

Prospectus



Standard Chartered PLC

(Incorporated as a public limited company in England and Wales with registered number 966425)

Standard Chartered Bank

(Incorporated with limited liability in England by Royal Charter with reference number ZC18)

Standard Chartered Bank (Hong Kong) Limited

(Incorporated with limited liability in Hong Kong: Number 875305)

Standard Chartered First Bank Korea Limited

(Incorporated in the Republic of Korea with limited liability: Number 1028121843)

U.S.\$42,500,000,000 Debt Issuance Programme

Under the Debt Issuance Programme described in this document (the "Programme") (which supersedes and replaces the Prospectus dated 10 November 2010 and each supplement thereto), Standard Chartered PLC ("SCPLC"), Standard Chartered Bank ("SCB"), Standard Chartered Bank (Hong Kong) Limited ("SCBHK") and Standard Chartered First Bank Korea Limited ("SC First Bank") (each of SCPLC, SCB, SCBHK and SC First Bank in such capacity an "Issuer" and together, the "Issuers"), subject to compliance with all relevant laws, regulations and directives, may each from time to time issue debt securities (the "Notes"). The Notes may rank as senior obligations of the relevant Issuer ("Senior Notes") or subordinated obligations of the relevant Issuer ("Subordinated Notes"). The aggregate principal amount of Notes outstanding will not at any time exceed U.S.\$42,500,000,000 (or the equivalent in other currencies and subject to increase as provided herein).

Application has been made to the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 ("FSMA") (the "UK Listing Authority") for Notes issued by SCPLC, SCB or SCBHK under the Programme within 12 months of the date of this document to be admitted to the official list of the UK Listing Authority (the "Official List") and to the London Stock Exchange plc (the "London Stock Exchange") for such Notes to be admitted to trading on the London Stock Exchange's Regulated Market (the "Market"). The Market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council (the "Markets in Financial Instruments Directive").

Application has also been made to The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") for permission to deal in, and for the listing of, Notes issued by SCPLC, SCB or SCBHK under the Programme to Professional Investors (as defined in the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "HKSE Rules")) only within 12 months of the date of this document on the Hong Kong Stock Exchange. The relevant Final Terms (as defined below) in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Official List and admitted to trading on the Market and/or listed on the Hong Kong Stock Exchange (or listed on any other stock exchange).

Application has been made to the Singapore Exchange Securities Trading Limited (the "SGX-ST") for permission to deal in, and for quotation of, any Notes to be issued by SC First Bank and which are agreed at the time of issue to be listed on the SGX-ST. The relevant Final Terms in respect of any issue of Notes by SC First Bank will specify whether or not such Notes will be listed on the SGX-ST or any other stock exchange. There is no guarantee that an application to the SGX-ST will be approved. Admission of the Notes issued by SC First Bank to the Official List of the SGX-ST is not to be taken as an indication of the merits of SC First Bank or of such Notes. The SGX-ST assumes no responsibility for the correctness of any statement made or opinions expressed herein.

This document includes particulars given in compliance with the HKSE Rules for the purpose of giving information with regard to SCPLC, SCB and SCBHK and the Notes. SCPLC, SCB and SCBHK accept full responsibility for the accuracy of the information contained in this document in respect of SCPLC, SCB and SCBHK, respectively.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

The Notes may be issued in bearer form only ("Bearer Notes"), in registered form only ("Registered Notes"), or in bearer form exchangeable for Registered Notes ("Exchangeable Bearer Notes"). Bearer Notes and Exchangeable Bearer Notes will be offered and sold only outside the United States to non-U.S. persons in reliance on Regulation S under the U.S. Securities Act of 1933 (the "Securities Act"). Registered Notes may be offered and sold (i) in the United States or to U.S. persons in reliance on Rule 144A under the Securities Act ("Rule 144A") only to qualified institutional buyers ("QIBs") as defined in Rule 144A and (ii) outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act ("Regulation S"). Prospective purchasers are hereby notified that the seller of Registered Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. It is not currently anticipated that SCBHK or SC First Bank would offer or sell any Notes in reliance on Rule 144A.

Each Series (as defined in "Summary of the Programme") of Bearer Notes or Exchangeable Bearer Notes will initially be represented on issue by a temporary global note in bearer form (each a "Temporary Global Note") or a permanent global note in bearer form (each a "Permanent Global Note"). Interests in a Temporary Global Note will be exchangeable, in whole or in part, for interests in a Permanent Global Note on or after the Exchange Date, upon certification as to non-U.S. beneficial ownership. Each Series of Registered Notes will be represented by registered certificates (each a "Certificate"), without coupons, and initially will be represented by a Global Certificate. Global Notes in respect of Notes offered and sold outside the United States to non-U.S. persons in reliance upon Regulation S (irrespective of their form) may be either (i) in the case of Global Notes which are stated in the applicable Final Terms to be issued in new global note ("NGN") form by SCPLC or SCB the Global Notes will be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the "Common Safekeeper") for Euroclear Bank S.A./N.V. ("Euroclear"), and Clearstream Banking, société anonyme ("Clearstream, Luxembourg") or (ii) in the case of Global Notes which are not stated in the applicable Final Terms to be issued in NGN form by SCPLC or SCB ("Classic Global Notes" or "CGNs") the Global Notes will be deposited on the issue date of the relevant Tranche with a common depository on behalf of Euroclear and Clearstream, Luxembourg (the "Common Depository") or (iii) in either case, lodged on or before the issue date with a sub-custodian in Hong Kong for the Central Money Markets Unit Service operated by the Hong Kong Monetary Authority (the "CMU Service"). Global Certificates in respect of Registered Notes offered and sold outside the United States to non-U.S. persons in reliance upon Regulation S (irrespective of their form) may be either (i) in the case of Global Certificates which are stated in the applicable Final Terms to be held under the New Safekeeping Structure (the "NSS") the Global Certificates will be delivered on or prior to the original issue date of the relevant Tranche to the Common Safekeeper for Euroclear and Clearstream, Luxembourg or (ii) in the case of Global Certificates which are not stated in the applicable Final Terms to be held under the NSS the Global Certificates will be deposited on the issue date of the relevant Tranche with the Common Depository or (iii) in either case, lodged on or before the issue date with a sub-custodian in Hong Kong for the CMU Service. Global Certificates in respect of Registered Notes offered and sold in the United States or to U.S. persons in reliance upon Rule 144A will initially be deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("DTC"). Beneficial interests in Global Notes or Certificates held in book-entry form through Euroclear, Clearstream, Luxembourg and/or the CMU Service will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg, or the CMU Service, as the case may be. Beneficial interests in Registered Notes represented by Global Certificates held through DTC will be shown on, and transfers thereof will be effected only through, records maintained by DTC. The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in "Summary of Provisions Relating to the Notes while in Global Form". Certain provisions governing restrictions on transfer of Registered Notes are described in "Transfer Restrictions".

In relation to any Tranche (as defined in "Summary of the Programme"), the aggregate nominal amount of the Notes of such Tranche, the interest (if any) payable in respect of the Notes of such Tranche, the issue price and any other terms and conditions not contained herein which are applicable to such Tranche will be set out in a final terms supplement ("Final Terms") which, with respect to Notes to be listed on the Market, will be delivered to the UK Listing Authority and the London Stock Exchange on or before the date of issue of the Notes of such Tranche and with respect to Notes to be listed on the Hong Kong Stock Exchange, will be delivered to the Hong Kong Stock Exchange on or before the date of issue of the Notes of such Tranche.

As at the date of this Prospectus, i) SCPLC's long term senior debt ratings are A2 by Moody's Investors Service Pty. Limited ("Moody's"), A by Standard & Poor's Hong Kong Limited ("S&P") and AA- by Fitch Ratings Ltd ("Fitch"); ii) SCB's long term senior debt ratings are A1 by Moody's, A+ by S&P and AA- by Fitch; and iii) SCBHK's long term senior debt ratings are Aa3 by Moody's Investors Service Hong Kong Ltd. ("Moody's Hong Kong") and A+ by S&P. Moody's and Moody's Hong Kong are not established in the European Union and have not applied for registration under Regulation (EC) No. 1060/2009 (the "CRA Regulation"). Moody's and Moody's Hong Kong are affiliated to Moody's Investors Service Ltd which is established in the European Union and is registered under the CRA Regulation. In its application for registration under the CRA Regulation, Moody's Investors Service Ltd has sought authorisation to endorse the global scale credit ratings assigned by its non-EU entities, the result of which has not been determined. S&P is not established in the European Union and has not applied for registration under the CRA Regulation. Fitch is established in the European Union and is registered under the CRA Regulation.

Notes issued under the Programme may be rated or unrated. When an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme. The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Issuers may agree with any Dealer and BNY Mellon Corporate Trustee Services Limited (the "Trustee") that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event (in the case of Notes to be admitted to the Official List and to trading on the Market only) a supplemental prospectus or further prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

Any person (an "Investor") intending to acquire or acquiring any securities from any person (an "Offeror") should be aware that, in the context of an offer to the public as defined in section 102B of the FSMA, SCPLC, SCB and/or SCBHK, as the case may be, may be responsible to the Investor for the SCPLC Prospectus, the SCB Prospectus or the SCBHK Prospectus under section 90 of FSMA, only if SCPLC, SCB and/or SCBHK, as the case may be, has authorised that Offeror to make the offer to the Investor. Each Investor should therefore enquire whether the Offeror is so authorised by SCPLC, SCB and/or SCBHK. If the Offeror is not authorised by SCPLC, SCB or SCBHK, as appropriate, the Investor should check with the Offeror whether anyone is responsible for the relevant prospectus for the purposes of section 90 of the FSMA in the context of the offer to the public and, if so, who that person is. If the Investor is in any doubt about whether it can rely on the SCPLC Prospectus, the SCB Prospectus or the SCBHK Prospectus and/or who is responsible for its contents it should take legal advice. Where information relating to the terms of the relevant Offer required pursuant to EU Directive 2003/71/EC (the "Prospectus Directive") is not contained in this Prospectus, it will be the responsibility of the relevant Offeror at the time to provide the Investor with such information.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this document.

Individual Registered Notes will only be available in certain limited circumstances as described herein. See "Clearing and Settlement".

J.P. Morgan Cazenove

Joint Arrangers

Standard Chartered Bank

BofA Merrill Lynch
Goldman Sachs International
Standard Chartered Bank (Hong Kong) Limited

Dealers

Deutsche Bank
J.P. Morgan Cazenove
Standard Chartered Bank

UBS Investment Bank

11 November 2011

IMPORTANT

If you are in any doubt about this document you should consult your stockbroker, bank manager, solicitor, certified public accountant or other professional adviser.

This document includes the SCPLC Prospectus, the SCB Prospectus and the SCBHK Prospectus. Investors should note that:

1. the SCPLC Prospectus comprises this document with the exception of the documents incorporated by reference in paragraphs 1, 2, 3, 4 and 9 on pages 7 and 8 in the section entitled “Documents Incorporated by Reference”, the information contained in the sections entitled “Standard Chartered Bank”, “Capitalisation and Indebtedness of Standard Chartered Bank”, “Standard Chartered Bank (Hong Kong) Limited”, “Capitalisation and Indebtedness of Standard Chartered Bank (Hong Kong) Limited”, “Standard Chartered First Bank Korea Limited”, “Standard Chartered First Bank Korea Limited Financial Information”, “Capitalisation and Indebtedness of Standard Chartered First Bank Korea Limited” and paragraphs 4, 5, 7, 8 and 17 in the section entitled “General Information”;
2. the SCB Prospectus comprises this document with the exception of the documents incorporated by reference in paragraphs 3, 4 and 9 on pages 7 and 8 in the section entitled “Documents Incorporated by Reference”, the information contained in the sections entitled “Standard Chartered PLC”, “Capitalisation and Indebtedness of Standard Chartered PLC”, “Standard Chartered Bank (Hong Kong) Limited”, “Capitalisation and Indebtedness of Standard Chartered Bank (Hong Kong) Limited”, “Standard Chartered First Bank Korea Limited”, “Standard Chartered First Bank Korea Limited Financial Information”, “Capitalisation and Indebtedness of Standard Chartered First Bank Korea Limited” and paragraphs 5, 8, 17, 20 and 21 in the section entitled “General Information”; and
3. the SCBHK Prospectus comprises this document with the exception of the information contained in the sections entitled “Standard Chartered PLC”, “Capitalisation and Indebtedness of Standard Chartered PLC”, “Standard Chartered Bank”, “Capitalisation and Indebtedness of Standard Chartered Bank”, “Standard Chartered First Bank Korea Limited”, “Standard Chartered First Bank Korea Limited Financial Information”, “Capitalisation and Indebtedness of Standard Chartered First Bank Korea Limited”, “Selected Financial Information” and paragraphs 4, 6, 7, 17, 20 and 21 in the section entitled “General Information”.

The SCPLC Prospectus, the SCB Prospectus and the SCBHK Prospectus each comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive for the purpose of giving information with regard to SCPLC and SCPLC and its subsidiaries taken as a whole, to SCB and SCB and its subsidiaries taken as a whole, and SCBHK and SCBHK and its subsidiaries taken as a whole, respectively, and Notes to be issued by SCPLC, SCB or SCBHK during the period of 12 months from the date of this document, which, according to the particular nature of such Issuers and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of such Issuers. A copy of this document has been filed with the Financial Services Authority for the purposes of section 3.2 of the prospectus rules of the UK Listing Authority (the “Prospectus Rules”). This document is not a prospectus for the purposes of the FSMA insofar as it relates to SC First Bank.

This Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Prospectus as completed by final terms in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, neither the relevant Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the relevant Issuer or any Dealer to publish or supplement a prospectus for such offer.

This document is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “Documents Incorporated by Reference” below).

SCPLC accepts responsibility for the information contained in the SCPLC Prospectus. To the best of the knowledge and belief of SCPLC, which has taken all reasonable care to ensure that such is the case, the information contained in the SCPLC Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

SCB accepts responsibility for the information contained in the SCB Prospectus. To the best of the knowledge and belief of SCB, which has taken all reasonable care to ensure that such is the case, the information contained in the SCB Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

SCBHK accepts responsibility for the information contained in the SCBHK Prospectus. To the best of the knowledge and belief of SCBHK, which has taken all reasonable care to ensure that such is the case, the information contained in the SCBHK Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The previous three paragraphs should be read in conjunction with paragraph 13 on the first page of this document.

An Investor intending to acquire or acquiring any Notes from an Offeror will do so, and offers and sales of the Notes to an Investor by an Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such Investor including as to price, allocations and settlement arrangements. SCPLC, SCB or SCBHK, as the case may be, will not be a party to any such arrangements with Investors (other than as Dealers) in connection with the offer or sale of the Notes and, accordingly, the relevant prospectus and any Final Terms will not contain such information and an Investor must obtain such information from the Offeror.

No person has been authorised to give any information or to make any representation other than as contained in this document in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuers, any of the Dealers or the Arrangers (as defined in “Summary of the Programme”). Neither the delivery of this document nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of any Issuer since the date hereof or the date upon which this document has been most recently amended or supplemented or that there has been no adverse change in the financial position of any Issuer since the date hereof or the date upon which this document has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time after the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this document and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by the Issuers, the Dealers and the Arrangers to inform themselves about and to observe any such restriction.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE NOTES MAY INCLUDE BEARER NOTES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD OR, IN THE CASE OF BEARER NOTES, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S).

THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S AND IN THE CASE OF REGISTERED NOTES, IF PROVIDED IN THE RELEVANT FINAL TERMS, WITHIN THE UNITED STATES TO QIBs IN RELIANCE ON RULE 144A. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF REGISTERED NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A. IT IS NOT CURRENTLY ANTICIPATED THAT SCBHK OR SC FIRST BANK WOULD OFFER OR SELL ANY NOTES IN RELIANCE ON RULE 144A. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES AND TRANSFERS OF NOTES AND THE DISTRIBUTION OF THIS DOCUMENT, SEE “SUBSCRIPTION AND SALE” AND “TRANSFER RESTRICTIONS”.

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF NOTES OR THE ACCURACY OR

ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

NOTICE TO NEW HAMPSHIRE RESIDENTS: NEITHER THE FACT THAT A REGISTRATION STATEMENT NOR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES (“RSA 421-B”) WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

This document does not constitute an offer of, or an invitation by or on behalf of the Issuers or the Dealers to subscribe for or purchase, any Notes.

Subject as provided in the applicable Final Terms, the only persons authorised to use this document in connection with an offer of Notes are the persons named in the applicable Final Terms as the relevant Dealer or any other persons named in the section “Non-exempt Offer” of the Final Terms (if any), as the case may be.

To the fullest extent permitted by law, none of the Dealers or the Arrangers accept any responsibility for the contents of this document or for any other statement, made or purported to be made by the Arrangers or a Dealer or on its behalf in connection with the Issuers or the issue and offering of the Notes. Each of the Arrangers and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this document or any such statement. Neither this document nor any document incorporated by reference nor any other financial statements or information supplied in connection with the Programme or the Notes is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation by any of the Issuers, the Arrangers or the Dealers that any recipient of this document or any other financial statements or information supplied in connection with the Programme or the Notes or any document incorporated by reference should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this document, in any document incorporated by reference, or in any other financial statements or information supplied in connection with the Programme or the Notes and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arrangers undertakes to review the financial condition or affairs of any of the Issuers during the life of the arrangements contemplated by this document nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arrangers.

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this document or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the potential risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor’s currency;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor’s overall investment portfolio.

In this document, unless otherwise specified or the context otherwise requires, references to “HK\$” and “Hong Kong dollars” are to the lawful currency of Hong Kong, to “U.S.\$” and “U.S. dollars” are to the lawful currency of the United States of America, to “Chinese yuan”, “Renminbi” and “RMB” are to the lawful currency of the People’s Republic of China, to “Korean won” and “KRW” are to the lawful currency of the Republic of Korea, to “TWD” are to the lawful currency of Taiwan, to “BWP” are to the lawful currency of Botswana, to “TZS” are to the lawful currency of Tanzania, to “IDR” are to the lawful currency of Indonesia, to “PKR” are to the lawful currency of Pakistan, to “AED” are to the lawful currency of the United Arab Emirates, to “INR” are to the lawful currency of India, to “SGD” are to the lawful currency of Singapore and references to “Sterling” and “£” are to the lawful currency of the United Kingdom. References to “euro” and “€” are to the single currency introduced pursuant to the treaty establishing the European Community, as amended. References to “Hong Kong” shall mean the Hong Kong Special Administrative Region of the People’s Republic of China and references to the “PRC” shall mean the People’s Republic of China.

In connection with the issue of any Tranche (as defined in “Summary of the Programme”), the Dealer or Dealers (if any) named as the stabilising manager(s) (the “Stabilising Manager(s)”) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

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DOCUMENTS INCORPORATED BY REFERENCE

This document should be read and construed in conjunction with the following documents (or sections of documents) which have been previously published or are published simultaneously with this document and which have been approved by the Financial Services Authority ("FSA") or filed with it:

1. the audited annual accounts of SCB for the year ended 31 December 2009 (including the audit report thereon);
2. the audited annual accounts of SCB for the year ended 31 December 2010 (including the audit report thereon);
3. the audited annual accounts of SCBHK for the year ended 31 December 2009 (including the audit report thereon);
4. the audited annual accounts of SCBHK for the year ended 31 December 2010 (including the audit report thereon);
5. the following sections of the consolidated Annual Report and audited accounts of SCPLC, its subsidiaries and subsidiary undertakings (the "Group") for the year ended 31 December 2009:
 - (i) Board of Directors;
 - (ii) Senior Management;
 - (iii) Report of the Directors;
 - (iv) Corporate Governance;
 - (v) Directors' Remuneration Report;
 - (vi) Statement of Directors' Responsibilities;
 - (vii) Financial Review;
 - (viii) Risk Review;
 - (ix) Capital;
 - (x) Independent Auditor's Report; and
 - (xi) Audited consolidated financial statements of the Group for the year ended 31 December 2009 (including the audit report thereon and notes thereto);
6. the following sections of the consolidated Annual Report and audited accounts of the Group for the year ended 31 December 2010:
 - (i) Our Performance in Our Markets;
 - (ii) The Group;
 - (iii) Consumer Banking;
 - (iv) Wholesale Banking;
 - (v) Risk Review;
 - (vi) Capital;
 - (vii) Board of Directors;
 - (viii) Senior Management;
 - (ix) Corporate Governance
 - (x) Directors' Remuneration Report
 - (xi) Report of the Directors;
 - (xii) Statement of Directors' Responsibilities;
 - (xiii) Independent Auditor's Report;
 - (xiv) Audited consolidated financial statements of the Group for the year ended 31 December 2010 (including the audit report thereon and notes thereto); and
 - (xv) Pages 224 to 227 (inclusive) of Supplementary Financial Information;

7. the document entitled "Pillar 3 Disclosures 31 December 2010" released by SCPLC on 31 March 2011;
8. the unaudited interim report of the Group for the six months ended 30 June 2011 (the "2011 Interim Report");
9. SCBHK's unaudited interim statements for the six months ended 30 June 2011;
10. the interim management statement of SCPLC dated 2 November 2011 for the third quarter of 2011;
11. the section headed "Terms and Conditions of the Notes" on pages 22 to 49 of the prospectus dated 7 November 2007 prepared in connection with the U.S.\$15,000,000,000 Debt Issuance Programme established by SCPLC, SCB, SCBHK and SC First Bank;
12. the section headed "Terms and Conditions of the Notes" on pages 26 to 53 of the prospectus dated 5 November 2008 prepared in connection with the U.S.\$20,000,000,000 Debt Issuance Programme established by SCPLC, SCB, SCBHK and SC First Bank;
13. the section headed "Terms and Conditions of the Notes" on pages 27 to 54 of the prospectus dated 5 November 2009 prepared in connection with the U.S.\$27,500,000,000 Debt Issuance Programme established by SCPLC, SCB, SCBHK and SC First Bank; and
14. the section headed "Terms and Conditions of the Notes" on pages 34 to 62 of the prospectus dated 10 November 2010 prepared in connection with the U.S.\$35,000,000,000 Debt Issuance Programme established by SCPLC, SCB, SCBHK and SC First Bank.

Such documents shall be deemed to be incorporated in, and form part of, this document, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this document. Any documents themselves incorporated by reference in the documents incorporated by reference in this document shall not form part of this document.

The financial statements for SCPLC and SCB as detailed in paragraphs 1, 2, 5, 6 and 8 listed above were prepared in accordance with applicable law and International Financial Reporting Standards as adopted by the European Union. The financial statements for SCBHK as detailed in paragraphs 3, 4 and 9 listed above were prepared in accordance with the Hong Kong Financial Reporting Standards

The parts of the above mentioned documents which are not incorporated by reference into the SCPLC Prospectus, the SCB Prospectus or the SCBHK Prospectus (as detailed at paragraphs 1 to 3 on page 2 of this Prospectus respectively) are either not relevant for investors or are covered elsewhere within the SCPLC Prospectus, the SCB Prospectus or the SCBHK Prospectus respectively.

Copies of documents incorporated by reference in this document may be obtained from each Issuer at its registered office.

SUPPLEMENTARY PROSPECTUS

If at any time any of SCPLC, SCB or SCBHK shall be required to prepare a supplementary prospectus pursuant to section 87G of the FSMA or if at any time any of SCPLC, SCB or SCBHK shall be required to prepare supplementary particulars pursuant to the HKSE Rules, as the case may be, such Issuer will prepare and make available an appropriate amendment or supplement to this document or a further prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the Market shall constitute a supplementary prospectus as required by the UK Listing Authority and section 87G of the FSMA and in respect of any subsequent issue of Notes to be listed on the Hong Kong Stock Exchange shall constitute supplementary particulars as required by the HKSE Rules.

Each Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to information contained in this document which is capable of affecting the assessment of (i) the assets and liabilities, financial position, profits and losses, and prospects of such Issuer and/or (ii) the rights attaching to any Notes, such Issuer shall prepare an amendment or supplement to this document or publish a replacement document for use in connection with any subsequent offering of the Notes by it and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

AVAILABLE INFORMATION

Each relevant Issuer has agreed that, for so long as any of the Notes are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, it will, during any period in which it is neither subject to Section 13 or 15(d) under the U.S. Securities Exchange Act of 1934 (the “Exchange Act”), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities, or to any prospective purchaser of restricted securities designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information specified in Rule 144A(d)(4) under the Securities Act. In addition, each Issuer will furnish the Trustee with copies of its audited annual accounts.

ENFORCEABILITY OF JUDGMENTS

SCPLC is a company incorporated as a public limited company in England and Wales with registered number 966425, SCB is a company incorporated with limited liability in England by Royal Charter with reference number ZC18, SCBHK is a company incorporated with limited liability in Hong Kong: Number 875305 and SC First Bank is a company incorporated with limited liability in the Republic of Korea: Number 1028121843. Most of the directors of the Issuers are not residents of the United States, and all or a substantial portion of the assets of the Issuers are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuers or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any State or territory within the United States.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements. These statements concern, or may affect, future matters. These may include the Issuers' and their subsidiaries' future strategies, business plans and results and are based on the current expectations of the directors of the relevant Issuer. They are subject to a number of risks and uncertainties that might cause actual results and outcomes to differ materially from expectations outlined in these forward-looking statements. These factors are not limited to regulatory developments but include stock markets, IT developments and competitive and general operating conditions.

When used in this document, the words “estimate”, “project”, “intend”, “anticipate”, “believe”, “expect”, “should” and similar expressions, as they relate to the Issuers, their subsidiaries and their management, are intended to identify such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Issuers do not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Summary of the Programme

This summary must be read as an introduction to this document. Any decision to invest in any Notes should be based on a consideration of this document as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the EEA (an "EEA State"), the responsible persons may have civil liability in respect of this summary, if it is misleading, inaccurate or inconsistent when read together with the other parts of this document. Where a claim relating to information contained in this document is brought before a court in an EEA State, the plaintiff may, under the national legislation of the EEA State where the claim is brought, be required to bear the costs of translating this document before the legal proceedings are initiated.

Issuers Standard Chartered PLC, Standard Chartered Bank, Standard Chartered Bank (Hong Kong) Limited and Standard Chartered First Bank Korea Limited.

Description of Issuers SCPLC, SCB, SCBHK and SC First Bank are companies within the Group, an international banking and financial services group particularly focused on the markets of Asia, Africa and the Middle East. SCPLC was incorporated in England and Wales as a public limited company in 1969. SCB was incorporated in England with limited liability by Royal Charter in 1853. SCBHK was incorporated in Hong Kong with limited liability in 2003 as a non-private company. SC First Bank was incorporated in the Republic of Korea with limited liability.

Risk Factors There are certain factors which may affect the Issuers' ability to fulfil their obligations under the Notes issued under the Programme. These are set out under the section entitled "Risk Factors" and include (i) internal risks and risks relating to the Group and its business operations, including changes in credit quality and recoverability of loans and risks associated with the rapid expansion of the Group's business and (ii) external risks including the prevailing economic conditions in the markets in which it operates. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme (see section entitled "Risk Factors").

Description Debt Issuance Programme.

Programme Limit Up to U.S.\$42,500,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any 1 time. The Issuers may increase this amount in accordance with the Programme Agreement.

Joint Arrangers J.P. Morgan Securities Ltd. and SCB (each an "Arranger" and together the "Arrangers").

Dealers Deutsche Bank AG, London Branch
Goldman Sachs International
J.P. Morgan Securities Ltd.
Merrill Lynch International
SCB
SCBHK
UBS Limited

The Issuers may from time to time terminate the appointment of any dealer or appoint additional dealers either in respect of 1 or more Tranches or in respect of the whole Programme. References in this document to "Permanent Dealers" are to the persons listed above as Dealers and to such additional persons that are appointed as

	dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “Dealers” are to all Permanent Dealers and all persons appointed as a dealer in respect of the Programme, a syndicated issue or 1 or more Tranches.
Trustee	BNY Mellon Corporate Trustee Services Limited.
Issuing and Paying Agent	The Bank of New York Mellon (“BONY”).
CMU Paying Agent and CMU Lodging Agent	BONY.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the relevant Issuer and the relevant Dealers.
Denomination	Definitive Notes will be in such denominations as may be agreed between the Issuer and the relevant Dealer and as specified in the relevant Final Terms save that (i) the minimum denomination of each Note admitted to trading on a EEA exchange and/or offered to the public in an EEA State in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or the equivalent amount in another currency) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant currency and (ii) unless otherwise permitted by then current laws and regulations, Notes issued by SCPLC, SCBHK or SC First Bank which have a maturity of less than 1 year and in respect of which the issue proceeds are to be accepted by SCPLC, SCBHK or SC First Bank in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies). Notes issued by SC First Bank will have a minimum denomination of U.S.\$100,000 (or its equivalent in another currency). Notes sold in reliance on Rule 144A will be in minimum denominations of U.S.\$100,000 (or its equivalent in another currency) and integral multiples of U.S.\$1,000 (or its equivalent in another currency) in excess thereof, in each case subject to compliance with all legal and/or regulatory requirements applicable to the relevant jurisdiction.
Form of Notes	The Notes may be issued in bearer form only (“Bearer Notes”), in bearer form exchangeable for Registered Notes (“Exchangeable Bearer Notes”) or in registered form only (“Registered Notes”) and Bearer Notes may be issued in NGN form by SCPLC or SCB. Each Tranche of Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a Temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial

maturity of more than one year and are being issued in compliance with the D Rules (as defined in “Summary of the Programme – Selling Restrictions”), otherwise such Tranche will be represented by a Permanent Global Note. Registered Notes will be evidenced by Certificates without coupons. Certificates evidencing Registered Notes that are registered in the name of a nominee or common depositary for 1 or more clearing systems are referred to as “Global Certificates”. SC First Bank will only issue Registered Notes.

Registered Notes of each Tranche of a Series which are sold in an “offshore transaction” within the meaning of Regulation S (“Unrestricted Notes”) will initially be represented by interests in a global unrestricted Registered Certificate (each an “Unrestricted Global Certificate”), without interest coupons, either (i) in the case of an Unrestricted Global Certificate which is stated in the applicable Final Terms to be held under the NSS, delivered to the Common Safekeeper for Euroclear and Clearstream, Luxembourg on or prior to its original issue date or (ii) in the case of an Unrestricted Global Certificate which is not stated in the applicable Final Terms to be held under the NSS, deposited with a nominee for, and registered in the name of a common depositary of, Clearstream, Luxembourg and/or Euroclear on its issue date or (iii) in either case, lodged on or before the issue date with a sub-custodian in Hong Kong for the CMU Service. Registered Notes of such Tranche sold in the United States to QIBs pursuant to Rule 144A (“Restricted Notes”) will initially be represented by a global restricted Registered Certificate (each a “Restricted Global Certificate”), without interest coupons, deposited with a custodian for, and registered in the name of a nominee of, DTC on their issue date. Any Restricted Global Certificate and any individual definitive Restricted Notes will bear a legend applicable to purchasers who purchase the Registered Notes as described under “Transfer Restrictions”.

Maturities

Subject to compliance with all relevant laws, regulations and directives, Senior Notes may have any maturity that is 1 month or greater and Subordinated Notes will have a minimum maturity of 5 years and 1 day (“Dated Subordinated Notes” or, in the case of Notes issued by SC First Bank, “Lower Subordinated Term Notes”).

Issue Price

Notes may be issued at their principal amount or at a discount or premium to their principal amount. Partly-paid Notes may be issued, the issue price of which will be payable in 2 or more instalments.

Method of Issue

The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “Series”), having 1 or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “Tranche”), on the same or different issue dates. The specific terms of each Tranche (save in respect of the issue date, issue price, first payment of interest and principal amount of the Tranche), will be identical to the terms of other Tranches of the same Series and will be set out in a set of Final Terms.

Fixed Rate Notes

Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

Floating Rate Notes	Floating Rate Notes will bear interest set separately for each Series by reference to LIBOR, LIBID, LIMEAN, EURIBOR or HIBOR (or such other Benchmark as may be specified in the relevant Final Terms) as adjusted for any applicable margin. Interest periods will be specified in the relevant Final Terms.
Zero Coupon Notes	Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest, other than in the case of late payment.
Variable Redemption Amount and Variable Coupon Amount Notes	The Final Terms issued in respect of each Tranche of variable Redemption Amount Notes or variable coupon amount Notes will specify the basis for calculating the Redemption Amount and/or the amounts of interest payable, which may be by reference to a stock index or formula or as otherwise provided in the relevant Final Terms
Other Notes	Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, dual currency Notes, reverse dual currency Notes, optional dual currency Notes, partly-paid Notes and any other type of Note that the Issuers, the Trustee and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Final Terms.
Redemption	The relevant Final Terms will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes issued by SCPLC, SCBHK or SC First Bank which have a maturity of less than 1 year and in respect of which the issue proceeds are to be accepted by SCPLC, SCBHK or SC First Bank in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
Optional Redemption	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the relevant Issuer (either in whole or in part) and/or the Noteholders and if so, the terms applicable to such redemption.
Early Redemption	Except as provided in “Optional Redemption” above, Notes will be redeemable at the option of the relevant Issuer prior to maturity only for tax reasons or, if specified in the relevant Final Terms in relation to Subordinated Notes, upon the occurrence of a Regulatory Capital Event. See “Terms and Conditions of the Notes – Redemption, Purchase and Options”.
Redemption by Instalments	The Final Terms issued in respect of each issue of Notes that are redeemable in 2 or more instalments will set out the date on which, and the amounts in which, such Notes may be redeemed.
Withholding Tax	All payments of principal and interest in respect of the Notes, the Receipts and the Coupons will be made free and clear of withholding taxes of the United Kingdom (in the case of Notes issued by SCPLC or SCB), Hong Kong (in the case of Notes issued by SCBHK) or the Republic of Korea (in the case of Notes issued by SC First Bank) unless required by law. In that event, the Issuer shall
pay such additional amounts as shall result in receipt by the Noteholders, Receiptholders or Couponholders (after the withholding or deduction) of such amount as would have been	

Status of Notes	<p>received by them in the absence of the withholding or deduction, subject to customary exceptions, all as described in “Terms and Conditions of the Notes – Taxation”.</p> <p>The Senior Notes will constitute direct, unsubordinated and unsecured obligations of the relevant Issuer and the Dated Subordinated Notes (or, as applicable, the Lower Subordinated Term Notes) will constitute direct, subordinated and unsecured obligations of the relevant Issuer, all as described in “Terms and Conditions of the Notes – Status”.</p>
Negative Pledge	None.
Cross Default	None.
Listing	<p>Application has been made for Notes issued by SCPLC, SCB or SCBHK under the Programme to be listed on the Official List and to be admitted to trading on the Market and to be listed on the Hong Kong Stock Exchange or, in each case, as otherwise specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may also be unlisted.</p> <p>Application has been made to the SGX-ST for permission to deal in, and for quotation of, any Notes to be issued by SC First Bank which are agreed at the time of issue to be so listed on the SGX-ST. There is no guarantee that an application to the SGX-ST will be approved.</p> <p>If the application to the SGX-ST to list a particular Series of Notes to be issued by SC First Bank is approved, such Notes will be traded on the SGX-ST in a minimum board lot size of U.S.\$200,000 (or its equivalent in other currencies) so long as such Notes are listed on the SGX-ST.</p>
Ratings	<p>As at the date of this Prospectus, i) SCPLC's long term senior debt ratings are A2 by Moody's, A by S&P and AA- by Fitch; ii) SCB's long term senior debt ratings are A1 by Moody's, A+ by S&P and AA- by Fitch; and iii) SCBHK's long term senior debt ratings are Aa3 by Moody's Hong Kong and A+ by S&P.</p> <p>Notes issued under the Programme may be rated or unrated. When an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme. The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>
Governing Law	<p>The Notes will be governed by and construed in accordance with English law, except for the provisions relating to the subordination of Subordinated Notes to be issued by SCBHK (as set out in Condition 3) which will be governed by, and construed in accordance with, Hong Kong law and for the provisions relating to the subordination of Subordinated Notes to be issued by SC First Bank (as set out in Condition 3) which will be governed by, and construed in</p>

accordance with, the law of the Republic of Korea.

Selling Restrictions

The United States, the EEA, the United Kingdom, Hong Kong, Japan, PRC, France, The Netherlands, Singapore, the Republic of Korea and such other restrictions as may be required in connection with a particular issue of Notes. See “Subscription and Sale” and “Transfer Restrictions”.

The Notes will be issued in compliance with U.S. Treasury Regulations §1.163-5(c)(2)(i)(D) (the “D Rules”), unless (i) the relevant Final Terms state that Notes are issued in compliance with U.S. Treasury Regulations §1.163-5(c)(2)(i)(C) (the “C Rules”) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable. In the case of a distribution under Rule 144A, Notes will be issued in registered form, as defined in U.S. Temp. Treas. Reg. §5f.103-1(c).

Transfer Restrictions

There are restrictions on the transfer of Notes sold pursuant to Rule 144A. See “Terms and Conditions of the Notes”, “Transfer Restrictions” and “Subscription and Sale”.

Risk Factors

Each Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuers are not in a position to express a view on the likelihood of any such contingency occurring.

Factors which each Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

Each Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but an Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons and none of the Issuers represents that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this document (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision.

Internal Risks and Risks relating to the Group and its business operations

1. *Changes in the credit quality and the recoverability of loans and amounts due from counterparties may have a material adverse effect on the Group's financial condition, results of operations and prospects*

Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of the Group's businesses. Adverse changes in the credit quality of the Group's borrowers and counterparties (both sovereign and non-sovereign), or adverse changes arising from a further deterioration in global economic conditions or asset values, or systemic failures in financial systems could reduce the recoverability and value of the Group's assets and require an increase in the Group's level of provisions for bad and doubtful debts or increase the levels of impairments or write-downs experienced by the Group. An adverse change in economic conditions could also adversely affect the Group's level of banking activity. Although the Group devotes considerable resources to managing the above risks, many of the factors affecting borrower and counterparty credit risks are beyond the control of the Group and the occurrence of any of the foregoing risks or a failure by the Group to manage these risks effectively could have a material adverse effect on the Group's financial condition, results of operations and prospects.

2. *The value of certain financial instruments recorded at fair value is determined using financial models incorporating assumptions, judgments and estimates which may change over time*

In order to establish the value of financial instruments which the Group, under International Financial Reporting Standards as adopted by the EU ("IFRS"), recognises at fair value, the Group relies on quoted market prices or, where the market for a financial instrument is not sufficiently active, internal valuation models that utilise observable market data. In certain circumstances, the data for individual financial instruments or classes of financial instrument utilised by such valuation models may not be available, or may become unavailable, due to changes in market conditions, as has been the case at times since the commencement of the recent financial crisis. In such circumstances, the Group's internal valuation models require the Group to make assumptions, judgments and estimates in order to establish fair value. In common with other financial institutions, these internal valuation models are complex, and the assumptions, judgments and estimates the Group is required to make often relate to matters that are inherently uncertain, such as expected cash flows, the ability of borrowers to service debt, asset price appreciation and depreciation, and relative levels of defaults and deficiencies. Such assumptions, judgments and estimates may need to be updated to reflect new information, changing trends and market conditions. The resulting change in the fair values of financial instruments could have a material adverse effect on the Group's financial condition, results of operations and prospects.

3. *The Group's business could be affected if its capital is not managed effectively*

Effective management of the Group's capital position is important to its ability to operate its business, to continue to grow organically and to pursue its strategy. Future changes that limit the Group's ability to manage its balance sheet and capital resources effectively or to access funding on commercially acceptable terms could have a material adverse effect on the Group's regulatory capital position, its financial condition, results of operations and prospects.

4. *Lack of liquidity is a risk to the Group's business*

Liquidity risk is the risk that the Group either does not have sufficient financial resources available to meet all its obligations and commitments as they fall due, or can access them only at excessive cost. This risk is

inherent in banking operations and can be heightened by a number of factors, including an over-reliance on or inability to access a particular source of funding (including, for example, reliance on inter-bank funding), changes in credit ratings or market-wide phenomena such as financial market instability and natural disasters.

Credit markets worldwide have experienced and continue to experience a reduction in liquidity and term-funding since the commencement of the recent financial crisis. The severe market conditions experienced since 2007 have also highlighted the importance of a strong diversified core deposit base leading to increased competition for such deposits and the risk of deposit migration. Although the Group's policy is to seek to manage its liquidity prudently in all geographic locations and for all currencies, as the Group operates in markets which have been and may be affected by illiquidity and extreme price volatility, either directly or indirectly, through exposures to securities, loans, derivatives and other commitments, any reoccurrence or prolonged continuation of such conditions could have an adverse effect on the Group's results of operations and, if severe, could have a material adverse effect on the Group's financial condition and prospects. In addition, any significant increase in the cost of acquiring deposits, inability to further grow deposits or significant outflow of deposits from the Group, particularly if it occurs over a short period of time, could have a material adverse impact on the Group's financial condition and liquidity position.

5. *The Group is subject to the risk of increased capital and liquidity requirements to meet the minimum required by regulators*

The Group's lead supervisor, the FSA, determines the minimum level of capital that the Group is required to hold by reference to its balance sheet, off-balance sheet, counterparty and risk exposures. Currently, the Group is capitalised above its stated target ratios of 7 to 9 per cent. and 12 to 14 per cent., respectively, for Tier 1 Capital and Total capital ratios on a Basel II basis. However, the FSA could (beyond the changes described below) apply increasingly stringent stress case scenarios in determining the required capital ratios for the Group and any of its UK regulated firms, increase the minimum regulatory requirements imposed on the Group or any of its UK regulated firms, introduce changes to the basis on which capital and RWA are computed, impose additional capital buffers, introduce further liquidity requirements, impose new regulatory requirements and/or change the manner in which it applies existing requirements to the Group or its UK regulated firms. In order to meet such additional regulatory requirements the Group may be required to raise further capital and liquidity or take other actions to achieve compliance.

The Group's ability to maintain its stated target regulatory capital ratios in the longer term could be affected by a number of factors, including its risk-weighted assets, post-tax profit and fair value adjustments. In addition to the fair value adjustments, the Group's Core Tier 1 Capital ratio will be directly impacted by any shortfall in after-tax profit (which could result, most notably, from greater than anticipated asset impairments and/or adverse volatility relating to the lending businesses). Furthermore, under Basel II, capital requirements are inherently more sensitive to market conditions than under previous regimes and capital requirements will increase if economic conditions or negative trends in the financial markets worsen.

In July 2009, the Basel Committee agreed changes to Basel II to address deficiencies in respect of the treatment of securitisations and market risks. Banks using internal models to determine the capital requirements for their trading books will be required to calculate a stressed value-at-risk based on historical data from a 12-month period of significant stress. Banks using internal specific risk models for the trading book must also calculate an incremental risk capital charge for credit sensitive positions which captures default and migration risk. Securitisation positions held in the trading book will be subject to capital charges similar to securitisation positions held in the banking book and higher capital charges will apply to re-securitisation positions. These changes will be introduced from 31 December 2011 and are expected to increase significantly the capital requirements for trading book transactions and certain securitisations as well as potentially other transactions.

In December 2010, the Basel Committee finalised its proposals for new capital and liquidity requirements intended to reinforce existing capital requirements and to establish minimum liquidity standards ("Basel III"). These include new definitions of common equity and non-common equity Tier 1 Capital as well as new eligibility criteria for Tier 2 Capital requiring it to absorb losses. Innovative Tier 1 Capital and Tier 3 Capital will be abolished. A harmonised set of deductions is proposed with most deductions being made from common equity. A revised version of the Basel III capital rules was published in June 2011 and further changes or clarifications are possible.

Under Basel III the minimum Common Equity Tier 1 Capital ratio will increase from 2 per cent. to 4.5 per cent. of risk-weighted assets ("RWA"), with a further capital conservation buffer of 2.5 per cent. of RWA to be made up of common equity, increasing the new Common Equity Tier 1 Capital ratio to an effective 7 per cent of RWA. The minimum Total capital ratio (including the capital conservation buffer of 2.5 per cent.) will increase from 8 per cent. to 10.5 per cent. of RWA. In addition, banks will need to satisfy a leverage ratio calibrated at 3 per cent. during an initial testing phase. National regulators will be able to impose an additional counter-cyclical capital buffer. Systemically important banks will be required to have loss

absorbing capacity in excess of these standards. According to proposals made by the Basel Committee in September 2011, global systemically important banks will need to meet an additional common equity capital requirement ranging from 1 per cent. to 2.5 per cent. of RWA, depending on a bank's systemic importance. To provide a disincentive for banks facing the highest charge to increase materially their global systemic importance in the future, an additional 1 per cent. buffer would be applied in such circumstances.

The new requirements will be implemented in stages from 1 January 2013, with final implementation of the Basel III package by 1 January 2019. Basel III will be implemented in the European Union through legislation replacing the EU Capital Requirements Directive (known as CRD IV). The European Commission's proposals for CRD IV were published in July 2011. It is possible that the FSA will impose more onerous requirements than those required by Basel III or CRD IV, or require compliance in advance of the timetable announced by the Basel Committee, which, in the case of the former, could have a material adverse effect on the Group.

On 12 September 2011 the UK Independent Commission on Banking (the "ICB") published its final report. The ICB proposes that UK banks that accept retail and small business deposits from customers in the EEA must establish a UK ring-fenced subsidiary to carry on that business. The ring-fenced subsidiary would be prohibited from engaging in certain activities (such as proprietary trading, underwriting and most derivatives trading), while other activities (including lending to large corporates) could be carried out either by the ring-fenced subsidiary or by other entities in the banking group. The ICB report states that the UK ring-fenced subsidiary should hold common equity beyond the Basel III minimum with the largest UK retail banks maintaining equity capital of at least 10 per cent. of RWA. Smaller UK retail banks will require a minimum common equity of between 7 per cent. and 10 per cent. of RWA depending on their size.

In addition, the ICB recommends that global systemically important banks with a capital surcharge of 2.5 per cent. (see above), as well as the largest UK retail deposit takers, should have "primary loss absorbing capacity" of at least 17 per cent., with smaller global systemically important banks and UK deposit takers, required to have "primary loss absorbing capacity" of between 10.5 per cent. and 17 per cent. of risk-weighted assets depending on their size. Primary loss absorbing capacity is proposed by the ICB as including Tier 1 and Tier 2 capital as well as "bail-in bonds" which are capable of being written off, or converted to common equity, in resolution. The ICB further proposes that the competent authority should have a "broad discretion" to increase the ratio of "primary loss absorbing capacity" by up to a further 3 per cent. (a "resolution buffer") having regard to a number of factors including the complexity of a bank's structure and activities, the availability and likely effectiveness of resolution tools, any evidence that the bank is benefiting from an implicit government guarantee and the bank's contribution to systemic risk. This discretion includes determining the form in which the resolution buffer is held, as well as the entities in the banking group to which the requirement applies. In addition, the ICB recommends that all UK-headquartered banks and UK ring-fenced banks should maintain a Tier 1 leverage ratio of 3 per cent. with large UK ring-fenced banks meeting a ratio of up to 4.06 per cent. depending on their size.

The UK Government welcomed the ICB report and announced its intention to introduce legislation to implement the changes which will come into force by 1 January 2019. It is possible that implementation of the ICB proposals will require the Group to raise further capital in the future.

Under Basel III banks will be required to meet two new liquidity standards: a liquidity coverage ratio ("LCR") and a net stable funding ratio ("NSFR"). The LCR will require banks to hold an amount of unencumbered, high quality liquid assets that can be used to offset the net cash outflows the bank would encounter under an acute short-term stress scenario. The NSFR will measure the amount of longer-term, stable sources of funding employed by a bank relative to the liquidity profiles of the assets funded and the potential for contingent calls on liquidity arising from off-balance sheet commitments and obligations, although the details of the NSFR are subject to further development and calibration. After an observation period beginning in 2011, the LCR will be introduced on 1 January 2015. The NSFR will move to a minimum standard by 1 January 2018. The FSA is also in the process of implementing its own new liquidity standards based on the following elements (i) principles of self-sufficiency and adequacy of liquidity resources, (ii) enhanced systems and control requirements, (iii) quantitative requirements, including Individual Liquidity Adequacy Standards, coupled with a narrow definition of liquid assets and (iv) frequent reporting. Amongst other changes, these standards will require banks, including SCB, to maintain a portfolio of eligible liquid assets to satisfy the relevant requirements that may be different from the liquid assets they currently hold.

CRD II imposed new requirements in respect of non-Core Tier 1 Capital from 31 December 2010. Capital instruments that do not satisfy the European requirements are grandfathered on a limited basis. The Basel Committee announced proposals on grandfathering under Basel III which are considerably more restrictive than those set out in CRD II (which would require amendment as part of Basel III implementation in the European Union). The Basel Committee stated that capital instruments that do not meet the criteria for inclusion in common equity Tier 1 Capital will be excluded from Common Equity from 1 January 2013. Capital instruments that no longer qualify as non-common equity Tier 1 Capital or Tier 2 Capital will be phased out over a 10-year period beginning on 1 January 2013. The level of recognition will be capped at 90

per cent. on 1 January 2013, and will decline by 10 percentage points each subsequent year, being fully phased out by 1 January 2022. Further, instruments with an incentive to redeem (e.g. with an interest step up) will be phased out at their effective maturity date. The Group may not be able contractually to redeem instruments that cease to be eligible under CRD II and/or Basel III, with the result that the Group may be forced to raise further capital as a result of such instruments not being eligible as regulatory capital in the future.

In January 2011 the Basel Committee announced that the terms and conditions of all non-common equity Tier 1 and Tier 2 instruments issued after 1 January 2013 must have a provision that requires such instruments, at the option of the relevant authority, either to be written off or converted into common equity upon the occurrence of a trigger event unless: (1) the governing jurisdiction of the bank has in place laws that require such Tier 1 and Tier 2 instruments to be written off upon such event, or otherwise require such instruments to fully absorb losses before tax payers are exposed to loss; (2) a peer group review confirms that the jurisdiction conforms with clause (1); and (3) it is disclosed by the relevant regulator and by the issuing bank, in issuance future documents, that such instruments are subject to loss. The trigger event is the earlier of: (a) a decision that a write-off, without which the firm would become non-viable, is necessary, as determined by the relevant authority; and (b) a decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. In July 2011 the Financial Stability Board released a consultation paper proposing a resolution framework for systemically important financial institutions including statutory bail-in powers as a bank resolution tool. It is therefore possible that legislation could be passed that would result in the Senior Notes and/or the Subordinated Notes absorbing losses in the course of a resolution of the relevant Issuer. The application of such legislation may have an adverse effect on the position of holders of the Senior Notes and/or Subordinated Notes.

If the regulatory capital requirements, liquidity requirements or other requirements applied to the Group are increased in the future, any failure by the Group to satisfy such increased requirements could result in administrative actions or sanctions (including loss or suspension of a banking licence) or significant reputational harm, which in turn may have a material adverse effect on the Group's financial condition, results of operations and prospects.

"Tier 1 Capital", "Tier 2 Capital", "Tier 3 Capital", "Core Tier 1 Capital", "Innovative Tier 1 Capital" and "Lower Tier 2 Capital", depending on the context, have the meaning (i) given to such terms, in the General Prudential Sourcebook (as set out in the handbook of rules and guidance issued by the FSA under FSMA) or (ii) required under Basel III.

6. Failure to manage legal and regulatory risk properly can impact the Group adversely

The Group is subject to a wide variety of banking and financial services laws and regulations and is supervised by a large number of regulatory and enforcement authorities in each of the jurisdictions in which it operates. As a result, the Group is exposed to many forms of legal and regulatory risk, which may arise in a number of ways, primarily:

- losses may be caused by changes in applicable laws and regulations or in their application; the Group may not be able to predict the timing or form of any current or future regulatory or law enforcement initiatives which are becoming increasingly common for international banks and financial institutions;
- as a result of being subject to a variety of complex legal and regulatory regimes in many of the countries where it operates, in respect of which requirements, standards or sanctions may differ significantly from country to country;
- as a result of being subject to extensive laws and regulations which are designed to combat money laundering and terrorist financing, and to enforce compliance with sanctions against designated countries, entities and persons, including countries in which, and entities or persons with which, the Group may conduct and may have conducted business from time to time;
- risk from defective transactions or contracts, either where contractual obligations are not enforceable or do not allocate rights and obligations as intended, or where contractual obligations are enforceable against the Group in an unexpected or adverse way, or by defective security arrangements;
- the title to and ability to control the assets of the Group (including the intellectual property of the Group, such as its trade names) may not be adequately protected; and
- allegations being made against the Group claiming liability for damages to third parties including where legal proceedings are brought against it; regardless of whether such claims have merit, the outcome of legal proceedings is inherently uncertain and could result in financial loss.

Although the Group has processes and controls to manage legal and regulatory risks, failure to manage such risks properly may impact the Group adversely or result in administrative actions, penalties or other

proceedings involving the Group which may have a material adverse effect on the Group's business, reputation, its financial condition, results of operations, prospects and ultimately on the value of the Notes issued under the Programme. In addition, a failure to comply with applicable laws or regulations by the Group's employees, representatives, agents and third party service providers, either in or outside the course of their services, or suspected or perceived failures by them, may result in enquiries or investigations by regulatory and enforcement authorities, or in regulatory or enforcement action against the Group or such employees, representatives, agents and third party service providers in various jurisdictions. Such actions may adversely impact the reputation of the Issuers or the Group, result in adverse media reports, lead to increased levels of scrutiny by relevant regulatory or supervisory bodies, additional costs, penalties, claims and expenses being incurred by the Group and, as a result, have a material adverse effect on the Group's ability to conduct business, its financial condition, results of operations and prospects.

7. *Operational risks are inherent in the Group's business*

Operational risk is the risk of direct or indirect loss due to an event or action resulting from the failure of internal processes, people and systems, or from external events. Operational losses can result, for example, from fraud, errors by employees, failure to document transactions properly or to obtain proper authorisation, failure to comply with regulatory requirements and conduct of business rules (including those arising out of anti-money laundering and anti-terrorism legislation, as well as the provisions of applicable sanctions regimes), equipment failures, natural disasters or the failure of external systems. The Group seeks to ensure that operational risks are managed in a timely and effective manner, through a framework of policies, procedures and tools but this framework may prove ineffective in managing such risks. Any of these risks could have a material adverse effect on the Group's ability to conduct business, its financial condition, results of operations and prospects.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that either the relevant Issuer(s) or the Group will be unable to comply with their obligations as a company with securities admitted to the Official List or as a supervised firm regulated by the Financial Services Authority.

8. *Holding company structure and the structural subordination of Notes*

SCPLC is a holding company and operates its business entirely through its subsidiaries, including SCB, SCBHK and SC First Bank. SCB also operates part of its business through its subsidiaries. Payments on Notes issued by SCPLC or SCB are structurally subordinated to all existing and future liabilities and obligations of each company's subsidiaries. Claims of creditors of such subsidiaries will have priority as to the assets of such subsidiaries over SCPLC or SCB and their creditors, including holders of any Notes issued by SCPLC or SCB. Each Issuer's obligation to make payments on the Notes issued by it is solely an obligation of that Issuer and will not be guaranteed by any of its subsidiaries or associates. Neither the terms and conditions of the Notes nor the Trust Deed contains any restrictions on the ability of SCPLC's or SCB's subsidiaries or associates to incur additional unsecured or secured indebtedness.

In addition, as holding companies, SCPLC's and SCB's ability to make payments depends substantially, in the case of SCPLC, and partly, in the case of SCB, upon the receipt of dividends, distributions or advances from their respective subsidiaries and associates. The ability of each company's subsidiaries and associates to pay dividends or such other amounts may be subject to their profitability, to applicable laws and regulations and to restrictions on making payments contained in financing or other agreements. Furthermore, each company's interest in its subsidiaries and associates could be reduced in the future.

9. *The business of the Group may be affected if it is unable to recruit, retain and develop appropriate senior management and skilled personnel*

The Group's continued success depends in part on the continued service of key members of its management team and other skilled personnel. The ability to continue to attract, train, motivate and retain highly qualified professionals is a key element of the Group's strategy. The successful implementation of the Group's growth strategy depends on the availability of skilled management at its head office and at each of its business units and international locations. Competition for skilled management and other employees is particularly evident in a number of the geographic areas in which the Group operates, particularly, in emerging markets. If the Group or one of its business units or other functions fails to staff their operations appropriately, or loses one or more of its key senior executives and fails to replace them in a satisfactory and timely manner, its business, financial condition and results of operations, including control of operational risks, may be adversely affected. Likewise, if the Group fails to attract and appropriately train, motivate and retain qualified professionals, its business, and in particular the ability to expand in certain areas, may be adversely affected, which could have a material adverse effect on the Group's financial condition, results of operations and prospects. The EU and the FSA have introduced requirements in respect of remuneration which could potentially affect the ability of the Group to recruit, retain and motivate appropriate senior management and skilled personnel. In particular, certain restrictions have applied from 1 January 2011 on the payment of

bonuses and other non-contractual remuneration to senior management and anyone whose professional activities could have a material impact on a firm's risk profile. Similar restrictions do not apply in the Group's core markets across Asia, Africa, and the Middle East which creates an uneven playing field when competing for talent with other local and non-EU international banks. The European Commission's proposals for CRD IV would, if adopted, place limits on the combination of executive and non-executive directorships and require institutions to take into account diversity as one of the criteria for selection of members of their management body. The proposals also envision the European Banking Authority developing regulatory technical standards in respect of the time commitment required of members of the management body.

10. *The Group is expanding its operations and this growth may represent a risk if not managed effectively*

The Group is experiencing significant growth as it expands geographically and in the scope of products and services it offers, including through acquisitions. The Group's business strategy is based on organic growth but includes selective plans to continue to acquire assets or businesses that it believes are logical extensions of its existing businesses to increase cash flow and earnings. The Group continues to look at potential acquisitions in a number of markets. The Group may experience some, or all, of the difficulties described below in managing the integration of any subsequent acquisitions into its existing businesses. The failure effectively to manage its expansion, whether organic or inorganic, could have a material adverse effect on the Group's financial condition, results of operations and prospects.

The success of the Group's acquisitions will depend, in part, on the ability of its management to integrate the operations of newly acquired businesses with its existing operations and to integrate various departments, personnel, systems and procedures.

Consequently, the Group's ability to implement its business strategy may be constrained and the timing of such implementation may be impacted due to demands placed on existing resources by that process. There can be no assurance that:

- the Group will be successful in acquiring all the entities it seeks to acquire;
- the acquired entities will achieve the level of performance that the Group anticipates, or that the carrying value of goodwill on acquisition will be fully supported by the cash flows of the cash generating unit to which it has been allocated for the purposes of impairment testing (and, therefore, the value of the assets being carried may be written-down or impaired);
- the projected demand and prices of the Group's products and services will be realised;
- the acquired entities will not cause a disruption to the Group's ongoing businesses, distract management attention and other resources, or make it difficult to maintain the Group's standards, internal controls and procedures;
- the Group will not be required to incur debt or issue equity securities to pay for acquisitions, for which financing may not be available or may not be available on commercially attractive terms;
- the Group will realise any or all of the intended synergy or growth benefits expected at the time of acquisition;
- the Group's credit ratings will not be negatively affected by such acquired entities or the method of financing any acquisition or acquired business;
- the Group will be able to successfully integrate the services, products and personnel of an acquired entity into its operations, especially if the Group acquires large businesses; or
- the Group will not assume unforeseen liabilities and exposures as a result of such acquisitions.

The occurrence of any one or a combination of these events could have a material adverse effect on the Group's financial condition, results of operations and prospects.

11. *The Group's business is subject to reputational risk*

Reputational risk is the potential for damage to the Group's franchise, resulting in loss of earnings or adverse impact on market capitalisation as a result of stakeholders taking a negative view of the Group or its actions. Reputational risk could arise from the failure by the Group to effectively mitigate the risks in its businesses including one or more of country, credit, liquidity, market, regulatory, legal or operational risk. It may also arise from a failure to comply with environmental and social standards. Damage to the Group's reputation could cause existing clients to reduce or cease to do business with the Group and prospective clients to be reluctant to do business with the Group. A failure to manage reputational risk effectively could materially affect the Group's business, results of operations and prospects.

12. The Group is exposed to pension risk

Pension risk is the potential for loss due to having to meet or meeting an actuarially assessed shortfall in the Group's pension schemes. Pension risk exposure is focused upon the risk to the Group's financial position arising from the need to meet its pension scheme funding obligations. In the event of a shortfall the Group may be required or may choose to make additional payments to the Group's pension schemes which, depending on the amount, could have a material effect on the Group's business, results of operations and prospects.

13. The banking industry is a target for fraud and other criminal activity

The banking industry has long been a target for those seeking to defraud, disrupt legitimate economic activity or facilitate other illegal activities. The risk posed by such criminal activity is growing as criminals become more sophisticated and as they take advantage of the increasing use of technology.

The Group seeks to be vigilant to the risks of internal and external crime in its management of people, processes, systems and in its dealings with customers and other stakeholders. The Group has a broad range of measures in place to monitor and mitigate these risks. However, such measures may not be effective and these risks could have a material adverse effect on the Group's ability to conduct business, its financial condition, results of operations and prospects.

External Risk Factors

1. Macroeconomic risks could result in a material adverse effect on the Group's financial condition, results of operations and prospects

The Group operates in over 70 countries and territories and is affected by the prevailing economic conditions in each market. Macroeconomic factors that have an impact on personal expenditure and consumption, demand for business products and services, the debt service burden of consumers or businesses, and the general availability of liquidity and credit, will influence the Group's customers and, by extension, the Group's financial condition, results of operations and prospects.

One of the principal uncertainties is the extent to which the recent crisis in the euro zone, global economic slowdown and/or recession may impact the Group's primary markets in Asia, Africa and the Middle East, and the timing of that impact. The linkages between economic activities in different markets are complex and depend not only on direct drivers such as the balance of trade and investment between countries, but also on domestic monetary, fiscal and other policy responses to macroeconomic conditions.

Consequently, one uncertainty for the corporate sector in Wholesale Banking and the small and medium enterprises ("SME") segment in Consumer Banking will be the extent to which exports are impacted by a slowdown in other economies, particularly in the US and Europe. Similarly, there continues to be uncertainty about domestic demand in the Group's markets, which is a function of a number of factors including consumer and business confidence.

Another principal uncertainty for the Group relates to the management of inflationary pressures, to the extent to which they arise. These inflationary pressures may be exacerbated in some countries by the reduction or removal of fuel price subsidies and the impact of significant rises in the price of certain foodstuffs. An increase in inflation can have a number of adverse impacts on the Group's business, including, but not limited to, increasing its operating expenses. High inflation could also have an adverse effect on the credit quality of the Group's individual and corporate borrowers, as well as its counterparties, and could lead to an increase in delinquencies and defaults across a wide range of sectors. Although the Group seeks to manage this risk by setting concentration caps by industry sector and country in Wholesale Banking and by product and country in Consumer Banking, and regularly monitoring credit exposures and political and economic trends, high inflation could nevertheless impact profitability and otherwise have a material adverse effect on the Group's financial condition, results of operations and prospects.

Whilst the Group maintains significant geographic and business diversification which may minimise the impact of certain economic factors including a downturn, diversification of the Group may not be effective to safeguard the Group from the effect of macroeconomic factors which may impact the overall economy in a single country or region, or globally.

2. The Group operates primarily in Asia, Africa and the Middle East, and these operations expose it to risks arising from the political and economic environment of markets in these areas that could adversely affect its financial condition, results of operations and prospects

The Group faces significant economic and political risks, including economic volatility, recession, inflationary pressure, exchange rate fluctuation risk and interruption of business, as well as civil unrest, imposition of exchange controls, sanctions relating to specific countries, entities and individuals, expropriation,

nationalisation, renegotiation or nullification of existing contracts and changes in law, tax policy and regulation. Furthermore, while many of the economies in which the Group operates have in recent years performed relatively well compared to many of the economies of Western Europe and North America, there can be no assurance that the relatively favourable economic environments of these markets will continue. The occurrence of any of these risks could result in a material adverse effect on the Group's financial condition, results of operations and prospects.

3. *The Group operates in competitive markets, which may have a material adverse effect on its financial condition, results of operations and prospects*

The Group is subject to significant competition from local banks and other international banks carrying on business in the markets in which it operates, including competitors that may have greater financial and other resources. In addition, the Group may experience increased competition from new entrants in the relevant product or geographic markets and existing competitors may combine to increase their existing market presence or market share. Furthermore, in certain of the Group's markets, it competes against financial institutions that are supported or controlled by governments or governmental bodies and which are required to satisfy certain lending thresholds and other identified targets. In such markets, in order to remain competitive, the Group may not realise the margins which it would otherwise have expected or desired. Regulations may also favour local banks by restricting the ability of international banks, such as the Group, operating in the relevant country to enter the market and/or expand their existing operations. Such restrictions could adversely affect the Group's ability to compete in these markets. In addition, certain competitors may have access to lower cost funding and be able to offer retail deposits on more favourable terms than the Group. Furthermore, the Group's competitors may be better able to attract and retain clients and talent, which may have a negative impact on the Group's competitive position and profitability in the relevant markets. Moreover, many of the international and local banks operating in the Group's markets compete for substantially the same customers as the Group and competition may increase in some or all of the Group's principal markets. The foregoing matters, individually or in combination, may therefore have a material adverse effect on the Group's financial condition, results of operations and prospects.

4. *The Group operates in a highly regulated industry and changes to banking regulations and laws could have an adverse impact on its operations, financial condition or prospects*

The Group's businesses are subject to a complex framework of financial services laws and regulations and associated legal and regulatory risks, including the effects of changes in laws, regulations, policies and voluntary codes of practice. During the recent market turmoil, there has been a substantially enhanced level of government and regulatory intervention and scrutiny, and there have been, and are expected to be, further changes to regulations applying to financial institutions. Additional changes to laws and regulations are under consideration in many jurisdictions. Although the Group works closely with its regulators and regularly monitors the situation, future changes in laws, regulations and fiscal or other policies can be difficult to predict and are beyond the control of the Group. Furthermore, laws and regulations may be adopted, enforced or interpreted in ways that could materially adversely affect the Group's business, financial condition, results of operations and prospects.

Governmental policies and regulatory changes that could adversely impact the Group's business include:

- the monetary, interest rate and other policies of central banks and regulatory authorities;
- general changes in government or regulatory policy, or changes in regulatory regimes that may significantly influence investor decisions in particular markets in which the Group operates, may change the structure of those markets and the products offered, or may increase the costs of doing business in those markets;
- changes to other regulatory requirements such as rules on consumer protection and prudential rules relating to capital adequacy and/or liquidity, charging special levies to fund governmental intervention in response to crises (which may not be tax deductible for the Group), separation of certain businesses from deposit-taking and the breaking up of financial institutions that are perceived to be too large for regulators to take the risk of their failure;
- changes in competition and pricing environments;
- further developments in relation to financial reporting including changes in accounting and auditing standards, corporate governance, conduct of business and employee compensation;
- expropriation, nationalisation, confiscation of assets and changes in legislation relating to foreign ownership; and
- other unfavourable political, military or diplomatic developments, producing social instability or legal uncertainty which, in turn, may affect demand for the Group's products and services.

In response to the financial crisis and recent global economic conditions, there is likely to be a substantial increase in the regulation and supervision of the financial services industry in order to seek to prevent future crises and otherwise ensure the stability of institutions under their supervision, including the imposition of higher capital and liquidity requirements (including pursuant to Basel III), increased levies and taxes, requirements to centrally clear certain transactions, heightened disclosure standards, further development of corporate governance and employee compensation regimes and restrictions on certain types of transaction structures. (See paragraph headed "*The Group is subject to the risk of increased capital and liquidity requirements to meet the minimum required by regulators*" for more detail).

Such new requirements could to differing extents significantly impact on the profitability and results of operations of firms operating within the financial services industry, including entities within the Group, or could require those affected to alter their current strategies, prevent the continuation of current lines of operations, restrict the type or volume of transactions which may be entered into or set limits on, or require the modification of, rates or fees that may be charged. The Group may also face increased compliance costs and limitations on its ability to pursue its business activities.

Whilst there is growing international regulatory cooperation on supervision and regulation of international and EU banking groups, the Group is, and will continue to be, subject to the complexity of complying with existing and new regulatory requirements in each of the jurisdictions in which it operates. Where changes in regulation are made they may not be co-ordinated potentially resulting in the Group having to comply with varying and possibly conflicting requirements. The foregoing matters may adversely impact any number of areas of the Group's operations and activities which in turn may have a material adverse effect on its financial condition, results of operations and prospects.

5. *The business and operations of the Group may be affected by the provisions of the Banking Act 2009 which gives the UK Treasury, the FSA and the Bank of England wide-ranging powers to make certain orders in respect of deposit-taking institutions. The ICB has additionally made proposals in respect of bank structures and primary loss absorbing capacity (including bail-in)*

The Banking Act 2009 came into force on 21 February 2009 and applies to deposit-taking institutions that are incorporated in or formed under the law of any part of the UK (such as SCB). It provides the Treasury, the Bank of England and the FSA with powers to deal with banks which are failing or likely to fail to satisfy the threshold conditions within the meaning of section 41(1) and Schedule 6 of the FSMA (which is not currently the case in respect of SCB and which the Group does not consider to be likely) where it is not reasonably likely that action will be taken by or in respect of the bank to satisfy those threshold conditions. The Banking Act 2009 creates a special resolution regime which comprises three stabilisation options and two new insolvency procedures. The stabilisation options involve (i) the transfer of a bank or bank holding company (such as SCPLC) into temporary public ownership; (ii) the transfer of all or part of a bank to a private sector purchaser and (iii) the transfer of all or part of a bank to a bridge bank wholly owned by the Bank of England. The new insolvency procedures are (i) bank insolvency, designed to ensure that eligible depositors' accounts are transferred to another bank, or that eligible depositors are compensated under the Financial Services Compensation Scheme, followed by winding up the affairs of the bank so as to achieve the best result for the bank's creditors and (ii) a bank administration procedure designed to ensure that where the transfer of part of a bank to a private sector purchaser or bridge bank is effected in accordance with the special resolution regime, the non-sold or non-transferred bank continues to provide services and facilities to the business which has been transferred to enable the commercial purchaser or transferee to operate effectively. In February 2011, a special administration (bank insolvency) procedure and a special administration (bank administration) procedure was introduced by the Investment Bank Special Administration Regulations 2011 for UK deposit-taking institutions that have an "investment banking" business. The new procedures are based on the bank insolvency and bank administration procedures under the Banking Act 2009 but additionally take into account special administration objectives.

Whilst the Treasury, the Bank of England and the FSA must have regard to specified objectives when exercising the special resolution regime powers (the protection and enhancement of the stability of the UK financial system, protecting and enhancing public confidence in the stability of the UK banking system, protecting depositors, protecting public funds and avoiding interference with property rights in contravention of the European Convention on Human Rights), the effect of the Banking Act 2009 (if any) on the Noteholders cannot be ascertained in advance. In addition, the final report of the ICB recommended that authorities should have a primary bail-in power allowing them to impose losses on bail-in bonds (unsecured debt with a term of at least 12 months at the time of issue) in resolution. The report also recommended that the resolution authorities should have a secondary bail-in power to impose losses on all other unsecured liabilities (including liabilities subject to a floating charge) in a resolution. The ICB has stated that these powers should be exercisable in respect of liabilities outstanding at the time that legislation introducing bail-in comes into effect. The potential impact of these powers, if enacted, on Noteholders (including holders of Senior Notes) cannot be ascertained in advance.

6. Downgrades to the Issuer's credit ratings or outlook could impair the Group's access to funding and the Group's competitive position

The Group's ability to access the debt capital markets, and the cost of borrowing in these markets, is influenced by the Group's credit ratings. There can be no guarantee that the Group will not be subject to downgrades to its credit ratings, and factors leading to any such downgrade may not be within the control of the Group. A material downward change in the short-term or long-term credit ratings of the Group could impact the volume, price and source of its funding, and this could have a material adverse effect on the Group's profitability, its financial condition, results of operations and prospects.

7. Changes in interest rates, commodity prices, equity prices and other market risks could adversely affect the Group's financial condition, results of operations and prospects

Market risk is the potential for loss of earnings or economic value due to adverse changes in financial market rates or prices. The Group's exposure to market risk arises principally from customer driven transactions.

The primary categories of market risk for the Group are:

- interest rate risk: arising from changes in yield curves, credit spreads and implied volatilities on interest rate options;
- currency exchange risk: arising from changes in exchange rates and implied volatilities on related options;
- commodity price risk: arising from changes in commodity prices and implied volatilities on commodity options, covering energy, precious metals, base metals and agriculture; and
- equity price risk: arising from changes in the prices of equities, equity indices, equity baskets and implied volatilities on related options.

Failure to manage these risks effectively or the occurrence of unexpected events resulting in significant market dislocation could have a material adverse effect on the Group's financial condition, results of operations and prospects.

8. The Group is subject to the risk of exchange rate fluctuations arising from the geographical diversity of its businesses

As the Group's business is conducted in a number of jurisdictions and in a number of foreign currencies, including, but not limited to, Sterling, Korean won, Hong Kong dollar, Singapore dollar, Chinese yuan and Indian rupee, the Group's business is subject to the risk of exchange rate fluctuations. The results of operations of Group companies are reported in the local currencies in which they are domiciled, and these results are then translated into U.S. dollars at the applicable foreign currency exchange rates for inclusion in the Group's consolidated financial statements. The exchange rates between local currencies and the U.S. dollar have been and may continue to be volatile. The Group is therefore exposed to movements in exchange rates in relation to foreign currency receipts and payments, dividend and other income from foreign subsidiaries and branches, reported profits of foreign subsidiaries and branches and the net asset carrying value of foreign investments and risk-weighted assets attributable to foreign currency operations.

Whilst the Group monitors exchange rate movements, it is difficult to predict with accuracy changes in economic or market conditions and to anticipate the effects that such changes could have on the Group and the translation effect against the U.S. dollar of such fluctuations in the exchange rates of the currencies of those countries in which the Group operates, any of which may adversely affect its financial condition, results of operations and prospects.

9. Financial markets volatility globally and in the markets in which the Group operates could result in a material adverse effect on the Group's assets, financial condition, results of operations and prospects

Additional volatility, and further dislocation affecting certain financial markets and asset classes, are factors that may have a material adverse effect on the Group's assets, its financial condition, results of operations and prospects. These factors have had and may have a negative impact on the mark-to-market valuations of assets in the Group's available-for-sale and trading portfolios. In addition, any further deterioration in the performance of the assets underlying the Group's asset backed securities ("ABS") portfolio could lead to additional impairment. The ABS portfolio accounted for approximately 0.4 per cent. of Group assets as at 30 June 2011. Continued market volatility may also negatively impact certain customers exposed to derivative contracts. While the Group seeks to manage customer exposure and risk, the potential losses incurred by certain customers as a result of derivative contracts could lead to an increase in customer disputes and corporate defaults and result in further write-downs or impairments by the Group.

10. Systemic risk resulting from failures by banks, other financial institutions and corporates could adversely affect the Group

Within the financial services industry the default of any institution or corporate could lead to defaults by other institutions. Concerns about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions because the commercial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. This risk is sometimes referred to as “systemic risk” and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms, other financial institutions and exchanges with whom the Group interacts on a daily basis, which could have an adverse effect on the Group’s ability to raise new funding and have a material adverse effect on the Group’s business, its financial condition, results of operations and prospects.

11. Country cross-border risk could have a material adverse effect on the Group’s financial condition, results of operations and prospects

Country cross-border risk is the risk that the Group will be unable to obtain payment from its customers (sovereign and non-sovereign) or third parties on their contractual obligations as a result of certain actions taken by foreign governments, chiefly relating to convertibility and transferability of foreign currency.

These risks could have a material adverse effect on the Group’s financial condition, results of operations and prospects.

12. The Group operates in some markets that have relatively less developed judicial and dispute resolution systems, which could have a material adverse effect on the Group’s financial condition, results of operations and prospects

In the less developed markets in which the Group operates, judicial and dispute resolution systems may be less developed than in North America and Western Europe. In case of a breach of contract, there may be difficulties in making and enforcing claims against contractual counterparties. On the other hand, if claims are made against the Group, there may be difficulties in defending such allegations. If the Group becomes party to legal proceedings in a market with an insufficiently developed judicial system, an adverse outcome to such proceedings could have a material adverse effect on the Group’s financial condition, results of operations and prospects.

13. Hostilities, terrorist attacks or social unrest as well as natural calamities in the markets in which the Group operates could adversely affect the Group’s business, results of operations and prospects

Some of the countries in which the Group operates have, from time to time, experienced and/or are currently experiencing social and civil unrest, hostilities both internally and with neighbouring countries and terrorist attacks. Some of those countries have also experienced natural calamities like earthquakes, floods and drought in recent years. These and similar hostilities, tensions and natural disasters could lead to political or economic instability in the markets in which the Group operates and have a material adverse effect on the Group’s business, its financial condition, results of operations and prospects.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

1. Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Issuer

Subordinated Notes may, in the circumstances set out, and subject as provided in Condition 5(e), be redeemed at the option of the Issuer at their Redemption Amount together with any interest accrued to the date fixed for redemption and any Arrears of Interest. In addition, Notes may be redeemed at the Option of the Issuer in circumstances set out, and subject as provided, in the Terms and Conditions of the Notes.

An optional redemption feature is likely to limit the market value of Notes. During any period when an Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

An Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Dual currency Notes

An Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (a) the market price of such Notes may be volatile;
- (b) payment of principal or interest may occur at a different time or in a different currency than expected; and
- (c) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero.

Partly-paid Notes

An Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that an Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. An Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since such Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If such Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than the then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If such Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

The Issuers' obligations under Subordinated Notes are subordinated

An Issuer's obligations under Subordinated Notes will be unsecured and subordinated and will rank junior in priority to the claims of Senior Creditors or, as applicable, of creditors in respect of Senior Indebtedness of SC First Bank (each as defined in "Terms and Conditions of the Notes" herein). Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that an investor in Subordinated Notes will lose all or some of his investment should the relevant Issuer become insolvent.

Restricted remedy for non-payment

In most circumstances the sole remedy against an Issuer available to the Trustee (on behalf of the holders of Subordinated Notes) to recover any amounts owing in respect of the principal of or interest on the Subordinated Notes will be to institute proceedings for the winding-up of the relevant Issuer in its jurisdiction of incorporation. See “*Terms and Conditions of the Notes, Condition 9(c)*”.

Index-linked or Variable Redemption Amount Notes

If, in the case of a particular Tranche of Notes, the relevant Final Terms specify that the Notes are Index-linked Notes or Variable Redemption Amount Notes, there is a risk that the investor may lose the value of its entire investment or part of it.

Notes where denominations involve integral multiples

In the case of any Notes which have denominations consisting of a minimum Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Denomination. In such a case, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Denomination will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase or sell a principal amount of Notes such that it holds an amount equal to one or more Denominations.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Denomination may be illiquid and difficult to trade.

Notes denominated in a different currency to the currency in which principal and/or interest are payable.

An Issuer may issue Notes where principal and/or interest are payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors in such Notes should be aware that, depending on the terms of the Notes, (i) they may receive no interest or a limited amount of interest, (ii) payment of principal or interest may occur at a different time or in a different currency than expected, and (iii) they may lose a substantial portion of their investment. Movements in currency exchange rates may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices, and the timing of changes in the exchange rates may affect the actual yield to investors, even if the average level is consistent with their expectations. Payments of principal and interest or other obligations of the Issuer in respect of any Series of Notes may be restricted upon the occurrence of certain disruption events described in the applicable Final Terms.

The market price of such Notes may be volatile and, if the amount of principal and/or interest payable are dependent upon movements in currency exchange rates, may depend upon the time remaining to the redemption maturity date and the volatility of currency exchange rates. Movements in currency exchange rates may be dependent upon economic, financial and political events in one or more jurisdictions. The value of any currency, including those currencies specified in any indicative transaction, may be affected by complex political and economic factors.

2. Risks related to Notes denominated in Renminbi

There are certain special risks associated with investing in any Notes denominated in Renminbi (“RMB Notes”). The Issuers believe that the factors described below represent the principal risks inherent in investing in RMB Notes issued, but the inability of an Issuer to pay interest, principal or other amounts on or in connection with RMB Notes may occur for other reasons and the Issuers do not represent that the statements below regarding the risks of holding RMB Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

The Renminbi is not freely convertible and there are significant restrictions on remittance of Renminbi into and outside the PRC

The Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between the Renminbi and foreign currencies despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts. Participating banks in Hong Kong have been permitted to engage in the settlement of RMB trade transactions under a pilot scheme introduced in July 2009. This represents a current account activity. The pilot scheme was extended in June 2010 to cover 20 provinces and cities in the PRC and to make RMB trade and other current account item settlement available in all countries worldwide. The pilot scheme was further extended in August 2011 to cover all provinces in the PRC.

On 25 February 2011, the Ministry of Commerce of the PRC (“MOFCOM”) promulgated the Circular on Issues concerning Foreign Investment Management (the “MOFCOM Circular”). The MOFCOM Circular states that if a foreign investor intends to make investments in the PRC (whether by way of establishing a new enterprise, increasing the registered capital of an existing enterprise, acquiring an onshore enterprise or providing loan facilities) with Renminbi that it has generated from cross-border trade settlement or that is lawfully obtained by it outside the PRC, MOFCOM’s prior written consent is required. On 3 June 2011, the People’s Bank of China (the “PBOC”) issued the Notice on Clarification of Issues regarding Cross-border Renminbi Activities (the “PBOC Notice”), which provides that the pilot programme of foreign direct investment in Renminbi will be launched on a case by case basis, and approval by the PBOC is required for foreign direct investment in Renminbi. For industries under restrictions or strictly regulated by the PRC government, foreign direct investment in Renminbi is prohibited.

On 12 October 2011, MOFCOM promulgated the Circular on Issues in relation to Cross-border RMB Foreign Direct Investment (the “MOFCOM RMB FDI Circular”). Pursuant to the MOFCOM RMB FDI Circular, MOFCOM’s prior written consent which was previously required under the MOFCOM Circular, is no longer required for RMB foreign direct investments (“RMB FDI”), and MOFCOM and its local counterparts are authorised to approve RMB FDI in accordance with existing PRC laws and regulations regarding foreign investment, with certain exceptions which require the preliminary approval by the provincial counterpart of MOFCOM and the consent of MOFCOM as described under “PRC Currency Controls – Capital Account Items”. The MOFCOM RMB FDI Circular also requires that the proceeds of RMB FDI may not be used towards investment in securities, financial derivatives or entrustment loans in the PRC, except for investments in PRC domestic listed companies through private placements or share transfers by agreement. On 13 October 2011, PBOC issued the Measures on Administration of the RMB Settlement in relation to Foreign Direct Investment (the “PBOC RMB FDI Measures”), to implement PBOC’s detailed RMB FDI administration system, which covers almost all aspects of RMB FDI, including capital injection, payment of purchase price in the acquisition of PRC domestic enterprises, repatriation of dividends and distribution, as well as Renminbi denominated cross-border loans. Under the PBOC RMB FDI Measures, special approval for RMB FDI and shareholder loans from the PBOC which was previously required by the PBOC Notice is no longer necessary. As new regulations, the MOFCOM Circular, the PBOC Notice, the MOFCOM RMB FDI Circular and the PBOC RMB FDI Measures will be subject to interpretation and application by the relevant PRC authorities.

Subject to the prior receipt of all necessary governmental approvals, an Issuer may remit the net proceeds from the offering of RMB Notes into the PRC. There is no assurance that such approvals will be granted and, if granted, will not be revoked or amended in the future. There is no assurance that the PRC government will continue to gradually liberalise the control over cross-border RMB remittances in the future or that new PRC regulations will not be promulgated in the future which would have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. An Issuer may need to source Renminbi offshore to finance its obligations under RMB Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and an Issuer’s ability to source Renminbi outside China to service RMB Notes

As a result of the restrictions imposed by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. Since February 2004, in accordance with arrangements between the PRC central government and the Hong Kong government, licensed banks in Hong Kong may offer limited Renminbi-denominated banking services to Hong Kong residents and specified business customers. PBOC, the central bank of the PRC, has also established a Renminbi clearing and settlement system for participating banks in Hong Kong. On 19 July 2010, further amendments were made to the Settlement Agreement on the Clearing of RMB Business (the “Settlement Agreement”) between the PBOC and Bank of China (Hong Kong) Limited (the “RMB Clearing Bank”) to further expand the scope of RMB business for participating banks in Hong Kong. Pursuant to the revised arrangements, all corporations are allowed to open RMB accounts in Hong Kong; there is no longer any limit (other than as provided in the following paragraph) on the ability of corporations to convert RMB; and there will no longer be any restriction on the transfer of RMB funds between different accounts in Hong Kong.

However, the current size of Renminbi-denominated financial assets outside China is limited. As of 30 September 2011, the total amount of Renminbi deposits held by institutions authorised to engage in Renminbi banking business in Hong Kong amounted to approximately RMB622.2 billion. In addition, participating banks are also required by the HKMA to maintain a total amount of Renminbi (in the form of cash and its settlement account balance with the Renminbi Clearing Bank) of no less than 25% of their Renminbi deposits, which further limits the availability of Renminbi that participating banks can utilise for conversion services for their customers. Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. The Renminbi Clearing Bank will only have access to onshore liquidity support from PBOC to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporates in relation to cross-border trade settlement and

for personal customers of up to RMB20,000 per person per day. The Renminbi Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from the offshore market to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreement will not be terminated or amended in the future, which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of RMB Notes. To the extent an Issuer is required to source Renminbi in the offshore market to service RMB Notes, there is no assurance that such Issuer will be able to source such Renminbi on satisfactory terms, if at all. If the Renminbi is not available in certain circumstances as described under “Terms and Conditions – Payments and Talons – Inconvertibility, Non-transferability or Illiquidity”, the relevant Issuer can make payments under the Renminbi Notes in a currency other than Renminbi.

Investment in RMB Notes is subject to exchange rate risks

The value of the Renminbi against the U.S. dollar, the Hong Kong dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. An Issuer will make all payments of interest and principal with respect to RMB Notes in Renminbi. As a result, the value of these Renminbi payments in foreign currency may vary with the prevailing exchange rates in the marketplace. For example, when an investor buys RMB Notes, such investor may need to convert foreign currency to Renminbi at the exchange rate available at that time. If the value of Renminbi depreciates against the relevant foreign currency between then and the time that the Issuer pays back the principal of RMB Notes in Renminbi at maturity, the value of the investment in the relevant foreign currency will have declined.

Payments in respect of RMB Notes will only be made to investors in the manner specified in RMB Notes

All payments to investors in respect of RMB Notes will be made solely (i) for so long as RMB Notes are represented by a Global Note or Global Certificate, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing CMU rules and procedures, or (ii) for so long as RMB Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The Issuers cannot be required to make payment by any other means (including in any other currency (unless this is specified in the Final Terms of the RMB Notes) or by transfer to a bank account in the PRC).

3. *Risks related to the Notes generally*

Set out below is a brief description of certain risks relating to the Notes generally:

Modification, waivers and substitution

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of any of the Issuers, in the circumstances described in Condition 10 of the Terms and Conditions of the Notes. Any amendment to the Terms and Conditions of the Subordinated Notes or to the Trust Deed is subject to the relevant Issuer having given notice to, and having received no objection from, the FSA (provided there is a requirement to give such notice).

Changes to regulatory capital requirements

Implementation of and/or changes to the capital adequacy framework may result in changes to the risk-weighting of the Notes and/or loss absorption by Noteholders in certain circumstances

The Basel Committee on Banking Supervision (the “Basel Committee”) adopted in 2004 a framework which placed enhanced emphasis on market discipline and sensitivity to risk. A comprehensive version of this

framework was published in June 2006 under the title “International Convergence of Capital Measurement and Capital Standards: A Revised Framework (Comprehensive Version)” (“Basel II”).

Basel II was required to be implemented in stages with the Basel II standardised approach and the foundation internal ratings based (“IRB”) approach to credit risk applying from 1 January 2007, and the advanced IRB approach to credit risk and the advanced measurement approach (“AMA”) to operational risk applying from 1 January 2008. However, Basel II is not self-implementing and, accordingly, implementation dates in individual countries are dependent on the national implementation processes in those countries.

In July 2009 the Basel Committee agreed changes to Basel II to address deficiencies in respect of the treatment of securitisations and market risk. Banks using internal models for determining the capital requirements of their trading book will be required to calculate a stressed value-at-risk based on historical data from a 12-month period of significant stress. Banks using internal specific risk models in the trading book must also calculate an incremental risk capital charge for credit sensitive positions which captures default and migration risk. These changes will be introduced from 31 December 2011 and are expected to increase significantly the capital requirements for trading book transactions. Implementation in the EU is effected through amendments to the Capital Requirements Directive which also applies to investment firms. A more fundamental review of the rules applicable to trading activities is currently being undertaken by the Basel Committee that may result in further changes. The use of external ratings is also being reviewed and on 27 October 2010 the Financial Stability Board issued principles for reducing reliance on credit rating agency ratings in standards, laws and regulations.

Basel III introduces, amongst other things, new definitions of instruments eligible as regulatory capital, measures to strengthen the capital requirements for counterparty credit risk exposures arising from certain transactions and the introduction of a leverage ratio and the LCR and NSFR liquidity metrics. Banking supervisors will be required to implement the new capital standards from 1 January 2013, the LCR from 1 January 2015 and the NSFR from 1 January 2018 (See paragraph headed “*The Group is subject to the risk of increased capital and liquidity requirements to meet the minimum required by regulators*” for further details).

The European Commission published proposals to implement Basel III as well as other regulatory developments impacting governance, supervision and remuneration, amongst others on 20 July 2011. The changes proposed by the Basel Committee and/or the European Commission may have an impact on incentives to hold the Notes for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and/or value of the Notes.

The final report of the ICB has made proposals to increase the loss absorbency of debt which may result in the imposition of losses on senior creditors including holders of Senior Notes in the resolution of an Issuer (See the paragraph headed “*The business and operations of the Group may be affected by the provisions of the Banking Act 2009 which gives the UK Treasury, the FSA and the Bank of England wide-ranging powers to make certain orders in respect of deposit-taking institutions. The ICB has additionally made proposals in respect of bank structures and primary loss absorbing capacity (including bail-in)*”).

Any of the foregoing could affect the risk-weighting of the Notes for investors who are subject to capital adequacy requirements that follow, or are based on, Basel I (being the International Convergence of Capital Measurement and Capital Standards published by the Basel Committee in July 1988 together with the Amendment to the Capital Accord to Incorporate Market Risks published by the Basel Committee in January 1996, in each case as amended by the Basel Committee), Basel II or Basel III (including, in the EU/EEA, banks and investment firms).

In addition, following the July 2011 Financial Stability Board consultation paper proposing statutory bail-in powers as a bank resolution tool, it is possible that legislation could be passed that would result in Senior Notes and/or Subordinated Notes absorbing losses in the course of a resolution of the relevant Issuer. The application of such legislation may have an adverse effect on the position of holders of Senior Notes and/or Subordinated Notes and, as a result, may affect the liquidity and/or value of the Notes. See “Internal Risks and Risks relating to the Group and its business operations – 5. The Group is subject to the risk of increased capital and liquidity requirements to meet the minimum required by regulators” above.

In all other respects, the Issuers cannot predict the precise effects of potential changes that might result from the implementation of the new requirements on their own financial performance or the impact on the market value of the Notes. Prospective investors in the Notes should consult their own advisers as to the potential consequences to and effect on them of changes to the risk-weighted asset framework (including the Basel II and Basel III changes described above) and the relevant implementing measures, together with other changes that have been or are in the course of being proposed.

The EU is also developing a new solvency framework for insurance companies, referred to as “Solvency II”. It is anticipated that the implementation date of the Solvency II directive will be January 2014 for firms. The approach to investment rules for insurers adopted under Solvency II is markedly different from the approach under the current European insurance directives and the FSA rules. The Issuers cannot predict the precise

effects of the potential changes that might result from the implementation of Solvency II on the market value of the Notes, or their eligibility to be used to satisfy capital requirements under Solvency II. Prospective investors in the Notes who will be subject to Solvency II should consult their own advisers as to the potential consequences to and effect on them of changes to the solvency regime and the investment rules for insurers.

European Monetary Union

If the United Kingdom joins the European Monetary Union prior to the maturity of the Notes, there is no assurance that this would not adversely affect investors in the Notes. It is possible that prior to the maturity of the Notes the United Kingdom may become a participating Member State and that the euro may become the lawful currency of the United Kingdom. In that event (i) all amounts payable in respect of any Notes denominated in Sterling may become payable in euro (ii) the law may allow or require such Notes to be re-denominated into euro and additional measures to be taken in respect of such Notes; and (iii) there may no longer be available published or displayed rates for deposits in Sterling used to determine the rates of interest on such Notes or changes in the way those rates are calculated, quoted and published or displayed. The introduction of the euro could also be accompanied by a volatile interest rate environment, which could adversely affect investors in the Notes.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "Directive"), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident or to certain other persons established in that other Member State. However, for a transitional period, certain Member States are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld). A number of non-EU countries and territories have adopted similar measures.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment pursuant to any law implementing or complying with, or introduced in order to conform to, the Directive, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. However, the Issuer is required, as provided in Condition 6(e) of the Notes, to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to any such law.

Change of law

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes (save for Condition 3 which shall be governed by and construed in accordance with (i) Hong Kong law where the Notes are issued by SCBHK or (ii) the law of the Republic of Korea where the Notes are issued by SC First Bank). No assurance can be given as to the impact of any possible judicial decision or change to English law, Hong Kong law, Korean law or any administrative practice after the date of issue of the relevant Notes.

4. Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

An Issuer will pay principal and interest on the Notes in the currency specified (the “Currency”). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the “Investor's Currency”) other than the Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate and/or an investor's right to receive payments of interest or principal. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be suspended, reduced or withdrawn by the rating agency at any time. Each rating should be evaluated independently of any other rating.

5. Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. See also “3. Risks related to the Notes generally - *Implementation of and/or changes to the capital adequacy framework may result in changes to the risk-weighting of the Notes and/or loss absorption by Noteholders in certain circumstances*” above.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions (“Conditions”) that, save for the text in italics and subject to completion and minor amendment and as supplemented or varied in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme. Provisions in italics do not form part of the Conditions. References to the “Issuer” are to Standard Chartered PLC (“SCPLC”), Standard Chartered Bank (“SCB”), Standard Chartered Bank (Hong Kong) Limited (“SCBHK”) or Standard Chartered First Bank Korea Limited (“SC First Bank”) as applicable as the relevant Issuer of the Notes as specified in the Final Terms.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

The Notes are constituted by an Amended and Restated Trust Deed dated 11 November 2011, which amends and restates a trust deed dated 10 November 2010, and as further amended and/or supplemented as at the date of issue of the Notes (the “Issue Date”) (the “Trust Deed”) between SCPLC, SCB, SCBHK, SC First Bank and BNY Mellon Corporate Trustee Services Limited (the “Trustee”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below. An Amended and Restated Agency Agreement dated 11 November 2011 which amends and restates an agency agreement dated 10 November 2010 (and as amended and/or supplemented as at the Issue Date (the “Agency Agreement”)), was entered into in relation to the Notes between SCPLC, SCB, SCBHK, SC First Bank, the Trustee and The Bank of New York Mellon, London Office as issuing and paying agent, paying agent, transfer agent and calculation agent, The Bank of New York Mellon (Luxembourg) S.A. as paying agent, registrar and transfer agent, The Bank of New York Mellon as Hong Kong registrar, CMU Paying Agent and CMU Lodging Agent (the “CMU Lodging Agent”, which expression shall include any successor CMU lodging agents), and The Bank of New York Mellon as exchange agent, paying agent and registrar and the other agents named therein. The issuing and paying agent, the paying agents, the registrars, the Hong Kong registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “Issuing and Paying Agent”, the “Paying Agents” (which expression shall include the Issuing and Paying Agent and the CMU Lodging Agent), the “Registrar”, the “HK Registrar”, the “Transfer Agents” (which expression shall include the Registrar and the HK Registrar) and the “Calculation Agent(s)”. Copies of the Trust Deed and the Agency Agreement referred to above are available for inspection free of charge during usual business hours at the registered office of the Trustee (presently at One Canada Square, London E14 5AL) and at the specified offices of the Paying Agents and the Transfer Agents, save that, if any Series of Notes is neither admitted to trading on a regulated market within the European Economic Area (“EEA”) nor offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Final Terms will only be available for inspection by a Noteholder holding one or more Notes of the Series and such Noteholder must produce evidence satisfactory to the relevant Issuer and the Trustee or, as the case may be, the relevant Paying Agent as to its holding of such Notes and identity. For the purposes of these Conditions, all references (other than in relation to the determination of interest and other amounts payable in respect of the Notes) to the issuing and paying agent shall, with respect to a Series of Notes to be held in the Hong Kong Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the “CMU Service”), be deemed to be a reference to the CMU Lodging Agent and all such references shall be construed accordingly.

The Noteholders, the holders of the interest coupons (the “Coupons”) appertaining to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “Talons”) (the “Couponholders”) and the holders of the receipts for the payment of instalments of principal (the “Receipts”) relating to Notes in bearer form of which the principal is payable in instalments, are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the applicable Final Terms and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

The Final Terms for this Note (or the relevant provisions thereof) are attached to or endorsed on this Note. Part A of the Final Terms supplements these Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purposes of this Note. References to the “applicable Final Terms” are to the Final Terms (or relevant provisions thereof) attached to or endorsed on this Note.

As used in these Conditions, “Tranche” means Notes which are identical in all respects.

1. Form, Denomination and Title

The Notes are issued in bearer form (“Bearer Notes”, which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form (“Registered Notes”) or in bearer form exchangeable for Registered Notes (“Exchangeable Bearer Notes”) in each case in the Denomination(s) shown hereon save that the minimum denomination of each Note admitted to trading on a European Economic Area exchange and/or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Relevant Currency. SC First Bank will only issue Registered Notes.

All Registered Notes shall have the same Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Denomination as the lowest denomination of Exchangeable Bearer Notes. Unless otherwise permitted by the then current laws and regulations, Notes issued by SCPLC, SCBHK or SC First Bank which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by SCPLC, SCBHK or SC First Bank in the United Kingdom or whose issue would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (“FSMA”) will have a minimum denomination of £100,000 (or its equivalent in other currencies). Notes sold in reliance on Rule 144A will be in minimum denominations of U.S.\$100,000 (or its equivalent in another currency) and integral multiples of U.S.\$1,000 (or its equivalent in another currency) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant jurisdiction. Notes issued by SC First Bank will have a minimum denomination of U.S.\$100,000 (or its equivalent in another currency). Notes issued by SC First Bank which are listed on SGX-ST will be traded on the SGX-ST in a minimum board lot size of U.S.\$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Any Bearer Note the principal amount of which is redeemable in instalments is issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“Certificates”) and, save as provided in Condition 2(c), each Certificate shall represent a holder’s entire holding of Registered Notes.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “Register”). The Issuer may appoint a registrar (the “Alternative Registrar”) in accordance with the provisions of the Agency Agreement other than the Registrar in relation to any Series comprising Registered Notes. In these Conditions, “Registrar” includes, if applicable, in relation to any Series comprising Registered Notes, the Registrar or, as the case may be, the Alternative Registrar, as specified hereon [provided always that the Registrar shall be the HK Registrar or shall have its specified office in Hong Kong]². Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “Noteholder” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “holder” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

The Notes have not been, and will not be, registered with the Financial Services Commission of Korea under the Financial Investment Services and Capital Market Act of Korea. Accordingly, the Notes may not be offered, sold, pledged or otherwise transferred in Korea or to, or for the account or benefit of, any resident of Korea (as defined in the Foreign Exchange Transaction Act and the Foreign Exchange Transaction Regulation of Korea), or to others for re-offering or resale, directly or indirectly, in Korea or to, or for the account or benefit of, any resident of Korea for a period of one year after the date of issue of the Notes except as otherwise permitted by applicable Korean law and regulations, including the Financial Investment Services and Capital Market Act, the Foreign Exchange Transaction Act and the decrees and regulations thereunder.

2. Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes

(a) Exchange of Exchangeable Bearer Notes

Subject as provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same aggregate principal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Receipts, Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 6(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination may not be exchanged for Bearer Notes of another Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require without service charge and subject to payment of any taxes, duties and other governmental charges in respect of such transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(c) Exercise of Options or Partial Redemption in Respect of Registered Notes

In the case of an exercise of an Issuer's or Noteholder's option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates

Each new Certificate to be issued pursuant to Conditions 2(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice or surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar.

(e) Exchange Free of Charge

Exchange and transfer of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(f) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 5(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may,

however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

3. Status

(a) Status of Senior Notes

The Senior Notes (being those Notes that specify their Status as Senior) and the Receipts and Coupons relating to them constitute direct and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Senior Notes and the Receipts and Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

(b) Status of Dated Subordinated Notes or Lower Subordinated Term Notes

The Dated Subordinated Notes (being those Notes issued by SCPLC, SCB or SCBHK that specify their Status as Dated Subordinated) or the Lower Subordinated Term Notes (being those Notes issued by SC First Bank that specify their Status as Lower Subordinated Term Notes) (the Dated Subordinated Term Notes and the Lower Subordinated Term Notes, together the "Subordinated Notes") and the Receipts and Coupons relating to them constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves.

The rights and claims of Noteholders, Receiptholders and Couponholders against the Issuer to payment in respect of the Dated Subordinated Notes (including, without limitation, any payments in respect of damages awarded for breach of any obligations) are, in the event of the winding-up of the Issuer [or in an administration of the Issuer following notice by the administrator of an intention to declare and distribute a dividend]¹ subordinated in right of payment in the manner provided in the Trust Deed to the claims of all Senior Creditors (as defined below). Accordingly, amounts (whether principal, interest or otherwise) in respect of the Notes, Receipts and Coupons shall be payable in such winding-up [or such administration following notice by the administrator of an intention to declare and distribute a dividend]¹ only if and to the extent that the Issuer could be considered solvent at the time of payment thereof and still be considered solvent immediately thereafter. For this purpose, the Issuer shall be considered solvent if both (i) it is able to pay its debts to Senior Creditors as they fall due and (ii) its Assets exceed its Liabilities to Senior Creditors.

A report as to the solvency of the Issuer by two Directors of the Issuer or, in certain circumstances as provided in the Trust Deed, the Auditors or, if the Issuer is being wound up, its liquidator shall, in the absence of manifest error, be treated and accepted by the Issuer, the Trustee and the Dated Subordinated Noteholders, Receiptholders and Couponholders as correct and sufficient evidence thereof.

The following provisions apply to the Lower Subordinated Term Notes:

(i) Bankruptcy

If, on or prior to the date on which the Lower Subordinated Term Notes are otherwise repayable or at any time while any amount is due and outstanding under the Notes, a Bankruptcy Event occurs (and so long as it continues), any amounts which are then due or become due thereafter under the Notes (including overdue amounts) shall not be payable (and Noteholders may not exercise any rights of set-off in respect of any claims under the Notes that they may have against SC First Bank) unless and until the total amount of any and all Senior Indebtedness of SC First Bank that is listed on the distribution list (as amended, if such is the case) for final distribution submitted to the court in the bankruptcy proceedings is paid in full (or provision for the payment in full of such amount is made) in such bankruptcy proceedings.

(ii) Corporate Reorganisation

If, on or prior to the date on which the Lower Subordinated Term Notes are otherwise repayable or at any time while any amount is due and outstanding under the Notes, a Reorganisation Event occurs (and so long as it continues), any amounts which are then due or become due thereafter under the Notes (including overdue amounts) shall not be payable (and Noteholders may not exercise any rights of set-off in respect of any claims under the Notes that they may have against SC First Bank) unless and until the total amount of any and all Senior Indebtedness of SC First Bank that is listed in the reorganisation plan of SC First Bank at the time when the court's approval of such plan becomes final and conclusive is paid in full in the reorganisation proceedings.

(iii) Restructuring Event

If, on or prior to the date on which the Lower Subordinated Term Notes are otherwise repayable or at any time while any amount is due and outstanding under the Notes, a Restructuring Event occurs (and so long as it continues), any amounts which are then due or become due thereafter under the Notes (including overdue amounts) shall not be payable (and Noteholders may not exercise any rights of set-off in respect of any claims under the Notes that they may have against SC First Bank) unless and until the total amount of any and all Senior Indebtedness of SC First Bank is paid in full.

(iv) Equivalent Proceedings Outside the Republic of Korea

If, on or prior to the date on which the Lower Subordinated Term Notes are otherwise repayable or at any time while any amount is due and outstanding under the Notes, a Foreign Event occurs (and so long as it continues), any amounts which are then due or become due thereafter under the Notes (including overdue amounts) shall only become payable (and Noteholders may not exercise any rights of set-off in respect of any claims under the Notes that they may have against SC First Bank) (i) after the total amount of any and all Senior Indebtedness of SC First Bank outstanding at the applicable time based on the specifics of the Foreign Event is paid in full or (ii) in the event that such delay is not permitted under the rules or regulations governing such Foreign Event, in accordance with the terms provided in the Notes.

(c) Set-off and excess payment

(i) Subject to applicable law, no Noteholder, Receiptholder or Couponholder may exercise, claim or plead any right of set-off, counter-claim or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Dated Subordinated Notes or the Receipts or Coupons in respect of them and each Noteholder, Receiptholder and Couponholder shall, by virtue of being the holder of any Dated Subordinated Note or, as the case may be, Receipt or Coupon in relation to it, be deemed to have waived all such rights of such set-off, counter-claim or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any Noteholder, Receiptholder or Couponholder by the Issuer under or in connection with the Notes is discharged by set-off, such Noteholder, Receiptholder or Couponholder, as the case may be, shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of its winding-up [or administration]¹, the liquidator [or administrator as appropriate]¹ of the Issuer for payment to the Creditors in respect of amounts owing to them by the Issuer, and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer, or the liquidator of the Issuer (as the case may be), for the payment to the Creditors in respect of amounts owing to them by the Issuer, and accordingly any such discharge shall be deemed not to have taken place.

(ii) A Noteholder by its acceptance thereof or its interest therein shall thereby agree that (a) if any payment in respect of a Lower Subordinated Term Note is made to such Noteholder after the occurrence of a Subordination Event and the amount of such payment shall exceed the amount, if any, that should have been paid to such Noteholder upon the proper application of the subordination provisions in this Condition 3, the payment of such excess amount shall be deemed null and void and such Noteholder (without any agent having any obligation or liability with respect thereto, except that the Trustee shall return to SC First Bank any such excess amount which remains held by it at that time of the notice next referred to) shall be obliged to return the amount of any excess payment within 10 days of receiving notice from SC First Bank of the excess payment and (b) upon the occurrence of a Subordination Event (and so long as such Subordination Event continues), such Noteholder shall not exercise any right to set off any liabilities of SC First Bank under such Note (except in respect of liabilities constituting Senior Indebtedness of SC First Bank) which become so payable on or after the date on which the Subordination Event occurs (including overdue amounts) against any liabilities of the Noteholder owed to SC First Bank unless, until and only in such amount as the liabilities of SC First Bank under the Lower Subordinated Term Note, become payable pursuant to the proper application of the subordination provisions in this Condition 3.

For the purposes of Conditions 3(b) and (c):

“Assets” means the non-consolidated gross assets of the Issuer as shown by the then latest published balance sheet of the Issuer but adjusted for contingencies and for subsequent events and to such extent as two Directors of the Issuer, the Auditors or the liquidator of the Issuer (as the case may be) may determine to be appropriate;

“Auditors” means the auditors for the time being of the Issuer or, in the event of their being unable or unwilling promptly to carry out any action requested of them pursuant to the provisions of the Trust Deed, such other firm of accountants as may be nominated or approved by the Trustee after consultation with the Issuer;

“*Bankruptcy Event*” means adjudication by a court of competent jurisdiction in the Republic of Korea that SC First Bank is bankrupt pursuant to the provisions of the Korean Act on Debtor Rehabilitation and Bankruptcy or any successor legislation thereto;

“*Creditor*” means any creditor of the Issuer (i) who is an unsubordinated creditor of the Issuer or (ii) whose claim is or is expressed to be subordinated to the claim of any unsubordinated creditor of the Issuer but not further or otherwise.

“*Foreign Event*” means, in any jurisdiction other than the Republic of Korea, SC First Bank (but not any subsidiary) becoming subject to bankruptcy, corporate reorganisation, restructuring, composition, insolvency or other equivalent proceedings pursuant to any applicable law of any jurisdiction other than the Republic of Korea;

“*Liabilities*” means the non-consolidated gross liabilities of the Issuer as shown by the then latest published balance sheet of the Issuer but adjusted for contingencies and for subsequent events and to such extent as two Directors of the Issuer, the Auditors or the liquidator of the Issuer (as the case may be) may determine to be appropriate;

“*Reorganisation Event*” means adjudication by a court of competent jurisdiction in the Republic of Korea that SC First Bank is subject to the corporate rehabilitation proceedings pursuant to the provisions of the Korean Act on Debtor Rehabilitation and Bankruptcy or any successor legislation thereto;

“*Restructuring Event*” means a determination that a restructuring process under any and all successor legislation to the Corporate Restructuring Promotion Act or any law of the Republic of Korea having a similar effect to the Corporate Restructuring Promotion Act should be implemented for SC First Bank;

“*Senior Creditor*” means any creditor of the Issuer (and, for the purposes of Condition 10(c) only, any creditor of a holding company of the Issuer that is substituted for such Issuer in which case references in (i) and (ii) below to the Issuer shall be construed as referring to such holding company) whose claims have been accepted by the liquidator in the winding-up of the Issuer, not being a creditor:

(i) whose right to repayment ranks or is expressed to rank postponed to or subordinate to that of unsubordinated creditors of the Issuer; or

(ii) whose right to repayment is made subject to a condition or is restricted (whether by operation of law or otherwise) or is expressed to be restricted in each case such that the amount which may be claimed for his own retention by such creditor in the event that the Issuer is not solvent is less than in the event that the Issuer is solvent; or

(iii) whose debt is irrecoverable or expressed to be irrecoverable unless the persons entitled to payment of principal and interest in respect of the Dated Subordinated Notes recover the amounts of such principal and interest which such persons would be entitled to recover if payment of such principal and interest to such persons were not subject to any condition;

“*Senior Indebtedness of SC First Bank*” means all deposits and other liabilities of SC First Bank (other than (a) those which are subject to the provisions equivalent to the payment conditions in Condition 3(b)(i), (ii), (iii) or (iv) above or (b) those which rank or are expressed to rank *pari passu* with or junior to the Lower Subordinated Term Notes); and

“*Subordination Event*” means any of the following: (i) a Bankruptcy Event, (ii) a Foreign Event, (iii) a Restructuring Event or (iv) a Reorganisation Event.

4. Interest and other Calculations

(a) Interest Rate and Accrual

Each Note bears interest on its outstanding principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate, such interest being payable in arrear on each Interest Payment Date.

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest shall continue to accrue (after as well as before judgment) at the Interest Rate in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 7).

The amount of interest payable shall be determined in accordance with Condition 4(f).

(b) Business Day Convention

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (i) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such date shall be brought forward to the immediately preceding Business Day and (B) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (ii) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (iii) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(c) Interest Rate on Floating Rate Notes

If the Interest Rate is specified as being Floating Rate, the Interest Rate for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of each Interest Accrual Period in accordance with the following:

(i) if the Primary Source for the Floating Rate is a Page, subject as provided below, the Interest Rate shall be:

(A) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or

(B) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page, in each case appearing on such Page at the Relevant Time on the Interest Determination Date;

(ii) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (i)(A) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (i)(B) above applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Interest Rate shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent;

(iii) if paragraph (ii) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Interest Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Relevant Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Relevant Currency or, if the Relevant Currency is euro, in the Euro-zone (the "Principal Financial Centre") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (x) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (y) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Interest Rate shall be the Interest Rate determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Interest Rate applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(d) Interest Rate on Zero Coupon Notes

Where a Note the Interest Rate of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Redemption Amount of such Note. As from the Maturity Date, the Interest Rate for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 5(b)).

(e) Margin, Maximum/Minimum Interest Rates, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding

(i) If any Margin or Rate Multiplier is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Interest Rates, in the case of (x), or the Interest Rates for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition

4(c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.

(ii) If any Maximum or Minimum Interest Rate, Instalment Amount or Redemption Amount is specified hereon, then any Interest Rate, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency and in the case of euro means 0.01 euro.

(f) Calculations

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Interest Rate, the Calculation Amount specified hereon and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (as defined below) (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be applied to the period for which interest is required to be calculated.

(g) Determination and Publication of Interest Rates, Interest Amounts, Redemption Amounts and Instalment Amounts

As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any Redemption Amount or Instalment Amount, obtain any quotation or make any determination or calculation, it shall determine the Interest Rate and calculate the Interest Amount for the relevant Interest Accrual Period, calculate the Redemption Amount or Instalment Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount or any Instalment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(b), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of each Interest Rate, Interest Amount, Redemption Amount and Instalment Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(h) Determination or Calculation by Trustee

If the Calculation Agent does not at any time for any reason determine or calculate the Interest Rate for an Interest Accrual Period or any Interest Amount, Instalment Amount or Redemption Amount, the Trustee shall do so (or shall appoint an agent on its behalf to do so) and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion,

it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(i) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

[any reference to “administration” in respect of the Issuer shall be deemed to include a bank administration of the Issuer pursuant to the Banking Act 2009 or the Investment Bank Special Administration Regulations 2011 SI 2011/245 and any reference to an “administrator” shall be deemed to include a bank administrator appointed pursuant to the Banking Act 2009 or an administrator appointed pursuant to the Investment Bank Special Administration Regulations 2011 SI 2011/245;]⁴

“*Applicable Regulatory Capital Requirements*” means any requirements contained in Capital Regulations from time to time applicable to the Issuer or the Group.

“*Basel III*” means the package of proposals to strengthen global capital and liquidity regulations published by the Basel Committee on Banking Supervision on 16 December 2010, as revised on 1 June 2011, together with the “Minimum requirements to ensure loss absorbency at the point of non-viability” published on 13 January 2011 together with the consultation document dated 19 July 2011 on “Global systemically important banks: Assessment methodology and the additional loss absorbency requirement” (in each case, as may be supplemented or modified from time to time);

“*Business Day*” means:

(i) in the case of a specified currency other than euro and Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency; or

(ii) in the case of euro, a day on which the TARGET System is operating (a “TARGET Business Day”); or

(iii) in the case of Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong; or

(iv) in the case of a specified currency and one or more specified financial centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the specified currency in the specified financial centre(s) or, if no currency is specified, generally in each of the financial centres so specified.

“*Capital Regulations*” means at any time the regulations, requirements, guidelines and policies relating to capital adequacy then in effect of the Relevant Regulator.

“*Capital Resources*” has the meaning given to such term in any applicable Capital Regulations.

“*CRD IV*” means the legislative measures adopted or to be adopted by the European Union to implement Basel III into European Union law with or without amendments or modifications;

“*Day Count Fraction*” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “Calculation Period”):

(i) if “Actual/Actual” or “Actual/Actual – ISDA” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if “Actual/365 (Fixed)” is specified hereon, the actual number of days in the Calculation Period divided by 365;

(iii) if “Actual/360” is specified hereon, the actual number of days in the Calculation Period divided by 360;

(iv) if “30/360”, “360/360” or “Bond Basis” is specified hereon, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)$$

Day Count Fraction = 360

where:

“*Y₁*” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30; and

(v) if “30E/360” or “Eurobond Basis” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)$$

Day Count Fraction = 360

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30.

(vi) if “30E/360 (ISDA)” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)$$

Day Count Fraction = 360

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30; and

(vii) if “Actual/Actual – ICMA” is specified hereon:

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“Determination Date” means the date specified as such hereon or, if none is so specified, the Interest Payment Date.

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date.

“Effective Date” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such hereon or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty on the Functioning of the European Union.

“FSA” means the Financial Services Authority and/or any governmental authority in the United Kingdom or elsewhere having primary bank supervisory authority with respect to Standard Chartered Bank or the Group, as the case may be.

“Group” means SCPLC and its subsidiaries.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Interest Determination Date” means, with respect to an Interest Rate and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Relevant Currency is Hong Kong dollars, Sterling or Renminbi or (ii) the day falling two Business Days in London for the Relevant Currency prior to the first day of such Interest Accrual Period if the Relevant Currency is not Sterling, euro, Hong Kong dollars or Renminbi or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Relevant Currency is euro.

“Interest Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“Interest Rate” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Reuters Markets 3000 (“Reuters”)) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

“Reference Banks” means the institutions specified as such hereon or, if none, four (or, if the Relevant Financial Centre is Helsinki, five) major banks selected by the Calculation Agent (after prior consultation with the Issuer) in the interbank market (or, if appropriate, money, swap or over-the-counter index options market)

that is most closely connected with the Benchmark which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone.

“Regulatory Capital Event” is deemed to have occurred if as a result of a change in law or regulation, or interpretation thereof applicable to the Notes occurring after the date on which agreement is reached to issue the first Tranche of the Notes including, amongst other things (but not limited to), as a result of amendments to Capital Regulations to give effect to Basel III and/or CRD IV, the whole of the outstanding principal amount of the Notes would not be eligible in full to form part of the Capital Resources of the Issuer under applicable Capital Regulations (save where such failure to be so eligible is solely (A) a result of any applicable limitation on the amount of such capital, or (B) in accordance with any requirement that recognition of the Notes as part of the Issuer's Capital Resources be amortised in the five years prior to maturity of the Notes or, if the Notes are undated, prior to redemption of the Notes, in either (A) or (B) in accordance with applicable Capital Regulations in force as at the date on which agreement is reached to issue the first Tranche of the Notes).

“Relevant Currency” means the currency specified hereon or, if none is specified, the currency in which the Notes are denominated.

“Relevant Financial Centre” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the financial centre as may be specified as such hereon or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR shall be the Euro-zone) or, if none is so connected, London.

“Relevant Rate” means the Benchmark for a Representative Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

“Relevant Regulator” means the governmental authority in the relevant jurisdiction having primary bank supervisory authority in prudential matters with respect to the relevant Issuer.

“Relevant Time” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified hereon or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre or, if no such customary local time exists, 11.00 hours in the Relevant Financial Centre and, for the purpose of this definition “local time” means, with respect to the Euro-zone as a Relevant Financial Centre, Central European Time.

“Representative Amount” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the amount specified as such hereon or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

“Specified Duration” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the duration specified hereon or, if none is specified, a period of time equal to the relevant Interest Accrual Period, ignoring any adjustment pursuant to Condition 4(b).

“TARGET System” means, the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

(k) Calculation Agent and Reference Banks

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Trust Deed). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall (with the prior approval of the Trustee) appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount or the Redemption Amount or to comply with any other requirement, the Issuer shall (with the prior approval of the Trustee) appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

5. Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption

(i) Unless previously redeemed (with the consent of, or, as applicable, lack of objection on the part of, the FSA [and the Hong Kong Monetary Authority (the "HKMA")]² [and the Korean Financial Supervisory Service (the "FSS")]³ in the case of Subordinated Notes if required by the FSA [and the HKMA]² [and the FSS]³), purchased and cancelled as provided in this Condition 5 or the relevant Instalment Date (being one of the dates so specified hereon) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 5(d), 5(e) or 5(f), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding principal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the principal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(ii) Unless previously redeemed (with the consent of, or, as applicable, lack of objection on the part of, the FSA [and the HKMA]² [and the FSS]³ in the case of Subordinated Notes if required by the FSA [and the HKMA]² [and the FSS]³), purchased and cancelled as provided below or its maturity is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 5(d), 5(e) or 5(f), each Note shall be finally redeemed on the Maturity Date specified hereon at its Redemption Amount (which, unless otherwise provided hereon, is its principal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) Early Redemption of Zero Coupon Notes

(i) The Redemption Amount payable in respect of any Note that does not bear interest prior to the Maturity Date, the Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 9, shall be the Amortised Face Amount (calculated as provided below) of such Note.

(ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually. Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(iii) If the Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(d).

(c) Redemption for Taxation Reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, (with the consent of the FSA [and the HKMA]² [and the FSS]³ in the case of Subordinated Notes if required by the FSA [and the HKMA]² [and the FSS]³) on any Interest Payment Date or, if so specified hereon, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable) at their Redemption Amount (together with interest accrued to the date fixed for redemption), if:

(i) the Issuer satisfies the Trustee immediately before the giving of such notice that it has or will become obliged to pay additional amounts as described under Condition 7 and/or any undertaking given in addition thereto or in substitution thereof under the terms of the Trust Deed as a result of any change in, or amendment to, the laws or regulations of the [United Kingdom]¹ [Hong Kong]² [the Republic of Korea]³ or any political subdivision or any authority thereof or therein having power to tax, (or any taxing authority of any taxing jurisdiction to which the Issuer is or has become subject and in respect of which it has given such undertaking as referred to above in this Condition 5(c)(i)) or any change in the application or official

interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and

(ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out in (ii) above in which event it shall be conclusive and binding on Noteholders and Couponholders.

(d) Redemption at the Option of the Issuer and Exercise of Issuer's Options

If so provided hereon, the Issuer may (with the consent of, or, as applicable, lack of objection on the part of, the FSA [and the HKMA]² [and the FSS]³ in the case of Subordinated Notes if required by the FSA [and the HKMA]² [and the FSS]³), on giving irrevocable notice to the Noteholders, redeem, or exercise any Issuer's option in relation to, all or, if so provided, some of the Notes in the principal amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount (together with interest accrued to the date fixed for redemption).

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place as the Trustee may approve and in such manner as the Trustee deems appropriate, subject to compliance with any applicable laws and stock exchange requirements.

(e) Redemption at the Option of the Issuer due to Regulatory Capital Event

If Regulatory Capital Call is provided hereon and immediately prior to the giving of the notice referred to below a Regulatory Capital Event has occurred and is continuing, then the Issuer may, (with the consent of the FSA [and the HKMA]² [and the FSS]³ if required by the FSA [and the HKMA]² [and the FSS]³), redeem the Notes in whole but not in part on any Interest Payment Date or, if so specified hereon, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable) at their Redemption Amount (together with any interest accrued to the date fixed for redemption).

Before the publication of any notice of redemption pursuant to this Condition 5(e) the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer stating that a Regulatory Capital Event has occurred and is continuing as at the date of the certificate, and the Trustee shall accept such certificate as sufficient evidence of the occurrence and continuation of a Regulatory Capital Event in which event it shall be conclusive and binding on the Trustee and the Noteholders. Upon expiry of such notice the Issuer shall redeem the Notes.

(f) Redemption at the Option of Noteholders other than holders of Subordinated Notes and Exercise of Noteholders' Options

If so provided hereon, the Issuer shall, at the option of the holder of any Senior Note, redeem such Note on the date or dates so provided at its Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option or any other Noteholders' option that may be set out hereon the holder must deposit (in the case of Bearer Notes) such Note (together with all unexpired Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("Exercise Notice") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable). No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(g) Purchases

The Issuer or any of its subsidiaries or any holding company (within the meaning of [1159 of the Companies Act 2006]¹ [section 2 of the Companies Ordinance]² [Article 342-2 of the Korean Commercial Code]³) of the

Issuer or any other subsidiary of such holding company (with the consent of, or, as applicable, lack of objection on the part of, the FSA [and the HKMA]² [and the FSS]³ in the case of Subordinated Notes if required by the FSA [and the HKMA]² [and the FSS]³) may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price, subject to the requirements (if any) of any stock exchange on which any Note is listed.

(h) Cancellation

All Notes purchased by or on behalf of the Issuer may be surrendered for cancellation (with the consent of, or, as applicable, lack of objection on the part of, the FSA [and the HKMA]² [and the FSS]³ in the case of Subordinated Notes if required by the FSA [and the HKMA]² [and the FSS]³), in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

Under current FSA [and HKMA]² [and FSS]³ requirements, any optional redemption by the Issuer of Subordinated Notes pursuant to Condition 5 may be made only with the prior written consent of, or, as applicable, lack of objection on the part of, the FSA [and the HKMA]² [and the FSS]³ and may be subject to such conditions as the FSA [and the HKMA]² [and the FSS]³ may impose at the time of consent or lack of objection.

6. Payments and Talons

(a) Bearer Notes

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 6(f)(ii)), as the case may be: (i) in the case of a currency other than Renminbi and euro, at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on; or (ii) in the case of a currency other than Renminbi and euro, at the option of the holder, by transfer to an account denominated in that currency with, a bank in the principal financial centre for that currency; or (iii) in the case of euro, at the option of the holder, by transfer to or cheque drawn on a euro account (or any other account to which euro may be transferred) specified by the holder; or (iv) in the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of the holder with a bank in Hong Kong.

(b) Registered Notes

(i) Payments of principal (which for the purposes of this Condition 6(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest (which for the purpose of this Condition 6(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on (in the case of Renminbi) the fifth day and (in the case of a currency other than Renminbi) the fifteenth day before the due date for payment thereof (the "Record Date"). Payments of interest on each Registered Note shall be made (a) in the case of a currency other than Renminbi and euro, in the currency in which such payments are due by cheque drawn on a bank in the principal financial centre of the country of the currency concerned, or (b) if euro is the currency concerned, by cheque drawn on a euro account and mailed (uninsured and at the risk of the holder) to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register, or (c) if Renminbi is the currency concerned, by transfer to the registered account of the holder. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre of the country of that currency or, if euro is the relevant currency, to a euro account (or any other account to which euro may be transferred) specified by the holder.

For the purposes of this Condition 6(b), "registered account" means the Renminbi account maintained by or on behalf of the holder with a bank in Hong Kong, details of which appear in the Register at the close of business on the fifth business day before the due date for payment.

(c) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) *Payments subject to Fiscal Laws*

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) *Appointment of Agents*

The Issuing and Paying Agent, the Paying Agents, the CMU Lodging Agent, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed at the end of this document. The Issuing and Paying Agent, the CMU Lodging Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent, to appoint additional or other Paying Agents or Transfer Agents and to approve any change in the specified office through which any Paying Agent acts, provided that the Issuer shall at all times maintain, in each case as approved by the Trustee, (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, [(v) Paying Agents having specified offices in at least two major cities that are situated in a Member State of the European Union (including London) so long as the Notes are admitted to the Official List of the UK Listing Authority and admitted to trading on the London Stock Exchange's Regulated Market]¹ [(v)] a Paying Agent having specified offices in Singapore (for so long as the Notes issued by SC First Bank are listed on the SGX-ST and the rules of that stock exchange so require)³ [(v)/(vi)] such other agents as may be required by any other stock exchange on which the Notes may be listed and [(vi)/(vii)] a Paying Agent with a specified office in a Member State of the European Union (as long as there is such a member state) in which there is no obligation to withhold or deduct tax from payments pursuant to any law implementing or complying with, or introduced in order to conform to, European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 6(c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) *Unmatured Coupons and Receipts and unexchanged Talons:*

(i) Unless the Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Bearer Notes should be surrendered for payment together with all unexpired Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Redemption Amount due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8.

(ii) If the Notes so provide, upon the due date for redemption of any Bearer Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).

(h) Non-Business Days

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "business day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation and in such other jurisdictions as shall be specified as "Business Day Jurisdictions" hereon (if any) and:

(i) (in the case of a payment in a currency other than euro or Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of a payment in euro) which is a TARGET Business Day; or

(iii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

(i) Inconvertibility, Non-transferability or Illiquidity

Notwithstanding any other provision in these Conditions, if by reason of Inconvertibility, Non-transferability or Illiquidity, the relevant Issuer is not able, or it would be impracticable for it, to satisfy any payment due under the Notes, the Receipts or the Coupons in Renminbi, the relevant Issuer shall, on giving not less than five and not more than 30 days' irrevocable notice to the Noteholders prior to the due date for the relevant payment, settle such payment in the Relevant Currency on the due date at the Relevant Currency Equivalent of the relevant Renminbi denominated amount.

In such event, payment of the Relevant Currency Equivalent of the relevant amounts due under the Notes, the Receipts or the Coupons shall be made in accordance with Condition 6(a) or 6(b)(ii), as applicable.

In this Condition 6(i):

"*Governmental Authority*" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets of Hong Kong (including the HKMA);

"*Illiquidity*" means the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the relevant Issuer cannot obtain a sufficient amount of Renminbi in order to satisfy in full its obligation to make any payment due under the Notes, the Receipts or the Coupons;

"*Inconvertibility*" means the occurrence of any event that makes it impossible for the relevant Issuer to convert any amount due in respect of the Notes, the Receipts or the Coupons in the general Renminbi

exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the relevant Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the date on which agreement is reached to issue the first Tranche of the Notes and it is impossible for the relevant Issuer due to an event beyond its control, to comply with such law, rule or regulation);

“*Non-transferability*” means the occurrence of any event that makes it impossible for the relevant Issuer to deliver Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the relevant Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the date on which agreement is reached to issue the first Tranche of the Notes and it is impossible for the relevant Issuer due to an event beyond its control, to comply with such law, rule or regulation);

“*Rate Calculation Business Day*” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and the principal financial centre of the Relevant Currency;

“*Rate Calculation Date*” means the day which is two Rate Calculation Business Days before the due date of the relevant amount under these Conditions;

“*Relevant Currency*” means United States dollars or such other currency as may be specified hereon;

“*Relevant Currency Equivalent*” means the Renminbi amount converted into the Relevant Currency using the Spot Rate for the relevant Rate Calculation Date; and

“*Spot Rate*”, for a Rate Calculation Date, means the spot rate between Renminbi and the Relevant Currency as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on such date in good faith and in a reasonable commercial manner; and if a spot rate is not readily available, the Calculation Agent may determine the rate taking into consideration all available information which the Calculation Agent deems relevant, including pricing information obtained from the Renminbi non-deliverable exchange market in Hong Kong or elsewhere and the People's Republic of China domestic foreign exchange market.

7. Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of [the United Kingdom]¹ [Hong Kong]² [the Republic of Korea]³ or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders, Receiptholders and Couponholders (after the withholding or deduction) of such an amount as would have been received by them in respect of the Notes, Receipts or, as the case may be, Coupons in the absence of the withholding or deduction; except that no such additional amounts shall be payable with respect of any Note, Receipt or Coupon:

(a) to, or to a third party on behalf of, a holder of such Note, Receipt or Coupon who is liable to such taxes, duties, assessments or governmental charges by reason of his having some connection with [the United Kingdom]¹ [Hong Kong]² [the Republic of Korea]³ other than the mere holding of the Note, Receipt or Coupon; or

(b) presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date (defined below) except to the extent that the holder would have been entitled to such additional amounts on presenting their Note, Receipt or Coupon for payment on the thirtieth day after the Relevant Date; or

(c) if such withholding or deduction may be avoided by the holder complying with any statutory requirement or by making a declaration of non-residence or other similar claim for exemption to any authority of or in [the United Kingdom]¹ [Hong Kong]² [the Republic of Korea]³, unless such holder proves that he is not entitled so to comply or to make such declaration or claim; or

(d) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any law implementing or complying with, or introduced in order to conform to, European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income; or

(e) (except in the case of Registered Notes) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used in these Conditions, "Relevant Date" in respect of any Note, Receipt or Coupon means the date on which payment first becomes due or if any amount is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "principal" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) "interest" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) "principal" and/or "interest" (other than such interest as is referred to in Condition 9(e)) shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

8. Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them save in respect of Withheld Amounts (as defined in Condition 9). Claims in respect of principal comprised in a Withheld Amount and claims in respect of interest comprised in, or accrued on, a Withheld Amount will, in the case of such principal, become void 10 years and, in the case of such interest, become void five years after the due date for payment as specified in Condition 9 or, if the full amount of the moneys payable has not been duly received by the Issuing and Paying Agent, another Paying Agent, the Registrar, a Transfer Agent or the Trustee, as the case may be, on or prior to such date, the date on which notice is given in accordance with Condition 13 that the relevant part of such moneys has been so received.

9. Events of Default

(a) Events of Default in respect of Senior Notes

In the case of Senior Notes, if any of the following events ("Events of Default") occurs and is continuing, the Trustee at its discretion may, and if so requested by holders of at least one-fifth in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Redemption Amount together with accrued interest:

(i) Non-Payment: default is made for more than 14 days in the payment on the due date of interest or principal in respect of any of the Notes. The Issuer shall not be in default, however, if during the 14 days' grace period, it satisfies the Trustee that such sums ("Withheld Amounts") were not paid (A) in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction, in each case applicable to such payment, the Issuer, the relevant Paying Agent, Transfer Agent, or the holder of any Note, Receipt or Coupon or (B) (subject as provided in the Trust Deed) in case of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice as to such validity or applicability given at any time during the said period of 14 days by independent legal advisers acceptable to the Trustee; or

(ii) Breach of Other Obligations: the Issuer does not perform or comply with any one or more of its other obligations under the Notes or the Trust Deed, which default has not been remedied within 30 days after notice of such default shall have been given to the Issuer by the Trustee (except where such default is not, in the reasonable opinion of the Trustee after consultation with the Issuer, capable of remedy, in which case no such notice as is mentioned above will be required); or

(iii) Enforcement Proceedings: a distress, attachment, execution or other legal process is levied, enforced or sued out on or against the whole or a material (in the opinion of the Trustee) part of the property, assets or revenues of the Issuer and is not discharged or stayed within 90 days; or

(iv) Insolvency: the Issuer is (or is deemed by law or a court of competent jurisdiction to be) insolvent or bankrupt or unable to pay its debts (within the meaning of [section 123(1) or (2) of the Insolvency Act 1986]¹ [section 178(1) of the Companies Ordinance]² [Articles 305 and 306 of the Act on Debtor Rehabilitation and Bankruptcy]³) as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material (in the opinion of the Trustee) part of its debts, makes a general assignment or an arrangement or composition with or for the benefit of all its creditors or a moratorium is agreed or declared in respect of all or a material (in the opinion of the Trustee) part of the debts of the Issuer; or

(v) Winding-up: an administrator is appointed in relation to the Issuer, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer, or the Issuer shall apply or petition for a winding-up or administration order in respect of itself or ceases or threatens through an official

action of its board of directors to cease to carry on all or a substantial (in the opinion of the Trustee) part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms previously approved by the Trustee in writing or by an Extraordinary Resolution of the Noteholders,

provided that in the case of any of the events referred to in paragraph (ii) above the Trustee shall have certified that in its opinion such event is materially prejudicial to the interests of the Noteholders.

(b) Events of Default in respect of Subordinated Notes

(i) If, otherwise than for the purposes of a reconstruction, amalgamation, reorganisation, merger or consolidation on terms previously approved by the Trustee or by an Extraordinary Resolution of the Noteholders, an order is made or an effective resolution is passed for the winding-up of the Issuer, the Trustee may, subject as provided below, at its discretion, give notice to the Issuer that the Dated Subordinated Notes or Lower Subordinated Term Notes are, and they shall accordingly thereby forthwith become, immediately due and repayable at their Redemption Amount, plus accrued interest as provided in the Trust Deed.

(ii) If default is made in the payment of principal or interest due in respect of the Dated Subordinated Notes or Lower Subordinated Term Notes and such default continues for a period of 14 days, the Trustee may, subject as provided below, at its discretion and without further notice, institute proceedings in [England]¹ [Hong Kong]² [the Republic of Korea]³ (but not elsewhere) for the winding-up of the Issuer provided that the Issuer shall not be in default if during the 14 days' grace period, it satisfies the Trustee that Withheld Amounts were not paid (A) in order to comply with any fiscal or other law, regulation or order of any court or competent jurisdiction, in each case applicable to such payment, the Issuer, the relevant Paying Agent, Transfer Agent or the holder of any Note, Receipt or Coupon or (B) (subject as provided in the Trust Deed) in case of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice as to such validity or applicability given at any time during the said 14 days' grace period by independent legal advisers acceptable to the Trustee.

(c) Remedies

(i) In the case of Subordinated Notes, without prejudice to paragraph (b), if the Issuer fails to perform, observe or comply with any obligation, condition or provision relating to such Notes binding on it under these Conditions (other than any payment obligations of the Issuer arising from the Notes, the Coupons or the Trust Deed including, without limitation, payment of principal, premium or interest in respect of the Notes or the Coupons and any damages awarded for breach of obligations) the Trustee may, subject as provided below, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce such obligation, condition or provision provided that the Issuer shall not as a consequence of such proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

(ii) In the case of Subordinated Notes, subject to applicable laws, no remedy (including the exercise of any right of set-off or analogous event) other than those provided for in paragraph (b) and paragraph (c)(i) above or submitting a claim in the winding-up of the Issuer will be available to the Trustee or the holders of Notes, Receipts and/or Coupons.

(d) Enforcement

The Trustee need not take any such action or proceedings as referred to in paragraphs (a), (b), and/or (c)(i) above unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-fifth in principal amount of the Notes then outstanding and (ii) it shall have been indemnified to its satisfaction. No Noteholder or Couponholder may proceed directly against the Issuer or submit a claim in the winding-up of the Issuer unless the Trustee having become bound so to proceed or being able to submit such a claim, fails to do so in each case within a reasonable time and such failure is continuing. In such a case the relevant Noteholder or Couponholder may, on giving an indemnity satisfactory to the Trustee, in the name of the Trustee (but not otherwise), himself institute proceedings against the Issuer and/or submit a claim in the winding-up of the Issuer, but only to the same extent (but not further or otherwise) that the Trustee would have been entitled to do so in respect of his Notes, Receipts and/or Coupons.

(e) Withheld Amounts

If lawful, Withheld Amounts or sums equal to Withheld Amounts shall be placed promptly on interest-bearing deposit all as more particularly described in the Trust Deed. If subsequently it shall be or become lawful to pay any Withheld Amount to the relevant Noteholders or Couponholders or if such payment is possible as

soon as any doubt as to the validity or applicability of any such law, regulation or order as is mentioned in Condition 9(a)(i) or 9(b)(ii) (as the case may be) above is resolved, notice shall be given in accordance with Condition 13. The notice shall specify the date (which shall be no later than seven days after the earliest date thereafter upon which such interest-bearing deposit falls or may (without penalty) be called due for repayment) on and after which payment in full of such Withheld Amounts shall be made. On such date, the Issuer shall be bound to pay such Withheld Amount together with interest accrued on it. For the purposes of Conditions 9(a)(i) or 9(b)(ii), as the case may be, this date shall be the Relevant Date for such sums. The obligations of the Issuer under this paragraph (e) shall be in lieu of any other remedy against it in respect of Withheld Amounts. Payment will be made subject to applicable laws, regulations or court orders, but, in the case of any payment of any Withheld Amounts, without prejudice to Condition 7. Interest accrued on any Withheld Amount shall be paid net of any taxes required by applicable law to be withheld or deducted and the Issuer shall not be obliged to pay any additional amount in respect of any such withholding or deduction.

10. Meetings of Noteholders, Modification, Waiver and Substitution

(a) Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Interest Rate, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, or (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

(b) Modification of the Trust Deed

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of these Conditions or any of the provisions of the Trust Deed that is, in its opinion, of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of these Conditions or any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable in accordance with Condition 13. In the case of any Subordinated Notes, no modification to these Conditions or any other provisions of the Trust Deed shall become effective unless the relevant Issuer shall have given at least one month's prior written notice to, and received no objection from, the FSA (or such other period of notice as the FSA may from time to time require or accept and, in any event, provided that there is a requirement to give such notice).

(c) Substitution

The Trustee (if it is satisfied that to do so would not be materially prejudicial to the interests of Noteholders or Couponholders) may agree, if requested by the Issuer and subject to such amendment of the Trust Deed and such other conditions as the Trustee may reasonably require, but without the consent of the Noteholders or the Couponholders, to the substitution of a subsidiary of the Issuer or a holding company of the Issuer or another subsidiary of any such holding company in place of the Issuer as principal debtor under the Trust Deed, the Notes, the Receipts, the Coupons and the Talons and as a party to the Agency Agreement and so

that, in the case of the Subordinated Notes, the claims of the Noteholders or the Couponholders may, in the case of the substitution of a holding company of the Issuer in the place of the Issuer, also be subordinated to the rights of Senior Creditors of that holding company but not further or otherwise.

In the case of a substitution under this Condition 10, the Trustee may agree, without the consent of the Noteholders or Couponholders, to a change of law governing the Notes, and/or Coupons and/or the Trust Deed insofar as it relates to such Notes provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of holders of the Notes.

(d) Entitlement of the Trustee

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

11. Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent (in the case of Registered Notes), as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

13. Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in [London (which is expected to be the *Financial Times*)]¹ [Hong Kong (which is expected to be the *South China Morning Post*)]² [Singapore (which is expected to be the *Business Times*)]³. If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in [Europe]¹ [Hong Kong]² [Singapore]³. Any such notice (other than to holders of Registered Notes as specified above) shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

14. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including provisions relieving it from taking proceedings unless indemnified to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

15. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes or the Trust Deed by virtue of the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

16. Governing Law and Jurisdiction

(a) The Trust Deed, the Notes, the Receipts, the Coupons and the Talons, and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, English law[, save for Condition 3 and any non-contractual obligations arising out of or in connection with it, which is governed by, and shall be construed in accordance with, Hong Kong law]² [, save for Condition 3 and any non-contractual obligations arising out of or in connection with it, which is governed by, and shall be construed in accordance with, the law of the Republic of Korea]³.

(b) The Courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Notes, Receipts, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, the Notes, Receipts, Coupons or Talons [(“Proceedings”)]^{2 3} may be brought in such courts. [The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.]^{2 3}

[(c) Service of Process: The Issuer has irrevocably appointed SCB to receive, for it and on its behalf, service of process in any Proceedings in England.]^{2 3}

1 Include for Notes issued by SCPLC or SCB.

2 Include for Notes issued by SCBHK.

3 Include for Notes issued by SC First Bank.

4 Include for Notes issued by SCB.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

If the Global Notes or the Global Certificates are stated in the applicable Final Terms to be issued in NGN form or to be held under the NSS (as the case may be), the Global Notes or the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Global Notes which are issued in CGN form and Global Certificates which are not held under the NSS may be delivered on or prior to the original issue date of the Tranche to a Common Depositary, lodged with a sub-custodian for the CMU Service or, in the case of a Restricted Global Certificate, deposited with a custodian for DTC.

In the case of a Global Note which is a CGN or a Global Certificate which is not held under the NSS, upon the initial deposit of a Global Note with a Common Depositary or deposit of a Global Note with a sub-custodian for the CMU Service or registration of Registered Notes in the name of any nominee for Euroclear, Clearstream, Luxembourg or DTC and delivery of the relative Global Certificate to the Common Depositary or a custodian for DTC (as the case may be), Euroclear, Clearstream, Luxembourg, DTC or the CMU Service (as the case may be) will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

If the Global Note is a NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depositary or Common Safekeeper may also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date will be made against presentation of the Temporary Global Note if in CGN form only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and/or the CMU Lodging Agent and (in the case of a Temporary Global Note delivered to a Common Depositary or Common Safekeeper for Euroclear and Clearstream, Luxembourg) Euroclear and/or Clearstream, Luxembourg, as applicable, have/has given a like certification (based on the certifications it has received) to the Issuing and Paying Agent.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC or any other permitted clearing system ("Alternative Clearing System") as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg, DTC or any such Alternative Clearing System (as the case may be) for his share of each payment made by the relevant Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, DTC or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the relevant Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of such Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

If a Global Note is lodged with the CMU Service, the person(s) for whose account(s) interests in such Global Note are credited as being held in the CMU Service in accordance with the CMU Rules as notified by the CMU Service to the CMU Lodging Agent in a relevant CMU Instrument Position Report or any other relevant notification by the CMU Service (which notification, in either case, shall be conclusive evidence of the records of the CMU Service save in the case of manifest error) shall be the only person(s) entitled to receive

payments in respect of Notes represented by such Global Note and the relevant Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note are credited as being held in the CMU Service in respect of each amount so paid. Each of the persons shown in the records of the CMU Service, as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to the CMU Lodging Agent for his share of each payment so made by the relevant Issuer in respect of such Global Note.

Exchange

1. Temporary Global Notes

Each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

1.1 if the relevant Final Terms indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “Summary of the Programme/Selling Restrictions”), in whole, but not in part, for the Definitive Notes defined and described below; and

1.2 otherwise, in whole or in part, upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes, provided that the CMU Service may require that any such exchange for interests in a Permanent Global Note is made in whole and not in part and, in such event, no such exchange will be effected until all relevant accountholders (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging Agent by the CMU Service) have so certified.

Each Temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Conditions in addition to any Permanent Global Note or Definitive Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

2. Permanent Global Notes

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “Partial Exchange of Permanent Global Notes”, in part for Definitive Notes or, in the case of 2.3 below, Registered Notes:

2.1 unless principal in respect of any Notes is not paid when due, by the relevant Issuer giving notice to the Noteholders and the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU Service (“CMU Notes”), the CMU Lodging Agent) of its intention to effect such exchange (save that no such exchange shall be possible where the Notes have a minimum Denomination plus a higher integral multiple of a smaller amount);

2.2 if the Permanent Global Note was issued in respect of a D Rules Note or if the relevant Final Terms provides that such Global Note is exchangeable at the request of the holder, by the holder giving notice to the Issuing and Paying Agent (or, in the case of CMU Notes, the CMU Lodging Agent) of its election for such exchange (save that no such exchange shall be possible where the Notes have a minimum Denomination plus a higher integral multiple of a smaller amount);

2.3 if the Permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Issuing and Paying Agent of its election to exchange the whole or a part of such Global Note for Registered Notes; and

2.4 if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or the CMU Service or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so, by the holder giving notice to the Issuing and Paying Agent (or, in the case of CMU Notes, the CMU Lodging Agent) of its election for such exchange.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg or the CMU Service, as the case may be.

3. Permanent Global Certificates

If the Final Terms state that the Notes are to be represented by a permanent Global Certificate on issue, transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

3.1 if in the case of Restricted Notes, DTC notifies the relevant Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to the Restricted Global Certificate, or ceases to be a “clearing agency” registered under the Exchange Act, or is at any time no longer eligible to act as such and such Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or

3.2 if in the case of Unrestricted Notes, Euroclear or Clearstream, Luxembourg or the CMU Service is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

3.3 if principal in respect of any Notes is not paid when due; or

3.4 with the consent of the relevant Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to 3.1 or 3.2 or 3.3 above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

4. Partial Exchange of Permanent Global Notes

For so long as a Permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note will be exchangeable in part on one or more occasions (i) for Registered Notes if the Permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes, or (ii) for Definitive Notes if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Final Terms) relating to Partly-paid Notes.

5. Delivery of Notes

If the Global Note is a CGN, on or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent (or, in the case of CMU Notes, the CMU Lodging Agent). In exchange for any Global Note, or the part thereof to be exchanged, the relevant Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be or, if the Global Note is an NGN, the relevant Issuer will procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system. In this document, “Definitive Notes” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and, if applicable, a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Note, the relevant Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

6. Exchange Date

“Exchange Date” means, in relation to a Temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

Amendment to Conditions

The Temporary Global Notes, Permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this document. The following is a summary of certain of those provisions:

1. Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or

refused. Payments on any Temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of CGNs represented by a Global Note will be made, if in CGN form, against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. Conditions 6(e)(vii) and 7(e), in the case of Notes issued by SCPLC, SCB or SC First Bank, or 6(e)(vi) and 7(e), in the case of Notes issued by SCBHK, will apply to Definitive Notes only.

In respect of a Global Note held through the CMU Service, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Note are credited (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging Agent by the CMU Service) and, save in the case of final payment, no presentation of the relevant Global Note shall be required for such purpose.

If the Global Note is a NGN or if the Global Certificate is held under the NSS, the relevant Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under a NGN will be made to its holder. Each payment so made will discharge the relevant Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 6(h) (*Non-Business Days*).

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment (the "Record Date"), where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January.

2. Prescription

Claims against the relevant Issuer in respect of Notes that are represented by a Permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 7).

3. Meetings

The holder of a Permanent Global Note or of the Notes represented by a Global Certificate shall (unless such Permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Permanent Global Note shall be treated as having one vote in respect of each minimum integral currency unit of the specified Currency of the Notes. (All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

4. Cancellation

Cancellation of any Note represented by a Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Permanent Global Note.

5. Purchase

Notes represented by a Permanent Global Note may only be purchased by the relevant Issuer or any of its subsidiaries or any holding company (in the case of SCPLC or SCB, within the meaning of section 1159 of the Companies Act 2006, in the case of SCBHK, within the meaning of Section 2 of the Companies Ordinance and in the case of SC First Bank, within the meaning of Article 342-2 of the Korean Commercial Code) or any other subsidiary of such holding company if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

6. Issuer's Option

Any option of the relevant Issuer provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note shall be exercised by the relevant Issuer giving notice to the

Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the certificate numbers of Bearer Notes drawn, or in the case of Registered Notes shall not be required to specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Note, in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the relevant Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion), the CMU Service or any other clearing system (as the case may be).

7. Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note may be exercised by the holder of the Permanent Global Note giving notice to the Issuing and Paying Agent (or, in the case of CMU Notes, the CMU Lodging Agent) within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall not be required to specify the nominal amount of Registered Notes and the holder(s) of such Registered Notes, in respect of which the option has been exercised, and stating the principal amount of Notes in respect of which the option is exercised and at the same time where the Permanent Global Note is a CGN presenting the Permanent Global Note to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent (or, in the case of CMU Notes, the CMU Lodging Agent), for notation. Where the Global Note is a NGN or when the Global Certificate is held under the NSS, the relevant Issuer shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

8. NGN Nominal Amount

Where the Global Note is a NGN, the relevant Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, the nominal amount of the Notes represented by such Global Note shall, in respect of payments of principal, be adjusted accordingly.

9. Trustee's Powers

In considering the interests of Noteholders while any Global Note is held on behalf of, or Registered Notes are registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Registered Notes and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

10. Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of (i) Euroclear and/or Clearstream, Luxembourg or any other clearing system (except as provided in (ii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or (ii) the CMU Service, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the CMU Service on the second Business Day (as defined in Condition 4(i)) preceding the date of despatch of such notice as holding interests in the relevant Global Note.

Partly-paid Notes

The provisions relating to Partly-paid Notes are not set out in this document, but will be contained in the relevant Final Terms and thereby in the relevant Global Notes. While any instalments of the subscription moneys due from the holder of Partly-paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a Permanent Global Note or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly-paid Notes within the time specified, the relevant Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

USE OF PROCEEDS

The net proceeds from the issue of each Tranche of Notes will be used for the general business purposes of the Group.

STANDARD CHARTERED PLC

SCPLC, the ultimate holding company of SCB, SCBHK and SC First Bank, was incorporated and registered in England and Wales on 18 November 1969 as a company limited by shares. Its ordinary shares and preference shares are listed on the Official List and traded on the London Stock Exchange. SCPLC's ordinary shares are also listed on the Hong Kong Stock Exchange, and through Indian Depository Receipts on the Bombay Stock Exchange and National Stock Exchange of India. SCPLC operates under the Companies Act 2006 and its registered number is 966425. SCPLC's registered office is at 1 Aldermanbury Square, London EC2V 7SB, and its principal place of business in the United Kingdom is at 1 Basinghall Avenue, London EC2V 5DD. SCPLC's telephone number is +44 (0)20 7885 8888. SCPLC adopted new articles of association on 7 May 2010.

The Group is an international banking and financial services group particularly focused on the markets of Asia, Africa and the Middle East. As at 30 June 2011, the Group has a network of over 1,700 branches and outlets in 70 markets and over 80,000 employees worldwide.

The Group, through SCB and its subsidiaries, operates two business divisions: Consumer Banking and Wholesale Banking.

Business Divisions

Consumer Banking

Consumer Banking helps meet the evolving financial needs of Private, Small and Medium Enterprise (SME), Priority, Preferred and Personal banking customers across the Group's franchise. The Group's customer focused and service approach enables the Group's staff to offer solutions from an innovative range of products and services to build stronger relationships with its customers.

Wholesale Banking

Wholesale Banking provides a wide range of solutions to help corporate and institutional clients facilitate trade and finance across some of the fastest growing markets and trade corridors in today's global economy. Its focus is on building a client-driven business, being the bank of choice for and in Asia, Africa and the Middle East and leveraging its in-depth local knowledge and extensive cross-border network.

With a solid 150-year track record and on-the-ground expertise, Wholesale Banking provides clients with trade finance, cash management, securities services, foreign exchange and risk management, capital raising and corporate and principal finance solutions.

Geographic Markets

The Group's network covers Asia Pacific, the Middle East, South Asia, Africa, the Americas, the United Kingdom and Europe.

Hong Kong

For the six months ended 30 June 2011, Hong Kong-based activities contributed U.S.\$1,531 million operating income and U.S.\$790 million profit before tax to the Group. For the year ended 31 December 2010, Hong Kong-based activities contributed U.S.\$2,500 million operating income and U.S.\$1,103 million profit before tax to the Group.

Singapore and Other Asia Pacific Regions

For the six months ended 30 June 2011, Singapore and other Asia Pacific business contributed U.S.\$2,842 million operating income and U.S.\$1,311 million profit before tax to the Group. For the year ended 31 December 2010, Singapore and other Asia Pacific business contributed U.S.\$4,903 million operating income and U.S.\$1,801 million profit before tax to the Group.

Singapore is one of the largest markets for the Group in terms of profit and SCB was among the first foreign banks in Singapore to be awarded a Qualifying Full Bank (QFB) licence in October 1999.

The Group continues to be well positioned in a range of fast-expanding markets in the Asia Pacific region. The Group has generated US\$404 million of income in China in the first six months of 2011 and has expanded its network to 70 outlets as at 30 June 2011. The acquisition of Hsinchu International Bank in 2006 (subsequently renamed Standard Chartered Bank (Taiwan) Limited) made the Group the largest

international bank by network within Taiwan. In Indonesia, SCB increased its stake in PT Bank Permata in 2006, reinforcing its position as the country's largest international bank.

Korea

The Group acquired Korea First Bank, a major banking group in the Republic of Korea (South Korea) in April 2005 and completed the rebranding as SC First Bank in September 2005. In November 2005, SCB's branch business in South Korea was integrated with SC First Bank. For the six months ended 30 June 2011, Korea contributed operating income of U.S.\$840 million and profit before tax of U.S.\$193 million to the Group. For the year ended 31 December 2010, Korea contributed operating income of U.S.\$1,698 million and profit before tax of U.S.\$388 million to the Group.

India

In India, the Group operates the country's largest foreign bank in terms of branch network, with over 94 branches in 37 cities.

For the six months ended 30 June 2011, India contributed operating income of U.S.\$893 million and profit before tax of U.S.\$378 million to the Group. For the year ended 31 December 2010, India contributed operating income of U.S.\$2,028 million and profit before tax of U.S.\$1,197 million to the Group.

Middle East and other South Asia

For the six months ended 30 June 2011, Middle East and other South Asia contributed operating income of U.S.\$1,118 million and profit before tax of U.S.\$429 million to the Group. For the year ended 31 December 2010, Middle East and other South Asia contributed operating income of U.S.\$2,167 million and profit before tax of U.S.\$841 million to the Group. In the United Arab Emirates, Standard Chartered has the largest network among international banks, with 12 branches, and over 130 ATMs in the region.

Standard Chartered Bank (Pakistan) Limited is the largest international bank in Pakistan, with 143 branches spread over 32 cities as at 30 June 2011.

Africa

The Group has a presence in 14 countries in Africa, of which Nigeria and Kenya contributed around 31% of total African income in the first half of 2011. The Group's core African markets are Botswana, Ghana, Kenya, Nigeria, Zambia, Tanzania and Uganda. For the six months ended 30 June 2011, Africa contributed operating income of U.S.\$678 million and profit before tax of U.S.\$291 million to the Group. For the year ended 31 December 2010, Africa contributed operating income of U.S.\$1,246 million and profit before tax of U.S.\$559 million to the Group.

Americas, United Kingdom and Europe

In the Americas, the UK and Europe, the Group is focused on serving clients with needs in Asia, Africa and the Middle East. For the six months ended 30 June 2011, operating income was U.S.\$862 million and operating profit before tax was U.S.\$244 million. For the year ended 31 December 2010, the Group's operations in the Americas, the UK and Europe contributed operating income of U.S.\$1,520 million and a profit before tax of U.S.\$233 million to the Group.

The Group's head office is based in London, along with the majority of Group functions. The Group's Wholesale Banking team in London plays a key role in serving corporate and financial institutional clients conducting business in its markets. The acquisitions of Pembroke, Harrison Lovegrove and AEB in recent years have added specialist capabilities to the Group and helped expand its Private Banking network and Transaction Banking capabilities.

The Group has had a presence in New York since 1902 and its US dollar clearing business is based there.

The Group's Latin American operations provide cash management, lending and trade finance services to a range of multinational corporations, banks, other financial institutions and domestic corporations. The Group has several offices in Latin America including in Argentina, Brazil, Peru and Venezuela.

Subsidiaries

As at 30 June 2011, the principal subsidiary undertakings of SCPLC principally engaged in the business of banking and provision of other financial services, were as follows: SCB, SCBHK, SC First Bank, Standard

Chartered Bank Malaysia Berhad, Standard Chartered Bank (Thai) Public Company Limited, Standard Chartered Bank (China) Limited, Standard Chartered Bank (Taiwan) Limited, Standard Chartered Bank (Pakistan) Limited, Standard Chartered Bank Nigeria Limited, Standard Chartered Bank Kenya Limited, and Standard Chartered Private Equity Limited.

All the above are directly or indirectly wholly owned subsidiaries of SCPLC, except Standard Chartered Bank (Thai) Public Company Limited, which is 99.99 per cent. directly owned by SCB, Standard Chartered Bank (Pakistan) Limited, which is 98.99 per cent. directly owned by SCB, and Standard Chartered Bank Kenya Limited, which is 73.9 per cent indirectly owned by SCB.

Directors

The directors of SCPLC and their respective principal outside activities, where significant to SCPLC or SCB, are as follows:

J W Peace *Non-Executive Chairman*¹

Chairman of Experian plc and Burberry Group plc

P A Sands *Group Chief Executive, Director and Chairman of SCB*¹

J S Bindra *Group Executive Director, Chief Executive Officer, Asia and Director of SCB*²

S P Bertamini *Group Executive Director, Consumer Banking and Director of SCB*³

R Delbridge *Non-Executive Director*¹

J F T Dundas *Non-Executive Director*¹

Chairman of Jupiter Fund Management plc

V F Gooding CBE *Non-Executive Director*¹

Chairman of Premier Farnell plc and Non-Executive Director of the BBC

Dr Han Seung-soo, KBE *Non-Executive Director*¹

S J Lowth *Non-Executive Director*¹

Non-Executive Director of AstraZeneca PLC

R H P Markham *Non-Executive Director*¹

Non-Executive Director of Legal and General Group plc, AstraZeneca PLC and United Parcel Service, Inc. and Director of The Financial Reporting Council Limited

R Markland *Non-Executive Director*¹

Non-Executive Director of The Sage Group plc and Arcadis NV

R H Meddings *Group Finance Director and Director of SCB*¹

Non-Executive Director of 3i Group plc

J G H Paynter *Non-Executive Director*¹

Non-Executive Director of Jardine Lloyd Thompson Group plc and Standard Life Investments Limited

A M G Rees *Group Executive Director, Wholesale Banking and Director of SCB*¹

P D Skinner *Non-Executive Director*¹

Non-Executive Director of the Tetra Laval International SA, L'Air Liquide SA and Non-Executive Director of the Public Interest Body of PricewaterhouseCoopers LLP

O H J Stocken *Non-Executive Director*¹

Chairman of Home Retail Group plc, Oval Limited and Stanhope Group Holdings Limited and Director of Hoyle Barn Limited

Notes:

1. The business address should be regarded for the purposes of this Prospectus as:
1 Basinghall Avenue
London EC2V 5DD
2. The business address should be regarded for the purposes of this Prospectus as:
Standard Chartered Bank (Hong Kong) Limited
32nd Floor, 4-4A Des Voeux Road
Central, Hong Kong
3. The business address should be regarded for the purposes of this Prospectus as:
8 Marina Boulevard
Marina Bay Financial Centre Tower 1
Level 29 Singapore

There are no existing or potential conflicts of interest between any duties of the directors named above owed to SCPLC and/or their private interests and other duties.

CAPITALISATION AND INDEBTEDNESS OF STANDARD CHARTERED PLC

The following table sets out the unaudited consolidated capitalisation and indebtedness of the SCPLC Group as at 30 June 2011 prepared in accordance with IFRS.

<i>Capitalisation</i>	<i>30 June 2011 (U.S.\$ million)</i>
Shareholders' equity	
Allotted, called-up and fully paid share capital	
Ordinary shares	1,190
Share premium	5,395
Merger reserve.....	12,421
Reserves and retained earnings	21,927
Total shareholders' equity	40,933
Subordinated Liabilities and Other Borrowed Funds	
<i>30 June 2011 (U.S.\$ million)</i>	
Subordinated loan capital – issued by subsidiary undertakings	
£675 million 5.375 per cent. undated Step-Up Subordinated Notes (callable and floating rate from 2020)	679
£600 million 8.103 per cent. Step-Up Callable Perpetual Preferred Securities (callable and floating from 2016)	1,165
£700 million 7.75 per cent. Subordinated Notes due 2018	1,239
£300 million 6.0 per cent. Subordinated Notes due 2018 (callable and floating rate from 2013)	516
£200 million 7.75 per cent. undated Step Up Subordinated Notes (callable and floating rate from 2022)	391
€1,100 million 5.875 per cent. Subordinated Notes due 2017	1,727
€750 million 3.625 per cent. Subordinated Notes due 2017 (callable and floating rate from 2012)	1,100
€675 million Floating Rate Subordinated Notes due 2018 (callable 2013)	984
U.S.\$1 billion 6.4 per cent. Subordinated Notes due 2017	1,150
U.S.\$750 million 5.875 per cent. Subordinated Notes due 2020	752
U.S.\$700 million 8.0 per cent. Subordinated Notes due 2031	595
U.S.\$300 million Floating Rate Subordinated Notes due 2017 (callable 2012)	299
U.S.\$100 million Floating Rate Subordinated Notes due 2018 (callable 2013)	100
U.S.\$1.5 billion 9.5 per cent. Perpetual Preferred Securities (callable 2014)	1,590
U.S.\$100 million 9.75 per cent. Fixed to Floating Rate Notes due 2021 (callable 2016) (Note 5)	23
BWP 75 million Subordinated Notes due 2017 (callable 2012)	11
BWP 70 million Subordinated Notes due 2021 (callable 2016)	11
IDR 500 billion Floating Rate Notes due 2016 (Note 5)	24
IDR 1,750 billion Floating Rate Notes due 2021 (Note 5)	86
KRW 30 billion Floating Rate Subordinated debt due 2011	28
KRW 90 billion 6.05 per cent. Subordinated debt due 2018	90
KRW 260 billion 6.08 per cent. Subordinated debt due 2018	248
KRW 300 billion 7.05 per cent. Subordinated debt due 2019	281
MYR 500 million 4.28 per cent. Subordinated Bonds due 2017 (callable 2012)	166
PKR 1 billion Floating Rate Notes due 2013	10
JPY 10 billion 3.35 per cent. Subordinated Notes due 2023 (callable 2018)	138
SGD 450 million 5.25 per cent. Subordinated Notes due 2023	389
TZS 10 billion 11 per cent. Subordinated Notes due 2020 (callable and floating rate from 2015)	8
TWD 10 billion 2.9 per cent. Subordinated Debt due 2019 (callable 2014)	352
UGX 40 billion 13 per cent. Subordinated Notes due 2020 (callable 2015)	15
	14,167
Subordinated loan capital – issued by SCPLC	
Primary Capital Floating Rate Notes:	
U.S.\$400 million	57
U.S.\$300 million (Series 2)	81
U.S.\$400 million (Series 3)	83
U.S.\$200 million (Series 4)	51
£150 million	241
	513
Other borrowings – issued by SCPLC	
U.S.\$925 million 8.125 per cent. preference shares	993
£96 million 7.375 per cent. irredeemable preference shares	163
£99 million 8.25 per cent. irredeemable preference shares	168
	1,837
Total for Group	16,004
Total Capitalisation and Indebtedness	56,937

- All subordinated liabilities are unsecured, unguaranteed and subordinated to the claims of other creditors including without limitation, customer deposits and deposits by banks. The Group has the right to settle these debt instruments in certain circumstances as set out in the contractual agreements.
- Liabilities denominated in foreign currencies are translated into US Dollars at market exchange rates prevailing at 30 June 2011. The exchange rates used were £1.00 = U.S.\$1.6062; U.S.\$1.00 = HK\$7.7813; U.S.\$1.00 = BWP 6.5359; U.S.\$1.00 = KRW 1067.30; U.S.\$1.00 = TZS 1614.50; U.S.\$1.00 = EUR0.6886; U.S.\$1.00 = IDR 8586.7742; U.S.\$1.00 = PKR 85.8024; U.S.\$1.00 = MYR 3.0204; U.S.\$1.00 = TWD 28.7379; U.S.\$1.00 = UGX 2582.3400; U.S.\$1.00 = JPY 80.6287; U.S.\$1.00 = SGD 1.2279.
- Contingent liabilities amounted to U.S.\$42 billion as at 30 June 2011, of which U.S.\$29 billion related to guarantees and irrevocable letters of credit.
- The total amount of all other borrowings and indebtedness as at 30 June 2011 was U.S.\$423 billion, comprising deposits by banks U.S.\$37 billion, customer accounts U.S.\$343 billion and debt securities in issue (including certificates of deposits) U.S.\$43 billion.

These obligations are unsecured and are not guaranteed. However, U.S.\$2.6 billion of the deposits by banks and U.S.\$1.4 billion of the customer accounts include liabilities under repurchase agreements, which are collateralised with treasury bills/bonds.

5. Subordinated Notes issued by PT Permata Bank Tbk in which the Group has a 44.51 per cent. interest with a joint venture company are recognised on a partially consolidated basis in the Group.
6. Details of subordinated debt issued between 1 January 2011 and 30 June 2011:
 - (a) On 12 May 2011, Standard Chartered Bank Botswana Limited issued BWP 70 million Floating Rate Notes due May 2021.
 - (b) On 28 June 2011, PT Bank Permata Tbk issued IDR 1,750 billion Floating Subordinated Notes due June 2018.
7. Details of subordinated debt issued since 1 July 2011:
 - (a) On 27 October 2011, Standard Chartered Bank (Hong Kong) Limited issued SGD750 million 4.15 per cent. Subordinated Notes due 2021.
8. Details of subordinated debt redeemed since 1 January 2011:
 - (a) During January 2011, Standard Chartered (Pakistan) Limited redeemed the remaining balance of its PKR750 million floating rate note 2011 of PKR 187 million
 - (b) On 21 January 2011, Standard Chartered (Korea) redeemed its KRW 3 billion 6.11 per cent. notes in full.
 - (c) On 9 June 2011, Standard Chartered Bank exercised its right to redeem its \$500 million subordinated floating rate notes in full on the first optional call date.
 - (d) On 20 June 2011, Standard Chartered (Botswana) redeemed BWP50 million fixed rates notes in full.

Note:

Save as disclosed in this Prospectus, there has been no material change in the authorised and issued share capital and no material change in total capitalisation and indebtedness and contingent liabilities (including guarantees) of SCPLC as set out in the above table since 30 June 2011.

STANDARD CHARTERED BANK

SCB was incorporated in England with limited liability by Royal Charter in 1853 and its reference number is ZC18. SCB's issued share capital comprises ordinary shares, all of which are owned by Standard Chartered Holdings Limited, a company incorporated in England and Wales and a wholly-owned subsidiary of SCPLC, non-cumulative irredeemable preference shares of U.S.\$0.01 each, all of which are owned by Standard Chartered Capital Investments LLC, a company incorporated in the United States, and non-cumulative redeemable preference shares of U.S.\$5.00 each, all of which are owned by SCPLC. SCB's principal office is at 1 Aldermanbury Square, London EC2V 7SB and its principal place of business in the United Kingdom is at 1 Basinghall Avenue, London EC2V SDD.

The Group to which SCB belongs is an international banking and financial services group particularly focused on the markets of Asia, Africa and the Middle East. As at 30 June 2011, the Group has a network of over 1,700 branches and outlets in 70 markets and over 80,000 employees worldwide.

The Group, through SCB and its subsidiaries, operates two business divisions: Consumer Banking and Wholesale Banking.

Business Divisions

Consumer Banking

Consumer Banking helps meet the evolving financial needs of Private, Small and Medium Enterprise (SME), Priority, Preferred and Personal banking customers across the Group's franchise. The Group's customer focused and service approach enables the Group's staff to offer solutions from an innovative range of products and services to build stronger relationships with the Group's customers.

Wholesale Banking

Wholesale Banking provides a wide range of solutions to help corporate and institutional clients facilitate trade and finance across some of the fastest growing markets and trade corridors in today's global economy. Its focus is on building a client-driven business, being the bank of choice for and in Asia, Africa and the Middle East and leveraging its in-depth local knowledge and extensive cross-border network.

With a solid 150-year track record and on-the-ground expertise, Wholesale Banking provides clients with trade finance, cash management, securities services, foreign exchange, risk management, capital raising and corporate finance solutions.

Geographic Markets

The Group's network covers Asia Pacific, the Middle East, South Asia, Africa, the Americas, the United Kingdom and Europe.

Hong Kong

For the six months ended 30 June 2011, Hong Kong-based activities contributed U.S.\$1,531 million operating income and U.S.\$790 million profit before tax to the Group. For the year ended 31 December 2010, Hong Kong-based activities contributed U.S.\$2,500 million operating income and U.S.\$1,103 million profit before tax to the Group.

Singapore and Other Asia-Pacific Regions

For the six months ended 30 June 2011, Singapore and other Asia Pacific business contributed U.S.\$2,842 million operating income and U.S.\$1,311 million profit before tax to the Group. For the year ended 31 December 2010 Singapore and other Asia Pacific business contributed U.S.\$4,903 million operating income and U.S.\$1,801 million profit before tax to the Group.

Singapore is one of the largest markets for the Group in terms of profit and SCB was among the first foreign banks in Singapore to be awarded a Qualifying Full Bank (QFB) licence in October 1999.

The Group continues to be well positioned in a range of fast-expanding markets in the Asia Pacific region. The Group has generated U.S.\$404 million of income in China in the first six months of 2011 and has expanded its network to 70 outlets as at 30 June 2011.

The acquisition of Hsinchu International Bank in 2006 (subsequently renamed Standard Chartered Bank (Taiwan) Limited) made the Group the largest international bank by network within Taiwan. In Indonesia, SCB increased its stake in PT Bank Permata in 2006, reinforcing its position as the country's largest international bank.

Korea

The Group acquired Korea First Bank, a major banking group in the Republic of Korea (South Korea) in April 2005 and completed the rebranding as SC First Bank in September 2005. In November 2005, SCB's branch business in South Korea was integrated with SC First Bank. For the six months ended 30 June 2011, Korea contributed operating income of U.S.\$840 million and profit before tax of U.S.\$193 million to the Group. For the year ended 31 December 2010, Korea contributed operating income of U.S.\$1,698 million and profit before tax of U.S.\$388 million to the Group.

India

In India, the Group operates the country's largest foreign bank in terms of branch network, with over 94 branches in 37 cities.

For the six months ended 30 June 2011, India contributed operating income of U.S.\$893 million and profit before tax of U.S.\$378 million to the Group. For the year ended 31 December 2010, India contributed operating income of U.S.\$2,028 million and profit before tax of U.S.\$1,197 million to the Group.

Middle East and other South Asia

For the six months ended 30 June 2011, Middle East and other South Asia contributed operating income of U.S.\$1,118 million and profit before tax of U.S.\$429 million to the Group. For the year ended 31 December 2010, Middle East and other South Asia contributed operating income of U.S.\$2,167 million and profit before tax of U.S.\$841 million to the Group. In the United Arab Emirates, Standard Chartered has the largest network among international banks, with 12 branches, and over 130 ATMs in the region.

Standard Chartered Bank (Pakistan) Limited is the largest international bank in Pakistan, with 143 branches spread over 32 cities as at 30 June 2011.

Africa

The Group has a presence in 14 countries in Africa, of which Nigeria and Kenya contributed around 31% of total Africa income in the first half of 2011. The Group's core African markets are Botswana, Ghana, Kenya, Nigeria, Zambia, Tanzania and Uganda. For the six months ended 30 June 2011, Africa contributed operating income of U.S.\$678 million and profit before tax of U.S.\$291 million to the Group. For the year ended 31 December 2010, Africa contributed operating income of U.S.\$1,246 million and profit before tax of U.S.\$559 million to the Group.

Americas, United Kingdom and Europe

In the Americas, the UK and Europe, the Group is focused on serving clients with needs in Asia, Africa and the Middle East. For the six months ended 30 June 2011, operating income was U.S.\$862 million and operating profit before tax was U.S.\$244 million. For the year ended 31 December 2010, the Group's operations in the Americas, the UK and Europe contributed operating income of U.S.\$1,520 million and a profit before tax of U.S.\$233 million to the Group.

The Group's head office is based in London, along with the majority of Group functions. The Group's Wholesale Banking team in London plays a key role in serving corporate and financial institutional clients conducting business in its markets. The acquisitions of Pembroke, Harrison Lovegrove and AEB in recent years have added specialist capabilities to the Group and helped expand its Private Banking network and Transaction Banking capabilities. The Group has had a presence in New York since 1902 and its US dollar clearing business is based there.

The Group's Latin American operations provide cash management, lending and trade finance services to a range of multinational corporations, banks, other financial institutions and domestic corporations. The Group has several offices in Latin America including in Argentina, Brazil, Peru and Venezuela.

Subsidiaries

As at 30 June 2011, the principal subsidiary undertaking of SCB and principally engaged in the business of banking and provision of other financial services, were as follows: SCBHK, SC First Bank, Standard Chartered Bank Malaysia Berhad, Standard Chartered Bank (Thai) Public Company Limited, Standard Chartered Bank (China) Limited, Standard Chartered Bank (Taiwan) Limited, Standard Chartered Bank (Pakistan) Limited, Standard Chartered Bank Nigeria Limited, Standard Chartered Bank Kenya Limited, and Standard Chartered Private Equity Limited.

All the above are directly or indirectly wholly owned subsidiaries of SCPLC, except Standard Chartered Bank (Thai) Public Company Limited, which is 99.99 per cent. directly owned by SCB, Standard Chartered Bank (Pakistan) Limited, which is 98.99 per cent. directly owned by SCB, and Standard Chartered Bank Kenya Limited, which is 73.9 per cent. indirectly owned by SCB.

Directors

The directors of SCB and their respective principal outside activities, where significant to SCB, are as follows:

P A Sands *Chairman, and Group Chief Executive of SCPLC*¹

J S Bindra *Director, Group Executive Director of SCPLC and Chief Executive Officer, Asia*²

S P Bertamini *Director, Group Executive Director of SCPLC, and Chief Executive, Consumer Banking*³

R H Meddings *Director, and Group Finance Director of SCPLC*¹
Non-Executive Director of 3i Group plc

T J Miller *Director, Property, Research and Assurance*¹
Non-Executive Director of Michael Page International plc and Chairman of Optitune PLC

A M G Rees *Director, Group Executive Director of SCPLC and Chief Executive, Wholesale Banking*¹

V Shankar *Director, CEO Europe, Middle East, Africa, Americas*⁴

Notes:

1. The business address should be regarded for the purposes of this Prospectus as:
1 Basinghall Avenue
London EC2V 5DD
2. The business address should be regarded for the purposes of this Prospectus as:
Standard Chartered Bank (Hong Kong) Limited
32nd Floor, 4-4A Des Voeux Road
Central, Hong Kong
3. The business address should be regarded for the purposes of this Prospectus as:
8 Marina Boulevard
Marina Bay Financial Centre Tower 1
Level 29 Singapore
4. The business address should be regarded for the purposes of this Prospectus as:
Standard Chartered Bank, Dubai Branch
DIFC Level 7, DIFC Bur Dubai
Dubai 999

There are no existing or potential conflicts of interest between any duties of the directors named above owed to SCB and/or their private interests and other duties.

CAPITALISATION AND INDEBTEDNESS OF STANDARD CHARTERED BANK

The following table sets out the unaudited consolidated capitalisation and indebtedness of SCB as at 30 June 2011 prepared in accordance with IFRS.

<i>Capitalisation</i>	<i>30 June 2011 (U.S.\$million)</i>
Shareholders' equity	
Allotted, called-up and fully paid share capital	
Ordinary shares	11,686
Share premium	1,796
Reserves and retained earnings	19,170
Total shareholders' equity	32,652
Subordinated Liabilities and Other Borrowed Funds	
Subordinated loan capital – issued by subsidiary undertakings:	
U.S.\$300 million Floating Rate Subordinated Notes due 2017 (callable 2012)	299
BWP 75 million Subordinated Notes due 2017 (callable 2012)	11
BWP 70 million Subordinated Notes due 2021 (callable 2016)	11
U.S.\$750 million 5.875 per cent. Subordinated Notes due 2020	752
IDR 500 billion Floating Rate Notes due 2016 (Note 5)	24
IDR 1,750 billion Floating Rate Notes due 2021 (Note 5)	86
U.S.\$100 million 9.75 per cent. Fixed to Floating Rate Notes due 2021 (callable 2016) (Note 5)	23
KRW 30 billion Floating Rate Subordinated Debt due 2011	28
KRW 90 billion 6.05 per cent. Subordinated Debt due 2018	90
KRW 260 billion 6.08 per cent. Subordinated Debt due 2018	248
KRW 300 billion 7.05 per cent. Subordinated Debt due 2019	281
MYR 500 million 4.28 per cent. Subordinated Bonds due 2017 (callable 2012)	166
PKR 1 billion Floating Rate Notes due 2013	10
TWD 10 billion 2.9 per cent. Subordinated Notes due 2019 (callable 2014)	352
UGX 40 billion 13 per cent. Subordinated Notes due 2020 (callable 2015)	15
TZS 10 billion 11 per cent. Subordinated Notes due 2020 (callable and floating rate from 2015)	8
	2,404
Subordinated loan capital – issued by Company:	
£675 million 5.375 per cent. undated Step-Up Subordinated Notes (callable and floating rate from 2020)	679
£600 million 8.103 per cent. Step-Up Callable Perpetual Preferred Securities (callable and floating from 2016)	1,165
£700 million 7.75 per cent. Subordinated Debt due 2018	1,239
£300 million 6.0 per cent. Subordinated Debt due 2018 (callable and floating rate from 2013)	516
£200 million 7.75 per cent. undated Step Up Subordinated Notes (callable and floating rate from 2022)	391
€1,100 million 5.875 per cent. Subordinated Notes due 2017	1,727
€750 million 3.625 per cent. Subordinated Notes due 2017 (callable and floating rate from 2012)	1,100
€675 million Floating Rate Subordinated Notes due 2018 (callable 2013)	984
U.S.\$1 billion 6.4 per cent. Subordinated Notes due 2017	1,150
U.S.\$700 million 8.0 per cent. Subordinated Notes due 2031	595
U.S.\$100 million Floating Rate Notes due 2018 (callable 2013)	100
JPY 10 billion 3.35 per cent. Subordinated Notes due 2023 (callable 2018)	138
SGD 450 million 5.25 per cent. Subordinated Notes due 2023	389
U.S.\$1.5 billion 9.5 per cent. Perpetual Preferred Securities (callable 2014)	1,590
U.S.\$1.3 billion Floating Rate Subordinated Notes due 2021 (callable 2016)	1,300
U.S.\$1.8 billion Floating Rate Undated Subordinated Notes (callable 2014)	1,800
Primary Capital Floating Rate Notes:	
U.S.\$400 million	57
U.S.\$300 million (Series 2)	81
U.S.\$400 million (Series 3)	83
U.S.\$200 million (Series 4)	51
£150 million	241
U.S.\$925 million 8.125 per cent. non-cumulative redeemable preference shares (callable 2013)	993
Total for SCB	16,369
Total for Group	18,773
Total Capitalisation and Indebtedness	51,425

1. All subordinated liabilities are unsecured, unguaranteed and subordinated to the claims of other creditors including without limitation, customer deposits and deposits by banks. The Group has the right to settle these debt instruments in certain circumstances as set out in the contractual agreements.
2. Liabilities denominated in foreign currencies are translated into US Dollars at market exchange rates prevailing at 30 June 2011. The exchange rates used were £1.00 = U.S.\$1.6062; U.S.\$1.00 = HK\$7.7813; U.S.\$1.00 = BWP 6.5359; U.S.\$1.00 = KRW1067.30; U.S.\$1.00 = TZS 1614.50; U.S.\$1.00 = EUR0.6886; U.S.\$1.00 = IDR 8586.7742; U.S.\$1.00 = PKR 85.8024.
3. Contingent liabilities amounted to U.S.\$42 billion as at 30 June 2011, of which U.S.\$29 billion related to guarantees and irrevocable letters of credit.
4. The total amount of all other borrowings and indebtedness as at 30 June 2011 was U.S.\$413 billion, comprising deposits by banks U.S.\$37 billion, customer accounts U.S.\$343 billion and debt securities in issue (including certificates of deposits) U.S.\$33 billion. These obligations are unsecured and are not guaranteed. However, U.S.\$2.6 billion of the deposits by banks and U.S.\$1.4 billion of the customer accounts include liabilities under repurchase agreements, which are collateralised with treasury bills/bonds.
5. Subordinated Loans are issued by PT Permata Bank Tbk in which the Group has a 44.51 per cent. interest with a joint venture company are recognised on a partially consolidated basis in the Group.
6. Details of subordinated debt issued between 1 January 2011 and 30 June 2011:
 - (a) On 12 May 2011, Standard Chartered Bank Botswana Limited issued BWP 70 million Floating Rate Notes due May 2021.
 - (b) On 20 May 2011, Standard Chartered Bank issued \$1,300 million Floating Rate Subordinated Notes due May 2021.
 - (c) On 28 June 2011, PT Bank Permata Tbk issued IDR 1,750 billion Floating Subordinated Notes due June 2018.
7. Details of subordinated debt issued since 1 July 2011:
 - (a) On 27 October 2011, Standard Chartered Bank (Hong Kong) Limited issued SGD750 million 4.15 per cent. Subordinated Notes due 2021.
8. Details of subordinated debt redeemed since 1 January 2011:
 - (a) During January 2011, Standard Chartered (Pakistan) Limited redeemed the remaining balance of its PKR750 million floating rate note 2011 of PKR 187 million
 - (b) On 21 January 2011, Standard Chartered (Korea) redeemed its KRW 3 billion 6.11 per cent. notes in full.
 - (c) On 9 June 2011, Standard Chartered Bank exercised its right to redeem its \$500 million subordinated floating rate notes in full on the first optional call date.
 - (d) On 20 June 2011, Standard Chartered (Botswana) redeemed BWP50 million fixed rates notes in full.

Note:

Save as disclosed in this Prospectus, there has been no material change in the authorised and issued share capital and no material change in total capitalisation and indebtedness and contingent liabilities (including guarantees) of SCB as set out in the above table since 30 June 2011.

STANDARD CHARTERED BANK (HONG KONG) LIMITED

Introduction

SCBHK was incorporated in Hong Kong with limited liability on 12 December 2003 under the Companies Ordinance (Cap. 32) of Hong Kong as a non-private company (registered number 875305). With effect from 1 July 2004, the businesses of the Hong Kong branch of SCB, Manhattan Card Company Limited, Standard Chartered Finance Limited, Standard Chartered International Trade Products Limited and Chartered Capital Corporation Limited were merged into SCBHK principally by a private ordinance in Hong Kong.

SCBHK is an indirect wholly-owned subsidiary of SCPLC and its registered office is situated at 32nd Floor, 4-4A Des Voeux Road Central in Hong Kong.

SCBHK is a licensed bank in Hong Kong. It has a network of 78 branch outlets in Hong Kong with over 5,500 employees (as of August 2011). SCBHK operates two business divisions: Consumer Banking and Wholesale Banking. The main businesses and activities of SCBHK are described below.

Consumer Banking

Consumer Banking offers a broad range of products and services to meet the borrowing, wealth management and transaction needs of individuals and SMEs. SCBHK's services are provided to different segments – from Private Banking, Priority Banking, Preferred Banking to small and medium sized businesses operating in Hong Kong. The products and services provided include bank accounts, credit cards, personal loans, mortgages, foreign exchange, deposits and wealth management products.

SCBHK is a major market player in credit cards and is one of the leading card issuers in Hong Kong, focusing on differentiated customer propositions.

SCBHK also maintains a market leading position in mortgages, focusing on product innovation, customer services and profitability.

Wholesale Banking

SCBHK's Wholesale Banking provides trade finance, cash management, securities services, foreign exchange, risk management, capital raising and corporate finance solutions to local and multinational corporates and financial institutions operating in Asia, Africa and the Middle East.

Its strategy is to be the “core bank” to its clients, deepening relationships and providing them with a broader range of products and services.

Transaction Banking solutions include cash management, trade finance, securities services and a fully integrated end-to-end electronic platform “Straight2Bank” which is provided to streamline workflow processes.

Corporate Finance offers a comprehensive range of services including Corporate Advisory, Project & Export Finance, Equity Corporate Finance, Structured Trade Finance and Structured Finance.

Principal Finance creates value through its investments and these investments are primarily targeted at four asset classes: corporate private equity, real estate, infrastructure and alternative investments.

Financial Markets solutions include foreign exchange, rates, credits, commodities, equities, fixed income trading and sales, capital markets, structured products and regional markets and asset and liability management. Customers include multinational corporates, financial institutions and local corporates in Hong Kong. SCBHK leverages on Standard Chartered's network to provide banking services to customers in Hong Kong, including those with business operations in the Pearl River Delta.

Directors

The directors of SCBHK and their principal outside activities, where significant to SCBHK, are as follows:

K K S Tsang *Chairperson, Non-Executive Director*¹

Chairperson of Standard Chartered Bank (China) Limited and Standard Chartered Bank (Taiwan) Limited

J S Bindra *Non-Executive Director and Director of SCB and SCPLC*¹

B P C Hung *Executive Director and Chief Executive Officer*¹

J L C Fong *Non-Executive Director*¹

Chairman of PrimeCredit Limited

S Razvi *Executive Director and Chief Financial Officer*¹

S B Tan *Executive Director*¹

Managing Director, Chief Executive of Standard Chartered Securities (Hong Kong) Limited

M T Pratt *Non-Executive Director*²

R P L Kwok *Independent Non-Executive Director*¹

Vice Chairman and Managing Director of Sun Hung Kai Properties Ltd

M X Z Ma *Independent Non-Executive Director*¹

Chairman of Boyu Capital Advisory Co. Limited

N Lyle *Independent Non-Executive Director*¹

A W K Chan *Independent Non-Executive Director*¹

Managing Director of The Hong Kong and China Gas Company Limited

Notes:

1. The business address should be regarded for the purposes of this Prospectus as:
32nd Floor
4-4A Des Voeux Road Central
Hong Kong
2. The business address should be regarded for the purposes of this Prospectus as:
28th Floor Standard Chartered Tower
201 Century Avenue, Pudong, Shanghai 200120, China

There are no existing or potential conflicts of interest between any duties of the directors named above owed to SCBHK and/or their private interests and other duties.

**CAPITALISATION AND INDEBTEDNESS OF STANDARD CHARTERED
BANK (HONG KONG) LIMITED**

The following table sets out the unaudited consolidated capitalisation and indebtedness of SCBHK as at 30 June 2011 prepared in accordance with Hong Kong Financial Reporting Standards.

	<i>30 June 2011 (HK\$million)</i>
Authorised share capital	
Ordinary A shares of HK\$0.05 each	39
Ordinary B shares of HK\$0.05 each	62
Non-cumulative preference shares of HK\$1.00 each	3,800
	3,901
Shareholders' equity	
Allotted, called up and fully paid share capital	
Ordinary shares	97
Reserves	43,386
	43,483
Subordinated loan capital	
Floating rate step-up notes due 2017	2,315
5.875 per cent. fixed rate notes due 2020	5,850
	8,165
Total capitalisation and indebtedness	51,648

Note:

Save as disclosed in this Prospectus, there has been no material change in the authorised and issued share capital and no material change in total capitalisation and indebtedness of SCBHK, as set out in the above table, since 30 June 2011.

STANDARD CHARTERED FIRST BANK KOREA LIMITED

SC First Bank is engaged in banking and trust business according to the provisions of the Banking Act and the Financial Investment Services and Capital Markets Act in the Republic of Korea.

In April 2005, SCB acquired the entire share capital of Korea First Bank for a total of approximately KRW3.4 trillion (equivalent of U.S.\$3.3 billion*).

SC First Bank's issued share capital comprises ordinary shares, all of which are wholly owned by Standard Chartered Korea Limited ("SCK"), a 100 per cent. subsidiary of SCB.

SC First Bank is headquartered at 100 Kongpyung-dong, Chongro-gu, Seoul, 110-702 in Korea, telephone number +82 2 3702 3114.

Total assets of SC First Bank as of 30 June 2011 were KRW73 trillion (equivalent of U.S. \$68 billion†). Through its nationwide network of 383 branches, SC First Bank offers a full line of financial services to about 4.3 million customers in Korea. SC First Bank operates two business divisions: Consumer Banking and Wholesale Banking. The main businesses and activities of SC First Bank are described below.

Consumer Banking

SC First Bank provides a broad range of consumer banking services to individual customers as well as small and medium enterprises in Korea. The products and services provided include credit cards, personal loans, mortgages, foreign exchange, deposits and wealth management products.

Since its acquisition by SCB, SC First Bank has launched a number of new products and services to customers. SC First Bank's mortgage portfolio was approximately KRW23 trillion (equivalent of U.S. \$21 billion†) as at 30 June 2011.

Wholesale Banking

SC First Bank's Wholesale Banking business comprises Origination & Client Coverage and Global Markets. The customer base includes global corporates, financial institutions and local corporates in Korea. SC First Bank leverages on SCB's network to provide banking services to customers in Korea.

Wholesale Banking services include loan syndication, structured finance, asset backed securitisation, foreign exchange and treasury services, custody and cash management services, trade finance and lending services.

Recent Developments

On June 30, 2009, SCB established a 100% owned financial holding company in Korea, SCK. SCB is the first foreign financial institution to obtain the requisite local regulatory approval to establish a financial holding company in Korea. SCK is the sole shareholder of SC First Bank and its other subsidiaries include Standard Chartered Capital Korea Limited, Standard Chartered Savings Bank Korea Limited, Standard Chartered Fund Service Korea Limited and Standard Chartered Securities Korea Limited. Ownership of Standard Chartered Securities Korea Limited and Standard Chartered Fund Service Korea Limited, which was previously owned by SC First Bank, was transferred to SCK on 9 December 2009.

SC First Bank is the largest foreign investor in the Korean Financial Services industry and is hence committed to Korea for the long-term. The development of a robust pay-for-performance system is an essential foundation for sustainable growth but has met strong resistance from the labour union which favours a seniority-based scheme. After months of negotiation as part of the 2010 Collective Bargaining Agreement, the Union embarked on a strike which lasted from the end of June 2011 until 29 August 2011, with the participation of approximately 80% of union members, accounting for 40% of all bank staff. Whilst the bank was able to continue operations successfully during the strike, growth momentum was interrupted. In recent weeks the business has gradually normalised and management is currently in active discussion with the union with the objective of concluding a formal agreement by the end of the year.

SC First Bank is subject to 28 customer claims in connection with the validity and enforceability of foreign exchange option contracts. These are amongst many separate claims commenced against various Korean banks. SC First Bank successfully defended all but one of the 36 customer claims filed against it at first instance and 27 of the 28 current claims are appeals of those judgments. The total amount being claimed

against SC First Bank by the various claimants is KRW90,282 million as at 30 September 2011. SC First Bank is defending the claims made.

* Amount translated into U.S.\$ at market exchange rates prevailing at the time of the closing of the acquisition.

† Amount translated into U.S.\$ at market exchange rates prevailing at 30 June 2011 (U.S.\$1=KRW 1,078.10)

Directors

The directors of SC First Bank and their principal outside activities, where significant to SC First Bank, are as follows:

T J Miller *Chairman and Non-Executive Director*¹

Director, Research, Property and Assurance of SCB, Non-Executive Director of Michael Page International plc and Chairman of Optitune PLC

D Edwards *Vice Chairman and Non-Executive Director*²

Former Chief Executive Officer

R Hill *Standing Director and Chief Executive Officer*³

E M Williams *Non-Executive Director*⁴

Deputy Group Chief Risk Officer

A Bester *Non-Executive Director*⁵

Chief Operating Officer, Group CB

G B Kim *Independent Non-Executive Director*⁶

Vice President, World Futures Forum

S J Kim *Independent Non-Executive Director*⁷

Adviser and Visiting Fellow of Korea Securities Research Institute

S K Kwak *Independent Non-Executive Director*⁸

Dean of College of Business Administration, Seoul National University

G J Rhee *Independent Non-Executive Director*⁹

Former Deputy Governor of the Bank of Korea

S Y Park *Independent Non-Executive Director*¹⁰

Dean of College of Business, Yonsei University

K H Jung *Independent Non-Executive Director*¹¹

Former Vice Governor of FSS

S H Kim *Independent Non-Executive Director*¹²

Adviser at BKL LLC

Notes:

1. The business address should be regarded for the purpose of this Prospectus as:
1 Basinghall Avenue
London EC2V 5DD
United Kingdom
2. The business address should be regarded for the purpose of this Prospectus as:
24/7 South Steyne
Manly, NSW 2095
Australia
3. The business address should be regarded for the purpose of this Prospectus as:
100 kongpyung-dong, Chongro-gu
Seoul 110-702
Korea
4. The business address should be regarded for the purpose of this Prospectus as:
Standard Chartered Bank (HK) Limited
GPO Box21
Hong Kong
5. The business address should be regarded for the purpose of this Prospectus as:
Marina Boulevard, Level 29 Marina Bay Financial Centre (Tower 1)
Singapore 018981
6. The business address should be regarded for the purpose of this Prospectus as:
703 City Airport Samseong-dong Gangnam-gu

Seoul 135-728
Korea

7. The business address should be regarded for the purpose of this Prospectus as:
KCM I 45-2 Youido-dong, Youngdungpo-gu
Seoul 150-974
Korea
8. The business address should be regarded for the purpose of this Prospectus as:
College of Business Administration and Graduate School of Business, Seoul National University
599 Gwanangno, Gwanak-gu
Seoul 151-916
Korea
9. The business address should be regarded for the purpose of this Prospectus as:
Graduate School of Economics, Yonsei University
262 Seongsanno, Seodaemun-gu
Seoul 120-749
Korea
10. The business address should be regarded for the purpose of this Prospectus as:
Graduate School of Business Administration, Yonsei University
262 Seongsanno, Seodaemun-gu
Seoul 120-749
Korea
11. The business address should be regarded for the purpose of this Prospectus as:
104-101, Heitz Village Goongnae-dong Bundang-gu
334-2 Sunghamsi
Korea
12. The business address should be regarded for the purpose of this Prospectus as:
647-15 Yoksam, Kangnam
Seoul 135-723
Korea

**STANDARD CHARTERED FIRST BANK KOREA LIMITED
FINANCIAL INFORMATION**

Set out on pages 82 to 87 of this document are the non-consolidated statements of financial position, statements of income, statements of appropriation of retained earnings, statements of changes in equity and statements of cash flows extracted without material adjustment from the English translation of the audited annual non-consolidated financial statements for SC First Bank as at and for the years ended 31 December 2010 and 2009 respectively and prepared in accordance with accounting principles generally accepted in the Republic of Korea ("Korean GAAP").

The full audited non-consolidated financial statements (including the notes) of the SC First Bank are available on the website of the SC First Bank (www.scfirstbank.com).

SC FIRST BANK NON-CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
31 December 2010 and 2009
(In millions of Korean Won)

	2010	2009
Assets		
Cash and due from banks	3,362,998	5,029,108
Securities	13,270,704	12,583,596
Loans	42,856,605	40,094,576
Allowance for loan losses	(673,761)	(615,116)
Net deferred fees and expenses.....	59,107	52,227
Tangible assets.....	896,712	954,989
Deferred tax assets.....	64,465	-
Derivative financial assets	5,469,799	8,043,664
Other assets.....	2,262,108	1,849,111
Total Assets	<u>67,568,737</u>	<u>67,992,155</u>
Liabilities:		
Deposits	45,949,373	41,340,346
Borrowings	3,709,185	6,767,664
Financial debentures	4,891,633	4,741,262
Provision for retirement and severance benefits	24,763	14,932
Derivative financial liabilities	5,466,918	7,812,226
Deferred tax liabilities	-	6,273
Other liabilities	3,471,145	3,297,343
Total liabilities	<u>63,513,017</u>	<u>63,980,046</u>
Shareholder's equity:		
Common stock	1,313,043	1,313,043
Capital surplus	633,390	633,390
Capital adjustments	(5,180)	(5,180)
Accumulated other comprehensive income.....	85,675	14,416
Retained earnings:		
Legal reserves	212,141	158,141
Voluntary reserve for recapitalization	159,000	105,000
Voluntary reserve.....	96,000	73,000
Unappropriated retained earnings	1,561,651	1,720,299
Total shareholder's equity	<u>4,055,720</u>	<u>4,012,109</u>
Total liabilities and shareholder's equity	<u>67,568,737</u>	<u>67,992,155</u>

SC FIRST BANK NON-CONSOLIDATED STATEMENTS OF INCOME

Years ended 31 December 2010 and 2009

(In millions of Korean Won, except earnings per share)

	2010	2009
Operating revenues		
Interest income:		
Interest on due from banks	136,210	145,141
Interest on securities	567,784	589,022
Interest on loans	2,293,940	2,298,383
Other interest income	7,696	14,824
	<hr/>	<hr/>
	3,005,630	3,047,370
	<hr/>	<hr/>
Gain on valuation and sale of securities:		
Gain on valuation of trading securities	283	2
Gain on sale of trading securities	88,887	12,277
Gain on sale of available-for-sale securities	22,843	156,481
	<hr/>	<hr/>
	112,013	168,760
	<hr/>	<hr/>
Gain on sale of loans	12,224	-
Gain on foreign currency transactions	187,845	1,497,656
Fees and commission income.....	325,210	310,668
Dividend Income	2,700	10,407
Other operating revenues:		
Gain on derivatives	15,019,980	29,435,822
Income from management of trust account	11,383	9,544
	<hr/>	<hr/>
	15,031,363	29,445,366
	<hr/>	<hr/>
Total operating revenues	18,676,985	34,480,227
	<hr/>	<hr/>
Operating expenses:		
Interest expenses:		
Interest on deposits	1,322,994	1,309,716
Interest on borrowings	120,687	155,529
Interest on financial debentures.....	240,455	254,159
Other interest expenses	7,767	10,572
	<hr/>	<hr/>
	1,691,903	1,729,976
	<hr/>	<hr/>
Loss on valuation and sale of securities:		
Loss on valuation of trading securities	4,479	1,378
Loss on sale of trading securities	20,838	18,074
Loss on sale of available-for-sale securities	358	948
Impairment loss on available-for-sale securities.....	-	3,192
	<hr/>	<hr/>
	25,675	23,592
	<hr/>	<hr/>
Loss on valuation and sale of Loans:		
Provision for loan losses	293,875	354,011
Loss on sale of loan	17,781	39,872
	<hr/>	<hr/>
	311,656	393,883
	<hr/>	<hr/>
Loss of foreign currency transactions	115,997	1,143,032
Fees and commission expenses	142,009	138,308
Other operating expenses:		
Loss on derivatives	14,809,388	29,456,549

Provision for acceptances and guarantees	6,457	3,736
General and administration expenses	1,074,455	984,143
Contribution to funds.....	92,986	84,240
Others	19,151	15,069
	<u>16,002,437</u>	<u>30,543,737</u>
Total operating expenses	<u>18,289,677</u>	<u>33,972,528</u>
Operating income	<u>387,308</u>	<u>507,699</u>
Non-operating revenues:		
Gain on equity method	-	3,551
Gain on disposition of tangible assets	25,136	101,606
Rental income	9,692	10,018
Other non-operating revenues.....	36,842	6,634
	<u>71,670</u>	<u>121,809</u>
Non-operating expenses:		
Loss on equity method	-	367
Loss on disposition of tangible assets	11,840	5,396
Impairment loss on tangible assets	1,697	12,636
Other non-operating expenses	9,147	21,266
	<u>22,684</u>	<u>39,665</u>
Income before income taxes.....	<u>436,294</u>	<u>589,843</u>
Income taxes.....	113,942	157,217
Net income.....	<u>322,352</u>	<u>432,626</u>
Earning per share:		
Basic earnings per share	<u>1,227</u>	<u>1,647</u>

**SC FIRST BANK NON-CONSOLIDATED STATEMENTS OF
APPROPRIATION OF RETAINED EARNINGS**

Years ended 31 December 2010 and 2009

Date of Appropriation for 2010: 31 March 2011

Date of Appropriation for 2009: 30 March 2010

(In millions of Korean Won)

	2010	2009
Unappropriated retained earnings:		
Balance at beginning of year	1,339,299	1,287,673
Net income.....	322,352	432,626
Interim dividends	(100,000)	-
Balance at end of year before appropriation	1,561,651	1,720,299
Appropriation of retained earnings:		
Legal reserve	33,000	54,000
Voluntary reserve for recapitalization	33,000	54,000
Voluntary reserve.....	-	23,000
Dividend		
7.62% on par value at ₩381 per share for 2010		
19.04% on par value at ₩952 per share for 2009.....	100,000	250,000
	166,000	381,000
Unappropriated retained earnings to be carried over to subsequent year.....	1,395,651	1,339,299

SC FIRST BANK NON-CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Years ended 31 December 2010 and 2009
(In millions of Korean Won)

	<i>Common stock</i>	<i>Capital surplus</i>	<i>Capital adjustments</i>	<i>Accumulated other comprehensive income (loss)</i>	<i>Retained earnings</i>	<i>Total shareholder's equity</i>
Balance at January 1, 2009	1,313,043	633,390	(4,431)	112,364	1,629,659	3,684,025
Net income	-	-	-	-	432,626	432,626
Amortization of capital adjustment related to investment in a subsidiary	-	-	4,431	-	(5,845)	(1,414)
Change in equity on sale of shares in subsidiaries	-	-	(5,180)	2,728	-	(2,452)
Change in fair value of available-for-sale securities, net of tax	-	-	-	(100,676)	-	(100,676)
Balance at December 31, 2009	1,313,043	633,390	(5,180)	14,416	2,056,440	4,012,109
Balance at January 1, 2010	1,313,043	633,390	(5,180)	14,416	2,056,440	4,012,109
Dividends	-	-	-	-	(250,000)	(250,000)
Unappropriated retained earnings	1,313,043	633,390	(5,180)	14,416	1,806,440	3,762,109
Interim dividends	-	-	-	-	(100,000)	(100,000)
Net income	-	-	-	-	322,352	322,352
Change in fair value of available-for-sale securities, net of tax	-	-	-	71,259	-	71,259
Balance at December 31, 2010	1,313,043	633,390	(5,180)	85,675	2,028,792	4,055,720

SC FIRST BANK NON-CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended 31 December 2010 and 2009
(In millions of Korean Won)

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities		
Net income	322,352	432,626
Adjustments for:		
Interest expense	52,952	29,997
Interest income	(1,842)	(29,136)
Loss on valuation of trading securities, net	4,196	1,376
Impairment loss on available-for-sale securities	-	3,192
Provision for loan losses	293,875	354,011
Loss (gain) on foreign currency translations, net	8,764	28,107
Share-based payment expense	27,644	41,960
Accrual for retirement and severance benefits	36,932	37,433
Depreciation and amortization	65,907	57,955
Impairment loss on tangible assets	1,697	12,636
Loss on redemption of finance debentures issued	1,327	1,783
Gain on derivatives, net	(309,191)	(710,094)
Provision for acceptances and guarantees, net	6,457	3,736
Provision for other reserves	17,804	13,286
Gain on disposition of tangible assets, net	(13,296)	(96,210)
Equity in income of equity method accounted investees, net	-	(3,184)
Decrease (increase) in securities, net	(614,034)	1,590,258
Increase in loans, net	(2,984,575)	(3,671,816)
Deferred income tax	(92,339)	(4,376)
Decrease in derivatives, net	559,044	383,903
Decrease (increase) in other assets	(174,117)	126,291
Payment of retirement and severance benefits	(4,165)	(129,423)
Increase (decrease) in other liabilities	221,024	(33,225)
Net cash used in operating activities	<u>(2,573,584)</u>	<u>(1,558,914)</u>
Cash flows from investing activities		
Decrease in due from banks	2,139,324	773,377
Disposition of equity method accounted investments	-	307,156
Acquisition of tangible and intangible assets	(78,200)	(85,053)
Disposition of tangible and intangible assets	82,720	225,028
Increase in guarantee deposits	(6,891)	(46,741)
Decrease (increase) in unsettled exchange credit	(279,799)	946,799
Net cash provided by investing activities	<u>1,857,154</u>	<u>2,120,566</u>
Cash flows from financing activities		
Increase in deposits	4,609,962	1,617,745
Decrease in borrowings	(3,058,479)	(18,303)
Proceeds from financial debentures	3,514,221	2,615,508
Redemption of financial debentures	(3,404,051)	(3,101,987)
Increase (decrease) in borrowings from trust account	28,687	(10,775)
Increase (decrease) in foreign exchange obligation payable	(12,632)	7,724
Decrease in guaranteed deposits received	(78,487)	(90,364)
Increase (decrease) in domestic exchange obligation payable	(59,577)	83,506
Payment of dividend	(350,000)	-
Net cash provided by financing activities	<u>1,189,644</u>	<u>1,103,054</u>
Net increase in cash and cash equivalents	473,214	1,664,706
Cash and cash equivalents at beginning of year	2,537,314	872,608
Cash and cash equivalents at end of year	<u>3,010,528</u>	<u>2,537,314</u>

**CAPITALISATION AND INDEBTEDNESS OF
STANDARD CHARTERED FIRST BANK KOREA LIMITED**

The following table sets out the unaudited capitalisation and indebtedness of SC First Bank on a standalone basis as at 30 June 2011:

	30 June 2011 ⁽¹⁾ <hr/> (U.S.\$ million)
Authorised share capital	
Ordinary shares of KRW5,000 each	262,608,618
Shareholder's equity	
Ordinary shares	1,218
Reserves ⁽²⁾	3,288
Total	<hr/> 4,506 <hr/>
Subordinated loan notes	
7.267% fixed rate step-up due 2034 Hybrid Tier I Security ⁽⁴⁾	300
Floating rate due 2011 Subordinated Term Borrowing ⁽³⁾	28
6.05% fixed rate due 2018 Subordinated Term Bond ⁽³⁾	83
6.08% fixed rate due 2018 Subordinated Term Bond ⁽³⁾	241
7.05% fixed rate due 2019 Subordinated Term Bond ⁽³⁾	278
Total Capitalisation and Indebtedness	<hr/> 5,436 <hr/>

Notes:

1. Commencing on 1 January 2011, SC First Bank maintains its financial books and records and prepares its financial statements in accordance with Korean International Financial Reporting Standards ("Korean IFRS"). Accordingly, these amounts were derived from unaudited separate financial statements as of and for the six-month period ended 30 June 2011 prepared in accordance with Korean IFRS.
2. Reserves: Capital Surplus + Retained Earnings.
3. Liabilities and share capital amounts denominated in Korean Won are translated into U.S. dollars at market exchange rates prevailing at 30 June 2011. The exchange rates used were U.S.\$1 = KRW1078.10.
4. Under the previous Korean GAAP, the security had been classified as a liability. However, the security has been reclassified to an equity instrument effective 1 January 2011 considering its terms and conditions in accordance with Korean IFRS.
5. Save as disclosed in this document, there has been no material change in the authorised and issued share capital and total capitalisation and indebtedness of SC First Bank as set out in the above table since 30 June 2011.

SELECTED FINANCIAL INFORMATION

The following table sets out summary financial information relating to the Group for the five financial years ended 31 December 2010. Except for the total capital resources, dividends per share, net asset value per share, ratios, capital ratios and where otherwise indicated, this information has been extracted without material adjustment from the Group's audited consolidated financial statements for the five years ended 31 December 2010, other than for comparative restatements.

The total capital resources, dividends per share, net asset value per share, ratios and capital ratios for the years ended 31 December 2010, 31 December 2009, 31 December 2008, 31 December 2007 and 31 December 2006 have been extracted from the unaudited "Supplementary Financial Information" section of the Group's annual report for the year ended 31 December 2010.

	<i>2010</i>	<i>2009</i>	<i>2008</i>	<i>2007</i>	<i>2006</i>
	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>
Operating profit before impairment losses and taxation	7,039	7,232	6,357	4,852	3,824
Impairment losses on loans and advances and other credit risk provisions	(883)	(2,000)	(1,321)	(761)	(629)
Other impairment	(76)	(102)	(469)	(57)	(15)
Profit before taxation	6,122	5,151	4,568	4,035	3,178
Profit attributable to shareholders	4,332	3,380	3,241	2,841	2,278
Loans and advances to banks ¹	52,058	50,885	46,583	35,365	19,724
Loans and advances to customers ¹	240,358	198,292	174,178	154,266	139,300
Total assets	516,542	436,653	435,068	329,871	266,102
Deposits by banks ¹	28,551	38,461	31,909	25,880	26,233
Customer accounts ¹	306,992	251,244	234,008	179,760	147,382
Shareholders' equity	38,212	27,340	22,140	20,851	16,853
Total capital resources ²	54,804	44,650	39,681	37,192	30,094
Information per ordinary share					
Basic earnings per share ⁴	196.3c	161.8c	185.1c	169.6c	142.6c
Normalised earning per share ³⁴	197.0c	173.2c	168.5c	166.7c	143.9c
Dividends per share ⁴	69.15c	63.61c	59.36c	57.46c	51.4c
Net asset value per share	1,573.2c	1,281.6c	1,091.9c	1,374.2c	1,208.5c
Tangible net asset value per share	1,274.1c	953.4c	755.0c	921.8c	720.8c
Ratios					
Post-tax return on ordinary shareholders' equity - normalised basis ³	14.1%	14.3%	15.2%	15.6%	16.9%
Basic cost-income ratio	56.2%	52.4%	54.5%	56.2%	55.6%
Cost-income ratio – normalised basis ³	55.9%	51.3%	56.1%	56.0%	55.2%
Capital ratios:					
Tier 1 capital ⁵⁶	14.0%	11.5%	9.9%	8.8%	8.3%
Total capital ⁵⁶	18.4%	16.5%	15.6%	15.2%	14.2%

¹ Excludes amounts held at fair value through profit or loss.

² Shareholders' funds, non-controlling interests and subordinated loan capital.

³ Results on a normalised basis reflect the Group's results, excluding amortisation and impairment of intangible assets, profits and losses of a capital nature, and profits and losses on repurchase of subordinated liabilities.

⁴ Amounts have been restated.

⁵ Unaudited.

⁶ For 2010, 2009, 2008 and 2007, on a Basel II basis, 2006, on a Basel I basis.

The following table sets out summary financial information relating to the Group for the six months ended 30 June 2011, 30 June 2010 and 31 December 2010. Except where otherwise stated, this information has been extracted without material adjustment from the Group's unaudited interim report for the six months ended 30 June 2011 prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU. The summary financial information in the table below should be read in conjunction with such interim report.

	<i>6 months ended 30.06.11 \$million</i>	<i>6 months ended 30.06.10 \$million</i>	<i>6 months ended 31.12.10 \$million</i>
Results			
Operating income.....	8,764	7,924	8,138
Impairment losses on loans and advances and other credit risk provisions.....	(412)	(437)	(446)
Other impairment.....	(72)	(50)	(26)
Profit before taxation.....	3,636	3,116	3,006
Profit attributable to parent company shareholders	2,566	2,148	2,184
Profit attributable to ordinary shareholders*	2,516	2,098	2,133
Balance sheet			
Total assets	567,706	480,827	516,560
Total equity	41,561	30,053	38,865
Total capital base.....	47,034	36,246	45,062
Information per ordinary share.....			
	Cents	Cents	Cents
Earnings per share.....			
– normalised basis**	105.2	101.1	96.0
– basic.....	107.0	99.6	96.8
Dividend per share Post Rights	24.75	22.50	46.65
Net asset value per share	1,667.2	1,358.1	1,573.2
Tangible net asset value per share	1,354.6	1,041.9	1,273.4
Ratios			
	%	%	%
Return on ordinary shareholders' equity - normalised basis**	13.0	14.7	13.4
Cost income ratio - normalised basis**	54.0	54.3	57.9
Capital ratios (Basel II basis):			
Core Tier 1 capital	11.9	9.0	11.8
Tier 1 capital.....	13.9	11.2	14.0
Total capital	17.9	15.5	18.4

* Profit attributable to ordinary shareholders is after the deduction of dividends payable to the holders of the non-cumulative redeemable preference shares.

** Results on a normalised basis reflect the results of SCPLC and its subsidiaries, excluding amortisation and impairment of intangible assets, profits and losses of capital nature, and profits and losses on repurchase of share capital.

The following table sets out summary financial information relating to SCB for the financial years ended 31 December 2010 and 31 December 2009. This information has been extracted without material adjustment from SCB's audited consolidated financial statements for the year ended 31 December 2010 (including comparative figures for the year ended 31 December 2009), each prepared in accordance with IFRS.

	<i>Year ended 31 December</i>	
	<i>2010</i>	<i>2009</i>
	<i>(U.S.\$million)</i>	
Operating profit before impairment losses and taxation.....	7,147	7,282
Impairment losses on loans and advances and other credit risk provisions.....	(883)	(2,000)
Other impairment.....	(76)	(102)
Profit before taxation.....	6,230	5,201
Profit attributable to parent company's shareholders.....	4,116	3,232
Loans and advances to banks ¹	52,057	50,884
Loans and advances to customers ¹	240,358	198,292
Total assets.....	516,263	436,420
Deposits by banks.....	28,551	38,461
Customer accounts.....	306,992	251,244
Total parent company shareholders' equity.....	<u>30,306</u>	<u>24,905</u>
Total capital resources.....	<u>50,778</u>	<u>46,428</u>

1. Excludes amounts held at fair value through profit or loss.

THE GROUP

Set out on pages 92 to 101 of this document is an extract of the Financial Review extracted without material adjustment from the unaudited 2011 Interim Report of the Group for the six months ended 30 June 2011, announced on 3 August 2011.

STANDARD CHARTERED PLC-FINANCIAL REVIEW

Group summary

The Group has delivered another strong performance for the six months ended 30 June 2011 (H1 2011). Operating profit rose 17 per cent. to \$3,636 million.

Operating income increased by \$840 million to \$8,764 million or 11 per cent. over the six months ended 30 June 2010 (H1 2010). Sources of income growth remain well diversified, both by product and by geography.

The normalised earnings per share grew 4.1 per cent. to 105.2 cents and return on equity was 13.0 per cent. on a higher equity base following the rights issue in October 2010.

The normalised cost to income ratio at 54.0 per cent. was lower compared to 54.3 per cent. in H1 2010. We have continued to manage expenses tightly. Over the previous 18 months, we deliberately accelerated investment to position the Group for future growth taking advantage of the capacity afforded by the low levels of loan impairment. In the current period, we have managed expense growth below the level of income growth.

The credit outlook has continued to remain relatively benign in both businesses and most geographies as evidenced by both loss rates and forward looking indicators, although we continue to monitor uncertain market conditions in India and MESA. This coupled with a disciplined and proactive approach to risk has resulted in lower loan impairment provisions offset by an increase in other impairment relating to a bond exposure in India. The Group's overall asset quality remains good. We have no material concentrations and limited exposure to problem asset classes, including no direct sovereign exposure to Portugal, Ireland, Italy, Greece and Spain and immaterial direct exposure to European Economic Area sovereign risk.

We continue to focus on the basics of banking and remain particularly vigilant on capital and liquidity ratios given the evolving regulatory environment. The Group remains strongly capitalised and supported its growth in the first half through organic equity generation. The Core Tier 1 ratio at 30 June 2011 was 11.9 per cent. We remain highly liquid, with strong advances to deposits ratio of 78.1 per cent., slightly higher than the 2010 year end ratio of 77.9 per cent. We have continued to see good growth in both loans to customers and deposits, despite increased competition and some asset margin pressure. The Consumer Banking (CB) business has focused on growing both Term Deposits (TD) and Current and Savings Accounts (CASA). Wholesale Banking (WB) has continued to drive deposits growth through Transaction Banking. The asset profile remains conservative, high quality and short tenor in WB and with a continued bias to secured lending in CB. The Group remains a net lender into the interbank market and has very limited levels of refinancing required over the next few years.

Operating income and profit

	6 months ended 30.06.11	6 months ended 30.06.10	6 months ended 31.12.10	H1 2011 v H1 2010	H1 2011 v H2 2010
	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	%	%
Net interest income	4,941	4,155	4,315	19	15
Fees and commissions income, net.....	2,179	2,148	2,090	1	4
Net trading income.....	1,366	1,351	1,226	1	11
Other operating income	278	270	507	3	(45)
	<u>3,823</u>	<u>3,769</u>	<u>3,823</u>	<u>1</u>	<u>-</u>
Operating income.....	8,764	7,924	8,138	11	8
Operating expenses.....	(4,677)	(4,344)	(4,679)	8	-
Operating profit before impairment losses and taxation	4,087	3,580	3,459	14	18
Impairment losses on loans and advances and other credit risk provisions	(412)	(437)	(446)	(6)	(8)
Other impairment	(72)	(50)	(26)	44	177
Profit from associates	33	23	19	43	74
Profit before taxation.....	<u>3,636</u>	<u>3,116</u>	<u>3,006</u>	<u>17</u>	<u>21</u>

Group performance

Operating income grew to \$8,764 million, up \$840 million over H1 2010. CB income was 15 per cent. higher driven by Wealth Management and Deposits. WB income was 8 per cent. higher than H1 2010 with a 9 per cent. growth in client income on the back of a strong performance in Transaction Banking and Financial Markets. Both businesses continued to be impacted by margin pressures on the asset side although a rise in interest rates in some of the Group's key geographies has helped improve liability margins.

The Group's geographic spread continues to be highly diversified with all geographic segments except India registering positive income growth.

Net interest income grew by \$786 million or 19 per cent. In CB, higher volumes and improved liability margins more than compensated the fall in asset margins. Deposit margins improved, especially on CASA as interest rate increases in several of the Group's markets took effect. WB interest income benefitted from higher volumes across both asset and liability products and improved margins on Cash Management, which helped offset the margin compression on Trade and Lending. The Group net interest margin at 2.3 per cent. was flat compared to H1 2010 but has moved up marginally compared to the six months to 31 December 2010 (H2 2010) reflecting the strong liquidity surplus of the Group.

Non-interest income was up marginally by \$54 million or 1 per cent., to \$3,823 million and comprises net fees and commissions, trading and other operating income. Net fees and commissions income increased by \$31 million or 1 per cent. to \$2,179 million, from higher Wealth Management sales as market sentiment in general improved. Net trading income was marginally higher at \$1,366 million with a strong first quarter but was impacted towards the end of the half year by the Eurozone sovereign concerns. Other operating income primarily comprises gains arising on sales from the investment securities portfolio, aircraft lease income and dividend income. It grew by \$8 million, or 3 per cent., to \$278 million.

Operating expenses increased \$333 million, or 8 per cent., to \$4,677 million driven by staff expenses, which increased by 15 per cent., or \$416 million, new branches (including renovations and relocations) and distribution channels such as ATMs and technology systems, reflecting flow through investment from 2010 and inflation. This was partially offset by general administrative expenses which fell by \$153 million compared to H1 2010 and \$284 million compared to H2 2010. General administrative expenses in 2010 included a \$95 million provision (of which \$50 million was in the first half) for settlements in respect of structured notes. In contrast, H1 2011 benefitted by \$86 million of recoveries on certain other structured note payouts made previously, although this was partially offset by some \$30 million of incremental other one-off expenses. This, coupled with increased saves arising from hedging non-dollar costs in key geographies and the on-going discipline around discretionary spend has resulted in a fall in these expenses. Although the UK bank levy has not been accounted for in H1 2011 as the legislation was not substantively enacted, the jaws (rate of income growth less rate of expense growth) would have been positive even after including the impact of the bank levy.

Pre-provision profit improved \$507 million, or 14 per cent., to \$4,087 million.

Loan impairment was slightly lower by \$25 million, or 6 per cent., at \$412 million. The improved credit environment seen since early 2010 has continued through most part of the half year resulting in lower delinquency trends with consequent lower provisions, both at a specific and portfolio level. CB has witnessed continued improvement in flow rates which were at a historical low on the back of improved fundamentals and proactive credit actions in addition to benefitting from impairment reversals on loan sales. The WB impairment charge continues to be driven by a small number of specific provisions. Other impairment was up predominantly because of a charge against an India bond exposure

Operating profit was up \$520 million, or 17 per cent., to \$3,636 million. CB operating profit registered a 58 per cent. growth crossing the \$1 billion mark for the half year, a first for the business. It now constitutes 28 per cent of the Group's first half operating profit, up from 21 per cent. in the first half in 2010.

The Group's effective tax rate (ETR) at 28.4 per cent. is lower compared to H1 2010 largely as a result of the change in profit mix.

Acquisitions

On 8 April 2011, the Group completed the purchase of GE Money Pte Limited (GE Money Singapore), a unit of General Electric Company's GE Capital arm and a provider of auto and personal loans in Singapore. The effect of the above acquisition was not material to the Group's 2011 performance.

Consumer Banking

The following tables provide an analysis of operating profit by geography for Consumer Banking:

6 months ended 30.06.11

	Asia Pacific				India	Middle East & Other S Asia	Africa	Americas UK & Europe	Consumer Banking Total
	Hong Kong	Singapore	Korea	Other Asia Pacific					
	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>
Operating income.....	642	445	583	797	238	359	202	71	3,337
Operating expenses.....	(341)	(241)	(422)	(478)	(174)	(237)	(131)	(85)	(2,109)
Loan impairment.....	(31)	(14)	(73)	(13)	(20)	(50)	(9)	(1)	(211)
Other impairment.....	—	—	—	—	—	—	(4)	—	(4)
Operating profit/(loss)	<u>270</u>	<u>190</u>	<u>88</u>	<u>306</u>	<u>44</u>	<u>72</u>	<u>58</u>	<u>(15)</u>	<u>1,013</u>

6 months ended 30.06.10

	Asia Pacific				India	Middle East & Other S Asia	Africa	Americas UK & Europe	Consumer Banking Total
	Hong Kong	Singapore	Korea	Other Asia Pacific					
	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>
Operating income.....	523	333	510	704	251	344	183	64	2,912
Operating expenses.....	(351)	(172)	(389)	(486)	(157)	(221)	(121)	(69)	(1,966)
Loan impairment.....	(22)	(15)	(60)	(59)	(41)	(87)	(12)	(3)	(299)
Other impairment.....	—	—	—	—	—	—	(2)	(2)	(4)
Operating profit/(loss)	<u>150</u>	<u>146</u>	<u>61</u>	<u>159</u>	<u>53</u>	<u>36</u>	<u>48</u>	<u>(10)</u>	<u>643</u>

6 months ended 31.12.10

	Asia Pacific				India	Middle East & Other S Asia	Africa	Americas UK & Europe	Consumer Banking Total
	Hong Kong	Singapore	Korea	Other Asia Pacific					
	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>
Operating income.....	593	395	548	774	242	347	198	70	3,167
Operating expenses.....	(370)	(212)	(408)	(599)	(179)	(237)	(133)	(72)	(2,210)
Loan impairment.....	(23)	(18)	(79)	(63)	(15)	(72)	(7)	(2)	(279)
Other impairment.....	—	—	(4)	(1)	—	—	(3)	—	(8)
Operating profit/(loss)	<u>200</u>	<u>165</u>	<u>57</u>	<u>111</u>	<u>48</u>	<u>38</u>	<u>55</u>	<u>(4)</u>	<u>670</u>

An analysis of Consumer Banking income by product is set out below:

	<i>6 months ended 30.06.11</i>	<i>6 months ended 30.06.10</i>	<i>6 months ended 31.12.10</i>
	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>
Operating income by product			
Cards, Personal Loans and Unsecured Lending.....	1,149	988	1,056
Wealth Management.....	657	535	603
Deposits.....	691	571	631
Mortgages and Auto Finance.....	751	733	780
Other.....	89	85	97
Total operating income	<u>3,337</u>	<u>2,912</u>	<u>3,167</u>

CB has continued with its transformation towards a customer focused business model. Operating income was higher by \$425 million, or 15 per cent. at \$3,337 million. On a constant currency basis, income was 11 per cent. higher. Net interest income increased \$252 million, or 13 per cent., to \$2,248 million. Whilst asset and liability volumes increased, this was partially offset by lower asset margins which fell by 33 basis points (bps), particularly in the mortgage book, compared to the first half of 2010. Liability margins rose slightly by 6 bps with improved margins on CASA more than offsetting the fall in TD margins. Non-interest income at \$1,095 million was 17 per cent. higher compared to H1 2010, due to higher Wealth Management product sales. The business continued to focus on liquidity and growing its deposit base through product innovation. All geographic segments saw double-digit growth despite a challenging regulatory environment except India, where income fell, and MESA.

Expenses were up \$143 million or 7 per cent. at \$2,109 million. On a constant currency basis, expenses were up 3 per cent. The growth in expenses, after factoring recoveries on structured notes, was driven primarily by the flow through of investment expenditure made in the latter half of 2010 in new branches and ATMs and the hiring of Relationship Managers (RMs) and front office staff.

Loan impairment was lower by \$88 million, or 29 per cent., at \$211 million. Macro-economic conditions have continued to improve in most of the Group's markets and coupled with proactive credit actions has resulted in lower delinquencies and historically low loss rates. Additionally, CB benefitted \$51 million from impairment reversal on loan sales.

Operating profit increased by \$370 million, or 58 per cent., to \$1,013 million. On a constant currency basis, the increase in operating profits was 53 per cent.

Product performance

Income from Cards, Personal Loans and Unsecured Lending grew by \$161 million, or 16 per cent., to \$1,149 million driven by increased volumes that more than offset margin compression. We selectively increased risk appetite in certain markets on the back of an improved credit climate and historically low loss rates. These were supported through increased marketing and introduction of innovative product features. Volumes also benefitted from acquired assets in Singapore.

Wealth Management income grew 23 per cent. to \$657 million, particularly driven by the sale of structured notes, equities and insurance as investor appetite continued to improve for most part of the half year on the back of relatively better economic indicators and equity market performance. Deposits income was up 21 per cent., to \$691 million as improvement in interest rates in some markets has helped deposit margins, especially CASA, which increased by 16 bps, and has offset the fall in time deposit margins.

Mortgages and Auto Finance has grown marginally with volume growth benefitting from the acquisition of GE Money Singapore but this was partially offset by a fall in margins as competition and interest rates increased in most of the Group's markets. Income grew \$18 million, or 2 per cent., to \$751 million.

The "Others" classification primarily includes SME related trade and transactional income and has remained at similar levels compared to the previous halves.

Geographic performance

Hong Kong

Income was up \$119 million, or 23 per cent., to \$642 million. This was attributable to good volume growth across both asset and liability products with liability margins up year on year although asset margins were under pressure. Investor sentiment continued to improve with Wealth Management income up across a broad range of products and services such as unit trust sales, bank assurance and securities. We continued to gain market share in Credit Cards whilst also driving the SME trade book, where income grew 34 per cent. Liability growth has continued through successful deposit drives, innovative products and services such as the Dual Currency ATM Card and cross border account opening service. This has enabled us to offer a wider range of Renminbi (RMB) products and services. Expenses were \$10 million or 3 per cent. lower at \$341 million. H1 2010 included provisions in respect of regulatory settlements related to Lehman's structured notes. Excluding the impact of those provisions, expenses grew 13 per cent. driven by flow through costs from investment in branches and front office staff in the latter part of 2010 as well as system enhancements. Loan impairment was higher by \$9 million driven by the increase in the portfolio and also a relative shift towards unsecured lending since the latter part of 2010. Operating profit was up \$120 million, or 80 per cent., to \$270 million.

Singapore

Income was up \$112 million, or 34 per cent., to \$445 million. On a constant currency basis income grew 24 per cent. Income from Cards rose strongly as we increased market share and grew balances. Wealth Management income grew 43 per cent. reflecting in part the Group's significant investment in headcount in 2010 and also fairly strong investor sentiment. Deposits benefitted from both volume growth and a slight improvement in margins. Operating expenses increased \$69 million, or 40 per cent., to \$241 million, driven by flow through costs from investment in marketing, new branches and front office staff in the latter part of 2010 in addition to higher staff costs. The increase in expenses on a constant currency basis was 27 per cent. Working profit was up \$43 million, or 27 per cent., at \$204 million. Loan impairment was marginally lower at \$14 million as risk continued to be managed tightly. Operating profit was higher by \$44 million or 30 per cent. at \$190 million. On a constant currency basis operating profit grew 24 per cent.

Korea

Income was up \$73 million, or 14 per cent., to \$583 million. On a constant currency basis, growth was 9 per cent. driven by volume growth in unsecured lending, higher Wealth Management income arising primarily from mutual fund sales and improved deposit margins. Operating expenses were up \$33 million, or 8 per cent., to \$422 million. On a constant currency basis, expenses were 4 per cent. higher as a result of flow through expenditure arising from investments in refurbishing/renovating existing branches and opening of new branches in 2010. Working profit was up 33 per cent. (27 per cent. on a constant currency basis) at \$161 million. Loan impairment was \$13 million, or 22 per cent., higher at \$73 million due to the increase in the portfolio and also a relative shift towards unsecured lending since the latter part of 2010. Operating profit was \$88 million, up \$27 million from \$61 million in H1 2010.

Other Asia Pacific

Income was up \$93 million, or 13 per cent., at \$797 million. Income in China was up 19 per cent. to \$117 million driven by strong volume growth in SME and improved liability margins. Wealth Management income was up with positive investor sentiment that enabled higher sales of mutual funds and longer tenor structured notes. Taiwan saw income fall 6 per cent. to \$211 million. Volume growth in mortgages and personal loans saw income growth that partially offset a fall in Wealth Management income as well as liability and asset margin compression. Income in Malaysia was up 38 per cent. at \$177 million and benefitted from growth in assets primarily SME and Personal Loans. Operating expenses in Other APR were lower by \$8 million at \$478 million, having benefitted from recoveries on payouts made in respect of structured notes in prior years. On an underlying basis, expenses grew due to investments in frontline staff and infrastructure. Expenses in China were up by 14 per cent. at \$141 million. Working profit for the region was up \$101 million, at \$319 million. Loan impairment was down \$46 million, or 78 per cent., to \$13 million. In addition to tight underwriting standards and enhanced collection efforts, asset sales in Malaysia and Taiwan also contributed to the reduction. Other APR delivered an operating profit of \$306 million, up 92 per cent. on H1 2010. The operating loss in China was \$28 million (H1 2010 operating loss of \$29 million) as we continued to invest.

India

Income was down \$13 million, or 5 per cent., at \$238 million. On a constant currency basis, income was lower by 7 per cent. Income has been impacted by rising interest rates in response to high inflation, coupled with higher levels of competition and regulatory changes. This was partially offset by the growth in deposit volumes with a strong focus on payroll accounts supported by an upgrade of internet and mobile banking capabilities. Operating expenses were \$17 million, or 11 per cent. higher at \$174 million. On a constant currency basis, expenses were higher by 8 per cent., driven by investments to support future growth and in franchise building through an increase in front office Relationship Managers, greater brand visibility and infrastructure expansion. Working profit was down \$30 million, or 32 per cent., at \$64 million. Loan impairment was down \$21 million, or 51 per cent., to \$20 million as a result of the strategic shift towards secured lending. Operating profit was lower by \$9 million, or 17 per cent., at \$44 million. On a constant currency basis, operating profit was 18 per cent. lower.

MESA

Income was \$15 million higher at \$359 million. Income in UAE was up 10 per cent. at \$167 million with higher Wealth Management fees from increased structured product sales. While asset and liability volumes grew, this was offset by margin compression. Income in Pakistan was up 5 per cent. driven by strong deposit growth and a slight improvement in margins. Operating expenses in MESA were higher by \$16 million, or 7 per cent., at \$237 million. Expenses in UAE were up by \$6 million, or 6 per cent., as the business continued to invest in frontline staff and realignment of distribution channels. Working profit was broadly flat at \$122 million. Loan impairment was lower at \$50 million, 43 per cent. down from \$87 million in the first half of 2010. The decrease was primarily in the UAE as we continued with the Group's tighter

underwriting criteria and proactive monitoring coupled with a bias to secured lending. Unsecured lending through Personal Loans is all linked to underlying salary accounts thereby offering significant risk mitigation. MESA operating profit of \$72 million doubled compared to H1 2010.

Africa

Income was up \$19 million, or 10 per cent., at \$202 million. On a constant currency basis, income grew 14 per cent. with strong volume growth in Personal Loans and Mortgages and an improved Wealth Management performance helping offset margin pressure on liabilities. Kenya, Nigeria and Botswana continued to be the key contributors. Operating expenses were \$10 million or 8 per cent. higher at \$131 million. On a constant currency basis, expenses were higher by 12 per cent. as a result of investments to strengthen the distribution network. Working profit was \$9 million higher at \$71 million. Loan impairment was lower at \$9 million. Operating profit was up \$10 million, or 21 per cent., at \$58 million. On a constant currency basis operating profit was up 26 per cent.

Americas, UK & Europe

Income grew \$7 million or 11 per cent. from \$64 million to \$71 million. The business in this region is Private Banking in nature and has seen double-digit income growth driven by growth in balance sheet and recovery in margins. A gradual improvement in investor confidence has resulted in an increase in Assets Under Management with resultant income flow. Operating expenses increased \$16 million or 23 per cent., primarily due to the increase in Relationship Managers. The operating loss was \$15 million.

Wholesale Banking

The following tables provide an analysis of operating profit by geography for Wholesale Banking:

6 months ended 30.06.11

	Asia Pacific					Middle East & Other S Asia	Africa	Americas UK & Europe	Wholesale Banking Total
	Hong Kong	Singapore	Korea	Other Asia Pacific	India				
	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>
Operating income.....	889	649	257	951	655	759	476	791	5,427
Operating expenses.....	(343)	(341)	(142)	(474)	(216)	(295)	(236)	(521)	(2,568)
Loan impairment.....	(26)	(17)	(8)	(1)	(52)	(94)	2	(5)	(201)
Other impairment.....	—	(16)	(2)	31	(53)	(13)	(9)	(6)	(68)
Operating profit.....	<u>520</u>	<u>275</u>	<u>105</u>	<u>507</u>	<u>334</u>	<u>357</u>	<u>233</u>	<u>259</u>	<u>2,590</u>

6 months ended 30.06.10

	Asia Pacific					Middle East & Other S Asia	Africa	Americas UK & Europe	Wholesale Banking Total
	Hong Kong	Singapore	Korea	Other Asia Pacific	India				
	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>
Operating income.....	668	580	286	837	760	712	463	706	5,012
Operating expenses.....	(305)	(305)	(129)	(409)	(187)	(294)	(202)	(526)	(2,357)
Loan impairment.....	(3)	(2)	(69)	(30)	(2)	(29)	5	(8)	(138)
Other impairment.....	1	—	—	(1)	—	(25)	(3)	(18)	(46)
Operating profit.....	<u>361</u>	<u>273</u>	<u>88</u>	<u>397</u>	<u>571</u>	<u>364</u>	<u>263</u>	<u>154</u>	<u>2,471</u>

6 months ended 31.12.10

	Asia Pacific					Middle East & Other S Asia	Africa	Americas UK & Europe	Wholesale Banking Total
	Hong Kong	Singapore	Korea	Other Asia Pacific	India				
	\$million	\$million	\$million	\$million	\$million	\$million	\$million	\$million	\$million
Operating income.....	716	430	354	850	771	764	402	680	4,967
Operating expenses.....	(329)	(297)	(154)	(476)	(226)	(243)	(197)	(561)	(2,483)
Loan impairment.....	5	2	(18)	—	(21)	(114)	(10)	(11)	(167)
Other impairment.....	—	(1)	—	—	(3)	(4)	(2)	(8)	(18)
Operating profit.....	392	134	182	374	521	403	193	100	2,299

	6 months ended 30.06.11	6 months ended 30.06.10	6 months ended 31.12.10
	\$million	\$million	\$million
Operating income by product			
Lending and Portfolio Management.....	435	465	403
Transaction Banking			
Trade.....	767	691	776
Cash Management and Custody.....	785	591	712
Global Markets ¹			
Financial Markets.....	1,951	1,711	1,592
Asset and Liability Management ('ALM').....	431	488	424
Corporate Finance.....	912	932	778
Principal Finance.....	146	134	282
Total Global Markets.....	3,440	3,265	3,076
Total operating income.....	5,427	5,012	4,967

	6 months ended 30.06.11	6 months ended 30.06.10	6 months ended 31.12.10
	\$million	\$million	\$million
Financial Markets operating income by desk			
Foreign Exchange.....	769	646	554
Rates.....	450	512	325
Commodities and Equities.....	319	165	246
Capital Markets.....	271	233	308
Credit and Other.....	142	155	159
Total Financial Markets operating income.....	1,951	1,711	1,592

¹ Global Markets comprises the following businesses: Financial Markets (foreign exchange, interest rate and other derivatives, commodities and equities, debt capital markets, syndications); ALM; Corporate Finance (corporate advisory, structured trade finance, structured finance and project and export finance); and Principal Finance (corporate private equity, real estate infrastructure and alternative investments).

Wholesale Banking has continued to sustain client income momentum with income up 9 per cent. in a challenging economic and competitive environment. Client income constituted more than 80 per cent. of WB income and showed a broad-based growth across product lines, client segments and geographies. Total WB income was higher by \$415 million, or 8 per cent., at \$5,427 million. Net interest income was up \$534 million, or 25 per cent., to \$2,693 million with increased asset and deposit balances helping offset lower margins in Trade and Lending. Cash Management margins increased year on year and also on H2 2010. Non-interest income however fell by \$109 million, or 4 per cent., to \$2,728 million.

Corporate Finance income, which has in the past few years seen significant growth, fell fractionally compared to H1 2010 despite an increase in the number of transactions closed. Financial Markets performance improved and delivered a 14 per cent. growth in income with the Foreign Exchange business performing well. Volatility, especially in commodities and foreign exchange in the early part of H1 2011,

presented structuring and hedging opportunities but the uncertainty in Europe in May and June 2011 resulted in reduced activity. ALM, which benefitted in early 2010 from higher yielding assets, saw a fall in income compared to H1 2010 although it was up 2 per cent. compared to the second half of 2010

Operating expenses were up \$211 million, or 9 per cent., to \$2,568 million. The increase was primarily driven by the flow through in staff costs arising from prior year initiatives on resourcing in specialist areas such as sales, trading and financial institutions teams. This has been partially offset by efficiency measures and tighter control on other costs.

Pre-provision profit was up \$204 million, or 8 per cent., to \$2,859 million.

Loan impairment was higher by \$63 million at \$201 million mainly from incremental provisions on existing problem accounts and a higher level of portfolio impairment provision in India reflecting uncertainty in the market. The portfolio remains well diversified and is increasingly well collateralised.

Other impairment at \$68 million was up predominantly because of charges against an Indian bond exposure.

Operating profit increased \$119 million, or 5 per cent., to \$2,590 million and WB remains a significant contributor constituting over 70 per cent. of the Group profits.

Product performance

Lending and Portfolio Management income fell by \$30 million, or 6 per cent., to \$435 million as the increase in lending volumes were offset by margin pressures.

Transaction Banking income was up \$270 million or 21 per cent. at \$1,552 million and was a key driver of the growth in client income. Income from Trade grew by 11 per cent. with a 27 per cent. growth in assets and contingents offsetting a 24 bps drop in margins. The Cash Management business also benefitted as rates began to rise, resulting in a 14 bps improvement in margins which, coupled with a 26 per cent. growth in average balances, enabled a \$194 million or 33 per cent. increase in income to \$785 million.

Global Markets income was up \$175 million, or 5 per cent., at \$3,440 million.

Within Global Markets, the Financial Markets (FM) business continued to be the largest contributor with income at \$1,951 million, up \$240 million or 14 per cent. The FM business primarily comprises sales and trading of exchange and interest rate products and continued to see diversification of income streams with increased contributions from commodity and equity derivatives and capital markets. Around 76 per cent. of FM income continues to be client driven.

The Foreign Exchange business benefitted from strong trade volumes and the continued increase in demand for RMB products. Volumes in the RMB business grew over 70 percent from the year-end as we worked towards offering structured solutions to meet client needs whilst also benefitting from a move to a higher margin business. Interest rate derivative volumes were also up especially towards the end of the first quarter as volatility increased due to the earthquake in Japan. We have also had continued success in the commodities business with on-going growth in volumes, especially in Energy and Precious Metals, as we provided structured solutions for the Group's clients to counter volatile market conditions.

ALM income was \$57 million or 12 per cent. lower at \$431 million but up 2 per cent. over the second half of 2010. This was due to maturities of high yielding positions put on in early 2010, most of which were replaced by lower yielding assets.

Corporate Finance income was marginally down \$20 million to \$912 million as some of the big ticket deals which we had in the previous year did not replicate to the same extent. We have however, continued to diversify this business from a geographic perspective with good deal flow across several of the Group's markets.

Principal Finance income was up \$12 million or 9 per cent. at \$146 million.

Geographic performance

Hong Kong

Income was up \$221 million, or 33 per cent., to \$889 million. This was driven by a broad-based growth across client segments as we continued to leverage on the opportunities arising from RMB internationalisation and widening of the interest differential between Hong Kong and China. Client income was up 39 per cent. on the back of increased Lending and Transaction Banking volumes, benefitting also through business flows from China. In an improving economic climate, we proactively used the Group's surplus liquidity to grow volumes that helped offset the margin compression in both Trade and Lending. Concurrently, liability margins also improved leading to significant growth in Cash Management income on

higher volumes. Corporate Finance benefitted from cross border advisory and structured finance deals and Fixed Income and Commodities business also saw an increase in volumes leveraging on client demand for structured solutions arising from underlying USD/RMB flows. Operating expenses were higher by \$38 million, or 12 per cent., at \$343 million with the increase primarily in staff costs as we continued to enhance the Group's Structuring and Research capabilities. Working profit was up \$183 million, or 50 per cent., to \$546 million. Loan impairment was higher by \$23 million compared to the previous year driven by provisions related to certain Principal Finance investments. Operating profit was up \$159 million, or 44 per cent., at \$520 million.

Singapore

Income grew \$69 million or 12 per cent., to \$649 million. On a constant currency basis, income was up 6 per cent. Client income was up 38 per cent. and benefitted from higher volumes in Trade and Cash Management in addition to improved client flows and large ticket Corporate Finance deals. Own account income was impacted by decreased volatility and tighter margin and lower income from Principal Finance. Operating expenses grew \$36 million, or 12 per cent., to \$341 million. On constant currency expenses grew 2 per cent. due to infrastructural investments and staff costs arising from flow through of previous year investment in specialist teams in areas such as commodities, options and interest rate derivatives. Much of the increase in headcount continued to be on account of Singapore being a regional hub for the business. Working profit was up \$33 million, or 12 per cent., to \$308 million. Impairment was driven by downward marks on certain private equity investments. Operating profit was higher by \$2 million, or 1 per cent., at \$275 million.

Korea

Income fell \$29 million, or 10 per cent., to \$257 million. On a constant currency basis, income was 14 per cent. lower. Client income fell 5 per cent. on a headline basis and 9 per cent. on a constant currency basis due to margin contraction as competition continued to be strong. Own account continued to be impacted by reduced volatility driven by tightened regulatory intervention. Offshore income from Korean corporates expanding activities across the Group's network was broadly flat. Operating expenses were higher by \$13 million, or 10 per cent., at \$142 million. On a constant currency basis, expenses were higher by 5 per cent. Working profit was lower by \$42 million, or 27 per cent., at \$115 million. On a constant currency basis, working profit fell 30 per cent. Loan impairment was significantly lower than H1 2010 at \$8 million as the prior period charge was driven by provisions related to a small number of specific ship building exposures in addition to further provisions on certain problem accounts. Operating profit was consequently higher by \$17 million, or 19 per cent., at \$105 million. On a constant currency basis, operating profit rose 12 per cent.

Other Asia Pacific

Income was up \$114 million, or 14 per cent., at \$951 million. Excluding Philippines, which benefitted in H1 2010 from a large ticket deal, and Malaysia, most major markets in this region saw income growth driven by strong FM flow business. China delivered income growth of 15 per cent. to \$287 million on the back of volume growth and wider Cash Management margins and an improved FX and Rates performance as a more volatile market presented structuring and hedging opportunities. Income in Taiwan was up 19 per cent. to \$70 million driven by Capital Market and Corporate Finance income in addition to higher trade volumes. Malaysia income was down 9 per cent. to \$128 million as margins continued to be impacted across Lending, Trade and Cash Management. The previous year had certain private equity gains, which did not replicate this half year. Operating expenses in Other APR were up \$65 million, or 16 per cent., to \$474 million due to staff and premises costs and flow through from prior year investments. China operating expenses were up 13 per cent. to \$169 million. Working profit across the region was up by 11 per cent. and ended at \$477 million. Loan impairment was down \$29 million from \$30 million in H1 2010. The previous period charge had been largely driven by disputes on certain foreign exchange related transactions. Operating profit was \$110 million, or 28 per cent., higher at \$507 million, of which \$144 million was attributable to China.

India

Income declined \$105 million, or 14 per cent., to \$655 million. On a constant currency basis income fell 15 per cent. Income was impacted by higher levels of competition, soft business sentiment given governance issues in the broader economy, higher interest rates as a response to inflationary concerns and regulatory changes. Capital Markets and Corporate Finance businesses in particular have been impacted by this as has the FM flow business. Cash and Custody business however, saw an increase in volumes and an improvement in margins that helped partially offset the above fall. India continues to leverage on the Group's network capabilities, referring business and deepening client relationships. Offshore client income from the Indian franchise more than doubled to \$185 million in H1 2011, largely driven by Commercial Banking, Financial Markets and Corporate Finance. Operating expenses were up \$29 million or 16 per cent. driven primarily by flow through of prior year investments in the Equities business in addition to higher premises

costs. Working profit was down \$134 million, or 23 per cent., at \$439 million. On a constant currency basis, working profit fell 25 per cent. Loan impairment was higher by \$50 million as we have taken a higher portfolio provision given market uncertainty. Other impairment primarily relates to a bond exposure following credit concerns around the issuer. Operating profit was consequently down \$237 million, or 42 per cent., to \$334 million. On a constant currency basis, operating profit fell 43 per cent.

MESA

Income was up \$47 million, or 7 per cent., to \$759 million with increases in own account offsetting the drop in client income. Client income saw growth in Lending and Trade volumes but was impacted by lower margins. Own account income was driven by strong growth in the commodities business as volatility, especially in the first quarter provided structuring opportunities. Islamic banking income continued to be a key focus area with revenues up 50 per cent. compared to H1 2010. UAE income was up 15 per cent. at \$477 million with the growth in Commodities and Rates business helping offset a fall in client income, which was impacted by margin compression and a reduction of the loan book consequent to certain big ticket repayments. Bangladesh grew income by 40 per cent. driven by a strong growth in FX and trade volumes in addition to a structured deal for power financing. Bahrain continued to see a drop in income as a weaker credit environment impacted risk appetite and business flow. Pakistan income was up on the back of higher trade volumes. Operating expenses were tightly controlled and remained flat at \$295 million. Loan impairment was driven primarily by a few specific provisions and ended at \$94 million. Operating profit declined 2 per cent. at \$357 million.

Africa

Income was up \$13 million, or 3 per cent, to \$476 million. On a constant currency basis, income grew 5 per cent. led by an improved Transaction Banking and Lending performance that helped offset the drop in Corporate Finance. Trade and Lending income increased on the back of growth in volumes and improved margins on Trade, which helped offset the margin compression in Cash and Lending. Corporate Finance which benefitted from landmark deals in prior periods saw a slowdown and coupled with increased competition resulted in a drop in income. Nigeria continues to be a key contributor with growth across most product lines. Botswana and Uganda were the other positive contributors with strong Lending and Trade growth and helped offset the fall in South Africa and Kenya. While South Africa benefitted in H1 2010 from certain landmark Corporate Finance deals which did not replicate in H1 2011, Kenya income in the current year was impacted by a fall in own account income. Operating expenses were up \$34 million, or 17 per cent., to \$236 million. On a constant currency basis expenses were 19 per cent. higher reflecting investments in people and infrastructure as well as the integration costs associated with the Group's acquisition of the Barclays custody business. Operating profit was down \$30 million, or 11 per cent., to \$233 million. On a constant currency basis, operating profit fell 8 per cent.

Americas, UK & Europe

This region continued to support cross border business, both through referrals to the network which were up 13 per cent. and servicing those originated in other geographies. Income was up by \$85 million or 12 per cent. and saw client income growth across Cash and Corporate Finance. Commodities saw good growth and benefitted from the volatility in prices. ALM income, whilst lower than H1 2010, benefitted from the reinvestment of certain matured positions at higher yields. Operating expenses were marginally lower by \$5 million with staff expense increases being offset through other cost efficiencies. Working profit grew \$90 million or 50 per cent. Impairment was negligible resulting in operating profit increasing by 68 per cent. to \$259 million.

STANDARD CHARTERED PLC – GROUP RESULTS FOR FIRST HALF OF 2011

Set out on pages 103 to 107 of this document is the unaudited condensed consolidated interim income statement, statement of comprehensive income, balance sheet, statement of changes in equity and cash flow statement without material adjustment from the 2011 Interim Report for the six months ended 30 June 2011, announced on 3 August 2011.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
For the six months ended 30 June 2011

	<i>6 months ended 30.06.11</i>	<i>6 months ended 30.06.10</i>	<i>6 months ended 31.12.10</i>
	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>
Interest income	7,886	6,462	7,038
Interest expense	(2,945)	(2,307)	(2,723)
Net interest income	4,941	4,155	4,315
Fees and commission income	2,401	2,288	2,268
Fees and commission expense	(222)	(140)	(178)
Net trading income	1,366	1,351	1,226
Other operating income	278	270	507
Non-interest income	3,823	3,769	3,823
Operating income	8,764	7,924	8,138
Staff costs	(3,224)	(2,808)	(2,957)
Premises costs	(422)	(381)	(419)
General administrative expenses	(731)	(884)	(1,015)
Depreciation and amortisation	(300)	(271)	(288)
Operating expenses	(4,677)	(4,344)	(4,679)
Operating profit before impairment losses and taxation	4,087	3,580	3,459
Impairment losses on loans and advances and other credit risk provisions	(412)	(437)	(446)
Other impairment	(72)	(50)	(26)
Profit from associates	33	23	19
Profit before taxation	3,636	3,116	3,006
Taxation	(1,032)	(935)	(773)
Profit for the period	2,604	2,181	2,233
Profit attributable to:			
Non-controlling interests	38	33	49
Parent company shareholders	2,566	2,148	2,184
Profit for the period	2,604	2,181	2,233
	<i>cents</i>	<i>cents</i>	<i>cents</i>
Earnings per share:			
Basic earnings per ordinary share	107.0	99.6 ¹	96.8
Diluted earnings per ordinary share	105.6	98.2 ¹	94.8
Dividends per ordinary share:			
Interim dividend declared	24.75	—	—
Interim dividend paid	—	22.50 ¹	—
Final dividend paid	—	—	46.65
	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>
Total dividend:			
Total interim dividend payable ²	586	—	—
Total interim dividend (paid 5 October 2010)	—	481	—
Total final dividend (paid 11 May 2011)	—	—	1,089

¹ Amounts have been restated.

² Dividend declared/payable represents the interim dividend as declared by the Board of Directors on 3 August 2011 and is expected to be paid on 7 October 2011. This dividend does not represent a liability to the Group at 30 June 2011 and is a non-adjusting event as defined by IAS 10 'Events after the reporting period'

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2011

	<i>6 months ended 30.06.11</i>	<i>6 months ended 30.06.10</i>	<i>6 months ended 31.12.10</i>
	<u><i>\$million</i></u>	<u><i>\$million</i></u>	<u><i>\$million</i></u>
Profit for the period	2,604	2,181	2,233
Other comprehensive income:			
Exchange differences on translation of foreign operations:			
Net gains/(losses) taken to equity	643	(296)	1,138
Net (losses)/gains on net investment hedges	(69)	5	(82)
Reclassified to income statement on change of control	-	-	4
Actuarial losses on retirement benefit obligations	41	(42)	125
Share of other comprehensive income from associates	-	(3)	(2)
Available-for-sale investments:			
Net valuation gains/(losses) taken to equity	77	479	307
Reclassified to income	(60)	(73)	(211)
Cash flow hedges:			
Net (losses)/gains taken to equity	96	(36)	78
Reclassified to income	(53)	36	(19)
Taxation relating to components of other comprehensive income	(47)	(94)	(7)
Other comprehensive income for the period, net of taxation.....	628	(24)	1,331
Total comprehensive income for the period	3,232	2,157	3,564
Total comprehensive income attributable to:			
Non-controlling interests	24	48	64
Parent company shareholders	3,208	2,109	3,500
	<u>3,232</u>	<u>2,157</u>	<u>3,564</u>

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET
As at 30 June 2011

	30.06.11	30.06.10	31.12.10
	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>
Assets			
Cash and balances at central banks	43,689	29,694	32,724
Financial assets held at fair value through profit or loss	27,401	24,287	27,021
Derivative financial instruments	50,834	44,555	47,859
Loans and advances to banks	57,317	49,390	52,058
Loans and advances to customers	262,126	215,005	240,358
Investment securities	81,344	76,787	75,796
Other assets	28,791	24,771	25,356
Current tax assets	227	159	179
Prepayments and accrued income	2,154	4,072	2,127
Interests in associates	857	620	631
Goodwill and intangible assets	7,397	6,513	6,998
Property, plant and equipment	4,714	3,971	4,507
Deferred tax assets	855	1,003	946
Total assets	567,706	480,827	516,560
Liabilities			
Deposits by banks	36,334	31,903	28,551
Customer accounts	333,485	279,089	306,992
Financial liabilities held at fair value through profit or loss	20,326	18,380	20,288
Derivative financial instruments	49,637	43,425	47,133
Debt securities in issue	38,640	33,364	31,381
Other liabilities	25,983	23,716	21,094
Current tax liabilities	1,162	897	981
Accruals and deferred income	3,936	3,572	4,528
Subordinated liabilities and other borrowed funds	16,004	15,555	15,939
Deferred tax liabilities	150	179	183
Provisions for liabilities and charges	176	224	315
Retirement benefit obligations	312	470	310
Total liabilities	526,145	450,774	477,695
Equity			
Share capital	1,190	1,037	1,174
Reserves	39,743	28,421	37,038
Total parent company shareholders' equity	40,933	29,458	38,212
Non-controlling interests	628	595	653
Total equity	41,561	30,053	38,865
Total equity and liabilities	567,706	480,827	516,560

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
For the six months ended 30 June 2011

	Share capital	Share premium account	Capital and capital redemption reserve ¹	Merger reserve	Available- for-sale reserve	Cash flow hedge reserve	Translation reserve	Retained earnings	Parent company shareholders equity	Non- controlling interests	Total
	\$million	\$million	\$million	\$million	\$million	\$million	\$million	\$million	\$million	\$million	\$million
At 1 January 2010	1,013	4,828	18	7,284	(93)	15	(1,185)	15,460	27,340	580	27,920
Profit for the period.....	—	—	—	—	—	—	—	2,148	2,148	33	2,181
Other comprehensive income	—	—	—	—	287	(1)	(288)	(37) ²	(39)	15	(24)
Distributions.....	—	—	—	—	—	—	—	—	—	(32)	(32)
Shares issued, net of expenses.....	15	519	—	—	—	—	—	—	534	—	534
Net own shares adjustment	—	—	—	—	—	—	—	(163)	(163)	—	(163)
Share option expense, net of taxation	—	—	—	—	—	—	—	115	115	—	115
Capitalised on scrip dividend	9	(9)	—	—	—	—	—	—	—	—	—
Dividends, net of scrip.....	—	—	—	—	—	—	—	(477)	(477)	—	(477)
Other decreases.....	—	—	—	—	—	—	—	—	—	(1)	(1)
At 30 June 2010	1,037	5,338	18	7,284	194	14	(1,473)	17,046	29,458	595	30,053
Profit for the period.....	—	—	—	—	—	—	—	2,184	2,184	49	2,233
Other comprehensive income	—	—	—	—	114	43	1,061	98 ²	1,316	15	1,331
Distributions.....	—	—	—	—	—	—	—	—	—	(22)	(22)
Shares issued, net of expenses.....	132	53	—	5,137	—	—	—	—	5,322	—	5,322
Net own shares adjustment	—	—	—	—	—	—	—	28	28	—	28
Share option expense, net of taxation	—	—	—	—	—	—	—	181	181	—	181
Capitalised on scrip dividend	5	(5)	—	—	—	—	—	—	—	—	—
Dividends, net of scrip.....	—	—	—	—	—	—	—	(268)	(268)	—	(268)
Other increases.....	—	—	—	—	—	—	—	(9)	(9)	16	7
At 31 December 2010	1,174	5,386	18	12,421	308	57	(412)	19,260	38,212	653	38,865
Profit for the period.....	—	—	—	—	—	—	—	2,566	2,566	38	2,604
Other comprehensive income	—	—	—	—	4	29	581	28 ²	642	(14)	628
Distributions.....	—	—	—	—	—	—	—	—	—	(45)	(45)
Shares issued, net of expenses.....	4	21	—	—	—	—	—	—	25	—	25
Net own shares adjustment	—	—	—	—	—	—	—	(106)	(106)	—	(106)
Share option expense, net of taxation	—	—	—	—	—	—	—	138	138	—	138
Capitalised on scrip dividend	12	(12)	—	—	—	—	—	—	—	—	—
Dividends, net of scrip.....	—	—	—	—	—	—	—	(544)	(544)	—	(544)
Other decreases.....	—	—	—	—	—	—	—	—	—	(4)	(4)
At 30 June 2011	1,190	5,395	18	12,421	312	86	169	21,342	40,933	628	41,561

¹ Includes capital reserve of \$5 million and capital redemption reserve of \$13 million.

² For the period ended 30 June 2011, comprises actuarial gains, net of taxation and non-controlling interests of \$28 million (30 June 2010: losses of \$(34) million and 31 December 2010: gains of \$100 million) and share of comprehensive losses from associates of \$nil million (30 June 2010: \$(3) million and 31 December 2010: \$(2) million).

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT
For the six months ended 30 June 2011

	<i>6 months ended 30.06.11</i>	<i>6 months ended 30.06.10¹</i>	<i>6 months ended 31.12.10¹</i>
	<i>\$million</i>	<i>\$million</i>	<i>\$million</i>
Cash flows from operating activities			
Profit before taxation.....	3,636	3,116	3,006
Adjustments for:			
Non-cash items included within income statement	982	965	909
Change in operating assets	(31,620)	(57,979)	(24,373)
Change in operating liabilities	33,336	44,849	14,443
Contributions to defined benefit schemes	(17)	(75)	(75)
UK and overseas taxes paid, net of refund	(823)	(798)	(623)
Net cash (used in)/from operating activities	5,494	(9,922)	6,713
Net cash flows from investing activities			
Purchase of property, plant and equipment	(249)	(159)	(211)
Disposal of property, plant and equipment.....	76	121	62
Acquisition of investment in subsidiaries and associates, net of cash acquired	(889)	(228)	(317)
Purchase of investment securities	(63,346)	(56,589)	(57,487)
Disposal and maturity of investment securities	59,490	55,295	61,363
Dividends received from investment in associates.....	5	9	13
Net cash used in investing activities	(4,913)	(1,551)	3,423
Net cash flows from financing activities			
Issue of ordinary and preference share capital, net of expenses	25	534	5,322
Purchase of own shares	(146)	(178)	(4) ²
Exercise of share options through ESOP.....	40	15	32
Interest paid on subordinated liabilities	(538)	(561)	(212)
Gross proceeds from issue of subordinated liabilities	96	750	20
Repayment of subordinated liabilities	(513)	(1,534)	(15)
Interest paid on senior debts	(302)	(569)	(387)
Gross proceeds from issue of senior debts	7,171	6,784	7,069
Repayment of senior debts	(3,244)	(5,094)	(6,052)
Dividends paid to non-controlling interests and preference shareholders, net of scrip	(95)	(82)	(73)
Dividends paid to ordinary shareholders, net of scrip	(494)	(427)	(217)
Net cash (used in)/from financing activities.....	2,000	(362)	5,483
Net (decrease)/increase in cash and cash equivalents.....	2,581	(11,835)	2,193
Cash and cash equivalents at beginning of the period.....	59,734	68,073	56,168
Effect of exchange rate movements on cash and cash equivalents	1,079	(70)	1,373
Cash and cash equivalents at end of the period	63,394	56,168	59,734

1 Amounts have been restated.

2 Net of proceeds from sale of rights by the trusts

The financial information included herein does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for 2010 have been delivered to the Registrar of Companies. The auditors have reported on these accounts; their report was unqualified and did not contain a statement under section 498(2) of the Companies Act 2006 (accounting records or returns inadequate or accounts not agreeing with records and returns) or section 498(3) of the Companies Act 2006 (failure to obtain necessary information and explanation).

TAXATION

United States Internal Revenue Service Circular 230 Notice: To ensure compliance with Internal Revenue Service Circular 230, prospective investors are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this disclosure statement or any document referred to herein is not intended or written to be used, and cannot be used by prospective investors for the purpose of avoiding penalties that may be imposed on them under the United States Internal Revenue Code; (b) such discussion is written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) prospective investors should seek advice based on their particular circumstances from an independent tax advisor.

The comments below are of a general nature based on the Issuers' understanding of current tax law and practice in the United Kingdom, the European Union, Hong Kong and the Republic of Korea, respectively, as at the date of this document and may be subject to change, possibly with retroactive effect. They are not exhaustive. They do not address United States tax consequences because (i) in the event of any offer in reliance upon Rule 144A, an applicable final terms will discuss United States tax consequences to United States holders and (ii) non-United States holders generally will not be subject to United States tax consequences in respect of the Notes. However, a non-United States holder who is (i) engaged in a United States trade or business, (ii) present in the United States for 183 or more days during the taxable year, or (iii) otherwise subject to United States taxation generally, should consult its own tax advisor regarding United States tax consequences. They do not necessarily apply where the income is deemed for tax purposes to be the income of any other person. They relate only to the position of persons who are the absolute beneficial owners of their Notes and Coupons and may not apply to certain classes of persons such as dealers and persons connected with the Issuer, to whom special rules may apply. They relate to the deduction from payments of interest on the Notes for or on the account of tax in the United Kingdom and to certain aspects of Hong Kong tax, the laws of the European Union and the Republic of Korea. Prospective Noteholders who may be unsure of their tax position or who may be subject to tax in any other jurisdiction should consult their own professional advisers.

United Kingdom

Withholding of tax on interest

Interest paid by SCPLC or SCB on Notes which have a maturity date of less than one year from the date of issue (and are not issued under arrangements the effect of which is to render such Notes part of a borrowing with a total term of a year or more) may be paid without withholding or deduction for or on account of United Kingdom income tax.

Yearly interest paid by SCB (but not SCPLC) on Notes which do not conform to any of the definitions of Tier 1, 2 or 3 capital adopted by the Financial Services Authority may be paid without withholding or deduction for or on account of United Kingdom income tax provided that SCB continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 ("ITA") and provided that the interest on the Notes is paid in the ordinary course of business within the meaning of section 878 of ITA, unless HM Revenue & Customs regard the characteristics of the Notes as being primarily attributable to an intention to avoid United Kingdom tax.

Irrespective of whether interest may be paid by SCPLC or SCB without withholding or deduction for or on account of United Kingdom tax in accordance with the previous paragraphs, while Notes are listed on a "recognised stock exchange" within the meaning of section 1005 of ITA (which includes the London Stock Exchange), payments of interest on such Notes may be made without withholding or deduction for or on account of United Kingdom income tax. The Notes will be treated as listed on the London Stock Exchange if they are included in the Official List by the United Kingdom Listing Authority and are admitted to trading on the London Stock Exchange.

Interest on the Notes may also be paid without deduction or withholding for or on account of United Kingdom tax where the Issuer reasonably believes at the time the payment is made that it is an "excepted payment" under section 930 of ITA. A payment is an excepted payment where (a) the person beneficially entitled to the income in respect of which payment is made is (i) a UK resident company; or (ii) a non-UK resident company that carries on a trade in the UK through a permanent establishment and the payment is one that is required to be brought into account for calculating the profits chargeable to corporation tax of the non-UK resident company; or (b) the person to whom payment is made is one of the further classes of bodies or persons, and meets any relevant conditions, set out in sections 935 to 937 of ITA, provided that HM Revenue & Customs has not given a direction that the interest should be paid under deduction of tax in circumstances where it has reasonable grounds to believe that the payment will not be an excepted payment of interest at the time the payment is made.

In all other cases yearly interest on Notes will generally be paid under deduction of income tax at the basic rate (currently 20 per cent.). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, the Noteholder can apply to HM Revenue & Customs to issue a notice to the Issuer to pay interest to the Noteholder without any withholding or deduction for or on account of tax (or for interest to be paid with tax withheld or deducted at the rate provided for in the relevant double tax treaty).

Noteholders should note that any persons in the United Kingdom paying interest to, or receiving interest on behalf of, another person who is an individual, may be required to provide certain information to HM Revenue & Customs (including the name and address of the beneficial owner of the interest and the amount of interest paid or received). HM Revenue & Customs also has the power to obtain information from any person in the United Kingdom who either pays amounts payable on the redemption of Notes which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005 to or receives such amounts for the benefit of an individual. Such information may include the name and address of the beneficial owner and the amount payable on redemption. Any information obtained by HM Revenue & Customs under the powers referred to in this paragraph may, in certain circumstances, be exchanged by HM Revenue & Customs with tax authorities in certain other jurisdictions. However, in relation to amounts payable on the redemption of deeply discounted securities, HM Revenue & Customs' published practice indicates that HM Revenue & Customs will not exercise its power to obtain information where such amounts are paid or received on or before 5 April 2012.

If Notes are issued at a discount to their principal amount the discount element on any such Notes will not be subject to any withholding or deduction for or on account of United Kingdom tax pursuant to the provisions mentioned above, provided that any payments on redemption in respect of the discount do not constitute payments in respect of interest. They may, however, be subject to reporting requirements as outlined in the above paragraph.

Where Notes are issued with a redemption premium, as opposed to being issued at a discount, then any such element of premium when the Notes are redeemed may constitute a payment of interest. Payments of interest are subject to United Kingdom withholding tax as outlined above.

The references to "interest" and "principal" above mean "interest" and "principal" as understood in United Kingdom tax law. The statements above do not take account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation.

EC Directive on the Taxation of Savings Income

Directive 2003/48/EC provides for the tax authorities of the Member States to provide each other with details of payments of interest and other similar income paid by a person within its jurisdiction to or for the benefit of an individual resident, or to certain other persons established in another Member State but permits certain Member States instead to impose a withholding tax on the payments concerned for a "transitional period" (although it also provides that no such withholding tax should be levied where the beneficial owner of the payment authorises an exchange of information and/or where the beneficial owner presents a certificate from the tax authority of the Member State in which the beneficial owner is resident) unless during such period they elect otherwise. The European Commission has proposed certain amendments to the Directive which may, if implemented, amend or broaden the scope of the requirements described above. The Directive does not preclude Member States from levying other types of withholding tax.

Hong Kong

1. Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

2. Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

(i) interest on the Notes is derived from Hong Kong and is received by or accrues to a company carrying on a trade, profession or business in Hong Kong; or

(ii) interest on the Notes is derived from Hong Kong and is received by or accrues to a person, other than a company, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or

(iii) interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong) and arises through or from the carrying on by the financial institution of its business in Hong Kong.

Pursuant to the Exemption from Profits Tax (Interest Income) Order, interest income accruing to a person other than a financial institution on deposits (denominated in any currency and whether or not the deposit is evidenced by a certificate of deposit) placed with, *inter alia*, a financial institution in Hong Kong (within the meaning of section 2 of the Banking Ordinance (Cap. 155) of Hong Kong) are exempt from the payment of Hong Kong profits tax. Provided no prospectus with respect to the issue of Notes is registered under the Companies Ordinance, the issue of Notes by SCBHK is expected to constitute a deposit to which the above exemption from payment will apply.

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal and redemption of Notes will be subject to profits tax.

Sums derived from the sale, disposal or redemption of Notes will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source. The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed.

3. Stamp Duty

Stamp duty will not be payable on the issue of Bearer Notes by SCBHK, or on the issue in Hong Kong of Bearer Notes by SCPLC or SCB, provided (in either case) either:

(i) such Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or

(ii) such Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong).

If stamp duty is payable it is payable by the relevant Issuer on the issue of Bearer Notes at a rate of 3 per cent. of the market value of the Notes at the time of issue.

No stamp duty will be payable on any subsequent transfer of Bearer Notes.

No stamp duty is payable on the issue of Registered Notes.

Stamp duty may be payable on any transfer of Registered Notes issued by SCBHK or, if the relevant transfer is required to be registered in Hong Kong, by SCPLC or SCB. Stamp duty will, however, not be payable on any transfers of Registered Notes, issued by any of SCBHK, SCPLC or SCB, provided that either:

(i) the Registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or

(ii) the Registered Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong).

If stamp duty is payable in respect of the transfer of Registered Notes it will be payable at the rate of 0.2 per cent. (of which 0.1 per cent. is payable by the seller and 0.1 per cent. is payable by the purchaser) normally by reference to the consideration or its value. If, in the case of either the sale or purchase of such Registered Notes, stamp duty is not paid, both the seller and the purchaser may be liable jointly and severally to pay any unpaid stamp duty and also any penalties for late payment. If stamp duty is not paid on or before the due date (two days after the sale or purchase if effected in Hong Kong or 30 days if effected elsewhere) a penalty of up to 10 times the duty payable may be imposed. In addition, stamp duty is payable at the fixed rate of HK\$5.00 on each instrument of transfer executed in relation to any transfer of the Registered Notes if the relevant transfer is required to be registered in Hong Kong.

The Republic of Korea

The taxation in the Republic of Korea of non-Korean tax resident individuals and non-Korean tax resident corporations ("Non-Residents") depends on whether they have a "permanent establishment" (as defined under Korean law and any applicable double tax treaty) in the Republic of Korea to which the relevant Korean source income is attributable or with which such income is effectively connected. Non-Residents without a permanent establishment in the Republic of Korea are taxed in the manner described below. Non-

Residents with permanent establishments in the Republic of Korea are taxed in accordance with different rules which are also described below.

1. Tax on Interest

Under the Tax Exemption and Limitation Law ("TELL"), interest on the foreign currency denominated Notes paid by SC First Bank to Non-Residents is generally exempt from Korean income tax and corporation tax (whether payable by withholding or otherwise). However, as the Korean tax law differentiates the bond from a specific type of note terms as Euh-Um under the Korean Commercial Code, the requirements for tax exemption are slightly different depending on how the Notes are issued. In cases where the Notes are issued in a form of a foreign currency denominated Euh-Um ("FX Euh-Um"), interest on FX Euh-Um is exempt from Korean income tax and corporation tax only if FX Euh-Um is deemed to be issued outside of Korea. On the other hand, if the Notes are issued in a form of foreign currency denominated bond ("FX bond"), interest on the FX bond is exempt from Korean income tax and corporation tax regardless of whether FX bond is issued outside of Korea. However, the Korean tax authorities recently announce the plan that the tax exemption shall not be applicable to the interest on a FX bond issued in Korea on or after 1 January 2012.

If the above tax exemption under the TELL were to cease to be in effect, the rate of income tax or corporation tax applicable to interest on the Notes, for a Non-Resident without a permanent establishment in Korea, would be 14 per cent. of income. In addition, a tax surcharge called a local income tax would be imposed at the rate of 10 per cent. of the income tax or corporation tax (raising the total tax rate to 15.4 per cent.). The tax rates may be reduced by an applicable tax treaty, convention or agreement between Korea and the country of the recipient of the income. Interest on the Notes paid by SC First Bank to Korean tax resident corporations is subject to Korean corporation tax. SC First Bank or its agent should withhold tax on such interest at the rate of 14 per cent. When a Korean tax resident corporation files its corporate tax return, it can deduct this withholding tax from tax payable as prepaid tax (interest is taxed at the rate of either 11 per cent. or 24.2 per cent. as described below).

Please note that under the current Korean tax law, the corporate tax rate is scheduled to be reduced to 22 per cent from 24.2 per cent. for the tax base exceeding KRW 200million for 2012 and thereafter. However, the Korean tax authorities recently announced the plan to withdraw the scheduled reduction of the corporate tax rate for the tax base exceeding KRW 200 million and the creation of a middle income bracket for the tax base from KRW 200 million up to KRW 50 billion for which a 22 per cent tax rate will be applicable.

2. Tax on Capital Gains

Although capital gains earned by (i) Non-Residents which have a permanent establishment in the Republic of Korea and (ii) Non-Residents which do not have a permanent establishment in the Republic of Korea, in each case, from the transfer of the Notes to a (a) Korean tax resident corporation, (b) Korean tax resident individual or (c) permanent establishment of a non-Korean tax-resident individual or non-Korean tax resident company will be regarded as Korean source income, such capital gains will be exempt from Korean income taxation by virtue of the TELL, provided that (i) the issuance of the Notes is deemed to be an overseas issuance under the TELL, which is expected to be the case for this offering and (ii) the transfer of the Notes takes place outside of the Republic of Korea.

If the exemption from Korean taxation were to cease to be in effect, in the absence of an applicable tax treaty eliminating tax on capital gains, the applicable rate of tax would be the lower of 11 per cent. of the gross realisation proceeds and (subject to the production of satisfactory evidence of the acquisition cost and certain direct transaction costs of the relevant Note) 22 per cent. of the realised gain (i.e., the excess of the gross realisation proceeds over the acquisition cost and certain direct transaction costs) made. If such evidence shows that no gain (or a loss) was made on the sale, no Korean tax is payable.

Korean tax resident corporations should include capital gains earned from the sale of Notes in their ordinary business income and pay Korean corporation tax at the rate of 11 per cent. or 24.2 per cent. (the higher tax rate applies in the case of a tax base over KRW200 million).

Please note that under the current Korean tax law, the corporate tax rate is scheduled to be reduced to 22 per cent. from 24.2 per cent. for the tax base exceeding KRW 200 million for 2012 and thereafter. However, the Korean tax authorities recently announced the plan to withdraw the scheduled reduction of the corporate tax rate for the tax base exceeding KRW 200 million and the creation of a middle income bracket for the tax base from KRW 200 million up to KRW 50 billion for which a 22 per cent tax rate will be applicable.

3. Stamp Duty and Securities Transaction Tax

No stamp, issue or registration duties will be payable in the Republic of Korea by the Noteholders in connection with the issue of the Notes unless executed in Korea. No securities transaction tax will be imposed upon any transfer of the Notes.

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in an Amended and Restated Programme Agreement dated 11 November 2011 (as further amended and/or supplemented, the "Programme Agreement"), between, *inter alios*, the Issuers, the Permanent Dealers and the Arrangers, the Notes will be offered on a continuous basis by each Issuer to the Permanent Dealers. However, each Issuer has reserved the right to issue Notes directly on its own behalf to Dealers that are not Permanent Dealers and who agree to be bound by the restrictions below. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold outside the United States by each Issuer through the Dealers, acting as agents of such Issuer. The Programme Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

Each Issuer will pay each relevant Dealer a commission as agreed between such Issuer and the Dealer in respect of Notes subscribed by it. The Issuers have agreed to reimburse the Arrangers for certain of their expenses incurred in connection with the establishment and update of the Programme, and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

Each Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Programme Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the relevant Issuer.

United States

The Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Notes in bearer form having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

In connection with any Notes which are offered or sold outside the United States in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S ("Regulation S Notes"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, except as permitted by the Programme Agreement, that it will not offer, sell or, in the case of Notes in bearer form, deliver the Notes of any identifiable Tranche (other than Registered Notes offered or sold in accordance with Rule 144A), (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of an identifiable tranche of which such Notes are a part (the "Distribution Compliance Period") as determined, and certified to each relevant Dealer, by the Issuing and Paying Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons and, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer, or person receiving a selling concession, fee or other remuneration to which it sells Notes during the Distribution Compliance Period (other than resales of Registered Notes pursuant to Rule 144A) a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for, the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. The Programme Agreement provides that the Dealers may directly or through their respective agents or affiliates which are U.S. registered broker-dealers arrange for the offer and resale of Registered Notes in the United States only to QIBs in accordance with Rule 144A.

In addition, until 40 days after the commencement of the offering of any identifiable Tranche of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering of such Tranche of Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

This document has been prepared by the Issuers for use in connection with the offer and sale of the Notes outside the United States to non-U.S. persons, the offer, sale and resale of Registered Notes in the United States to QIBs in reliance upon Rule 144A and for the admission of Notes to the Official List and to trading on the London Stock Exchange or the listing of the Notes on the Hong Kong Stock Exchange. The relevant Issuer and the Dealers reserve the right to reject any offer to purchase, in whole or in part, for any reason, or

to sell less than the number of Notes which may be offered. This document does not constitute an offer to any person in the United States or to any U.S. person other than any QIB to whom an offer has been made directly by one of the Dealers or a U.S. broker-dealer affiliate of one of the Dealers. Distribution of this document by any non-U.S. person outside the United States or by any QIB in the United States to any U.S. person or to any other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB with respect thereto, is unauthorised and any disclosure without the prior written consent of the relevant Issuer of any of its contents to any such U.S. person or other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB, is prohibited. It is not currently anticipated that SCBHK or SC First Bank would offer or sell any Notes in reliance on Rule 144A.

Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the relevant Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression **an offer of Notes to the public** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

United Kingdom

Each Dealer has represented and agreed that:

- (i) in relation to any Notes to be issued by SCPLC, SCBHK or SC First Bank which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by SCPLC, SCBHK or SC First Bank;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section

21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not or, in the case of SCB would not, if it was not an authorised person, apply to the Issuers; and

(iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

Hong Kong

Each Dealer has represented and agreed that (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”)) other than (a) to “professional investors” as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

PRC

Each Dealer has represented and agreed that the offer of the Notes is not an offer of securities within the meaning of the securities laws and regulations of the PRC and the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (which, for such purposes, shall not include the Hong Kong and Macau Special Administrative Regions or Taiwan), except as otherwise permitted by the securities laws and regulations of the PRC.

Japan

Each Dealer has acknowledged that the Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the “Financial Instruments and Exchange Act”). Accordingly, each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other applicable laws and regulations and guidelines of Japan.

France

Each of the Dealers and the relevant Issuer has represented and agreed that:

(i) Offer to the public in France

It has only made and will only make an offer of Notes to the public in France in the period beginning on the date of notification to the *Autorité des marchés financiers* (the “AMF”) of approval of the prospectus in relation to those Notes, by the competent authority of a Member State of the European Economic Area, other than the AMF, which has implemented the EU Prospectus Directive 2003/71/EC, all in accordance with articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF and ending at the latest on the date which is 12 months after the date of the approval of the Prospectus; or

(ii) Private placement in France

It has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties and/or (b) qualified investors (*investisseurs qualifiés*), all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*.

This Prospectus has not been submitted to the clearance procedures of the AMF.

The Netherlands

The Notes issued by SCBHK or SC First Bank (or any interest therein) may not, directly or indirectly, be offered, sold, pledged, delivered or transferred in the Netherlands, at any time, and neither this prospectus nor any other document in relation to any offering of the Notes (or any interest therein) may be distributed or circulated in the Netherlands, other than to professional market parties (“PMPs”) within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (which includes, *inter alia*, qualified investors as defined in the Prospectus Directive such as banks, insurance companies, securities firms, collective investment undertakings and pension funds), provided that these parties acquire the relevant Notes for their own account or that of another PMP. This restriction does not apply in respect of Notes having a denomination of at least €50,000 (or equivalent thereof in foreign currency) or after the Amendment Decree Financial Markets 2012 (*Wijzigingsbesluit financiële markten 2012*) has entered into force, €100,000 (or equivalent thereof in foreign currency).

Singapore

Each Dealer has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore (the “MAS”). Accordingly, each Dealer has represented and agreed that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Note:

This Prospectus has not been registered as a prospectus with the MAS. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under section 274 of the SFA, (ii) to a relevant person pursuant to section 275(1), or any person pursuant to section 275(1A), and in accordance with the conditions specified in section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law; or

(4) as specified in Section 276(7) of the SFA.

Republic of Korea

Each Dealer has acknowledged that the Notes have not been, and will not be, registered with the Financial Services Commission of Korea under the Financial Investment Services and Capital Markets Act of Korea. Accordingly, the Notes may not be offered, sold, pledged or otherwise transferred in Korea or to, or for the account or benefit of, any resident of Korea (as defined in the Foreign Exchange Transaction Act and the Foreign Exchange Transaction Regulation of Korea), or to others for re-offering or resale, directly or indirectly, in Korea or to, or for the account or benefit of, any resident of Korea for a period of one year from

the date of issue of the Notes, except as otherwise permitted by applicable Korean law and regulations, including the Financial Investment Services and Capital Markets Act, the Foreign Exchange Transaction Act and the decrees and regulations thereunder.

General

These selling restrictions may be modified by the agreement of any Issuer and the Dealers, following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this document.

Other than in the United Kingdom in relation to Notes to be issued by SCPLC or SCB and listed on the Official List and admitted to trading on the Market, no action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this document or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge and belief, comply with all relevant securities laws and regulations in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this document or any other offering material, in all cases at its own expense.

FORM OF FINAL TERMS

Set out below is the Form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

**STANDARD CHARTERED PLC,
STANDARD CHARTERED BANK,
STANDARD CHARTERED BANK
(HONG KONG) LIMITED**

and

**STANDARD CHARTERED FIRST BANK
KOREA LIMITED**

U.S.\$42,500,000,000

Debt Issuance Programme

[Brief Description and Amount of Notes]

Issued by

**[Standard Chartered PLC/
Standard Chartered Bank/
Standard Chartered Bank (Hong Kong) Limited/
Standard Chartered First Bank Korea Limited]**

[Publicity Name(s) of Dealer(s)]

The date of the Final Terms is [●].

APPLICABLE FINAL TERMS FOR (1) ISSUES BY SCPLC, SCB OR SCBHK WITH A DENOMINATION OF LESS THAN €100,000 (OR EQUIVALENT) TO BE ADMITTED TO TRADING ON AN EEA REGULATED MARKET AND/OR OFFERED TO THE PUBLIC ON A NON-EXEMPT BASIS IN THE EUROPEAN ECONOMIC AREA (2) ISSUES BY SCPLC, SCB OR SCBHK WITH A DENOMINATION OF LESS THAN €50,000 (OR EQUIVALENT) TO BE LISTED ON THE STOCK EXCHANGE OF HONG KONG AND (3) ISSUES BY SC FIRST BANK WITH A DENOMINATION OF LESS THAN €50,000 (OR EQUIVALENT) TO BE LISTED ON THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED.

[The Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (Directive 2003/71/EC) (each a “Relevant Member State”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in the relevant Member State, from the requirement to publish a prospectus for offer of the Notes. Accordingly, any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 38 of Part A below, provided such person is one of the persons mentioned in Paragraph 38 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances]¹.

[The Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a “Relevant Member State”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances]².

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (the “Securities Act”) or with any securities regulatory authority of any State or other jurisdiction of the United States. The Notes may include notes issued in bearer form (“Bearer Notes”) or in bearer form exchangeable for notes in registered form (“Exchangeable Bearer Notes”) that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered or sold or, in the case of Bearer Notes or Exchangeable Bearer Notes, delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S (“Regulation S”) under the Securities Act).

Notes in registered form (“Registered Notes”) may be offered and sold (i) in the United States or to U.S. persons in reliance on Rule 144A under the Securities Act (“Rule 144A”) only to qualified institutional buyers (“QIBs”) as defined in Rule 144A and (ii) outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act. It is not currently anticipated that SCBHK or SC First Bank would offer or sell any Notes in reliance on Rule 144A.

The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, or any securities regulatory authority of any State or other jurisdiction of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Notes or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

1 Include this legend where a non-exempt offer of Notes is anticipated.

2 Include this legend where only an exempt offer of Notes is anticipated.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 11 November 2011 [and the supplemental Prospectus dated [●]]¹ which [together] constitute[s] (with the exception of certain sections) a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes the final terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. [The Prospectus [and the supplemental Prospectus] [is] [are] available for viewing at [address] [and] [website] and copies may be obtained from [address].]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date. [NON-LONDON LISTED]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) contained in the Trust Deed dated [original date] and set forth in the Prospectus dated [original date]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”) and must be read in conjunction with the Prospectus dated 11 November 2011 [and the supplemental Prospectus dated [●]], which [together] constitute[s] (with the exception of certain sections) a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Prospectus dated [original date] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of the Conditions, these Final Terms and the Prospectus dated [current date] [and the supplemental Prospectuses dated [●] and [●]]. [The Prospectus [and the supplemental Prospectuses] are available for viewing at [address] [and] [website] and copies may be obtained from [address].]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date. [LONDON LISTED]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) contained in the Trust Deed dated [original date] and set forth in the Prospectus dated [original date] and incorporated by reference into the Prospectus dated 11 November 2011 and which are attached hereto. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”) and must be read in conjunction with the Prospectus dated [current date] [and the supplemental Prospectus dated [●]], which [together] constitute[s] (with the exception of certain sections) a base prospectus for the purposes of the Prospectus Directive. [The Prospectuses [and the supplemental Prospectus] are available for viewing at [address] [and] [website] [and copies may be obtained from [address]].]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs.

Italics denote guidance for completing the Final Terms.]

[When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]

1. Issuer: [Standard Chartered PLC/Standard Chartered Bank/Standard Chartered Bank (Hong Kong) Limited/Standard Chartered First Bank Korea Limited]
2. (i) Series Number: [●]
(ii) Tranche Number: [●]

(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).
3. Currency or Currencies: [●]

4. Aggregate Nominal Amount: [●]
- (i) Series: [●]
- (ii) [Tranche: [●]]
5. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (if applicable)]
6. Denominations: [●]
- (N.B. If an issue of Notes is (i) NOT admitted to trading on a regulated market within the European Economic Area and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive, the €1,000 minimum denomination is not required.)*
- (N.B. Following the entry into force of the 2010 PD Amending Directive on 31 December, 2010, Notes to be admitted to trading on a regulated market within the European Economic Area with a maturity date which will fall after the implementation date of the 2010 PD Amending Directive in the relevant European Economic Area Member State (which is due to be no later than 1 July 2012) must have a minimum denomination of €100,000 (or equivalent) in order to benefit from Transparency Directive exemptions in respect of wholesale securities. Similarly, Notes issued after the implementation of the 2010 PD Amending Directive in a Member State must have a minimum denomination of €100,000 (or equivalent) in order to benefit from the wholesale exemption set out in Article 3.2(d) of the Prospectus Directive in that Member State.)*
7. Calculation Amount: [●]
8. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [●]
9. Maturity Date: *[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]²*
10. Interest Basis: [[●] % Fixed Rate]
- [specify reference rate] [●] % Floating Rate]*
 [Zero Coupon]
 [Index Linked Interest]
 [Other (specify)]
 (further particulars specified below)
11. Redemption/Payment Basis: [Redemption at par]
 [Index Linked Redemption]
 [Dual Currency]
 [Partly Paid]
 [Instalment]
 [Other (specify)]
12. Change of Interest or Redemption/Payment *[Specify details of any provision for convertibility]*

- Basis: *of Notes into another interest or redemption/ payment basis]*
13. Put/Call Options: [Investor Put]
[Issuer Call]
[(further particulars specified below)]
14. (i) Status of the Notes: [Senior//Dated/Lower/ Subordinated/[Term]]³
[●] [and [●], respectively]]
(N.B. Only relevant where Court/Board (or similar) authorisation is required for the particular tranche of Notes)
- (ii) [Date [Court/Board] approval for issuance of Notes obtained:
15. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [specify Business Day Convention and any applicable relevant Financial Centre(s) for the definition of "Business Day"]/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount
- (iv) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
- (v) Day Count Fraction (Condition 4(i)): [●]
(Day count fraction should be Actual/Actual-ICMA for all fixed rate issues other than those denominated in U.S. dollars or Hong Kong dollars, unless otherwise requested)
- (vi) Determination Dates: [●] in each year
*(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)*⁴
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]
- (viii) Relevant Currency [Not Applicable/give details]
17. **Floating Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Interest Period(s): [●]
- (ii) Specified Interest Payment Dates: [●]
- (iii) First Interest Payment Date: [●]

- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (v) Relevant Financial Centre(s) (Condition 4(i)): [●]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Page/ other (*give details*)]
- (vii) Interest Period Date(s): [Not Applicable/*specify dates*]
- (viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [●]
- (ix) Page (Condition 4(c)(i)):
- Relevant Time: [●]
 - Interest Determination Date: [●]
 - Primary Source for Floating Rate: [Specify relevant screen page or “Reference Banks”]
 - Reference Banks (if Primary Source is “Reference Banks”): [Specify four]
 - Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not London]
 - Benchmark: [LIBOR, LIBID, LIMEAN, EURIBOR, HIBOR or other benchmark]
 - Representative Amount: [Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount]
 - Effective Date: [Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]
 - Specified Duration: [Specify period for quotation if not duration of Interest Accrual Period]
- (x) Margin(s): [+/-][●] per cent. per annum
- (xi) Minimum Rate of Interest: [●] per cent. per annum
- (xii) Maximum Rate of Interest: [●] per cent. per annum
- (xiii) Day Count Fraction (Condition 4(i)): [●]
- (xiv) Rate Multiplier: [●]
- (xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [●]

18. Zero Coupon Note Provisions

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Amortisation Yield (Condition 5(b)): [●] per cent. per annum
- (ii) Day Count Fraction (Condition 4(i)): [●]
- (iii) Any other formula/basis of determining amount payable: [●]
- (iv) Relevant Currency [Not Applicable/*give details*]

19. Index-Linked Interest Note Provisions

[Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Index/Formula/other variable: [*give or annex details*]
- (ii) Calculation Agent responsible for calculating the interest due: [●]
- (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: [●]
- (iv) Interest Determination Date(s): [●]
- (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
- (vi) Interest or Calculation Period(s): [●]
- (vii) Interest Payment Dates: [●]
- (viii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (ix) Relevant Financial Centre(s) (Condition 4(i)): [●]
- (x) Minimum Rate of Interest: [●] per cent. per annum
- (xi) Maximum Rate of Interest: [●] per cent. per annum
- (xii) Day Count Fraction (Condition 4(i)): [●]

20. Dual Currency Note Provisions

[Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Rate of Exchange/Method of calculating Rate of Exchange: [*give details*]
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due: [●]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]

- (iv) Person at whose option Currency(ies) is/are payable: [•]
- (v) Day Count Fraction (Condition 4(i)): [•]
- (vi) Relevant Currency [Not Applicable/*give details*]

PROVISIONS RELATING TO REDEMPTION

- 21. Call Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [•]
 - (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [•] per Calculation Amount
 - (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: [•] per Calculation Amount
 - (b) Maximum Redemption Amount: [•] per Calculation Amount
 - (iv) Notice period:⁵ [•]
- 22. Regulatory Capital Call** [Applicable/Not Applicable]
- 23. Put Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [•]
 - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount
 - (iii) Option Exercise Date(s): [•]
 - (iv) Description of any other Noteholders' option: [•]
 - (v) Notice period:⁵ [•]
- 24. Final Redemption Amount of each Note** [[•] per Calculation Amount/other/see Appendix]
- In cases where the Final Redemption Amount is Index-Linked or other variable-linked:
- (i) Index/Formula/variable: [*give or annex details*]
 - (ii) Calculation Agent responsible for calculating the Final Redemption Amount: [•]
 - (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [•]
 - (iv) Determination Date(s): [•]

- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
- (vi) Payment Date: [●]
- (vii) Minimum Final Redemption Amount: [●] per Calculation Amount
- (viii) Maximum Final Redemption Amount: [●] per Calculation Amount

25. Early Redemption Amount

- (i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): [●]
- (ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates (Condition 5(c)): [Yes/No]
- (iii) Unmatured Coupons to become void upon early redemption (Bearer Notes only) (Condition 6(f)): [Yes/No/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 26. Form of Notes:** [Bearer Notes/Exchangeable Bearer Notes/Registered Notes]
 [Delete as appropriate]
- [temporary Global Note/Certificate exchangeable for a permanent Global Note/ Certificate which is exchangeable for Definitive Notes/Certificates on [●] days' notice/at any time/in the limited circumstances specified in the permanent Global Note/Certificate]
- [temporary Global Note/Certificate exchangeable for Definitive Notes/Certificates on [●] days' notice]
- [permanent Global Note/Certificate exchangeable for Definitive Notes/Certificates on [●] days' notice/at any time/in the limited circumstances specified in the permanent Global Note/Certificate]
- [Registered Notes
 Unrestricted Global Certificates ([●] insert currency and aggregate nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]] [Restricted Global Certificate ([●] insert currency and aggregate nominal amount) registered in the name of a nominee for [OTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]]
- (The exchange upon notice/at any time options should not be*

expressed to be applicable if the specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: “[€50,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000]”.

- 27 New Global Note:**⁶ [Yes]/[No]
- 28.** Business Day Jurisdiction(s) (Condition 6(h)) or other special provisions relating to Payment Dates: [Not Applicable/give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 17(v) and 19(x) relate]
- 29.** Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
- 30.** Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made [and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment]: [Not Applicable/give details]
- 31.** Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not Applicable/give details]
- (i) Instalment Amount(s): [•]
- (ii) Instalment Date(s): [•]
- (ii) Minimum Instalment Amount: [•]
- (iv) Maximum Instalment Amount: [•]
- 32.** Redenomination, renominisation and reconventioning provisions: [Not Applicable/The provisions [in Condition [•]] apply]
- 33.** Consolidation provisions: [Not Applicable/The provisions [in Condition [•]] apply]
- 34.** Other final terms:⁷ [Not Applicable/give details]

(When adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)

[Equity Accounting/Financial Liability Accounting/Not Applicable]

DISTRIBUTION

- 35.** (i) If syndicated, names and addresses of Managers and [Not Applicable/give names, addresses and underwriting commitments]
- (Include names and addresses of entities agreeing to*

underwriting commitments: *underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)*

(ii) Date of Subscription Agreement: [●]

(iii) Stabilising Manager(s) (if any): [Not Applicable/give name]

36. If non-syndicated, name and address of Dealer: [Not Applicable/give name and address]

37. Total commission and concession: [●] per cent. of the Aggregate Nominal Amount

38. U.S. Selling Restrictions [Reg. S Compliance Category 2; TEFRA C/TEFRA D/TEFRA not applicable]
[Rule 144A: Qualified Institutional Buyers only]

39. Non-exempt Offer: [Not Applicable]/[An offer of the Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive [specify relevant Member State(s) – which must be jurisdictions where the Prospectus and any supplements have been passported] (Public Offer Jurisdictions) during the period from [specify date] until [specify date] (Offer Period). See further paragraph 11 of Part B below.]

40. Additional selling restrictions: [Not Applicable/give details]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [public offer in the countries specified in paragraph 38] [and] [admission to trading of the Notes described herein] pursuant to the U.S.\$42,500,000,000 Debt Issuance Programme of Standard Chartered PLC, Standard Chartered Bank, Standard Chartered Bank (Hong Kong) Limited and Standard Chartered First Bank Korea Limited.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced inaccurate or misleading.]

Signed on behalf of the Issuer:

By: _____

Duly authorised

Notes

1. Only include details of a supplemental Prospectus in which the Conditions have been amended for the purposes of all future issues under the Programme.
2. Note that for Hong Kong dollar and Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification it will be necessary to use the second option here. Note that for certain Hong Kong dollar and Renminbi denominated Fixed Rate Notes the Interest Payment Dates are subject to modification and the following words should be added: "provided that if any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Interest Payment Date shall be brought

forward to the immediately preceding Business Day. For these purposes, "Business Day" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and currency deposits) in Hong Kong and [●]." For Hong Kong dollar and Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: "Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Specified Denomination by the Day Count Fraction and rounding the resultant figure to the nearest [HK\$0.01, HK\$0.005], [RMB0.01, RMB0.005] being rounded upwards. For the purposes of this paragraph and the Day Count Fraction referred to herein, "Calculation Date" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date."

3. Please add appropriate provisions to terms and conditions if included.
4. Only to be completed for an issue where Day Count Fraction is Actual/Actual-ICMA.
5. If setting notice periods which are different to those provided in the Terms and Conditions, Issuers are advised to consider the practicalities of distribution of information through intermediaries, for example clearing systems and custodians, as well as any other notice requirements which may apply, for example as between the Issuer and its fiscal agent or trustee. Please note that Euroclear requires a minimum notice period of 5 business days in order to service the option efficiently, while Clearstream requires a minimum notice period of 5 business days for a call option and 15 business days for a put option in order to service those options efficiently.
6. You should only elect "yes" opposite "New Global Note" if you have elected "yes" to the question in Part B under the heading "Operational Information" entitled "Intended to be held in a manner which would allow Eurosystem eligibility".
7. If full terms and conditions are to be used, please add the following here:

"The full text of the Conditions which apply to the Notes [and which will be endorsed on the Notes in definitive form] are set out in [the Annex hereto], which Conditions replace in their entirety those appearing in the Prospectus for the purposes of these Notes and such Conditions will prevail over any other provision to the contrary."
The first set of bracketed words is to be deleted where there is a Permanent Global Note instead of Notes in definitive form. The full Conditions should be attached to and form part of the Final Terms.

PART B – OTHER INFORMATION*

1. LISTING

- (i) Listing: [Official List of the UK Listing Authority and trading on the London Stock Exchange/Hong Kong Stock Exchange/Singapore Exchange Securities Trading Limited/Other (specify)/None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [●] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [●] with effect from [●].] [Not Applicable.]
- (Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)*

2. RATINGS

Ratings

The Notes to be issued have been rated:

[S&P: [●]]

[Moody's: [●]]

[Fitch: [●]]

[[Other]: [●]]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

[[Insert credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[[Insert credit rating agency] is established in the European Union and is registered under Regulation (EC) No. 1060/2009.]

[[Insert credit rating agency] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009.]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009. However, the application for registration under Regulation (EC) No. 1060/2009 of [insert the name of the relevant EU CRA affiliate that applied for registration], which is established in the European Union, disclosed the intention to endorse credit ratings of [insert

credit rating agency].]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009. The ratings [[have been]/[are expected to be]] endorsed by [insert the name of the relevant EU-registered credit rating agency] in accordance with Regulation (EC) No. 1060/2009. [Insert the name of the relevant EU registered credit rating agency] is established in the European Union and registered under Regulation (EC) No. 1060/2009.]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, but it is certified in accordance with such Regulation.]

3. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Subscription and Sale”, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”]

4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

(i) [Reasons for the offer: [•]

(See [“Use of Proceeds”] wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]

(ii) [Estimated net proceeds: [•]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)]

(iii) [Estimated total expenses: [•] *[Include breakdown of expenses.]*

(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)]

5. **[Fixed Rate Notes only – YIELD**

Indication of yield: [•]

Calculated as *[include details of method of calculation in summary form]* on the Issue Date.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. [Floating Rate Notes only – HISTORIC INTEREST RATES

Details of historic [LIBOR, LIBID, LIMEAN, EURIBOR, HIBOR or other benchmark] rates can be obtained from [relevant screen page].]

7. [Index-Linked Notes only – PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.] Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]

8. [Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

[When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]

9. OPERATIONAL INFORMATION

(i) Intended to be held in a manner which would allow Eurosystem eligibility:

[Yes] [No].

[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is held under the New Safekeeping Structure for registered global securities] [include this text for Registered Notes which are to be held under the NSS] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.][include this text if “yes” selected in which case the Bearer Notes must be issued in NGN form]

(ii) ISIN Code:

[•]

(iii) Common Code:

[•]

(iv) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):

[Not Applicable/give name(s) and number(s) and address(es)]

(v) Delivery:

Delivery [against/free of] payment

- (vi) Names and addresses of initial Paying Agent(s): [•]
- (vii) Names and addresses of additional Paying Agent(s) (if any): [•]

10. TERMS AND CONDITIONS OF THE OFFER

- (i) Offer Price: [Issue Price][specify]
- (ii) Conditions to which the offer is subject: [Not Applicable/give details]
- (iii) Description of the application process: [Not Applicable/give details]
- (iv) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: [Not Applicable/give details]
- (v) Details of the minimum and/or maximum amount of application: [Not Applicable/give details]
- (vi) Details of the method and time limits for paying up and delivering the Notes: [Not Applicable/give details]
- (vii) Manner in and date on which results of the offer are to be made public: [Not Applicable/give details]
- (viii) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable/give details]
- (ix) Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: [Not Applicable/give details]
- (x) Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [Not Applicable/give details]
- (xi) Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not Applicable/give details]
- (xii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place. [None/give details]

* If an issue of Notes is (i) NOT admitted to trading on a regulated market within the European Economic Area and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive, the Issuer may elect to amend or delete certain of the above paragraphs of Part B.

APPLICABLE FOR FINAL TERMS FOR (1) ISSUES BY SCPLC, SCB OR SCBHK WITH A DENOMINATION OF AT LEAST €100,000 (OR EQUIVALENT) TO BE ADMITTED TO TRADING ON AN EEA REGULATED MARKET (2) ISSUES BY SCPLC, SCB OR SCBHK WITH A DENOMINATION OF AT LEAST €50,000 (OR EQUIVALENT) TO BE LISTED ON THE STOCK EXCHANGE OF HONG KONG AND (3) ISSUES BY SC FIRST BANK WITH A DENOMINATION OF AT LEAST €50,000 (OR EQUIVALENT) TO BE LISTED ON THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 11 November 2011 [and the supplemental Prospectus dated [●]]¹ which [together] constitute[s] (with the exception of certain sections) a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes the final terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. [The Prospectus [and the supplemental Prospectus] [is] [are] available for viewing at [address] [and] [website] and copies may be obtained from [address].]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date [NON-LONDON LISTED].

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) contained in the Trust Deed dated [original date] set forth in the Prospectus dated [original date]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”) and must be read in conjunction with the Prospectus dated 11 November 2011 [and the supplemental Prospectus dated [●]], which [together] constitute[s] (with the exception of certain sections) a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Prospectus dated [original date] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of the Conditions, these Final Terms and the Prospectuses dated [current date] [and the supplemental Prospectuses dated [●] and [●]]. [The Prospectuses [and the supplemental Prospectuses] are available for viewing at [address] [and] [website] and copies may be obtained from [address].]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date. [LONDON LISTED]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) contained in the Trust Deed dated [original date] and set forth in the Prospectus dated [original date] and incorporated by reference into the Prospectus dated 11 November 2011 and which are attached hereto. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”) and must be read in conjunction with the Prospectus dated [current date] [and the supplemental Prospectus dated [●]], which [together] constitute[s] (with the exception of certain sections) a base prospectus for the purposes of the Prospectus Directive. [The Prospectuses [and the supplemental Prospectus] are available for viewing at [address] [and] [website] [and copies may be obtained from [address]].]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs.

Italics denote guidance for completing the Final Terms.]

[When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]

1. Issuer: [Standard Chartered PLC/Standard Chartered Bank/Standard Chartered Bank (Hong Kong) Limited/Standard Chartered First Bank Korea Limited]
2. (i) Series Number: [•]
(ii) Tranche Number: [•]
(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).
3. Currency or Currencies: [•]
4. Aggregate Nominal Amount: [•]
(i) Series: [•]
(ii) [Tranche: [•]]
5. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
6. Denominations: [•]
(N.B. Following the entry into force of the 2010 PD Amending Directive on 31 December, 2010, Notes to be admitted to trading on a regulated market within the European Economic Area with a maturity date which will fall after the implementation date of the 2010 PD Amending Directive in the relevant European Economic Area Member State (which is due to be no later than 1 July 2012) must have a minimum denomination of €100,000 (or equivalent) in order to benefit from Transparency Directive exemptions in respect of wholesale securities. Similarly, Notes issued after the implementation of the 2010 PD Amending Directive in a Member State must have a minimum denomination of €100,000 (or equivalent) in order to benefit from the wholesale exemption set out in Article 3.2(d) of the Prospectus Directive in that Member State.)
[Notes [(including Notes denominated in Sterling)] in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 FSMA and which have a maturity of less than one year must have a minimum denomination of £100,000 (or its equivalent in other currencies).]
[Notes must have a minimum denomination of €100,000 and integral multiples of [€1,000] in excess thereof up to and including [€199,000]]. No notes in definitive form will be issued with a denomination above [€ 199,000]].
7. Calculation Amount: [•]
8. (i) Issue Date: [•]
(ii) Interest Commencement Date: [•]

9. Maturity Date: *[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]²*
10. Interest Basis: *[[●] % Fixed Rate]*
[[specify reference rate] +/- [●] % Floating Rate]
[Zero Coupon]
[Index Linked Interest]
[Other (specify)]
(further particulars specified below)
11. Redemption/Payment Basis: *[Redemption at par]*
[Index Linked Redemption]
[Dual Currency]
[Partly Paid]
[Instalment]
[Other (specify)]
12. Change of Interest or Redemption/Payment Basis: *[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]*
13. Put/Call Options: *[Investor Put]*
[Issuer Call]
[(further particulars specified below)]
14. (i) Status of the Notes: *[Senior/Dated/Lower/ Subordinated/[Term]]³*
- (ii) *[Date [Court/Board] approval for issuance of Notes obtained: [●] [and [●], respectively] (N.B. Only relevant where Court/Board (or similar) authorisation is required for the particular tranche of Notes)*
15. Method of distribution: *[Syndicated/Non-syndicated]*

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. **Fixed Rate Note Provisions** *[Applicable/Not Applicable]*
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: *[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]*
- (ii) Interest Payment Date(s): *[●] in each year [adjusted in accordance with [specify Business Day Convention and any applicable relevant Financial Centre(s) for the definition of "Business Day"]/not adjusted]*
- (iii) Fixed Coupon Amount[(s)]: *[●] per Calculation Amount*
- (iv) Broken Amount(s): *[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]*
- (v) Day Count Fraction (Condition 4(i)): *[●]*
(Day count fraction should be Actual/Actual-ICMA for all fixed rate issues other than those denominated in U.S. dollars or Hong Kong dollars, unless otherwise requested)

- (vi) Determination Dates: [•] in each year
(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)⁴
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]
- (viii) Relevant Currency [Not Applicable/give details]
- [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

17. Floating Rate Note Provisions

- (i) Interest Period(s): [•]
- (ii) Specified Interest Payment Dates: [•]
- (iii) First Interest Payment Date: [•]
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other(give details)]
- (v) Relevant Financial Centre(s) (Condition 4(i)): [•]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Page/other (give details)]
- (vii) Interest Period Dates(s): [Not Applicable/specify dates]
- (viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [•]
- (ix) Page (Condition 4(c)(i)):
- Relevant Time: [•]
 - Interest Determination Date: [•]
 - Primary Source for Floating Rate: [Specify relevant screen page or “Reference Banks”]
 - Reference Banks (if Primary Source is “Reference Banks”): [Specify four]
 - Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not London]
 - Benchmark: [LIBOR, LIBID, LIMEAN, EURIBOR, HIBOR or other benchmark]
 - Representative Amount: [Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount]
 - Effective Date: [Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]

	– Specified Duration:	[Specify period for quotation if not duration of Interest Accrual Period]
(x)	Margin(s):	[+/-][●] per cent. per annum
(xi)	Minimum Rate of Interest:	[●] per cent. per annum
(xii)	Maximum Rate of Interest:	[●] per cent. per annum
(xiii)	Day Count Fraction (Condition 4(i)):	[●]
(xiv)	Rate Multiplier:	[●]
(xv)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
18.	Zero Coupon Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub- paragraphs of this paragraph)</i>
(i)	Amortisation Yield (Condition 5(b)):	[●] per cent. per annum
(ii)	Day Count Fraction (Condition 4(i)):	[●]
(iii)	Any other formula/basis of determining amount payable:	[●]
(iv)	Relevant Currency	[Not Applicable/ <i>give details</i>]
19.	Index-Linked Interest Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub- paragraphs of this paragraph)</i>
(i)	Index/Formula/other variable:	<i>[give or annex details]</i>
(ii)	Calculation Agent responsible for calculating the interest due:	[●]
(iii)	Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:	[●]
(iv)	Interest Determination Date(s):	[●]
(v)	Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[●]
(vi)	Interest or Calculation Period(s):	[●]
(vii)	Interest Payment Dates:	[●]
(viii)	Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ <i>other (give details)</i>]

- (ix) Relevant Financial Centre(s) (Condition 4(i)): [•]
- (x) Minimum Rate of Interest: [•] per cent. per annum
- (xi) Maximum Rate of Interest: [•] per cent. per annum
- (xii) Day Count Fraction (Condition 4(i)): [•]

20. Dual Currency Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Rate of Exchange/Method of calculating Rate of Exchange: [give details]
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due: [•]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [•]
- (iv) Person at whose option Currency(ies) is/are payable: [•]
- (v) Day Count Fraction (Condition 4(i)): [•]
- (vi) Relevant Currency [Not Applicable/give details]

PROVISIONS RELATING TO REDEMPTION

21. Call Option [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [•] per Calculation Amount
- (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: [•] per Calculation Amount
 - (b) Maximum Redemption Amount: [•] per Calculation Amount
- (iv) Notice period:⁵ [•]

22. Regulatory Capital Call: [Applicable/Not Applicable]

23. Put Option [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount
- (iii) Option Exercise Date(s): [•]

- (iv) Description of any other Noteholders' option: [•]
- (iii) Notice period:⁵ [•]

24. Final Redemption Amount of each Note [[•] per Calculation Amount/other/see Appendix]

In cases where the Final Redemption Amount is Index-Linked or other variable-linked:

- (i) Index/Formula/variable: [give or annex details]
- (ii) Calculation Agent responsible for calculating the Final Redemption Amount: [•]
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [•]
- (iv) Determination Date(s): [•]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [•]
- (vi) Payment Date: [•]
- (vii) Minimum Final Redemption Amount: [•] per Calculation Amount
- (viii) Maximum Final Redemption Amount: [•] per Calculation Amount

25. Early Redemption Amount

- (i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): [•]
- (ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates (Condition 5(c)): [Yes/No]
- (iii) Unmatured Coupons to become void upon early redemption (Bearer Notes only) (Condition 6(f)): [Yes/No/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 26. Form of Notes:** [Bearer Notes/Exchangeable Bearer Notes/Registered Notes]¹
 [Delete as appropriate]
- [Temporary Global Note/Certificate exchangeable for a permanent Global Note/ Certificate which is exchangeable for Definitive Notes/Certificates on [•]

days' notice/at any time/in the limited circumstances specified in the Permanent Global Note/Certificate]

[temporary Global Note/Certificate exchangeable for Definitive Notes/Certificates on [●] days' notice]²

[Permanent Global Note/Certificate exchangeable for Definitive Notes/Certificates on [●] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note/Certificate]

[Registered Notes

Unrestricted Global Certificates ([●] insert currency and aggregate nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]] [Restricted Global Certificates ([●] insert currency and aggregate nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]]

(The exchange upon notice/at any time options should not be expressed to be applicable if the specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€50,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000]").

27. New Global Note:⁶

[Yes] [No]

28. Business Day Jurisdiction(s) (Condition 6(h)) or other special provisions relating to Payment Dates:

[Not Applicable/give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 17(v) and 19(x) relate]

29. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):

[Yes/No. If yes, give details]

30. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made [and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment]:

[Not Applicable/give details]

31. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:

[Not Applicable/give details]

(i) Instalment Amount(s): [●]

(ii) Instalment Date(s): [●]

(iii) Minimum Instalment Amount: [●]

(iv) Maximum Instalment Amount: [●]

32. Redenomination, renominalisation and reconventioning provisions:

[Not Applicable/The provisions [in Condition [●]] apply]

33. Consolidation provisions: [Not Applicable/The provisions [in Condition [●]] apply]
34. Other final terms:⁷ [Not Applicable/give details]
- (When adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)*
- [Equity Accounting/Financial Liability Accounting/Not Applicable]

DISTRIBUTION

35. (i) If syndicated, names and addresses of Managers and underwriting commitments: [Not Applicable/give names, addresses and underwriting commitments]
- (Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)*
- (ii) Date of Subscription Agreement: [●]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]
36. If non-syndicated, name and address of Dealer: [Not Applicable/give name and address]
37. U.S. Selling Restrictions [Reg. S Compliance Category 2; TEFRA C/TEFRA D/TEFRA not applicable]
[Rule 144A: Qualified Institutional Buyers only]
38. Additional selling restrictions: [Not Applicable/give details]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the U.S.\$42,500,000,000 Debt Issuance Programme of Standard Chartered PLC, Standard Chartered Bank, Standard Chartered Bank (Hong Kong) Limited and Standard Chartered First Bank Korea Limited.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

Notes:

1. Only include details of a supplemental Prospectus in which the Conditions have been amended for the purposes of all future issues under the Programme.
2. Note that for Hong Kong dollar and Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification it will be necessary to use the second option here. Note that for certain Hong Kong dollar and Renminbi denominated

Fixed Rate Notes the Interest Payment Dates are subject to modification and the following words should be added: "provided that if any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day. For these purposes, "Business Day" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and currency deposits) in Hong Kong and [●]." For Hong Kong dollar and Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: "Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Specified Denomination by the Day Count Fraction and rounding the resultant figure to the nearest [HK\$0.01, HK\$0.005], [RMB0.01, RMB0.005] being rounded upwards. For the purposes of this paragraph and the Day Count Fraction referred to herein, "Calculation Date" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date."

3. Please add appropriate provisions to terms and conditions if included.
4. Only to be completed for an issue where Day Count Fraction is Actual/Actual-ICMA.
5. If setting notice periods which are different to those provided in the terms and conditions, Issuers are advised to consider the practicalities of distribution of information through intermediaries, for example clearing systems and custodians, as well as any other notice requirements which may apply, for example as between the Issuer and its fiscal agent or trustee. Please note that Euroclear requires a minimum notice period of 5 business days in order to service the option efficiently, while Clearstream requires a minimum notice period of 5 business days for a call option and 15 business days for a put option in order to service those options efficiently.
6. You should only elect "yes" opposite "New Global Note" if you have elected "yes" to the question in Part B under the heading "Operational Information" entitled "Intended to be held in a manner which would allow Eurosystem eligibility".
7. If full terms and conditions are to be used, please add the following here:
"The full text of the Conditions which apply to the Notes [and which will be endorsed on the Notes in definitive form] are set out in [the Annex hereto], which Conditions replace in their entirety those appearing in the Prospectus for the purposes of these Notes and such Conditions will prevail over any other provision to the contrary."
The first set of bracketed words is to be deleted where there is a Permanent Global Note instead of Notes in definitive form. The full Conditions should be attached to and form part of the Final Terms.

PART B – OTHER INFORMATION*

1. LISTING

- (i) Listing: [Official List of the UK Listing Authority and trading on the London Stock Exchange/Hong Kong Stock Exchange/Singapore Exchange Securities Trading Limited/Other (specify)/None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [●] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [●] with effect from [●].] [Not Applicable.]

(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)

2. RATINGS

The Notes to be issued have been rated:

[S&P: [●]]

[Moody's: [●]]

[Fitch: [●]]

[[Other]: [●]]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

[[Insert credit rating agency] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[[Insert credit rating agency] is established in the European Union and is registered under Regulation (EC) No. 1060/2009.]

[[Insert credit rating agency] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009.]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009. However, the application for registration under Regulation (EC) No. 1060/2009 of [insert the name of the relevant EU CRA affiliate that applied for registration], which is established in the European Union, disclosed the intention to endorse credit ratings of [insert credit rating agency].]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009. The ratings [[have

been]/[are expected to be]] endorsed by [insert the name of the relevant EU-registered credit rating agency] in accordance with Regulation (EC) No. 1060/2009. [Insert the name of the relevant EU registered credit rating agency] is established in the European Union and registered under Regulation (EC) No. 1060/2009.]

[[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, but it is certified in accordance with such Regulation.]

3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Subscription and Sale”, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”]

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) [Reasons for the offer: [●]

(See [“Use of Proceeds”] wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]

(ii) [Estimated net proceeds: [●]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)]

(iii) [Estimated total expenses: [●] *[Include breakdown of expenses.]*

(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)]

5. [Fixed Rate Notes only – YIELD

Indication of yield: [●]

Calculated as *[include details of method of calculation in summary form]* on the Issue Date.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. [Floating Rate Notes only – HISTORIC INTEREST RATES

Details of historic [LIBOR, LIBID, LIMEAN, EURIBOR, HIBOR or other benchmark] rates can be obtained from [relevant screen page].]

7. [Index-Linked Notes only – PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]

8. [Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

[When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]

9. OPERATIONAL INFORMATION

- (i) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No].

[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper that is held under the New Safekeeping Structure for registered global securities] [include this text for Registered Notes which are to be held under the NSS] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.][include this text if “yes” selected in which case the Bearer Notes must be issued in NGN form]

- (ii) ISIN Code: [•]

- (iii) Common Code: [•]

- (iv) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s) and address(es)]

- (v) Delivery: Delivery [against/free of] payment

- (vi) Names and addresses of initial Paying Agent(s): [•]

- (vii) Names and addresses of additional Paying Agent(s) (if any): [•]

- * If an issue of Notes is (i) NOT admitted to trading on a regulated market within the European Economic Area and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive, the Issuer may elect to amend or delete certain of the above paragraphs of Part B.

CLEARING AND SETTLEMENT

The following is a summary of the rules and procedures of Euroclear, Clearstream, Luxembourg, the CMU Service and DTC, currently in effect, as they relate to clearing and settlement of transactions involving the Notes. The rules and procedures of these systems are subject to change at any time.

The Clearing Systems

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear and Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Paying Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

CMU

The CMU Service is a central depository service provided by the Central Moneymarkets Unit of the Hong Kong Monetary Authority (the "HKMA") for the safe custody and electronic trading between the members of this service ("CMU Members") of capital markets instruments ("CMU Instruments") which are specified in the CMU Service Reference Manual as capable of being held within the CMU Service.

The CMU Service is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such person. Membership of the CMU Service is open to all members of the Hong Kong Capital Markets Association and "authorised institutions" under the Banking Ordinance (Cap. 155) of Hong Kong and any other domestic or overseas financial institutions approved from time to time by the HKMA.

Compared to clearing services provided by Euroclear and Clearstream, Luxembourg, the standard custody and clearing service provided by the CMU Service is limited. In particular (and unlike the European clearing systems), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest or principal) under, or notices pursuant to the notice provisions of, the CMU Instruments. Instead, the HKMA advises the lodging CMU Member (or a designated paying agent) of the identities of the CMU Service Members to whose accounts payments in respect of the relevant CMU Instruments are credited, whereupon the lodging CMU Member (or the designated paying agent) will make the necessary payments of interest or principal or send notices directly to the relevant CMU Members. Similarly, the HKMA will not obtain certificates of non-U.S. beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The CMU Lodging Agent will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

An investor holding an interest through an account with either Euroclear or Clearstream, Luxembourg in any Notes held in the CMU Service will hold that interest through the respective accounts which Euroclear and Clearstream, Luxembourg each have with the CMU Service.

DTC

DTC is a limited purpose trust company organised under the laws of the State of New York, a "banking organisation" under the laws of the State of New York, a member of the U.S. Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic computerised book-entry changes in accounts of its participants, thereby

eliminating the need for physical movement of certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to DTC is available to others, such as banks, securities brokers, dealers and trust companies, that clear through, or maintain a custodial relationship with, a DTC direct participant, either directly or indirectly.

Book-Entry Ownership

Bearer Notes

The relevant Issuer will make applications to Clearstream, Luxembourg and Euroclear for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. The relevant Issuer may also apply to have Bearer Notes accepted for clearance through the CMU Service. In respect of Bearer Notes in CGN form, a Temporary Global Note and/or a Permanent Global Note in bearer form without coupons will be deposited with a common depository for Clearstream, Luxembourg and Euroclear and/or a sub-custodian for the CMU Service. In respect of Bearer Notes in NGN form, the Global Note in bearer form without coupons will be delivered with a common safekeeper for Euroclear and Clearstream, Luxembourg. Transfers of interests in a Temporary Global Note or a Permanent Global Note will be made in accordance with the normal Euromarket debt securities operating procedures of Clearstream, Luxembourg and Euroclear or the CMU Service.

Registered Notes

The relevant Issuer will make applications to Clearstream, Luxembourg and Euroclear or the CMU Service for acceptance in their respective book-entry systems in respect of the Unrestricted Notes to be represented by each Unrestricted Global Certificate. Each Unrestricted Global Certificate will have an ISIN and a Common Code or a CMU Instrument Number, as the case may be.

The relevant Issuer and a relevant U.S. agent appointed for such purpose will make application to DTC for acceptance in its book-entry settlement system of the Restricted Notes represented by each Restricted Global Certificate. Each Restricted Global Certificate will have a CUSIP number. Each Restricted Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Certificate, as set out under "Transfer Restrictions". In certain circumstances, as described below in "Transfers of Registered Notes", transfers of interests in a Restricted Global Certificate may be made as a result of which such legend is no longer applicable.

The custodian with whom the Restricted Global Certificates are deposited (the "Custodian") and DTC will electronically record the principal amount of the Restricted Notes held within the DTC system. Investors in Notes of such Series may hold their interests in an Unrestricted Global Certificate only through Clearstream, Luxembourg or Euroclear or the CMU Service. Investors may hold their interests in a Restricted Global Certificate directly through DTC if they are participants in the DTC system, or indirectly through organisations which are participants in such system.

Payments of the principal of, and interest on, each Restricted Global Certificate registered in the name of DTC's nominee will be to or to the order of its nominee as the registered owner of such Restricted Global Certificate. The relevant Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Restricted Global Certificate as shown on the records of DTC or the nominee. The relevant Issuer also expects that payments by DTC participants to owners of beneficial interests in such Restricted Global Certificate held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. None of the relevant Issuer nor any Paying Agent or any Transfer Agent (each an "Agent") will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Restricted Global Certificates or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Notes will initially be in the form of an Unrestricted Global Certificate and/or a Restricted Global Certificate. Individual definitive Registered Notes will only be available, in the case of Unrestricted Notes, in amounts specified in the applicable Final Terms, and, in the case of Restricted Notes, in amounts of U.S.\$100,000 (or its equivalent in another currency), or higher integral multiples of U.S.\$1,000 (or its equivalent in another currency), in certain limited circumstances described below.

Individual Definitive Registered Notes

Registration of title to Registered Notes in a name other than a depository or its nominee for Clearstream, Luxembourg and Euroclear or for the CMU Service or for DTC will not be permitted unless (i) in the case of

Restricted Notes, DTC notifies the relevant Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to the Restricted Global Certificate, or ceases to be a “clearing agency” registered under the Exchange Act, or is at any time no longer eligible to act as such and the relevant Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC, (ii) in the case of Unrestricted Notes, Clearstream, Luxembourg or Euroclear or the CMU Service is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does, in fact, do so, (iii) if principal in respect of any Notes is not paid when due or (iv) the relevant Issuer provides its consent. In such circumstances, the relevant Issuer will cause sufficient individual definitive Registered Notes to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Noteholder(s). A person having an interest in a Global Certificate must provide the Registrar with:

(i) a written order containing instructions and such other information as the relevant Issuer and the Registrar may require to complete, execute and deliver such individual definitive Registered Notes; and

(ii) in the case of a Restricted Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Individual definitive Registered Notes issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

Transfers of Registered Notes

Transfers of interests in Global Certificates within DTC, Clearstream, Luxembourg, Euroclear and the CMU Service will be effected in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Restricted Global Certificate to such persons may be limited. Because DTC can only act on behalf of direct participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Restricted Global Certificate to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in an Unrestricted Global Certificate may be held only through Clearstream, Luxembourg or Euroclear or the CMU Service. Transfers may be made at any time by a holder of an interest in an Unrestricted Global Certificate to a transferee who wishes to take delivery of such interest through the Restricted Global Certificate for the same Series of Notes provided that any such transfer made on or prior to the expiration of the Distribution Compliance Period (as defined in “Subscription and Sale”) relating to the Notes represented by such Unrestricted Global Certificate will only be made upon receipt by the Registrar or any Transfer Agent of a written certificate from Euroclear or Clearstream, Luxembourg or the CMU Service, as the case may be (based on a written certificate from the transferor of such interest), to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities law of any state of the United States or any other jurisdiction. Any such transfer made thereafter of the Notes represented by such Unrestricted Global Certificate will only be made upon request through Clearstream, Luxembourg or Euroclear or the CMU Service by the holder of an interest in the Unrestricted Global Certificate to the Issuing and Paying Agent and receipt by the Issuing and Paying Agent of details of that account at DTC to be credited with the relevant interest in the Restricted Global Certificate. Transfers at any time by a holder of any interest in the Restricted Global Certificate to a transferee who takes delivery of such interest through an Unrestricted Global Certificate will only be made upon delivery to the Registrar or any Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear or Clearstream, Luxembourg or the CMU Service, as the case may be, and DTC to be credited and debited, respectively, with an interest in the relevant Global Certificates.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described above and under “Transfer Restrictions”, cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear or the CMU Service accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Custodian, the Registrar and the Issuing and Paying Agent.

On or after the Issue Date for any Series of Registered Notes, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and Euroclear and the CMU Service and transfers of Notes of such Series between participants in DTC will generally have a settlement day three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear or the CMU Service and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg and

Euroclear and the CMU Service, on the other, transfers of interests in the relevant Global Registered Certificates will be effected through the Issuing and Paying Agent, the Custodian and the Registrar receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Registered Certificate resulting in such transfer and (ii) two business days after receipt by the Issuing and Paying Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg or the CMU Service accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Notes, see “Transfer Restrictions”.

DTC will take any action permitted to be taken by a holder of Registered Notes (including, without limitation, the presentation of Restricted Global Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Restricted Global Certificates are credited and only in respect of such portion of the aggregate principal amount of the relevant Restricted Global Certificates as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Restricted Global Certificates for exchange for individual definitive Registered Notes (which will, in the case of Restricted Notes, bear the legend applicable to transfers pursuant to Rule 144A).

Although DTC, Clearstream, Luxembourg, Euroclear and the CMU Service have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Certificates among participants and accountholders of DTC, Clearstream, Luxembourg, Euroclear and the CMU Service, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Trustee or any Agent will have any responsibility for the performance by DTC, Clearstream, Luxembourg, Euroclear or the CMU Service or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Restricted Global Certificate is lodged with DTC or the Custodian, Restricted Notes represented by individual definitive Registered Notes will not be eligible for clearing or settlement through DTC, Clearstream, Luxembourg, Euroclear or the CMU Service.

Pre-issue Trades Settlement for Registered Notes

It is expected that delivery of Notes will be made against payment therefor on the relevant Issue Date, which could be more than three business days following the date of pricing. Under Rule 15c6-I of the U.S. Securities and Exchange Commission under the Exchange Act, trades in the United States secondary market generally are required to settle within three business days (T+3), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes in the United States on the date of pricing or the next succeeding business days until the relevant Issue Date will be required, by virtue of the fact that the Notes initially will settle beyond T+3, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices and purchasers of Notes who wish to trade Notes between the date of pricing and the relevant issue date should consult their own adviser.

PRC CURRENCY CONTROLS

Remittance of Renminbi into and outside the PRC

The Renminbi is not a freely convertible currency. The remittance of Renminbi into and outside the PRC is subject to controls imposed under PRC law.

Current Account Items

Under PRC foreign exchange control regulations, current account item payments include payments for imports and exports of goods and services, payments of income and current transfers into and outside the PRC.

Prior to July 2009, all current account items were required to be settled in foreign currencies. Since July 2009, the PRC has commenced a scheme pursuant to which Renminbi may be used for settlement of imports and exports of goods between approved pilot enterprises in five designated pilot cities in the PRC being Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai and enterprises in designated offshore jurisdictions including Hong Kong and Macau. On 17 June 2010, the PRC government promulgated the Circular on Issues concerning the Expansion of the Scope of the Pilot Program of Renminbi Settlement of Cross-Border Trades (Yin Fa (2010) No. 186) (the "Circular"), pursuant to which (i) Renminbi settlement of imports and exports of goods and of services and other current account items became permissible, (ii) the list of designated pilot districts was expanded to cover 20 provinces including Beijing, Shanghai, Tianjin, Chongqing, Guangdong, Jiangsu, Zhejiang, Liaoning, Shandong and Sichuan, and (iii) the restriction on designated offshore jurisdictions was lifted. Accordingly, any enterprises in the designated pilot districts and offshore enterprises are entitled to use Renminbi to settle any current account items between them (except in the case of payments for exports of goods from the PRC, such Renminbi remittance may only be effected by approved pilot enterprises in designated pilot districts in the PRC). In particular, any foreign invested enterprises located in the designated pilot districts may remit all lawful dividends and distribution payments in Renminbi to its foreign investors outside the PRC. The pilot scheme was further extended in August 2011 to cover all provinces in the PRC and to make RMB trade and other current account settlement available in all countries worldwide.

As a new regulation, the Circular will be subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying the Circular and impose conditions for settlement of current account items.

Capital Account Items

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to approval of the relevant PRC authorities.

Settlements for capital account items are generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) are generally required to make any capital contribution to foreign invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contracts and/or articles of association as approved by the relevant authorities. Foreign invested enterprises or any other relevant PRC parties are also generally required to make capital account item payments including proceeds from liquidation, transfer of shares, reduction of capital and principal repayment under foreign debt to foreign investors in a foreign currency. That said, the relevant PRC authorities may approve a foreign entity to make a capital contribution or shareholder's loan to a foreign invested enterprise with Renminbi lawfully obtained by it outside the PRC and for the foreign invested enterprise to service interest and principal repayment to its foreign investor outside the PRC in Renminbi on a trial basis. The foreign invested enterprise may also be required to complete registration and verification process with the relevant PRC authorities before such RMB remittances.

As mentioned on page 30 of this Prospectus, the MOFCOM Circular provides that if a foreign investor intends to make investments by way of (i) establishing a new enterprise, (ii) increasing the registered capital of an existing enterprise, (iii) acquiring an onshore enterprise or (iv) providing a loan in the PRC, in each case, with Renminbi that is generated from cross-border trade settlement or that is lawfully obtained outside the PRC, such investments need to be approved by MOFCOM. In April 2011, the State Administration of Foreign Exchange ("SAFE") promulgated the Circular on Issues Concerning the Capital Account Items in connection with Cross-Border Renminbi (the "SAFE Circular"), which provides that borrowing by an onshore entity of Renminbi loans from an offshore entity shall in principle follow the current regulations on borrowing foreign debts.

The PBOC Notice provides that if a foreign company intends to make investments in the PRC with Renminbi that is lawfully obtained outside the PRC by way of (i) establishing a new enterprise, (ii) acquiring an equity

interest in a PRC company, (iii) increasing the registered capital of any existing enterprise in the PRC or (iv) providing a shareholder's loan, such investments need to be approved by PBOC.

As mentioned on page 30 of this Prospectus, MOFCOM promulgated the MOFCOM RMB FDI Circular on 12 October 2011 which provides that MOFCOM's prior written consent, which was previously required under the MOFCOM Circular, is no longer required for RMB FDI. In addition, MOFCOM and its local counterparts are now authorised to approve RMB FDI in accordance with existing PRC laws and regulations regarding foreign investment, with the following exceptions which require the preliminary approval by the provincial counterpart of MOFCOM and the consent of MOFCOM: (i) RMB FDI with the capital contribution in Renminbi of RMB300 million or more; (ii) RMB FDI in financing guarantee, financing lease, micro financing or auction industries; (iii) RMB FDI in foreign invested investment companies, venture capital or equity investment enterprises; or (iv) RMB FDI in cement, iron & steel, electrolytic aluminum, shipbuilding or other policy sensitive sectors. In addition, RMB FDI in real estate sector is allowed following the existing rules and regulations of foreign investment in real estate, although Renminbi foreign debt remains unavailable to foreign invested real estate enterprises. The proceeds of RMB FDI may not be used towards investment in securities, financial derivatives or entrustment loans in the PRC, except for investments in PRC domestic listed companies through private placements or share transfers by agreement. On 13 October 2011, PBOC issued the PBOC RMB FDI Measures, pursuant to which PBOC special approval for RMB FDI and shareholder loans previously required by the PROC Notice is no longer necessary. The PBOC RMB FDI Measures also provides, among others, that: (i) foreign invested enterprises are required to conduct registrations with the local branch of PBOC within ten working days after obtaining the business licenses for the purpose of Renminbi settlement; (ii) a foreign investor is allowed to open a Renminbi expense account to reimburse some expenses before the establishment of a foreign invested enterprise and the balance in such an account can be transferred to the Renminbi capital account of such foreign invested enterprise when it is established; and (iii) commercial banks can remit a foreign investor's Renminbi proceeds from distribution (dividends or otherwise) by its PRC subsidiaries out of the PRC after reviewing certain requisite documents, if a foreign investor intends to use its Renminbi proceeds from distribution (dividends or otherwise) by its PRC subsidiaries. A foreign investor may now also open a RMB re-investment account to pool Renminbi proceeds, and PRC parties selling stakes in domestic enterprises to foreign investors can open RMB accounts and receive the purchase price paid by foreign investors in Renminbi. The PBOC RMB FDI Measures further state that the foreign debt quota of a foreign invested enterprise constitutes its Renminbi debt and foreign currency debt from its offshore shareholders, offshore affiliates and offshore financial institutions, and a foreign invested enterprise may open a Renminbi account to receive its Renminbi proceeds borrowed offshore by submitting the loan contract denominated in Renminbi to the commercial bank and make repayments of principal and interest on such debt in Renminbi by submitting certain required documents to the commercial bank.

As the MOFCOM Circular, the SAFE Circular, the PBOC Notice, the MOFCOM RMB FDI Circular and the PBOC RMB FDI Measures are relatively new regulations, they will be subject to interpretation and application by the relevant PRC authorities.

Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

TRANSFER RESTRICTIONS

Restricted Notes

Each purchaser of Restricted Notes within the United States pursuant to Rule 144A, by accepting delivery of this document, will be deemed to have represented, agreed and acknowledged that:

(1) it is (a) a QIB, (b) acquiring such Restricted Notes for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Restricted Notes has been advised, that the sale of such Restricted Notes to it is being made in reliance on Rule 144A;

(2) it understands that such Restricted Notes have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States;

(3) it understands that such Restricted Notes, unless the relevant Issuer determines otherwise in compliance with applicable law, will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR REALES OF THIS NOTE. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A;

(4) it understands that the Restricted Notes offered in reliance on Rule 144A will be represented by a Restricted Global Certificate. Before any interest in the Restricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Unrestricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws; and

(5) it acknowledges that the relevant Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Restricted Notes for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Additional transfer restrictions may be set forth in the applicable Final Terms with respect to a particular Tranche of a Registered Series.

Unrestricted Notes

Each purchaser of Unrestricted Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Unrestricted Notes in resales prior to the expiration of the Distribution Compliance Period (as defined in "Subscription and Sale"), by accepting delivery of this document and the Unrestricted Notes, will be deemed to have represented, agreed and acknowledged that:

(1) it is, or at the time Unrestricted Notes are purchased will be, the beneficial owner of such Unrestricted Notes and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the relevant Issuer or a person acting on behalf of such an affiliate;

(2) it understands that such Unrestricted Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the Distribution Compliance Period, it will not offer, sell, pledge or otherwise transfer such Unrestricted Notes except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States;

(3) it understands that the Unrestricted Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT;

(4) it understands that the Unrestricted Notes offered in reliance on Regulation S may be represented by an Unrestricted Global Certificate. Prior to the expiration of the Distribution Compliance Period, before any interest in the Unrestricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Restricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws; and

(5) the relevant Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Additional transfer restrictions may be set forth in the applicable Final Terms with respect to a particular Tranche of a Registered Series.

GENERAL INFORMATION

1. The listing of the Notes on the Official List and admission to trading on the Market will be expressed as a percentage of their principal amount (exclusive of accrued interest). It is expected that acceptance of the Programme on the Official List will be granted on or around 16 November 2011. Each Tranche of Notes under the Programme will be listed separately, subject only to the issue of a Temporary or Permanent Global Note (or one or more Certificates) in respect of each Tranche. Prior to official listing, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. However, unlisted Notes by SCPLC, SCB, SCBHK or SC First Bank may be issued pursuant to the Programme.

Application has been made to the Hong Kong Stock Exchange for permission to deal in and to list the Notes issued by SCPLC, SCB or SCBHK under the Programme. It is expected that permission to deal in and to list the Notes issued under the Programme will be granted on or around 16 November 2011. The listing of Notes on the Hong Kong Stock Exchange will be expressed as a percentage of their principal amount. Transactions will normally be effected for settlement in the relevant specified currency and for delivery by the end of the second trading day after the date of the transaction. It is expected that dealings will, if permission is granted to deal in and for the listing of such Notes, commence on or about the date of listing of the relevant Notes.

Application has been made to the SGX-ST for permission to deal in, and for quotation of, any Notes to be issued by SC First Bank and which are agreed at the time of issue to be listed on the SGX-ST. There can be no assurance that an application to the SGX-ST will be approved. So long as any Notes to be issued by SC First Bank are listed on the SGX-ST and the rules of the SGX-ST so require, SC First Bank shall appoint and maintain a paying agent in Singapore, where such Notes may be presented or surrendered for payment or redemption, in the event that any of the Global Notes representing such Notes are exchanged for definitive Notes. In addition, if any of the Global Notes are exchanged for definitive Notes, announcement of such exchange shall be made through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore.

2. SCPLC has obtained all necessary consents, approvals and authorisations in the United Kingdom in connection with the issue and performance of the Notes to be issued by it. SCB has obtained all necessary consents, approvals and authorisations in the United Kingdom in connection with the issue and performance of the Notes to be issued by it. SCBHK has obtained all necessary consents, approvals and authorisations in Hong Kong in connection with the issue and performance of the Notes to be issued by it. The establishment, update and amendment of the Programme and issues of Notes thereunder by SCPLC was authorised by resolutions of SCPLC's Board of Directors passed on 30 October 2007 and of a duly authorised committee of SCPLC's Board of Directors passed on 3 November 2009, 31 August 2010, 8 November 2010 and 7 November 2011. The establishment, update and amendment of the Programme and issues of Notes thereunder by SCB was authorised by resolutions of SCB's Court of Directors passed on 4 October 2004, 11 September 2006, 28 July 2008, 14 September 2009 and of a duly appointed Committee of the Court of Directors of SCB passed on 29 October 2004, 23 September 2005, 25 September 2006, 7 September 2007, 6 November 2007, 4 November 2008, 3 November 2009, 31 August 2010, 8 November 2010 and 7 November 2011. The establishment, update and amendment of the Programme and issues of Notes thereunder by SCBHK was authorised by resolutions of SCBHK's Board of Directors passed on 6 October 2004, 13 September 2006, 25 July 2008, 6 October 2009 and of a duly appointed committee of the Board of Directors of SCBHK passed on 29 October 2004, 1 November 2004, 9 August 2005, 22 September 2006, 24 August 2007, 7 November 2007, 4 November 2008, 5 November 2008, 23 October 2009, 5 November 2010 and 10 November 2011. The establishment, update and amendment of the Programme by SC First Bank was authorised by resolutions of SC First Bank's Board of Directors passed on 22 September 2006, 22 July 2008, 24 September 2009, 9 November 2010, 27 October 2011 and of a duly authorised committee of SC First Bank's Board of Directors passed on 22 September 2006, 10 September 2007, 7 November 2007, 3 November 2008, 3 November 2009, 10 November 2010 and 9 November 2011.

3. There has been no significant change in the financial or trading position of SCPLC and its subsidiaries since 30 June 2011. There has been no material adverse change in the prospects of SCPLC and its subsidiaries since 31 December 2010.

4. There has been no significant change in the financial or trading position of SCB and its subsidiaries since 30 June 2011. There has been no material adverse change in the prospects of SCB and its subsidiaries since 31 December 2010.

5. There has been no significant change in the financial or trading position of SCBHK and its subsidiaries since 30 June 2011. There has been no material adverse change in the prospects of SCBHK and its subsidiaries since 31 December 2010.

6. As discussed in the "Regulatory changes and Compliance" section on page 18 of the 2011 Interim Report (which is incorporated by reference herein) the Group is conducting a review of its historical US sanctions

compliance and is discussing that review with US enforcement agencies and regulators. The Group cannot predict when this review and these discussions will be completed or what the outcome will be and therefore the potential liabilities cannot be reasonably quantified at this point.

Save in relation to the matters described above, there are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which SCPLC is aware) during the twelve months preceding the date of this document, which may have, or have had in the recent past, significant effects on the financial position or profitability of SCPLC and/or the Group nor is SCPLC aware that any such proceedings are pending or threatened.

7. Save in relation to the matter described in paragraph 6 above, there are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which SCB is aware) during the twelve months preceding the date of this document, which may have, or have had in the recent past, significant effects on the financial position or profitability of SCB and/or the Group nor is SCB aware that any such proceedings are pending or threatened.

8. There are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which SCBHK is aware) during the twelve months preceding the date of this document, which may have, or have had in the recent past, significant effects on the financial position or profitability of SCBHK and its subsidiaries nor is SCBHK aware that any such proceedings are pending or threatened.

9. Each Bearer Note, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

10. Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are entities in charge of keeping the records). The Common Code and the International Securities Identification Number (ISIN) for each Series of Notes will be set out in the relevant Final Terms. The Issuers may also apply to have Notes accepted for clearance through the CMU Service. In addition, the relevant Issuer will make an application with respect to each Series of Registered Notes intended to be eligible for sale pursuant to Rule 144A for such Notes to be accepted for trading in book entry form by DTC. Acceptance of each Series and the relevant Committee on the Uniform Security Identification Procedure (CUSIP) number applicable to a Series will be set out in the relevant Final Terms.

11. The issue price and the amount of the relevant Notes will be determined before filing of the relevant Final Terms of each Tranche, based on then prevailing market conditions. The Issuers do not intend to provide any post-issuance information in relation to any issues of Notes.

12. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Final Terms.

13. Any Notes issued:

(i) prior to 20 September 2001, and any Notes issued on or after 20 September 2001 which are intended to be consolidated and form a single series with Notes issued prior to 20 September 2001, are and will be, as the case may be, constituted by the Law Debenture Trust Deed (as defined in the Trust Deed) and issued pursuant to the Citibank Agency Agreement (as defined in the Agency Agreement); and

(ii) from (and including) 20 September 2001 to 18 November 2004, and any Notes issued on or after 19 November 2004 which are intended to be consolidated and form a single series with Notes issued from (and including) 20 September 2001 to 18 November 2004, are and will be, as the case may be, constituted by the Bank of New York Trust Deed (as defined in the Trust Deed) and issued pursuant to the Bank of New York Agency Agreement (as defined in the Agency Agreement).

14. From the date of this document and for so long as any Notes are outstanding under the Programme, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuers and at the office of the Issuing and Paying Agent:

(i) the Trust Deed (which includes the form of the Global Notes, the definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons);

(ii) the Programme Agreement;

(iii) the Agency Agreement;

(iv) the Memorandum and Articles of Association of SCPLC, the Royal Charter, Bye-Laws and Rules of SCB, the Memorandum and Articles of Association of SCBHK and the Articles of Incorporation of SC First Bank;

(v) the audited annual consolidated accounts of SCPLC for the years ended 31 December 2009 and 31 December 2010;

(vi) the audited annual consolidated accounts of SCB for the years ended 31 December 2009 and 31 December 2010;

(vii) the audited annual accounts of SCBHK for the years ended 31 December 2009 and 31 December 2010;

(viii) the audited annual accounts of SC First Bank for the years ended 31 December 2009 and 31 December 2010; and

(ix) each set of Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market within the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Issuing and Paying Agent as to its holding of Notes and identity);

(x) a copy of this document or any further prospectus or supplementary prospectus; and

(xi) a copy of the Subscription Agreement for Notes issued on a syndicated basis that are listed on the Official List and admitted to trading on the Market or the Hong Kong Stock Exchange.

15. Copies of the latest annual report and accounts of SCPLC, SCB, SCBHK and SC First Bank may be obtained, and copies of the Trust Deed will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.

16. KPMG Audit Plc, chartered accountants (authorised and regulated by the Financial Services Authority for designated investment business), have audited, and rendered unqualified audit reports on, the accounts of both SCPLC and SCB for the two years ended 31 December 2010 and KPMG have audited and rendered unqualified audit reports on the accounts of SCBHK for the two years ended 31 December 2010. The reports of SCPLC's and SCB's auditors contained the following statements: "To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed".

17. KPMG Samjong Accounting Corp. have audited, and rendered an unqualified audit opinion on, the non-consolidated financial statements of SC First Bank for the two years ended 31 December 2010.

18. No redemption of the Subordinated Notes for taxation reasons, no optional redemption of the Subordinated Notes pursuant to Condition 5(d) or Condition 5(e) and no purchase and cancellation of the Subordinated Notes in accordance with the Conditions of the Notes will be made by any Issuer without prior consent of or, as applicable, no objection on the part of, the FSA and by SCBHK or SC First Bank without prior consent of the HKMA or the FSS, respectively, in each case as may for the time being be required therefor.

19. SCPLC and SCB has entered or will enter into an agreement with Euroclear and Clearstream, Luxembourg (the "ICSDs") in respect of any Notes issued in NGN form that SCPLC or SCB may request be made eligible for settlement with the ICSDs (each, an "ICSD Direct Agreement"). The ICSD Direct Agreement sets out that the ICSDs will, in respect of any such Notes, *inter alia*, maintain records of their respective portion of the issue outstanding amount and will, upon the Issuer's request, produce a statement for SCPLC's or SCB's use showing the total nominal amount of its customer holdings for such Notes as of a specified date.

20. As at 9 November 2011, the issued share capital of SCPLC consisted of:

(i) 99,250,000 $8\frac{1}{4}$ per cent. non-cumulative preference shares of £1 each with no equity voting rights;

(ii) 96,035,000 $7\frac{3}{8}$ per cent. non-cumulative irredeemable preference shares of £1 each with no equity voting rights;

(iii) 462,500 8.125 per cent. non-cumulative redeemable preference shares of U.S.\$5 each with no equity voting rights;

(iv) 15,000 American Depositary Shares representing 7,500 6.409 per cent. non-cumulative redeemable preference shares of U.S.\$5 each with no equity voting rights, and 7,500 7.014 per cent. non-cumulative redeemable preference shares of U.S.\$5 each with no equity voting rights; and

(v) 2,381,406,711 ordinary shares of U.S.\$0.50 each with voting rights of one vote for every U.S.\$2 nominal value.

SCPLC holds no shares in treasury. All of the shares listed above have been issued fully paid.

21. SCPLC's Articles of Association provide that its objects include holding shares in other companies and carrying on every kind of banking business.

ISSUERS

REGISTERED OFFICE OF SCPLC

1 Aldermanbury Square
London EC2V 7SB
United Kingdom
Telephone: +44 20 7280 7500

PRINCIPAL OFFICE OF SCB

1 Aldermanbury Square
London EC2V 7SB
United Kingdom
Telephone: +44 20 7280 7500

REGISTERED OFFICE OF SCBHK

32nd Floor
4-4A Des Voeux Road Central
Hong Kong
Telephone: +852 2820 3823

REGISTERED OFFICE OF SC FIRST BANK

100 Kongpyung-Dong
Chongro-gu
Seoul 110-702
Korea
Telephone: +82 2 3702 3114

JOINT ARRANGERS

J.P. Morgan Securities Ltd.

125 London Wall
London EC2Y 5AJ
United Kingdom

Standard Chartered Bank

One Basinghall Avenue
London EC2V 5DD
United Kingdom

DEALERS

Deutsche Bank AG, London Branch

Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Goldman Sachs International

Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

J.P. Morgan Securities Ltd.

125 London Wall
London EC2Y 5AJ
United Kingdom

Merrill Lynch International

2 King Edward Street
London EC1A 1HQ
United Kingdom

Standard Chartered Bank

One Basinghall Avenue
London EC2V 5DD
United Kingdom

Standard Chartered Bank (Hong Kong) Limited

Suites 1201-1204 & 1210-1216, 12/F
Two International Finance Centre
8 Finance Street, Central
Hong Kong

UBS Limited

1 Finsbury Avenue
London EC2M 2PP
United Kingdom

LEGAL ADVISERS

*To the Issuers
as to English Law*
Slaughter and May
One Bunhill Row
London EC1Y 8YY
United Kingdom

*To the Issuers as to
Hong Kong Law*
Slaughter and May
47th Floor
Jardine House
One Connaught Place
Central
Hong Kong

*To the Dealers and
the Trustee as to
English Law*
Linklaters LLP
One Silk Street
London EC2Y 8HQ
United Kingdom

*To the Dealers and the
Trustee as to Hong Kong
Law*
Linklaters
10th Floor
Alexandra House
16-20 Chater Road
Central
Hong Kong

*To the Issuers as to the law of the
Republic of Korea*
Kim & Chang
223 Naeja-dong
Jongno-gu
Seoul 110-720
Korea

*To the Dealers and the Trustee
as to the law of the Republic of Korea*
Shin & Kim
Ace Tower, 6th Floor
1-170, Soonhwa-dong
Chung-ku
Seoul 100-712
Korea

AUDITORS

To SCPLC and SCB
KPMG Audit Plc
8 Salisbury Square
London EC4Y 8BB
United Kingdom

To SCBHK
KPMG
8/F Prince's Building
10 Chater Road
Central Hong Kong

To SC First Bank
**KPMG Samjong Accounting
Corp.**
10th Floor
Gangnam Finance Center
737 Yeoksam-dong
Gangnam-gu
Seoul
Korea

TRUSTEE
BNY Mellon Corporate Trustee Services Limited
One Canada Square
London E14 5AL
United Kingdom

**ISSUING AND PAYING AGENT, PAYING AGENT,
CALCULATION AGENT AND TRANSFER AGENT**
The Bank of New York Mellon
One Canada Square
London E14 5AL
United Kingdom

HONG KONG REGISTRAR
The Bank of New York Mellon
Three Pacific Place, 24/F
1 Queen's Road East
Hong Kong

PAYING AGENT, REGISTRAR AND TRANSFER AGENT

The Bank of New York Mellon (Luxembourg) S.A.

Vertigo Building – Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg

EXCHANGE AGENT, PAYING AGENT AND REGISTRAR

The Bank of New York Mellon

101 Barclay Street
New York
NY 10286
USA

CMU PAYING AGENT AND CMU LODGING AGENT

The Bank of New York Mellon

Three Pacific Place, 24/F
1 Queen's Road East
Hong Kong