State University.

**External appointments:** David is managing director and partner of NGP in Beijing, managing investments in a range of technology start-up and emerging technology companies. David is also a non-executive director of YY Inc, the Chinese live streaming social media platform, listed on the Nasdaq, and Kingsoft Corporation, a leading Chinese software and internet services company, listed on the Hong Kong Stock Exchange.

**Committees:** Member of the Brand, Values and Conduct Committee.

**Contribution:** David's significant experience across emerging technology and venture capital industries, as well as an in-depth knowledge of the Asia Pacific region, reinforces the Group's ambition to continue to be a leading global innovator within the banking industry. This in turn supports the Group's strategic business plan through 2020 and beyond. The Board recommends David's election.

## 6. To re-elect David Conner (71), an independent non-executive director.

**Appointed:** January 2016. David was appointed to the Court of Standard Chartered Bank in April 2019.

**Experience:** David has significant global and corporate, investment and retail banking experience, strong risk management credentials and an in-depth knowledge of Asian markets.

**Career:** David spent his career in the financial services industry, living and working across Asia for 37 years, for both Citibank and OCBC Bank. He joined Citibank in 1976 as a management trainee and went on to hold a number of Asia-based senior management roles, including chief executive officer of Citibank India and managing director and marketing manager at Citibank Japan, before leaving Citibank in 2002. David joined OCBC Bank in Singapore as chief executive officer and director in 2002. He implemented a strategy of growth and led the bank through a period of significant turbulence. David stepped down as chief executive officer in 2012 but remained as a non-executive director on the board of OCBC Bank, before leaving the group in 2014. David holds a BA from Washington University in St Louis and a MBA from Columbia University.

**External Appointments:** David is a non-executive director of GasLog Ltd.

**Committees:** Chair of the Board Risk Committee and member of the Audit Committee, Governance and Nomination Committee and Board Financial Crime Risk Committee. In addition, David is a member of the Combined US Operations Risk Committee of Standard Chartered Bank.

**Contribution:** David's significant banking experience, combined with strong risk management expertise helps promote the Group's risk awareness as it operates throughout its markets. This in turn supports the Group's strategic business plan through 2020 and beyond. The Board recommends David's re-election.

## 7. To re-elect Byron Grote (72), an independent non-executive director.

**Appointed:** July 2014. Byron was appointed to the Court of Standard Chartered Bank in April 2019.

**Experience:** Byron has broad and deep commercial, financial and international experience.

**Career:** From 1988 to 2000, Byron worked across BP in a variety of commercial, operational and executive roles. He was appointed as chief executive of BP Chemicals and a managing director of BP plc in 2000 and had regional group-level accountability for BP's activities in Asia from 2001 to 2006. Byron was chief financial officer of BP plc from 2002 until 2011, subsequently serving as BP's executive vice president, corporate business activities, from 2012 to 2013, with responsibility for the group's integrated supply and trading activities, alternative energy, shipping and technology. Byron was a non-executive director at Unilever plc and Unilever NV before stepping down in 2015. Byron holds a PhD in Quantitative Analysis from Cornell University.

**External Appointments:** Byron is Senior Independent Director at Anglo American plc, a non-executive director of Tesco PLC and is deputy chairman of the supervisory board at Akzo Nobel NV. He is also a member of the European Audit Committee Leadership Network.

**Committees:** Member of the Audit Committee and Remuneration Committee.

**Contribution:** Byron's wealth of commercial, financial and international experience, combined with his work across key executive and non-executive roles for various companies, helps ensure the Group's strategy is aligned with its external commercial environment. This in turn supports the Group's strategic business plan through 2020 and beyond. The Board recommends Byron's re-election.

## 8. To re-elect Andy Halford (61), an executive director.

**Appointed:** July 2014. Andy was also appointed to the Court of Standard Chartered Bank in July 2014.

**Experience:** Andy has a strong finance background and deep experience of managing complex international businesses across dynamic and changing markets.

**Career:** Andy was finance director at East Midlands Electricity plc prior to joining Vodafone in 1999 as financial director for Vodafone Limited, the UK operating company. Andy was later appointed financial director for Vodafone's Northern Europe, Middle East and Africa region, and later the chief financial officer of Verizon Wireless in the US. He was a member of the board of representatives of the Verizon Wireless Partnership. Andy was appointed chief financial officer of Vodafone Group plc in 2005, a position he held for nine years. As Group Chief Financial Officer at Standard Chartered, Andy is responsible for Finance, Corporate Treasury, Strategy, Group Corporate Development, Group Investor Relations, Property and Supply Chain Management functions. He holds a bachelor's degree in Industrial Economics from Nottingham University and is a Fellow of the Institute of Chartered Accountants in England and Wales.

**External Appointments:** Andy is Senior Independent Director and Chair of the Audit Committee at Marks and Spencer Group plc. He is also a trustee of the Standard Chartered Foundation.

**Contribution:** Andy's comprehensive financial background and deep experience of managing complex businesses helps ensure there is strong financial management whilst setting Group strategy and ensuring long-term sustainability. The Board recommends Andy's re-election.

## 9. To re-elect Christine Hodgson, CBE (55), an independent non-executive director.

**Appointed:** September 2013 and Senior Independent Director in February 2018. Christine was appointed to the Court of Standard Chartered Bank in April 2019.

**Experience:** Christine has strong business leadership, finance, accounting and technology experience.

**Career:** Christine held a number of senior positions at Coopers & Lybrand and was corporate development director of Ronson plc before joining Capgemini in 1997, where she held a variety of roles, including chief financial officer for Capgemini UK plc and chief executive officer of technology services for North West Europe. Christine was previously a trustee of MacIntyre Care and was a non-executive director of Ladbrokes Coral Group plc. Christine is a Fellow of the Institute of Chartered Accountants in England and Wales and holds a first class honours degree from Loughborough University.

**External Appointments:** Christine is an independent non-executive director and chair designate of Severn Trent Plc. She will step down as chair of Capgemini UK plc in March 2020 and become chair of Severn Trent Plc in April 2020. Christine also sits on the board of The Prince of Wales' Business in the Community and is chair of The Careers & Enterprise Company Ltd, a government-backed company established to help inspire and prepare young people for the world of work. She received a CBE for services to education in the Queen's New Year Honours 2020.

**Committees:** Chair of the Remuneration Committee and member of the Audit Committee, Brand, Values and Conduct Committee, Governance and Nomination Committee and Board Financial Crime Risk Committee.

**Contribution:** Christine's strong experience across finance, accounting and technology industries, combined with a wealth of experience in leadership roles, helps provide oversight of the Group's business across its global network. This in turn supports the Group's strategic business plan through 2020 and beyond. The Board recommends Christine's re-election.



## 10. To re-elect Gay Huey Evans, OBE (65), an independent non-executive director.

**Appointed:** April 2015. Gay was appointed to the Court of Standard Chartered Bank in April 2019.

**Experience:** Gay has extensive banking and financial services experience with significant commercial and UK regulatory and governance experience.

**Career:** Gay spent over 30 years working within the financial services industry, the international capital markets and with the financial regulator. Gay spent seven years with the Financial Services Authority from 1998 to 2005, where she was director of markets division, capital markets sector leader, with responsibility for establishing a market-facing division for the supervision of market infrastructure, oversight of market conduct and developing markets policy. From 2005 to 2008, Gay held a number of roles at Citibank, including head of governance, Citi Alternative Investments, EMEA, before joining Barclays Capital where she was vice chair of investment banking and investment management. She was previously a non-executive director at Aviva plc and the London Stock Exchange Group plc. She received an OBE for services to financial services and diversity in 2016. Gay holds a BA in Economics from Bucknell University.

**External Appointments:** Gay is chair of the London Metal Exchange, a non-executive director of ConocoPhillips and Bank Itau BBA International plc, and a non-executive member of the HM Treasury board. Gay also sits on the panel of senior advisers at Chatham House.

**Committees:** Chair of the Board Financial Crime Risk Committee and member of the Board Risk Committee.

**Contribution:** Gay's substantial experience within banking and financial services, in addition to a deep knowledge of the UK regulatory and governance requirements, helps ensure the Group's strategy is aligned with its regulatory environment. This in turn supports the Group's strategic business plan through 2020 and beyond. The Board recommends Gay's re-election.

## 11. To re-elect Naguib Kheraj (55), an independent non-executive director.

**Appointed:** January 2014 and Deputy Chairman in December 2016. Naguib was appointed to the Court of Standard Chartered Bank in April 2019.

**Experience:** Naguib has significant banking and finance experience.

**Career:** Naguib began his career at Salomon Brothers in 1986 and went on to hold senior positions at Robert Fleming, Barclays, JP Morgan Cazenove and Lazard. Over the course of 12 years at Barclays, Naguib served as group finance director and vice-chairman, and in various business leadership positions in wealth management, institutional asset management and investment banking. Naguib was also a Barclays' nominated non-executive director of ABSA Group in South Africa and of First Caribbean International Bank. He served as chief executive officer of JP Morgan Cazenove and served for 12 years on the investment committee of Wellcome Trust. Naguib is a former non-executive director of NHS England and served as a senior adviser to Her Majesty's Revenue and Customs and to the Financial Services Authority in the UK. Naguib holds a degree in Economics from Cambridge University.

**External Appointments:** Naguib is Chairman of Rothesay Life, a specialist pensions insurer, and a member of the Finance Committee of the Oxford University Press. Naguib spends a substantial amount of his time as a senior adviser to the Aga Khan Development Network and serves on the boards of various entities within its network.

**Committees:** Chair of the Audit Committee and member of the Board Risk Committee, Remuneration Committee, Governance and Nomination Committee and Board Financial Crime Risk Committee.

**Contribution:** Naguib's significant banking and finance experience, as well as his work in various leadership positions across a number of organisations, brings strong banking and financial acumen to discussions around Group strategy, performance and long-term sustainability. The Board recommends Naguib's re-election.



## 12. To re-elect Ngozi Okonjo-Iweala (65), an independent non-executive director.

**Appointed:** November 2017. Ngozi was appointed to the Court of Standard Chartered Bank in April 2019.

**Experience:** Ngozi has significant geopolitical, economic, risk and development experience and expertise at a governmental and intergovernmental level.

**Career:** A development economist, Ngozi spent 25 years working at the World Bank in various positions. After leaving in 2003, she served as the Finance Minister of Nigeria from 2003 to 2006. She returned to the World Bank in 2007, serving as a Managing Director until 2011, when she was appointed to the role of Minister of Finance and Coordinating Minister of Economy in the Nigerian government, a position she held until 2015. During her time in government, she spearheaded Nigeria's successful programme to obtain debt relief and is credited with developing reforms that helped improve governmental transparency to stabilise and grow the Nigerian economy. Ngozi graduated with an A.B. magna cum laude in Economics from Harvard University and a Masters and PhD in Regional Economics and Development from Massachusetts Institute of Technology.

**External Appointments:** Ngozi is an independent director of Twitter, Inc, Chair of GAVI, the Global Alliance for Vaccines and Immunisations and co-chair of Lumos Global, an off-grid solar provider. She also holds a number of prestigious international advisory positions, including the Asian Infrastructure Investment Bank and holds advisory panel and chair positions at a range of global institutions, including charitable foundations, non-governmental organisations and inter-governmental organisations. Ngozi chairs the African Risk Capacity, a weather based insurance organisation of the African Union and is co-chair of the Global Commission on Economy and Climate. She is a member of the G20 Eminent Persons Group, reviewing Global Financial Governance, an ambassador of the Open Government Partnership and is a trustee of the Carnegie Endowment for International Peace.

**Committees:** Member of the Brand, Values and Conduct Committee.

**Contribution:** Ngozi's wealth of significant geopolitical, economic, risk and development experience and expertise at a governmental and intergovernmental level complements the Group's plans to continue supporting sustainable economic growth in emerging markets and tackle climate change. This in turn supports the Group's strategic business plan through 2020 and beyond. The Board recommends Ngozi's re-election.

## 13. To re-elect Carlson Tong (65), an independent non-executive director.

**Appointed:** February 2019. Carlson was appointed to the Court of Standard Chartered Bank in April 2019.

**Experience:** Carlson has a deep understanding and knowledge of operating in mainland China and Hong Kong and has significant experience of the financial services sector in those markets.

**Career:** Carlson joined KPMG UK in 1979, becoming an Audit Partner of the Hong Kong firm in 1989. He was elected chairman of KPMG China and Hong Kong in 2007, before becoming Asia Pacific chairman and a member of the global board and global executive team in 2009. He spent over 30 years at KPMG and was actively involved in the work of the securities and futures markets, serving as a member of the Main Board and Growth Enterprise Market Listing Committee of the Stock Exchange of Hong Kong from 2002 to 2006 (chair from 2004 to 2006). After retiring from KPMG in 2011, he was appointed a non-executive director of the Securities and Futures Commission, becoming its chair in 2012 until he stepped down in October 2018. He oversaw a number of major policy initiatives during his term as the chair including the introduction of the Hong Kong and Shanghai/Shenzhen Stock connect schemes and the mutual recognition of funds between the mainland and Hong Kong. Carlson is a Fellow of the Institute of Chartered Accountants in England and Wales.

**External Appointments:** Carlson sits on various Hong Kong SAR government bodies, including as a non-executive director of the Airport Authority of Hong Kong and chair of the University Grants Committee.

**Committees:** Member of the Audit Committee, Board Risk Committee and Board Financial Crime Risk Committee.

**Contribution:** Carlson's deep knowledge of the financial services sector, as well as significant understanding of the regulatory framework in Hong Kong and mainland China, supports the Group's insight into one of its key markets. This in turn supports the Group's strategic business plan through 2020 and beyond. The Board recommends Carlson's re-election.

#### 14. To re-elect José Viñals (65), as Group Chairman.

**Appointed:** October 2016 and Group Chairman in December 2016. José was appointed to the Court of Standard Chartered Bank in April 2019.

**Experience:** José has substantive experience in the international regulatory arena and has exceptional understanding of the economic and political dynamics of our markets and of global trade, and a deep and broad network of decision-makers in the jurisdictions in our footprint.

**Career:** José began his career as an economist and as a member of the faculty at Stanford University, before spending 25 years at the Central Bank of Spain, where he rose to be the Deputy Governor. José has held many other board and advisory positions, including Chair of Spain's Deposit Guarantee Fund, Chair of the International Relations Committee at the European Central Bank, member of the Economic and Financial Committee of the European Union, and Chair of the Working Group on Institutional Investors at the Bank for International Settlements. José joined the International Monetary Fund (IMF) in 2009 and stepped down in September 2016 to join Standard Chartered PLC. While at the IMF, he was the Financial Counsellor and the Director of the Monetary and Capital Markets Department, and was responsible for the oversight and direction of the IMF's monetary and financial sector work. He was the IMF's chief spokesman on financial matters, including global financial stability. During his tenure at the IMF, José was a member of the Plenary and Steering Committee of the Financial Stability Board, playing a key role in the reform of international financial regulation. José holds a Bachelor's degree in Economics from the University of Valencia; a Master's degree in Economics from the London School of Economics; and Masters and Doctoral (Ph.D.) degrees in Economics from Harvard University.

**External Appointments:** None

**Committees:** Chair of the Governance and Nomination Committee.

**Contribution:** José's wealth of experience in the international regulatory sector, his deep knowledge of the economic, financial and political dynamics of our markets, global trade and an extensive network of decision-makers in the jurisdictions in our footprint, reinforces our desire to be a leading international bank helping people and companies prosper across Asia, Africa and the Middle East. This in turn supports the Group's strategic business plan through 2020 and beyond. The Board recommends José's re-election.

#### 15. To re-elect Jasmine Whitbread (56), an independent non-executive director.

**Appointed:** April 2015. Jasmine was appointed to the Court of Standard Chartered Bank in April 2019.

**Experience:** Jasmine has significant business leadership experience as well as first-hand experience of operating across our markets.

**Career:** Jasmine began her career in international marketing in the technology sector and joined Thomson Financial in 1994, becoming managing director of the Electronic Settlements Group. After completing the Stanford Executive Program, Jasmine set up one of Oxfam's first regional offices, managing nine country operations in West Africa, later becoming international director responsible for Oxfam's programmes worldwide. Jasmine joined Save the Children in 2005, where she was responsible for revitalising one of the UK's most established charities. In 2010, she was appointed as Save the Children's first international chief executive officer, a position she held until she stepped down in 2015. Jasmine stepped down as a non-executive director from the Board of BT Group plc in December 2019. Jasmine has a BA in English from Bristol University, and is a graduate from the Stanford University Executive Program.

**External Appointments:** Jasmine is chief executive of London First, a business campaigning group with a mission to make London the best city in the world to do business and a non-executive director of WPP Plc.

**Committees:** Chair of the Brand, Values and Conduct Committee and a member of the Remuneration Committee and the Governance and Nomination Committee.

**Contribution:** Jasmine's substantial business leadership experience as well as first-hand experience of leading operations across the Group's markets helps ensure that good judgement and decision-making is made whilst setting the Group's strategy. This in turn supports the Group's strategic business plan through 2020 and beyond. The Board recommends Jasmine's re-election.

**16. To re-elect Bill Winters, CBE (58), an executive director.**

**Appointed:** June 2015. Bill was appointed to the Court of Standard Chartered Bank in June 2015.

**Experience:** Bill is a career banker with significant frontline global banking experience and a proven track record of leadership and financial success. He has extensive experience of working in emerging markets and a proven record in spotting and nurturing talent.

**Career:** Bill began his career with JP Morgan, where he went on to become one of its top five most senior executives and later co-chief executive officer at the investment bank from 2004 until he stepped down in 2009. Bill was invited to be a committee member of the Independent Commission on Banking, established in 2010, to recommend ways to improve competition and financial stability in banking. Subsequently, he served as an adviser to the Parliamentary Commission on Banking Standards and was asked by the Court of the Bank of England to complete an independent review of the bank's liquidity operations. In 2011, Bill founded Renshaw Bay, an alternative asset management firm, where he was chairman and CEO. He stepped down on appointment to the Standard Chartered PLC Board. Bill was previously a non-executive director of Pension Insurance Corporation plc and RIT Capital Partners plc. He received a CBE in 2013. Bill holds a Bachelor's degree in International Relations from Colgate University and an MBA from the Wharton School at the University of Pennsylvania.

**External Appointments:** Bill is an independent non-executive director of Novartis International AG.

**Contribution:** Bill's experience as a banker with significant frontline global banking experience and a proven track record of leadership and financial success reinforces the Group's desire to continue to be a leading international bank across a range of markets. This in turn supports the Group's strategic business plan through 2020 and beyond. The Board recommends Bill's re-election.

**Appointment of Auditors/Auditor fees**

*Resolutions 17 and 18 propose the appointment of the Company's auditors and the determination of their fees.*

**17. To appoint Ernst & Young LLP (EY) as auditor to the Company from the end of the AGM until the end of next year's AGM.**

On the recommendation of the Audit Committee, the Board proposes that EY be appointed auditors to the Company to hold office from the end of the AGM until the end of next year's AGM.

As announced on 9 November 2017, the Audit Committee oversaw a formal and comprehensive tender process for the appointment of the external auditor with a view to a new audit firm being appointed to audit the financial statements for the year ending 31 December 2020. Accordingly, shareholder approval is now sought to confirm the appointment of EY as auditor of the Company from the end of the AGM. As outgoing auditor, KPMG will provide to the Company a statement of circumstances as required by company law and a copy of this statement will be circulated to shareholders, debenture holders and any other person entitled to receive the notice of general meetings of the company.

**18. To authorise the Audit Committee, acting for and on behalf of the Board, to set the remuneration of the auditor.**

The directors may set the remuneration of the auditors if authorised to do so by the shareholders. This resolution seeks authority for the Audit Committee to set auditor remuneration for 2020. Under the Competition and Markets Authority's Statutory Audit Services Order, the Audit Committee has specific responsibility for negotiating and agreeing the statutory audit fee for and on behalf of the Board. Details of the remuneration paid to the Company's external auditors for 2019 and details of how the effectiveness and independence of the external auditors is monitored and assessed can be found in the 2019 Annual Report.

## Political Donations

*Resolution 19 seeks authority to make political donations within limit on a precautionary basis only to avoid inadvertently breaching the legislation.*

**19. That in accordance with sections 366 and 367 of the Companies Act 2006, the Company and all companies that are its subsidiaries during the period for which this resolution has effect are authorised to:**

- (A) make donations to political parties and/or independent election candidates not exceeding £100,000 in total;**
- (B) make donations to political organisations other than political parties not exceeding £100,000 in total; and**
- (C) incur political expenditure not exceeding £100,000 in total,**

**(as such terms are defined in sections 363 to 365 of the Companies Act 2006) provided that the aggregate amount of any such donations and expenditure shall not exceed £100,000 during the period beginning with the date of passing of this resolution and expiring at the end of next year's AGM, unless such authority has been previously renewed, revoked or varied by the Company in a general meeting and provided that the authorised sum referred to in paragraphs (A), (B) and (C) may be comprised of one or more amounts in different currencies which, for the purposes of calculating that authorised sum, shall be converted into pounds sterling at the rate of exchange published in the London edition of the Financial Times on the day on which the relevant donation is made or the relevant expenditure is incurred or, if earlier, on the day on which the Company or its subsidiary enters into any contract or undertaking in relation to such donation or expenditure (or, if such day is not a business day, the first business day thereafter).**

It is not the Group's policy to make political donations **(no political donations were made in the year ended 31 December 2019)**. However, it is possible that certain routine activities undertaken by the Company and its subsidiaries might unintentionally fall within the broad scope of the provisions controlling political donations and expenditure. Any political donations or expenditure regulated by the Companies Act 2006 must be approved by shareholders at a general meeting and be disclosed in the next year's annual report. Accordingly, the directors seek shareholders' approval to renew the authority for political donations and expenditure to be made by the Company. As permitted under the Companies Act 2006, the resolution covers any political donations made or political expenditure incurred by the Company's subsidiaries. The three categories set out in the Companies Act 2006 are: political parties and independent election candidates; political organisations and political expenditure. The resolution proposes a cap of £100,000 per category subject to an aggregate cap for authorised political donations or expenditure of £100,000. The authority being sought will be effective from Wednesday 6 May 2020 until the end of next year's AGM unless previously renewed, revoked or varied by the Company in a general meeting. The Companies Act 2006 permits shareholders to grant authority for up to four years. However, the directors will seek to renew this authority at each AGM.

## SCRIP Dividend

*Resolution 20 renews the authorisation for the Board to offer a scrip dividend to shareholders.*

### 20. That the Board be authorised:

- (A) to make an offer to the holders of ordinary shares (excluding any member holding shares as treasury shares) to elect to receive new ordinary shares in the capital of the Company, credited as fully paid, in lieu of all or any part of any interim or final dividend paid in respect of any financial period of the Company ending on or prior to 31 December 2022 upon such terms as the Board may determine; and**
- (B) in respect of any such dividend to capitalise such amount standing to the credit of the Company's reserves or funds as may be necessary, and the making by the Board of any such offer and any such capitalisation by the Board in each case in respect of any prior financial period is confirmed.**

Under the Company's Articles of Association, the Board may offer any holders of ordinary shares (excluding shares held in treasury) the option to take their dividends either in cash, entirely in the form of new ordinary shares of the Company (a scrip dividend) or partly in shares and partly in cash. Although not being offered at present, this resolution renews the Board's authority to make a scrip dividend alternative available in respect of any dividend (whether interim or final) declared and paid for any financial period for the three years following the Company's year ended 31 December 2019, being the year ending on or before 31 December 2022. The making of any scrip dividend alternative offers in respect of any prior financial period is also confirmed. Under Investment Association guidelines shareholders will be asked to review this authority every three years.

Voting in favour of the resolution will not prevent you, should you so wish, from electing to receive your dividends in cash in any of the next three years in which a scrip dividend alternative is offered.

## Share Allotment Authorities

*Resolutions 21–26 are regarding the allotment of the Company's securities. The authorities can be summarised as:*

- Resolution 21 authorises the Board to allot ordinary shares in various circumstances (scrip dividends, employee share schemes and corporate actions such as rights issues) subject to specified limits and conditions;*
- Resolution 22 authorises the Board to extend the authority from resolution 21 to include any ordinary shares repurchased by the Company under resolution 27;*
- Resolution 23 authorises the Board to allot shares in relation to ECAT1 Securities subject to a specified limit. ECAT1 Securities automatically convert into shares in prescribed circumstances; and*
- Resolutions 24, 25 and 26 are special resolutions and authorise the Board to disapply existing shareholder pre-emption rights in certain circumstances when allotting shares or ECAT1 Securities.*

**21. That the Board be authorised to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:**

- (A) up to a nominal amount of US\$317,956,410.50 (such amount to be restricted to the extent that any allotments or grants are made under paragraphs (B) or (C) so that in total no more than US\$529,927,351.50 can be allotted under paragraphs (A) and (B) and no more than US\$1,059,854,703 can be allotted under paragraphs (A), (B) and (C));**
- (B) up to a nominal amount of US\$529,927,351.50 (such amount to be restricted to the extent that any allotments or grants are made under paragraphs (A) or (C) so that in total no more than US\$529,927,351.50 can be allotted under paragraphs (A) and (B) and no more than US\$1,059,854,703 can be allotted under paragraphs (A), (B) and (C)) in connection with a scrip dividend scheme or similar arrangement implemented in accordance with the Articles of Association of the Company;**
- (C) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to a nominal amount of US\$1,059,854,703 (such amount to be restricted to the extent that any allotments or grants are made under paragraphs (A) or (B) so that in total no more than US\$1,059,854,703 can be allotted under paragraphs (A), (B) and (C)) in connection with an offer by way of a rights issue:
  - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and**
  - (ii) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary, and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and****
- (D) pursuant to the terms of any existing share scheme of the Company or any of its subsidiaries or subsidiary undertakings adopted prior to the date of this meeting.**

**such authorities to apply until the end of next year's AGM (or, if earlier, until the close of business on 5 August 2021) but, in each such case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.**

Under section 551 of the Companies Act 2006, the directors may only allot shares, or grant rights to subscribe for or convert any security into shares, if shareholders in general meeting have given them authority to do so. The authority given to the directors at last year's AGM to allot ordinary shares or grant rights to subscribe for or convert any security into such shares will expire at the end of this year's AGM. Accordingly, resolution 21 seeks shareholders' approval to renew this authority.

The directors intend to use the authorities sought under resolution 21 to allot ordinary shares following the exercise of options and awards under the Company's share schemes. Otherwise, the authorities will also give the directors flexibility to issue shares where they believe it is in the interests of shareholders to do so.

As at the date of this document, no shares are held by the Company in treasury.

Paragraph (A) of resolution 21 asks for a new authority to be given to allow the directors to allot shares or grant rights to subscribe for or convert any security into shares up to an aggregate nominal amount equal to US\$317,956,410.50 (representing 635,912,821 ordinary shares of US\$0.50 each), such amount to be reduced to take into account amounts allotted or granted under paragraphs (B) and (C) of resolution 21. This amount represents approximately 20 per cent of the issued ordinary share capital of US\$1,589,782,054.50 as at 13 March 2020, the latest practicable date prior to the publication of this document. The Hong Kong Listing Rules do not permit the directors to allot, on a non pre-emptive basis, shares or rights to shares that would represent more than 20 per cent of the issued ordinary share capital as at the date on which the resolution granting them a general authority to allot is passed. Accordingly, paragraph (A) of resolution 21 restricts the authority of the directors to the 20 per cent threshold.



Paragraph (B) of resolution 21 would give the directors the authority to make allotments which exceed the 20 per cent authority under paragraph (A) of resolution 21 by way of share dividend (scrip), up to an aggregate nominal amount (when combined with any allotments made under the authority in paragraph (A)) equal to US\$529,927,351.50 (representing 1,059,854,703 ordinary shares of US\$0.50 each), such amount to be reduced to take into account amounts allotted or granted under paragraphs (A) and (C) of resolution 21. This amount represents approximately one-third of the issued ordinary share capital of the Company as at 13 March 2020, the latest practicable date prior to the publication of this document.

In line with guidance issued by the Investment Association, paragraph (C) of resolution 21 would give the directors authority to allot shares or grant rights to subscribe for or convert any security into shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount equal to US\$1,059,854,703 (representing 2,119,709,406 ordinary shares of US\$0.50 each), as reduced by the nominal amount of any shares issued under paragraphs (A) or (B) of resolution 21. This amount (before any reduction) represents approximately two-thirds of the issued ordinary share capital of the Company as at 13 March 2020, the latest practicable date prior to the publication of this document.

Under Rule 7.19A(1) of the Hong Kong Listing Rules, if a proposed rights issue would increase either the number of issued shares or the market capitalisation of the Company by more than 50 per cent (on its own or when aggregated with any other rights issues or open offers announced within the previous 12 months or prior to such 12 month period where dealing in respect of the shares issued pursuant thereto commenced within such 12 month period), then the issue must be made conditional on approval by minority shareholders in a general meeting by a resolution on which the directors (excluding independent non-executive directors) and their associates must abstain from voting. However, The Stock Exchange of Hong Kong Limited has granted a waiver to the Company from strict compliance with the above requirements in order to place the Company on an equal footing with other UK listed companies. The waiver has been granted on the basis that:

1. the directors (excluding independent non-executive directors) and their associates would abstain from voting on the relevant resolution in their capacity as shareholders at the AGM; and
2. if the Company were to do a rights issue, the Company would not need to obtain further minority shareholder approval under Rule 7.19A(1) of the Hong Kong Listing Rules provided that:
  - (i) the market capitalisation of the Company will not increase by more than 50 per cent as a result of the proposed rights issue; and
  - (ii) the votes of any new directors appointed to the Board since the AGM would not have made a difference to the outcome of the relevant resolution at the AGM if they had been shareholders at the time and they had in fact abstained from voting.

Under the Hong Kong Listing Rules the directors are required to seek authority from shareholders to allot shares and grant rights to subscribe for or convert any security into shares pursuant to the Company's existing share schemes or those of its subsidiaries or subsidiary undertakings. Paragraph (D) of resolution 21 seeks such authority for schemes adopted prior to the date of the AGM.

The authorities sought in paragraphs (A), (B), (C) and (D) of resolution 21 will expire at the end of next year's AGM (or, if earlier, at the close of business on 5 August 2021).



- 22. That the authority granted to the Board to allot shares or grant rights to subscribe for or convert securities into shares up to a nominal amount of US\$317,956,410.50 pursuant to paragraph (A) of resolution 21 be extended by the addition of such number of ordinary shares of US\$0.50 each representing the nominal amount of the Company's share capital repurchased by the Company under the authority granted pursuant to resolution 27, to the extent that such extension would not result in the authority to allot shares or grant rights to subscribe for or convert securities into shares pursuant to resolution 21 exceeding US\$1,059,854,703.**

As permitted by the Hong Kong Listing Rules, resolution 22 seeks to extend the directors' authority to allot shares and grant rights to subscribe for or convert any security into shares pursuant to paragraph (A) of resolution 21 to include the shares repurchased by the Company under the authority sought by resolution 27.

- 23. That, in addition to any authority granted pursuant to resolution 21 (if passed), the Board be authorised to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of US\$317,956,410.50 (or 635,912,821 shares), representing approximately 20 per cent of the Company's nominal issued ordinary share capital as at 13 March 2020, in relation to any issue by the Company or any subsidiary or subsidiary undertaking of the Company (together, the Group) of Equity Convertible Additional Tier 1 Securities (ECAT1 Securities) that automatically convert into or are exchanged for ordinary shares in the Company in prescribed circumstances where the Board considers that such an issuance of ECAT1 Securities would be desirable in connection with, or for the purposes of complying with or maintaining compliance with the regulatory capital requirements or targets applicable to the Group from time to time, such authority to expire at the end of next year's AGM (or, if earlier, at the close of business on 5 August 2021) but so that, in the period before the authority ends, the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or to convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.**

The effect of resolution 23 is to give the Board the authority to allot shares and grant rights to subscribe for or to convert any security into ordinary shares in the Company up to an aggregate nominal amount of US\$317,956,410.50 (or 635,912,821 shares), representing approximately 20 per cent of the Company's issued ordinary share capital as at 13 March 2020 (the latest practicable date prior to publication of this document), such authority to be exercised in connection with the issue of ECAT1 Securities. Please see Appendix 1 for more information on ECAT1 Securities.

This authority is in addition to the authority proposed under resolution 21.

The authority sought under resolution 23 is not contemplated by the guidance issued by the Investment Association. The Board may use the authority sought under resolution 23 as it considers desirable from time to time to comply with or maintain compliance with regulatory capital requirements or targets applicable to the Group.

The 20 per cent limit under the authority proposed in resolution 23 is independent of any use of the authorities granted at previous AGMs, which authorities each expired (to the extent unused) at the end of the following year's AGM. The total amount of allotted shares in the Company relating to outstanding ECAT1 Securities issued by the Company to date under the previous authorities represent less than 20 per cent of the Company's nominal issued capital in aggregate. However, the Board currently expects that further issuance of ECAT1 Securities, if undertaken, may over time, come to represent more than 20 per cent of the Company's nominal issued capital on an aggregate basis.

The authority sought under resolution 23 will expire at the end of next year's AGM (or, if earlier, at the close of business on 5 August 2021).

## Special Resolutions

24. That if resolution 21 is passed, the Board be given power to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution and/or sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to such allotment or sale, such power to be limited:

- (A) to the allotment of equity securities and sale of treasury shares for cash in connection with a scrip dividend scheme or similar arrangement implemented in accordance with the Articles of Association of the Company;
- (B) to the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities under the authorities granted under paragraphs (A) and (C) of resolution 21 (but in the case of the authority granted under paragraph (C) of resolution 21, by way of a rights issue only):
  - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
  - (ii) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary, and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and
- (C) in the case of the authority granted under paragraph (A) of resolution 21 and/or in the case of any sale of treasury shares for cash, to the allotment (otherwise than under paragraphs (A) and (B)) of equity securities or sale of treasury shares up to a nominal amount of US\$79,489,102.50,

such power to apply until the end of next year's AGM (or, if earlier, until the close of business on 5 August 2021) but, in each case, during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

This resolution would give the directors the authority to allot shares (or sell any shares which the Company elects to hold in treasury) for cash without first offering them to existing shareholders in proportion to their existing shareholdings. This authority would be limited to allotments or sales in connection with a scrip dividend scheme and in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those securities or as the Board otherwise considers necessary (but in the case of the authority granted pursuant to paragraph (C) of resolution 21 by way of rights issue only), or otherwise up to an aggregate nominal amount of US\$79,489,102.50 (representing 158,978,205 ordinary shares of US\$0.50 each). This aggregate nominal amount represents approximately five per cent of the issued ordinary share capital of the Company as at 13 March 2020, the latest practicable date prior to the publication of this document. In respect of this aggregate nominal amount, the directors confirm their intention to follow the provisions of the Pre-Emption Group's Statement of Principles (the Principles) regarding cumulative usage of authorities within a rolling three-year period where the Principles provide that usage in excess of 7.5 per cent should not take place without prior consultation with shareholders. The authorities sought pursuant to resolution 24 will expire at the end of next year's AGM (or, if earlier, at the close of business on 5 August 2021).

**25. That if resolution 21 is passed, the Board be given power in addition to any power granted under resolution 24 to allot equity securities (as defined in the Companies Act 2006) for cash under the authority granted under paragraph (A) of resolution 21 and/or sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to such allotment or sale, such power to be:**

- (A) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of US\$79,489,102.50; and**
- (B) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice or for the purposes of refinancing such a transaction within six months of its taking place,**

**such power to apply until the end of next year's AGM (or, if earlier, until the close of business on 5 August 2021) but, in each case, during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.**

This resolution is intended to give the Company flexibility to make non pre-emptive issues of ordinary shares in connection with acquisitions and other capital investments as contemplated by the Pre-Emption Group's Statement of Principles. The power under this resolution is in addition to that proposed by resolution 24 and would be limited to allotments or sales of up to an aggregate nominal amount of US\$79,489,102.50 (representing 158,978,205 ordinary shares of US\$0.50 each). This aggregate nominal amount represents an additional five per cent of the issued ordinary share capital of the Company as at 13 March 2020, the latest practicable date prior to publication of this Notice. In accordance with the Pre-Emption Group's Statement of Principles, the directors confirm that this authority will only be used in connection with an acquisition or specified capital investment that is announced contemporaneously with the issue, or that has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

The authority sought pursuant to resolution 25 will expire at the end of next year's AGM (or, if earlier, at the close of business on 5 August 2021).

**26. That, in addition to the powers granted pursuant to resolutions 24 and 25 (if passed), and if resolution 23 is passed, the Board be given the power to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by resolution 23 as if section 561 of the Companies Act 2006 did not apply, such authority to apply until the end of next year's AGM (or, if earlier, until the close of business on 5 August 2021) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or to convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.**

The effect of resolution 26 is to give the Board authority to allot ECAT1 Securities, or shares issued upon conversion or exchange of ECAT1 Securities, without first offering them to existing shareholders. This will allow the Company to manage its capital in the most efficient and economic way for the benefit of shareholders.

If passed, resolution 26 will authorise the Board to allot shares and grant rights to subscribe for or to convert any security into shares in the Company on a non pre-emptive basis up to an aggregate nominal amount of US\$317,956,410.50 (or 635,912,821 shares), representing approximately 20 per cent of the Company's issued ordinary share capital as at 13 March 2020 (the latest practicable date prior to publication of this document), such authority to be exercised in connection with the issue of ECAT1 Securities.

Should a Trigger Event occur (please see Appendix 1 for more information on ECAT1 Securities and their Trigger Events) the ECAT1 Securities will convert into or be exchanged for shares in the Company. The Board may or may not give shareholders the opportunity to purchase the ordinary shares created on conversion or exchange of any ECAT1 Securities on a pro rata basis, where practicable and subject to applicable laws and regulations, such decision to be made on a transaction by transaction basis.

The authority sought under resolution 26 will expire at the end of next year's AGM (or, if earlier, at the close of business on 5 August 2021).

### **Purchase of own Ordinary Shares and Preference Shares**

*Resolutions 27 and 28 seek authority for the Company to purchase its own ordinary shares or preference shares subject to specified limits and conditions.*

**27. That the Company be authorised for the purposes of section 701 of the Companies Act 2006 to make market purchases (as defined in the Companies Act 2006) of its ordinary shares of US\$0.50 each provided that:**

- (A) the Company does not purchase more than 317,956,410 shares under this authority;**
- (B) the Company does not pay less for each share (before expenses) than the nominal value of the share; and**
- (C) the Company does not pay more for each share (before expenses) than the higher of (i) five per cent over the average of the middle market prices of the ordinary shares according to the Daily Official List of the London Stock Exchange for the five business days immediately before the date on which the Company agrees to buy the shares and (ii) the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out (including when the shares are traded on different trading venues),**

**such authority to apply until the end of next year's AGM (or, if earlier, until the close of business on 5 August 2021) but during this period the Company may agree to purchase shares where the purchase may not be completed (fully or partly) until after the authority ends and the Company may make a purchase of ordinary shares in accordance with any such agreement as if the authority had not ended. For the purposes of determining compliance with the conditions in paragraphs (B) and (C), the nominal value of the share or the relevant price (respectively) shall, if necessary, be converted into the currency in which the purchase is to be made, calculated by reference to the spot rate of exchange between the currency of the nominal value or of the price (as applicable) and the currency in which the purchase is to be made, as displayed on the appropriate page of the Bloomberg screen (or on the appropriate page of such other information service which publishes that rate from time to time) at or around 11.00am UK time on the business day before the day the Company agrees to buy such share.**

The effect of this resolution is to renew the authority granted to the Company to purchase its own shares up to a maximum of 317,956,410 ordinary shares until next year's AGM (or, if earlier, until the close of business on 5 August 2021) at, or between, the minimum and maximum prices specified in this resolution. This is approximately 10 per cent of the Company's issued ordinary share capital as at 13 March 2020 (the latest practicable date prior to the publication of this document). No repurchases of shares will be conducted on The Stock Exchange of Hong Kong Limited.

The directors believe that it is in the best interests of the Company and all of its shareholders to have a general authority for the Company to buy back its ordinary shares in the market. The directors intend to keep under review the potential to purchase ordinary shares. Purchases will only be made if the directors consider that the purchase would be for the benefit of the Company and of its shareholders generally, taking into account relevant factors and circumstances at that time, for example the effect on earnings per share. The Companies Act 2006 permits the Company to hold any such bought back shares in treasury as an alternative to cancelling them immediately. If the Company purchases any of its ordinary shares and holds them in treasury, the Company may sell these shares (or any of them) for cash, transfer these shares (or any of them) for the purposes of or pursuant to an employee share

scheme, cancel these shares (or any of them) or continue to hold them in treasury. Holding such shares in treasury gives the Company the ability to reissue them quickly and cost effectively and provides additional flexibility in the management of the Company's capital base. No dividends will be paid on, and no voting rights will be exercised, in respect of shares held in treasury. The directors intend to decide whether to cancel shares purchased pursuant to this authority or hold them in treasury based on the interests of the Company and shareholders as a whole at the relevant time.

The total number of options to subscribe for ordinary shares outstanding at 13 March 2020, the latest practicable date prior to the publication of this document, was 77,399,464, which represented 2.43 per cent of the issued ordinary share capital at that date. As at 13 March 2020, the latest practicable date prior to the publication of this document, there were no warrants over ordinary shares outstanding. If the Company were to purchase the maximum number of ordinary shares permitted under this resolution, the proportion of ordinary shares subject to outstanding options would represent approximately 3.06 per cent of the issued ordinary share capital as at 13 March 2020.

**28. That the Company be authorised to make market purchases (as defined in the Companies Act 2006) of up to 15,000 preference shares of US\$5.00 each and up to 195,285,000 preference shares of £1.00 each provided that:**

- (A) the Company does not pay less for each share (before expenses) than the nominal value of the share; and**
- (B) the Company does not pay more for each share (before expenses) than 25 per cent above the following:**
  - (i) in respect of the US\$ preference shares, the Bloomberg FIT Composite bid price shown on the relevant Bloomberg page ALLQ for the relevant preference share (or any replacement page which displays that price) at or around 11.00am UK time on the business day before the day on which the Company agrees to buy such share;**
  - (ii) in respect of the GBP preference shares, the London Stock Exchange bid price shown on the relevant Bloomberg page ALLQ for the relevant preference share (or any replacement page which displays that price) at or around 11.00am UK time on the business day before the day on which the Company agrees to buy such share;**
  - (iii) in respect of either US\$ or GBP preference shares, where the relevant bid price is not available under (i) or (ii), the highest independent bid price shown on the relevant Bloomberg page ALLQ for the relevant preference share (or any replacement page which displays that price) at or around 11.00am UK time on the business day before the day on which the Company agrees to buy such share,**

**such authority to apply until the end of next year's AGM (or, if earlier, until the close of business on 5 August 2021) but during this period the Company may agree to purchase shares where the purchase may not be completed (fully or partly) until after the authority ends and the Company may make a purchase of shares in accordance with any such agreement as if the authority had not ended. For the purposes of determining compliance with the conditions in paragraphs (A) and (B), the nominal value of the share or the relevant price (respectively) shall, if necessary, be converted into the currency in which the purchase is to be made, calculated by reference to the spot rate of exchange between the currency of the nominal value or of the relevant price (as applicable) and the currency in which the purchase is to be made, as displayed on the appropriate page of the Bloomberg screen (or on the appropriate page of such other information service which publishes that rate from time to time) at or around 11.00am UK time on the business day before the day the Company agrees to buy such share.**

The effect of this resolution is to renew the authority granted to the Company to purchase up to 195,285,000 GBP preference shares and up to 15,000 US dollar preference shares. No preference shares have been repurchased since the last AGM as at 13 March 2020.



Whilst it is important to have a capital base which is adequate to allow the business to grow in all areas and which appears to offer an appropriate balance between risk and profitability, it is equally important that the Company does not carry excessive amounts of capital and that it uses the most appropriate mix of capital instruments on the balance sheet. Having the authority to buy back all the issued preference shares would provide the Company with further flexibility in managing the capital base. Accordingly, the directors believe that it is in the best interests of the Company and its shareholders as a whole to have the authority sought by this resolution.

The directors intend to keep under review the potential to buy back preference shares, taking into account other investment and funding opportunities. The authority will be exercised only if the directors believe that to do so would be in the interests of shareholders generally. If the Company purchases any of its preference shares, those shares will be cancelled.

## **New Articles of Association**

*Resolution 29 to adopt new articles of association of the Company.*

**29. That with effect from the conclusion of the Annual General Meeting, the articles of association produced to the meeting, and initialled for the purpose of identification by the Group Chairman, be and are hereby adopted as the articles of association of the Company, in substitution for, and to the exclusion of, the existing articles of association.**

The directors are seeking shareholder authority to adopt new articles of association (the New Articles) which update certain aspects of the Company's existing articles of association since they were last amended in 2010. The New Articles take account of developments in market practice and technological advancements regarding shareholder accessibility and participation at the Company's general meetings, for example by permitting the Company to hold general meetings partly through an electronic platform. The amendments will also provide greater flexibility in deciding dividend payment methods, ensuring shareholders receive their payments promptly and securely.

Under the New Articles, the Company will be able to maximise its capacity to locate and unite certain gone-away and lost shareholders with their dividends and/or shares through an unclaimed asset reunification programme.

The principal changes are set out in Appendix 2 on pages 24 to 26. Other changes which are of a minor, technical or clarifying nature have not been summarised in that Appendix. The New Articles will, if resolution 29 is passed, become effective at conclusion of the AGM.

## **Notice of General Meetings**

*Resolution 30 preserves the Company's ability to call general meetings (other than an AGM) on 14 clear days' notice.*

**30. That a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.**

The notice period required for general meetings of the Company is 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days (AGMs are still required to be held on at least 21 clear days' notice).

Resolution 30 seeks such approval. The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

Note that, in order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting. The shorter notice period would not be used routinely for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

**In accordance with Rule 7.19A(1) of the Hong Kong Listing Rules, the directors (excluding independent non-executive directors) and their respective associates will abstain from voting in favour of resolution 21 for the reasons set out on page 13 of this document.**

**The Board considers that the resolutions in this notice of meeting are in the best interests of the Company and shareholders as a whole and recommend all shareholders vote in favour of all the resolutions, as the directors intend to do in respect of their own shares, with the exception of resolution 21.**

**By order of the Board**

**Amanda Mellor**

Group Company Secretary  
Standard Chartered PLC

1 Basinghall Avenue,  
London EC2V 5DD

Registered in England and Wales number 966425



## Appendix 1

### Equity Convertible Additional Tier 1 Securities

The Company must meet minimum regulatory capital requirements applicable to it in the jurisdictions in which it operates. Under the EU Capital Requirements Regulation (CRR), the Company must hold a minimum amount of Tier 1 capital, defined as a percentage of its Risk Weighted Assets on a consolidated basis. To maintain an efficient capital structure that protects the interests of ordinary shareholders under prudential regulatory requirements, the Company can choose to meet part of that minimum requirement by holding up to 2.1 per cent of its Risk Weighted Assets in the form of Additional Tier 1 instruments (AT1 Securities) instead of Common Equity Tier 1 capital (CET1).

In order for securities to qualify as Tier 1 capital, the terms and conditions of the AT1 Securities must contain a provision under which, on the occurrence of a Trigger Event (which is the breach of a pre-determined capital ratio specified in the terms of the AT1 Securities), the principal amount of the AT1 Securities is either written down or converted into CET1, as specified in the terms of the AT1 Securities. Under the CRR, AT1 Securities must convert to equity or be written down when the issuer's CET1 ratio is below 5.125 per cent or a higher level as the issuer may determine. The Trigger Event ratio would be determined in conjunction with the Prudential Regulation Authority (the PRA) of the UK before the issue of any AT1 Securities.

The Company will take into account various factors when deciding whether to issue AT1 Securities, including the capital position of the Company at the time, the prevailing regulatory capital requirements and its view of the likely capital requirements in the longer term. The timing and terms of issuance of AT1 Securities will be determined by the Company in consultation with the PRA.

The flexibility to issue AT1 Securities enables the Company to achieve diversification and efficiency in its capital base. Shareholder approval is being sought in resolutions 23 and 26 to authorise the issue of AT1 Securities which convert into ordinary shares on the occurrence of a Trigger Event (Equity Convertible Additional Tier 1 Securities or ECAT1 Securities) and/or shares to be issued on conversion or exchange of those ECAT1 Securities.

### Why is the Company seeking a specific mandate to issue ECAT1 Securities?

The Company is seeking a specific mandate to enable it to issue ECAT1 Securities and the mandate would be used for that sole purpose (i.e. the Company could not use this specific mandate to issue new shares for any other purpose). The general mandate under resolution 21 may be used by the Company to issue new shares at any time on a non-pre-emptive basis, subject to the limits under that resolution and restrictions under the UK and Hong Kong Listing Rules and Investment Association guidelines. The specific mandate for ECAT1 Securities will provide greater flexibility for the Company in allowing it to maintain a general mandate for other purposes (e.g. issuing consideration shares). By the same token, the general mandate under resolution 21 would not be used in connection with the issue of ECAT1 Securities.

The Company believes it would not be practical to obtain a specific mandate from shareholders to issue ECAT1 Securities only when the need arises, primarily due to the time it would take to prepare the relevant circular to shareholders, obtain pre-clearance for the circular from the authorities, and then print and despatch the relevant circular to shareholders convening the general meeting to seek shareholder approval. Having a pre-approved mandate will enable the Company to act on a timely basis to satisfy the capital requirements when market conditions are conducive to launching the issue.

### What steps can the Company take before or on a Trigger Event?

In advance of and on a Trigger Event the Company's management can be expected to take certain actions:

- i) Recovery Planning — the Company is required by its regulators to develop and maintain a Recovery Plan to be implemented in the event that the Company's capital position comes under pressure. Should the Company's capital ratios fall, the Company is likely to be required to implement those planned recovery actions to improve its capital position (e.g. by reducing Risk Weighted Assets and/or through a rights issue of ordinary shares) in advance of a Trigger Event. Were a rights issue to be launched, the Company's ordinary shareholders would be offered the opportunity to acquire new ordinary shares in proportion to their existing shareholding in the Company (subject to legal, regulatory or practical restrictions).

- ii) Shareholder Participation — should a Trigger Event occur (despite the recovery actions mentioned above having been taken), the Board may give shareholders the opportunity to purchase the ordinary shares issued on conversion or exchange of any ECAT1 Securities on a pro rata basis, where practicable and subject to applicable laws and regulations, at the same price as the holders of the ECAT1 Securities would otherwise have acquired those ordinary shares (i.e. the conversion price described below). This will be determined on a transaction-by-transaction basis and the mechanism for shareholder participation will be written into the terms and conditions of the ECAT1 Securities where applicable.

The circumstances in which a Trigger Event might be expected to occur are currently considered to be remote given the level of capital the Company currently holds in excess of the expected Trigger Event ratio and the recovery actions that it has available to it should such a situation seem likely to arise.

As at 31 December 2019, the Company had US\$36.5 billion of Common Equity Tier 1 Capital and a Common Equity Tier 1 ratio of 13.8 per cent. This level of capital is considerably in excess of the expected Trigger Event ratio.

### **How do ECAT1 Securities provide a more efficient capital structure?**

To the extent permitted, ECAT1 Securities are expected to be a cheaper form of eligible regulatory capital for meeting Tier 1 capital and leverage ratio requirements than CET1 capital and so would lower the Company's ongoing costs for the benefit of all shareholders.

Under the Company's accounting policies, it is expected that the ECAT1 Securities will be recorded as equity securities in the financial statements; however, this will be determined at the time of issuance.

### **At what price will the ECAT1 Securities be issued?**

The pricing mechanism for ECAT1 Securities is similar to other fixed income capital instruments that the Company would issue. The issue price of the ECAT1 Securities will be fixed immediately prior to issuance taking into account prevailing market convention.

### **At what price will the ECAT1 Securities be converted into or exchanged for ordinary shares?**

The terms and conditions of the ECAT1 Securities will specify a Conversion Price or a mechanism for setting a Conversion Price for the ECAT1 Securities. The Conversion Price is the rate at which the ECAT1 Securities will be exchanged for ordinary shares on the occurrence of a Trigger Event. This may be set at a discount to the price of the Company's ordinary shares immediately prior to issuance of the ECAT1 Securities. The extent of the discount will be determined in consultation with the PRA and taking into account prevailing market convention.

### **Will the ECAT1 Securities be redeemable?**

Yes. The CRR requires AT1 capital instruments to be perpetual with a minimum of five years before the first optional call date. The ECAT1 Securities will include redemption terms consistent with regulatory requirements and market practice. For example, the Company may redeem the ECAT1 Securities (i) after a fixed period of time (minimum five years) upon an interest rate reset date (Optional Redemption); (ii) in the event of a change in the regulatory classification of the ECAT1 Securities such that they can no longer be included in the Company's Tier 1 capital (Regulatory Event Redemption); or (iii) as a result of a change in the tax treatment of the ECAT1 Securities (Tax Redemption). In each case, redemption can only take place with the prior consent of the PRA.

### **How have you calculated the size of the authorities you are seeking?**

The size of the authorities reflected in resolutions 23 and 26 has been calculated based on anticipated capital requirements to provide flexibility in capital management. The resolutions give the Board authority to set the specific terms of the ECAT1 Securities, which may provide for write-down or conversion on the occurrence of a Trigger Event. The authorities sought are set at a level to provide full flexibility to the Company in managing its capital structure efficiently given the uncertainties that remain in both the precise regulatory requirements applicable and the market for this form of capital instrument. The specific mandate will give the Board authority to allot ordinary shares and grant rights to subscribe for or convert any security into ordinary shares in the Company representing up to 20 per cent of the Company's issued ordinary share capital as at 13 March 2020. This limit has been calculated based on internal modelling to provide

sufficient flexibility to the Company, taking into account potential fluctuations in the Company's share price, the GBP/USD exchange rates and inflation in the Group's risk-weighted assets, and modelled on a hypothetical conversion price discount factor of 10 per cent. The previous issue of ECAT1 Securities of the Company made pursuant to the 2014 Mandate was made at a conversion price discount factor of 30 per cent and the three issues of ECAT1 Securities of the Company made pursuant to the 2016 and 2019 Mandates were made at a conversion price discount factor of 10 per cent. The Company expects that any issue of ECAT1 Securities made pursuant to the 2020 Mandate will be made at a similar conversion price discount factor to the issues made pursuant to the 2016 and 2019 Mandates. However, the price discount factor will ultimately depend on the prevailing market conditions at the time of issuance.

### **Hong Kong Stock Exchange waiver**

Under Rule 13.36(1) of the Hong Kong Listing Rules, the directors of a company must obtain the consent of shareholders in a general meeting prior to allotting or issuing shares or securities convertible into shares except as set out under Rule 13.36(2)(b). Rule 13.36(2)(b) of the Hong Kong Listing Rules allows the directors to seek a general mandate from shareholders to allot or issue shares on a non pre-emptive basis. As explained above, the Company is seeking this specific mandate from shareholders in addition to the general mandate under Rule 13.36(2)(b) of the Hong Kong Listing Rules for the sole purpose of issuing ECAT1 Securities. This specific mandate would require a dispensation from Rule 13.36(1) of the Hong Kong Listing Rules. The Company has therefore applied for, and the Hong Kong Stock Exchange has granted, a waiver from compliance with Rule 13.36(1) to allow the directors to seek the authority under resolution 23 and resolution 26 in relation to issuing ECAT1 Securities subject to the limits set out in that resolution.

On 2 March 2020, the Hong Kong Stock Exchange granted a waiver of Rule 13.36(1) to the Company to allow it to seek the specific mandate which, if approved by shareholders, would continue in force until:

- (i) the end of next year's AGM (or, if earlier, at the close of business on 5 August 2021) at which time it will lapse unless the specific mandate is renewed, either unconditionally or subject to conditions; or
- (ii) revoked or varied by ordinary resolution of the shareholders in a general meeting.

## **Appendix 2: Summary of the proposed new Articles of Association**

It is proposed that new articles of association (New Articles) be adopted with effect from the conclusion of the AGM principally to reflect developments in market practice since the Company's articles of association were last amended in 2010. A copy of the proposed New Articles, marked to show all changes proposed, and a copy of the current articles of association (Current Articles) will be available for inspection on the Company's website ([sc.com/en/investors/events-and-presentations/agm](http://sc.com/en/investors/events-and-presentations/agm)) and at the Company's registered office at 1 Basinghall Avenue, London, EC2V 5DD, United Kingdom and at the offices of Slaughter and May, 47th Floor, Jardine House, One Connaught Place, Central, Hong Kong from the date of this Notice until the close of the AGM. The documents will also be available for inspection at the AGM venue from 15 minutes before the AGM until it ends. The principal changes to the Current Articles, which are included in the proposed New Articles, are summarised below. As a result of the proposed amendments the numbering of provisions in the New Articles does not always correspond to the Current Articles and references to an article are references to the proposed New Articles unless otherwise stated:

### **Share warrants to bearer**

The Small Business, Enterprise and Employment Act 2015 prohibits companies from issuing share warrants to bearer (Bearer Shares). The authority to issue Bearer Shares contained in Article 18 of the Company's Current Articles has been deleted and a number of other consequential amendments have been made. The Company has no Bearer Shares in issue.

### **Untraced shareholders: power of sale and unclaimed dividends (article 41 and article 126)**

The New Articles are designed to maximise the Company's capacity to locate and unite gone-away and lost shareholders with their dividends and/or shares. The Current Articles allow the Company, subject to certain conditions, to sell the shares of a member (or other entitled person) if, in the 12 years prior to any such sale, at least three cash dividends have become payable and that member or entitled person has not claimed any of them during that period. The New Articles confirm the Company's right to sell untraced shares with some amendments to the conditions under which the Company may sell such shares, summarised further below. The changes to these provisions are designed to reflect current market practice, improve shareholder services and safeguard shareholder rights while not placing unduly onerous administrative obligations on the Company.

Article 41 facilitates the process to unite shareholders with their dividends and/or shares. The Current Articles require the Company to give notice of its intention to sell any untraced shares by advertisement in national and local newspapers or, if the shares are registered in Hong Kong, by advertisement in newspapers in Hong Kong in accordance with the Hong Kong Listing Rules. Pursuant to Article 41 of the New Articles and provided that the shares are not registered in Hong Kong (where the newspaper advertisement requirement has been retained as a result of the Hong Kong Listing Rules), the Company is required to use reasonable efforts to trace the relevant member (or other entitled person) before sending a notice of its intention to sell any untraced shares. This change reflects best practice and provides the Company with appropriate flexibility in connection with locating untraced shareholders. 'Reasonable efforts' to trace a shareholder may include, if considered appropriate, the Company engaging a professional asset reunification company or other tracing agent to search for a shareholder who has not kept their shareholder details up to date.

In addition, under the New Articles, the ability of the Company to sell the shares of an untraced member now applies if the member (or other entitled person) has not claimed at least three dividends (instead of cash dividends only) during the 12 year period. This recognises the fact that members (or other entitled persons) may receive scrip dividends as an alternative to cash dividends.

The New Articles also contain related changes in respect of unclaimed dividends or other sums payable on the shares of untraced shareholders which are sold pursuant to article 41. The Current Articles provide that unclaimed dividends may be invested or otherwise made use of by the Board for the benefit of the Company until such amounts are claimed and, if amounts remained unclaimed after a period of 12 years, the dividend or other sum will be forfeited and revert to the Company. Article 126 of the New Articles provides that if the Company exercises the power of sale in respect of any share of an untraced shareholder, any dividend payable in respect of the share which is outstanding at the time that the power of sale is exercised will be forfeited and cease to remain owing by the Company. The forfeited shares and/or dividends would be allocated for use by the Company towards good causes.

### **Sub-division of shares (article 46)**

The New Articles clarify that any shares resulting from a sub-division of the Company's existing shares may, in addition to having any preference or advantage as compared with the Company's other shares, also have deferred or other rights. This change is simply to make administering any sub-division of shares more straightforward.

### **Electronic participation in general meetings (articles 48 and 49)**

The New Articles provide that the Company may hold 'hybrid' general meetings (including annual general meetings) in such a way that enables members to attend and participate in the business of the meeting by attending a physical location or by attending by means of an electronic facility or facilities. This provides the Board greater flexibility to align with technological advances, changes in investor sentiment and evolving best practice. In line with the views expressed by the Investment Association and Institutional Shareholder Services, the changes will not permit meetings to be held solely by electronic means, so a physical meeting will still be required. In deciding whether to hold a hybrid general meeting, in the future the Company will have regard to the views and stance of shareholders and institutional and governance bodies at the relevant time. The primary changes in the New Articles to enable the holding of hybrid meetings are contained in two new provisions, articles 48 and 49 and a number of other consequential amendments have been made to the New Articles.

### **Voting in accordance with instructions (article 71)**

Under the Companies Act 2006 (as amended by the Companies (Shareholders' Rights) Regulations 2009), a proxy is required to vote in accordance with instructions given to them by the member by whom the proxy has been appointed. Article 71(B) clarifies that the Company is not obliged to check whether a proxy has voted in accordance with the appointing shareholder's instructions and confirm whether they have failed to vote in accordance with those instructions.

### **Position of retiring directors (article 88)**

Under the Current Articles, a director who fails to be re-elected at an annual general meeting ceases to be a director when the resolution for his or her appointment is put to the meeting and lost. The New Articles provide that a director who fails to be re-elected at an annual general meeting will remain in office until the end of the meeting or (if earlier) upon the election of someone else to replace him or her.

### **Directors below minimum through vacancies (article 111)**

The Current Articles provide that where the number of continuing directors falls below the minimum number or the number required for quorum of the board, they may only act either to appoint further directors themselves or summon general meetings. The New Articles provide greater flexibility as they allow continuing directors or a sole continuing director to act notwithstanding any vacancy (including to fill vacancies and summon general meetings for the purpose of appointing further directors). The Board considers it prudent to provide the directors with increased flexibility to ensure that the Company has a functioning board at all times.

### **Payment procedures relating to shares**

The New Articles include updated provisions on payment procedures for dividends or other money payable in cash relating to shares in line with best market practice. The amendments are designed to improve shareholder services by encouraging secure electronic funds transfers and prompt receipt of dividends.

The New Articles confirm the existing flexibility under the Current Articles to allow the payment of dividends or other sums by different methods (including by cheque, bank transfer or other funds transfer). The New Articles grant the Board greater flexibility in deciding the payment methods to be used on any particular occasion and the Board considers it prudent for there to be increased flexibility in this regard. Article 124(C) of the New Articles provides that the board may (i) specify one or more payment methods to be used and allow shareholders to elect one of those payment methods; (ii) specify one or more payment methods to be used as a default payment method unless shareholders elect otherwise as the Board may permit; or (iii) specify one or more payment methods to be used without offering shareholders the option to elect otherwise.

The New Articles also allow the Company to treat a dividend, or other payment relating to a share, as unclaimed if the relevant shareholder does not supply payment information or if the dividend cannot be paid by the Company using the details provided (article 124(D)).

### **Strategic report and supplementary materials (article 133)**

The Companies Act 2006 and the Companies (Receipt of Accounts and Reports) Regulations 2013 allow the Company to send a copy of its strategic report with supplementary material instead of its full accounts to a member who has elected or tacitly agreed to receive these documents, provided that the Company is not prohibited from doing so in its articles. This article is intended to make it clear there is no such prohibition. Shareholders should note that they can always view the full annual report on the Company's website or request a hard copy from the Company's registrar.

### **Services of notice and other documents (articles 134 and 136)**

In line with current market practice, the New Articles clarify the rules relating to service of notices or documents by the Company. Article 135(A) of the Current Articles has been deleted as the New Articles no longer require a member or entitled person to have a postal address within the United Kingdom in order to receive notices and other documents. The New Articles also provide that the Company may choose not to serve, send or supply a notice, document or other information to a member or entitled person where it considers this necessary or appropriate to deal with legal, regulatory or practical problems under the laws of any territory. This change was made in recognition of the fact that there may be circumstances in which having to send notices to certain residents of overseas jurisdictions may involve difficulties.

### **General**

As it is proposed to adopt the New Articles in order to effect the changes noted above, the opportunity has been taken to generally include tidy up and clarificatory amendments in other parts of the New Articles.

## **General Information**

### **Options available for receiving cash dividend (including arrangements for calculating and paying the cash dividend)**

#### **Option 1: Cash dividend paid in Hong Kong dollars**

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 another currency. If shareholders currently receive their dividend in Hong Kong dollars and wish for this to continue, no further action is required.

If Hong Kong registered shareholders have a standing instruction in place to receive their dividend in another currency but wish to receive their cash dividend in Hong Kong dollars, they should refer to the below for instructions on how to amend their standing instruction.

In addition, Hong Kong registered shareholders are encouraged to have their cash dividend in Hong Kong dollars paid directly into a Hong Kong dollars bank account. We can arrange this for Hong Kong registered shareholders, provided their account is held with a bank in Hong Kong. This ensures shareholders receive their dividend promptly and securely. Please contact our branch registrar at 2862 8555 or email to [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk) for a dividend instruction form (see contact details below).

The cash dividend is quoted in US dollars and the amount that shareholders will receive in Hong Kong dollars is calculated by using the forward US dollar/Hong Kong dollars exchange rate as displayed on the appropriate page of the Bloomberg screen at or around 2.00pm (London time) on Tuesday 21 April 2020, which will be published on our website at [sc.com/en/investors/shareholder-information](http://sc.com/en/investors/shareholder-information).



## **Option 2: Cash dividend paid in another currency (sterling or US\$)**

Hong Kong registered shareholders may choose to receive their cash dividend in sterling or US dollars. If shareholders hold shares on the principal register in the UK they will automatically receive their cash dividend in sterling, which is the default currency for shareholders on the principal register.

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

If shareholders want to receive this cash dividend and future dividends in sterling or US dollars, they can register, update and/or cancel their instructions electronically or complete an election form and send it to our branch registrar (see contact details below), provided their instructions are received by our branch registrar by 4.00pm (Hong Kong time) on Wednesday 15 April 2020.

The cash dividend is quoted in US dollars and the amount that shareholders will receive in sterling is calculated by using the forward US dollar/sterling exchange rate as displayed on the appropriate page of the Bloomberg screen at or around 2.00pm (London time) on Tuesday 21 April 2020, which will be published on our website at [sc.com/en/investors/shareholder-information](http://sc.com/en/investors/shareholder-information).

Indian Depository Receipt holders will receive their dividend in Indian rupees only. For further information, including dividend timetable, please see our website at: [sc.com/en/investors/shareholder-information](http://sc.com/en/investors/shareholder-information).

The Stock Exchange of Hong Kong Limited (the 'Stock Exchange') granted a waiver to the Company on 7 December 2011 from compliance with Rule 13.66(2) of the Rules Governing the Listing of Securities on the Stock Exchange and Note 3 thereunder relating to record dates for the Company's final dividends.

## **Making your dividend election**

### **Electronic Election**

By choosing to communicate with the Company electronically, you are directly contributing to our pledge to reduce the environmental impact associated with printing, mailing and distributing shareholder documents. You also benefit from receiving shareholder publications instantly and avoid the risk of your documents being delayed or lost in the post. You can make your dividend election electronically by first registering at our branch registrar's Investor Centre website: [computershare.com/hk/investors](http://computershare.com/hk/investors). Please contact our branch registrar at 2862 8555 or email to [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk) before registering with the Investor Centre 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 4.00pm (Hong Kong time) on Wednesday 15 April 2020. If you have any difficulty in using the website, please contact the branch registrar's web queries team at [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk).

### **Paper Election**

If you prefer to use printed election forms, please return the election form to our branch registrar using the reply-paid envelope provided (for use in Hong Kong only). 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 this dividend has been received by our branch registrar, you will not be able to cancel or amend it.

## **Changing your dividend standing instruction**

You can alter your existing standing instruction online by visiting our branch registrar's Investor Centre at [computershare.com/hk/investors](http://computershare.com/hk/investors). Changes can be made to your standing instruction up to 4.00pm (Hong Kong time) on Wednesday 15 April 2020.

Alternatively, please write to our branch registrar (see section below) to cancel your existing standing instruction. Your letter must reach them by 4.00pm (Hong Kong time) on Wednesday 8 April 2020. You will be sent a new election form which you must complete and return to our branch registrar. Your election form must reach them by 4.00pm (Hong Kong time) on Wednesday 15 April 2020. 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.

## **Branch Registrar's details and helpline**

Our branch registrar is Computershare Hong Kong Investor Services Limited. All written communications 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 the shareholder helpline between 9.00am and 6.00pm (Hong Kong time) Monday to Friday, excluding Hong Kong public holidays. The telephone number is 2862 8555. The helpline will not be able to give you any financial advice. If you need financial advice you will need to contact an appropriate independent professional adviser.

## **Right to attend the AGM**

If you want to attend the AGM and vote, you must be on the Company's register of members in the UK at 10.00pm UK time on 4 May 2020 or on the Company's branch register of members in Hong Kong at 5.00am Hong Kong time on 4 May 2020. This will enable us to determine how many votes you have on a poll. If the AGM is adjourned to a time after 10.00pm UK time on Wednesday 6 May 2020, you must be on the appropriate register of members of the Company 48 hours before the time of the adjourned meeting. This will also allow us to confirm how many votes you will have on a poll at such a meeting. If we give you notice of an adjourned meeting we will tell you in the notice when you need to be on the register to be able to attend and vote. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

## **Right to ask questions at the AGM**

Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

## **Proxy appointments**

If you are an ordinary shareholder you may attend, speak and vote at the AGM or appoint one or more proxy(ies) to exercise all or any of your rights to attend and to speak and vote on your behalf at the Company's AGM. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy may be appointed by any of the following methods:

- Electronic proxy — shareholders on the Hong Kong branch register of members may appoint a proxy electronically, which is a quicker, simpler and more efficient method of appointment. If you wish to submit your proxy form electronically, you can then appoint your proxy online at [eproxyappointment.com/STDH](http://eproxyappointment.com/STDH). You will need your Shareholder Reference Number (SRN), and Personal Identification Number (PIN), which are stated on the accompanying proxy form to access the service. Your PIN will expire at 6.00pm Hong Kong time on 4 May 2020. Before you can appoint a proxy electronically, you will be asked to agree to the terms and conditions for electronic proxy appointment. It is important that you read these terms and conditions carefully as they will govern the electronic appointment of your proxy; or
- Completing and returning the enclosed proxy form to our branch registrar Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

**IMPORTANT:** Whichever method you choose, any proxy form or other instrument appointing a proxy must be received by the Company's branch registrar no later than 6.00pm Hong Kong time on 4 May 2020 to be valid.

Appointing a proxy electronically or the return of a completed proxy form will not prevent a shareholder attending the AGM and voting in person if s/he wishes to do so.

### **Nominated persons**

Any person to whom this document is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom s/he was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, s/he may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statements under the paragraphs headed 'Proxy appointments' do not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by ordinary shareholders (or by proxy(ies) appointed to act on their behalf) at a general meeting of the Company.

### **Corporate representatives**

Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

### **Poll voting procedure**

The Company will call a poll on all resolutions at the AGM. This allows the votes of both shareholders who have lodged proxies and shareholders who attend the meeting to be taken into account. On arrival at the AGM, all those entitled to vote will be required to register and be given a personalised poll card with details of your shareholding to be used for the poll vote. At the end of the AGM, the Group Chairman will ask you to cast your vote by completing the poll card. All the votes present will be counted and added to those received by proxy and the provisional final votes. If you have already voted by proxy you will still be able to vote using the poll card and your vote on the day will replace your proxy vote lodged previously. To facilitate these arrangements, it would be helpful if you could please arrive at the AGM venue in good time and have your attendance pass to hand. If you have submitted your votes online you will need to print the attendance pass provided within the site.

On a poll, every ordinary shareholder present in person or by proxy has one vote for every US\$2.00 nominal value of ordinary shares held. The nominal value of each ordinary share being US\$0.50 means that a member needs to hold four ordinary shares to register one vote on a poll, and Indian Depository Receipts (IDRs) holders have one vote for every forty IDRs they hold. As at 13 March 2020 (being the latest practicable date prior to the publication of this document), the Company had 3,179,564,109 ordinary shares of US\$0.50 each in issue, none of which were held in treasury. The ordinary shares carry in aggregate 794,891,027 voting rights on a poll.

The results of the poll will be announced to the London Stock Exchange, The Stock Exchange of Hong Kong Limited, the National Stock Exchange of India Limited and the BSE Limited (Bombay Stock Exchange) and will appear on our website at [sc.com/en/investors/stockexchange-announcements](http://sc.com/en/investors/stockexchange-announcements) during the afternoon of 6 May 2020.

### **Audit statement**

Under section 527 of the Companies Act 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

## **Website**

A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at [sc.com/en/investors/events-and-presentations/agm](http://sc.com/en/investors/events-and-presentations/agm).

## **Electronic communication**

You may not use any electronic address provided in either this notice or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

## **Inspection of documents**

The following documents will be available for inspection at 1 Basinghall Avenue, London, EC2V 5DD and at the offices of Slaughter and May, 47th Floor, Jardine House, One Connaught Place, Central, Hong Kong from the date of this document until the end of the AGM and at the AGM venue from 15 minutes before the AGM until it ends.

- Copies of the executive directors' contracts of employment.
- Copies of the Group Chairman's contract for services and the letters of appointment of the independent non-executive directors.
- Copies of the directors' Deeds of Indemnity.
- A copy of the Current Articles of Association of the Company.
- A copy of the New Articles of Association of the Company.

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

## **Explanatory Notes**

Further notes giving an explanation of the resolutions proposed in this notice will be contained in the Notice of Annual General Meeting 2020 circular which will be sent to shareholders together with the Company's Annual Report 2019.

Hong Kong, 1 April 2020

As at the date of this announcement, the Board of Directors of Standard Chartered PLC comprises:

### *Chairman:*

José María Viñals Iñiguez

### *Executive Directors:*

William Thomas Winters, CBE and Andrew Nigel Halford

### *Independent Non-Executive Directors:*

David Philbrick Conner, Byron Elmer Grote, Christine Mary Hodgson, CBE (Senior Independent Director), Gay Huey Evans, OBE, Naguib Kheraj (Deputy Chairman), Ngozi Okonjo-Iweala, David Tang, Carlson Tong and Jasmine Mary Whitbread