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Standard Chartered PLC
27 March 2024

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27 March 2024

STANDARD CHARTERED PLC

(a public limited company incorporated in England and Wales)

Announcement on Standard Chartered PLC's 6.409% non-cumulative redeemable preference shares (the "6.409% Preference Shares") represented by American Depositary Shares ("ADSs")

On 4 January 2023, Standard Chartered PLC (the "**Company**") announced that a proposal to transition the dividend rate for the 6.409% Preference Shares from a three month U.S. dollar LIBOR-based rate to a compounded SOFR-based rate had not been approved, and so would not be implemented.

On 19 June 2023, the Company announced that, as from the dividend period commencing 31 July 2023, the dividend rate payable on the 6.409% Preference Shares would be calculated by reference to the three month synthetic U.S. dollar LIBOR rate. The three month synthetic U.S. dollar LIBOR rate is calculated using three month CME Term SOFR plus the three month ISDA-recommended credit adjustment spread.

As the publication of three month synthetic U.S. dollar LIBOR is due to cease from 30 September 2024, the Company announces that it intends to commence proceedings in the High Court of Justice of England and Wales (the "**Court**") to seek a binding declaration on the use of an alternative benchmark rate to calculate the dividend rate payable on the 6.409% Preference Shares (the "**Proceedings**").

The Company currently anticipates commencing the Proceedings on or around 10 April 2024 and intends to request that the Proceedings be heard on an expedited basis, as the Company would like to provide investors with clarity and certainty on the dividend rate payable on the 6.409% Preference Shares following the cessation of the publication of three month synthetic U.S. dollar LIBOR.

It is for the Court to determine the most suitable alternative benchmark rate. To assist the Court in its consideration of this matter, the Company intends to present the Court with evidence about various alternative rates. The Company considers that three month CME Term SOFR plus the three month ISDA-recommended credit adjustment spread, as is currently used to calculate three month synthetic U.S. dollar LIBOR, would be the most suitable alternative rate. Accordingly, the Company intends to invite the Court to approve the use of this rate for the calculation of the dividend rate payable on the 6.409% Preference Shares. Term SOFR is a forward-looking rate that has been widely accepted as the alternative benchmark rate for U.S. dollar LIBOR in the U.S. and the U.K. The FCA has indicated that it considers synthetic U.S. dollar LIBOR to be a fair and reasonable approximation of U.S. dollar LIBOR's likely economic outcome.[1] The Company has been using synthetic U.S. dollar LIBOR to calculate the dividend rates payable on the 6.409% Preference Shares as from the dividend period commencing on 31 July 2023 and considers that it would be appropriate to continue to use the same methodology.

The Company is committed to identifying an alternative benchmark rate that fairly reflects the terms of the 6.409% Preference Shares.

JPMorgan Chase Bank, N.A. (the "**Depositary**") holds the role of depositary under the deposit agreement dated 8 December 2006 (as amended from time to time) establishing the ADSs representing the 6.409% Preference Shares (the "**Deposit Agreement**"). The 6.409% Preference Shares are currently held by a nominee of the Depositary, Guaranty Nominees Limited (the "**Nominee**").

However, neither the Depositary nor the Nominee (in those capacities) holds any economic interest in the 6.409% Preference Shares. Their role is essentially to hold the 6.409% Preference Shares for the benefit of, and to pass on payments and documents to, holders of the ADSs. Further, under the terms of the Deposit Agreement, neither the Depositary nor the Nominee is under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of the 6.409% Preference Shares or the ADSs.

The Company has informed the Depositary of the Proceedings. Given that the Nominee is the sole registered holder of the 6.409% Preference Shares, it will be a necessary defendant in the Proceedings. However, in light of the above, the Company does not expect that either the Depositary or the Nominee will take an active role in the Proceedings. The Nominee will be named as the defendant as a procedural matter only.

The holders of the ADSs are not members of the Company and will not therefore be named by the Company as defendants in the Proceedings. However, recognising their economic interest in the 6.409% Preference Shares, the Company has provided the holders of the ADSs with additional information about the Proceedings which is available on the Company's website at https://www.sc.com/en/investors/credit-ratings-fixed-income/capital-securities-in-issue/. The Company invites the holders of the ADSs to notify it using the contact details provided below if they intend to participate in the Proceedings.

This announcement is released by the Company and contains information that qualified as inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 as it forms part of the domestic law of the U.K. by virtue of the EUWA ("**UK MAR**"), encompassing information relating to the 6.409% Preference Shares described above.

The Company does not, at this stage, intend to comment further on the Proceedings.

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[1] Paragraph 3.66 of the FCA's Consultation Paper CP22/21: "Consultation on 'synthetic' US dollar LIBOR and feedback to CP22/11" dated November 2022.

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