2008 Interim Dividend

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should consult a stockbroker, solicitor, accountant or other appropriate independent professional adviser.

If you have sold or transferred all of your shares before Wednesday 13 August 2008, please pass this document and any accompanying forms to the person who arranged the sale or transfer so that they can pass these documents on to the person who now holds the shares. If you have sold or transferred some, but not all, of your shares before Wednesday 13 August 2008, and those shares are included in the number shown in box (1) on your election form or statement of shareholding, you should contact the person who arranged the sale or transfer without delay for advice on the action you should take.

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1 September 2008

Dear Shareholder

I am writing to tell you about the arrangements for the 2008 interim dividend. The interim dividend of 25.67 US cents per ordinary share will be paid on 9 October 2008. This document explains the options available for receiving your dividend, and the arrangements for calculating and paying the cash dividend and the share dividend.

I am pleased to tell you that the Company has delivered record profits in the first half of 2008. These would be great results in any year but this year they are exceptional. Our strategic focus on Asia, Africa and the Middle East, together with strong management discipline, continues to steer us clear of the turmoil engulfing much of the financial markets. We have had an excellent first half and entered the second half in good shape.

Yours sincerely

E Mervyn Davies CBE
Chairman

Standard Chartered does not contact its shareholders directly to provide recommendation advice, nor does it appoint third parties to do so. As required by law, our shareholder register is available for public inspection. As Standard Chartered cannot control the use of information obtained by persons inspecting the register, please treat any approaches providing recommendation advice purporting to originate from Standard Chartered with caution.

The Standard Chartered PLC shareholder Hong Kong branch register is administered by Computershare Hong Kong Investor Services Limited, Rooms 1806-1807, 18th Floor Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong (for shareholder enquiries, telephone: 2862 8555).

As at the date of this document, the Board of Directors of the Company comprises:

Chairman: Evan Mervyn Davies CBE
Executive Directors: Peter Alexander Sands, Stefano Paolo Bertamini, Gareth Richard Bullock and Richard Henry Meddings
Independent Non-Executive Directors: John Wilfred Peace (Deputy Chairman), James Frederick Trevor Dundas, Valerie Frances Gooding CBE, Rudolph Harold Peter Markham, Ruth Markland, Sunil Bharti Mittal, Paul David Skinner, Oliver Henry James Stocken and Lord Adair Turner

Standard Chartered PLC
1 Basinghall Avenue
London EC2V 5DD

Registered Office: 1 Aldermanbury Square, London EC2V 7SB
Registered in England and Wales 966425
Summary

If you held ordinary shares in Standard Chartered PLC (the “Company”) at the opening of business 9.00am on Friday 15 August 2008, you are entitled to the 2008 interim dividend of 25.67 US cents per ordinary share, payable on Thursday 9 October 2008.

2008 Interim Dividend Options

Option 1: **Hong Kong dollar cash dividend.** You will automatically receive your cash dividend in Hong Kong dollars, unless you have a standing instruction in place to receive it in either US dollars, sterling, or new fully paid ordinary shares (“new shares”).

Option 2: **US dollar cash dividend.** You may choose to receive your cash dividend in US dollars.

Option 3: **Sterling cash dividend.** You may choose to receive your cash dividend in sterling.

Option 4: **Share dividend offer.** You may choose to receive your cash dividend in new shares.

If you have a standing instruction in place for any of the above options and want to continue receiving your dividend in the same way, no further action is required.

For further details on each of these options please see page 6 to 8 of this document.

Key Information

1. **Share Dividend Price**

The price of the new shares offered to you instead of the 2008 interim cash dividend is US$26.0148 (£14.00) which has been calculated as the average middle-market price over a five-day dealing period commencing on 13 August 2008 (the date on which the Company’s shares were quoted ex-dividend). We will tell you in your election form the number of new shares you are entitled to receive instead of the cash dividend. The sterling/US dollar and US dollar/Hong Kong dollar exchange rates for the cash dividend will be set on Friday 26 September 2008 and published on the Company’s website: [http://investors.standardchartered.com/dividend.cfm](http://investors.standardchartered.com/dividend.cfm) on or around that date.

2. **Electronic Communications**

By choosing to communicate with the Company electronically you are directly contributing to our pledge to reduce the impact on our environment 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. The dividend document and the election form have been published on our website, and can be viewed, downloaded and completed (as appropriate) online. Instead of receiving the hard copy documents you can choose to receive a notification which will inform you that the documents are available online. You can choose to receive this notification by email or post. You can register for this service through our branch registrar’s Investor Centre at [www.computershare.com/hk/investors](http://www.computershare.com/hk/investors) by clicking on “Electronic Shareholders Communications” and following the simple online instructions (see page 9), alternatively, please contact our branch registrar for further details (contact details below).

3. **Donation to Charities**

The Company continues to support Seeing is Believing, the fundraising and community investment programme that aims to restore sight and prevent avoidable blindness. Further details on how you can support this charity are available on page 10 of this document.

4. **Helpline**

If you have any questions about the dividend arrangements, please call our branch registrar’s helpline between 9.00am and 6.00pm Monday to Friday, excluding Hong Kong public holidays. The telephone number is 2862 8555. The helpline will not be able to give you advice on the merits of the share dividend offer or any financial advice. If you need financial advice you will need to contact an independent professional adviser.
**Timetable**

**Wednesday 13 August 2008**
Date that the ordinary shares were quoted ex-dividend. If you bought the Company’s ordinary shares on or after this date you will not be entitled to the 2008 interim dividend on them.

**Wednesday 13 August to Tuesday 19 August 2008**
dealing days for calculating the average middle-market price of the new ordinary shares to be offered to you under the share dividend offer (the “share dividend price”).

**Friday 15 August 2008**
Record date for the interim dividend. You will receive the 2008 interim dividend on the number of ordinary shares registered in your name at the opening of business in Hong Kong (9.00am) on this date.

**Tuesday 19 August 2008**
Sterling/US dollar exchange rate quoted by Standard Chartered Bank at or around 11.00am (UK time) on this date was used to convert the sterling share dividend price into US dollars.

**Friday 12 September 2008**
The latest date by which you can write to our branch registrar to amend an existing standing instruction to receive part or all of your dividend in cash, in a different currency or in new shares. Please write to our branch registrar to request a form (see page 9 for contact details). Our branch registrar will arrange the cancellation of your existing standing instruction and issue a new printed election form. Your letter must reach them no later than 4.00pm on Friday 12 September 2008 to provide sufficient time for the branch registrar to send you a new election form for your completion and return by Monday 22 September 2008.

**Monday 22 September 2008**
The date on which any cancellation of, or changes to, your existing instructions about this dividend payment will be final. This includes any standing instruction to receive part or all of your dividend in cash, in a different currency or in new shares. Your instructions must be received by our branch registrar by 4.00pm on Monday 22 September 2008.

You can cancel or amend your instructions electronically through our branch registrar’s Investor Centre. This facility is available throughout the share dividend offer period but your final instruction must be submitted by 4.00pm on Monday 22 September 2008 which is the expiry date for this share dividend offer. For further details see page 9 of this document.

Alternatively you can cancel an existing instruction in writing. Your cancellation letter must be received by our branch registrar by 4.00pm on Monday 22 September 2008. If you wish to amend an existing instruction in writing your letter requesting this must be received by our branch registrar by 4.00pm on Friday 12 September 2008 as described above.

**Friday 26 September 2008**
The sterling/US dollar and US dollar/Hong Kong dollar forward exchange rates quoted by Standard Chartered Bank at or around 11.00am (UK time) on this date will be used for calculating the sterling and Hong Kong dollar cash dividend.

These exchange rates and the sterling and Hong Kong dollar cash values of the interim dividend will be published on the Company’s website: http://investors.standardchartered.com/dividend.cfm on or around 26 September 2008.

**Wednesday 8 October 2008**
Dividend cheques and share certificates posted.

**Thursday 9 October 2008**
Cash dividend paid and CCASS accounts credited with new shares. Expected first day of dealing in new shares.

When deciding whether you want to receive your dividend in cash or in shares, please remember that the price of Standard Chartered PLC shares can go down as well as up and that the value of a Standard Chartered PLC ordinary share on 26 September 2008 (being the date on which the then prevailing sterling/US dollar and US dollar/Hong Kong dollar exchange rates are used for calculating the sterling and Hong Kong dollar cash dividend) may be lower or higher than the share dividend price. Further details on this are given on page 6 in the section headed “Deciding whether to elect for, or continue to elect for, the share dividend”.

We are sending this circular to registered holders of preference shares for information only.
Terms of the share dividend offer

You may choose to receive new ordinary shares instead of some or all of the cash dividend.

The number of new ordinary shares that you are entitled to receive under the share dividend offer is based on the US dollar equivalent of the share dividend price. The share dividend price is the average of the middle market quotations for the Company’s ordinary shares on the London Stock Exchange for the five dealing days commencing on Wednesday 13 August 2008, the dealing day on which the Company’s ordinary shares were first quoted ex-dividend. The US dollar equivalent of the £14.00 share dividend price is US$26.0148. That figure was calculated using the sterling/US dollar exchange rate of 1.8582 quoted by Standard Chartered Bank at or around 11.00am (UK time) on Tuesday 19 August 2008. If you elect for the share dividend you will receive approximately one new ordinary share for every 102 ordinary shares you held as at 15 August 2008 (the “record date”).

To qualify for this share dividend you need to have held at least 102 ordinary shares (101.34 rounded up to the nearest whole number) as at 9.00am on the record date. If you held insufficient ordinary shares on the record date and/or the cash value of your dividend (including any residual cash balances brought forward from previous dividends) is less than the offer price for a new share, you will not be able to receive the share dividend on this occasion and your dividend will be paid to you in cash unless you have a standing instruction in place to receive new shares in which case your dividend payment will be carried forward without interest and added to the next dividend payment unless you choose to give it to charity (please refer to page 10 for details).

If the value of your cash dividend (plus any residual cash balance brought forward from a previous share dividend offer) is more than the share dividend price, and if you have a standing instruction in place, you will receive the share dividend on this occasion. Any cash balance left over will be carried forward without interest to the next dividend payment.

You can only receive a whole number of new shares. We will not issue fractions of a share. If you choose to take shares for only some of your dividend, the rest will be paid to you in cash. The cash part of your dividend will be paid in Hong Kong dollars unless you ask for it to be paid in US dollars or sterling.

Once we receive your election form for this dividend you cannot cancel or amend it. However, if you make your election online you will be able to log on to our branch registrar’s Investor Centre at www.computershare.com/hk/investors to update, cancel and/or amend your standing instructions. However, you must ensure your final instructions are received by our branch registrar by 4.00pm on Monday 22 September 2008.

Deciding whether to elect for, or continue to elect for, the share dividend

When deciding whether you want to receive your dividend in cash or in shares, please remember that the price of Standard Chartered PLC shares can go down as well as up and that the value of a Standard Chartered PLC ordinary share on 26 September 2008 (being the date on which the then prevailing sterling/US dollar and US dollar/Hong Kong dollar exchange rates are used for calculating the sterling and Hong Kong dollar cash dividend) may be lower or higher than the share dividend price (due to share price movement and/or movement in the sterling/US dollar exchange rate and/or movement in the US dollar/Hong Kong dollar exchange rate). Whether or not it is to your advantage to elect to receive new ordinary shares instead of a cash dividend or to elect to receive payment in US dollars, sterling or Hong Kong dollars is a matter for individual decision by each shareholder. Standard Chartered PLC does not accept any responsibility for your decision. If you are not sure what to do, please contact an appropriate independent professional adviser.

How the share dividend helps you and the Company

You

The share dividend alternative is an economical way for you to increase your shareholding in the Company without paying dealing charges.

The Company

The Company’s reserves are maintained as a result of the Company issuing new shares instead of paying cash. To the extent that shareholders take up the share dividend alternative, the Company saves cash outflow and maintains its reserves which can be put to use in developing the business for the overall benefit of shareholders.

If all shareholders choose to receive the cash dividend the charge to the Company’s reserves will be approximately US$365 million. The applicable tax credit is the sterling equivalent of approximately US$40.56 million.

If all shareholders choose to receive new shares in lieu of the cash dividend, the Company would issue approximately 14 million new shares, an increase of approximately 0.987 per cent in its existing issued ordinary share capital.

What to do

1. **If you want to receive your dividend in Hong Kong dollars**

   If you are a Hong Kong registered shareholder, you will automatically receive your cash dividend in Hong Kong dollars, which is the default currency provided you do not have a standing instruction in place to receive your dividend in shares, US dollars or sterling. If you want to continue receiving your dividends in the same way, no further action is required, we will send you your cash dividend in Hong Kong dollars.

   However, if you have a standing instruction in place to receive your dividend in shares, US dollars or sterling, but wish to receive your cash dividend in Hong Kong dollars, you can cancel your existing standing instructions for this dividend electronically provided your instructions are...
received by our branch registrar by 4.00pm on Monday 22 September 2008. For further details on how to do this please see page 9 of this document. If you are not able to do this electronically, you can write to our branch registrar to cancel your existing standing instructions but your correspondence must be received by 4.00pm on Monday 22 September 2008. In addition, if you want your cash dividend paid directly into a Hong Kong dollar account, we can arrange this for you, provided your account is held with a bank in Hong Kong. Please register your changes to your mandate online or contact our branch registrar for a mandate form (see page 9 for contact details).

The cash dividend is quoted in US dollars and the amount that you will receive in Hong Kong dollars is calculated by using the forward US dollar/Hong Kong dollar exchange rate quoted by Standard Chartered Bank at or around 11.00am (UK time) on Friday 26 September 2008. As an example, if we had used the exchange rate quoted by Standard Chartered Bank on Tuesday 26 August 2008 of 7.8083 (being the last practicable date prior to the printing of this document), the dividend in Hong Kong dollars would have been approximately 2.0044 dollars per share.

For the 2008 interim cash dividend, the Hong Kong dollar amount and the exchange rate will be published on our website at http://investors.standardchartered.com/dividend.cfm on or around 26 September 2008.

2. If you want to receive your dividend in US dollars

You may choose to receive your cash dividend in US dollars. If you have a standing instruction in place to receive your cash dividend in US dollars and want to continue receiving your dividends in the same way, no further action is required, we will send you your cash dividend in US dollars.

However, if you want to receive the cash dividend and future dividends in US dollars and you do not have a standing instruction in place to receive your dividend in US dollars, you can register your instructions for this and future dividend payments electronically provided your instructions are received by our branch registrar by 4.00pm on Monday 22 September 2008. For further details on how to do this please see page 9 of this document. If your instructions are not received by our branch registrar by the specified deadline, your cash dividend will be paid to you in Hong Kong dollars or in accordance with your existing standing instructions.

Alternatively, you can tick box D on the printed election form and return the form to our branch registrar. We will then send you your cash dividend in US dollars. You can also do this electronically or contact our branch registrar for a mandate form (see page 9 for contact details).

3. If you want to receive your dividend in sterling

If you are a UK registered shareholder you will automatically receive your cash dividend in sterling which is the default currency for shareholders in the UK.

If you are a Hong Kong branch registered shareholder you may also choose to receive your cash dividend in sterling. If you have a standing instruction in place to receive your cash dividend in sterling and want to continue receiving your dividends in the same way, no further action is required. We will send you your cash dividend in sterling.

However, if you want to receive this cash dividend and future dividends in sterling and you do not have a standing instruction in place to receive your dividend in sterling, you can register your instructions for this and future dividend payments electronically provided your instructions are received by our branch registrar by 4.00pm on Monday 22 September 2008. For further details on how to do this please see page 9 of this document. Alternatively, you need to tick box E on the printed election form and return the form to our branch registrar no later than 4.00pm on Monday 22 September 2008. We will then send you your cash dividend in sterling. You can also do this electronically or contact our branch registrar for an election and/or mandate form (see page 9 for contact details).

If your standing instructions are not received by this deadline your cash dividend will be paid to you in Hong Kong dollars or in accordance with your existing standing instructions.

The cash dividend is quoted in US dollars and the amount that you will receive in sterling is calculated by using the forward sterling/US dollar exchange rate quoted by Standard Chartered Bank at or around 11.00am (UK time) on Friday 26 September 2008. As an example, if we had used the exchange rate quoted by Standard Chartered Bank on Tuesday 26 August 2008 of 1.8344 (being the last practicable date prior to the printing of this document), the dividend in sterling would have been approximately 13.99 pence per share.

For the 2008 interim cash dividend, the sterling amount and the exchange rate will be published on our website at http://investors.standardchartered.com/dividend.cfm on or around 26 September 2008.

4. If you have a standing instruction in place to receive your dividend in new shares, but you want cash

You can cancel and/or amend your existing standing instructions for this and future dividends or elect to take part of your dividends in new shares and the rest in cash. You can do this electronically through our branch registrar’s Investor Centre provided your new instructions are received by our branch registrar by 4.00pm on Monday 22 September 2008. For further details on how to do this please see page 9 of this document.

If you are not able to process your instructions electronically, you will need to write to our branch registrar. If you wish to cancel your existing standing instruction and receive all your dividend in cash, your letter cancelling your existing standing instruction must be received by our branch registrar by 4.00pm on Monday 22 September 2008. If you wish to amend your existing instruction and replace it with an instruction to receive part of your dividend in shares and part of your dividend in cash, your letter must reach our branch registrar by 4.00pm on Friday 12...
5. If you want to receive your dividend in new shares instead of cash

If you have a standing instruction in place to receive new shares and want to continue receiving your dividends in the same way, no further action is required. We will automatically give you your dividend in new ordinary shares. We cannot issue fractions of a share so you might have a small amount of cash left over after receiving your new shares (the “cash balance”). We will carry this cash balance forward to the next dividend payment, unless you choose to give it to charity (please refer to page 10 for details).

However, if you do not have a standing instruction in place and you wish to receive the maximum number of new shares available to you under this share dividend offer and/or to take future dividends in new shares, you can register your instructions electronically provided your instructions are received by our branch registrar by 4.00pm on Monday 22 September 2008. For further details on how to do this please see page 9 of this document. Your cash balance will be carried forward to the next dividend payment unless you choose to give it to charity by ticking box C on the election form.

If you are not able to process your instructions electronically, you can complete a printed election form and tick box A to receive the number of new shares available to you under this share dividend offer. To receive future cash dividends in new shares instead of all of your dividends in cash, please also tick box B on your election form to put this standing instruction in place. Please see page 9 for our branch registrar’s contact details.

6. If you want to receive your dividend partly in new shares and partly in cash

You can cancel and/or amend your existing standing instructions to receive your dividends partly in new shares and the rest in cash for this and future dividends electronically provided your instructions are received by our branch registrar by 4.00pm on Monday 22 September 2008. For details on how to do this please see page 11 of this document.

However, if you are not able to do this electronically then you will need to write to our branch registrar to cancel your existing standing instructions. Otherwise you will receive all of your dividend in accordance with your previous instructions. You should also ask our branch registrar to send you an election form. Upon receipt of the form, please complete it and write in box (5) the number of your existing shares on which you want to take the share dividend. We will send you the dividend on the rest of your shares in cash. In order for our branch registrar to deal with this request your letter must reach them by 4.00pm on Friday 12 September 2008. When you receive the printed election form, please complete it promptly and ensure it is signed, dated and returned to our branch registrar to reach them by 4.00pm on Monday 22 September 2008.

If you do not have a standing instruction in place, and have requested a printed election form, please complete the election form by writing in box (5) the number of your existing shares on which you want to take the share dividend. We will send you the rest of your dividend in cash. Please note that if you write in box (5) a number of shares which is more than the number shown in box (1) we will treat your election as though it were based on the number of shares shown in box (1).

The cash part of your dividend will be paid in Hong Kong dollars unless you tick box D on the election form showing that you want to receive it in US dollars or box E showing that you want to receive it in sterling. The amount of your Hong Kong dollar dividend will be calculated by using the forward US dollar/Hong Kong dollar exchange rate quoted by Standard Chartered Bank at or around 11.00am (UK time) on Friday 26 September 2008. The amount of your sterling dividend will be calculated by using the forward sterling/US dollar exchange rate quoted by Standard Chartered Bank at or around 11.00 am (UK time) on Friday 26 September 2008.

7. If the number of shares you own is less than the amount needed to qualify for the share dividend

The US dollar equivalent of the share dividend price (the price of each new ordinary share offered to you under the share dividend offer) is US$26.0148. Assuming you do not have any residual cash balances brought forward from previous dividends, you need to hold 102 or more ordinary shares to qualify for the share dividend on this occasion. The number of shares you need to hold (as at the record date) to qualify for the share dividend is a cash-based calculation and not a ratio-based calculation. It is calculated by dividing the US dollar equivalent of the share dividend price into the US dollar cash value of the interim dividend. An example of this calculation can be found on page 13. If you do not qualify for the share dividend on this occasion your dividend will be paid to you in accordance with your existing standing instructions.

If you have a standing instruction in place to receive new shares, we will carry your dividend forward to the next dividend payment if the number of shares you own is less than the amount needed to qualify for the share dividend. If you would like your dividend in cash, you can cancel your existing standing instructions electronically, please see page 9 for details on how to do this.

If you are not able to cancel your existing standing instructions electronically, you can write to our branch registrar asking them to do so. Your letter must reach them by 4.00pm on Monday 22 September 2008.

8. If you hold less than 102 shares but the cash value of your dividend entitlement (plus any residual cash balance brought forward from a previous share dividend offer) is more than the offer price for a new share

If the value of your total cash dividend entitlement (plus any residual cash balance brought forward from a previous share dividend offer) is more than the share dividend price, and if you have a standing instruction in place, you will receive the share dividend on this occasion. Any cash balance left over will be carried forward without interest to the next dividend payment.
General information

1. Multiple shareholdings

If, for any reason, your shareholding is recorded in the Company’s register of members in more than one share account and as a result you have received more than one election form or website notification letter then, unless you are able to make arrangements with our branch registrar to have your holdings consolidated before **4.00pm on Monday 22 September 2008**, they will be treated as separate holdings and you should complete separate election forms for each holding. Equally, if you are submitting your elections electronically you will need to do this for each shareholder account.

2. Electronic elections

Making elections online not only reduces our impact on the environment but it offers you an instant and secure system for submitting your elections. By using this facility you avoid the risk of your forms being lost in the post and missing the deadline for the share dividend. It also allows you to make changes to your elections online provided your final instructions are received by **4.00pm on Monday 22 September 2008**.

Submit your forms and making changes to your shareholder account electronically

You can register your election for the dividend electronically through our branch registrar’s Investor Centre, by visiting their website at www.computershare.com/hk/investors. Before using this facility you will need to register your details with the Investor Centre. **Please register with the Investor Centre without delay 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.

In addition to the above, you can also choose the currency in which you would like your dividends to be paid and amend and/or cancel your existing standing instructions through our branch registrar’s Investor Centre. You can make changes to your standing instructions throughout the period of the share dividend offer through the website provided that your final instructions are submitted by the abovementioned deadline.

If you have any difficulty in using the website, please contact the branch registrar at hkinfo@computershare.com.hk.

3. Sending in your printed election form

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). Letters to request gifts to charity (see page 10) should be sent to our branch registrar, Computershare Hong Kong Investor Services Limited, Rooms 1806-1807, 18th Floor Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, to reach them by **4.00pm on Monday 22 September 2008**. If you wish to cancel an existing standing instruction to receive your dividend wholly in cash or in shares, you must write to our branch registrar, Computershare Hong Kong Investor Services Limited, Rooms 1806-1807, 18th Floor Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong and your letter must be received by the above mentioned deadline.

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 instructions.

4. Helpline

If you have any queries about the dividend arrangements or completing the forms, please telephone our branch registrar’s helpline on 2862 8555 between 9.00am and 6.00pm, Monday to Friday, excluding Hong Kong public holidays. The helpline service will not be able to give you advice on the merits of the share dividend offer or any financial advice. If you need financial advice you will need to contact an appropriate independent professional adviser.

5. If you have recently bought or sold shares

The Company’s shares were quoted ex-dividend on Wednesday 13 August 2008. This means that if you bought the Company’s shares on or after that date, you are not entitled to the 2008 interim dividend on them.

If you bought or sold shares in the Company before Wednesday 13 August 2008, and this is not reflected in the number of shares shown in box (1) on your election form or statement of shareholding, you should contact the person who arranged the purchase or sale without delay. Appropriate arrangements can then be made to transfer the dividend.

6. Currency

The cash dividend can be paid in sterling, US dollars or Hong Kong dollars but you can only choose to receive your dividend in one of these currencies. Hong Kong dollars is the default currency for Hong Kong registered shareholders and will be paid to shareholders automatically unless you have chosen to receive US dollars or sterling.

If you wish to receive the cash element of this dividend and all future ordinary dividends in either US dollars or sterling you can request this electronically via our branch registrar’s Investor Centre. For details, please see page 9. If you are not able to do this electronically you will need to request a printed election form and tick box D on the election form to receive US dollars or box E for sterling.

Your currency instruction will remain in force until (i) you advise our branch registrar in writing to cancel or amend it, (ii) you sell or transfer your shareholding, or (iii) the facility is withdrawn by the directors.
7. Payment of your dividends into a Bank Account

We can also arrange for dividend payments to be paid directly into a Hong Kong dollar bank account provided the account is held with a bank in Hong Kong. You can register your mandate instructions online or contact our branch registrar for a mandate form.

8. Payment of cash balances

Any accumulated cash balances will be sent to you (without interest) if:

- you sell all of your shares
- you choose to receive some or all of your dividend in cash
- you cancel your standing instruction
- you write to our branch registrar and ask them to send it to you

Cash balances paid to you in these circumstances will be paid in Hong Kong dollars unless you have asked for them to be paid in US dollars or sterling and will be based on the exchange rate used for the specific dividend payment.

9. Giving to charity

Donations to Seeing Is Believing

Seeing is Believing is Standard Chartered’s fundraising and community investment programme that aims to restore sight and prevent avoidable blindness. There are 45 million people who are blind in the world but the real tragedy is that three quarters of this blindness could be prevented or cured simply and cheaply. We have raised over US$17 million and have already contributed to over one million sight restorations. We currently have 35 projects running across 17 countries that will make a difference to the lives of 10 million people by the year 2010, through prevention and cure of blindness. This year, we are launching New Vision, a programme to invest US$ 20 million in sustainable and comprehensive eye care services to 20 million people in the most disadvantaged areas of 20 cities across the globe. It will be the most ambitious programme yet for Seeing is Believing.

You can choose to donate the cash balance following payment of your dividend in new shares to Seeing is Believing when electing online or on the printed election form. All donations to Seeing is Believing will be matched by the Bank until the fundraising targets are met.

10. Standing instructions

Setting up

You can receive shares instead of cash for this dividend and future dividends by completing a standing instruction.

- You can set up standing instructions online by visiting our branch registrar’s Investor Centre at www.computershare.com/hk/investors
- Alternatively you can complete a printed election form and tick boxes A and B. Please send the form to our branch registrar.
- You will receive new shares on the same terms as any future share dividend offer made to all shareholders.
- Standing instructions for the share dividend can only be used if you wish to take all of your dividend in shares. We will carry any cash balances forward (unless you ask us to give them to the Seeing is Believing, the Company’s chosen charity).
- If you want to receive some of your dividend in new shares and the rest in cash, do not fill in the standing instruction. You will need to write in box (5) on the election form the number of existing shares on which you would like to take the share dividend. You will receive the cash balance in Hong Kong dollars unless you choose to receive US dollars or sterling. This instruction can only be applied to this dividend payment and not carried forward to future dividend payments.
- If you set up a standing instruction, we will send you a statement when the next dividend is paid which shows the number of shares registered in your name that qualify for the dividend, the number of new shares you will receive and the amount of any cash balances carried forward. If you have chosen to communicate with the Company electronically this information will be sent to you by email and/or made available through our branch registrar’s Investor Centre. We will inform you on how you can access this information.
- If you sell some of your shares or buy more, your standing instruction will apply to your new shareholding.
Cancelling

- You can cancel your existing standing instructions online at any time by visiting our branch registrar’s Investor Centre at www.computershare.com/hk/investors.
- Alternatively, you may cancel your standing instruction by writing to our branch registrar who must receive your letter by 4.00pm on Monday 22 September 2008. If they do not receive your instructions by this date you will receive your dividend payment in accordance with your existing standing instructions.
- We will automatically cancel a standing instruction if we are advised a shareholder has died.
- We will automatically cancel your standing instruction if you sell or transfer all of your shares.

Alteration

- You can alter your existing standing instructions online by visiting our branch registrar’s Investor Centre at www.computershare.com/hk/investors. Changes can be made to your instructions throughout the share dividend offer period but you must ensure your final instructions are received by 4.00pm on Monday 22 September 2008 when the offer expires.
- Alternatively, to alter a standing instruction to receive part of your dividend in shares and the rest in cash, please write to our branch registrar to cancel your existing standing instruction. Our branch registrar needs at least four business days’ notice to arrange the cancellation and to issue a new election form. Your letter must therefore reach them by 4.00pm on Friday 12 September 2008. You must then complete and return your new election form to our branch registrar. Your election form must reach them by 4.00pm on Monday 22 September 2008.

- 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. 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.

11. Delivery and Listing of New shares

The Company will apply to the UK Listing Authority and to the Listing Committee of The Stock Exchange of Hong Kong Limited for the new shares to be listed, and to the London Stock Exchange for the shares to be admitted to trading on the London Stock Exchange. Subject to admission of new shares to the Official List of the UK Listing Authority and to listing approval from The Stock Exchange of Hong Kong Limited, share certificates in respect of shareholdings held in certificated form (where they are usually registered in your own name) will be posted to you, at your own risk, on Wednesday 8 October 2008. If your shares are held in uncertificated form through CCASS (where they are registered in the name of a nominee) HKSCC Nominees Limited will be instructed to credit your stock account with the appropriate number of new shares on Thursday 9 October 2008. The new shares will have the same rights as the shares you hold already except they will not qualify for the 2008 interim dividend.

Dealing in the new shares is expected to begin on Thursday 9 October 2008. However, if permission for the new shares to be listed and admitted to trading on the London Stock Exchange and The Stock Exchange of Hong Kong Limited is not granted by Friday 3 October 2008, the Company will not issue any new shares and you will receive all of your dividend in cash.

12. Cancellation of the share dividend offer

The directors may cancel the share dividend offer in accordance with the relevant provisions of the Articles of Association of the Company at any time before the new shares have been issued. If the directors decide to do this we will advise you.

13. Tax

Details of the tax implications for you if you choose to receive the share dividend and Hong Kong resident are given in the Appendix on page 14 of this document.

If you are unsure about how your tax position is affected, please contact an appropriate independent professional adviser.

14. Overseas shareholders

General

If you live outside Hong Kong this document is only an invitation for you to take up the share dividend offer if it could be made where you live without the Company having to meet any legal or registration requirements.

It is your responsibility to make sure that any legal requirements are met and/or that any necessary agreements are obtained.

All references to time in this document are to Hong Kong time, unless otherwise indicated.

In the case of any conflict between any translation and the English version of this document, the English text shall prevail.
You can view or download this document from the Company’s website at http://www.standardchartered.com.hk/investor-relations/news-and-hong-kong-stock-exchange-announcements/2008/en/index.html. However, if you would like a paper copy of this document and the election form, copies will be available from our branch registrar until Monday 22 September 2008. To request a copy, please call the shareholder helpline on 2862 8555 between 9.00am and 6.00pm Monday to Friday, excluding Hong Kong public holidays.

United States ("US") shareholders

The share dividend is available to shareholders who live in the US. However, the Company’s shares have not been registered under the United States Securities Act of 1933 (as amended) (the ‘Securities Act’) or under the law of any state in the US. Shares may not be sold or transferred to anyone in the US unless an exemption from registration is available. Shares may be sold or transferred outside the US in accordance with Regulation S under the Securities Act. An individual person resident in California, Georgia or Oregon may not receive the share dividend. Any entity located in California, Georgia or Oregon that chooses to elect for the share dividend in so choosing represents that it is an institutional investor of one of the following types: any bank, savings and loan association or savings institution, trust company, insurance company, investment company registered under the Investment Company Act of 1940, pension or profit-sharing plan or trust (other than a self-employed individual retirement account) in California and Oregon only; qualified institutional buyer as defined in Rule 144A; in California only: 501(c)(3) organisation that has total assets of not less than US$5 million, any corporation with a net worth on a consolidated basis of not less than US$14 million, any wholly-owned subsidiary of any of the foregoing federal, state and local governments, government agencies and instrumentalities; in Georgia only: a real estate investment trust or small business investment corporation (SBIC); or in Oregon only: a mortgage banker, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the United States Department of Veterans Affairs and the Government National Mortgage Association.

If you are a US shareholder you should consider the possible tax consequences described in the Appendix on page 14 of this document.

Canadian shareholders

The share dividend is available to shareholders who live in Canada. However, you may not sell or transfer the shares in certain provinces of Canada unless such a sale is covered by an exemption from the appropriate provincial securities legislation.
Examples

Note: the examples below are for illustrative purposes only.

- The cash dividend is 25.67 US¢ per share.
- The price of one new share (under the share dividend) is US$26.0148.
- A holding of 1,500 shares is assumed in the following examples.

Example 1
You choose to receive all of your dividend in new shares.

Cash value of your dividend = 1,500 shares x 25.67 US¢ = US$385.05
Number of new shares = US$385.05 ÷ US$26.0148 = 14.8 new shares
Rounded down to 14 new shares

Value of new shares = 14 x US$26.0148 = US$364.21
Cash balance = US$385.05 - US$364.21 = US$20.84

In this case the cash balance of US$20.84 will be carried forward to the next dividend payment or, if you choose, paid to charity.

* Add this to any cash balance brought forward from the previous dividend.

Example 2
You choose to receive the share dividend on only 750 of your shares.

Cash value of your dividend = 750 shares x 25.67 US¢ = US$192.52
Number of new shares = US$192.52 ÷ US$26.0148 = 7.4 new shares
Rounded down to 7 new shares

Value of new shares = 7 x US$26.0148 = US$182.10
Cash balance = US$192.52 - US$182.10 = US$10.42

In this case, unless you have asked to receive your cash balance in US dollars or sterling, the cash balance of US$10.42 will be added to your cash dividend and US$202.94 will be converted to Hong Kong dollars using the forward US dollar/Hong Kong dollar exchange rate on Friday 26 September 2008 and paid to you by cheque or direct into your bank account if you have completed a mandate form.

* Add this to any cash balance brought forward from the previous dividend.

Example 3
You wish to receive all of your dividend in cash in Hong Kong dollar.

You do not need to do anything unless you have previously put a standing instruction in place to receive shares, US dollars or sterling for all of your future dividends. You will then need to cancel the standing instruction electronically or by writing to our branch registrar to be received by them by 4.00pm on Monday 22 September 2008.

Example 4
You wish to receive shares for this dividend and all future dividends.

If you have not yet put a standing instruction in place, please make an electronic election or complete the election form and tick boxes A and B to so.

You do want your dividend in shares?

YES

Do you have a standing instruction to receive shares?

YES

You do not need to do anything. We will give you shares in line with your standing instruction.

If you want to receive all of this dividend in shares.

Make an electronic election or tick boxes A and B on your election form. Sign, date and return the form.

If you want to receive all of this dividend and future dividends in shares.

Make an electronic election or tick box A on your printed election form. Sign, date and return the form.

If you want to receive some of the dividend in cash and the rest in shares you need to complete both options below.

1

2

If you want to receive your cash dividend in US dollars or sterling, and you have not previously asked for US dollars or sterling, you do not need to do anything. Your dividend will be paid in the usual way.

Make an electronic election to receive your cash dividend in US dollars or sterling, or (ii) complete a printed election form and for US dollars tick box D, or for sterling tick box E on your printed election form. Sign, date and return the form.

If you want to change the currency option (i) make an electronic election to receive your cash dividend in US dollars or sterling, or (ii) complete a printed election form and for US dollars tick box D, or for sterling tick box E on your printed election form. Sign, date and return the form.

If you have not yet put a standing instruction in place, please make an electronic election or complete the election form and tick boxes A and B to do so.

NO

Do you have a standing instruction to receive shares?

YES

Make an electronic election or write to the Company’s branch registrar to cancel the instruction and tell them to pay the cash dividend in either sterling, US dollars or Hong Kong dollars. The branch registrar must receive your letter by 4.00pm on Monday 22 September 2008.

NO

If you want to receive your cash dividend in Hong Kong dollars, and you have not previously asked for US dollars or sterling, you do not need to do anything.

You do not need to do anything. We will give you shares in line with your standing instruction.

If you want to receive all of this dividend in shares.

Make an electronic election or tick boxes A and B on your election form. Sign, date and return the form.

If you want to receive all of this dividend and future dividends in shares.

Make an electronic election or tick box A on your printed election form. Sign, date and return the form.

If you want to receive some of the dividend in cash and the rest in shares you need to complete both options below.

1

2

Make an electronic election or enter in box (5) on the printed election form, the number of existing shares on which you would like to receive the share dividend and if you want to receive your cash balance in a currency other than Hong Kong dollars.

Make an electronic election to receive your cash balance in US dollars or sterling, or complete a printed election form and for US dollars tick box D, or for sterling tick box E. Sign, date and return the form.
Appendix

Taxation

The Company is not required to withhold tax at source from dividend payments. Dividends (cash or share) are not generally taxable in Hong Kong.

Cash dividends

When the Company pays a dividend, an amount equal to one-ninth of the amount of the net dividend received is generally allowed as a credit (the “Tax Credit”) against the UK tax liability of individuals who receive (or who are treated as receiving) the dividend and who are either resident in the UK for UK tax purposes or who are entitled to (and claim) the personal reliefs given to individuals who are not resident in the UK and who are Commonwealth citizens or Crown employees or fall within certain other categories. No payment of the Tax Credit (in whole or in part) is generally available to shareholders whose liability to UK income tax in respect of the dividend is less than the amount of the Tax Credit.

Generally, non-UK residents will not be subject to any UK taxation in respect of any dividend income nor will they be able to recover the associated Tax Credit. The right of a shareholder who is not resident (for UK tax purposes) in the UK to a Tax Credit from the UK Inland Revenue in respect of a dividend received from the Company and to claim payment of any part of that Tax Credit from the Inland Revenue will depend on the existence and terms of any double taxation convention between the UK and the country in which the holder of the Shares is resident. There is no double taxation convention between the UK and Hong Kong and therefore Hong Kong residents will not be able to recover the Tax Credit.

Share dividends

Individual shareholders resident in the UK are generally treated for UK tax purposes as receiving income of an amount which, when reduced by income tax at the dividend ordinary rate (currently 10 per cent), is equal to the “cash equivalent” which would have been received had they not elected to receive new shares. Similar to cash dividends, non-UK residents will not generally be subject to any UK taxation in respect of any share dividends nor will they be able to recover the UK income tax treated as having been paid.

General

This summary of the tax treatment of share dividends is not exhaustive and is only a general guide. In particular, it does not consider your position if you are not resident in Hong Kong for tax purposes or the position of shareholders who may be regarded as acquiring the new shares as part of a trading activity. This summary does not address the tax treatment of the receipt by you of any cash balance (referred to pages 6 to 10 of this document).

If you are not sure as to how you will be affected if you choose to receive the share dividend, or if you are uncertain of your tax position, you should consult an appropriate independent professional adviser.
Get more on line

**Information on the Group**

[www.standardchartered.com](http://www.standardchartered.com)

Our website contains comprehensive information on Standard Chartered. Log on to find out more about who we are, our strategy and businesses. Keep up-to-date with our latest news and developments.

**Investor information**

[investors.standardchartered.com](http://investors.standardchartered.com)

You will find our share price, stock exchange announcements, corporate governance practices, current debt ratings and recent press releases on this section of our website. This section also contains the Shareholder Resource Centre and the HTML version of our latest Annual Report and Accounts.

**Information on building a sustainable business**

[www.standardchartered.com/sustainability](http://www.standardchartered.com/sustainability)

On this site you will find details of our approach to building a sustainable business, including information on each of our seven sustainable business priorities and our progress against each priority.

**Our approach to people management**


To find out more about our approach to people management and career opportunities at Standard Chartered, please log on to our website. The information here includes Diversity and Inclusion, employee engagement and how we develop, reward and recognise our employees.