



Update On Scottish Referendum

AN UPDATE FOR SHAREHOLDERS, CUSTOMERS AND ADVISERS

On 18 September the Scottish people will vote on whether Scotland should be an independent country.

If there were to be a vote for independence we understand it would be at least 18 months before Scotland could become a separate country from the United Kingdom.

During this period of continued constitutional uncertainty we will provide regular updates to our customers, our advisers, our shareholders, our people and other stakeholders in our business. We will also take whatever action is required to protect our customers' interests and maintain our competitiveness in the markets in which we operate.

As we stated in February, and repeated at our half year results in August, there continues to be uncertainty around a range of issues material to Scotland's future in the event of Scotland separating from the United Kingdom. These include:

The currency that an independent Scotland would use

Whether agreement and ratification of an independent Scotland's membership to the European Union would be achieved by the assumed target date (currently 24 March 2016)

The shape and role of the monetary system going forward

The arrangements for financial services regulation and consumer protection in an independent Scotland

The approach to individual taxation, especially around savings and pensions.

In view of the uncertainty around Scotland's constitutional future, we have put in place precautionary measures which would help enable us to provide customers with continuity. This includes planning for new regulated companies in England to which we could transfer parts of our business if there was a need to do so.

This transfer of our business could potentially include pensions, investments and other long-term savings held by UK customers to ensure:

All transactions with customers outside of Scotland continue to be in Sterling (money paid in and money paid out)

All customers outside of Scotland continue to be part of the UK tax regime

All customers outside of Scotland continue to be covered by existing consumer protection and regulatory arrangements e.g. the Financial Services Compensation Scheme and Financial Conduct Authority

We will continue to serve our customers in Scotland and will consider what additional measures we may need to take on their behalf as a consequence of constitutional change once further clarity and certainty is received.

Standard Life will continue to be listed on the London Stock Exchange. There will be no change to the way in which share dividends are paid to shareholders.

If the referendum result is supportive of Scotland remaining part of the United Kingdom, resulting in the devolution of further powers as seems likely, we will monitor any impact that this may have on our stakeholders and take whatever action we feel is required.

Standard Life has a long history in Scotland – a heritage of which we are very proud – and we hope that this continues but our responsibility is to protect the interests of our customers, our shareholders, our people and other stakeholders in our business.

The plans we have put in place will help to ensure continuity and peace of mind for all our stakeholder groups.

David Nish
Chief Executive
Standard Life plc