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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 registered number 966425)  
(Stock Code: 02888)*

#### **Issuance of U.S.\$2,000,000,000 Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities**

Standard Chartered PLC (the "**Company**") intends to issue U.S.\$2,000,000,000 Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities (ISIN US853254BA77 (Restricted Global Certificates) and USG84228CQ91 (Unrestricted Global Certificates) and CUSIP 853254 BA7 (Restricted Global Certificates) and G84228 CQ9 (Unrestricted Global Certificates)) (the "**Securities**") on 18 August 2016 (the "**Issue Date**").

Application has been made to The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") for the listing of, and permission to deal in, the Securities as a debt issue to professional investors (as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)) only on the Main Board of the Hong Kong Stock Exchange. Application has also been made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Ordinary Shares to be issued upon any Conversion of the Securities. The denominations of the Securities will be U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof. The Securities will be subject to the terms and conditions (the "**Terms and Conditions**" or "**Condition(s)**") set out in the offering circular dated 12 August 2016 relating to the Securities (the "**Offering Circular**").

The Structuring Adviser in respect of the issue of the Securities is Standard Chartered Bank and the Joint Lead Managers in respect of the issue of the Securities are Deutsche Bank Securities Inc., Goldman, Sachs & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Société Générale, Standard Chartered Bank and UBS Securities LLC (the "**Joint Lead Managers**"). The Co-Managers in respect of the issue of the Securities are ABN AMRO Securities (USA) LLC, Banco Bilbao Vizcaya Argentaria, S.A., Commerz Markets LLC, Emirates NBD PJSC, Maybank Investment Bank Berhad, Natixis Securities Americas LLC, QNB Capital LLC, RBS Capital Markets, LLC and United Overseas Bank Limited (the "**Co-Managers**", and together with the

Joint Lead Managers, the "**Managers**").

**Standard Chartered PLC**

*Registered Office and Group Head Office:*

1 Basinghall Avenue

London EC2V 5DD

United Kingdom

*Incorporated in England with limited liability. Registered in England: number 966425*

**Subscription Agreement**

The Company and the Managers have entered into a Subscription Agreement dated 12 August 2016 (the "**Issue Agreement Date**") in relation to the Securities (the "**Subscription Agreement**"). Pursuant to the Subscription Agreement, each of the Managers has agreed severally (and not jointly) to subscribe and pay for the Securities to be issued by the Company on the Issue Date in an aggregate principal amount of U.S.\$ 2,000,000,000.

**Conditions precedent to the Subscription Agreement**

The Managers' obligations to subscribe and pay for the Securities are subject to the satisfaction of a number of conditions, including:

- (1) the truth and correctness of representations and warranties of the Company in all material respects contained in the Subscription Agreement as at the Issue Agreement Date and on the Issue Date;
- (2) there having been, since the Issue Agreement Date, no adverse change (nor any development involving a prospective adverse change of which the Company is, or might reasonably be expected to be, aware) in the financial or trading position or prospects of the Company or of the Group (as defined below), respectively which is or would be material in the context of the issue of the Securities;
- (3) there having been, since the Issue Agreement Date, no circumstances such as to prevent or to a material extent restrict payment for the Securities in the manner contemplated by the Subscription Agreement or to a material extent prevent or restrict settlement of transactions in the Securities in the market or otherwise, or no change in national or international political, legal, tax or regulatory conditions or no calamity or emergency which has, in the reasonable opinion of the Joint Lead Managers (on behalf of the Managers) (after prior consultation with the Company if practicable), caused a substantial deterioration in the price and/or value of the Securities to be issued;
- (4) the Company having been permitted to issue the Securities under, and having complied with, and the Securities complying with, all relevant laws and directives and all consents and approvals of any court, governmental department or other regulatory body which are required for the Securities to be issued and for the performance of their terms and the terms of the trust deed and agency agreement having been obtained (including, without limitation, the Prudential Regulation Authority's non-objection to the issue, on the basis of the Conditions, of the Securities as additional tier 1 capital of the Company);

- (5) the Securities being eligible for clearance and settlement through The Depository Trust Company (“**DTC**”); and
- (6) the Hong Kong Stock Exchange having agreed to list the Securities on the Main Board of the Hong Kong Stock Exchange, subject only to the issue of the Certificates (as defined below).

Except for condition (6), the above conditions may be waived in whole or in part by the Joint Lead Managers (on behalf of the Managers).

### **Subscribers**

The Company intends to offer and sell the Securities to no less than six independent placees (who will be independent individual, corporate and/or institutional investors). To the best of the Directors' knowledge, information and belief, each of the placees (and their respective ultimate beneficial owners) will be third parties independent of the Company and are not connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**")) of the Company.

### **Principal terms of the Securities**

The principal terms of the Securities are summarised as follows. Capitalised terms used in this announcement but not defined have the meaning set out in the Offering Circular.

The following is a summary of, and is qualified by, the more detailed information set out in the Offering Circular to be published in connection with the Securities. Any decision to invest in the Securities should be based on a consideration of the Offering Circular as a whole, including the documents incorporated by reference therein.

<i>Issuer</i>	Standard Chartered PLC
<i>Group</i>	The Company and its Subsidiaries.
	For these purposes:
	“ <b>Subsidiaries</b> ” has the meaning given to it in Section 1159 of the United Kingdom Companies Act 2006.
<i>Description of the Company</i>	The Company is the ultimate holding company of the Group, an international banking and financial services group particularly focused on the markets of Asia, Africa and the Middle East.
<i>Description of the Securities</i>	U.S.\$2,000,000,000 Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities.
<i>Issue Date</i>	18 August 2016.
<i>Perpetual Securities</i>	The Securities are perpetual securities and have no fixed maturity or fixed redemption date.

<i>Issue Price</i>	100.00 per cent.
<i>Initial Fixed Interest Rate</i>	The Securities bear interest in respect of the period from (and including) the Issue Date to (but excluding) 2 April 2022 at a fixed rate of 7.50 per cent. per annum, being (i) the interpolated mid-market swap rate for U.S. Dollar swap transactions in respect of the period from (and including) the Issue Date to (but excluding) 2 April 2022 determined on 11 August 2016 plus (ii) the Margin.
<i>Reset Dates</i>	2 April 2022 (the “ <b>First Reset Date</b> ”) and each date falling five, or an integral multiple of five, years after the First Reset Date.
<i>Reset Rate of Interest</i>	The Interest Rate will be reset on each Reset Date. From (and including) each Reset Date to (but excluding) the next following Reset Date, the Interest Rate will be a fixed rate equal to the then applicable Reset Reference Rate plus the Margin.
<i>Margin</i>	6.301 per cent. per annum, being the initial credit spread on the Securities.
<i>Interest Payment Dates</i>	Subject as provided herein, interest on the Securities will be payable semi-annually in arrear on 2 April and 2 October in each year, commencing on 2 April 2017.
<i>Cancellation of Interest Payments</i>	<p>If the Company does not make an Interest Payment or part thereof on the relevant Interest Payment Date, such non-payment shall evidence:</p> <ul style="list-style-type: none"> <li>(i) the non-payment and cancellation of such Interest Payment (or relevant part thereof) by reason of it not being due in accordance with the provisions described under “<i>Solvency Condition</i>” below;</li> <li>(ii) the cancellation of such Interest Payment (or relevant part thereof) in accordance with the provisions described under “<i>Restrictions on Interest Payments</i>” below;</li> <li>(iii) the cancellation of such Interest Payment (or relevant part thereof) in accordance with Condition 7(c); or as appropriate;</li> <li>(iv) the Company’s exercise of its discretion otherwise to cancel such Interest Payment (or relevant part thereof) as described under “<i>Interest Payments Discretionary</i>” below,</li> </ul> <p>and accordingly such interest shall not in any such case be</p>

due and payable.

*Interest Discretionary Payments* Interest on the Securities is due and payable only at the sole and absolute discretion of the Company, subject to additional restrictions set out in the Terms and Conditions. Accordingly, the Company may at any time elect to cancel any Interest Payment (or part thereof) which would otherwise be payable on any Interest Payment Date.

*Restrictions on Interest Payments* The Company shall cancel any Interest Payment (or, as appropriate, part thereof) on the Securities in respect of any Interest Payment Date to the extent that the Company has an amount of distributable items on such Interest Payment Date that is less than the sum of (i) all payments (other than redemption payments which do not reduce distributable items) made or declared by the Company since the end of the last financial year of the Company and prior to such Interest Payment Date on or in respect of any parity securities, the Securities and any junior securities and (ii) all payments (other than redemption payments which do not reduce distributable items) payable by the Company (and not cancelled or deemed cancelled) on such Interest Payment Date (x) on the Securities (including any Additional Amounts which would be payable by the Company in respect of the Interest Payment payable on such Interest Payment Date if such Interest Payment were not cancelled or deemed cancelled) and (y) on or in respect of any parity securities or any junior securities, in the case of each of (i) and (ii), excluding any payments already accounted for in determining the distributable items of the Company.

*Solvency Condition* Other than in a winding-up or administration of the Company or in relation to the cash component of any Conversion Shares Offer Consideration, all payments in respect of or arising from (including any damages for breach of any obligations under) the Securities are conditional upon the Company being solvent at the time of payment by the Company and no principal, interest or other amount shall be due and payable in respect of or arising from the Securities except to the extent that the Company could make such payment and still be solvent immediately thereafter.

The Company shall, for these purposes, be considered to be solvent if both (x) it is able to pay its debts owed to its senior creditors as they fall due and (y) its assets exceed its liabilities.

For these purposes:

**“Conversion Shares Offer Consideration”** means in respect of each Security and as determined by the Conversion Calculation Agent: (i) if all of the Ordinary Shares to be issued and delivered on Conversion are sold in the Conversion

Shares Offer, the *pro rata* share of the cash proceeds from the sale of such Ordinary Shares attributable to such Security translated, if necessary, into U.S. Dollars at the Prevailing Rate on the date specified by the Company (less any foreign exchange transaction costs) (rounded down if necessary to the nearest whole multiple of U.S. \$0.01), (ii) if some but not all of such Ordinary Shares are sold in the Conversion Shares Offer, (x) the *pro rata* share of the cash proceeds from the sale of such Ordinary Shares attributable to such Security translated, if necessary, into U.S. Dollars at the Prevailing Rate on the date specified by the Company (less any foreign exchange transaction costs) (rounded down if necessary to the nearest whole multiple of U.S. \$0.01) and (y) the *pro rata* share of such Ordinary Shares not sold pursuant to the Conversion Shares Offer attributable to such Security rounded down to the nearest whole number of Ordinary Shares, and (iii) if no Ordinary Shares are sold in a Conversion Shares Offer, the relevant Ordinary Shares attributable to such Security rounded down to the nearest whole number of Ordinary Shares, subject in the case of (i) and (ii)(x) above to deduction from any such cash proceeds of an amount equal to the *pro rata* share of any stamp duty, stamp duty reserve tax, or any other capital, issue, transfer, registration, financial transaction or documentary tax that may arise or be paid as a consequence of the transfer of any interest in such Ordinary Shares to the Conversion Shares Depositary as a consequence of the Conversion Shares Offer.

*Status*

The Securities will constitute direct, unsecured and subordinated obligations of the Company, and will rank *pari passu* and without any preference among themselves.

If:

- (a) an order is made, or an effective resolution is passed for the winding-up of the Company (subject to certain exceptions as set out in the Terms and Conditions); or
- (b) an administrator of the Company is appointed and such administrator declares, or gives notice that it intends to declare and distribute a dividend,

then,

(1) if such events specified in (a) or (b) above occur before the date on which a Conversion Trigger Event occurs, there shall be payable by the Company in respect of each Security (in lieu of any other payment by the Company) such amount, if any, as would have been payable to a Holder of such Security if, on the day preceding the commencement of such winding-up or

administration and thereafter, such Holder were the holder of one of a class of preference shares in the capital of the Company ("Notional Preference Shares") ranking in priority to the holders of the Ordinary Shares, having an equal right to a return of assets in such winding-up or administration to, and so ranking *pari passu* with, the holders of the Existing Preference Shares (if any remain outstanding) and the holders of any securities of the Company ranking or expressed to rank *pari passu* with any of the Existing Preference Shares or the Securities in such winding-up or administration, and ranking in priority to the holders of any other class of shares in issue or deemed to be in issue for the time being in the capital of the Company but ranking junior to the holders of any shares which may be issued or deemed to be issued by the Company which, by their terms, rank in priority to the Notional Preference Shares in such winding-up or administration, and ranking junior to the claims of senior creditors, and on the assumption that the amount that such holder was entitled to receive in respect of each Notional Preference Share, on a return of assets in such winding-up or such administration, were an amount equal to the principal amount of the relevant Security together with, to the extent not otherwise included within the foregoing, any other amounts attributable to the Security, including any accrued but unpaid interest thereon (to the extent not cancelled) and any damages awarded for breach of any obligations; and

(2) if such events specified in (a) or (b) above occur on or after the date on which a Conversion Trigger Event occurs but the relevant Ordinary Shares to be issued and delivered to the Conversion Shares Depository on Conversion in accordance with Condition 7 have not been so delivered, there shall be payable by the Company in respect of each Security (in lieu of any other payment by the Company) such amount, if any, as would have been payable to the Holder of such Security if, on the day preceding the commencement of the winding-up or administration and thereafter, such Holder were the holder of such number of Ordinary Shares as that Holder would have been entitled to receive on Conversion.

*Optional Redemption*

Subject to certain conditions, the Company may, at its option, redeem the Securities, in whole but not in part, on any Reset Date at 100 per cent. of their principal amount, together with any accrued but unpaid interest (which excludes any interest cancelled or deemed cancelled as described above) to (but excluding) the date fixed for redemption.

*Early Redemption due to a Capital Disqualification Event*

Subject to certain conditions, if at any time a Capital Disqualification Event has occurred, the Company may, at its option, redeem the Securities, in whole but not in part, on any date at 100 per cent. of their principal amount, together with

any accrued but unpaid interest (which excludes any interest cancelled or deemed cancelled as described above) to (but excluding) the date fixed for redemption.

*Early Redemption due to a Tax Event* Subject to certain conditions, if at any time a Tax Event has occurred, the Company may, at its option, redeem the Securities, in whole but not in part, on any date at 100 per cent. of their principal amount, together with any accrued but unpaid interest (which excludes any interest cancelled or deemed cancelled as described above) to (but excluding) the date fixed for redemption.

*Purchase* Subject to certain conditions, the Company (or any Subsidiary of the Company) or any holding company of the Company or any other Subsidiary of such holding company may, at any time, purchase or procure others to purchase beneficially for its account Securities in any manner and at any price.

*Conditions to Redemption or Purchase* Any redemption or purchase of the Securities by or on behalf of the Company or its Subsidiaries is subject to:

- (i) the Company giving notice to the Relevant Regulator and the Relevant Regulator granting permission (or, as applicable, not making any objection) to the Company to redeem or purchase the relevant Securities (in each case to the extent, and in the manner, required by the relevant Capital Regulations) and to such redemption or purchase not being prohibited by CRD IV;
- (ii) in respect of any redemption proposed to be made prior to the fifth anniversary of the Issue Date, if and to the extent then required under the Capital Regulations (A) in the case of redemption following the occurrence of a Tax Event, the Company having demonstrated to the satisfaction of the Relevant Regulator that the relevant change or event is material and was not reasonably foreseeable by the Company as at the Issue Date or (B) in the case of redemption following the occurrence of a Capital Disqualification Event, the Company having demonstrated to the satisfaction of the Relevant Regulator that the relevant change was not reasonably foreseeable by the Company as at the Issue Date;
- (iii) in the case of any redemption of the Securities, the



Company being solvent (as described in the Terms and Conditions) both immediately prior to and immediately following such redemption;

- (iv) in the case of any redemption of the Securities, no Conversion Trigger Notice having been given; and
- (v) compliance by the Company with any alternative or additional pre-conditions to redemption or purchase, as applicable, set out in the relevant Capital Regulations for the time being.

For these purposes:

**“Capital Regulations”** means, at any time, the laws, regulations, requirements, standards, guidelines and policies relating to capital adequacy (including, without limitation, as to leverage) for credit institutions then in effect in the United Kingdom including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines and policies relating to capital adequacy adopted by the Relevant Regulator from time to time (whether or not such requirement, guidelines or policies are applied generally or specifically to the Company or to the Company and its Subsidiaries).

**“CRD IV”** refers to the legislative package consisting of Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the **“CRD IV Directive”**) and Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013 (the **“CRD IV Regulation”**).

**“Relevant Regulator”** refers to the United Kingdom Prudential Regulation Authority or the then relevant regulatory body with primary responsibility for the prudential supervision of the Company and the Group.

*Conversion*

If the Conversion Trigger Event occurs, each Security shall be automatically and irrevocably discharged and satisfied by its Conversion into Ordinary Shares credited as fully paid, and the issuance of such Ordinary Shares to the Conversion Shares Depository to be held on trust for the Securityholders. The Conversion shall occur without delay upon the occurrence of a Conversion Trigger Event.

*Conversion Trigger Event*

The Conversion Trigger Event will occur if at any time the CET 1 Ratio is less than 7.00 per cent. The CET 1 Ratio is calculated

on a consolidated and fully loaded basis.

For these purposes:

**“CET1 Capital”** means, at any time, the sum, expressed in U.S. Dollars, of all amounts that constitute Common Equity Tier 1 Capital of the Group as at such date, less any deductions from Common Equity Tier 1 Capital of the Group required to be made as at such date, in each case as calculated by the Company on a consolidated and fully loaded basis in accordance with the Capital Regulations applicable to the Group as at such date (which calculation shall be binding on the Trustee and the Securityholders).

**“CET1 Ratio”** means, at any time, the ratio of CET1 Capital as at such date to the Risk Weighted Assets as at the same date, expressed as a percentage and on the basis that all measures used in such calculation shall be calculated on a fully loaded basis.

**“Risk Weighted Assets”** means, at any time, the aggregate amount, expressed in U.S. Dollars, of the risk weighted assets of the Group as at such date, as calculated by the Company on a consolidated and fully loaded basis in accordance with the Capital Regulations applicable to the Group on such date (which calculation shall be binding on the Trustee and the Securityholders) and where the term “risk weighted assets” means the risk weighted assets or total risk exposure amount, as calculated by the Company in accordance with the Capital Regulations applicable to the Group at the relevant time.

*Conversion Price*

The Conversion Price per Ordinary Share in respect of the Securities is U.S.\$7.732, subject to certain anti-dilution adjustments as described in the Terms and Conditions. As at 12 August 2016, the Conversion Price is equivalent to a price of £5.9634, translated into U.S. Dollars at an exchange rate of U.S.\$1 = £0.7713.

*Conversion Shares Offer*

Not later than the tenth London business day following the Conversion Date, the Company may, in its sole and absolute discretion, make an election that the Conversion Shares Depositary (or an agent on its behalf) will make an offer, in the Company’s sole and absolute discretion, of all or some of the Ordinary Shares to be delivered on Conversion to, in the Company’s sole and absolute discretion, all or some of the Company’s Shareholders at such time, such offer to be at a cash price per Ordinary Share being no less than the Conversion Price (translated, if necessary, from U.S. Dollars into the currency (or currencies) in which such Ordinary Shares are being offered to all or some of the Company’s Shareholders

as aforesaid at the then prevailing rate as determined by the Company in its sole discretion). The Company may, on behalf of the Conversion Shares Depositary, appoint a Conversion Shares Offer Agent to act as placement or other agent to facilitate the Conversion Shares Offer.

The Conversion Shares Offer Period shall end no later than 40 London business days after the giving of the Conversion Shares Offer Notice by the Company.

Upon expiry of the Conversion Shares Offer Period, the Conversion Shares Depositary will provide notice to the Holders of the Securities of the composition of the Conversion Shares Offer Consideration (and of the deductions to the cash component, if any, of the Conversion Shares Offer Consideration (as set out in the definition of Conversion Shares Offer Consideration)) per Calculation Amount. The Conversion Shares Offer Consideration shall be held on trust by the Conversion Shares Depositary for the Holders of the Securities. The cash component of any Conversion Shares Offer Consideration shall be payable by the Conversion Shares Depositary to the Holders of the Securities in U.S. Dollars and whether or not the Solvency Condition is satisfied.

<i>Trustee</i>	BNY Mellon Corporate Trustee Services Limited.
<i>Principal Paying and Conversion Agent</i>	The Bank of New York Mellon, London Branch.
<i>Interest Calculation Agent</i>	The Bank of New York Mellon, London Branch.
<i>Conversion Calculation Agent</i>	Conv-Ex Advisors Limited.
<i>Registrar and Transfer Agent</i>	The Bank of New York Mellon (Luxembourg) S.A.
<i>Conversion Shares Depositary</i>	To be determined by the Company prior to the time of any Conversion.
<i>Ordinary Shares</i>	The Ordinary Shares to be delivered following Conversion will be delivered credited as fully paid and will rank <i>pari passu</i> in all respects with all fully paid Ordinary Shares in issue on the Conversion Date, save as provided herein.
<i>Form</i>	The Securities will be represented by registered certificates (each a “ <b>Certificate</b> ”), without coupons, and initially will be represented by one or more Restricted Global Certificates and Unrestricted Global Certificates, each of which will be deposited on or about the Issue Date with a custodian for the DTC.

<i>Denomination</i>	U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.	
<i>Listing</i>	Application has been made to the Hong Kong Stock Exchange for permission to deal in, and for the listing of the Securities, on the Main Board of the Hong Kong Stock Exchange. Application has also been made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Ordinary Shares to be issued upon any Conversion of the Securities.	
<i>Clearing</i>	The Securities have been accepted for clearing by DTC.	
<i>ISIN</i>	Restricted Global Certificates: US853254BA77	Unrestricted Global Certificates: USG84228CQ91
<i>CUSIP</i>	Restricted Global Certificates: 853254 BA7	Unrestricted Global Certificates: G84228 CQ9
<i>Ratings</i>	The Securities are expected to be rated Ba1 by Moody's Investors Service Hong Kong Limited, BB- by Standard & Poor's Hong Kong Limited and BBB- by Fitch Ratings Limited.	
<i>Governing law</i>	English law.	

**Waiver granted by the Hong Kong Stock Exchange and specific mandate for the issuance of the Securities**

The Company announced on 23 March 2016 that it had applied for, and the Hong Kong Stock Exchange had on 3 March 2016 granted, a waiver from strict compliance with the requirements of Rule 13.36(1) of the Hong Kong Listing Rules pursuant to which the Company was permitted to seek (and, if approved, utilise) an authority (the "**Mandate**") to issue contingent convertible securities ("**ECAT1 Securities**") (and to allot Ordinary Shares into which they may be converted or exchanged) representing up to 20 per cent. of the Company's issued share capital as at 14 March 2016.

At the 2016 annual general meeting of the Company, the shareholders of the Company approved the Mandate allowing the Company to allot Ordinary Shares or rights to subscribe for Ordinary Shares to persons other than existing shareholders in connection with the issue of ECAT1 Securities up to an aggregate nominal amount of U.S.\$327,968,254 (or 655,936,508 shares), equivalent to approximately 20 per cent. of the Company's issued Ordinary Share capital of U.S.\$1,639,841,271 as at 14 March 2016. Such Mandate is effective until the Company's annual general meeting in 2017 or if earlier, the close of business on 3 August 2017, and is in addition to any general mandate to allot Ordinary Shares granted by the shareholders at the 2016 annual general meeting of the Company. The Mandate is also independent of any use of the ECAT1 Securities mandate granted at the Company's 2014 and 2015 annual general meetings. The Company expects to seek similar authorities on an annual basis. For further details, please refer to the notice of the 2016 annual general meeting of the Company dated 24 March 2016 and the announcement of the Company dated 5 May 2016 disclosing the poll results of such meeting.

The Company has obtained all necessary consents, approvals and authorisations in the United

Kingdom in connection with the issue and performance of the Securities. The issue of the Securities was authorised by resolutions of a committee of the Company's Board of Directors passed on 5 August 2016.

Accordingly, the issuance of the Securities is not subject to further approval by the shareholders of the Company.

#### **Application for listing**

Application has been made to Hong Kong Stock Exchange for the listing of, and permission to deal in, the Securities as a debt issue to professional investors only on the Main Board of the Hong Kong Stock Exchange. Application has also been made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Ordinary Shares to be issued upon any Conversion of the Securities.

#### **Reasons for the issuance of the Securities and use of proceeds**

The net proceeds from the issue of the Securities will be used for the general business purposes of the Group and to strengthen further the regulatory capital base of the Group.

The aggregate gross proceeds from the issuance of the Securities are expected to be U.S.\$2,000,000,000. The net proceeds from the issuance of the Securities, after the deduction of commission, are expected to be U.S.\$1,980,000,000.

#### **Fund raising activities in the past twelve months**

The Company has not carried out any issue of equity securities (save and except the issue of Ordinary Shares by the Company pursuant to the Scrip Dividend Scheme and the Share Plans and the issue of Ordinary Shares pursuant to the 2 for 7 rights issue of 728,432,451 Ordinary Shares as disclosed in the announcement of the Company dated 18 November 2015) during the 12 months immediately preceding the date of this announcement. For these purposes, "**Scrip Dividend Scheme**" means the scrip alternative scheme of the Company for shareholders of the Company to elect to receive dividends wholly or partly in the form of new fully-paid Ordinary Shares instead of in cash, and "**Share Plans**" means the issuances by the Company of Ordinary Shares to certain of its directors and employees pursuant to or in connection with the grant of share awards, share option schemes, or share saving schemes of the Company (including but not limited to the 2011 Standard Chartered Share Plan, the 2000 Executive Share Option Scheme, the 2001 Performance Share Plan, the 2006 Restricted Share Scheme, 2004 UK Sharesave Scheme, 2004 International Sharesave Scheme and 2013 Sharesave Plan).

#### **Effects on shareholding structure of the Company**

In the event a Conversion Trigger Event occurs and assuming full conversion of the Securities at their initial conversion price takes place, the Securities will be convertible into approximately 258,665,287 Ordinary Shares representing approximately 7.88 per cent. of the issued Ordinary Share capital of the Company as at 11 August 2016 and approximately 6.92 per cent. of the issued Ordinary Share capital of the Company as enlarged by the issue of such Ordinary Shares.

The Ordinary Shares to be issued upon Conversion of the Securities will rank *pari passu* in all respects with the Ordinary Shares in issue on the Conversion Date.

The following table summarises the potential effects on the shareholding structure of the Company as a result of the issuance of the Securities by reference to the information on shareholdings as at 11 August 2016 (being the latest practicable date prior to the release of this announcement) and assuming full conversion of the Securities:

Share Capital	As at 11 August 2016		Assuming the Securities are fully converted into Ordinary Shares at their initial conversion price	
	Number of shares	% of total issued shares	Number of shares	% of the total enlarged issued shares
Ordinary Shares of U.S.\$0.50 each in issue	3,283,269,411	94.39	3,541,934,698	94.77
8.25 per cent. non-cumulative irredeemable preference shares of £1.00 each	99,250,000	2.85	99,250,000	2.66
7.375 per cent. non-cumulative irredeemable preference shares of £1.00 each	96,035,000	2.76	96,035,000	2.57
6.409 per cent. non-cumulative redeemable preference shares of U.S.\$5.00 each	7,500	0.0002	7,500	0.0002
7.014 per cent. non-cumulative redeemable preference shares of U.S.\$5.00 each	7,500	0.0002	7,500	0.0002
<b>Total issued shares</b>	<b>3,478,569,411</b>	<b>100.00%</b>	<b>3,737,234,698</b>	<b>100.00%</b>

Note:

- The information in the above table is for illustrative purposes only, and it only shows the potential effects on the shareholding structure of the Issuer in connection with the Securities (but not any other securities issued or to be issued by the Company).

By Order of the Board  
**Elizabeth Lloyd, CBE**  
*Group Company Secretary*

Hong Kong, 12 August 2016

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

*Chairman:*

Sir John Wilfred Peace

*Executive Directors:*

William Thomas Winters and Andrew Nigel Halford

*Independent Non-Executive Directors:*

Om Prakash Bhatt; Dr Kurt Michael Campbell; Dr Louis Chi-Yan Cheung; David Philbrick Conner; Dr Byron Elmer Grote; Dr Han Seung-soo, KBE; Christine Mary Hodgson; Gay Huey Evans, OBE; Naguib Kheraj (Senior Independent Director) and Jasmine Mary Whitbread

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