Standard Chartered PLC

Annual Report 2025

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Learn more about our client segments

Read more in our Client segment review on pages 20 to 31

Discover more in our suite of reports

This Annual Report is part of a wider suite of corporate reports and disclosures.

For our full suite of 2025 disclosures visit sc.com/financial-results and sc.com/sustainabilitylibrary

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Financial reporting

- Annual Report
- Bank Report
- Pillar 3 Report

Sustainability reporting

- Sustainable Finance Impact Report
- Transition Plan
- Nature Report
- DE&I Impact Report
- Modern Slavery Statement

For more information regarding reporting measures and terms specific to this Annual Report, see page 478

We're a global bank connecting clients to our differentiated network, offering growth opportunities in the world's most dynamic markets.

Our strategy, which combines cross-border capabilities and leading wealth management expertise, helps us deliver our purpose – to drive commerce and prosperity through our unique diversity.

2025 performance highlights

Financial KPIs[1]

Return on tangible equity (RoTE)

Underlying basis	Reported basis
14.7%	**11.9%**
↑ 300bps	↑ 220bps

Common Equity Tier 1 ratio (CET1)

14.1%

↓ -12bps

Above our 13-14% target range

Total shareholder return

89.0%

↑ 35.5ppt

Non-financial KPIs[2]

Diversity and inclusion: women in senior roles[4]

33.0%

↓ -0.3ppt

Mobilising sustainable finance

$157bn

↑ $34bn

Employee net promoter score (eNPS)

17.56

↓ -3.9 points

Other financial measures[1,3]

Operating income

Underlying basis	Reported basis
$20,894m	**$20,942m**
↑ 6%	↑ 7%

Profit before tax

Underlying basis	Reported basis
$7,900m	**$6,963m**
↑ 18%	↑ 18%

Earnings per share

Underlying basis	Reported basis
229.7 cents	**195.4 cents**
↑ 61.6 cents	↑ 54.1 cents

Tangible net asset value per ordinary share

1,730 cents

↑ 189 cents

1 Reconciliations from underlying to reported and definitions of alternative performance measures can be found on pages 62 to 65.
2 Read more about our culture of inclusion on page 36, and about our Sustainability Aspirations on page 76.
3 Year-on-year growth in operating income and profit before tax is on a constant currency basis.
4 Senior leadership is defined as Managing Directors and Band 4 roles (including the Group Management Team).

Who we are and what we do

How we serve clients

We connect corporate, institutional and affluent clients to growth opportunities across our network.

We've been supporting clients since opening our doors in Mumbai, Kolkata and Shanghai in 1858 and we remain the ambitious, network-driven bank we set out to be more than 170 years ago.

We serve three client segments

Corporate & Investment Banking

Supports large corporations, development organisations, governments, and financial institutions with risk management, advisory and financing solutions.

Operating income

Underlying basis	Reported basis
$12,394m	**$12,349m**

Wealth & Retail Banking

Serves the local and international banking needs of our clients across the wealth continuum with a focus on the affluent segment, while supporting small and medium-sized enterprises.

Operating income

Underlying basis	Reported basis
$8,464m	**$8,465m**

Ventures

Promotes a culture of innovation across the Group, investing in disruptive financial technology and creating alternative financial service business models, as well as growing our digital banks – Mox and Trust.

Operating income

Underlying basis	Reported basis
$415m	**$415m**

Central and other items

Operating income	Reported basis
Underlying basis: $(379)m	$(287)m

Read more on our client segments on pages 20 to 31

What makes us different

Our strength lies in the connectivity of our markets, the diversity of our people and the depth of our client relationships.

Our distinctive strengths, such as our expertise in managing generational wealth, our commitment to mobilising sustainable finance, and our innovative approach, are just some of the qualities that set us apart.

Our strengths

Our footprint and network

We help clients do business across borders through our network of high-growth and established markets.

Our wealth management expertise

We help generations grow and protect their wealth, offering local and global expertise.

Our commitment to sustainable finance

We mobilise capital to deliver sustainable and inclusive growth for our clients and the communities we call home.

Our emphasis on innovation

We scale fintechs and invest in ventures supporting digital transformation and product development.

Read more in our business model on page 10

Where we operate

We operate in the world's most dynamic markets, which set the pace for global growth and prosperity.

Our unique geographic footprint connects high-growth and emerging markets in Asia, Africa and the Middle East with more established economies in Europe and the Americas, allowing us to channel capital to where it's needed most.

We serve clients across

54

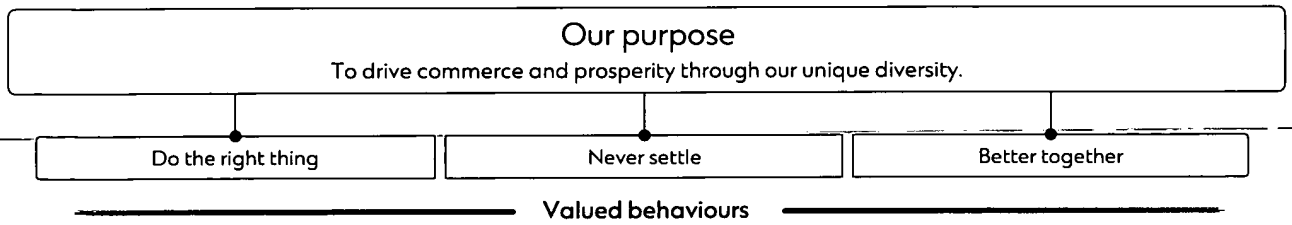
global locations

Read more in our client segments on page 20 to 31

Our purpose and culture

Our distinctive culture has been developed in pursuit of our purpose – to drive commerce and prosperity through our unique diversity.

We're committed to promoting equality and inclusion, as it's our diversity that sets us apart and helps us drive business growth. We are guided by our valued behaviours, and our brand promise, here for good.



Read more on our people and culture on pages 32 to 36

Group Chair's statement

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2025 marked my first year as Chair of Standard Chartered, and I am acutely aware of the responsibility this entails. As I stepped into this role, I did so with a profound respect for my predecessor, José Viñals, who during his tenure, provided steady, principled leadership through a period of exceptional change for the global banking system and the Group.

Maria Ramos
Group Chair

Our strategy has never been clearer. We combine our differentiated cross-border capabilities and leading wealth management expertise to connect clients to growth opportunities across Asia, Africa and the Middle East. Across the business we are aligned to our strategic direction, having simplified our structure to ensure we meet the needs of our globally-minded clients, whether they are corporates, financial institutions, individuals or families. Our capital position and liquidity are robust, our risk discipline is well-embedded, and we have proven our renewed ability to generate sustainable returns, as evidenced by 2025 being the strongest year of financial performance since the financial crisis.

Those achievements form a solid foundation on which we now build. But as we move forward, we do so in the knowledge that the world is transforming. We must ensure our approach continues to reflect our environment, by evaluating and balancing the risks and opportunities presented by an ever-changing landscape.

The friction and fracturing of our operating context

Our ability to remain agile and proactive is of paramount importance. This is what our clients seek when partnering with us, and it is what our people seek in working for Standard Chartered. We helped our clients navigate the shifting geopolitical and geoeconomic sands of 2025 to deliver a robust performance. And, while worldwide growth and business pragmatism have thus far prevailed, we remain acutely aware that ongoing disruption is altering both clients' needs and our consideration of risk.

Power continues to be projected less through formal institutions and established norms and more through economic leverage, technological capability and control of strategic resources. As such, the ability to sustain growth is increasingly determined by access – to capital, to data, to energy, to supply chains, and to reliable networks. While many factors are reshaping the global landscape, we must cut through the noise and identify those trends that are most relevant to our clients, markets and communities, and that play to our distinctive competitive advantages. Bill explains some of these trends in his review; I will highlight the following:

- First is the promise of technology, much of which is materialising in the form of enhanced productivity. Technological advancement has radically changed the industrial landscape and with it the business models, investment decisions and competitive strengths of both incumbents and new entrants alike. Many of the largest corporates today are themselves technology companies or otherwise heavily reliant on it as an enabler.
- Second, a broad digital transformation of finance, and the banking system in particular, is underway. Adoption is accelerating, integration is deepening, and the boundary between financial services and technology continues to blur. Digital assets, tokenisation and the future of money are no longer theoretical. They are becoming embedded in real-world use cases – in trade, in payments and in capital markets – demanding both innovation and rigorous risk management from global banks.

- Third, and related to the first two factors, is the contest for strategic resources that underpin the adoption of AI and data-intensive technologies. This is driving unprecedented demand for data centres, reliable energy and critical minerals, further reshaping geopolitics, supply chains and investment priorities, and reinforcing the strategic value of resilience, access and partnership. It offers significant advantage to those markets that can responsibly capitalise on their natural resources. Such an endowment, if well-stewarded, can present significant opportunity for economic and social development, so we must endeavour to play a role that facilitates such outcomes.

Against this backdrop, global governance is in focus. Financial regulators are shifting from policy consultation and design towards implementation and enforcement – while still recognising their role in stimulating further economic growth. As regulatory convergence and coordination is sought, even if challenging to achieve, as a Group we must retain the ability to act decisively, particularly if we wish to capitalise on our leadership position in digital assets and in our advocacy for a model of banking that is more transparent, secure and immediate.

In engaging in these trends, our conduct at Standard Chartered must be underpinned by trust, discipline and accountability, enabling clear decisions in complex markets. Good conduct provides certainty to clients, supports prudent risk-taking, and strengthens confidence across our markets, directly contributing to sustainable growth and long-term success globally.

Maintaining strategic discipline and focus

The Group Management Team, under Bill's leadership, continues to show that our distinctive strategy is effective, agile and resilient to the external environment. And the strong financial performance outlined in the financial review later in this report reflects our sharper focus and our improved discipline in execution. The role of the Board is to maintain this momentum and to translate our clear strategic intent into sustained outcomes.

The Board's confidence in management is grounded in consistent delivery, sound judgement and their understanding of the risks inherent in operating across our markets. The Board remains rigorous in its oversight, challenging assumptions and decisions and ensuring that performance is sustainable and within our risk appetite. This balance – between trust and scrutiny – is essential to good governance, particularly in a volatile global environment.

I believe resilience matters as much as ambition. A central priority for the Board will therefore remain safeguarding the Group's financial strength, risk discipline and regulatory standing, ensuring that the extraordinary growth opportunities we face are pursued with care and that trade-offs are made transparently.

Relevance – to clients and to society – will also be central to our approach. Standard Chartered operates in markets that are critical to global growth and development, and we play an important role in facilitating trade, investment and financial inclusion. Our commitment to sustainability and responsible finance is integral to our franchise and long-term value creation. This is not about pursuing objectives in isolation but about recognising that strong financial performance and positive social impact are mutually reinforcing when approached with discipline and integrity.

Such an approach is deeply valued by our clients, and it is often cited as their reason for both choosing and remaining with us. And, over the last year in particular, this has been highlighted as an example of true differentiation from our global peers.

Culture as a strategic asset

In a global institution spanning diverse markets and regulatory regimes, culture is not an abstract concept; it is a strategic asset. As Chair, I experienced this firsthand during market visits in 2025 to Malaysia, Hong Kong, Singapore, the UAE, Mainland China, and the US. While our footprint is diverse it is our inclusive, collaborative, client-centric culture that sets us apart from our peers and serves as a valuable anchor of continuity.

Standard Chartered's valued behaviours – do the right thing, never settle and better together – are central to how we manage risk, serve clients and build trust. The Board will continue to focus on how these behaviours are reinforced through leadership, incentives and everyday decision-making, and on ensuring that the tone from the top is consistently reflected throughout the organisation.

In fulfilling its responsibilities, the Board must maintain a balance and diversity of perspectives, skills and experience and remain engaged, informed and forward-looking in its oversight. During the year, Phil Rivett succeeded me as Senior Independent Director when I took the role of Chair in May. Phil also became Chair of the Board Risk Committee in August, with Jackie Hunt taking over as Chair of the Audit Committee in September.

Pete Burrill was appointed as interim Group Chief Financial Officer in February, succeeding Diego De Giorgi, who stepped down as Executive Director and GCFO. The Board thanks Diego for his contribution and wishes him well for the future.

The Board, as part of its core governance mandate, continues to focus on long term succession planning for the Board and its Committees and provides oversight of detailed executive and senior management succession plans, ensuring the Group remains well positioned to deliver the strategy and long-term objectives.

Looking ahead with confidence

As Chair, I intend to act as a steward of this remarkable institution – to preserve its strengths, to support its continued improvement, and to help ensure that Standard Chartered remains relevant and trusted for the long term.

Reflecting the Board's confidence in the Group's future prospects, we are pleased to recommend an increased full-year dividend of 61 cents per share (a 65 per cent increase) and are announcing a further share buyback of $1.5 billion, in addition to the $2.8 billion already announced over the course of 2025.

I would like to thank our clients for their trust, our colleagues for their extraordinary commitment, and our shareholders for their continued support. Together, we are building a stronger, more resilient and even more distinctive Standard Chartered – one that will continue to deliver sustainable performance and value creation in the years ahead.

Maria Ramos

Group Chair, Standard Chartered PLC

24 February 2026

Group Chief Executive's statement

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Our performance in recent years has been strong in both absolute terms and relative to many of our peers. This is reflected in key metrics such as the value of our client franchise, financial results, and share price.

We have taken advantage of a generally supportive business environment. Shifts in trade and investment driven by geopolitical changes have worked in our favour, and growth remains strong in our key markets.

Bill Winters
Group Chief Executive

We built additional momentum in 2025, leveraging our distinct competitive advantages, and intend to capitalise on this in the years to come, having exceeded our 13 per cent Return on Tangible Equity (RoTE) milestone a year earlier than guided.

Navigating a period of extraordinary change

We recognise that short-term results alone are not sufficient in banking; lasting success comes from building long-term resilience – for our clients, our communities and our own organisation. Sustainable performance comes from adapting to structural change and turning that into distinctive client value.

We continually assess the structural shifts shaping the future of finance – some of which I explore below – and refine our strategic response to ensure that our current momentum translates into long-term value. The strengths that have fuelled our recent progress will continue to support our success and adaptability as a financial services company, even as markets evolve.

1. The emergence of a multipolar and multi-aligned world

The global marketplace is rapidly changing, with growth, capital and innovation more widely distributed and geopolitical alignment more fluid. As alliances form around specific trade, security and investment priorities, this creates new opportunities but also increased complexity in financing, supply chains, procurement, and logistics for clients operating internationally.

- We help our clients navigate change by using our strong local presence across Asia, Africa and the Middle East to facilitate secure and compliant trade, investment and wealth flows.
- Our investment over decades to develop these capabilities gives us a structural competitive advantage.
- In relation to China, for example – which is neither converging with other financial systems nor isolating itself, but developing its own capital markets, payment rails and international linkages – we have built a leading RMB franchise in many of the markets in which we operate.

2. Digital transformation and evolving client expectations

Money is becoming digital, programmable and increasingly interoperable across systems.

Distributed ledger technology, tokenisation and new settlement models are already reshaping payments, securities issuance and settlement, custody and liquidity management. These changes raise fundamental questions about where trust and value will ultimately reside. History suggests that financial innovation does not eliminate clients' need for banks; it changes the form that banking takes.

- We have built market-leading digital asset capabilities, supporting clients across trading, custody, settlement and tokenisation in a compliant and scalable way.
- Our approach is pragmatic, applying distributed ledger technology where it solves real problems – particularly in cross-border payments, liquidity management and market infrastructure – rather than pursuing novelty for its own sake.
- We are modernising our financial plumbing while preserving the trust on which the system depends, partnering where necessary with those that share this vision.

Digital-first banking models have reshaped client expectations across all segments, with clients increasingly prioritising convenience and consistency over physical interaction. Such models are cheaper to run and easier to scale, raising industry benchmarks for simplicity and speed.

- Through our uniquely diversified digital banking portfolio across our markets, we serve distinct customer segments while enhancing offerings in our core businesses. These experiences have improved customer satisfaction and productivity across our Wealth & Retail Banking (WRB) business.
- We are equally committed to advancing digital engagement with our Corporate & Investment Banking (CIB) clients, investing in new platforms, portals and digital channels, making it easier for them to access services, manage transactions and engage with us securely and efficiently.

3. The changing role of banks in serving the real economy

Banks are increasingly acting as service providers, credit originators and intermediaries, connecting borrowers and investors rather than holding risk alone.

The post-financial crisis capital rules strengthened the system but made bank capital more expensive for some activities and changed the critical role of banks in serving the real economy. The role of non-bank financial institutions in the provision of credit, pricing and liquidity, significantly outpacing that of banks. This is not cyclical – it reflects a lasting reallocation of risk and capital that comes along with banks having governments as lenders of last resort.

- These trends play directly to our strengths. We provide value to borrowers and investors through credit origination, warehousing, structuring and distribution, rather than balance-sheet accumulation alone.
- This is driving greater demand for cross-border hedging and liquidity solutions, which we capture as valuable 'flow' business in our Global Markets franchise.
- Our experience across our unique geographic footprint allows us to originate assets in markets, sectors and corridors where others cannot. That origination capability sits at the intersection of our corporate, institutional and wealth businesses, allowing us to connect borrowers, sponsors and investors in ways that are difficult to replicate.

4. Rising wealth participation is reshaping capital markets

Affluent individuals and corporates are moving beyond deposits into equities, bonds and funds, while governments and regulators promote infrastructure and private sector growth. Capital markets across our footprint are transforming rapidly. Economies that once relied on bank lending and physical assets are shifting towards more accessible and sophisticated financial systems. This is not cyclical yield-chasing, but a structural change in how wealth is built, preserved and transferred.

Technology is an accelerator, enabling broader participation and making capital markets integral to everyday economic life – unlocking new channels for savings, generational wealth transfer, investment and risk management.

- As capital markets expand, our ability to provide trusted advice and innovative solutions becomes a critical differentiator, ensuring we capture growth while helping clients navigate complexity.
- Wealth continues to grow rapidly across our footprint with the largest opportunities concentrated in our top markets, and this expansion is becoming increasingly international. Our affluent business is both large and high returning, driven by clients' growing need to manage and grow their assets, and by our position as a top wealth manager in Asia.

We differentiate ourselves by combining deep local market capabilities with global wealth and capital markets products and services, allowing our clients to improve returns and funding costs.

5. The transition economy and sustainable finance

The global transition to a lower-carbon economy will significantly affect capital allocation for decades. But, as we saw in 2025, it will not follow a straight path. What has changed is the pace and pattern of the transition itself – more urgent because of accelerating climate impacts, more volatile because of geopolitical and energy-market shocks, and more centred on emerging markets where capital is scarcest and where credible transition pathways, not just green solutions, are now essential.

Asia, Africa and the Middle East will account for most of the future global population growth, energy demand and infrastructure investment. For these regions, the challenge is not whether to grow, but how to grow – balancing development, affordability and sustainability.

- We have built one of the leading sustainable finance franchises across our footprint, precisely because we operate where the transition is most dynamic and most consequential.
- Our role extends beyond financing renewable energy to supporting modernised grids, electrified transport, emerging industries, sustainable trade and adaptation – often in markets where capital is scarce and risk is misunderstood.

Sustainable finance, in this context, is not an overlay. It is a growth opportunity and core capability that combines local knowledge, cross-border capabilities, structuring expertise and long-term client relationships.

Taking the trends above together, they reinforce the logic of our strategy. We focus on areas where cross-border connectivity matters, where clients value insight, access and trust. When we describe Standard Chartered as a super-connector, we mean something specific. We sit at the centre of the world's most important trade and capital corridors and help clients move money, manage risk, exchange ideas and deploy capital across borders that others cannot serve effectively.

Further progress executing our distinctive strategy

Our robust performance in 2025 reflected the disciplined execution of our strategy to maximise our areas of strongest competitive advantage:

- Serving our international corporate, institutional and individual clients with our differentiated **cross-border** products and services.
- Helping our **affluent** customers manage their wealth in our markets across Asia, Africa and the Middle East.

We specialise in providing creative solutions to complex issues for these sophisticated and internationally oriented clients. As Pete, our interim Group Chief Financial Officer, will explain in more detail, we made good progress in both respects in 2025. I would like to take this opportunity to thank Diego for his valuable contribution during his tenure. Pete brings extensive sectoral experience and provides valuable continuity to the leadership of our finance function.

Our distinctive model relies on the quality and resilience of our people. Our achievements in 2025 are a direct result of their extraordinary commitment and ingenuity, and I want to thank them for their dedication and for embracing the challenges and opportunities of a rapidly changing world. I am most proud that people who are the best at what they do choose to work at Standard Chartered, bringing their expertise and insights to help us deliver an increasingly distinctive client proposition. As we strive for excellence and deepen our role as a super-connector, it is the collective spirit and drive of our people that will define our next chapter.

Our ongoing focus on serving our clients in the most productive way – through continuous transformation of our technology, adoption of advanced data skills (including AI), simplification of our processes, and disciplined expense management – has served us well. Initiatives such as Fit for Growth and other ongoing transformation programmes are enabling us to grow income at a faster rate than expenses while simultaneously enhancing the resilience of our functions. Our transformation is not limited to operational improvements; it is also underpinning a profound cultural shift. We are building a bank that is agile, seamless and truly client-centric, where collaboration and innovation are not just aspirations but embedded in our daily practice.

Continuity of strategy under our new Chair

This year marks an important transition in our leadership, as Maria Ramos succeeded José Viñals as Chair. We are grateful to José for his steady guidance and commitment, which have been instrumental in steering the bank through a dynamic period. Maria's appointment brings both continuity and fresh perspective; she is exceptionally well placed to guide us through the next chapter. For further detail on her vision and priorities, I encourage you to read Maria's statement, where she sets out her objectives.

Looking ahead: this is (still) our time

This year, we and our clients confronted a global economy and international system at what felt like an inflection point. Trends previously considered medium-term have accelerated. Trust and incrementalism – a belief that tomorrow will be a slightly modified version of today – have given way to a more substantial re-think. In response, markets and key actors are re-wiring their financial systems' connectivity, security alliances, trading routes and infrastructure, and technological dependencies.

Our unique business model with its trusted network of deeply-rooted local franchises has always thrived in febrile environments, and we expect the prevailing conditions to continue for the foreseeable future. Our strategy is designed to enable us to endure change, to support clients as the world becomes more complex and as their own needs evolve, and to ensure that we remain relevant, resilient and trusted over the long term. We allocate capital, talent and technology accordingly – and we are equally deliberate about what we choose not to do.

We remain committed to sharing our success with our shareholders and will continue to actively manage our capital position with this objective in mind. We are therefore announcing a further share buyback programme of $1.5 billion, to commence imminently.

This bank has been transformed in the last ten years, from a traditional, broad-based commercial bank into a focused, structurally more profitable, and distinctly positioned international institution. But what got us here will not get us to where we want to be over the next decade. We will explain more about our plans at our capital markets event in May of this year, where we will describe our next phase of growth and the expected financial effects of our plans.

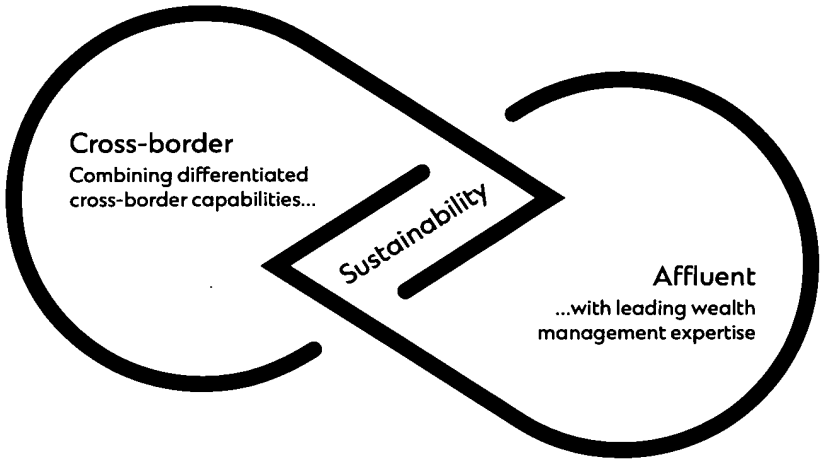
Bill Winters
Group Chief Executive

24 February 2026

Our strategy

Our strategy is designed to deliver our purpose: to drive commerce and prosperity through our unique diversity. This is underpinned by our brand promise, here for good.

We are a global bank connecting corporate, institutional and affluent clients to a network that offers unique access to sustainable growth opportunities across Asia, Africa and the Middle East. We specialise in solving complex cross-border challenges for sophisticated clients.



Strategic priorities

Cross-border

- Help our clients seamlessly connect with growth opportunities across high-growth corridors, utilising our unique footprint.
- Offer increasingly innovative solutions for complex client needs by growing our capabilities in advisory, risk management and financing across capital markets, securities services, trade and payments.
- Address evolving client demand and drive client satisfaction with investments in digitisation, product innovation and AI capabilities.
- Enhance our ability to serve sophisticated financial institutions in fast-growing client segments such as Sponsors and Fintech.
- Support our clients' transition journeys across our markets by continuing to build market-leading sustainable finance capabilities.

Network income	Income from financial institution clients
~70% of CIB income in medium term	~60% of CIB income in medium term

Affluent

- Continue to differentiate through our international affluent client value proposition, solidifying our position as a leading wealth manager in Asia, Africa and the Middle East.
- Strengthen our competitive advantages in serving affluent clients' needs, with investment of $1.5 billion over five years in our wealth and digital platforms, client centres, people and brand.
- Deliver personalised and trusted advisory and differentiated solutions to clients, leveraging AI and digital tools to grow client engagement and wealth penetration.
- Build a robust pipeline of future affluent clients as we continue to reshape our mass retail business.
- Connect clients to sustainability capabilities across the bank by embedding sustainable investments into our Wealth Solutions propositions.

Wealth Solutions income	Affluent income	Net new money
Double-digit CAGR from 2025 to 2029	75% of WRB income	$200bn from 2025 to 2029

Our business model

Our business model reflects our strategy of combining differentiated cross-border banking capabilities with leading wealth management expertise for affluent clients, supported by leadership in sustainability.

Our resources

Our resources provide the strong foundation that helps us deliver our strategy.

Human capital

Diversity differentiates us; it is in our purpose statement. Delivering our strategy rests on how we continue to invest in our people, the employee experience and culture.

International network

Our network is our unique competitive advantage and connects corporates, financial institutions, individuals and small and medium-sized enterprises across some of the world's fastest-growing and most dynamic markets.

Local expertise

We are deeply rooted in the markets where we operate, offering us insights that help our clients achieve their ambitions locally and across borders.

Brand recognition

We are a leading international banking group with 170 years of history. In many of our markets, we are a household name.

Financial strength

With our solid balance sheet and prudent financial management, we are a strong and trusted partner for our clients.

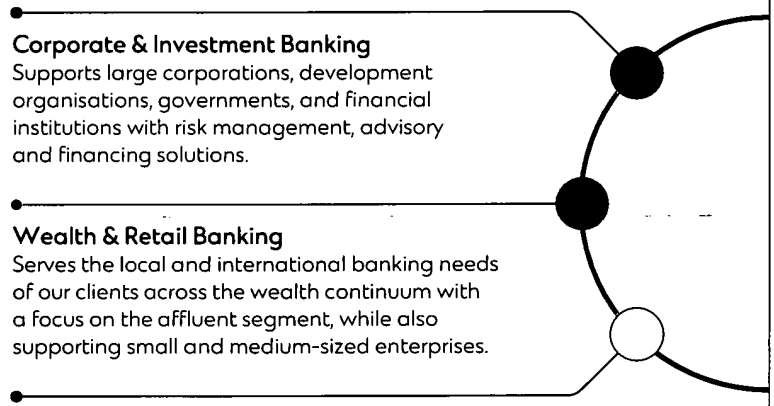
Technology

Our foundations in technology and data act as key enablers in providing world-class client services.

Our businesses

We bring together three interconnected client segments, delivering a range of products and services, supported by our leading Sustainability business.

Our client segments



Corporate & Investment Banking
Supports large corporations, development organisations, governments, and financial institutions with risk management, advisory and financing solutions.

Wealth & Retail Banking
Serves the local and international banking needs of our clients across the wealth continuum with a focus on the affluent segment, while also supporting small and medium-sized enterprises.

Ventures
Promotes a culture of innovation across the Group, investing in disruptive financial technology and creating alternative financial service business models, as well as growing our digital banks – Mox and Trust.

Read more on our client segments on pages 24 to 31

Sustainability

Sustainability is integral to the Group and our client offering across all our business segments.

Responsible business practices
We strive to be a responsible business by operationalising our net zero targets, managing environmental and social risks, and acting transparently.

Our key products and services

Global Markets
- Macro Trading
- Credit Trading

Global Banking
- Lending & Financial Solutions
- Capital Markets & Advisory

Transaction Services
- Payments & Liquidity
- Trade & Working Capital
- Securities & Prime Services

Wealth Solutions
- Investments
- Bancassurance
- Wealth advice
- Portfolio management

Retail Products
- Deposits
- Mortgages
- Credit cards
- Personal loans

Bespoke sustainable finance solutions
We offer sustainable finance solutions designed to help our clients address environmental and social challenges and achieve sustainable growth.

Innovation in service of our markets
We advocate in service of our markets to unlock the areas where capital is not flowing at scale or not at all and to drive economic inclusion.

Read more in our Sustainability review on pages 67 to 128

Our value creation

We create long-term value for a broad range of stakeholders.

Clients
We deliver banking solutions for our clients across our network, both digitally and in person. We help individuals grow and protect their wealth while connecting corporates and financial institutions to opportunities across our network.

Employees
We believe that employee experience drives client experience. We want all our people to pursue their ambitions, deliver with purpose and have a rewarding career enabled by great people leaders.

Suppliers
We partner with diverse suppliers, locally and globally, to provide efficient and sustainable goods and services for our business.

Investors
We aim to deliver robust returns and long-term sustainable value for our investors.

Regulators and governments
We play our part in supporting the effective functioning of the financial system and the broader economy by proactively engaging with public authorities.

Society
We strive to operate as a sustainable and responsible company, working with local partners to promote social and economic development.

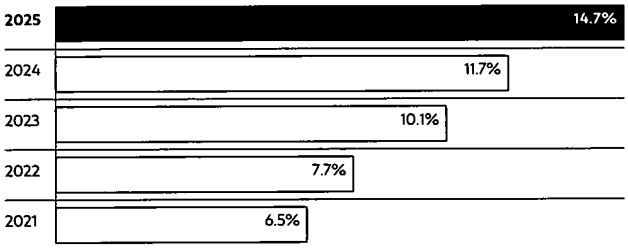
Key performance indicators

We measure our progress against Group key performance indicators (KPIs), as detailed below, as well as client KPIs, which can be found on pages 24 to 31. Our Group KPIs include non-financial measures, reflecting our commitment to build an engaged, diverse and inclusive culture and support social and environmental outcomes.

Financial KPIs

Underlying return on tangible equity (RoTE)[1,2] % ●●

+300bps

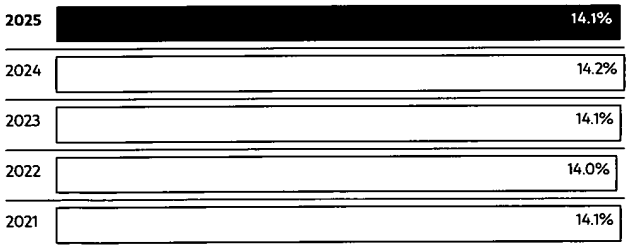


Aim
Deliver sustainable equity improvement in the Group's profitability as a percentage of the value of shareholders' tangible equity.

Progress in 2025
Consistent execution of our strategic priorities has translated into materially higher returns, with underlying RoTE of 14.7 per cent in 2025, exceeding our 13 per cent target a year earlier than planned.

Common Equity Tier ratio (CET1)[1] % ●●

-12bps

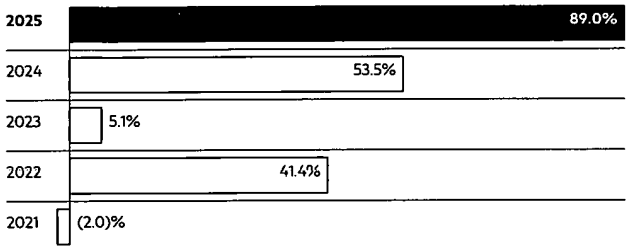


Aim
Maintain a strong capital base and CET1 ratio.

Progress in 2025
The Group remains well capitalised and highly liquid, with a CET1 ratio of 14.1 per cent above our target range. The Board has announced a full-year dividend of 61 cents per share and a further share buyback programme of $1.5 billion commencing imminently.

Total shareholder return (TSR)[3] % ●

89.0%



Aim
Deliver a positive return on shareholders' investment through share price appreciation and dividends paid.

Progress in 2025
Our total shareholder return for the full year was 89.0 per cent, reflecting the significantly improved share price during 2025.

1 The underlying profit attributable to ordinary shareholders expressed as a percentage of average ordinary shareholders' tangible equity.
2 2021–2022 was restated to reflect market and business exits announced in Q1'23.
3 Combines simple share price appreciation with dividends paid to show the total return to the shareholder and is expressed as a percentage total return to shareholders. The outcomes for 2024 and 2023 have been restated due to an adjustment to the 2023 TSR input data, reflecting a change in adjustment factor by the data provider.

Alignment to remuneration

Reward for all Group employees, including executive directors, continues to be aligned to the Group's strategic priorities, through our annual and long-term incentive scorecards. Our approach to remuneration is consistent for all employees and is designed to create alignment with our Fair Pay Charter, which applies globally. However, our pay structures may vary according to location (to comply with local requirements). Variable remuneration falls into two categories: annual incentive and a long-term incentive plan (LTIP), which are aligned to the KPIs indicated.

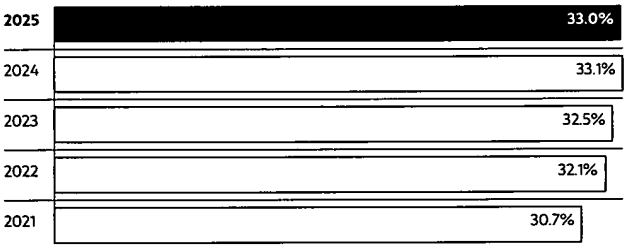
- **Annual incentive** is based on measurable performance criteria linked to the Group's strategy and assessed over a period of one year.
- **LTIP** awards are granted to senior executives who have the ability to influence the long-term performance of the Group. Awards are performance dependent based on measurable, long-term criteria.

Read more in our Directors' remuneration report on pages 180-206

Non-financial KPIs

Women in senior roles[4,5] % ●●

-0.3%



Aim

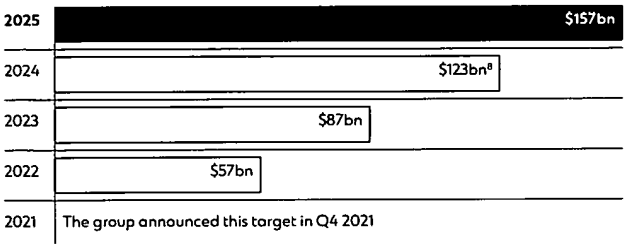
Increase representation[4] of women in senior leadership roles[5] globally to 35 per cent by the end of 2025.

Progress in 2025

The slight decrease reflects growth in the overall senior leadership population, which impacted the proportional representation of women.

Mobilisation of sustainable finance[6,7,8] $bn ●●

+$34bn



Aim

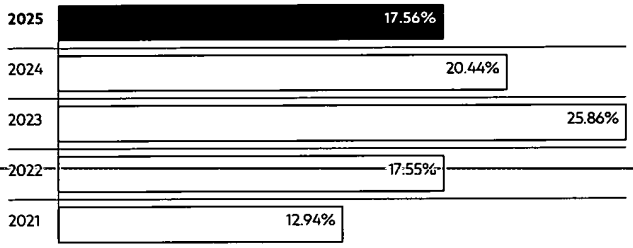
Cumulative progress towards our commitment to mobilise $300 billion between 2021 and 2030.

Progress in 2025

We are tracking well against our commitment, having now mobilised over half of our target amount.

Employee net promoter score (eNPS)[9] ●

-2.9points



Aim

Improve the overall employee experience across the Group by creating a better work environment for our colleagues that should translate into an improved client experience.

Progress in 2025

eNPS reflects wider engagement trends and the organisational changes underway.

4 Subject to local legal requirements.
5 Senior level refers to roles that are at least at the level of Executive Director (Band 4) and Managing Director (Band 3) as at 31 December of each reporting year.
6 We define mobilisation of sustainable finance as our share of any investment or financial service provided to clients that supports: (i) the preservation and/or improvement of biodiversity, nature or the environment; (ii) the long-term avoidance/decrease of greenhouse gas emissions, including the alignment of a client's business and operations with a 1.5°C trajectory or national net zero pathway (known as transition finance); (iii) a social purpose; or (iv) incentivising our clients to meet their own sustainability objectives (known as sustainability-linked finance). It is a measure of total capital mobilised and considers the total value committed on facilities provided to clients. Mobilisation is the provision of capital that, as per the legal contractual documents, meet the sustainable finance verification criteria, or SLL eligibility, as of the date of execution of the trade.
7 Figures reflect cumulative sustainable finance mobilised since January 2021 up to September of each year.
8 The 2024 balance has been restated from $121 billion to $123 billion. See page 83 for details.
9 eNPS ranges from -100 to +100 and is based on a single question that measures whether colleagues would recommend working for the Bank. It is calculated by deducting the percentage of detractors from the percentage of promoters.

Market environment

Macroeconomic factors affecting the global landscape

Trends in 2025

- Global GDP growth was 3.4 per cent in 2025, slightly higher than 3.3 per cent in 2024, and better than expected as exporters front-loaded exports to the US and consumers remained resilient amid ongoing easing by central banks.
- Asia's growth was 5.3 per cent in 2025 as its export-oriented economies held up much better than expected thanks to strong front-loading of exports. Growth in China was stable at 5.0 per cent in 2025, the same as in 2024, although momentum eased over the course of the year. Growth in India was stronger in 2025 owing to a domestic policy stimulus of tax cuts and interest rate reductions, which more than countered higher US tariffs.
- Sub-Saharan Africa (SSA) likely saw growth of 4.0 per cent in 2025, supported by easing global financial conditions, sustained capital inflows and country-specific reforms. Weaker global integration of SSA economies has provided a buffer against risks stemming from US tariffs.
- Among the major markets, the US showed resilience, but growth still slowed from 2.7 per cent in 2024 to 2.0 per cent in 2025 amid government spending cuts, tariff disruptions and prolonged government shutdown. Growth was stronger in 2025 in the Euro area and the UK, largely owing to front-loading of exports to the US ahead of tariffs. Monetary easing will continue to filter through, but external trade pressures have shown signs of weighing on growth. In most major markets, there are early signs of labour market softening.
- Many central banks continued to loosen monetary policy over the course of 2025 as inflation showed clearer signs of returning to target levels.

Outlook for 2026

- We expect global growth to be 3.4 per cent in 2026, unchanged from 2025. For many economies, 2026 is likely to be a year of transition from monetary to fiscal policy, and from export-led to increasingly domestic (particularly investment-led) growth.
- On the geopolitical front, markets will be eager to see progress to end ongoing conflicts and will be focused on the US mid-term elections. Risks to the outlook remain high amid persistent trade policy uncertainty, geopolitical flash points, and fears of financial-market corrections – all of which point to potentially higher probabilities of extreme outcomes.
- We expect the US to grow by 2.3 per cent in 2026, on the back of strong business investment and spending, supported by corporate tax cuts and the race for AI adoption. We expect euro area growth to be more muted at 1.1 per cent given trade pressures – from US tariffs, increasing competition from China and the uneven picture across euro-area economies.
- China is likely to grow by 4.6 per cent in 2026, driven primarily by tech-led investment and productivity gains, along with an increasing policy focus on boosting domestic consumption. Asian economies are likely to see a slowdown in export growth. However, resilient consumer spending and stronger investment should support growth across most economies.
- The US continues to diverge from other major economies – inflationary pressures are building in the US, while they remain largely absent elsewhere. We expect no further cuts from the US Federal Reserve (Fed); as this is less than what the market is currently pricing in, it should mean that global yield curves steepen and should also be supportive for the US dollar.

Medium-term and long-term view

Focus on fiscal concerns

- Global central banks have delivered over 150 rate cuts in the past 12 months and are now nearing the end of their monetary easing cycles. Fiscal policy is set to take centre stage in 2026, with an increased focus on defence and infrastructure spending in major economies, including the EU.
- Global debt outstanding has reached new record levels. Fiscal challenges across both developed and emerging market economies have not been resolved; H1 2025 saw $21 trillion added to the global debt tally, taking debt outstanding to nearly $340 trillion.
- Under pressure to support growth, governments across both developed and emerging markets are likely to rely increasingly on fiscal stimulus. The extra borrowing required is likely to put renewed upward pressure on bond yields, barring a global recession.
- We expect yield curve steepening to emerge as the dominant trend for global curves as more corporate borrowers are tapping the markets at the same time that sovereigns are ramping up debt issuance to fund fiscal stimulus.
- With the Fed likely to keep interest rates well above pre-pandemic lows, and with the return of the 'steeper-for-longer' theme for yield curves globally, economies with external funding needs could face greater scrutiny than those more reliant on domestic funding.

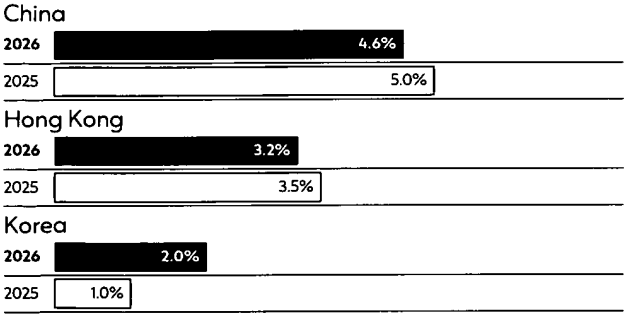
Broader global trends

- Long-term growth in the developed world is constrained by ageing populations and high levels of debt.
- Rising nationalism, anti-globalisation and protectionism are threats to long-term growth prospects in emerging markets.
- However, there are potential offsets. Higher capex to meet sustainability targets and moves towards digitalisation could boost productivity growth, providing an antidote to economic scarring concerns. Within emerging markets, countries in Asia are best placed to take advantage of digitalisation, including generative AI (GenAI).
- Relatively younger populations, and the adoption of digital technology, will allow emerging markets to become increasingly important to global growth.
- In order to meet net zero targets, energy-related spending will have to increase significantly; headwinds include insufficient funds across emerging markets, labour shortages and supply chain constraints.

Regional outlook

Greater China and North Asia

Actual and projected growth by market in 2025 and 2026



The latest US–China trade agreement has eased tariff uncertainty somewhat for 2026. Our baseline now assumes tariffs to stay around current levels throughout 2026. We expect China's exports to stay resilient and policy to continue to support domestic demand, especially consumption, amid the prolonged housing-market correction. China's total factor productivity gains should continue to fuel growth, aided by rapid AI adoption.

The 15th Five Year Plan (FYP) continues to push for consumption-based and technology-driven growth, underlining China's structural transition.

We expect China's macro policies to remain supportive to cushion growth, but policymakers may avoid ultra-loose measures to safeguard financial stability and balance short-term economic relief with the long-term structural agenda.

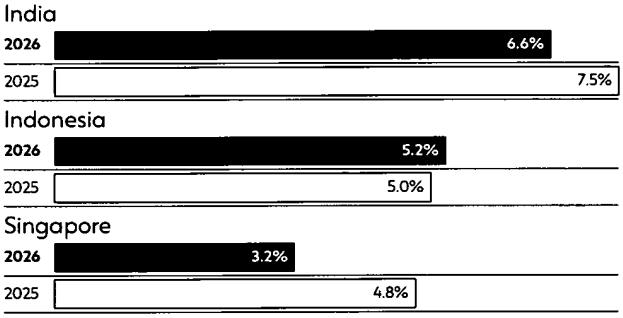
We expect China's fiscal policy to remain supportive of the economy in the near-term to avoid a fiscal cliff, but the budget deficit is likely to be moderately smaller compared to 2025. The People's Bank of China is likely to maintain accommodative monetary policy, but with measured easing to manage financial stability concerns. We expect China's economy to grow 4.6 per cent in 2026.

Hong Kong's household spending may continue to recover in 2026. Business investment and hiring intentions are expected to recover in 2026 thanks to relatively steady domestic growth and reduced tariff uncertainty, providing relief to the labour market. Meanwhile, merchandise export growth is likely to decelerate in 2026 on unfavourable base effects and fading front-loading activity. We expect Hong Kong's role as a global offshore Renminbi (RMB) business hub to strengthen. China's 15th FYP proposes advancing RMB internationalisation.

We expect South Korea's GDP growth to accelerate in 2026. The composition of growth may turn more balanced as construction investment turns positive, facility investment stays stable and private consumption strengthens. While we expect exports to slow versus 2025 due to base effects, they remain the key source of support for Korea's economy. We expect the Bank of Korea to keep rates on hold for a prolonged period.

ASEAN and South Asia

Actual and projected growth by market in 2025 and 2026



In India, a GDP growth forecast of 7.5 per cent for FY26 (ending March 2026) and 6.6 per cent next year amid well-contained inflation puts it on a solid footing. Policy-push via tax and interest rate cuts, continued focus on capital expenditure and good weather is likely to lead to more even distribution of growth. Downside surprises to inflation have led to easier monetary policy, although rate cuts have likely come to an end. A policy change to allow the Indian rupee to be the shock absorber amid weak capital inflows ensures macroeconomic stability from a medium-term perspective. Focus remains on the government's measures to improve the ease of doing business, which will be critical in attracting larger capital inflows into India.

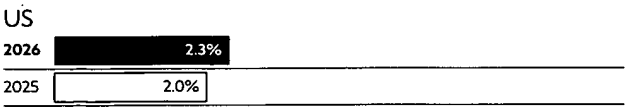
We expect growth in ASEAN to remain stable in 2026. Exporting economies including Singapore, Malaysia, Thailand and Vietnam, had performed better than expected in 2025, despite tariff-related uncertainty on the back of an extended period of tariff-reprieve and the front-loading of exports to the US.

However, normalisation of exports may be a growth drag in 2026. Meanwhile, AI-related activity may continue to support growth, either via manufacturing or investment. More domestically driven economies, including those of Indonesia and the Philippines, may benefit from a more efficient utilisation of their fiscal budgets in 2026. Issues, including logistical challenges and increased fiscal scrutiny, affected their growth in 2025 but we expect these economies to perform better in 2026 once these issues are resolved.

Asian central banks may be close to the end of their easing cycles. While inflation is likely to remain manageable, it could pick up in 2026. We expect only further modest easing in Indonesia, the Philippines and Thailand in H1 2026. Having said that, foreign exchange stability remains a focal point for some of these central banks, which may affect their interest rate decisions. Meanwhile, the Monetary Authority of Singapore may be the first central bank in the region to tighten monetary policy in April, unwinding some of the pre-emptive easing in H1 2025, amid stronger-than-expected economic performance.

Americas

Actual and projected growth by market in 2025 and 2026



We expect a gradual acceleration of US growth in 2026, underpinned by strong investment growth amid corporate tax cuts and the race for AI build out. Despite softer employment growth, which partly reflects supply-side factors such as lower immigration, we expect high productivity growth to sustain the resilience in the US economy. Business hiring is likely to pick up later in 2026, aided by loose financial conditions and resilient domestic demand.

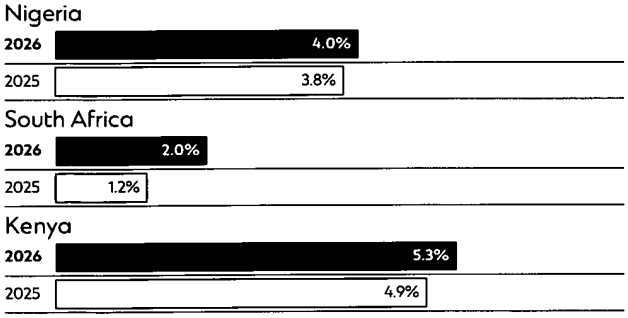
Tariff-induced price pressure has started to gradually filter through the economy. Concerns over the inflation trajectory may limit the room for Fed easing in 2026.

Legal challenges against the tariffs still pose significant uncertainty over the US fiscal trajectory and long-term interest rates. Upcoming mid-term elections could put the administration on the defensive, limiting the room for more radical changes.

In Latin America, growth is likely to pick up for most countries in an environment of more supportive monetary policy and sustained commodity tailwinds. A busy election calendar could increase market volatility, although potential swings to the right could boost investment sentiment in anticipation of more market-friendly legislative environments. Fiscal risks are likely to remain elevated, with high borrowing costs and increasing spending rigidity challenging fiscal consolidation.

Africa

Actual and projected growth by market in 2025 and 2026



We expect continued robust growth in Sub-Saharan Africa (SSA), which is less exposed than other regions to escalating trade tensions. In larger economies such as Nigeria and South Africa, reform momentum is the main driver of the turnaround. Favourable commodity prices and still-supportive portfolio investor flows should also continue to provide support.

Most SSA economies have seen a marked improvement in gross reserve accumulation, helped by gold valuation gains in the case of the West African Economic and Monetary Union region, Ghana, South Africa, Zambia and Uganda. This trend should persist in 2026, boosting external liquidity.

Although the ability of Senegal and Kenya to secure IMF-funded programmes will be closely watched, this is unlikely to detract from broader investor appetite for SSA assets.

2026 should see continued portfolio inflows to the region, with FX stability allowing for significant monetary easing in Ghana, Nigeria and Zambia. We forecast a pick-up in private-sector credit across most SSA markets. This will be supported by banking-sector consolidation in Nigeria, where new minimum capital requirements are taking effect, and stepped-up efforts in Kenya and Ghana to address delayed government payments, should reduce non-performing loans.

Middle East

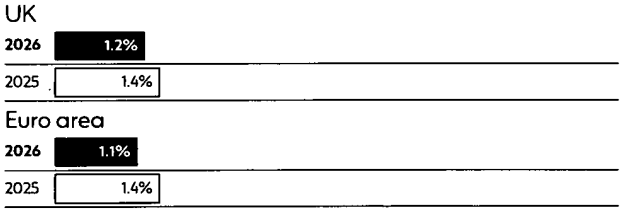
Actual and projected growth by market in 2025 and 2026

Despite relatively low oil prices, we expect the Gulf Cooperation Council (GCC) to remain a bright spot for global growth in 2026, with the region's non-oil growth exceeding overall global economic growth. With the exceptions of Saudi Arabia, Kuwait and Bahrain, most of the region's fiscal breakeven oil prices remain low. In some cases, they have declined; for Oman, this has prompted consecutive credit rating upgrades. Investment in the non-oil sector will continue to drive economic activity in 2026, while lower interest rates, favourable demographics and labour market dynamics should benefit consumption growth and sectors such as housing in Saudi Arabia, the UAE and Qatar.

Cautious central bank policies should keep FX and inflation risks in check in Türkiye, Egypt and Pakistan. On the trade front, the GCC, and the UAE in particular, will continue to benefit from rising South–South trade as global trade is re-routed in a more fragmented world. In parallel, policymakers' focus on AI should add impetus to the US–GCC investment corridor.

Europe

Actual and projected growth by market in 2025 and 2026



European growth is likely to be weak in the first half of the year as trade pressures weigh on exporters. However, European consumers remain in a relatively healthy position and consumer spending should support overall economic growth. German fiscal stimulus should also provide more of a tailwind to growth as the year progresses.

The UK growth outlook will be weighed down by a weaker labour market and fiscal tightening. However, reforms to the UK's planning system and efforts to improve trade – particularly with the EU – should yield growth benefits over time.

The European Central Bank has almost finished its interest-rate cutting cycle as inflation is close to target, but the Bank of England likely has further room to cut owing to labour market weakness and slowing inflation.

Group Chief Financial Officer's review

Image removed

We delivered strong performance in 2025 reflecting sustained successful execution of our cross-border and affluent banking strategy which helped our clients navigate an uncertain external environment. The continued strategic focus on areas of our distinctive competitive advantage helped us deliver an underlying return on tangible equity of 14.7 per cent in 2025, surpassing our 13 per cent underlying return on tangible equity target a year earlier than planned.

Pete Burrill
Interim Group Chief Financial Officer

Summary of financial performance

All commentary that follows is on an underlying basis and comparisons are made to the equivalent period in 2024 on a constant currency basis, unless otherwise stated. 2024 included items totalling $295 million (2025: $1 million loss) relating to gains on revaluation of FX positions in Egypt and a hyperinflationary accounting adjustment in Ghana (the notable items).

Our operating income grew by 6 per cent to $20.9 billion or 8 per cent excluding the notable items, driven by record performance in Wealth Solutions and Global Markets and strong double-digit growth in Global Banking. Operating expenses grew by 4 per cent, disciplined cost management enabled us to generate positive income-to-cost jaws of 2 per cent, or 4 per cent excluding the impact of notable items. Credit impairment charges were $676 million, equivalent to an annualised loan-loss rate of 19 basis points, with asset quality remaining resilient in the face of a volatile global environment. Underlying profit before tax of $7.9 billion was up 18 per cent, and underlying earnings per share of 229.7 cents, increased 37 per cent benefitting from a reduction in share count as well as the increase in profitability.

The Group remains well capitalised and highly liquid with a strong and diverse deposit base. The liquidity coverage ratio of 155 per cent reflects disciplined asset and liability management. The Common Equity Tier 1 (CET1) ratio of 14.1 per cent is above the Group's target range of 13 per cent to 14 per cent, enabling the Board to announce a further $1.5 billion share buyback programme to commence imminently.

Net interest income (NII) of $11.2 billion was up 1 per cent, as the benefit from higher volumes and improved balance sheet mix was partly offset by the impact of lower interest rates leading to margin compression, albeit pass-through rates remain robustly managed.

Non NII of $9.7 billion increased 13 per cent or 17 per cent excluding the notable items. This was driven by record performance in Wealth Solutions from continued momentum in new clients onboarding and growth in net new money, strong performance in Global Banking from higher origination and distribution volumes and robust growth in Global Markets from client flow income. Ventures realised a $238 million gain from the Solv India transaction.

Operating expenses of $12.3 billion increased 4 per cent. This was largely driven by continued investments into business growth initiatives, including strategic hiring of Relationship Managers in Wealth & Retail Banking (WRB) and coverage bankers in Corporate & Investment Banking (CIB) and higher performance related compensation reflecting a combination of strong profitability, share price increases and a change in regulation which enabled the acceleration of deferred bonuses. This was partly offset by efficiency saves, primarily linked to the Fit for Growth programme. The cost-to-income ratio improved by 1 percentage point to 59 per cent.

Credit impairment charge of $676 million represents a loan loss rate of 19 basis points, in line with the prior year. WRB impairment of $595 million was down $28 million, reflecting portfolio optimisation actions. The $59 million charge in Ventures was down $14 million year-on-year as delinquency rates improved in Mox. CIB impairment was a net charge of $4 million, up $124 million from the non-repeat of prior year releases.

Other impairment of $42 million decreased by $546 million year-on-year primarily due to lower software asset write-offs.

Profit from associates and joint ventures was up 42 per cent to $71 million mainly reflecting higher profits at China Bohai Bank.

Restructuring, FFG, Debit Valuation Adjustment (DVA) and other items totalled $937 million (2024: $797 million). Restructuring of $320 million reflects the impact of actions to simplify technology platforms and business exits (2024: $285 million). Charges to structurally improve productivity through the Fit for Growth programme totalled $531 million (2024: $156 million). Movements in DVA were a negative $31 million (2024: negative $24 million) while Other Items were a $55 million charge (2024: $332 million).

Taxation was $1.9 billion on reported basis, with an underlying effective tax rate of 25.3 per cent down 5.3 per cent year-on-year reflecting a favourable change in the geographic mix of profits, reduced impact of deferred tax not recognised for UK losses and beneficial adjustments for prior period items.

Underlying RoTE increased by 300 basis points to 14.7 per cent reflecting increased profits, a lower underlying effective tax rate, and gains on SC Ventures equity investments recognised through fair value movements in other comprehensive income. Reported RoTE increased 220 basis points to 11.9 per cent from an 18 per cent increase in profit before tax and 6 per cent drop-in tax rate.

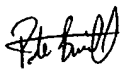
Underlying basic earnings per share (EPS) increased 61.6 cents or 37 per cent to 229.7 cents and reported EPS increased 54.1 cents or 38 per cent to 195.4 cents.

A final ordinary dividend per share of 49 cents has been proposed taking the full-year dividend to 61 cents per share, a 65 per cent increase year-on-year. The Group completed a $1.5 billion share buyback programme during the first half of the year and the $1.3 billion share buyback programme announced on 31 July 2025 was completed on 26 January 2026. The increased dividend, along with a new share buyback programme of $1.5 billion to be commenced imminently, takes the total shareholder distributions announced since the full-year 2023 results to $9.1 billion.

Guidance

In 2026, the Group's reporting will move from an underlying to a reported basis, and our 2026 guidance below is set on this basis:

- Reported operating income growth year-on-year to be around the bottom end of 5-7 per cent range at constant currency.
  - Within which, net interest income[1] expected to be broadly flat year-on-year at constant currency.
- Reported cost to be broadly flat in constant currency including the final year of Fit for Growth charges.
- Statutory RoTE to be greater than 12 per cent.



Pete Burrill

Interim Group Chief Financial Officer

24 February 2026

1 Net interest income is adjusted for trading book funding cost, treasury currency management activities, and financial guarantee fees on interest earning assets.

Summary of financial performance

	2025 $million	2024 $million	Change %	Constant currency change[1] %
Underlying net interest income[2]	**11,185**	11,096	1	1
Underlying non NII[2]	**9,709**	8,600	13	13
Underlying operating income	**20,894**	19,696	6	6
Underlying operating expenses	**(12,347)**	(11,790)	(5)	(4)
Underlying operating profit before impairment and taxation	**8,547**	7,906	8	9
Credit impairment	**(676)**	(557)	(21)	(21)
Other impairment	**(42)**	(588)	93	93
Profit from associates and joint ventures	**71**	50	42	42
Underlying profit before taxation	**7,900**	6,811	16	18
Restructuring[5]	**(320)**	(285)	(12)	(13)
FFG[5]	**(531)**	(156)	nm	nm
DVA	**(31)**	(24)	(29)	(29)
Other items	**(55)**	(332)	83	83
Reported profit before taxation	**6,963**	6,014	16	18
Taxation	**(1,866)**	(1,972)	5	6
Profit for the year	**5,097**	4,042	26	29
Net interest margin (%)[3,4]	**2.03**	2.06	(3)	
Underlying return on tangible equity (%)[4]	**14.7**	11.7	300	
Underlying basic earnings per share (cents)	**229.7**	168.1	37	

1 Comparisons presented on the basis of the current period's transactional currency rate, ensuring like-for-like currency rates between the two periods.
2 Underlying Net Interest Income (NII) has been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 to reflect the reclassification of funding cost mismatches to underlying non NII.
3 Net interest margin has been restated due to the revision of underlying net interest income as outlined in footnote 2.
4 Change is the basis points (bps) difference between the two periods rather than the percentage change.
5 FFG (Fit for Growth) charge previously reported within Restructuring has been re-presented as a separate item.

Reported financial performance summary

	2025 $million	2024 $million	Change %	Constant currency change[1] %
Net interest income	**5,955**	6,366	(6)	(6)
Non NII	**14,987**	13,177	14	14
Reported operating income	**20,942**	19,543	7	7
Reported operating expenses	**(13,304)**	(12,502)	(6)	(6)
Reported operating profit before impairment and taxation	**7,638**	7,041	8	10
Credit impairment	**(672)**	(547)	(23)	(22)
Other impairment	**(65)**	(588)	89	89
Profit from associates and joint ventures	**62**	108	(43)	(43)
Reported profit before taxation	**6,963**	6,014	16	18
Taxation	**(1,866)**	(1,972)	5	6
Profit for the year	**5,097**	4,042	26	29
Reported return on tangible equity (%)[2]	**11.9**	9.7	220	
Reported basic earnings per share (cents)	**195.4**	141.3	38	

1 Comparisons presented on the basis of the current period's transactional currency rate, ensuring like-for-like currency rates between the two periods.
2 Change is the basis points (bps) difference between the two periods rather than the percentage change.

Corporate & Investment Banking

The super-connector bank helping clients do business across borders.

As a super-connector, we bring cross-border capabilities to our clients, linking Asia, the Middle East and Africa to Europe and the Americas.

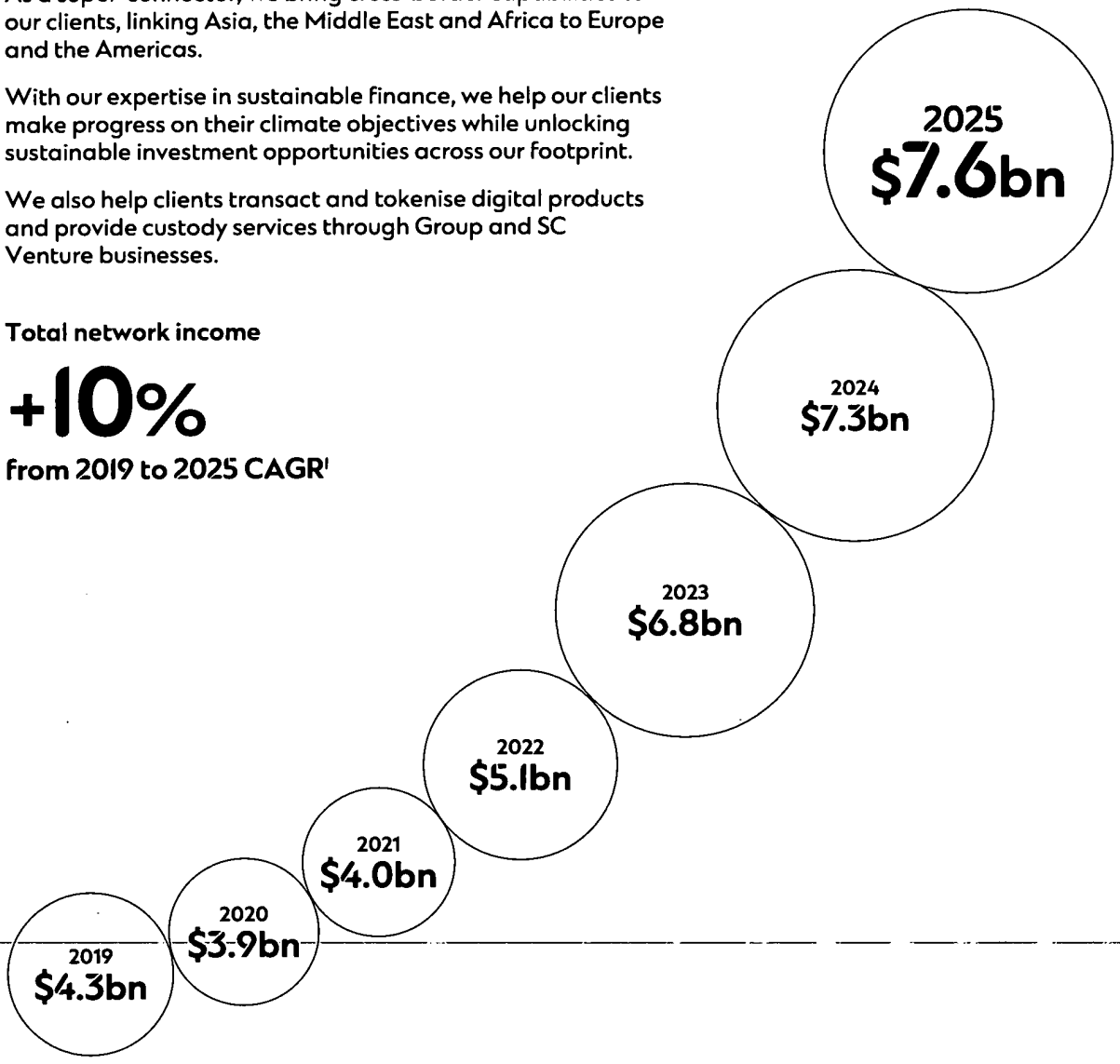
With our expertise in sustainable finance, we help our clients make progress on their climate objectives while unlocking sustainable investment opportunities across our footprint.

We also help clients transact and tokenise digital products and provide custody services through Group and SC Venture businesses.

Total network income

+10%

from 2019 to 2025 CAGR[1]



1 Compound Annual Growth Rate.

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Learn about Corporate & Investment Banking online

Visit sc.com/crossborder

Corporate & Investment Banking

CIB supports local and large corporations, governments, banks and investors with their transaction services, banking and financial markets' needs. We provide differentiated cross-border capabilities to over 17,000 clients in some of the world's fastest-growing economies and most active trade corridors.

Segment overview

Our strong and deep local presence enables us to co-create bespoke financing solutions and connect our clients multilaterally to investors, suppliers, buyers and sellers. Our products and services enable our clients to move capital, manage risk and invest to create wealth. Our clients represent a large and important part of the economies we serve. CIB is at the heart of the Group's shared purpose to drive commerce and prosperity through our unique diversity.

We are also committed to promoting sustainable finance in our markets and channelling capital to where the impact will be greatest. We are delivering on our ambition to support sustainable economic growth, increasing support and funding for financial offerings that have a positive impact on our communities and environment.

Performance highlights

Profit before taxation

Underlying basis

$5,875m

↑ 9%

Reported basis

$5,350m

↑ 4%

Return on tangible equity

Underlying basis

15.8%

↑ 90bps

Reported basis

14.1%

Flat

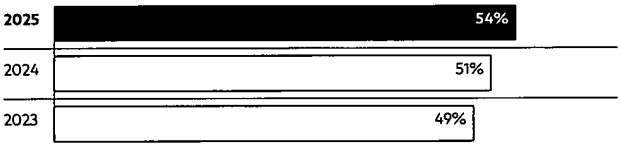
Risk-weighted assets

$175.9bn

↑ $6.5bn

Contributions of Financial Institutions segment

54%

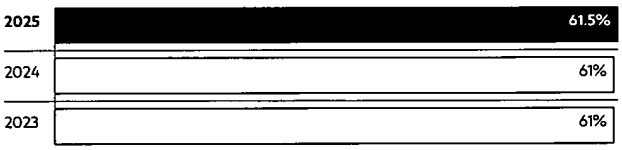


Aim: Drive growth in high-returning Financial Institutions segment.

Analysis: Share of Financial Institutions income increased to 54 per cent in 2025, reflecting sustained focus on the segment to drive income growth and returns.

Network as % of total income

61.5%



Aim: Drive cross-border income by focusing on strategic corridors with growth potential.

Analysis: Network income increased to 61.5 per cent in 2025 from 61 per cent in 2024, reflecting continued execution against our cross-border strategy for large global corporate and Financial Institution clients.

Business focus

- Deliver sustainable growth for clients by leveraging our unique network to facilitate trade, capital and investment flows across our footprint markets.
- Generate high-quality returns by improving income mix, growing capital-lite income, expanding our wallet share, and driving balance sheet velocity, while maintaining disciplined risk management.
- Be a digital-first and data-driven bank that delivers enhanced client experiences.
- Accelerate our sustainable finance offering to our clients through product innovation and enabling transition to a low-carbon future.

Progress

- Our underlying income performance was driven by our diversified product suite, expanded client solutions and optimised resource allocation by focusing on clients whose cross-border needs played directly to our strengths. Our cross-border income was 61.5 per cent of total CIB income with growth across strategic corridors.
- We increased the share of income from our financial institution income as a percentage of total CIB income, from 51 per cent in 2024 to 54 per cent in 2025. Client Digital Transaction Initiation stood at 72.1 per cent (2024: 68.3 per cent) largely in Cash, Trade and FX. Client experience remained at the centre of our digital transformation, with our Customer Satisfaction Score improving to 76.5 per cent (2024: 71.6 per cent).
- We have delivered $1.07 billion sustainable finance income, achieving our target of $1 billion income by 2025, and have mobilised $157 billion against our commitment to mobilise $300 billion of sustainable finance by 2030.

Performance highlights

- Underlying profit before tax of $5,875 million increased by 9 per cent at constant currency driven by higher income, and lower impairment charge partially offset by higher operating expenses.
- Underlying operating income of $12,394 million increased by 4 per cent at constant currency primarily driven by strong performance in Global Markets and Global Banking. Global Markets increased 12 per cent driven by continued strong growth in flow income (up 15 per cent) and growth in episodic income (3 per cent). Global Banking increased 15 per cent due to higher origination and distribution volumes from strong pipeline execution, coupled with increased Capital Markets activities. Transaction Services income decreased 7 per cent as growth in Securities & Prime Services was offset by lower Payments & Liquidity and Trade & Working Capital incomes.
- Underlying operating expenses were up by 2 per cent at constant currency largely due to strategic business investments and higher performance-related pay.
- Credit impairment was a net charge of $4 million as the gross impairments were offset by recoveries. Other impairment decreased by $284 million year-on year due to non-repeat of software asset write-offs.
- RWAs of $175.9 billion were up $6.5 billion, mainly driven by higher operational and market RWA. Credit RWA increase from asset growth was offset by RWA optimisation actions.

Now is your time to grow with purpose

Wealth & Retail Banking

Helping clients grow and protect their wealth while ensuring family values are preserved across generations.

With our wealth insights, tailored advice and global network, we connect our clients to investment opportunities across Asia, Africa and the Middle East, meeting their wealth needs domestically and internationally.

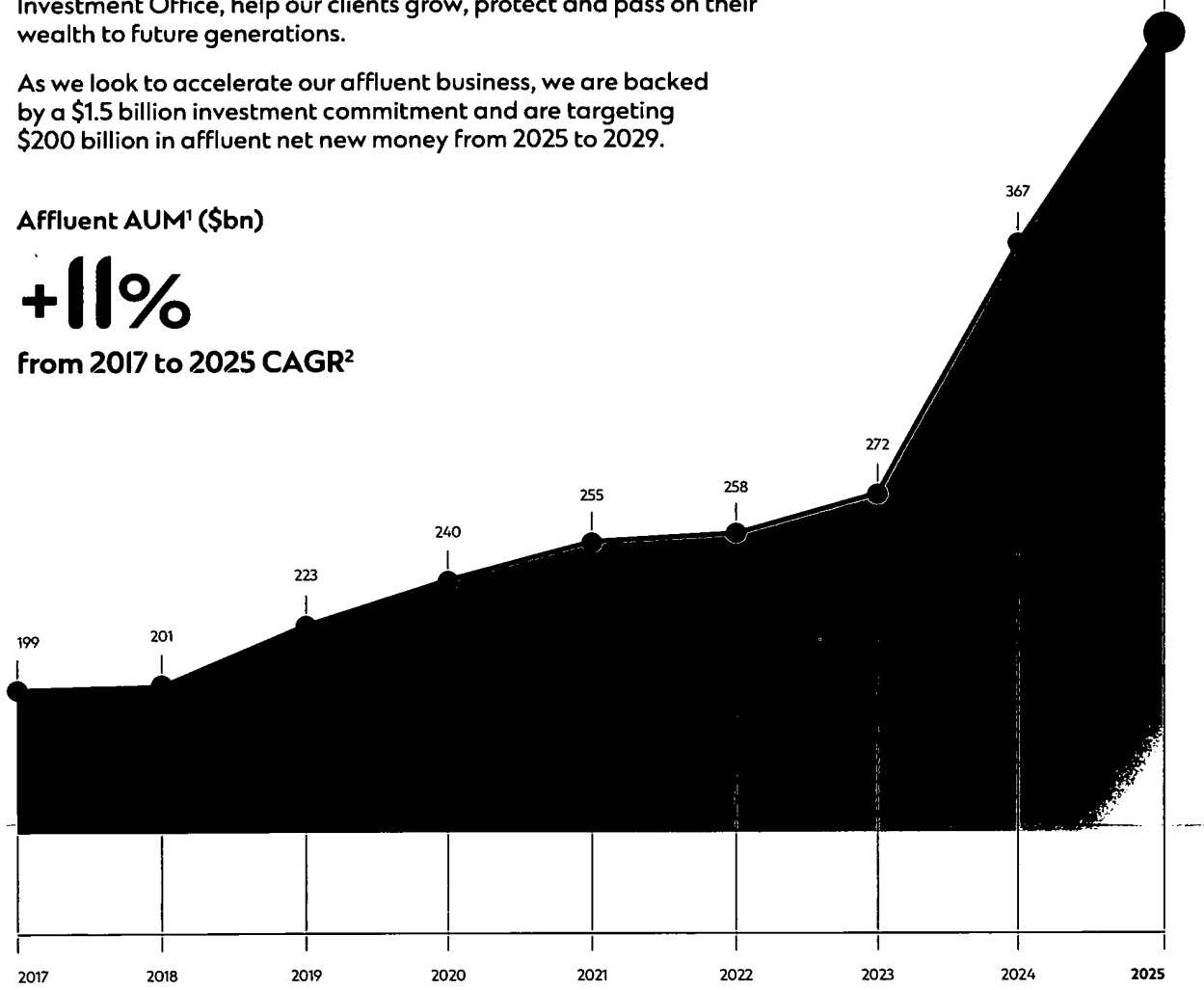
Our products and services, supported by views from our Chief Investment Office, help our clients grow, protect and pass on their wealth to future generations.

As we look to accelerate our affluent business, we are backed by a $1.5 billion investment commitment and are targeting $200 billion in affluent net new money from 2025 to 2029.

Affluent AUM[1] ($bn)

+11%

from 2017 to 2025 CAGR[2]



1 Assets under management.
2 Compound Annual Growth Rate.

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Affluent metrics

Net new money in 2025

$51.5bn

New to bank clients in 2025

275k

International clients

386k

International client AUM[1]

$243bn

Learn about Wealth & Retail Banking online

Visit sc.com/wealth

Wealth & Retail Banking

WRB continues to build on strong momentum, reinforcing our position as a leading international wealth manager across Asia, Africa and the Middle East. Our trusted brand, deep local presence and expansive global network are our core differentiators. Clients choose us for our expertise, personalised solutions and stability, enabling us to capture strong structural tailwinds driving cross-border wealth flows.

Segment overview

We serve individuals and small and medium businesses by directly addressing their international and wealth needs. We focus on the affluent spectrum, encompassing Private, Priority Private, Priority and Premium Banking clients, offering them a comprehensive product suite spanning: deposits, payments, financing, advisory, investments and bancassurance. In particular, our open architecture allows us to collaborate with partners to bring best-in-class and first-to-market wealth solutions to our clients.

In Personal Banking, we focus on engaging emerging affluent clients early in their wealth journey. By partnering with them as their first or primary wealth advisor, we grow with them as they progress along the affluent continuum, cultivating a strong pipeline of our future affluent clients.

For our small and medium business clients, we provide an integrated offering through the Small and Medium Enterprise (SME) segment that covers both their business operations and personal wealth needs. Many of these fast-growing companies particularly value our international network for their cross-border needs.

WRB is closely integrated with the Group's other client segments. We support entrepreneurs from our Private Bank with one-stop solutions for their corporate banking needs, offer employee banking services to CIB clients and serve as a source of high-quality liquidity for the Group.

Performance highlights

Profit before taxation

Underlying basis

$2,883m

↑ 14%

Reported basis

$2,427m

↑ 10%

Return on tangible equity

Underlying basis

25.5%

↑ 480bps

Reported basis

20.9%

↑ 310bps

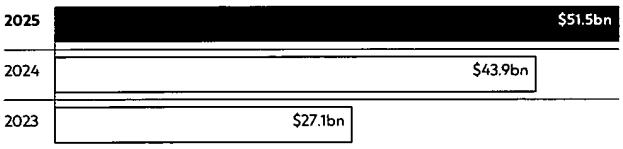
Risk-weighted assets

$56.8bn

↓ $0.5bn

Affluent net new money (NNM)

$51.5bn

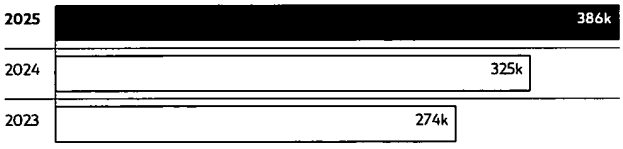


Aim: Achieve NNM from new and existing affluent clients, via innovation and advisory-led and digital-first wealth propositions.

Analysis: Affluent NNM continued to grow in 2025, nearly doubling from 2023 levels, and registered 14 per cent growth on AUM, supported by strong NTB client acquisition momentum and deeper engagement with international clients.

International affluent clients in wealth hubs

386k



Aim: Solidify our position as a leading international wealth manager by leveraging our client continuum, global network and expertise in wealth solutions.

Analysis: International affluent clients increased 18 per cent year-on-year in 2025, achieving three-year growth target of 375k set in 2023, one year ahead of schedule.

Business focus

- Lead in international wealth management – We will capitalise on our position as a leading international wealth manager, by capturing wealth flows across key global corridors, particularly for Global Chinese and Global Indian clients, in Asia, Africa and the Middle East. We will leverage our unique advantages: our client continuum, global network and deep expertise in wealth solutions.
- Deliver hyper-personalised, advisory-led wealth solutions – We will provide a differentiated client experience through hyper-personalised advisory-led propositions. This will be powered by a best-in-class open architecture solutions platform, enhanced by data and AI.
- Accelerate investment in our growth engines – To drive growth and market share, we will accelerate investment in our core enablers: our affluent frontline teams, our wealth and digital platforms, our client centres, and our brand and marketing initiatives.
- Serve entrepreneurial and SME owner clients – We will comprehensively serve SME business owners and international entrepreneurs whose personal and business finances are deeply interconnected. Our proposition for them will be anchored in integrated solutions for cash, trade, cross-border connectivity and wealth management.
- Continue reshaping our mass retail business – Building on our progress, we will continue to reshape our mass retail business. Our focus remains on building a strong pipeline of future affluent and international banking clients, while actively optimising low returning, single-product relationships and geographies.

Progress

- Ranked #3 wealth manager in Asia based on Asian Private Banker rankings for 2024.[1] Affluent AUM stood at $447 billion as of 31 December 2025.
- Strong momentum in client growth with 275,000 NTB affluent clients and affluent NNM[2] reaching $52 billion, representing 14 per cent of AUM.
- Up-tiered 307,000 individual clients through our wealth continuum across and within the personal and affluent segments, by tailoring our propositions and service models to the needs of our clients.
- Continued to invest in the hiring of affluent relationship managers and wealth specialists, uplift digital capabilities and build new client centres; opened seven new client centres in 2025, taking the total to 18.
- Continued to digitise and enhance the wealth client journeys with new self-service capabilities, streamline processes, and build more comprehensive portfolio advisory capabilities for both clients and frontline teams.
- Launched three funds managed by SC Variable Capital Company and expanded our differentiated wealth solutions, such as our exclusive Signature Select and Signature CIO funds, with the combined AUM from Standard Chartered exclusive funds crossing $8 billion.
- Recognised for excellence in private banking, digital wealth and other capabilities, with 40 industry awards received in 2025.

Performance highlights

- Underlying profit before tax of $2,883 million, increased by 14 per cent at constant currency driven by higher income, lower credit and other impairment charges, partially offset by higher operating expenses.
- Underlying operating income of $8,464 million grew 6 per cent at constant currency primarily driven by a 24 per cent increase in Wealth Solutions, with broad-based growth across markets and products. This growth was supported by sustained momentum in affluent NTB clients and NNM inflows. Deposits & Mortgages decreased 2 per cent at constant currency, reflecting rate-driven pressures from lower benchmark interest rates, partially offset by volume growth and proactive pricing actions. CCPL & Other Unsecured Lending remained flat, with strategic portfolio optimisation in selective markets offsetting benefits from improved margins.
- Underlying operating expenses increased by 5 per cent in constant currency with continued investment in affluent business growth initiatives, including the strategic hiring of affluent relationship managers and uplifting digital capabilities. Cost growth was managed through efficiency initiatives on branches, as well as off-strategy products and client segments. Productivity measures also increased efficiency of relationship managers and improved client servicing.
- The credit impairment charge decreased by $28 million to $595 million, primarily driven by optimisation actions in the unsecured lending portfolio. Other impairment charges decreased by $108 million due to the non-repeat of software asset write-offs.
- RWAs reduced by $0.5 billion to $56.8 billion, mainly due to optimisation of our unsecured lending portfolio and the transfer of an unsecured lending portfolio to Mox Bank in Ventures, allowing growth in the affluent segment through the Wealth Lending and Secured Lending portfolios. Total liabilities increased by 14 per cent at constant currency, underpinned by NTB acquisition and growth in affluent NNM.

1 Source: Asian Private Banker. This ranking combines Asia Private Banker Wealth Continuum & Private Banking rankings for 2024; using Wealth Continuum AUM balances for those banks which provide both.

2 Net new money is shown at YTD constant currency FX rates.

Now is your time to build what comes next

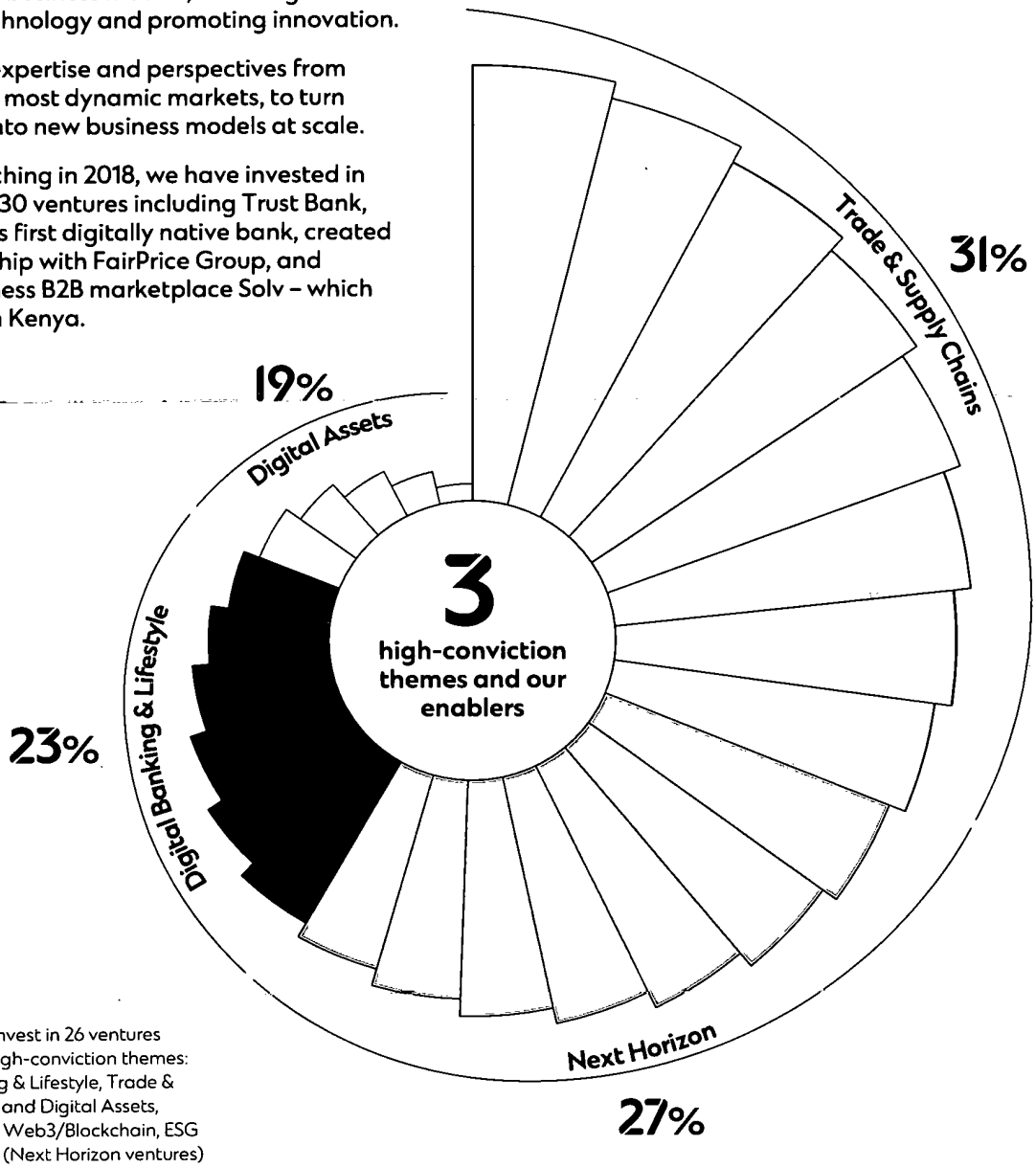
Ventures

Building and investing in breakthrough ventures that inform the future of finance.

SC Ventures' role is focused on exploring alternative business models, investing in frontier technology and promoting innovation.

We bring expertise and perspectives from the world's most dynamic markets, to turn concepts into new business models at scale.

Since launching in 2018, we have invested in more than 30 ventures including Trust Bank, Singapore's first digitally native bank, created in partnership with FairPrice Group, and small business B2B marketplace Solv – which operates in Kenya.



We currently invest in 26 ventures across three high-conviction themes: Digital Banking & Lifestyle, Trade & Supply Chains and Digital Assets, enabled by AI, Web3/Blockchain, ESG and Quantum (Next Horizon ventures)

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26
Ventures

○ **Digital Assets**
- Libeara
- Project 37C
- SWIAT
- Zodia Custody
- Zodia Markets

● **Digital Banking & Lifestyle**
- Appro
- audax
- Furaha
- myZoi
- Vault22
- Zai

○ **Next Horizon**
- Akashaverse
- FourTwoThree
- letsbloom
- Lexarius
- RegWise
- Qatalyst
- Qubitra

○ **Trade & Supply Chains**
- Hal
- Jumbotail
- Labamu
- NusaVest
- Olea
- Solv Ghana
- Solv Kenya
- TASConnect

Learn about SC Ventures online

Visit sc.com/ventures

Ventures

Formed in 2022, the Ventures client segment is a consolidation of SC Ventures and its related entities as well as the Group's two majority-owned digital banks – Mox in Hong Kong and Trust in Singapore.

Segment overview

SC Ventures builds and invests in breakthrough ventures, in and beyond banking. It provides a platform for organisations to drive innovation and transformation. The SC Ventures platform currently represents a diverse portfolio of almost 30 ventures and more than 30 investments.

Mox, a cloud-native, mobile-only digital bank, was launched in Hong Kong as a joint venture with HKT, PCCW and Trip.com in September 2020. It penetrated over 10 per cent of Hong Kong's total bankable population, and Mox Credit Card is ranked as the seventh-largest credit card portfolio among all Hong Kong retail banks.[1]

Trust Bank is a digital retail bank, launched in Singapore in 2022 in partnership with FairPrice Group. It has over one million customers, making it the fourth largest retail bank in Singapore.

Performance highlights

Loss before taxation

Underlying basis

$(167)m

↓ 57%

Reported basis

$(171)m

↓ 56%

Risk-weighted assets (RWA)

$4.9bn

↑ $2.5bn

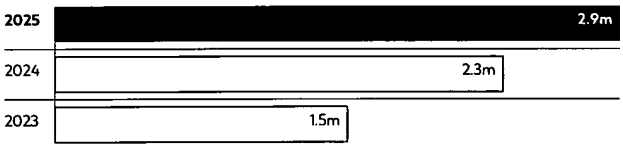
External funds raised

$42.5m

↓ 29%

Customers[2]

2.9m



1 According to TransUnion's Market Insights and Intelligence Dashboard (MIID) for the period from January to December 2025.
2 Restated to capture subsidiaries only.

Business focus

- **SC Ventures'** focus is on building and scaling new business models across three high-conviction themes of Digital Banking & Lifestyle, Trade & Supply Chains and Digital Assets, enabled by AI, Web3/Blockchain, ESG and Quantum. We do this by connecting ecosystems, partners and clients to create value and new sources of revenues, providing optionality for the Bank. In addition, SC Ventures identifies partners, and makes minority investments in companies that provide technology capabilities, which can then be integrated into the Bank and Ventures.
- **Mox** aims to become a leading digital bank, focusing on cards, digital lending, deposits, wealth management and insurance. Mox plans to enhance its offering with a broader range of digital financial solutions to cater to customer needs in a competitive market.
- **Trust Bank** aims to establish itself as one of the main retail banks in Singapore, and gain wallet share by capitalising on its market-leading customer experience. Key near-term priorities are to continue to innovate in core banking products including savings and lending, deepen engagement with existing customers and to broaden its wealth management proposition.

Progress

- In 2025, SC Ventures maintained positive momentum, further enhancing its business performance. It launched four new ventures, raised funds amid a challenging environment, and expanded its geographical reach. Across SC Ventures subsidiaries, the customer base grew by 57 per cent year-on-year to reach nearly 1.1 million.

SC Ventures completed the sale of Solv India to Jumbotail, one of India's leading B2B marketplaces. The combined business is now one of the largest B2B e-commerce platforms in India. As a result of the transaction, SC Ventures reported a gain of $0.2 billion in its second quarter 2025 results.

SC Venture's portfolio of compliant and bank-grade digital asset platforms continues to prove our commitment to building infrastructure that will enable institutional adoption. During the year, Zodia Markets successfully raised $18.3 million[1] in a Series A funding round, in addition to significantly expanding its client base.

- In 2025, Mox continued its strong growth trajectory, achieving a robust 15 per cent year-on-year increase in customer base and reaching approximately 750,000 customers.

Mox continued to achieve strong performance, supported by an engaged customer base, delivering 21 per cent year-on-year growth in deposits. Unsecured loan balances grew 115 per cent year-on-year, benefitting from client acquisition and deepening, and including the impact of an acquisition of unsecured loans from Standard Chartered Hong Kong. Mox Card has been used in nearly 157 million transactions to date and has rewarded a total of 1.8 billion Asia Miles to date. By the first half of 2025, Mox's market share had reached 24 per cent (was ranked number 1) and 25 per cent (was ranked number 2) in lending and deposits respectively, among all Hong Kong digital banks.

Mox was recognised for its excellence by various global named agencies, such as the Top 100 Digital Banks and was rated number one in Hong Kong in Neobank Ranking 2025 by The Banker, Best Digital Bank in Hong Kong by the Asian Banker and Digital Bank of the Year – Hong Kong by Asian Banking and Finance.

Mox has established a strong connection with Hong Kong customers since its launch – the bank's app is currently the highest-rated digital banking app in Hong Kong, achieving a score of 4.8 out of 5 in the Apple App Store.

In 2025, Mox launched Mox Insure, offering personal accident and travel insurance products. Mox also expanded offerings such as personalised portfolio investment under its digital wealth platform, Mox Invest, creating a strong foundation for revenue diversification.

- Trust Bank continued its strong growth in 2025, with customer numbers up 15 per cent year-on-year reaching more than one million customers, taking its share of the adult population in Singapore beyond 20 per cent.

The bank delivered robust financial performance with credit card spend growing 39 per cent and unsecured loan balances rising 67 per cent year-on-year, driven by new capabilities introduced over the past year. The bank continued to strengthen the quality of its funding base, with about one-third of total balances coming from customers who credit their salary to their Trust savings account.

During 2025, Trust Bank was named Singapore's Best Digital Bank for Consumers by Euromoney and the top mobile banking app for a digital bank globally by The Digital Banker. The bank made strong progress on AI adoption, driving productivity gains and enhanced customer experience.

In Q1 2025, Trust Bank launched its digital wealth platform, TrustInvest, initially with a fund proposition. This was followed by a US stocks and ETFs trading platform in Q4 2025 and creates a strong foundation for revenue diversification.

Performance highlights

- Underlying loss before tax decreased by $218 million to $167 million, primarily driven by higher income. Income rose by $232 million to $415 million, driven primarily by a $238 million gain from the Solv India transaction.
- Operating expenses were flat as business growth was offset by Solv India deconsolidation and efficiencies related to staff, marketing and vendor costs.
- Credit impairment decreased by $14 million to $59 million, reflecting a reduction in delinquencies in Mox, driven by continuous improvement in both contractual and bankruptcy write-offs, partially offset by an increase in Trust in line with the growth in the asset book.
- Ventures equity investments recognised $269 million gains, net of tax, in the year, through fair value movements in other comprehensive income.

1 Includes SC Ventures investment in Series A of $1.4 million.

Our people and culture

Our people help deliver our strategy, unlock value for our clients and make us the Bank we are today. By building a high performance, supportive workplace, our people can continue to thrive.

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> **Creating a unique employment proposition that welcomes talent while building future-ready capabilities is essential for driving sustainable high performance.**
> Will Brown, Group Head of HR

We have a unique culture, developed over 170 years of pursuing a purpose – to drive commerce and prosperity through our unique diversity that hasn't changed since our founding. Our ambition is to deliver innovative solutions that create long-term value for our clients and communities.

Our valued behaviours

Our valued behaviours are how we manifest our culture consistently – they're our guiding principles for how we work together and the way we do business every single day.

It's easy to talk about culture but its more than rhetoric. It's about embedding these behaviours into daily actions and decisions. In addition to reinforcing our valued behaviours consistently through communications and sharing stories, we:

- **Model them visibly:** Setting out behavioural expectations of all our people leaders in our Leadership Agreement so all leaders must model the behaviours (no exceptions).
- **Measure them consistently:** Embedding behaviours into core people processes like recruitment and onboarding and performance management.
- **Reward them genuinely:** Publicly recognising people who live our valued behaviours.
- **Enforce them fairly:** Acting decisively when behaviours are not met.

Our valued behaviours in action

Never settle

Continuously improve and innovate, so we lead rather than react to change.

Simplify to make things easier, faster and better across everything we do.

Learn from our successes and failures, because the pace of change demands learn-it-alls not know-it-alls.

Better together

See more in others, taking time to listen to diverse viewpoints and overcome bias.

Ask how can I help? when people need a hand. We only succeed collectively.

Build for the long term, because performance comes from harnessing our diverse talents.

Do the right thing

Live with integrity, even when no one is watching.

Think client, always considering the outcomes in whatever we are doing.

Be brave, be the change, because the standards we walk past are the standards we accept.

Read more on embedding and monitoring culture on page 148

The colleague experience

Our Employee Value Proposition (EVP) helps us build a motivated workforce that's able to deliver our strategy; we aspire to provide clarity on the contribution we expect from our colleagues, and what they can expect in return.

This year we launched our global EVP film series Stand for More, recognised by three leading employer brand-focused bodies.

Read more online at sc.com/standformore

Each pillar of our EVP enables us to deliver a market-leading position aligned with our corporate strategy, our brand promise, here for good, and our purpose.

Investing in colleague growth and wellbeing
We offer the opportunity and investment needed for a job to grow into a rewarding career, as well as access to innovative learning solutions, exposure to different markets and cultures, flexible working practices, fair, fixed and performance-related pay and the opportunity to lead with purpose. Colleagues bring expertise, skills, ambition and a desire to grow.

Prosperity through diversity
We offer the opportunity to be part of a diverse family of colleagues, where voices are respected and heard, in an environment where we challenge the status quo. Colleagues bring curiosity, ideas and an open mind.

Here for good
We offer work that you can be proud of, a safe environment built on belonging and trust, connection to the world's most dynamic markets and access to volunteering days for our global impact programmes. Colleagues bring integrity, values and a desire to create a future of which we can all be proud.

> **Our purpose should guide everything we do. Having a strong culture embedded in our underlying purpose is critical in making the Bank great.**
>
> Bill Winters, Group Chief Executive

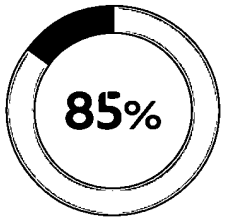
Find out what major accolades we've won this year sc.com/awards

Listening to employees

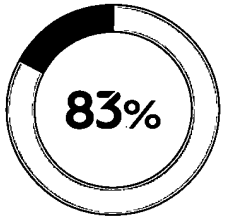
Regular feedback through employee surveys helps us identify and close gaps between colleague expectations and experience. Colleague sentiment is captured through our annual My Voice survey, as well as weekly surveys and at key moments – when employees join us, leave, or return to work after parental leave. In addition, the Board and Group Management Team engage with and listen to the views of colleagues through interactive sessions. In 2025, our annual My Voice survey was conducted during May and June. 85 per cent of our employees responded (2024: 87 per cent). Overall, our employee experience remains positive and stable with 83 per cent saying the Bank meets or exceeds their expectations as an employer (2024: 83 per cent). Colleagues have bought in to our refreshed strategy and the rationale for transformation is viewed positively. There are high levels of understanding of our purpose (87 per cent) and how the strategy supports it (86 per cent). Most (82 per cent) are clear about the desired outcomes of our transformation, are informed about its progress (73 per cent), and are enthusiastic about it (74 per cent).

Insights from interviews and My Voice highlight that our people have pride, excitement and deep care for our clients, our business and the people within it.

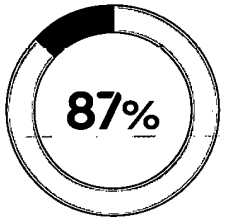
My Voice 2025 results



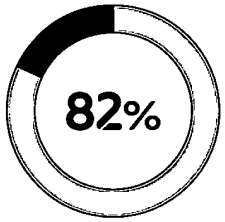
of our employees responded (2024: 87%)



say the Bank meets or exceeds their expectations as an employer (2024: 83%)



understand our purpose



are clear about the desired outcomes of our transformation

Flexible working

Some 82 per cent of colleagues across 44 markets can work flexibly – with nearly 50,000 employees currently working flexibly across the Bank. In 2025, we reaffirmed our commitment to flexible working, including the rollout in India. Among the 5,400 additional eligible colleagues, 64 per cent are now working flexibly and 80 per cent of all colleagues in India believe that flexible work has a positive impact on their ability to get work done. Globally, people leaders continue to maintain arrangements that balance client and business needs with individual preferences. We recognise the need for collaboration and apprenticeship, and we will continue to encourage flexibility with guardrails in place on work location, pattern and role eligibility to ensure flexibility within a framework.

Developing skills for future strategic value and enabling careers

At the Bank, we have made strong progress in leveraging skills to enable us to deploy critical capabilities faster, strengthen our workforce resilience and accelerate execution of our strategic priorities

We are continuing to embed skills into the operating model for how work gets done and how talent flows across the organisation. We have strengthened the foundations required to support this shift, including enhancing our skills architecture, defining skills profiles to set enterprise standards for role expectations, and embedding skills data more consistently into core talent processes. This has improved comparability across businesses and markets, allowing skills to be recognised, portable and deployable across our network.

49,000

colleagues have completed skills-based learning, which exceeded our FY 2025 target of 40,300

Our approach focuses on complementing core business skills with human skills in resilience, adaptability, problem-solving, leadership and human/AI collaboration.

In September 2024, we launched a dedicated AI Academy designed to empower colleagues through continuous learning and enhanced adaptability. More than 33,000 colleagues have taken part in the learning so far. The AI landscape continues to evolve rapidly, and we remain committed to expanding our AI learning agenda under a wider AI talent strategy. The focus is on equipping colleagues with tailored, role-specific solutions that move beyond awareness towards applied capability, empowering colleagues to use AI confidently and responsibly.

Our internal skills-building activities are creating career opportunities and saving costs. In 2025, internal deployment increased to 47.4 per cent (+1.7 per cent year-on-year and over a 15 per cent increase from 2023). Of these moves, 43 per cent were skills-adjacent, where colleagues transition to roles with related, rather than exact, skillsets to learn on the job.

Critically, 94 per cent of people leaders report high satisfaction with deployed talent after six months. This has saved $1.88 million in 2025 and unlocked $1.75 million in productivity through our internal Talent Marketplace.

Responsible use of AI

The Bank's AI strategy is to ensure AI is scaled safely and effectively and centred on building the human capability that powers transformation. Our colleague focus is on AI talent and literacy – building the workforce capability that enables colleagues to work confidently, safely and effectively with AI.

Being AI-ready means understanding what skills the future of work demands and giving people clear, practical ways to build them. We're defining the skills needed for our workforce to thrive – human, technical and domain skills – and embedding them into how we hire, develop and enable our teams. Success for us in this work is that every colleague understands what AI-ready means for their role and has a clear path to get there.

We build the skills and mindsets required for colleagues to work effectively with AI by helping our colleagues integrate human judgement so they can make better decisions, solve problems in new ways and redesign work to deliver greater value. We have enabled colleagues to engage with AI in low-risk, beneficial scenarios, such as our AI-powered coaching tool, CAISY, which allows them to practice business and human skills in a simulated environment before applying it in real situations.

Building leadership capabilities

We have invested significantly in leadership identity, development and measurement. To improve organisational health (with fewer layers and wider spans of control) and enhance the colleague experience, we are transitioning to fewer but better-equipped people leaders.

People leaders now have access to greater support in critical moments through the launch of a new HR advisory (HRA) service. This ranges from helping new people leaders into their roles, guiding on employee relations issues or helping drive high performance to engagement. The introduction of HRA now provides a platform for HR to get closer to our people leaders to proactively shift areas of organisational health directly with the business. In addition, we have a series of people leader programmes, with over 5,400 people leaders attending our leadership programmes in 2025. We have also introduced a First Time People Leader programme and a refreshed Senior Leader Onboarding programme, Fast Start.

In 2025, over 97 per cent of our people leaders received feedback, either through our always-on Feedback 365 tool, available to all colleagues, or through the structured annual 360-degree feedback tool available to people leaders. Leaders are also provided with a consolidated view of the environment they are creating for their teams, and feedback on their leadership skills, as part of their leadership dashboard. The dashboard brings even greater transparency to performance and development conversations, highlighting the importance we place on leadership.

Unlocking client value through conduct and high performance

We aim to nurture high performance through differentiation of reward, continuous feedback, and in-the-moment recognition. Our framework supports people leaders in driving performance and we are taking steps to improve awareness of the levers available. We have enhanced the process of calibrating colleagues' performance, especially at a senior level, ensuring we positively differentiate outcomes, creating opportunities for high-potential colleagues.

Recent insights highlight good progress in key performance habits such as goal setting, exchanging feedback, and having regular performance check-ins. We are seeing greater differentiation of pay outcomes for colleagues, aligned to performance, with greater variations (upwards and downwards) in total compensation year-on-year.

- In 2025, 86 per cent of colleagues set goals by the February deadline compared to 75 per cent in 2024.
- More than 378,000 pieces of feedback were exchanged through Leadership Feedback and Feedback365 in 2025, with an increase of 4.6 per cent in Leadership Feedback compared to 2024.
- Since Appreciate, our colleague recognition platform, launched in 2024, over one million people have been recognised. In the 2024 Performance and Pay survey, 68 per cent of colleagues reported having check-ins at least quarterly (+3ppt), with a further 16 per cent having them once in six months.[2]
- Overall sentiment around driving high-performance was positive (people leaders: 82 per cent; all colleagues 84 per cent), as was sentiment around feedback and recognition (74 per cent of people leaders and 78 per cent of all colleagues said they are comfortable providing feedback to their people leader, an increase of +2ppt from 2024).

We have strengthened our focus on reinforcing good conduct standards from the top down. In 2025, all MDs attended sessions outlining their businesses expectations. We have also extended our 'It Matters' programme and all senior leaders attended in 2025. 'It Matters' emphasises the role of conduct in building a high-performance environment and protecting the business.

Embedding an inclusive workplace

Inclusion is a key enabler for executing our business strategy, anchored in our purpose. We strive for a dynamic workforce that reflects our client base across the markets we operate in. Our approach supports attracting and retaining top talent alongside better understanding and serving our clients' needs. This is not only good for business, but also the right thing to do.

Read more on our Board gender diversity on page 141

1 Applicable where legally permitted.
2 The Performance & Pay survey was conducted in Q2 2025 capturing sentiment on 2024 year end performance and pay cycle.

In 2025, the Group sharpened its focus on three strategic D&I priorities:

Refreshing the colleague community approach
Employee-led networks that drive engagement, belonging and business-aligned impact

Developing a diverse talent pipeline mindset
Widening the funnel and developing diverse talent to build the leadership pipeline

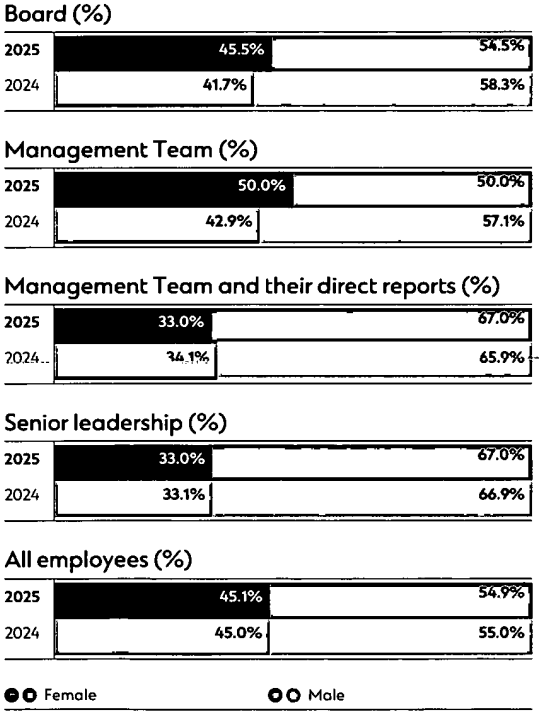
Building sponsorship muscle
Equipping leaders to advocate fairly for diverse talent

Our inclusion index measures six key elements including the belief that colleagues are advocates for inclusion and that the Bank clearly communicates how feedback shapes inclusion initiatives. Our inclusion levels remain high and are reflected in the 82.1 per cent of colleagues who shared positive sentiments in the 2025 annual My Voice survey. The launch of six refreshed Global Colleague Communities has also resulted higher levels of colleague inclusion sentiments and engagement. Colleague Community members have a higher eNPS (+11.92) and intent to remain with the Bank (+5ppt) than other colleagues.

Female representation

19.1%
of our CEOs are women

33.0%
global senior women leadership representation



Embedding an inclusive workplace (continued)

We are committed to further strengthening our inclusive culture, so all colleagues feel that their identity is understood and recognised for its uniqueness and anyone with the capability to excel can do so. We have reviewed and updated the Group's employee privacy notices, so it's clear how identity data will and will not be used.

We continue to focus on increasing self-declaration (including socioeconomic status in the UK) so that we can further improve colleague experience by introducing policies and interventions representative of the needs of our diverse workforce.

We are focused on building a workforce that is representative of our client base and footprint. 19.1 per cent of our CEOs are women and as at 31 December 2025, our global senior women leadership representation remains at 33.0 per cent, reflecting a significant increase of 8.0ppt since 2016 (when the Group first signed up to the Women in Finance Charter). We aim to have 35 per cent representation of women at a global senior level by end of 2028. As of 2025, 36.4 per cent of our Group Management Team identified as Asian or ethnic minority. In the UK, Black representation in senior leadership is 1.5 per cent and ethnic minority in senior leadership is 19.3 per cent. To further build the leadership pipeline, we are supporting diverse talent by strengthening our sponsorship efforts, including piloting a programme for Black and African accelerated talent in the UAE, Africa and UK.

Wellbeing as an enabler for sustainable high performance

As we raise performance standards, we continue to invest in the essentials of our wellbeing agenda, which operates at an individual, team and organisational level.

In January 2025, we introduced an upgraded version of wellbeing platform, Unmind. More than 24 per cent of our colleagues globally have registered for an account (seven per cent higher than the expected average and over 10 per cent more than 2024). The wellbeing platform focuses on four core areas of support:

- **Therapy and coaching** – Colleagues can access up to 12 virtual sessions a year of coaching, counselling or clinical psychotherapy, booking a specialist that suits their needs. Since launching, more than 6,051 sessions have been booked.
- **24/7 helpline** – Colleagues can speak to someone on the phone, wherever they are in the world, 24/7, 365 days a year, and can also access basic financial and legal support. The Unmind Helpline is also available to anyone in their household, as well as their dependants.
- **Wellbeing tools** – Colleagues have access to a wide range of bite-sized courses and short videos on topics such as sleep, overcoming burnout, building resilience and managing stress – as well as in-the-moment support tools such as breathing exercises, plus a wellbeing tracker.
- **People leader training** – This includes practical insights to equip people leaders with the knowledge and skills needed to develop effective and sustainably high-performing teams, with bite-sized learning.

  There are also in-depth courses promoting learning that supports teams' psychological safety and identifies the signs someone might be struggling.

Award-winning AI and data improvements

We have a firm belief that in order to deliver optimised value and impact as a business, we need to enable a working environment that delivers performance excellence. In November 2024, we introduced the first Bank-wide GenAI application within our goal-setting and performance practices, combining human-centred AI with leading technologies. The launch of these applications was closely monitored, and analysis shows positive colleague sentiment in overall experience, efficiency and quality of impact. As a result of this implementation, we won two SAP Innovation Awards.

Evolving technology offers great opportunities to enhance the colleague experience. Notably, in our 2025 My Voice survey, 82 per cent of colleagues view AI positively, with only 13 per cent expressing concerns about disruption or being unprepared. We are committed to involving colleagues in the benefits AI brings and are identifying ways for colleagues to engage with AI in low risk, beneficial scenarios, such as our AI powered coaching tool, CAISY. CAISY allows colleagues to practice business and human skills in a simulated environment before applying these skills in real situations.

Image removed

Stakeholder engagement

Listening and responding to stakeholder priorities and concerns is critical to achieving our purpose and delivering on our brand promise, here for good. We strive to maintain open and constructive relationships with a wide range of stakeholders including:

Clients | Employees | Investors | Society | Suppliers | Regulators and governments

Stakeholder feedback, where appropriate, is communicated internally to senior management through the relevant forums and governing committees such as the Sustainability Forum to the Board's Culture and Sustainability Committee, which oversees the Group's approach to its main relationships with stakeholders.

We communicate progress regularly with external stakeholders through channels such as sc.com, established social media platforms and this report.

Read more on how we engage with our stakeholders and the initiatives that we are members of at sc.com/sustainabilitystakeholders

Section 172 Statement

Each director of Standard Chartered PLC confirms that, while performing their duties during the year, they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, had regard to the factors set out in Section 172(1)(a) to (f) of the Companies Act 2006.

You can read more on how the Board had regard to each Section 172 principle during the year:

Section 172 principles	Disclosure	Page
A. The likely consequences of any decision in the long term	• Our strategy	9
	• Sustainability review	66 – 128
B. The interests of the Company's employees	• Whistleblowing	118
	• Diversity	32 – 36
	• Sustainability review	66 – 128
C. The need to foster the Company's business relationships with suppliers, customers and others	• Stakeholder engagement	37 – 41
D. The impact of the Company's operations on the community and the environment	• Board activities	141 – 145
	• Sustainability review	66 – 128
E. The desirability of the Company maintaining a reputation for high standards of business conduct	• Whistleblowing	118
	• Integrity, conduct and ethics	118 – 121
F. The need to act fairly between members of the Company	• Our strategy	9
	• Stakeholder engagement	37 – 41
	• Annual General Meeting	466
	• Dividend policy	210
	• Sustainability review	66 – 128

Read more on the Board's key activities and principal decisions during 2025 on pages 143 to 147

Clients

Why we engage

We engage with our clients to understand how they live and work across our markets so we can design services and solutions that help them navigate an increasingly complex financial environment.

Our clients span individuals, entrepreneurs and families in our Wealth & Retail Banking (WRB) business, and large corporations, financial institutions, fintechs, governments and development organisations in our Corporate & Investment Banking (CIB) business.

We engage with our clients regularly so we can respond to their evolving priorities, strengthen long-term relationships and continue to enhance the value we create for them. These interactions shape how we innovate, how we tailor our solutions and how we ensure our products and services meet the specific needs of clients across our global footprint.

Their interests

- Differentiated product and service offering
- Digital products and strong user experience
- Sustainable finance
- Access to international markets

How the Group engages

Corporate & Investment Banking

In CIB, our engagement in 2025 centred on providing advisory-led, relationship-driven support to clients navigating a period of economic uncertainty, supply chain realignment and evolving regulatory requirements. Rather than focusing on isolated transactions, we developed deeper, continuous dialogue with corporate and institutional clients to help them manage risks, identify growth opportunities and adapt to shifting market dynamics.

Our relationship-led model ensures clients are supported, not only in today's environment, but in planning for the opportunities and challenges ahead.

Our cross-border network allows us to support clients as trade flows have shifted and new corridors of commerce have opened. Our relationship teams worked closely with clients to understand their liquidity, risk management and financing needs, ensuring the solutions we provide are highly tailored and respond to their strategies.

In 2025, our CIB business continued to deliver sophisticated, cross-border solutions for clients. An example is our partnership with the Government of the Bahamas, The Nature Conservancy and the Inter-American Development Bank to structure an innovative debt conversion initiative that reduced sovereign debt servicing costs while supporting climate and nature outcomes. We also announced an agreement to sell high-integrity forest protection carbon credits in Brazil over the next five years. These partnerships reflect our role in bringing together public and private capital, technical expertise and global connectivity to support clients' financing, sustainability and growth objectives across our key markets.

As digital assets continued to evolve, we deepened engagement with clients seeking to develop new forms of value transfer. By being among the first banks to offer spot crypto trading for institutional clients and expanding our regulated digital assets custody services, we opened conversations about how tokenised assets and digital markets infrastructure will shape the future of financial flows. An example is our joint announcement with Capital A Bhd. to explore the development and testing of a ringgit-denominated stablecoin through Bank Negara, Malaysia's Digital Asset Innovation Hub.

Wealth & Retail Banking

In 2025, our WRB business deepened client engagement by focusing on more personalised, insight-led interactions. We enhanced day-to-day engagement by using tools that offer timely, actionable market intelligence, including our AI-powered FX Insights, giving clients real-time information in a simple, intuitive format. This has improved the quality of conversations between clients and relationship managers and enabled more informed decision making.

We also extended our engagement, providing opportunities to their next generation through initiatives such as our Young Entrepreneurs Programme, which supported the children of our clients with a curated programme focused on financial skills, leadership confidence and mentorship, strengthening relationships across families.

For ultra-high-net-worth (UHNW) clients, our bespoke programmes connected them to hard-to-access opportunities:

- The Private Markets Co-Investment Club opened the doors for clients to explore private market opportunities in a structured and transparent way.
- Our Global Families Network forum enabled UHNW clients and their families to participate in intimate forums designed to support deeper dialogue on topics including succession planning, philanthropy and long-term investment themes.

In 2025, we launched our new marketing campaign, Now is your time for Wealth, aimed at the affluent segment. This signals our commitment to executing a more data-driven and personalised approach for holistic client engagement, reinforcing our position as an international wealth manager.

The campaign was featured in a mix of out-of-home advertising across airports and in-city sites, print advertising, film and content partnership with leading international, regional and local media across seven markets – Singapore, Hong Kong, Mainland China, Korea, Taiwan, the UAE and India.

Across our initiatives, our focus remains on strengthening the personal connection with clients by offering relevant insights, personalised guidance and opportunities that support their ambitions.

How the Board engages

In 2025, while attending Board and committee meetings in Malaysia and Singapore, the directors also met with clients and their representatives including chairs, C-suite and business leaders from corporates, financial institutions, SMEs, and Private and Priority Banking clients to understand their current and future needs.

A presentation on transition finance from a client perspective was delivered during the Subsidiary Governance Conference in Malaysia, providing useful insights to the Board and its subsidiary boards.

In addition to face-to-face interactions, the directors also participated in industry events and seminars and received presentations at Board meetings to stay abreast of market trends and innovations. This ensured the Board remained responsive and proactive in addressing client requirements.

Outcomes of engagement

CIB

- We achieved strong income growth in Sustainable Finance, outpacing growth in global renewables investment. Our client engagement helped drive the issuance of our first social bond, for €1 billion, which increased lending to SMEs, particularly women-owned businesses, helping them create jobs and expand their impact.
- Client surveys published in 2025 such as the Bank's Future of Trade report and two Islamic Banking reports (one for corporates and one for financial institutions) provided insights into how the Group can improve outcomes for clients.

WRB

- We were the most recommended bank among affluent clients in eight of our top markets, based on independent market research conducted by RFI Global in the second half of 2025.[1]
- In our Private Banking client survey, global NPS, global relationship manager and global net easy scores improved from the year before. 93 per cent of clients scored us four and above (out of five) on overall satisfaction with our service.

Employees

Why we engage

Our employees are key to driving our performance and productivity and the diversity of our people, culture and network sets us apart.

Ensuring we have optimal talent and cultural experience to enable sustained high-performance from colleagues is vital in delivering our strategy.

By engaging employees and fostering a positive experience for them, we can better serve our clients and deliver our purpose. Our inclusive and high performing culture enables us to unlock innovation, make better decisions, deliver our strategy, live our valued behaviours and embody our brand promise, here for good.

We proactively assess and manage people-related risks, such as capacity, capability and culture, as part of our Group Risk Management Framework.

Our people strategy, approved by the Board, is future-focused, with external events accelerating many of the future of work trends that continue to inform our approach.

Their interests

- Day-to-day experience
- Health and wellbeing
- Reskilling and upskilling initiatives
- Career progression
- Reward and remuneration
- Positive work/life balance

How the Group engages

Frequent feedback, from employee surveys, helps us identify and close gaps between colleague expectations and experience. Colleague sentiment is captured through an annual survey, known as My Voice, as well as regularly through a weekly survey and at key moments, such as when employees join us, leave, or return to work after parental leave. In addition to leveraging inputs from these surveys, there are regular colleague communications through various channels including regular people leader calls, townhalls at a global, functional and market level held by our Group Management Team, leadership teams and CEOs, in addition to opportunities for in-person connections.

Read more on our people and culture on pages 32 to 36

How the Board engages

The Board implements an alternative employee engagement approach to that recommended by the UK Code. We host Board Workforce Engagement (BWE) events facilitated by INEDs who gather and convey insights from colleagues across diverse sectors of the organisation, utilising this information to enhance and corroborate data collected through employee surveys and other feedback channels that is presented to the Board and its committees throughout the year.

In 2025, Board members engaged directly with employees in Singapore and Malaysia. Prior to these meetings, directors received briefings on the individual market, which included analysis of local trends from the annual My Voice survey, along with pertinent data provided by local and regional management teams. Insights gathered from these sessions were subsequently communicated to the Culture and Sustainability Committee and other relevant stakeholders The BWE events found that employees value the Bank's culture and leadership, and areas of opportunity included technology, communication and strategic clarity. The feedback also highlighted the importance of ongoing, open engagement between employees and senior leaders. This engagement enables directors to gain a comprehensive understanding of the challenges, achievements, concerns, and opportunities, allowing the Board to ensure the voice of employees is reflected in decision-making and its oversight of our people strategy.

Outcomes from engagement

In response to employee feedback, modifications to the BWE framework are planned for 2026 to increase the frequency and improve the structure of the BWE events.

Investors

Why we engage

The Group's investors include institutional shareholders, private and non-institutional shareholders.

We rely on capital from both equity and debt investors to execute our business model.

We recognise the importance of maintaining open, transparent and constructive engagement with investors to support sustainable long-term value creation and maintain market confidence.

1 The survey was conducted among ~1000 Affluent banking clients per market by independent market research firm, RFI Global.

Their interests
- Strong and sustainable financial performance
- Execution of the Group's long-term strategy
- Robust governance practices
- Progress on ESG matters, including advancing our net zero agenda

How the Group engages
The Group engages with investors through results presentations, one-on-one and group meetings, analyst briefings, conferences, roadshows, investor days, regulatory announcements and the Group's website.

How the Board engages
Board-level engagement is an essential element of the Group's approach and takes place through a variety of channels. During the year, the Group Chair met with major institutional investors to discuss governance and strategy.

The Group Chief Executive and Group Chief Financial Officer also held meetings with potential and existing shareholders to discuss business performance and strategic priorities.

The Remuneration Committee Chair led an investor consultation on proposals for the new directors' remuneration policy, which was put to shareholders at the 2025 AGM.

In addition, selected investors were invited to present their views directly to the Board, and the Group Chair also hosted a stewardship focused event in November 2025.

The AGM is our principal engagement event with our retail investors, providing them with the opportunity to ask the Board questions pertaining to the business of the meeting.

The Board also receives regular updates from Investor Relations and Group Secretariat on investor perceptions and market developments, ensuring these views are considered during Board discussions and decisions.

Outcomes from engagement
Feedback received from investors during the year focused on the Group's network strategy and affluent franchise, the underlying drivers of performance, capital management, efficiency and cost control, as well as governance matters.

The Board noted the views expressed and will continue to take such feedback into account, where appropriate, when formulating and reviewing the Group's strategic priorities.

All resolutions proposed at the 2025 AGM were passed and we remain grateful for the continued support of our shareholders.

Read more on the Board's engagement with shareholders on page 146

Society

Why we engage
We partner with global and local NGOs to help the Group and the Standard Chartered Foundation, formerly Futuremakers, economically empower under-served young people, especially women and those with disabilities.

Youth unemployment is a key issue in many of our markets. The involvement of key external stakeholders that are part of the employment and entrepreneurship ecosystem, including local businesses and governments, is critical to ensuring our programmes provide participants with the skills, capabilities and networks that help them secure employment and business growth opportunities.

Their interests
With our partners, our programmes are designed and delivered in collaboration with relevant local stakeholders to address key barriers to youth employment and entrepreneurship. Focus areas include:

- access to decent jobs
- financial access for microbusinesses
- gender equality
- disability inclusion
- skills and businesses that address environmental and social challenges
- provision of mentoring and training support

How the Group engages
Partners
With the Standard Chartered Foundation, we advanced strategic partnerships in 2025 with NGOs in support of our goal to empower under-served young people. New employability programmes to help young people secure decent jobs were implemented in countries across Asia, as well as Kenya and Nigeria. We also continued to engage our partners to adapt programmes to continue supporting as many young people as possible.

Convening and ecosystem building
In 2025, we convened NGOs, multilateral stakeholders, employers and young people at a high-level hybrid event during the UN General Assembly, focused on how best to break down barriers to decent employment for young people in Africa. To help shape the discussion, Standard Chartered Foundation collaborated with Business Fights Poverty to develop a report highlighting new ways of working for corporate foundations in light of the significant reduction in development financing in 2025.

We also convened NGOs and other stakeholders as part of an effort to design a new ecosystem programme to enable decent jobs for young people centred on the blue economy in ASEAN.

Employee volunteering
We offer our employees three days of paid volunteering leave annually, enabling them to contribute their time, energy and professional skills where it matters most.

In 2025, we strengthened our employee volunteering programme by enhancing access to skills-based opportunities, such as mentoring and training, creating pathways for employees to apply their professional expertise to positive social impact. This supports community outcomes across priority areas including youth employment, financial education, inclusion and gender equality.

How the Board engages
While in Malaysia, Board members shared their expertise on leadership with young women from a programme delivered by the Standard Chartered Foundation and its partner Women Win. As well as gaining career insights, sharing such expertise helps develop young peoples' confidence and professional communication.

Outcomes from engagement

- Enabled 16,305 jobs for young people in 2025, impacting over 145,000 lives in society[1]
- We aim to enable 250,000 jobs by 2030[2]
- We also aim to convene and collaborate for ecosystem building to make a bigger impact in enabling jobs beyond ASEAN and to our other regions, through our youth programmes.

Suppliers

Why we engage

We are committed to fostering an inclusive and sustainable supply chain that reflects the diversity of the communities we serve. By engaging with diverse suppliers – small and medium-sized businesses, businesses owned by women, ethnic minorities, persons with disabilities, and social enterprises we help create equitable economic opportunities and drive innovation across our value chain.

Our partnerships enable diverse suppliers to access new markets, build capacity and strengthen their business resilience, while providing us with fresh perspectives, agile solutions, and stronger community connections. Through these relationships, we continue to advance shared growth, inclusion and long-term value creation for all stakeholders.

We continue our focus on decarbonising our supply chain. We work with our suppliers to calculate emissions and set reduction targets where appropriate.

Read more on supply chain management and engagement on page 96

Their interests

- Open and transparent tendering process
- Simple and consistent onboarding requirements
- Accurate and on-time payments
- Willingness to adopt supplier-driven innovation
- Guidance on implementation of sustainability matters

How the Group engages

We aim to identify and work with a more diverse range of suppliers. We focus on growing these relationships and increasing spend with existing and new diverse suppliers, while committing to supporting suppliers through coaching, mentoring and outreach programmes.

In 2025, in partnership with WEConnect International – a global network supporting women-owned businesses – we hosted three virtual and three face-to-face events across our markets. By partnering with WEConnect International directly, we have continued to identify and expand our diverse supplier base.

Through our events, we provide a platform for our suppliers to collaborate, share knowledge and exchange best practices. The events foster transparency, supports capability building, promotes recognition and ensures our suppliers are aligned with our sustainability standards and decarbonisation goals.

To enhance sustainable procurement initiatives and contribute positively to our communities, in 2025 we partnered with Business in the Community, a leading UK NGO dedicated to responsible business practices. As part of the partnership, we've participated in a sustainable procurement working group to deliver best practice outcomes to support diverse business opportunities.

How the Board engages

Progress is tracked, on an annual basis, by the Culture and Sustainability Board Committee and the Group Diversity and Inclusion Council. This supports alignment with our wider sustainability goals and embeds accountability for progress.

Outcomes from engagement

We remain committed to a diverse and inclusive supply chain in 2026. To broaden our impact, we aim to incorporate our larger suppliers into our inclusion programmes, encouraging them to engage and report on their own diverse spending and activities.

Read more on the principles of supplier diversity and inclusion in our Supplier Diversity and Inclusion Standard at sc.com/supplier-standard

Regulators and governments

Why we engage

We engage with public authorities to play our part in supporting the effective functioning of the financial system and the broader economy.

Their interests

- Strong capital base and liquidity position appropriate to a global systemically important bank
- Robust standards for financial conduct and financial crime
- Competitive economies and markets
- Digital innovation and use of AI in financial services
- Operational resilience
- Sustainable finance and net zero transition
- Market integrity and customer protection
- International and digital trade
- Financial stability

How the Group engages

We engage with government, regulators and policymakers at the global, regional and national level as well as trade associations to share insights and support the development of best practices and adoption of consistent approaches across our markets.

How the Board engages

The Board, either collectively or individually, engaged with relevant policymakers and regulators in several jurisdictions across our global footprint. Topics of discussion included changes in the regulatory landscape for financial services, developments in new regulation in such areas as digital assets, and sustainable finance, and the issue of fragmenting rule sets across the global context.

Outcomes from engagement

The Group seeks to engage openly and strengthen relationships with the regulators in the markets in which it operates.

1 Lives impacted estimates are drawn from our social return on investment model.

2 This target has been revised upwards from 140,000 to 250,000 jobs enabled by 2030, due to a) a revision of the employability KPI to account for under-served male participants and b) moving the baseline from 2024 to 2019 to show progress since the start of programming.

Group Chief Risk Officer's review

Image removed

The Group's strong performance in 2025 is underpinned by our commitment to effective risk management and a strong track record of managing risks during periods of volatile macroeconomic and geopolitical conditions.

We proactively manage risk in a changing world.

Jason Forrester
Group Chief Risk Officer

Managing risk

2025 saw the emergence of a multipolar global economy, with recent geopolitical shocks, industrial policy, and protectionist measures accelerating fragmentation in trade, technology, and capital flows. Heightened trade tensions from US tariffs were a focal point during the year, and although this tapered in the second half, uncertainties remain. Constant fluctuations in policy changes and escalating conflicts led to increased economic uncertainty, market volatility and elevating refinancing risks across emerging markets, among other factors. Throughout the year, we maintained a proactive approach to risk management and remained anticipatory in addressing emerging risks. We monitored the business through our well-established risk frameworks and practices, such as stress tests and portfolio reviews, highlighting any potential concentrations to be acted upon. We conducted thorough assessments of trade linkages and identified vulnerable countries and sectors. Beyond trade tensions, we closely monitored secondary impacts and categorised country risks through our Country Risk Early Warning System. We strengthened our stress-testing capabilities by increasing the number of management stress tests conducted. The Group continues to monitor direct exposures to countries involved in conflicts and the resultant secondary effects. We also remain vigilant in managing risks from escalating conflicts by continuously monitoring sovereign risks and scanning for topical and emerging threats.

We are seeing an evolution in the exchange of value through new forms of digital money via decentralised systems using distributed ledger technology that offer an alternative to traditional payments. Financial institutions such as digital-native banks as well as corporates are increasingly looking to innovations such as stablecoins to take advantage of their potential benefits, which include faster settlement, programmability and more efficient cross-border payments.

Digital assets such as stablecoins bring about new risk vectors. As we increase our digital assets activity across the Group, we remain focused on understanding how these risks may materialise, and evolving our relevant risk frameworks accordingly, and in compliance with relevant legislative and regulatory regimes.

Banks are increasingly shifting from balance-sheet lenders to credit intermediaries as private credit expands, reflecting regulatory constraints and the growing role of non-bank capital. This evolution redistributes risks beyond the banking sector, requiring enhanced oversight and underscoring the value of disciplined credit underwriting.

Read more on 'Topical and Emerging Risks' and how we are mitigating them on pages 45 to 49

Corporate & Investment Banking (CIB)

Our CIB credit portfolio remained resilient amid volatile market conditions, with overall good asset quality as evidenced by our largely investment-grade corporate portfolio (31 December 2025: 74 per cent; 31 December 2024: 74 per cent). In consideration of the macroeconomic challenges, we have been pre-emptive in assessing potential impacts of a potential trade war escalation by conducting extensive stress tests and portfolio reviews across vulnerable countries, sectors and clients. While the risk of re-escalation in global tariffs has moderated, we continue to update our assessments based on latest developments and take timely risk mitigating actions as appropriate. Outside tariffs, we remain vigilant in monitoring geopolitical risks, including conflicts in Ukraine and the Middle East, and various US policy risks, and their impact across geographies, commodity prices and clients, as well as sovereign risks across our global footprint. The Group's exposure to data centres and private credit is subject to defined portfolio limits, stringent underwriting standards, concentration sub-caps and regular portfolio reviews. We continued to de-risk in China and Hong Kong commercial real estate, and have limited exposures to US regional banks and insurance companies.

Our CIB Traded Risk increased during 2025, as evidenced by the higher average Value at Risk (VaR) (31 December 2025: trading $25.4 million and non-trading $47.0 million; 31 December 2024: trading $21.1 million and non-trading $34.2 million). The higher non-trading VaR was driven by market volatility combined with a VaR model enhancement to make the model more responsive to market volatility and larger US agency bonds inventory in the CIB non-trading portfolio. While elevated, the increased risk remained within risk appetite (RA) during the period. Stress tests were used extensively to detect any emerging issue in terms of Market Risk or Counterparty Credit Risk, with mitigating actions taken where required. There were no margin call issues with our collateralised counterparties, including hedge funds. Concentration Risk is monitored tightly and contained by limits. Velocity of assets in the trading book is enforced via tight ageing limits. We remain vigilant and are continuously enhancing our modelling and stress-testing capabilities in anticipation of further market volatility.

Wealth & Retail Banking (WRB)

The WRB credit portfolio continued to demonstrate resilience amid the economic uncertainties and geopolitical challenges. Portfolio management actions have continued to be dynamically adjusted in the last 18 months in response to the challenging and rapidly changing macroeconomic and operating conditions, with scenario testing being utilised to manage the uncertainties. As a result of credit portfolio actions taken, we are seeing signs of credit performance improvement. We remain focused on proactive risk management across credit origination, portfolio management and collections to manage the risks of a challenging and uncertain economic environment and associated market volatility on the WRB portfolios. We are also refining our portfolio strategy in our consumer unsecured lending and digital partnerships portfolios to selectively reduce exposure and to drive better profitability. Our end-to-end Credit Risk management actions are aligned for the successful execution of the pivot to the 'affluent' segment. While the WRB strategy leverages on the market-wide global growth in demand for wealth management services, an essential component of our competitiveness will be our risk management approach, which remains grounded in core principles and our long-held market expertise while also adapting to new risks presented by the dynamic global landscape.

Treasury Risk

Liquidity remained resilient across the Group and major legal entities (31 December 2025 liquidity coverage ratio (LCR): 155 per cent; 31 December 2024: 138 per cent) with a surplus to both RA and regulatory requirements. We are focused on proactively managing our capital, Interest Rate Risk in the Banking Book (IRRBB) and liquidity risks, including increasing our access to contingent funding sources as appropriate, and enhancing our framework for managing Treasury Risks in volatile market scenarios. The Group remains well capitalised with CET1 ratio at 14.1 per cent (31 December 2024: 14.2 per cent) while the Leverage ratio was 4.7 per cent (31 December 2024: 4.8 per cent).

Read more on managing Liquidity and Funding Risk and IRRBB on pages 281 to 285

Our risk management approach

Our Enterprise Risk Management Framework (ERMF) sets out the principles and minimum requirements for risk management and governance across the Group.

The ERMF is complemented by frameworks, policies and standards that are mainly aligned to the principal risk types (PRTs) and is embedded across the Group, including its branches and subsidiaries.[1]

The ERMF enables the Group to manage enterprise-wide risks, with the objective of maximising risk-adjusted returns while remaining within our RA.

Principal risk types and risk appetite

PRTs are those risks that are inherent in our strategy and business model and have been formally defined in the Group's ERMF. These risks are managed through distinct risk type frameworks (RTFs) that are approved by the Group Chief Risk Officer (GCRO). The table below details the Group's current PRTs, definitions and our RA statements.

Principal risk types	Definition	Risk appetite statement
Credit Risk	Potential for loss due to failure of a counterparty to meet its agreed obligations to pay the Group.	The Group manages its credit exposures following the principle of diversification across products, geographies, client segments and industry sectors.
Traded Risk	Potential for market or counterparty credit risk losses resulting from activities undertaken by the Group in fair valued financial market instruments.	The Group should control its financial markets activities to ensure that market and counterparty credit risk losses do not cause material damage to the Group's franchise.
Treasury Risk	Potential for insufficient capital, liquidity, or funding to support our operations, the risk of reductions in earnings or value from movements in interest rates impacting banking book items and the potential for losses from a shortfall in the Group's pension plans.	The Group should maintain sufficient capital, liquidity and funding to support its operations, and an interest rate profile that ensures that the reductions in earnings or value from movements in interest rates impacting banking book items do not cause material damage to the Group's franchise. In addition, the Group should ensure that its pension plans are adequately funded.
Operational and Technology Risk	Potential for loss resulting from inadequate or failed internal processes, technology events, human error, or from the impact of external events (including legal risks).	The Group aims to mitigate and control Operational and Technology risks, to seek to ensure that events, including any related to conduct of business matters, do not cause the Group material harm as a result of business disruption, financial loss or reputational damage.
Information and Cyber Security (ICS) Risk	Risk to the Group's assets, operations, and individuals due to the potential for unauthorised access, use, disclosure, disruption, modification, or destruction of information assets and/or information systems.	The Group aims to mitigate and control ICS risks to ensure that incidents do not cause the Group material harm, business disruption, financial loss or reputational damage, recognising that while incidents are unwanted, they cannot be entirely avoided.
Financial Crime Risk[2]	Potential for legal or regulatory penalties, material financial loss or reputational damage resulting from the failure to comply with applicable laws and regulations relating to international sanctions, anti-money laundering and anti-bribery and corruption, and fraud.	The Group has no appetite for breaches of laws and regulations related to financial crime, recognising that while incidents are unwanted, they cannot be entirely avoided.
Compliance Risk	Potential for penalties or loss to the Group or for an adverse impact to our clients or stakeholders or to the integrity of the markets we operate in through a failure on our part to comply with laws, or regulations.	The Group has no appetite for breaches of laws and regulations related to regulatory non-compliance, recognising that while incidents are unwanted, they cannot be entirely avoided.
Environmental, Social and Governance and Reputational (ESGR) Risk	Potential or actual adverse impact on the environment and/or society, the Group's financial performance, operations, or the Group's name, brand or standing, arising from environmental, social or governance factors, or as a result of the Group's actual or perceived actions or inactions.	The Group aims to measure and manage financial and non-financial risks arising from climate change, reduce emissions in line with our net zero strategy and protect the Group from material reputational damage by upholding responsible conduct and striving to do no significant environmental and social harm.
Model Risk	Potential loss that may occur because of decisions or the risk of misestimation that could be principally based on the output of models, due to errors in the development, implementation, or use of such models.	The Group has no appetite for material adverse implications arising from misuse of models or errors in the development or implementation of models, while accepting some model uncertainty.

Read more on our risk management approach on pages 220 to 232

1 The Group's ERMF and system of internal control applies only to wholly controlled subsidiaries of the Group, and not to associates, joint ventures or structured entities of the Group.

2 Fraud forms part of the Financial Crime RA Statement but, in line with market practice, does not apply a zero-tolerance approach.

Topical and Emerging Risks

Topical Risks refer to themes that may have emerged but are still evolving rapidly and unpredictably. Emerging Risks refer to unpredictable and uncontrollable outcomes from certain events that may have the potential to adversely impact our business.

As part of our risk identification process, we have updated our Topical and Emerging Risks (TERs) from those disclosed in the 2025 Half Year Report. Below is a summary of the TERs, and the actions we are taking to mitigate them based on our current knowledge and assumptions.

The list of TERs is not exhaustive and there may be additional risks that could have an adverse effect on the Group. Our mitigation approach for these risks may not eliminate them but demonstrates our awareness and attempts to mitigate or manage their impact.

Macroeconomic and geopolitical considerations

There is a complex interconnectedness between risks due to the direct influence of geopolitics on macroeconomics, as well as the global or concentrated nature of key supply chains. A more complex, differently integrated and generally more volatile global landscape could challenge cross-border business models but also provide new business opportunities.

The Group is exposed to these risks directly through investments, infrastructure and employees, and also indirectly through its clients. While the primary impact is financial, there may be other ramifications such as reputational, compliance or operational considerations.

Expanding array of global tensions and transition of the international order

The global geopolitical landscape has shifted from a rules-based international order to a system driven by relative power dynamics. Fluid political and economic alliances are evolving, with the landscape further complicated by ongoing conflicts, e.g., in Ukraine and the Middle East.

In the near term, geopolitical fragmentation is also hampering collaboration on key global challenges. The erosion of international rules and the organisations that underpin them could undermine coordination efforts on structural global issues, such as climate risk mitigation, or ad hoc emergencies. The dismantling of some international development organisations may also impact future cooperation efforts, including on combatting the potential spread of future pandemics. These trends are prompting reform at multinational institutions, albeit the pace is slow.

National interests are returning more visibly, with national security or prosperity goals re-shaping engagement within and between countries. Domestic political volatility is increasing across numerous markets. Internationally, alliances are reorganising. Importantly, the US's use of tariffs to achieve both economic and political goals, rollbacks of policy in areas such as Environmental, Social, and Governance (ESG), and direct interventions in global conflicts have all changed the macroeconomic and geopolitical landscape. Some of these actions have caused fractures between the US and traditional allies, leaving many long-standing bilateral relationships in a state of flux.

The positioning of 'middle powers' is complex and evolving, with a rise in 'mini-lateral' groups of countries that are ideologically or geographically aligned. The negotiating power of these alliances is strengthened where they are in strategic areas or involve the control of key resources.

The Group may be impacted by direct exposure to countries engaged in conflicts, as well as by second-order effects on its clients and markets such as agricultural commodities, oil and gas. The sanctions landscape is also becoming increasingly complex, with potential divergence across regimes requiring heightened awareness in running a compliant, global operation.

The malicious use of AI-enabled disinformation could further undermine trust in the political process. Terrorism and cyber warfare are also ongoing threats, with unpredictability exacerbated by the wider range of ideologies at play and enhanced capabilities to disrupt infrastructure in rival countries.

Macroeconomic uncertainty including potential price bubbles

While many tariff deals have been struck between the US and the rest of the world, the average global tariff level has increased significantly relative to a year ago. The potential for change remains, with the US administration applying additional tariffs in response to non-economic issues or to achieve leverage in other areas.

Despite this, global trade has broadly readjusted and financial markets have not been adversely impacted. The relative alignment between the US and China is a major factor. However, dislocation risks persist, and headwinds are brewing in export-reliant locations such as South East Asia. Friction has also been seen around the export of rare earth metals from China. Potential uncertainty has driven a 'debasement trade' shift to hard assets, with the price of gold increasing by 65 per cent in 2025.

Although the interest rate cut cycle has begun, the short-term trajectory remains uncertain. Tariffs, supply chain disruption, strong labour markets and higher deficits could be inflationary, leading to higher rates. In contrast, aggressive cuts could further fuel inflation. Developed markets have diminished fiscal flexibility to react due to their high debt levels and social burdens. There are growing concerns in Europe, where fiscal weakness in France and government instability in Germany threaten to undermine the European Union's strongest members and the integrity of the bloc. Volatile interest rates could also impact the Group's net interest income outlook.

The global landscape remains challenging for businesses, with structural spending still a risk while volatility remains. As other cost pressures such as the ESG transition or keeping up with technological advances build, companies may start to feel a squeeze, especially if interest rates do not fall as rapidly as expected.

Tariff volatility, policy unpredictability and uncertainty over the continued independence of the Fed could impact investor perceptions of risk-free assets across global markets, and encourage a gradual and steady diversification. In an extreme case, the rest of the world could reduce trade with the US, which could result in further weakening of the US dollar, challenging its status as the global reserve currency, or risk premia on traditionally risk-free assets such as US Treasuries. However, these are unlikely to materialise in the short term.

One potential headwind for global markets could be a downturn caused by the bursting of the perceived AI bubble, with valuations of key players and significant investment from private credit players in the sector drawing some concern. A correction would have implications to the broader economy, with sectors such as energy, construction and commercial real estate all highly dependent on AI infrastructure growth, particularly data centres. Conversely, the AI race is fueling growth in demand for semiconductor chips, whose availability and price are becoming a concern. Concentration risk in sectors with an AI or semiconductor nexus needs to be monitored.

The private credit sector is also under greater scrutiny, with concerns over default rates and increasing connectedness with traditional banks and the insurance industry. Lack of regulation or transparency, and lower underwriting standards all heighten inherent risks and make the segment more susceptible to downturns and other threats such as fraud.

While idiosyncratic risks remain, emerging markets are generally seeing improved sentiment as debt restructurings have progressed and acute sovereign default risks have receded in certain markets. Multilateral support mechanisms, alongside bilateral funding, have helped to shore up external positions in several emerging markets. Trends such as de-dollarisation and disintermediation through alternative payment channels may have a larger impact in emerging markets, and how credit risk is managed in such centres.

Supply chain issues and key material shortages

Geopolitical volatility, shifts towards protectionism, and ongoing conflicts have complicated the operation of global supply chains. Countries are 'de-risking' through diversifying their supply chains. This includes tactics such as reducing reliance on rivals or concentrated suppliers, looking to either re-industrialise or make use of near-shoring and friend-shoring production, and forming entirely new relationships.

The growing need for minerals and rare earth elements to power future technologies can be leveraged to achieve economic or political aims by restricting access. This can bolster the negotiating influence of refiners and producers such as China, Indonesia and some African markets.

However, AI applications could provide additional supply chain robustness, as inefficiencies are reduced by predictive analytics around supply and demand, weather patterns and maintenance requirements.

How these risks are mitigated

- We conduct portfolio reviews and stress tests at Group, country, business and asset class level, with regular reviews of vulnerable sectors.
- We have a structural hedging programme to mitigate the impact of volatile interest rates.
- We run daily market risk stress scenarios to assess the impact of unlikely but plausible market shocks.
- We run a suite of management scenarios with differing severities to assess their impact on key RA metrics.
- We have a dedicated country risk team that closely monitors sovereign risk.
- We maintain a diversified portfolio across products and geographies, with specific RA metrics to monitor concentrations.
- Increased scrutiny is applied when onboarding clients in sensitive industries and ensuring compliance with sanctions.
- We maintain underwriting principles for specialised product and industry segments, detailing transaction-level origination standards and sub-segment caps supported by regular portfolio reviews.
- We regularly review our supply chains and third-party arrangements to improve operational resilience.
- We actively review and test our crisis management and business continuity plans.

ESG considerations

Evolving ESG dynamics

Stakeholder scrutiny on ESG commitments and practices continues. Regulators are implementing standards, reporting requirements and timelines that can vary significantly, leading to further complexity in ensuring compliance across different jurisdictions.

Greenwashing risk remains heightened, with both regulator and non-governmental organisation scrutiny on market integrity. The Group maintains its external commitments to achieve net zero targets and mobilise sustainable financing amid shifting global attitudes.

Economic pressures and geopolitical tensions such as increased tariffs may push companies to consider deprioritising their climate transition. In addition, the cost of managing the climate impacts from more frequent extreme weather events is increasing, with the burden disproportionately borne by developing markets, which in turn lowers their ability to invest in transition infrastructure.

Frontier technologies such as quantum computing and AI may also come with substantial energy and water demands. These need to be understood, particularly the impact on companies' ability to deliver against sustainability targets.

Environmental risks such as loss of biodiversity pose incremental challenges to food, health systems and energy security. Modern slavery and human rights concerns are increasingly in focus, expanding beyond direct operations to extended supply chains.

How these risks are mitigated

- Climate Risk considerations are embedded across relevant principal risk types. We perform client-level Climate Risk assessments and set adequate mitigants or controls where relevant.
- We have delivered on our commitment to be net zero in our own operations (Scope 1 and 2 emissions) by the end of 2025 and intend to maintain this going forward.
- We embed our values through our Position Statements and a list of prohibited activities. We also maintain ESGR standards to identify, assess and manage risks when providing services to clients.
- Management of greenwashing risks is integrated into our ESGR RTF, ESGR policies, Sustainable Finance Frameworks, and relevant product and marketing standards.
- Detailed portfolio reviews and stress tests are conducted to assess the resilience of our clients and operations to climate-related physical and transition risks.
- Suppliers[1] that are identified as presenting higher risks of modern slavery are subject to a risk assessment.

Read more on our Modern Slavery Statement at sc.com/modernslavery

New business structures, channels and competition

Competitive disruption

Sources of disruption and disintermediation to traditional finance are increasing, with more established fintech and private credit sectors being joined by increasing use cases for digital assets. Stablecoins could provide alternative payment and deposit channels, with adoption expected to be most prevalent in emerging markets where local currencies are highly volatile. This could lead to deposit outflows from traditional banking products.

While there is increasing regulatory scrutiny on alternative financing providers, such as the Bank of England's proposed stress test for the private credit market, there is still a governance gap that could put banks at a competitive disadvantage.

Financiers that can harness technology can rapidly improve their market share, as the concept of a hyper-personalised 'segment of one' is increasing in prominence, and may change marketing, client service and distribution channels.

The proactive management of the impact of AI and more nascent technologies such as quantum computing may lead to sunk costs into projects that are ultimately not required or do not become part of daily operations.

Rapid adoption of AI

The expansion of AI capabilities is increasingly pervasive and pivotal to business operations across industries. Traditional finance faces adoption challenges in complying with existing regulation and governance standards. Cost pressures and lack of key skills in the industry could hamper a swift transition.

The increased use of partnerships with specialist tech providers is operationally efficient, although it increases third-party and model risks and requires enhanced due diligence to ensure secure adoption.

The integration of more sophisticated insights utilising big data and AI could enhance the services offered to clients. However, if such capabilities are widely available it may impact banks' ability to differentiate. AI also has implications on broader considerations such as the ethical use of data and protecting privacy and security, and the increase in 'shadow AI' or the use of unauthorised AI channels or tools.

There has been a large increase in the use of AI in fraud, scams and spreading misinformation. AI powered deepfakes and autonomously generated malware are changing the nature of cyber threats, in particular increasing the speed of attack. However, the availability and maturity of security and controls continues to lag development of the technology itself.

There are also potential societal and economic impacts from replacement of jobs, which may be concentrated in some sub-sectors and disproportionately impact junior positions and youth entering the workforce. Leveraging the benefits of augmented AI while managing these risks will be a core part of the Group's business model.

Cyber, data and operational resilience

An expanding digital footprint and integration of smarter AI systems increases inherent cyber and operational risk, with more opportunities for cybercriminals to gain entry or access to corporate assets, including infrastructure such as cloud and third-party enabled services. These threats extend to our clients, with the Group at risk of financial loss if they are materially affected.

Reliance on third parties for critical processes is an increasing regulatory focus and can introduce significant risks if these third parties fail to deliver or face operational issues. As supply chains become more complex and digital, security risks are shifting down to 4th and nth party. This increased interconnectedness is likely to further reduce the tolerance for errors and outages.

Ongoing geopolitical tensions increase the risk of conflict spilling into the cyber domain, including cyber risks from nation-state actors seeking to disrupt operations, access sensitive information, or gain strategic advantage. The scale and sophistication of threats continues to increase, with ransomware a persistent concern. The barriers to entry for attacks is reducing, and malicious actors are embracing new wave technology with increased potency, such as AI. In the longer term, advances in quantum computing could threaten encryption, one of the core aspects of security, which will necessitate a complex global transition to enhance data architecture. There are also growing data sovereignty requirements to localise data, systems and operations, with data increasingly recognised as being at the centre of global trade.

The adoption of new technologies, products or business models requires clear operating models and risk frameworks. It is essential to upskill our people to develop in-house capabilities to manage associated risks. People, process and technology agendas must be viewed holistically to effectively implement new infrastructure and reduce the risk of obsolescence.

1 By suppliers we are referring to external third parties (vendors) that have a commercial arrangement with the Group for the provision of goods and/or services. Examples of suppliers include landlords, management consultants, and IT service providers.

How these risks are mitigated

- We continuously monitor and evaluate emerging technology trends, business models and opportunities.
- We have enhanced governance for evolving areas, such as the Digital Asset Risk Committee.
- We have instituted an AI Safety Council, which evaluates and assesses AI solutions prior to use.
- We apply a tiered approach to evaluate AI systems, proportionate to the associated risks.
- We are partnering with central banks and other stakeholders on digital currency and stablecoin projects around the world.
- We manage data and information security risks through our Compliance and Information and Cyber Security (ICS) RTFs. We maintain a global Group Data Conduct Policy.
- The Group continues to invest in its resilience capabilities, with a focus on regulatory compliance, as well as ensuring the continued operational stability of the Bank.
- The Group is focused on uplifting its global data centre footprint, enhancing technology to reduce obsolescence, assuring its use of third parties and building response and recovery capabilities.
- We prioritise security and robust testing in the design of our products and services, including implementing encryption, phishing resistance and stringent access controls to safeguard user data.
- The Group has implemented a 'defence-in-depth' ICS control environment strategy to protect, detect and respond to known and emerging ICS threats.
- We upskill colleagues on the human aspect of ICS risk, underpinned by our colleague Code of Conduct and Ethics. We also assign mandatory ICS learning, phishing exercises and role-specific training.
- The Group's Incident Response processes include 24/7 security event monitoring, triage and analysis.
- New risks are identified through the New Initiatives Risk Assessment and Third-Party Risk Management policy and standards.
- We identify security threats to third parties and deliver threat intelligence and briefings to strategic clients to enhance our service and relationships.
- We have initiated a post quantum cryptography programme to manage the bank-wide transition to post-quantum encryption standards.
- We test the effectiveness of our crisis management and continuity strategies through a series of severe but plausible disruption scenarios.
- We have implemented pan-bank stress testing for our important business services to ensure vulnerabilities are effectively identified and remediated.
- We have improved operational resilience monitoring capabilities to identify potential vulnerabilities quickly and put in place necessary remediations and controls.

Regulatory considerations

Regulatory evolution and fragmentation

Amid other changes in regulation, we are seeing a rise in consultations relating to digital assets, with potential inconsistent standards across jurisdictions raising risks around legal enforceability, ownership and capital treatment. There is also greater regulatory interest in the use of AI and its ethical application in decision-making. As technologies get more complex, we also see increased focus on consumer protection, particularly with ageing populations and a rise in populist agendas.

In many Western jurisdictions, competitiveness and growth are becoming more pressing issues for regulatory authorities. Such policymaking comes at a natural tension with resilience considerations, as seen in the divergence in timing and approach of Basel 3.1 adoption across the US, UK and some Asian markets. Other areas of divergence include ESG regulation, and extraterritorial and localisation requirements, including data sovereignty.

While some deregulation can be beneficial, an uncoordinated global regime makes it challenging to manage cross-border activities, with additional complexity and cost.

How these risks are mitigated

- We actively monitor regulatory developments and respond to consultations either bilaterally with regulators and external legal advisors or through well-established industry bodies.
- We track evolving country-specific requirements and actively collaborate with regulators to support important initiatives.
- We are leveraging new technology to identify and map new regulations.
- We remain focussed on protecting consumers by proactively identifying and mitigating risks such as scams, phishing and impersonation.

Demographic considerations

Skills and the competition for talent

Evolving client expectations and rapid technological development are transforming the workplace, accelerating changes to how people work, connect and collaborate. The future workforce will continue to augment, with a focus on ensuring that human and technical skills intertwine effectively.

Workforce expectations also continue to evolve, with health, wellbeing and purpose becoming top focuses for talent attraction. Maintaining an EVP that caters for multiple generations with differing priorities is a key challenge in building a high-performing, integrated employee base.

Flexible working is an increasingly important factor for colleagues and an overall positive factor in workforce experience. However, there are risks around potential lack of development opportunities from face-to-face interaction, especially for more junior employees. The role of people leaders will continue to evolve to enable the right balance for both individuals and teams.

Demographic and migration trends

Developed markets' budgets will be increasingly strained by ageing populations, and nationalistic policies on issues such as immigration could exacerbate the problem. Conversely, emerging markets are experiencing fast-growing, younger workforces. Population growth will put pressure on key resources to fully capitalise on the 'demographic dividend'. Existing fiscal and social vulnerabilities may also hinder emerging markets' ability to turbocharge their growth.

Population displacement is rising, which may increase the fragility of societal structures in vulnerable centres. Large scale movement could cause social unrest and accelerate the spread of future pandemics. The ability to react to such external scenarios may be diminished due to broader declines in international institutions and reduced global cooperation.

Societal unrest continues to increase, and the threat of terrorist activity and political violence has also heightened over the past 12 months.

Net population growth for the 21st century will be in less-developed countries. Proactively planning for these demographic shifts will be essential in maintaining an efficient global business model.

How these risks are mitigated

- Our People Strategy builds a future-ready, multi-generational workforce through structured re-skilling and mobility programmes; this enables prompt redeployment as roles evolve, and also mitigates the demographic risks of shrinking and ageing populations.
- We have an internal Talent Marketplace which enables colleagues to sign up for projects to access diverse experiences and career opportunities.
- We place an emphasis on skills and identifying talent to accelerate, and how to deploy them in areas with the highest impact for our clients and the business.
- We emphasise frequent two-way feedback through performance and development conversations to embed a culture of continuous learning and development.
- We provide support and resources to help balance productivity, collaboration and wellbeing, with more than 60 per cent of our employees working flexibly.
- Our Human Rights Position Statement outlines our commitment to maintain a safe, supportive, diverse and inclusive workplace, and to support social and economic development in the communities in which we operate.

Jason Forrester
Group Chief Risk Officer

24 February 2026

Non-financial and sustainability information statement

We have included non-financial sustainability-related information within this Annual Report, which we believe best meets the interests of our key stakeholders as described on pages 37 to 41. This is based on external stakeholder engagement and the results of our materiality assessment on pages 72 to 73.

The table below sets out where information can be found on key non-financial matters in this report, in compliance with the non-financial reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006. This comprises our non-financial and sustainability information statement for 2025.

Climate-related information required under sections 414CA and 414CB of the Companies Act 2006, the UK Financial Conduct Authority's (FCA) UK Listing Rule 6.6.6R (8) and Part D of the Environmental, Social and Governance Reporting Code (Appendix C2 to The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited) is integrated throughout this Annual Report.

Read more in our Climate reporting index on pages 458 to 465

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Further disclosures, including our Group policies, are available at sc.com/sustainabilitylibrary

Viability statement

The directors are required to issue a viability statement regarding the Group, explaining their assessment of the prospects of the Group over an appropriate period of time and state whether they have reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due.

The directors are also to disclose the period of time for which they have made the assessment and the reason they consider that period to be appropriate.

In considering the viability of the Group, the directors have assessed the key factors including, but not limited to; inflationary pressures, spikes in oil prices, disruption to global supply chains, rise in interest rates, depreciation in emerging market currencies, market volatility, economic recession, and geopolitical events likely to affect the Group's business model and strategic plan, future performance, capital adequacy, solvency and liquidity taking into account the emerging risks as well as the principal risks.

The viability assessment has been made over a period of three years, which the directors consider appropriate as it is within both the Group's strategic planning horizon and supports the basis upon which its regulatory capital stress tests are undertaken and is representative of the continuous level of regulatory change affecting the financial services industry. The directors will continue to monitor and consider the appropriateness of this period.

The directors have reviewed the corporate plan, which is the output of the Group's formalised budgeting and strategic planning process. The 2026 Corporate Plan reflects further refinement of the strategy pursued for the past several years, with continued focus on differentiated cross-border banking capabilities for Corporate and Institutional clients and leading Wealth Management expertise for Affluent clients, supported by ongoing leadership in Sustainability. Measures are being implemented to increase the Group's resilience to ongoing external environment uncertainties and to sharpen focus on areas of strength.

The Corporate Plan is evaluated and approved annually by the Board, with confirmation from the Group Chief Risk Officer that it is aligned to the Enterprise Risk Management Framework and remains within the Group Risk Appetite Statement. The plan incorporates future projections covering profitability, capital and liquidity requirements, key regulatory ratios and resource needs over the planning horizon. It details the Group's key performance measures including forecast of profit, CET1 capital ratio, return on tangible equity, cost to income ratio and cash investment projections. The Board monitors the Group's performance by comparing reported results to the budget and the corporate plan.

The Group performs enterprise-wide stress tests using a range of bespoke hypothetical scenarios that explore the resilience of the Group to shocks to its balance sheet and business model. To assess the Group's balance sheet vulnerabilities and capital and liquidity adequacy, severe but plausible macro-financial scenarios explore shocks that trigger one or more of:

- Global slowdowns including recessions in China, Asian and Western economies that can be acute or more protracted, resulting in severe declines in property prices
- Sharp falls in world trade volumes and disruption to global supply chains, including the severe worsening of trade tensions and rise of protectionism
- Inflationary pressures in the global economy including volatility in commodity prices
- Significant rises in interest rates and depreciation in emerging market currencies, resulting in heightened sovereign risk
- Financial market volatility, including significant moves in asset prices driven by a combination of macroeconomic and geopolitical events.

In 2025, the primary focus has been on:

- The effect of increased global trade tensions leading to severe economic downturns across Asia and other regions, coupled with interest rate reductions and lower commodity prices
- The effect of high interest rates and persistent inflation, including spikes in the oil price, combined with severe market volatility and severe economic downturns in China and other economies
- The impact of intensifying geopolitical tensions on economic and financial activity in our footprint markets including an assessment of both financial and operational risks
- The successful completion of the Bank of England's Bank Capital Stress Test
- Testing liquidity resilience through severe scenarios similar to Silicon Valley Bank or Credit Suisse and fully integrating them in the liquidity risk framework to inform the requirement for contingent collateral actions.

In 2025, the Group undertook a number of Climate Risk stress tests, including those mandated by the Otoritas Jasa Keuangan (OJK), Central Bank of United Arab Emirates (CBUAE), Bank of Mauritius, and an internal management scenario analysis. The Group also submitted the Monetary Authority of Singapore's (MAS) and Bank Negara Malaysia's (BNM) Climate Risk stress tests, which started in 2024.

For the internal management scenario analysis, we leveraged Phase 4 of the Network for Greening the Financial System (NGFS) scenarios that cover a wide range of transition and physical risks. CIB stress testing focused on corporates, leveraging internally built and enhanced climate models along with quantitative methods that consider a range of factors including, but not limited to, the client's financials, their emissions profile, transition plans and physical risk adaptation. WRB stress testing focused on our consumer mortgage portfolio by performing stranded asset analysis to identify properties that are expected to become uninhabitable and/or unusable due to increased frequency and intensity of physical risk events. This included examining exposure concentration in key markets subject to the extreme risk of floods and storms to assess the acute physical risk, and sea level rise to assess the chronic physical risk.

The expected credit losses across the climate scenarios are estimated to be within monitoring thresholds and considered to be marginal. We believe that the level of these losses can remain controlled by continuing to take necessary actions which the Group is already doing across sectors – engaging with our clients on just transition and supporting them in enhancing their climate transition plans and physical risk adaptation profiles.

Viability statement

In 2025, Climate Risk was also considered as part of our formal annual corporate strategy and financial planning process.

Under this range of scenarios, the results of these stress tests demonstrate that the Group has sufficient capital and liquidity to continue as a going concern and meet regulatory minimum capital and liquidity requirements.

To evaluate the vulnerabilities inherent in the Group's business model, we examine extreme scenarios that could potentially result in the firm reaching the point of non-viability. The probability of such events occurring is considered to be low. During the year, we analysed the resilience of our critical technology applications in the event of severe outages across multiple geographies, along with its implications for our operational model. The insights derived from these assessments can provide valuable guidance for strategy formulation, risk management, operational resilience, as well as capital and liquidity planning.

The directors further considered the Group's Internal Liquidity Adequacy Assessment Process (ILAAP), which considers the Group's liquidity position, its framework and whether sufficient liquidity resources are being maintained to meet liabilities as they fall due.

The Board Risk Committee (BRC) is appointed by the Board to assist and advise the Board in fulfilling its oversight responsibilities in relation to the key risks of the Group and makes recommendations to the Board on the Group's Risk Appetite Statement. Its specific responsibilities include review of the Group's Enterprise Risk Management Framework, assessment of emerging and existing principal risks, oversight of stress testing, approval of certain capital and liquidity regulatory submissions and review of material acquisitions and disposals.

The BRC receives regular reports on the Group's key risks, as well as updates on the macroeconomic environment, geopolitical and sovereign risks, market developments, and relevant regulatory updates.

In 2025, the BRC carefully monitored sovereign and geopolitical risks arising from US tariffs, global conflicts and market volatility and considered the potential impact of key emerging risks and opportunities on the Group, our clients, colleagues, markets and regulators. The Committee continued to focus on strengthening the Group's approach to stress testing and challenged the outcomes and key findings arising from stress tests including those arising as part of the Internal Capital Adequacy Assessment Process (ICAAP) submission and the 2025 Bank of England (BoE) Bank Capital Stress Test. The Committee challenged management to consider the use of these stress tests to further enhance performance and accelerate the use of stress testing tools. There were regular updates to the Committee on the Group's recovery and resolution capabilities, and the Committee provided feedback on the Group's activities to improve recovery and resolution planning capabilities and arrangements. The Committee also reviewed and discussed updates on, and tracked progress of, key technology-related change programmes, holding management to account on deliverables and committed timelines. Information and Cyber Security (ICS) risk remained an important priority and progress made on ICS risk management was regularly reviewed.

The Committee paid particular attention to the CIB and WRB credit portfolios to ensure they remain resilient, and considered portfolio deep dives including oil and gas, solar and electric vehicles in light of the evolving geopolitical landscape.

Based on the information received, the directors considered the principal uncertainties as well as the principal risks in their assessment of the Group's viability, how these impact the risk profile, performance and viability of the Group and any specific mitigating or remedial actions necessary.

For further details of information relevant to the directors, assessment can be found in the following sections of this Annual Report:

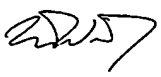
- the Group's Business model (pages 10 to 11) and Strategy (pages 9)
- the Group's current position and prospects including factors likely to affect future results and development, together with a description of financial and funding positions are described in the client segment reviews (pages 22 to 31).

An update on the key risk themes of the Group is discussed in the Group Chief Risk Officer's review on pages 42 to 49, and the following sections of this Annual Report:

- The BRC section of the Directors' report (pages 166 to 171)
- The Group's Topical and Emerging Risks sets out the key external factors that could impact the Group in the coming year (pages 45 to 49)
- The Group's Enterprise Risk Management Framework details how the Group identifies, manages and governs risk (pages 220 to 225)
- The Group's Risk profile provides an analysis of our risk exposures across all major risk types (page 226 to 232)
- The capital position of the Group, regulatory development and the approach to management and allocation of capital are set out in the Capital review (pages 303 to 308).

Having considered all the factors outlined above, the directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of the assessment up to 24 February 2029.

Our Strategic report from pages 1 to 52 has been reviewed and approved by the Board.



Bill Winters, CBE

Group Chief Executive

24 February 2026

Financial review

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Image removed

Case study

Partnering on AI and cross-border services with Alibaba

In July 2025, we signed a strategic partnership with Alibaba Group to increase the use of AI across our business.

Under the agreement, the Bank will deploy Alibaba Cloud AI tech in client service, sales intelligence, risk management and compliance functions, while supporting workforce upskilling through training programmes.

In turn, we will provide a comprehensive range of banking services to Alibaba Group, from supply chain financing support to cross-border fund management solutions.

Read more: sc.com/alibaba

Financial summary

Statement of results

	2025 $million	2024 $million	Change[1] %
Underlying performance			
Operating income	**20,894**	19,696	6
Operating expenses	**(12,347)**	(11,790)	(5)
Credit impairment	**(676)**	(557)	(21)
Other impairment	**(42)**	(588)	93
Profit from associates and joint ventures	**71**	50	42
Profit before taxation	**7,900**	6,811	16
Profit attributable to ordinary shareholders[2]	**5,360**	4,276	25
Return on ordinary shareholders' tangible equity (%)	**14.7**	11.7	300bps
Cost-to-income ratio (%)	**59.1**	59.9	80bps
Reported performance[7]			
Operating income	**20,942**	19,543	7
Operating expenses	**(13,304)**	(12,502)	(6)
Credit impairment	**(672)**	(547)	(23)
Goodwill & other impairment	**(65)**	(588)	89
Profit from associates and joint ventures	**62**	108	(43)
Profit before taxation	**6,963**	6,014	16
Taxation	**(1,866)**	(1,972)	5
Profit for the period	**5,097**	4,042	26
Profit attributable to parent company shareholders	**5,085**	4,050	26
Profit attributable to ordinary shareholders[2]	**4,558**	3,593	27
Return on ordinary shareholders' tangible equity (%)	**11.9**	9.7	220bps
Cost-to-income ratio (%)	**63.5**	64.0	50bps
Net interest margin (%)[6,9]	**2.03**	2.06	(3)bps
Balance sheet and capital			
Total assets	**919,955**	849,688	8
Total equity	**54,586**	51,284	6
Average tangible equity attributable to ordinary shareholders[2]	**38,242**	36,876	4
Loans and advances to customers	**286,788**	281,032	2
Customer accounts	**530,161**	464,489	14
Risk-weighted assets	**258,031**	247,065	4
Total capital	**53,227**	53,091	–
Total capital ratio (%)	**20.6**	21.5	(86)bps
Common Equity Tier 1	**36,440**	35,190	4
Common Equity Tier 1 ratio (%)	**14.1**	14.2	(12)bps
Advances-to-deposits ratio (%)[3]	**51.4**	53.3	(190)bps
Liquidity coverage ratio (%)	**155.4**	138.2	1720bps
UK leverage ratio (%)	**4.7**	4.8	(11)bps
	Cents	Cents	Change[1]
Information per ordinary share[8]			
Earnings per share[4] – underlying	**229.7**	168.1	61.6
– reported	**195.4**	141.3	54.1
Net asset value per share[5]	**2,007**	1,781	226
Tangible net asset value per share[5]	**1,730**	1,541	189
Number of ordinary shares at period end (millions)	**2,247**	2,408	(7)

1 Variance is better/(worse) other than assets, liabilities and risk-weighted assets. Change is percentage points difference between two points rather than percentage change for total capital ratio (%), Common Equity Tier 1 ratio (%), net interest margin (%), advances-to-deposits ratio (%), liquidity coverage ratio (%), leverage ratio (%), cost-to-income ratio (%) and return on ordinary shareholders' tangible equity (%).

2 Profit/(loss) attributable to ordinary shareholders is after the deduction of dividends payable to the holders of non-cumulative redeemable preference shares and Additional Tier 1 securities classified as equity.

3 When calculating this ratio, total loans and advances to customers excludes reverse repurchase agreements and other similar secured lending, excludes approved balances held with central banks, confirmed as repayable at the point of stress and includes loans and advances to customers held at fair value through profit and loss. Total customer accounts include customer accounts held at fair value through profit or loss.

4 Represents the underlying or reported earnings divided by the basic weighted average number of shares.

5 Calculated on period end net asset value, tangible net asset value and number of shares.

6 Net interest margin is calculated as adjusted net interest income divided by average interest-earning assets, annualised.

7 Reported performance/results within this annual report means amounts reported under UK-adopted International Accounting Standards and International Financial Reporting Standards.

8 Change is cents difference between the two periods for earnings per share, net asset value per share and tangible net asset value per share. Number of ordinary shares at period end is percentage difference between the two periods.

9 Net interest income has been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 to reflect the reclassification of funding cost mismatches to non NII.

Operating income by product

	2025 $million	2024[1] $million	Change %	Constant currency change[2] %
Transaction Services	**6,005**	6,434	(7)	(7)
Payments & Liquidity	**4,155**	4,605	(10)	(10)
Securities & Prime Services	**648**	611	6	7
Trade & Working Capital	**1,202**	1,218	(1)	(1)
Global Banking	**2,229**	1,935	15	15
Lending & Financial Solutions	**1,905**	1,677	14	13
Capital Markets & Advisory	**324**	258	26	26
Global Markets	**3,863**	3,450	12	12
Macro Trading	**3,116**	2,852	9	9
Credit Trading	**753**	644	17	17
Valuation & Other Adj	**(6)**	(46)	87	87
Wealth Solutions	**3,086**	2,490	24	24
Investment Products	**2,347**	1,827	28	28
Bancassurance	**739**	663	11	12
Deposits & Mortgages	**4,080**	4,170	(2)	(2)
CCPL & Other Unsecured Lending	**1,080**	1,081	–	–
Ventures	**415**	183	127	125
Digital Banks	**195**	142	37	36
SCV	**220**	41	nm	nm
Treasury & Other	**136**	(47)	nm	nm
Total underlying operating income	**20,894**	19,696	6	6

1 Products have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 with no change in total income.
2 Comparisons presented on the basis of the current period's transactional currency rate, ensuring like-for-like currency rates between the two periods.

The operating income by product commentary that follows is on an underlying basis and comparisons are made to the equivalent period in 2024 on a constant currency basis, unless otherwise stated. 2024 included items totalling $295 million (2025: $1 million loss) relating to gains on revaluation of FX positions in Egypt and a hyperinflationary accounting adjustment in Ghana (the notable items).

Transaction Services income decreased 7 per cent as growth in Securities & Prime Services was more than offset by lower Payments & Liquidity and Trade & Working Capital income. Payments & Liquidity income decreased 10 per cent, driven by the impact of lower interest rates and margin compression, albeit passthrough rates continued to be tightly managed and there was strong growth in balances. Securities & Prime Services income grew 7 per cent due to higher fee from increase in custody balances. Trade & Working Capital income was down 1 per cent as growth in fees was offset by lower average volumes and margin compression.

Global Banking income increased 15 per cent as Lending & Financial Solutions grew 13 per cent from strong pipeline execution which led to higher origination and distribution volumes and increased carry income. Capital Market & Advisory income was up 26 per cent on the back of increased bond fees and Mergers & Acquisitions transactions.

Global Markets income increased 12 per cent driven by continued strong growth in flow income which grew 15 per cent primarily from Financial Institutions clients and increased Rates and Credit trading volumes. Episodic income grew 3 per cent from higher macro trading income.

Wealth Solutions income was up 24 per cent, driven by a 28 per cent increase in Investment Products income and 12 per cent increase in Bancassurance. This was driven by continued momentum in affluent new-to-bank onboarding, with 275,000 clients onboarded in 2025, and $52 billion of affluent net new money, equivalent to 14 per cent growth of assets under management.

Deposits & Mortgages income decreased 2 per cent. The benefit from higher deposit volumes and proactive pricing actions was more than offset by the impact of lower interest rates, while Mortgages income increased year-on year supported by margin expansion from lower funding cost and higher volumes in a few select markets.

CCPL & Other Unsecured Lending income remained flat as an increase in margins was partly offset by lower volumes resulting from portfolio optimisation actions.

Ventures income more than doubled year-on year. Digital Banks income was up $53 million driven by higher Deposit volumes and fee income as they continue to grow their customer base. SCV income was up $179 million mainly from a $238 million gain from the Solv India transaction (see page 340).

Treasury & other performance improved by $183 million as the benefit in Treasury from the repricing of longer dated assets was partly offset by the non-repeat of the notable items.

Profit before tax by client segment

	2025 $million	2024[1] $million	Change %	Constant currency change[2] %
Corporate & Investment Banking[1]	**5,875**	5,431	8	9
Wealth & Retail Banking[1]	**2,883**	2,537	14	14
Ventures	**(167)**	(385)	57	57
Central & other items[1]	**(691)**	(772)	10	14
Underlying profit before taxation	**7,900**	6,811	16	18

1 Underlying profit before taxation has been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 to reflect the reallocation of Treasury income and certain costs across segments.

2 Comparisons presented on the basis of the current period's transactional currency rate, ensuring like-for-like currency rates between the two periods.

The client segment commentary that follows is on an underlying basis and comparisons are made to the equivalent period in 2024 on a constant currency basis, unless otherwise stated. 2024 included items totalling $295 million (2025: $1 million loss) relating to gains on revaluation of FX positions in Egypt and a hyperinflationary accounting adjustment in Ghana (the notable items).

Corporate & Investment Banking (CIB) profit before taxation increased 9 per cent. Income grew 4 per cent with a record performance in Global Markets and strong double-digit growth in Global Banking partly offset by lower Transaction Services. Expenses were 2 per cent higher, mainly from investments in business initiatives, while credit impairment was a net charge of $4 million compared to a $120 million net release in 2024. The other impairment decreased by $284 million year-on year due to non-repeat of software asset write-offs.

Wealth & Retail Banking (WRB) profit before taxation increased 14 per cent. Income grew by 6 per cent, driven by a record performance in Wealth Solutions. Expenses increased 5 per cent, mainly from increased investment spend on business initiatives including strategic hiring of relationship managers. The credit impairment charge of $595 million was down $28 million from portfolio optimisation actions across in unsecured lending portfolios. The other impairment charge decreased $108 million compared to 2024 due to non-repeat of software asset write-offs.

Ventures loss before tax decreased by $218 million to $167 million mainly from higher income of $232 million. Digital Banks income increased by $53 million driven by continued growth in customers and volumes. while SCV income increased by $179 million supported by a $238 million gain from the Solv India transaction. Expenses remained flat as costs were well controlled, while the $59 million credit impairment charge was down $14 million year-on-year as delinquency rates have improved in Mox.

Central & other items (C&O) loss before tax improved by $81 million year-on year. Treasury benefited from the repricing of longer dated assets; this was in part offset by the non-repeat of the notable items. Other impairments were lower by $159 million reflecting non-repeat of prior year software asset write-offs.

Adjusted net interest income and margin

	2025 $million	2024 $million	Change[1] %
Adjusted net interest income[2]	**11,184**	11,112	1
Average interest-earning assets	**550,930**	539,338	2
Average interest-bearing liabilities	**581,911**	539,787	8
Gross yield (%)[3]	**4.60**	5.29	(69)
Rate paid (%)[3]	**2.43**	3.22	79
Net yield (%)[3]	**2.17**	2.07	10
Net interest margin (%)[3,4]	**2.03**	2.06	(3)

1 Variance is better/(worse), other than assets and liabilities which is increase/(decrease).

2 Adjusted net interest income has been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 to reflect the reclassification of funding cost mismatches to non NII. Adjusted net interest income is reported net interest income less trading book funding cost, Treasury currency management activities, cash collateral and prime services.

3 Change is the basis points (bps) difference between the two periods rather than the percentage change. Net interest margin has been re-presented due to the revision to Adjusted net interest income as outlined in footnote 2.

4 Adjusted net interest income divided by average interest-earning assets, annualised.

Adjusted net interest income was up 1 per cent compared to 2024 as the benefit from higher volumes and improved balance sheet mix was partly offset by the impact of lower rates and margins. Net interest margin was 3 basis points lower as the impact of falling rates and margin compression was partially offset by better asset and deposit mix.

Average interest-earning assets were up 2 per cent compared to 2024 driven by growth in Global Banking, Mortgages and Wealth Lending partially offset by reduction in Treasury assets and Trade and Working Capital. Gross yields decreased 69 basis points compared to the prior year due to the fall in benchmark interest rates. Average interest-bearing liabilities increased 8 per cent on the prior year from strong growth in customer accounts, primarily in WRB Term and CASA deposits. The rate paid on liabilities decreased 79 basis points compared with the average in the prior year, reflecting the impact of interest rate movements and improved liability mix.

Credit risk summary

Income Statement (Underlying view)

	2025 $million	2024 $million	Change[1] %
Total credit impairment charge[2]	**676**	557	21
Of which stage 1 and 2[2]	**296**	371	(20)
Of which stage 3[2]	**380**	186	104

1 Variance is increase/(decrease) comparing current reporting period to prior reporting period.
2 Refer to Credit Impairment charge table in the Risk review on page 254 for reconciliation from underlying to reported credit impairment.

Balance sheet

	2025 $million	2024 $million	Change[1] %
Gross loans and advances to customers[2]	**290,849**	285,936	2
Of which stage 1	**275,062**	269,102	2
Of which stage 2	**9,823**	10,631	(8)
Of which stage 3	**5,964**	6,203	(4)
Expected credit loss provisions	**(4,061)**	(4,904)	(17)
Of which stage 1	**(528)**	(483)	9
Of which stage 2	**(446)**	(473)	(6)
Of which stage 3	**(3,087)**	(3,948)	(22)
Net loans and advances to customers	**286,788**	281,032	2
Of which stage 1	**274,534**	268,619	2
Of which stage 2	**9,377**	10,158	(8)
Of which stage 3	**2,877**	2,255	28
Cover ratio of stage 3 before/after collateral (%)[3]	**52 / 68**	64 / 78	(12) / (10)
Credit grade 12 accounts ($million)	**1,111**	969	15
Early alerts ($million)[5]	**4,303**	5,559	(23)
Investment grade corporate exposures (%)[3]	**74**	74	–
Aggregate top 20 corporate exposures as a percentage of Tier 1 capital[3,4]	**64**	61	3

1 Variance is increase/(decrease) comparing current reporting period to prior reporting period.
2 Includes reverse repurchase agreements and other similar secured lending held at amortised cost of $8,242 million (31 December 2024: $9,660 million).
3 Change is the percentage points difference between the two points rather than the percentage change.
4 Excludes repurchase and reverse repurchase agreements.
5 Includes non-purely precautionary early alert balances.

Asset quality remained resilient during the year, with an improvement in a number of underlying credit metrics. The Group continues to actively manage the credit portfolio while remaining alert to a volatile and challenging external environment including increased geopolitical tensions and evolving policy changes which may lead to idiosyncratic stress in a select number of geographies and industry sectors.

The credit impairment charge of $676 million was up $119 million year-on-year, of which $95 million relates to debt securities which were a net release of $57 million in 2024 and a charge of $38 million in 2025. The loan loss rate of 19 basis points, which by definition excludes debt securities, remained flat year-on year.

WRB charges of $595 million were $28 million lower reflecting the impact of portfolio optimisation actions. The $59 million charge in Ventures was down $14 million year-on-year as delinquency rates improved in Mox following a change in underlying credit criteria. There was net charge in CIB of $4 million, with a non-repeat of prior year net releases. During the year the non-linearity impact increased by $70 million to $113 million. This reflects an increased probability weighting of the two downside scenarios from 32 per cent as at 31 December 2024 to 41 per cent while the base forecast probability weighting reduced from 68 per cent as at 31 December 2024 to 59 per cent as at 31 December 2025. The Group retains a China commercial real estate (CRE) management overlay of $36 million and a $47 million overlay for clients who have exposure to the Hong Kong CRE sector. During 2025 the CRE overlays reduced by $11 million for Hong Kong and $34 million for China primarily driven by exposure movements and repayments.

Gross stage 3 loans and advances to customers of $6 billion were 4 per cent lower year-on-year as repayments, client upgrades and write-offs more than offset new inflows. Credit-impaired loans represented 2.1 per cent of gross loans and advances, down from 2.2 per cent in the prior year. The stage 3 cover ratio before collateral of 52 per cent decreased by 12 percentage points mainly due to restructuring and lower provisions on inflows as they are covered by credit mitigants. The cover ratio post collateral at 68 per cent decreased 10 percentage points as some of the stage 3 inflows are now being covered by guarantees and credit insurance which are not classified as tangible collateral.

Early alert exposures at $4.3 billion reduced by $1.3 billion year-on-year primarily from migrations into credit grade 12, while credit grade 12 balances remained around $1 billion as new inflows were largely offset by sovereign client upgrades.

The proportion of investment grade corporate exposures of 74 per cent was broadly stable year-on-year.

Restructuring, FFG, DVA and Other items

	2025					2024				
	Restructuring $million	FFG $million	DVA $million	Net loss on businesses disposed of/ held for sale $million	Other items $million	Restructuring[1] $million	FFG[1] $million	DVA $million	Net loss on businesses disposed of/ held for sale[2] $million	Other items[3] $million
Operating income	**(24)**	**–**	**(31)**	**(10)**	**113**	103	–	(24)	(232)	–
Operating expenses	**(289)**	**(510)**	**–**	**–**	**(158)**	(456)	(156)	–	–	(100)
Credit impairment	**4**	**–**	**–**	**–**	**–**	10	–	–	–	–
Other impairment	**(2)**	**(21)**	**–**	**–**	**–**	–	–	–	–	–
Profit from associates and joint ventures	**(9)**	**–**	**–**	**–**	**–**	58	–	–	–	–
Profit/(loss) before taxation	**(320)**	**(531)**	**(31)**	**(10)**	**(45)**	(285)	(156)	(24)	(232)	(100)

1 FFG (Fit for Growth) charge previously reported within Restructuring has been re-presented as a separate item.

2 Net loss on businesses disposed of/ held for sale 2024 includes $172 million primarily relating to recycling of FX translation losses from reserves into P&L on the sale of Zimbabwe, $26 million loss on sale of Angola, $19 million loss on Sierra Leone and $15 million loss on the Aviation business disposal.

3 Other items 2024 include $100 million charge relating to Korea equity-linked securities (ELS) portfolio.

The Group's reported performance is adjusted for profits or losses of a capital nature, amounts consequent to investment transactions driven by strategic intent, other infrequent and/or exceptional transactions that are significant or material in the context of the Group's normal business earnings for the period and items which management and investors would ordinarily identify separately when assessing underlying performance period-by period.

Restructuring charges of $320 million, reflect the impact of actions to transform the organisation to improve productivity, primarily additional redundancy charges, simplifying technology platforms and business exits.

During 2025 charges related to the Fit for Growth programme totalled $531 million. Movements in the Debit Valuation Adjustment (DVA) were a negative $31 million driven by the tightening of the Group's asset swap spreads.

Other items charge of $45 million reflect mainly a $113 million gains on the sale of property, charges booked for the participation in a compensation scheme recommended by the Korean Financial Supervisory Service and the settlement of a legal case relating to section 90A of the UK Financial Service Market Act.

Balance sheet and liquidity

	2025 $million	2024 $million	Increase/ (Decrease) $million	Increase/ (Decrease) %
Assets				
Loans and advances to banks	**43,901**	43,593	308	1
Loans and advances to customers	**286,788**	281,032	5,756	2
Other assets	**589,266**	525,063	64,203	12
Total assets	**919,955**	849,688	70,267	8
Liabilities				
Deposits by banks	**30,846**	25,400	5,446	21
Customer accounts	**530,161**	464,489	65,672	14
Other liabilities	**304,362**	308,515	(4,153)	(1)
Total liabilities	**865,369**	798,404	66,965	8
Equity	**54,586**	51,284	3,302	6
Total equity and liabilities	**919,955**	849,688	70,267	8
Advances-to-deposits ratio (%)[1]	**51.4**	53.3		
Liquidity coverage ratio (%)	**155**	138		

1 The Group excludes $8,474 million held with central banks (31 December 2024: $19,187 million) that has been confirmed as repayable at the point of stress. Advances exclude repurchase agreement and other similar secured lending of $8,243 million (31 December 2024: $9,660 million) and include loans and advances to customers held at fair value through profit or loss of $12,355 million (31 December 2024: $7,084 million). Deposits include customer accounts held at fair value through profit or loss of $19,414 million (31 December 2024: $21,772 million).

The Group's balance sheet remains strong, liquid and well diversified:

Loans and advances (L&A) to customers increased 2 per cent, or $6 billion, to $287 billion as at 31 December 2025. Excluding a $7 billion increase from currency translation and the $14 billion reduction in Treasury and securities backed loans held to collect, the underlying growth was $13 billion or 5 per cent. The underlying growth is primarily driven by Global Banking in CIB and Wealth Lending and Mortgages in WRB.

Customer accounts of $530 billion increased by $66 billion or 14 per cent. Excluding a $8 billion increase from currency translation, customer accounts increased by $58 billion, or 12 per cent. This was primarily driven by a $31 billion increase in WRB term and CASA deposits from targeted campaigns and a focus on attracting new to bank affluent clients and net new money. There was also a $13 billion increase in Transaction Services from CASA inflows and a $7 billion increase in corporate term deposits from Treasury management activities. Deposit from banks increased by 21 per cent reflecting balance sheet management activities across a number of markets.

Other assets increased by $64 billion from 31 December 2024, with a $14 billion increase in cash and balances with central banks, a $22 billion increase in investment securities primarily debt securities, a $22 billion increase in non-financial assets mainly an increase in precious metals inventory and price, and a $18 billion increase in financial assets held at fair value through profit or loss. The increases were partly offset by a $16 billion reduction in derivative financial instruments.

Other liabilities decreased 1 per cent or $4 billion from 31 December 2024, with a $14 billion decrease in derivative balances partly offset by an increase of $4 billion in financial liabilities held at fair value through profit and loss and a $8 billion increase in debt securities in issue.

The advances-to-deposits ratio dropped around 2 percentage points year-on-year to 51.4 per cent. The point-in-time LCR of 155 per cent increased 17 percentage points year-on-year due to balance sheet growth and ongoing Treasury liquidity management actions. It remains well above the minimum regulatory requirement of 100 per cent.

Risk-weighted assets

	2025 $million	2024[1] $million	Change[1] $million	Change[1] %
By risk type				
Credit risk	**192,145**	189,303	2,842	2
Operational risk	**35,223**	29,479	5,744	19
Market risk	**30,663**	28,283	2,380	8
Total RWAs	**258,031**	247,065	10,966	4

1 Variance is increase/(decrease) comparing current reporting period to prior reporting periods.

Total risk-weighted assets (RWA) of $258 billion increased $11 billion or 4 per cent in comparison to 31 December 2024.

Credit risk RWA increased by $2.8 billion to $192.1 billion. This was driven by an increase of $6.4 billion in asset growth, quality and mix, a $1.0 billion increase in derivatives and a $3.9 billion increases from foreign currency translation. The increase was partly offset by a decrease of $7.4 billion from optimisation actions and $1.1 billion reduction from model changes.

Operational risk RWA increased by $5.7 billion to $35.2 billion driven by an increase in average income as measured over a rolling three-year time horizon. 2025 includes a $3.1 billion increases relating to average income for the years 2022 to 2024 and a $2.6 billion increase relating to the average income for the years 2023 to 2025 as the Group is now performing the annual operational risk RWA computation in the fourth quarter of the current year rather than the first quarter of the following year.

Market risk RWA increased by $2.4 billion to $30.7 billion driven mainly by increase in specific interest rate risk from higher credit trading.

Capital base and ratios

	2025 $million	2024 $million	Change[1] $million	Change[1] %
CET1 capital	**36,440**	35,190	1,250	4
Additional Tier 1 capital (AT1)	**7,509**	6,482	1,027	16
Tier 1 capital	**43,949**	41,672	2,277	5
Tier 2 capital	**9,278**	11,419	(2,141)	(19)
Total capital	**53,227**	53,091	136	–
CET1 capital ratio (%)[2]	**14.1**	14.2		(12)
Total capital ratio (%)[2]	**20.6**	21.5		(86)
Leverage ratio (%)[2]	**4.7**	4.8		(11)

1 Variance is increase/(decrease) comparing current reporting period to prior reporting periods.
2 Change is percentage points difference between two points rather than percentage change.

The Group's CET1 ratio of 14.1 per cent was 12 basis points lower year-on-year and is 3.9 percentage points above the Group's latest regulatory minimum requirement. The Group's Pillar 2A reduced in 2025 post a supervisory review resulting in a 22-basis points reduction in the Group's CET1 requirement.

There was 206 basis points of CET1 accretion from underlying profits, and a further 19 basis points uplift primarily from fair value gains on other comprehensive income, FX, software intangibles and regulatory capital adjustments. This was partly offset by 46 basis points drop from an increase in RWAs.

The Group completed the $1.5 billion share buyback programme announced with the full year 2024 results on 30th July 2025, purchasing 98.2 million shares. The Group subsequently announced a $1.3 billion share buyback programme on 31 July 2025 concurrently with the half year 2025 results, and as of 31 December 2025, the Group had spent $1.1 billion purchasing 53.1 million ordinary shares. Whilst the $1.3 billion share buyback was completed on 26 January 2026 purchasing 62.2 million shares, the entire $1.3 billion is deducted from CET1 in the reporting period. The 2025 share buybacks reduced the CET1 ratio by 113 basis points.

The Board has recommended a final dividend of 49 cents per share or $1,092 million resulting in a total 2025 ordinary dividend of 61 cents a share or $1.38 billion. This, combined with the payments due to AT1 and preference shareholders cost approximately 78 basis points.

The Board has announced a share buyback for up to a maximum consideration of $1.5 billion to further reduce the number of ordinary shares in issue by cancelling the repurchased shares. The terms of the buyback will be published, and the programme will start shortly and is expected to reduce the Group's CET1 ratio in the first quarter of 2026 by 58 basis points.

The Group's UK leverage ratio of 4.7 per cent remains significantly above its minimum requirement of 3.7 per cent.

Underlying versus reported results reconciliations

Reconciliations between underlying and reported results are set out in the tables below:

Operating income by client segment

Reconciliation of underlying versus reported operating income by client segment set out in note 2 Segmental information on page 336.

Net interest income and Non NII

	2025				2024			
	Underlying $million	Restructuring $million	Adjustment for Trading book funding cost and Others $million	Reported $million	Underlying[1] $million	Restructuring $million	Adjustment for Trading book funding cost and Others[1] $million	Reported $million
Net interest income	**11,185**	**(1)**	**(5,229)**	**5,955**	11,096	16	(4,746)	6,366
Non NII	**9,709**	**49**	**5,229**	**14,987**	8,600	(169)	4,746	13,177
Total income	**20,894**	**48**	**–**	**20,942**	19,696	(153)	–	19,543

1 Underlying net interest income has been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 to reflect the reclassification of funding cost mismatches to Underlying Non NII.

Profit before taxation (PBT)

Reconciliation of underlying versus reported Profit/(loss) before taxation is set out in note 2 Segmental information on page 335.

Profit before taxation (PBT) by client segment

Reconciliation of underlying versus reported Profit/(loss) before taxation by client segment set out in note 2 Segmental information on page 336.

Return on tangible equity (RoTE)

	2025 $million	2024 $million
Average parent company shareholders' equity	**45,755**	44,478
Less: Average preference share capital and share premium	**(1,494)**	(1,494)
Less: Average intangible assets	**(6,019)**	(6,108)
Average ordinary shareholders' tangible equity	**38,242**	36,876
Profit for the year attributable to equity holders	**5,097**	4,042
Non-controlling interests	**(12)**	8
Dividend payable on preference shares and AT1 classified as equity	**(527)**	(457)
Profit for the year attributable to ordinary shareholders	**4,558**	3,593
Items normalised[1]:		
Restructuring	**320**	285
FFG	**531**	156
DVA	**31**	24
Ventures FVOCI unrealised gains net of tax	**269**	39
Net loss on sale of businesses	**10**	232
Other items	**45**	100
Tax on normalised items	**(135)**	(114)
Underlying profit for the year attributable to ordinary shareholders	**5,629**	4,315
Underlying Return on Tangible Equity (%)	**14.7**	11.7
Reported Return on Tangible Equity (%)	**11.9**	9.7

1 Refer to note 2 Segmental information on page 335.

	2025					2024				
	Corporate & Investment Banking %	Wealth & Retail Banking %	Ventures %	Central & other items %	Total %	Corporate & Investment Banking %	Wealth & Retail Banking %	Ventures %	Central & other items %	Total %
Underlying RoTE	**15.8**	**25.5**	**nm**	**(17.3)**	**14.7**	14.9	20.7	nm	(15.7)	11.7
Restructuring[1]										
Of which: Income	**(0.1)**	–	–	**(0.3)**	**(0.1)**	0.3	0.3	–	0.3	0.3
Of which: Expenses	**(1.8)**	**(5.4)**	**nm**	**(0.9)**	**(2.5)**	(1.5)	(2.8)	nm	(0.4)	(1.7)
Of which: Credit impairment	–	–	–	**0.1**	–	–	–	–	–	–
Of which: Other impairment	–	**(0.1)**	–	**(0.3)**	**(0.1)**	–	–	–	(0.2)	–
Of which: Profit from associates and joint ventures	–	–	–	–	–	0.2	–	nm	–	0.2
DVA[1]	**(0.1)**	–	–	–	**(0.1)**	(0.1)	–	–	–	(0.1)
Net gain/(loss) on businesses disposed/held for sale[1]	–	–	–	**(0.3)**	–	–	–	–	(5.4)	(0.6)
Other items[1]	–	–	–	**3.1**	**0.3**	–	(1.2)	–	–	(0.3)
Ventures FVOCI Unrealised gains/(losses)	–	–	**nm**	–	**(0.7)**	–	–	nm	–	(0.1)
Tax on normalised items	**0.3**	**0.9**	**nm**	**(0.6)**	**0.4**	0.3	0.8	nm	0.1	0.3
Reported RoTE	**14.1**	**20.9**	**nm**	**(16.5)**	**11.9**	14.1	17.8	nm	(21.3)	9.7

1 Refer to note 2 Segmental information on page 336.

Net charge-off ratio

	2025			2024		
	Credit impairment (charge)/ release for the year/ period $million	Net average exposure $million	Net Charge-off Ratio %	Credit impairment (charge)/ release for the year/ period $million	Net average exposure $million	Net Charge-off Ratio %
Stage 1	**41**	**314,590**	**(0.01)**	22	314,092	(0.01)
Stage 2	**(310)**	**11,871**	**2.61**	(368)	10,176	3.62
Stage 3	**(383)**	**2,266**	**16.90**	(244)	2,550	9.57
Total exposure	**(652)**	**328,727**	**0.20**	(590)	326,818	0.18

Earnings per ordinary share (EPS)

	2025							
	Underlying $ million	Restructuring[1] $ million	FFG[1] $ million	DVA[1] $ million	Net loss on sale of businesses[1] $ million	Other items[1] $ million	Tax on normalised items $ million	Reported $ million
Profit/(loss) for the year attributable to ordinary shareholders	**5,360**	**(320)**	**(531)**	**(31)**	**(10)**	**(45)**	**135**	**4,558**
Basic – Weighted average number of shares (millions)	**2,333**							**2,333**
Basic earnings per ordinary share (cents)	**229.7**							**195.4**

	2024							
	Underlying $ million	Restructuring[1] $ million	FFG[1] $ million	DVA[1] $ million	Net loss on sale of businesses[1] $ million	Other items[1] $ million	Tax on normalised items $ million	Reported $ million
Profit/(loss) for the year attributable to ordinary shareholders	4,276	(285)	(156)	(24)	(232)	(100)	114	3,593
Basic – Weighted average number of shares (millions)	2,543							2,543
Basic earnings per ordinary share (cents)	168.1							141.3

1 Refer to note 2 Segmental information on page 336.

Alternative performance measures

An alternative performance measure is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. The following are key alternative performance measures used by the Group to assess financial performance and financial position.

Advances-to-deposits/customer advances-to-deposits (ADR) ratio: The ratio of total loans and advances to customers relative to total customer accounts, excluding approved balances held with central banks, confirmed as repayable at the point of stress. A low advances-to-deposits ratio demonstrates that customer accounts exceed customer loans resulting from emphasis placed on generating a high level of stable funding from customers.

Average interest earning balance: Daily average of the interest earning assets and interest-bearing liabilities balances excluding the daily average cash collateral balances in other assets and other liabilities that are related to the Global Markets trading book.

Constant currency basis: A performance measure on a constant currency basis is presented such that comparative periods are adjusted for the current year's functional currency rate. The following balances are presented on a constant currency basis when described as such: 1. Operating income, 2. Operating expenses, 3. Profit before tax and 4. RWAs or risk-weighted assets.

Cost-to-income ratio (CIR): The proportion of total operating expenses to total operating income.

Cover ratio: The ratio of impairment provisions for each stage to the gross loan exposure for each stage.

Cover ratio after collateral/cover ratio including collateral: The ratio of impairment provisions for stage 3 loans and realisable value of collateral held against these non-performing loan exposures to the gross loan exposure of stage 3 loans.

Gross yield: Reported interest income divided by average interest earning assets.

Income return on risk weighted assets (IRoRWA): Annualised Income excluding Debit Valuation Adjustment as a percentage of Average RWA.

Jaws: The difference between the rates of change in revenue and operating expenses. Positive jaws occurs when the percentage change in revenue is higher than, or less negative than, the corresponding rate for operating expenses.

Loan loss rate: Credit Impairment Profit & Loss on Loans & Advances to Banks & Customers over Gross Average Loans and Advances to Banks and Customers excluding FVTPL loans.

Net charge-off ratio: The ratio of net credit impairment charge or release to average outstanding net loans and advances.

Net tangible asset value per share: Ratio of net tangible assets (total tangible assets less total liabilities) to the number of ordinary shares outstanding at the end of a reporting period.

Net yield: Gross yield on average assets less rate paid on average liabilities.

NIM or Net interest margin: Reported net interest income adjusted for trading book funding cost, cash collateral and prime services on interest earning assets, divided by average interest-earning assets excluding financial assets measured at fair value through profit or loss.

Non NII: Reported Non NII is a sum of net fees and commission, net trading income and other operating income

Rate paid: Reported interest expense adjusted for interest expense incurred on amortised cost liabilities used to fund financial instruments held at fair value through profit or loss, divided by average interest-bearing liabilities.

RoTE or Return on ordinary shareholders' tangible equity: The ratio of the current year's profit available for distribution to ordinary shareholders to the average tangible equity, being ordinary shareholders' equity less the average intangible assets for the reporting period. Where a target RoTE is stated, this is based on profit and equity expectations for future periods.

TSR or Total shareholder return: The total return of the Group's equity (share price growth and dividends) to investors.

Underlying net interest income: Reported net interest income normalised to an underlying basis adjusted for trading book funding cost, treasury currency management activities, and financial guarantee fees on interest earning assets. In prior periods, underlying net interest income included treasury currency management activities.

Underlying/Normalised: A performance measure is described as underlying/normalised if the statutory result has been adjusted for restructuring and other items representing profits or losses of a capital nature; DVA; amounts consequent to investment transactions driven by strategic intent, excluding amounts consequent to Ventures transactions, as these are considered part of the Group's ordinary course of business; and other infrequent and/or exceptional transactions that are significant or material in the context of the Group's normal business earnings for the period, and items which management and investors would ordinarily identify separately when assessing performance period-by-period. Restructuring includes impacts to profit or loss from businesses that have been disclosed as no longer part of the Group's ongoing business, redundancy costs, costs of closure or relocation of business locations, impairments of assets and other costs which are not related to the Group's ongoing business. Restructuring in this context is not the same as a restructuring provision as defined in IAS 37.

A reconciliation between underlying/normalised and statutory performance is contained in Note 2 to the financial statements. The following balances and measures are presented on an underlying basis when described as such: 1. Operating income, 2. Operating expenses, 3. Profit before tax and 4. Earnings per share (basic and diluted) 5. CIR 6. Jaws and 7. RoTE.

Underlying Non NII: Reported Non NII normalised to an underlying basis adjusted for trading book funding cost, treasury currency management activities, and financial guarantee fees on interest earning assets. In prior periods, Underlying Non NII did not include treasury currency management activities.

Underlying RoTE: The ratio of the current year's underlying profit attributable to ordinary shareholders plus fair value on OCI equity movement relating to Ventures segment to the weighted average tangible equity, being ordinary shareholders' equity less the intangible assets for the reporting period.

Sustainability review

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Case study

Helping Ghana cook cleaner with the World Bank

In December 2025, we closed a $200 million Clean Cooking Outcome Bond issued by the World Bank, unlocking $30.5 million in climate finance for Ghana.

The bond, which will distribute 415,000 stoves, aims to make cleaner cooking accessible to 1.3 million people and reduce greenhouse gas emissions by more than 1.8 million tons of carbon dioxide equivalent.

The transaction shows how carbon finance can be deployed at scale to reduce carbon emissions in Africa and other emerging markets.

Read more: sc.com/cleancooking

The Sustainability review provides information on the Group's approach to sustainability, related governance structures, how we manage environmental, social and climate risk, and mobilise sustainable finance to help clients transition and support sustainable, inclusive growth in our markets.

Sustainability is an area of strategic focus for us, and we aim to integrate it across our business. As a result, sustainability information can be found throughout this Annual Report and across the suite of sustainability-related reports on our website at sc.com/sustainabilitylibrary.

This section is designed to address the topics that could have a material (positive or negative) impact on society, nature or the climate. We describe how we have determined these topics under Materiality on page 72.

Further disclosures are available at sc.com/sustainabilitylibrary

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Disclaimer

We report on ESG matters throughout this Annual Report, in particular in the following sections:

i Strategic report on pages 37 to 50
ii Directors' report on pages 129 to 217
iii Sustainability review on pages 66 to 128
iv Risk review and Capital review on pages 287 to 302
v Supplementary sustainability information on pages 450 to 465

In this Sustainability review, we set out our approach and progress relating to sustainability, and its content is subject to the statements included in (1) the 'Forward-looking statements' section; and (2) the 'Basis of preparation and caution regarding data limitations' section provided under 'Important notices' on pages 467 to 469.

Additional information can be accessed through our suite of supporting sustainability reports and disclosures at **sc.com/sustainabilitylibrary**.

Chief Sustainability Officer's review

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The commercial imperative to finance the world's sustainability transition is more compelling than ever for those who recognise the opportunity alongside the value at stake that stems from inaction.

There is a determined momentum to decarbonise on the path to energy abundance and much of this momentum I have had the good fortune to witness myself – driven by our core markets in Asia, Africa and the Middle East.

Marisa Drew
Chief Sustainability Officer

Across our markets, the unprecedented pace of renewables adoption is evidence of a positive tipping point and in the 2025 World Energy Investment report[1], the International Energy Agency (IEA) highlighted that $2.2 trillion of investment is now going collectively towards the global energy transition alone, with the rapid scaling of green energy outpacing fossil fuels twofold.

I am also gratified to see increasing action and investment towards climate adaptation, a subject that Standard Chartered has been championing because of the disproportionate effects that our warming planet has on emerging markets.

The Chief Sustainability Officer (CSO) organisation was established in 2022 to build on the Group's long-standing sustainability agenda. Since its creation, we have made substantial progress against our four Sustainability Strategic Pillars, which represent our near-term strategic focus. This includes the work we do to scale sustainable finance, to embed sustainability across the organisation, deliver against our net zero roadmap, and leverage our thematic Innovation Hubs.

In 2025, we expanded the scope of our work in sustainability innovation by establishing our fifth Innovation Hub, focused on the circular economy. This reflects the growing appetite across our markets for financial solutions that embrace circular concepts, given that the circular economy is a powerful framework for both sustainability-led competitive differentiation and for business resilience – one that unlocks new value chains, supports inclusive growth, creates value, protects nature and supports business continuity in a resource-constrained world.

Our sustainable finance activity underscores the commercial opportunity the transition presents, with $1.07 billion of sustainable finance income generated in 2025, meaning that we have exceeded our target of $1 billion in annual sustainable finance income by 2025. We have also diversified our sustainable finance revenue mix by increasing the penetration of our core products across markets while expanding our product offering suite. Alongside these milestones, we have now mobilised $157 billion in sustainable finance for our clients since January 2021 against our $300 billion target by 2030 and in 2025 issued Standard Chartered PLC's first social bond.

1 World Energy Investment 2025, International Energy Agency.

2025 highlights

$1.07bn^
sustainable finance income generated in 2025, exceeding our target of at least $1 billion annual income by 2025[1]

$157bn^
cumulative mobilisation of sustainable finance from January 2021 to September 2025 against our commitment to mobilise $300 billion by 2030

€1bn
inaugural social bond issued

Achieved net zero in own operations
(Scope 1 and 2 emissions)[2]

Nature Report published
in line with our early adoption of the TNFD disclosure framework

Circular Economy Innovation Hub
established

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In addition, we have made strong headway on our net zero pathways, standing firm behind the actions and targets outlined in our Transition Plan. This includes delivering on our commitment to be net zero in our own operations (Scope 1 and 2 emissions) by the end of 2025. For the first time, we have also measured and disclosed the financed methane emissions intensity associated with our upstream oil and gas portfolio as we seek to show leadership in tackling these emissions, which have a strong contribution to global warming. We have also strengthened client engagement across our 12 high-emitting sectors, providing tailored products and innovative financing solutions to help accelerate their decarbonisation journeys.

Finally, as an early adopter of the Taskforce on Nature-related Financial Disclosures (TNFD), we also published our first Nature Report alongside our 2025 Annual Report. The Nature Report outlines our approach to assessing, evaluating, understanding and managing nature-related impacts, dependencies, risks and opportunities across our CIB financing activities and direct operations, as part of our initial step towards aligning our reporting with the TNFD recommendations.

Our priorities for 2026 remain steadfast: to deliver on our commitments, to support our clients in their transitions, and to foster innovation to drive sustainable and inclusive growth across our markets. The progress detailed in this report reflects not just what we have achieved to date, but our ongoing determination to foster long-term value creation across our markets.

Marisa Drew
Chief Sustainability Officer

1 Values noted with a caret symbol (^) are subject to independent limited assurance by EY.
2 See pages 93–95 for details.

Our suite of sustainability-related reports and disclosures

Report or disclosure	Description
Assurance and verification reports	Independent assurance and verification reports by Ernst & Young LLP (EY), Global Documentation Ltd and Schneider Electric over certain data points within this Annual Report as detailed on page 74.
Code of Conduct and Ethics	Primary tool through which we communicate our conduct expectations. It is designed to guide colleagues through how to live our valued behaviours on a day-to-day basis, whatever their business, function, geography, or role.
Country-by-Country Disclosure	Provides tax information in accordance with the Capital Requirements (Country-by-Country-Reporting) Regulations 2013.
Diversity, Equality and Inclusion Impact Report	Includes gender and ethnicity pay gap assessment and the actions we have taken to support a culture of inclusion.
Equator Principles reporting	As a member since 2003, we report on how we apply the principles to ensure that the projects we finance and advise on are developed in a socially responsible manner and reflect sound environmental management practices.
Environmental and Social Risk Management Framework	Provides an overview of our approach to identifying, assessing, and managing the environmental and social risks associated with our client relationships.
Environmental Reporting Criteria	Sets out the principles and methodologies used to report our Scope 1, Scope 2 and Scope 3 supply chain greenhouse gas (GHG) emissions.
ESG data pack	Environmental, Social and Governance (ESG) and sustainability data is provided in an Excel format.
ESG Reporting Index	Alignment table referencing our disclosures using voluntary sustainability reporting frameworks: Global Reporting Initiative (GRI) Standards and World Economic Forum (WEF) Stakeholder Capitalism Metrics.
Standard Chartered Foundation (previously 'Futuremakers') Impact Report	Provides progress and outcomes about the Standard Chartered Foundation, our global youth economic empowerment initiative, tackling inequality and promoting greater economic inclusion.
Nature Report	Outlines our progress against the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD).
Methane White Paper	Provides details about the calculation methodology and baseline for the intensity of our upstream oil and gas portfolio's methane emissions.
Modern Slavery Statement	Sets out the steps we have taken to assess and manage the risk of modern slavery and human trafficking in our operations and supply chain.
Net Zero Methodological White Paper – The journey continues	Describes our approach to net zero, laying out the methodologies we have used to calculate our financed and facilitated emissions, and setting our interim 2030 targets at sector level.
Net Zero Transition Plan	Sets out how we aim to deliver on our commitments to reach net zero emissions in our financed emissions by 2050.
Policies	We publish our main sustainability-related policies, including on: anti-money laundering; anti-bribery and corruption; diversity and inclusion; health, safety and security; privacy; public policy engagement; and Speaking Up.
Position Statements and Prohibited Activities	We use our cross-sector and sector-specific Position Statements and Prohibited Activities list to assess whether to provide financial services to clients.
PRB reporting and self-assessment	Our disclosures on actions undertaken related to the six principles as defined by the United Nations Principles for Responsible Banking.
Supplier Charter	Sets out principles for the behavioural standard that we expect from our suppliers, and those within a supplier's sphere of influence that assist them in performing their obligations to us.
Sustainable Finance Impact Report	We present the impact of our sustainable finance assets on a portfolio basis.
Sustainable Finance Frameworks	Our Green and Sustainable Product Framework and Sustainability Bond Framework outline our definition of green, social and sustainable finance. Our Transition Finance Framework sets out the activities and entities that we consider eligible for transition finance.

Read the Group's suite of sustainability-related reports and disclosures on sc.com/sustainabilitylibrary

Our approach to sustainability reporting

The Group includes Environmental, Social and Governance (ESG) and sustainability information in this Annual Report, providing investors and stakeholders with an understanding of the implications of relevant sustainability-related risks and opportunities, and progress against our objectives. The reporting boundaries for this information are the same as for the remainder of this Annual Report.

Reporting standards

We have considered our ESG reporting obligations under the Hong Kong and Financial Conduct Authority (FCA) UK Listing Rules, as well as the UK Companies Act Climate-related Financial Disclosure Regulations 2022 (see Directors' report on page 208 for further information). We are reporting against the climate-related disclosure requirements set out in Part D of the ESG Reporting Code (Appendix C2 to The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited) in this Annual Report on a 'comply or explain' basis. See our climate reporting index on page 458. We have sought to comply with material requirements to the extent currently possible without undue cost or effort for the Group or for our clients and other third parties who provide or publish information required for our most material disclosures. Requirements for which we are not yet able to disclose all information are explained below and throughout this chapter:

Under paragraph 31 of HKEX Appendix C2 – Part D, an issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks. The percentage and amount of our WRB assets or business activities vulnerable to climate-related physical risks are disclosed on pages 293 to 295 of the Risk review section of this Annual Report. For CIB, we have seen a steady improvement in the coverage of Physical Risk data in the last few years as we work towards full disclosure. We are in the process of incorporating a methodology to include physical risk gradings to identify and assess our clients' exposure to extreme weather events. More information can be found on pages 289 to 297 of the Risk review section. Therefore, the disclosure of the percentage of assets or business activities vulnerable to climate-related physical risks is a work-in-progress and is expected to be covered in our 2026 Annual Report.

We are disclosing our material Scope 3 financed and facilitated emissions pursuant to article 28(c) on page 99. We do not include our clients' underlying Scope 3 emissions for all reported financed emissions sectors – refer to page 99 for our rationale. This data also does not yet include emissions related to undrawn loan commitments as these are not part of our original net zero roadmap. We acknowledge that industry practice and disclosure requirements evolve over time as more detailed calculation methodologies are developed, and we are preparing to cover emissions related to undrawn loan commitments and any other potential asset classes deemed to be material in our 2026 Annual Report.

We are not able to present all disclosures for the same period as the financial statements, as disclosed in more detail on page 74. However, additional information has been provided on page 71 for compliance with Part D of the ESG Reporting Code, paragraph 17(1).

For our Taskforce on Climate-related Financial Disclosures (TCFD) content table, see the climate reporting index on pages 458 to 465

We have also used the GRI Standards to guide our disclosures and have published an ESG Reporting Index with reference to disclosures captured in the GRI Universal and select Topic Standards. We have also considered relevant WEF Stakeholder Capitalism Metrics.

Read more about our ESG Reporting Index at sc.com/sustainabilitylibrary

Our approach to sustainability reporting will continue to evolve subject to regulatory and voluntary standards, frameworks and principles relevant to our business across listing locations and footprint markets. We are actively preparing for future reporting obligations across the various jurisdictions in which we operate, including reporting under the International Sustainability Standards Board's (ISSB) IFRS S1 General Requirements of Sustainability-related Financial Information (IFRS S1) and IFRS S2 Climate-related Disclosures (IFRS S2). This includes preparing for reporting our absolute gross financed emissions disaggregated by asset class (including undrawn loan commitments) once required under IFRS S2 paragraph B62.

During 2025, the Group has been tracking the outcome of the EU Omnibus proposal and has concluded that none of its subsidiaries are required to report against the EU Corporate Sustainability Reporting Directive (CSRD) for the 2025 reporting period. We will continue to monitor jurisdictional updates in future periods to determine whether any reporting is required at a subsidiary level.

Metrics and calculation methodology

In our Net Zero Methodological White Paper, we share the calculation methodology for our reported financed and facilitated emissions calculations and disclosures. The paper sets out the scope of financial products included in our financed and facilitated emissions calculations on page 9 and 45.

Read more in our Net Zero Methodological White Paper – The journey continues, on sc.com/sustainabilitylibrary

Read more about the principles and methodology for measuring our environment data at sc.com/environmentcriteria

In 2025, we made the following restatements to previous year comparatives:

	Page
Prior year total financed emissions have been restated following a restatement in the oil and gas sector absolute emissions. The prior period has been restated to apply the Group's revised methodology to reflect improvements in data quality and only counts Scope 3 emissions on upstream production activities (including diversified and integrated counterparties).	92
The agriculture portfolio Implied Temperature Rise and target range have been revised following an update to the Carbon Disclosure Project methodology on default temperature scores, moving from 3.1°C to 3.4°C.	90
We have restated our Scope 3 Category 1: Purchased goods and services emissions data for the 2024 reporting year from 346,193 tCO_2e to 319,078 tCO_2e due to one of our largest suppliers (by spend) restating their publicly reported emissions.	92
Emissions from third party co-located data centres have been reclassified to Scope 3 category 8 from Scope 3 category 1. We re-evaluated the nature of our lessee relationship with these assets and, in line with the GHG Protocol, believe this data aligns more closely to Scope 3 category 8.	92
2024 sustainable finance mobilisation has been restated resulting in an increase of $2.2 billion from $120.7 billion up to $122.9 billion.	83
Sustainable investments assets under management for Hong Kong as at 31 December 2024 have been restated from $599.7 million to $539.2 million for alignment to local regulations around sustainable products classification and reporting.	88

In addition to these restatements and revisions, we occasionally receive revised prior reporting period data from third parties as their own data accuracy and review processes tighten. We revise our data to account for these where appropriate to maintain comparability and reference the change in an accompanying footnote.

Materiality

In preparing these disclosures, we have conducted two separate materiality assessments guided by ISSB educational material on 'Sustainability-related risks and opportunities and the disclosure of material information' and 'GRI 3: Material Topics 2021'.

Material information using ISSB guidance

We conducted a materiality assessment to identify the sustainability-related risks and opportunities that could reasonably be expected to affect the Group's prospects, using ISSB educational material. As part of this exercise, we have determined that climate-related risks and opportunities could reasonably be expected to affect the Group's prospects over the medium to long term, and relevant information pertaining to those risks and opportunities – including how we address climate risk through our business strategy and financial planning as we implement our net zero journey – is therefore material to the primary users of this Annual Report. In the short term, the quantitative assessment of the impact of climate risk on the IFRS 9 expected credit loss (ECL) provision resulted in only a marginal ECL increase across CIB and WRB, which has been recorded as a management overlay for the 2025 year end. As a result, the Group considers Climate Risk to have limited quantitative impact in the immediate term, and as a longer-term risk is expected to be addressed through its business strategy and financial planning as the Group implements its net zero journey. See Note 1 to the financial statements on pages 332 to 333 for further details.

The materiality assessment process incorporated value chain mapping, evaluating resources, relationships and stakeholder engagement across the Group to identify a preliminary list of potential sustainability-related risks and opportunities and a corresponding list of their potential impacts on the Group's cash flows, access to finance or cost of capital now and in the future. In identifying information about those potential risks and opportunities, we considered additional guidance from frameworks including the Sustainability Accounting Standards Board (SASB) Standards, GRI Standards and the United Nations Environment Programme Finance Initiative (UNEP FI) ESRS Interoperability Guide.

To assess whether information about climate-related risks and opportunities was material, we considered their likely effect on the Group's prospects and the returns to current and potential shareholders. This included timing, magnitude and likelihood of the potential effects, and the usefulness of the information associated with those potential effects to primary users of the Annual Report when making decisions. This underwent a review and challenge process, with input from subject matter experts across the Group and third-party review by external consultants.

As a result of this process, the Group deemed information about internal carbon pricing, the split of GHG emissions into constituent gases (with the exception of financed methane emissions), and Scope 3 categories other than Categories 1, 6 and 15, as immaterial or not applicable.

The full list of climate-related risks and opportunities identified as part of this assessment can be found in the Climate risks and opportunities section on page 107. How we identify and manage those risks and their current and anticipated effects on the Group's business model, value chain, strategy and decision-making is set out on pages 110 and 116 to 117.

Note 1 to the financial statements on pages 332 to 333 sets out the effects of those climate-related risks and opportunities on the Group's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the Group's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those sustainability-related risks and opportunities have been factored into the Group's financial planning.

Material topics under GRI

GRI 3: Material Topics 2021 provides step-by-step guidance for organisations on how to determine material topics. Material topics are those that represent an organisation's most significant impacts on the economy, environment and people, including impacts on their human rights – both positive and negative.

In applying the guidance, we have taken steps to understand the Group's context, identify actual and potential impacts, assess the significance of the impacts and prioritise the most significant for reporting. We have done this by engaging with relevant internal and external stakeholders and by validating the material topics with experts across the Chief Sustainability Office. Our material topics, which are reviewed annually, are set out in the table below.

GRI topics	Action and decision	Learn more
Sustainable finance	How we identify opportunities to drive positive environmental and social impact by helping our clients address environmental and social challenges, transition towards low-carbon economies and achieve sustainable growth.	**Sustainable finance** **Page 83**
Climate	The positive and negative impacts of our financing activities, direct operations and supply chain on the climate. This includes our emissions, physical and transition climate risk management, and progress against our net zero roadmap.	**Climate** **Page 90**
Nature	How we contribute towards our ambition of shifting financial flows towards nature-positive outcomes. This includes the Group's progress against our nature-related ambitions.	**Nature** **Page 111**
Human capital management	The practices used for recruiting, developing and optimising employee output and relationships, across the value chain. This includes human rights and modern slavery, health and safety (including physical and mental wellbeing) and diversity and inclusion.	**Stakeholders** **Page 37** **Supplementary people information** **Page 444**
Society and community relations	The positive and negative impacts of our financing activities on the societies and communities around us. This includes financial inclusion, job creation, vulnerable client protection and charitable giving.	**Social impact** **Page 113**
Data privacy	The protection practices over client and personal information held by the Group.	**Data privacy and protection** **Page 121** **Topical and emerging risks** **Page 47**
Corporate governance	Governance structures and internal control processes by which the Group is directed. This includes risk management, business conduct, anti-bribery and corruption, anti-money laundering, and whistleblower protection.	**Managing environmental and social risk** **Page 116** **Integrity, conduct and ethics** **Page 118** **Sustainability-related governance** **Page 122**

Read more about our materiality assessment and how we engage with stakeholders at sc.com/sustainabilitystakeholders

Reporting periods

The reporting periods for the Group's sustainability information do not always align with the financial reporting year. This is due to a lag in the availability of third-party data and, where applicable, the time needed for independent third-party assurance. In preparation for future reporting requirements, we are considering how best to further align reporting periods going forward by increasing the number of estimates used in our calculations.

Greenhouse gas emissions and other operational environmental performance data

The reporting period for the majority of our operational environmental performance indicators, including GHG emissions, waste generation and water consumption, is from 1 October 2024 to 30 September 2025. This allows sufficient time for independent third-party assurance to be completed and for obtaining external third-party data where needed prior to the publication of the Group's Annual Report.

This only differs for the following Scope 3 emissions where a period of 1 January to 31 December with a one to two-year lag is used: Category 1: Purchased goods; Category 2: Capital goods; Category 4: Upstream transportation and distribution; Category 6: Business travel; Category 8: Upstream leased assets; and Category 15: Investments. Emissions data for these categories is disclosed on a one to two-year lag with emissions reported in 2025 based on the availability of third-party data and client data.

For reasons described above, our Scopes 1 and 2 emissions are reported for the period 1 October 2024 to 30 September 2025. This allows comparability over time and aligns with our Scope 1 and 2 net zero emissions by 2025 target, which is based on the same period.

This year, we are also disclosing our Scopes 1 and 2 emissions for the period 1 January 2025 to 31 December 2025 on page 452, as newly required under Part D of the ESG Reporting Code, paragraph 17(1).

Sustainable finance data

With the exception of sustainable finance income, sustainable finance metrics are reported at 30 September 2025, allowing sufficient time to complete reporting. Sustainable finance income is reported for the full financial period from 1 January 2025 to 31 December 2025.

Other sustainability-related data

Unless otherwise stated, the reporting period for all other sustainability information in this Annual Report is from 1 January 2025 to 31 December 2025 to align with the financial reporting period year.

Independent limited assurance

Ernst & Young LLP (EY) was appointed to provide independent limited assurance over certain data points within this Annual Report, indicated with a caret symbol (^). The assurance engagement was planned and performed in accordance with the International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised)). This independent assurance report is separate from EY's audit report on the financial statements and is available at **sc.com/sustainabilitylibrary**. This report includes further detail on the scope, respective responsibilities, work performed, limitations and conclusions.

We obtained independent limited assurance on the Group's Scope 1 and 2 (market-based) GHG emissions and Scope 3 data centres GHG emissions by Global Documentation Ltd. We also obtained independent verification of the Group's Scope 3 emissions associated with business travel (air travel) from Schneider Electric. These verifications were conducted in accordance with the ISO 14064-3 GHG standard and are also available at **sc.com/sustainabilitylibrary**.

For further details on assurance obtained on comparative prior year data, please refer to the prior year's annual report.

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Our approach to sustainability

Sustainability is a strategic area of focus, as we strive to promote inclusive growth and prosperity across the markets where we operate.

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Our approach to sustainability supports the Group's strategy, which is designed to deliver our purpose: to drive commerce and prosperity through our unique diversity. This is underpinned by our brand promise, here for good.

Our approach is articulated through our long-term sustainability goals – our Sustainability Aspirations – and our short-term sustainability targets – our Sustainability Strategic Pillars. The Aspirations and Pillars set out how we intend to deliver across our Sustainability agenda.

Sustainability continues to be included in the 2025 Group scorecard and 2024–26 long-term incentive plan (LTIP) with performance measures that align with our Sustainability Aspirations and Sustainability Strategic Pillars.

This section sets out progress against our Sustainability Aspirations and Sustainability Strategic Pillars before we dive deeper into the material topics set out on page 73, including sustainable finance, climate, nature and social impact.

Sustainability Aspirations: Our long-term goals

Our Sustainability Aspirations are consolidated into four overarching long-term goals, each supported by key performance indicators (KPIs). Together, these reflect our commitment to fostering sustainable social and economic development in our markets.

Sustainability Aspiration	Progress in 2025
Aspiration 1: Mobilise $300 billion of sustainable finance[1] We believe sustainable finance is essential in addressing the significant social and environmental challenges faced by our markets. It has the potential to support the needs of businesses, people and communities, by enabling the transition to low-carbon technologies, accelerating financial inclusion, and promoting sustainable economic growth. We mobilise sustainable finance through bonds, loans, advisory and trade finance products. Our ability to offer sustainable finance products is supported by our Sustainable Finance Frameworks, which outline how we apply sustainable finance labels across products and transactions.	**$157bn^** cumulative mobilisation of sustainable finance from January 2021 to September 2025 against our commitment to mobilise $300 billion by 2030.

1 We define mobilisation of sustainable finance as our share of any investment or financial service provided to clients that supports: (i) the preservation and/or improvement of biodiversity, nature or the environment; (ii) the long-term avoidance/decrease of GHG emissions, including the alignment of a client's business and operations with a 1.5°C trajectory or national net zero pathway (known as transition finance); (iii) a social purpose; or (iv) incentivising our clients to meet their own sustainability objectives (known as sustainability-linked finance). It is a measure of total capital mobilised and considers the total value committed on facilities provided to clients. Mobilisation is the provision of capital that, as per the legal contractual documents meet the sustainable finance verification criteria, or SLL eligibility, as of the date of execution of the trade.

Sustainability Aspirations: Our long-term goals

Sustainability Aspiration	Progress in 2025
Aspiration 2: Operationalise our interim 2030 financed emissions targets to meet our 2050 net zero ambition	
We aim to reach net zero in our financed emissions by 2050. The Group has set and disclosed interim financed emissions reduction targets for 2030 across our 12 high-emitting sectors, including a facilitated emissions target for oil and gas, which currently makes up the majority of emissions within our facilitation portfolio. We also believe that while target-setting is crucial, we need a clear plan to transition our business. This can be found in our Transition Plan, which outlines a comprehensive framework on how we intend to transition our business and operations, and collaborate with our clients with the aim of delivering on our interim 2030 targets and ultimate 2050 net zero ambition. We recognise the challenges posed by those of our markets that have yet to commit to net zero or whose commitments extend beyond 2050, but we remain focused on driving progress and continued to engage our transition priority clients in 2025. This included assessing their targets against the Group's and better understanding any opportunities for sustainable finance to support their journeys. Read more on our progress towards our interim 2030 net zero targets on page 98.	We continued to work on our key focus areas in section 9 (Next steps) of our Transition Plan including: **Set up a net zero alignment process when approving client limits** for deals going to the Capital Allocation Forum **Embedded alignment outcomes with sector pathways** into Climate Risk Assessments and Business Credit Application documents for in-scope net zero exposures **Held Net Zero & Climate Risk Working Forums** for 45 per cent of transition priority clients in 2025 to step up engagement on their transition plans, net zero targets and sustainable finance opportunities
Aspiration 3: Enhance and deepen the sustainability ecosystem We continue to utilise our experience and network to actively contribute to key global partnerships and initiatives that deliver differentiated impact and help to mature and advance the sustainability ecosystem. For example, we continue to maintain guiding roles in the Glasgow Financial Alliance for Net Zero (GFANZ), the UN Global Alliance of Investors for Sustainable Development (GISD), and the Integrity Council for the Voluntary Carbon Market (ICVCM), among others.[1] Through innovative frameworks and impactful initiatives, we have actively sought to support global efforts to advance and unlock capital flows towards critical areas such as adaptation and resilience, nature, carbon solutions and sustainable finance.	**'Scaling Circular Finance: No Time to Waste'** paper published by newly established Circular Economy Innovation Hub **Published our inaugural Nature Report as a TNFD Early Adopter**
Aspiration 4: Drive social impact with our clients and communities We seek to accelerate the mobilisation of both private and philanthropic capital to address critical social challenges in our footprint markets. By leveraging our financial expertise, product innovation and strategic partnerships, we deliver solutions that meet immediate needs while empowering communities for sustainable growth. With our associated charity, the Standard Chartered Foundation, we establish strategic collaborations with clients, NGOs and communities to mobilise social capital, create an inclusive ecosystem to drive inclusive economies and increase equitable prosperity. Read more on pages 113 to 115.	**106,570** **jobs enabled and supported since 2019[2]** **€1bn** **inaugural Social Bond issued**

1 A list of our primary memberships can be found at **sc.com/sustainabilitystakeholders**.

2 Total jobs-enabled data comprises underserved participants who access decent employment at the end of the intervention, and direct jobs (part-time and full-time direct employees, contractors, support/gig workers, and the entrepreneurs themselves) created by supported microbusinesses within 12 months of the end of the intervention. This KPI is based on actual data collated from project alumni over the seven-year period, estimates based on empirical research, and ex-post project evaluations. The data comprises 69,360 young participants in decent employment, and 37,210 direct jobs enabled by supported microbusinesses.

For detailed progress against all our Sustainability Aspiration targets read more on pages 454 to 457

Sustainability Strategic Pillars: Our short-term targets and immediate priorities

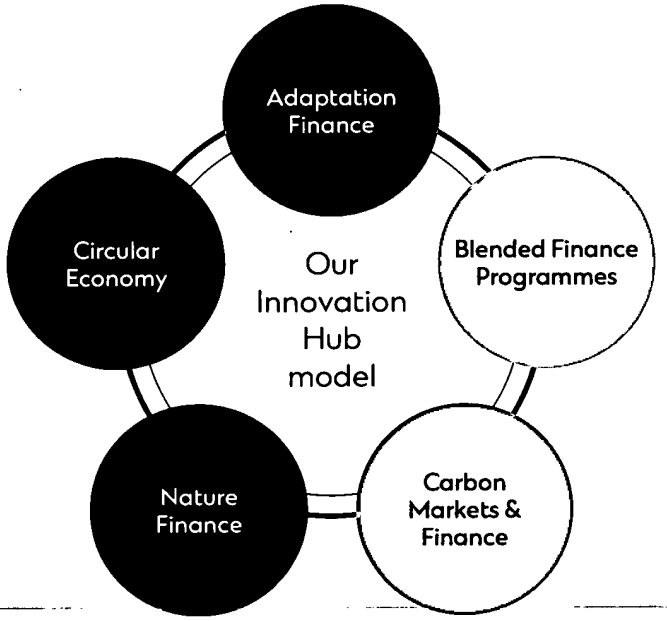
Our four Sustainability Strategic Pillars represent our near-term strategic focus designed to drive momentum and accelerate progress towards our longer-term Sustainability Aspirations.

Sustainability Pillars	Progress in 2025
Pillar 1: Scale sustainable finance income Growth and innovation in our sustainable finance franchise is critical to the delivery of the Group's net zero roadmap and to supporting our clients on their own transition journeys. Our sustainable finance teams develop customised solutions that speak to clients' needs and ambitions. The Group's sustainable finance product suite is set out within our Green and Sustainable Product Framework (GSPF), as described on page 89. Our sustainable finance income target is a CIB target, based on income, net of funding costs, generated from transactions utilising sustainable finance products for our clients and income generated from clients whose activities align with those in our Sustainable Finance Frameworks.	**$1.07bn^** sustainable finance income generated in 2025, exceeding our target of at least $1 billion annual income by 2025[1]
Pillar 2: Further embed sustainability across the organisation The CSO organisation aims to act as a catalyst for change and a centre of excellence. We foster collaboration internally to embed sustainability across our business operations and functions. We collaborate externally with clients and other stakeholders who are aligned with our mission to drive change. We aim to create a self-reinforcing cycle, which is built on established processes, clear frameworks, engagement with our clients and collaboration across risk and business teams. Our aim is to work with our clients to support their transition and decarbonisation journeys and where clients evidence transition, help to accelerate progress.	**4,209** clients evaluated through climate risk assessments, and 1,204 client ESGR risk assessment reviews[2] completed **28,740** colleagues completed the Sustainable Finance Foundation Programme since commencement in 2022, and 38 ad hoc training courses held in 2025, reaching more than 6,388 colleagues
Pillar 3: Deliver on the annual milestones set forth in our net zero roadmap We aim to reach net zero in our financed emissions by 2050, having reached net zero in our own operations (Scope 1 and 2 emissions) in 2025.[3] We focus on three areas to reduce emissions: our operations, our supply chain and financed emissions associated with our clients. The majority of our GHG emissions are linked to our lending activities. As such, we have prioritised our measurement and decarbonisation efforts in the highest-emitting and most carbon-intensive sectors of our portfolio. We have set financed emissions targets for our 12 highest-emitting sectors, and have further set a facilitated emissions baseline and target for the oil and gas sector, which currently makes up the majority of emissions within our facilitation portfolio.	**Net zero in Scope 1 and 2 emissions** and predominantly on track for our 12 interim high-carbon sector financed emission targets[4] Measured and disclosed financed methane emissions intensity associated with our upstream oil and gas portfolio
Pillar 4: Leverage our Innovation Hubs Our five thematic Innovation Hubs – Adaptation Finance, Blended Finance Programmes, Carbon Markets & Finance, Nature Finance and Circular Economy – focus on emerging sustainability themes that are nascent but ripe for scale. The Hubs help to drive innovation across the sustainability market. This model has been more successful than anticipated, as we executed on seven landmark transactions aligned to the themes of the Hubs in 2025 (compared to four in 2024). Read more on the work conducted by the Hubs on page 78.	**7** transactions aligned to the Group's sustainability-themed Innovation Hubs executed in the year

1 Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at **sc.com/sustainabilitylibrary**.
2 This metric captures the number of clients reviewed for Environmental and Social (E&S) risks by dedicated internal E&S specialist teams. In September 2025, the Reputational and E&S risk assessments were consolidated into a single ESGR assessment, Client Environmental, Social, Governance and Reputational Risk Assessment (Client ESGRA). We aim to report the data for Client ESGRAs in our 2026 Annual Report and Accounts.
3 See pages 93–95 for details about net zero in our Scope 1 and 2 emissions.
4 See pages 99–106 for details about how we track against each of the 12 high-carbon sector pathways.

Innovation hubs

Our Innovation Hubs focus on emerging sustainability themes that are nascent but ripe for scale, aligned to areas where the Group has a core competency, and are particularly suited to clients in our footprint markets.



Our Adaptation Finance, Blended Finance Programmes, Carbon Markets & Finance, and Nature Finance Innovation Hubs were established in 2023. In 2025, we launched our fifth Innovation Hub focused on the Circular Economy to help identify, facilitate and scale bankable opportunities that seek to minimise the impact of the economy on the planet's support systems.

Each Hub is transversal, run by senior leaders in the CSO organisation, and seeks to identify opportunities for future returns outside of our core range of traditional products and services. By demonstrating leadership to advance the ecosystem in these emerging thematic areas, the Group expects to be well positioned to take advantage of the significant and differentiated revenue potential that will result from maturation of these themes in the future.

About the Innovation Hubs

1. Adaptation Finance[1]

Context

Across our markets, there is an urgent need to unlock and scale public and private climate adaptation finance to build shared societal resilience. This means embedding adaptation and resilience into financial decision-making to manage risks and identify new opportunities, which is critical given that every $1 spent on adaptation this decade could generate up to $12 of economic benefit.[2]

Adaptation represents both a risk and an opportunity for the Group, its clients and communities. We are working to identify and scale the adaptation finance opportunity across our business and to support the development of adaptation finance across the wider market. Our 'Guide for Adaptation and Resilience Finance' supports the market in identifying adaptation opportunities, by setting out eligible financeable activities and guidance on what constitutes adaptation and resilience investment, alongside a practical roadmap for financing and investment opportunities.

Progress in 2025

Further to the completion of the Group's first adaptation finance transaction in 2024 – an adaptation letter of credit with a parametric insurance provider, which provided financial protection for businesses in the renewable energy sector against extreme weather – we have now also completed our first adaptation finance transaction for a corporate client. The deal facilitates the trade of solar modules resistant to tornadoes and tropical storms, extreme wind, storms and sandstorms. It also represents the Group's first labelled adaptation finance transaction in China.

Standard Chartered is also co-chair of the UK Climate Financial Risk Forum adaptation working group. In addition, we have been asked to join the newly formed ASEAN Working Committee on Capital Market Development and ASEAN Capital Markets Forum Joint Sustainable Finance Working Group's Industry Advisory Panel Working Group on Adaptation. Through these forums and others, we will continue to engage the financial ecosystem to seek opportunities for adaptation and resilience in Asia, Africa and the Middle East.

In 2025, we won the Strategic Leadership – Innovative Financing Mechanism Award, which is part of the Climate Resilience Awards launched by the World Business Council for Sustainable Development and Global Resilience Partnership. We also ranked first in the Climate Proof & ClimateAligned 2025 world's largest commercial banks by adaptation maturity.[3]

For more on Adaptation Finance see our Adaptation Economy Report sc.com/adaptation-economy

See our Guide for Adaptation and Resilience Finance at sc.com/adaptation-resilience

1 Adaptation and resilience finance is considered to be any financial service that is provided to an entity to enable adaptation and enhance resilience to climate and non-climate-related natural hazards within that entity's assets, operations, clients, supply chain, or the communities in which it operates.

2 Read our research on the Adaptation Economy at **sc.com/adaptation-economy**.

3 Based on 15 qualitative indicators as described in the Global Bank Climate Adaptation Assessment 2025 published by Climate Proof and ClimateAligned.

2. Blended Finance Programmes[1]

Context

As the global community accelerates efforts to meet 2030 climate and sustainability targets, the need for scalable blended finance solutions remains critical. We are recognised by Convergence, the global network for blended finance, as one of the most active commercial banks in blended finance globally. However, progress is being made, many blended finance transactions remain bespoke and fragmented. We continue to champion a programmatic approach through country- and sector-platforms, to bring public and private capital together and deliver impact at scale.

Progress in 2025

We continued to advance our programmatic approach by seeking partnerships with development finance institutions (DFIs), multilateral development banks (MDBs), family offices, philanthropic organisations and country platforms.

We are a signatory to the Indonesia and Vietnam Just Energy Transition Partnerships (JETPs). We have pledged support in both countries as part of a cohort of GFANZ member banks in the Working Group that have collectively committed to at least match initial donor contributions. We acted as lead arranger for Indonesia's first JETP solar project. Together with Deutsche Investitions- und Entwicklungsgesellschaft (DEG) and Proparco we structured a $60 million facility to co-finance the 92 MWp Saguling floating solar project developed by PLN IP and ACWA Power, mobilising both public and private capital to accelerate Indonesia's transition.

We were mandated to advance Lesotho's Just Energy Transition process, the first private sector-led country platform. The initiative, endorsed by His Majesty King Letsie III of Lesotho and the Government of Lesotho, is designed to mobilise capital to finance a portfolio of generation and transmission projects to support the delivery of Lesotho's nationally determined contribution (NDC) and Mission 300 Compact. The opportunity represents a unique case study for a landlocked, developing country to leapfrog from an energy importer to an exporter of clean power, supporting domestic and regional energy stability and security, and the creation of local jobs and technical skills development.

We are continuing to work on developing a sector-led partnership, and our proposal for an innovative financing solution for renewable energy in Southern African countries has been shortlisted by British International Investment in their ongoing Mobilisation Facility competition.

We continue to use our experience and network to actively contribute to key global partnerships and initiatives that deliver differentiated impact and help to mature and advance the blended finance thematic such as the GFANZ and the WEF.

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1 Blended Finance is the use of catalytic public (and/or philanthropic) capital to increase private sector investment that supports the Sustainable Development Goals (SDGs).

3. Carbon Markets & Finance

Context

Effective carbon markets are critical to global efforts to mitigate climate change and to finance sustainable development. This was stressed by the UN Intergovernmental Panel on Climate Change in its April 2022 report on mitigating climate change, which noted that "the deployment of carbon dioxide markets to counterbalance hard-to-abate residual emissions is unavoidable if net zero emissions are to be achieved".

Carbon markets put a price on carbon emissions, can be complementary to credible net zero transition plans, and help channel climate finance where it's needed most across our markets. A high-integrity carbon market, combined with corporate commitments to cut emissions and high standards of reporting can accelerate the global progress towards net zero by 2050, while supporting sustainable development globally.

The Group has been a firm advocate of carbon market standardisation and has been at the forefront of several initiatives working to ensure that high-integrity, scalable carbon markets develop. We offer trading, advisory, financing and risk management services to our clients around the world and continue to develop our suite of banking solutions as carbon markets grow and mature.

Progress in 2025

The Carbon Markets & Finance Hub focused on further expanding capabilities and delivering strategic partnerships. The year was marked by a clear nature agenda in international climate policy, which put the pressing need for commitment towards forest conservation and restoration at the top of the agenda. We signed an exclusive agreement with the Brazilian State of Acre in connection with Acre's work to market their Amazon forest REDD+ conservation credits generated over the next five years. We also participated in large-scale carbon project finance, supporting the Chestnut afforestation project in the US, acting as mandated lead arranger (see case study on page 82).

We are seeing an increasing need for carbon finance as the public sector is committing to increasingly ambitious decarbonisation targets, and hyperscalers are entering a growing amount of large procurement contracts for carbon credits. The Hub actively engages with those players, positioning ourselves as a partner of choice through our market expertise and strong credentials in the sustainable and blended finance space. We are broadening our carbon finance and advisory offering across conventional debt finance, capital markets and, increasingly, private debt markets.

In December 2025, we acted as sole lead manager and bookrunner for a $200 million Clean Cooking Outcome Bond issued by the World Bank, unlocking $30.5 million in climate finance to deploy 415,000 clean cooking devices across four regions in Ghana. The planned stove distribution aims to make cleaner cooking accessible to 1.3 million people and reduce GHG emissions by more than 1.8 million tonnes of carbon dioxide equivalent. The transaction represents the first time outcome bond returns have been linked to Internationally Transferred Mitigation Outcomes under Article 6.2 of the Paris Agreement, contributing towards the national climate targets of Ghana and Switzerland.

On the trading side, we remain a prominent liquidity provider in the European and UK compliance markets. We are expanding our capabilities as opportunities arise to support clients in our home markets as more domestic and sectorial compliance markets are developing. In 2025, we established capabilities in the South African compliance market as we continue working on our capabilities to participate in key markets such as Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) for aviation, Emissions Trading System 2 (ETS2) for transport in Europe and the Singapore Carbon Tax scheme.

We continue to demonstrate thought leadership and actively collaborate with regulators in our key markets. This includes support for the ICVCM review process for both carbon standards and methodologies, and driving policy engagement with industry and country representatives through our position as co-chair of the International Workgroup at the International Emissions Trading Association (IETA).

We participated in the UK's Jet Zero Taskforce to develop proposals for the development and use of GHG removal credits by UK aviation for the UK Government. In Asia, we co-lead the carbon markets workstream for Singapore Sustainable Finance Association alongside Climate Impact X to support the development of an interoperable ASEAN carbon market.

4. Nature Finance

Context

It is estimated that over half of global GDP is moderately or highly dependent upon nature.[1] The Nexus assessment from the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)[2] highlighted how biodiversity loss undermines livelihoods, food security, economies and health, while also threatening the resilience of our planet to climate change. Despite its importance, nature is rapidly declining. According to the Stockholm Resilience Centre, we have already breached seven of the nine 'planetary boundaries' that are responsible for the stability and resilience of Earth systems and demarcate the safe operating space for humanity.[3] With respect to biodiversity, a catastrophic 73 per cent decline in wildlife populations has been observed from 1970 to 2020.[4] Protecting nature is essential to limiting anthropogenic global warming and mitigating its impacts so that the planet can sustain all livelihoods and support inclusive sustainable economic development.

1 PWC (2023) Managing nature risks: From understanding to action.
2 McElwee, P. D., et al. (2025). IPBES Nexus Assessment: Summary for Policymakers. Zenodo.
3 Azote for Stockholm Resilience Centre, based on analysis by Sakschewski and Caesar et al. 2025.
4 WWF (2024) Living Planet Report 2024 – A System in Peril. WWF, Gland, Switzerland.

Having applied international environmental and social standards in our financing for more than 20 years, our presence in markets with some of the richest, remaining biodiversity in the world positions us to engage with a range of key stakeholders.

We are guided by our commercial ambition to increasingly shift financial flows towards nature-positive outcomes by aligning and contributing to the targets of the Global Biodiversity Framework.

Progress in 2025

The Nature Finance Hub is responsible for advancing the Group's nature risk methodology and identifying financing opportunities through nature risk assessments. In 2025, the Group leveraged the Hub's nature risk capabilities along with the advancement in its geospatial tools for deal diligence and nature performance modelling. Notably, in the landmark project financing for Chestnut Carbon (see case study on page 82), the Hub conducted nature performance analysis across the asset locations. We also piloted nature-related corporate engagement leveraging our in-house impacts and dependency assessment capabilities to identify nature finance transition opportunities.

We signed a Memorandum of Understanding with African Parks to explore an outcome bond for Majete Wildlife Reserve in Malawi leveraging the Verifiable Nature Unit as the outcome monitoring, reporting and verification mechanism.

We co-funded a feasibility study to scope the potential blue carbon value from Palk Bay's seagrass[1] with the International Union for Conservation of Nature (IUCN). If viable, these blue carbon credits could catalyse private finance, incentivise seagrass meadows preservation and generate revenue for the local community.

The Hub supported Standard Chartered Indonesia in a seaweed project with Association of Indonesian Employers (APINDO), Conservation International and Konservasi Indonesia to support sustainable seaweed industry development in Indonesia, and provided expertise to Standard Chartered Foundation to develop the framework for the ASEAN Blue Economy Programme, which is intended to create sustainable jobs for youth while protecting the ocean across ASEAN.

Building on Standard Chartered's blue economy leadership, we were an active participant in the Blue Economy and Finance Forum and United Nations Ocean Conference, showcasing our execution of 'The Bahamas debt-for-nature-swap' as an exemplary blended finance structure and advocating the role the private sector can play in advancing a sustainable and regenerative blue economy.

As an early adopter of the TNFD framework, we have published our inaugural Nature Report alongside this Annual Report. It reflects our assessment on the potential nature-related impacts and dependencies in our financing activities and direct operations.

Read our Nature Report at sc.com/nature

1 Read the full study at **sc.com/palk-bay**.
2 Global Resources Outlook, UNEP 2024.
3 Global Waste Management Outlook, World Bank 2024.

5. Circular Economy

Context

The transition to a circular economy is essential to reducing the impact of population and per capita consumption growth on the world's finite resources and having a nature-positive impact on the world's ecosystems. Studies have shown that a business-as-usual scenario could result in the rate of raw material extraction being 60 per cent higher in 2060 compared to 2020[2], while waste generation is on track to increase by 80 per cent, costing the global economy $417 billion per year by 2050.[3] Eliminating waste and pollution, extending product life through redesign and efforts such as repair, reuse and remanufacturing, and keeping materials in the economy longer through recycling at the end of product life, collectively represent a multi trillion-dollar opportunity that also directly contributes to carbon reduction. The benefits of a circular economy include decoupling economic growth from the growth of unsustainable resource extraction and enabling companies and countries to improve resilience and competitiveness, while also creating jobs and advancing all 17 of the UN SDGs.

There is a lot of progress to be made before a circular economy becomes fully integrated into society as evidenced by the low material circularity rate globally (around 7 per cent) and a funding gap measuring in the trillions of dollars globally needed for scaling infrastructure and solutions for circularity. The Group recognises the risks and opportunities that the circular economy can bring, especially to our footprint markets where significant capital and innovative financing solutions are required to scale upstream innovation and adoption of circular solutions and for establishing the waste management and recycling infrastructure critical for circularity in developing markets.

Progress in 2025

We established a Circular Economy Innovation Hub, led by Andrew Morlet, former CEO of the Ellen MacArthur Foundation, an organisation that has catalysed global focus on the circular economy and plastics use. The Hub has initiated work to align circular economy measurement and reporting definitions and standards, including expanding the Group's Green and Sustainable Product Framework, to build internal knowledge and capacity, and to identify and support client opportunities. It has also led the development of collaboration efforts with other banks (circular economy- focused commercial banks and MBDs), financial institutions, global organisations (UNEPFI, WEF), governments (co-chairing the UK/Dutch Circular Economy Finance Group comprising 10 leading commercial banks), aiming to identify barriers and solutions to increase capital mobilisation and circular economy investment.

The Hub published its inaugural paper on the circular economy entitled 'Scaling Circular Finance: No Time to Waste'. The paper makes the case for circular economy financing and identifies four critical levers to be adopted by relevant stakeholders:

(1) Recognise that the circular economy is fundamental to delivering climate and nature targets.

(2) Agree on circular definitions, principles, measurement and reporting.

(3) Integrate the circular economy into finance risk models.

(4) Drive for a harmonised international regulatory and policy landscape.

The work of the Hub is focused on collaboration to progress these priorities to facilitate the flow of additional capital towards the circular economy and on supporting clients on their transition to more circular operating models.

Read our Circular Economy report at sc.com/scalingcircularfinance

The Infrastructure and Development Finance Group, with support from Carbon Markets and Nature Finance Hubs, unlocks real-world climate and nature outcomes: Supporting Chestnut Carbon to advance US afforestation in the voluntary carbon market

Image removed

Chestnut Carbon, a nature-based carbon removal developer, announced the closing of a landmark non-recourse project finance credit facility of up to $210 million in August 2025. This is one of the first applications of a commercial project financing for a US voluntary carbon removal afforestation project, with Standard Chartered participating as a mandated lead arranger alongside a syndicate of banks. This transaction marks a pivotal step towards achieving increasing commercial scale for both the company and the broader voluntary carbon market and US afforestation space.

This innovative credit facility leverages the long-term off-take agreement executed earlier in 2025 between Chestnut and Microsoft to deliver more than 7 million tonnes of carbon removal credits over 25 years as an anchor revenue stream for the financing. The project is estimated to restore roughly 60,000 acres of unused farmland by planting over 35 million native, biodiverse hardwood and softwood trees.

Setting a new standard for project finance in the voluntary carbon space

Drawing on elements from traditional sectors, most notably renewable power projects, the deal's structure, underpinned by the long-term offtake contract with Microsoft, brings credit discipline, rigorous underwriting and scalability to a relatively new asset class.

As the industry evolves, this transaction is a prime example of how innovative financing can help support a path towards competitively priced capital and investor diversification.

Sustainable finance

Sustainable finance, including transition finance, is a crucial part of our sustainability strategy and is therefore reflected in both our long-term Sustainability Aspirations and short-term Sustainability Strategic Pillars.

Sustainable finance mobilised[1]

Product	Oct 2024–Sep 2025[14] $m	Jan 2021– Sep 2024 $m	Cumulative progress Jan 2021–Sep 2025 $m
Use of proceeds[2,3,10,12]	**11,035**	29,694	40,729
Sustainability-linked loans (SLLs)[3,4,12]	**7,277**	38,232	45,509
Transition finance[5,12]	**1,629**	2,142	3,771
SME lending[6,10]	**1,270**	3,677	4,947
Microfinance[6,10]	**592**	2,691	3,283
Green mortgages[10]	**901**	5,067	5,968
Mergers & Acquisitions (M&A)/advisory[8]	**4,621**	7,777	12,398
Green, Social and Sustainable bonds facilitated[9]	**6,742**	33,643	40,385
Total sustainable finance mobilised[11]	**34,067**	122,923	156,990^
Of the above			
Corporate & Investment Banking (CIB)	**31,896**	114,179	146,075
Wealth & Retail Banking (WRB)	**2,171**	8,744	10,915
Total sustainable finance mobilised[11,12,13]	**34,067**	122,923	156,990^

Our broad sustainable finance product suite, which includes bonds, loans, advisory and trade finance, is underpinned by our Sustainable Finance Frameworks (described on page 89) that outline how we apply sustainable finance labels across products and transactions. We also work with retail and wealth clients to mobilise diverse sources of capital in support of social and environmental outcomes.

1 We define mobilisation of sustainable finance as our share of any investment or financial service provided to clients that supports: (i) the preservation and/or improvement of biodiversity, nature or the environment; (ii) the long-term avoidance/decrease of GHG emissions, including the alignment of a client's business and operations with a 1.5°C trajectory or national net zero pathway (known as transition finance); (iii) a social purpose; or (iv) incentivising our clients to meet their own sustainability objectives (known as sustainability-linked finance). It is a measure of total capital mobilised and considers the total value committed on facilities provided to clients. Mobilisation is the provision of capital that, as per the legal contractual documents, meet the sustainable finance verification criteria, or SLL eligibility, as of the date of execution of the trade.

2 Mobilisation amounts include transactions with restricted use of the financing proceeds that align to our GSPF.

3 Lending transactions are measured as the loan commitment/underwritten amount provided to the counterparty by the Group.

4 SLLs refer to any type of loan instrument for which the economic characteristics can vary depending on whether the counterparty achieves ambitious, material and quantifiable predetermined sustainability performance targets. The use of proceeds in relation to an SLL is not a determinant in its categorisation and, in most instances, SLLs will be used for general corporate purposes.

5 Transition finance includes any financial service provided to clients to support them to align their business and/or operations with a 1.5°C trajectory or national net zero target in line with our Transition Finance Framework (TFF). This is measured on a committed facility-provided basis.

6 SME and microfinance lending is the provision of finance to developed but not high-income countries as per the United Nations World Economic Situation and Prospects (UN WESP) report. The inclusion of small and medium-sized enterprise (SME) lending is linked to the 'Access to Finance' sub-theme within the Group's GSPF incorporating employment generation, and programmes designed to prevent and/or alleviate unemployment, including through the potential effect of SME financing and microfinance. SME mobilisation is the lending facilities provided to small companies and renewed when the facilities renew, and includes loans that fall within the relevant micro, small and medium-sized enterprise (MSME) loan size proxy as per the GSPF. Microfinance mobilisation is measured as the cash disbursed.

7 Green mortgages are loans issued by our WRB where the underlying property meets a specific energy rating. Mobilisation is measured as the cash disbursed to borrowers. Value mobilised in 2021 includes mortgages originated before 2021 but identified as Green in 2021.

8 M&A/advisory represents where the Group is the financial advisor to a transaction that has been tagged as sustainable in line with the Group's GSPF or TFF. Transactions are measured as the deal value or enterprise value divided by the number of advisors on the deal.

9 Capital market bonds are measured by the proportional bookrunner share of facilitated activities as determined by third-party league table rankings based on the level of services provided.

10 A breakdown by eligible category has been provided for these product groups. Categories cannot be provided for SLLs, transition finance or Green, Social and Sustainable bonds facilitated given the broad range of sustainability themes these can cover, and the diversity of eligible activities included in issuer frameworks. The categories have been provided for use of proceeds, green mortgages, SME lending and microfinance.

11 Total prior year balances have been restated resulting in an increase of $2.2 billion from $120.7 billion up to $122.9 billion. This was due to the inclusion of transactions driven by a new product line within Corporate and Institution lending that have met the sustainable finance mobilisation eligibility criteria, offset by the following:

- SME Lending has reduced due to mobilisation focusing on the Group's five most material markets: India, China, Nepal, Bangladesh and Malaysia.
- As the Group remains cognisant of the ongoing scrutiny of sustainable finance products, during the year a process was undertaken to strengthen our eligibility criteria review and control process. As a result, certain transactions have been subsequently derecognised across M&A, SLLs and use of proceeds.

12 Some prior year transactions have been reclassified between SLLs, use of proceeds and transition finance. Upon closer review of the reporting tag for these facilities, it was identified that the incorrect reporting tag had been captured, which has been corrected in the current year. Reclassifications from SLLs to use of proceeds totalled $506 million, use of proceeds to SLLs totalled $145 million, use of proceeds to transition finance totalled $374 million, and SLLs to transition financed totalled $57 million.

13 Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at **sc.com/sustainabilitylibrary**.

14 Some transactions included in 2025 reporting related to deals that were signed during prior years but which only received approval for sustainable finance tagging during 2025.

Our aspiration is to mobilise $300 billion of sustainable finance

We mobilised $157 billion of sustainable finance from January 2021 through to September 2025 against our commitment to mobilise $300 billion by 2030.

We engage with clients about the provision of sustainable finance products that aim to deliver financial services that contribute to positive environmental and/or social outcomes.

Our Climate Transition Plan sets out our approach to portfolio alignment with our net-zero commitment, capital allocation and client engagement for the 12 highest-emitting sectors, helping us to assess transition readiness, identify where clients may require support to evolve their business models and guide decisions on how we deploy our balance sheet.

At the same time, we continue to expand products and solutions that support both climate mitigation and climate adaptation, including transition finance instruments, sustainability-linked structures, blended finance partnerships, and financing that enhances the resilience of infrastructure, supply chains and communities to physical climate impacts. In providing such products and tailored solutions, we aim to create opportunities to facilitate a just and orderly transition, while supporting the long-term resilience and competitiveness of our clients and the economies in which we operate. Examples of this can be found in our Sustainable Finance Impact Report available at **sc.com/sfimpactreport**.

Sustainable finance mobilised – impact theme

To provide greater transparency as to the impact areas covered under our Use of proceeds products (Use of proceeds, SME lending, microfinance and Green mortgages), we have disclosed below a breakdown by green and social project categories as set out in our GSPF. Categories represented are those where there is a contribution to our sustainable finance mobilisation metric. Given that SLLs, transition finance and Green, Social and Sustainable bonds facilitated cover a broad range of sustainability themes, and eligible activities are determined by issuer frameworks, these are excluded from the breakdown below.

Green finance mobilisation themes

	Oct 2024–Sep 2025 $m	Jan 2021–Sep 2024 $m	Cumulative progress $m
Clean transportation	**705**	1,832	2,537
Eco-efficient products	**67**	–	67
Energy efficiency	**30**	408	438
Green buildings	**5,430**	14,934	20,364
Portfolio of green projects[1]	**1,529**	2,002	3,531
Renewable energy	**2,686**	9,413	12,099
Sustainable management of living and natural resources	**300**	351	651
Sustainable water and wastewater management	**–**	215	215
Total green finance mobilised	**10,747**	29,155	39,902

Social finance mobilisation themes

	Oct 2024–Sep 2025 $m	Jan 2021–Sep 2024 $m	Cumulative progress $m
Access to essential services	**156**	1,029	1,185
Access to finance	**1,922**	6,457	8,379
Access to water	**–**	260	260
Affordable basic infrastructure	**29**	1,622	1,651
Portfolio of social projects[1]	**50**	135	185
Total social finance mobilised	**2,157**	9,503	11,660

Portfolio of green and social projects

	Oct 2024–Sep 2025 $m	Jan 2021–Sep 2024 $m	Cumulative progress $m
Fund subscription facility	**–**	479	479
MDB, DFIs and other international organisations	**–**	534	534
Others[2]	**–**	110	110
Portfolio of green and social projects[1]	**894**	1,348	2,242
Total green and social finance mobilised	**894**	2,471	3,365

1 The underlying assets could potentially span across various green and/or social project categories aligned to those in the Sustainability Bond Framework. In such cases, financing is temporarily reported under this portfolio category until the underlying data can be sufficiently disaggregated to allow accurate and transparent reporting by specific project type.

2 Includes other transactions eligible for recognition as sustainable in line with our GSPF that cannot be allocated to a specific impact area.

Scaling sustainable finance income

Our sustainable finance franchise supports clients on their transition and broader sustainability journeys by developing customised solutions that speak to their needs and ambitions. The franchise generated over $1.07 billion between January and December 2025, exceeding our target of at least $1 billion annual income by 2025. This represents over 8.6 per cent of our total CIB income in 2025, a year-on-year growth rate of 9 per cent.

As a UK-headquartered international bank we work to deploy capital across our global markets. As can be seen on the following pages and in our 2025 Sustainable Finance Impact Report, we have raised over $9 billion of sustainable liabilities across our markets, while 70 per cent of our $23.4 billion sustainable finance asset base is located in Asia, Africa and the Middle East. For the 12-month period ending 30 September 2025, our green assets helped to avoid 6.94 million tCO_2 (of which 2.88 million tCO_2 achieved and 4.06 million tCO_2 expected), and our SME and microfinance business enabled 32,580 loans to SMEs and enabled over one million microfinance loans.

In 2025, we continued to develop our sustainable finance product suite, with over 40 product variants as set out in our GSPF. Independently assessed by Morningstar Sustainalytics, a globally recognised provider of ESG research, ratings and data, our framework is reviewed annually to reflect changes in market trends and industry standards.

Our pureplay clients are also key to achieving our sustainable finance goals. These are companies whose activities align with those in our GSPF or in our TFF. Their significance lies in their ability to deliver credible and robust impact, driven by the inherent green and socially sustainable nature of their business models and operations, or their critical role in supporting and/or enabling the transition.

Our sustainable finance income is prepared on an underlying basis and includes client income generated from our sustainable finance product suite net of funding costs, as well as from clients recognised as green, social, sustainable or transition pureplays.

Sustainable finance income[1]

Product	2025 $m	2024 $m	YOY %
Transaction services	**340**	319	7%
Payments & Liquidity	**197**	187	5%
Securities & Prime Services	**5**	4	25%
Trade & Working Capital	**138**	128	8%
Banking	**610**	552	11%
Lending and financing solutions	**546**	507	8%
Capital market and advisory	**64**	45	42%
Markets	**117**	111	5%
Macro Trading	**106**	101	5%
Credit Trading	**11**	10	10%
Total sustainable finance income by product	**1,067^**	982	9%

We generated $1.07 billion^ in sustainable finance income, achieving our target of $1 billion annual sustainable finance income by 2025.

Sustainable finance assets and sustainability-linked assets

Our sustainable finance assets reflect the assets on our balance sheet generated as a result of this green, social and sustainable financing activity, and it is against these assets that we raise sustainable liabilities. Sustainability-linked assets and transition assets are not included within this asset base.

The Group's sustainable finance asset base increased by 1 per cent to $23.4 billion between October 2024 and September 2025. This reflects the level of maturity of our sustainable finance business, with significant replenishment of assets during the year, with new assets across a range of green and social categories under our Sustainability Bond Framework. CIB sustainable finance assets contribute to, but are not the sole component of, sustainable finance income. Sustainable finance income also comprises income generated from off-balance sheet financial products, on both a transaction basis and for our pureplay clients, and from Transition Finance, Sustainability-Linked products and Impact-labelled transactions. As such, growth in sustainable finance income is not linked solely to the sustainable finance asset balance.

Read more on our sustainable finance metrics at sc.com/gspf

The majority of our sustainable finance asset base ($17.0 billion of the $23.4 billion) is made up of financing to green projects such as renewable energy projects, green real estate and clean transportation, such as electric rail.

Our social finance assets make up $5.8 billion of the total sustainable finance asset pool and encompass categories such as healthcare, education and access to finance in developing markets. The remaining assets ($0.6 billion of the $23.4 billion) span across both green and social categories, including renewable energy, sustainable water and wastewater management, and access to essential services.

This year select impact metrics from our sustainable finance assets received limited assurance from EY for the first time. These are noted with a caret symbol (^) within the sustainable finance assets tables.

Sustainable finance assets are represented as gross loans and advances held at amortised cost, prior to credit impairment.

Read more in our Sustainable Finance Impact Report at sc.com/sfimpactreport

1 Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at **sc.com/sustainabilitylibrary**.

Green finance assets[1,2]

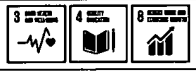
Theme

	Sept 2025	Sept 2024 $m	SDGs	Key impact reported[3]
Clean transportation*	**1,790**	1,929		6,736 tCO_2 achieved and expected GHG emissions avoided
Electric vehicles (EVs)	**742**	710		
EV battery manufacturers	**381**	622		
Manufacturing of specialised component parts of EVs	**241**	147		
Rail	**396**	450		
Several clean transportation projects	**30**			
Climate change adaptation*	**1**	3		
Energy efficiency*	**204**	141		64,915 tCO_2 achieved and expected GHG emissions avoided
LED lighting	**98**	92		
Modernisation of broadband network	**105**	46		
Smart meters	**–**	3		
Several energy efficiency projects	**1**	–		
Eco-efficient products	**26**	37		
Green buildings*	**8,030**	8,816		67,049 tCO_2 achieved and expected GHG emissions avoided
Green buildings	**4,701**	5,554		
Green mortgages	**3,329**	3,262		
Pollution prevention and control	**37**	157		8,701 tCO_2 achieved and expected GHG emissions avoided
Portfolio of green projects	**334**	436	Multiple	3 tCO_2 achieved and expected GHG emissions avoided
Renewable energy*	**6,120**	5,498		5,990,151 tCO_2 achieved and expected GHG emissions avoided
Transmission lines	**84**	174		
Wind and solar	**424**	528		
Hydropower	**72**	24		
Manufacture of components for renewable energy technology	**988**	954		
Solar	**2,037**	1,618		
Waste to energy	**201**	239		
Wind	**2,076**	1,534		
Energy storage	**147**	130		
Green hydrogen	**33**	19		
Advanced biofuels from waste	**40**	–		
Mixed renewables	**18**	278		
Sustainable management of living and natural resources	**277**	249		523,869 tCO_2 achieved and expected GHG emissions avoided
Sustainable water and wastewater management	**216**	127		
Total green assets	**17,035**	17,393	Multiple	6,661,424 tCO_2 achieved and expected GHG emissions avoided
Portfolio of green and social projects[4]	**576**	392	Multiple	

* Categories denoted with an asterisk are considered to be climate related.

Social finance assets[1,2]

Theme

	Sept 2025 $m	Sept 2024 $m	SDGs	Key impact reported[3]
Access to essential services	**342**	338		
Education infrastructure – universities	**1**	6		
Healthcare infrastructure – hospitals	**162**	230		
Provision of supporting healthcare-related products and services	**179**	95		
Education loans	**–**	7		
Access to finance	**4,361**	4,050		
Several services that support access to finance	**283**	–		
SME lending	**3,494**	3,467		32,580 SME loans enabled
Microfinance	**584**	583		1,045,211 microfinance loans enabled
Affordable basic infrastructure[5]	**1,001**	1,119		
Clean cookstoves	**2**	–		277,093 tCO_2 achieved and expected GHG emissions avoided
Desalination	**73**	67		
Public transportation	**1**	–		
Telecommunications/internet connectivity	**653**	879		
Water supply	**81**	53		
Water purification	**1**	–		
Road infrastructure	**190**	120		
Affordable housing	**68**	–		
Food security	**11**	14		
Portfolio of social projects[4]	**51**	25	Multiple	
Total social assets	**5,833**	5,547	Multiple	
Total green and social finance assets	**23,444^**	23,332	Multiple	6,938,517 tCO_2 achieved and expected GHG emissions avoided^ 1,045,211 microfinance loans enabled^ 32,580 SME loans enabled^

Sustainability-linked assets[6]

	Sept 2025 $m	Sept 2024 $m
Total sustainability-linked loans[7]	**5,435**	6,619
Total sustainability-linked assets	**5,435**	6,619

1 Amounts included in the table are as at September 2025 and September 2024 and are aligned to the Group's Sustainable Finance Impact Report available at **sc.com/sfimpactreport**.

2 Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at **sc.com/sustainabilitylibrary**.

3 Key impact reported includes impacts from assets that are both operational and under construction and therefore reflects a combination of annual achieved and expected outcomes over the reporting period. The metrics presented in this column are limited to the three impact metrics that are subject to independent limited assurance by EY. For a broader set of impact metrics across environmental and social categories, please refer to our 2025 Sustainable Finance Impact Report.

4 The underlying assets could potentially span across various green and/or social project categories aligned to those in the Sustainability Bond Framework. In such cases, financing is temporarily reported under this portfolio category until the underlying data can be sufficiently disaggregated to allow accurate and transparent reporting by specific project type.

5 The figure has been restated from the 2024 reporting period followed a reclassification of assets. Access to water and road infrastructure has been categorised under the affordable basic infrastructure theme to align with the classification used in the Sustainability Bond Framework. The underlying asset values remain unchanged, the restatement reflects categorisation changes only.

6 Amounts included in the table are as at September 2025 and September 2024 and are aligned to the Group's Sustainable Finance Impact Report available at **sc.com/sfimpactreport**.

7 SLLs decreased by $1.2 billion in 2025 due to changes in market conditions, predominantly impacting SLLs in Europe and the Americas.

Total green and social finance and sustainability-linked assets[1]

	Sept 2025 $m	Sept 2024 $m
Corporate & Investment Banking	**23,026**	24,098
Wealth & Retail Banking	**5,853**	5,853

Our CIB climate-related assets[2] are 8.8 per cent of total CIB assets.[3] Our Hong Kong green mortgages balance, which makes up the majority of our climate-related WRB assets, is 10.4 per cent of total mortgages in Hong Kong. See our mortgages by region on page 245 and our green mortgages in the Sustainable Finance Impact Report at **sc.com/sfimpactreport**.

Sustainable liabilities[1,4]

Our sustainable liabilities reflect the liabilities on our balance sheet generated under labelled sustainable finance instruments. These include Sustainability, Green and Social bond and note issuances, sustainable term deposits (through CIB and WRB), and sustainable cash accounts (CIB and WRB). Sustainable finance liabilities reference our sustainable assets, as set out above.

The Group's total sustainable finance liabilities balance increased by 15 per cent to $9 billion between October 2024 and September 2025. This is due to a significant increase in the volume of sustainable and green structured notes issuances as well as growth in client interest across CIB and WRB in our sustainable account proposition. This offset the decline in the sustainable deposits balance.

Standard Chartered offers a wide-ranging suite of sustainable finance liabilities products. The sustainable liabilities that the Group raises are referenced against the Group's global sustainable finance asset base. Liabilities are not directly linked to specific assets and are included in the wider Standard Chartered Group balance sheet. As a Group, we will only raise up to 80 per cent of the value of our total sustainable finance assets in sustainable finance liabilities – this enables us to always maintain a buffer, and maintaining this buffer can require us to originate incremental sustainable finance assets. These liabilities products allow clients to have their capital referenced on a net positive basis against assets, whether existing as of the date of the transaction or in the future, that we deem as sustainable in accordance with our externally verified Sustainability Bond Framework.

Theme	Sept 2025 $m	Sept 2024 $m
Total bond issuances outstanding[5]	**4,612**	2,126
Of which sustainable structured notes	**1,693**	950
Of which green structured notes	**573**	60
Total sustainable term deposits[6]	**1,215**	3,325
Total sustainable term accounts[6]	**1,500**	1,214
Sustainable retail current and savings accounts and deposits[6]	**929**	1,196
Sustainable liabilities (excluding other WRB sustainable deposits) subject to limited assurance	**8,256^**	7,861
Other WRB sustainable deposits[6,7]	**782**	–
Total sustainable liabilities	**9,038**	7,861

See sc.com/sfimpactreport for more highlights on our Sustainable Finance assets in 2025, including asset locations

Wealth & Retail Banking sustainable investing

The Group had $1,984 million sustainable investing (SI) assets under management (AUM) at 31 December 2025 (a 26 per cent increase from $1,572 million[8] at 31 December 2024).

SI AUM comprises of AUM held by our clients in SI-labelled mutual funds, exchange traded funds and structured products that are part of our Group SI universe. In markets where there is regulation around sustainable products classification and/or reporting, the reporting of AUM will follow accordingly.

Further information on our Sustainable Investments universe can be found at sc.com/sustainable-investing

1 Amounts included in the table are as at September 2025 and September 2024 and are aligned to the Group's Sustainable Finance Impact Report available at **sc.com/sfimpactreport**.
2 CIB climate-related assets are those generated under clean transportation, climate change adaptation, energy efficiency, green buildings, and renewable energy categories. They are on balance sheet, drawn exposures.
3 Total CIB assets are the gross balance of CIB Loans and Advances as reported on page 239.
4 Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at **sc.com/sustainabilitylibrary**.
5 Sustainability, green and social bonds and notes are issued against our Sustainability Bond Framework available at **sc.com/sustainabilitylibrary**.
6 Sustainable deposits and accounts were developed under our GSPF available at **sc.com/sustainabilitylibrary**.
7 Excluded from the scope of assurance due to country cross-border data constraints. All sustainable deposits are referenced on a net positive basis against the Group's global sustainable finance asset base, including those excluded from the scope of the assurance. The Group's global Sustainable Finance asset base is included in the scope of assurance.
8 SI AUM for Hong Kong as at 31 December 2024 has been restated for alignment to local regulations around sustainable products classification and reporting.

Our Sustainable Finance Frameworks

Green and Sustainable Product Framework (GSPF)

Our GSPF governs the activities that we as an organisation classify as 'green', 'social' and 'sustainable'.

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It sets out our approach to mitigating greenwashing risk across our product suite and defines the themes and activities that we consider eligible for green, social and sustainable financing. The Framework is informed by international market guidelines and standards on green and sustainable finance, including among others, the Climate Bonds Standard, EU Taxonomy for sustainable activities and the Green and Social Loan Principles. Independently assessed by Morningstar Sustainalytics, our Framework is reviewed annually with the aim of ensuring it remains in line with the latest industry standards. Our GSPF received a 'Significant' rating from Morningstar Sustainalytics for its Sustainability Contribution. 2025 updates to the GSPF included expansion of the green activities to add new certifications for green buildings and sustainable agriculture as well as circular economy solutions. Thresholds for non-waste bioenergy production and energy efficiency improvements were also updated. Revisions to our social activities included refined criteria to strengthen targeting and include areas of social impact such as mental health and eldercare facilities.

Transition Finance Framework (TFF)

Our TFF sets out the assets and activities that qualify under a 'transition' label.

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We have outlined our approach to defining and governing transition finance in our TFF. This framework has been informed by the IEA Net Zero Emissions 2050 scenario and sets out several principles that help guide our clients to a low-carbon pathway. It is reviewed annually for alignment with the latest available science and industry standards. This year we published the fourth iteration of the TFF. This included a new category for ground transportation and provided updates to aviation, shipping and electricity generation, transmission and storage categories. Thresholds were also introduced for the share of scrap metal required for eligible steel and aluminium production.

Image removed

Sustainability Bond Framework

Our SBF provides the basis for the issuance of green, social and sustainability bonds and notes, drawing on the activities that we view as 'green', 'social' and 'sustainable'.

It governs our sustainable debt products issued by the Group, providing transparency and guidance on the use of proceeds, process for project evaluation and selection, management of proceeds and reporting, as aligned with the ICMA Sustainability Bond Principles. It has received a Second Party Opinion from Morningstar Sustainalytics, which rated the SBF as 'Aligned' and 'Significant'.

Governance over sustainable finance products and frameworks

The Group has Product Programme Guidance documents in place that underpin each Sustainable Finance product that we offer, signed off by a delegate of the Sustainable Finance Governance Committee (SFGC) following approval of the product construct by the SFGC.

The SFGC is our forum for reviewing Sustainable Finance products and frameworks, and derives its authority from the Group Responsibility and Reputational Risk Committee (GRRRC). The GRRRC is the ultimate approval body for all of our Sustainable Finance Frameworks. Membership of the SFGC is drawn from the CSO organisation, Legal, Compliance, and ESG and Reputational Risk. The SFGC is our foremost committee for managing greenwashing risk in sustainable finance product design and labelling.

Any transaction or entity recognised for the positive environmental and/or social impact it generates under our Sustainable Finance Frameworks must meet our minimum expectations as set out the Group's Environmental and Social Risk Management Framework and Position Statements. Assessments at client level, and where applicable, transaction level, must be in place before a transaction or entity can be considered to be within our sustainable finance metrics in order to ensure any potential trade-offs with other objectives are considered.

For more, including the Sustainalytics Sustainability Contribution Assessment and Second Party Opinion, visit sc.com/sustainabilitylibrary

For more information on our Green and Sustainable Product Framework, visit sc.com/gspf

For more information on our Sustainability Bond Framework visit sc.com/sustainability-bond-framework

For more information on our Transition Finance Framework visit sc.com/transition-finance-framework

Climate

In 2025, we reached our net zero target for Scope 1 and 2 emissions[1], marking a significant milestone in our journey to decarbonise our operational footprint. We aim to reach net zero in our financed emissions by 2050. Our net zero roadmap sets out our key goals, and the progress we have made.

Our global footprint combined with our particular focus on Asia, Africa and the Middle East informs our unique understanding of the complexity associated with reaching our targets across our financed and facilitated emissions, including a heightened focus on the security and resilience of our markets as they respond to greater climate change-induced uncertainty. As a financial institution, the Group has an important role to play in supporting our clients and markets as they navigate this complexity, while driving and encouraging change in the real-world economy.

Published in 2025, the Group's Transition Plan outlines our approach to delivering this change and our aim to achieve net zero by 2050, demonstrating to clients, suppliers, clients, and other key stakeholders that we have a clear plan to meeting the commitments we have made. The Transition Plan consolidates and expands upon the disclosures provided in this report, the net zero roadmap and the Net Zero Methodological White Paper.

The Transition Plan has been developed considering guidelines provided by the Transition Plan Taskforce and GFANZ frameworks. It sets out:

- **Our current practices:** The evolving business practices that underpin our commitment to net zero by 2050.
- **The control environment:** The governance framework and description of controls over our net zero calculations, target management, client engagement, and decision-making processes, designed to maintain oversight, accountability, and alignment with the Group's net zero objectives.
- **How we are embedding net zero:** The measures and initiatives undertaken to integrate net zero considerations into the client lifecycle. How we are systematically integrating and operationalising sustainability into client engagement strategies, with the aim of driving measurable outcomes.

Our Transition Plan informs our Group strategy and decision-making by incorporating our clients' decarbonisation maturity as a key consideration when transacting with our transition priority clients (TPC). This aligns financing decisions with our clients' ability and commitment to decarbonise. It helps us identify the clients who need us the most in their transition to net zero, which in turn enables us to support them with sustainable finance for their transition journeys. This contributes to our $300 billion mobilisation target and provides the Group with more opportunities to earn sustainable finance income. Significant areas where net zero has been implemented as part of the Group's strategy include:

- Within CIB clients operating in high-emitting sectors, we have identified the population of key existing-to-bank TPCs whose emissions reductions will be essential to enable us to meet our 2030 interim net zero targets. TPCs are defined as the Group's most significant clients across the high-emitting sectors. Once shortlisted as a TPC, we perform an assessment of the client's decarbonisation maturity to tailor the approach to assisting them with their transition to net zero.
- For each of the actively managed high-carbon sectors, the Net Zero team applies category-specific screening to assign prospective transactions with an Aligned, Marginally Misaligned, Misaligned or Grossly Misaligned rating. The ratings and considerations of assessed transactions are communicated to the respective originating business areas at the Group's Capital Allocation Forum meetings and is factored into the recommendations and structuring of the transaction.
- The appointment of Client Coverage sector leads has increased the level of accountability and enables a clear point of contact to effectively co-own the internal validation process with the Net Zero team early during the client onboarding process.
- On a quarterly basis for internal portfolio management, we measure our emissions for the sectors that require active portfolio steering against our risk appetite metrics. The quarterly review is completed based on the Group's latest quarterly exposures and latest available emissions and production information. The risk appetite metrics at sector level feed into an overall Board-level risk appetite metric, and monitor if any sector is in breach of our desired target pathways.

Read more on sector specific strategies to achieving our interim net zero targets in our Transition Plan and Net Zero Methodological White Paper at sc.com/sustainabilitylibrary

Key climate updates during the year

During the year, the Group achieved net zero in our Scope 1 and Scope 2 emissions, having taken all possible steps to reduce residual emissions in line with ISO IWA 42.

Read more on page 92

During 2025, the Group analysed the intensity of our upstream oil and gas portfolio for methane. We found our portfolio compares favourably to the IEA NZ Emissions 2030 methane target.

Read more on page 107

We are predominantly on track for our 12 interim high-carbon, sector-financed emission targets.

Read more on page 99

1 See pages 92–95 for details.

Our net zero roadmap

In 2025, we reached our net zero target for Scope 1 and Scope 2 emissions, marking a significant milestone in our journey to decarbonise our operational footprint. We aim to reach net zero emissions in our financed emissions by 2050. To help us remain on track, we have set short and medium-term objectives and quantifiable targets to manage and report on our progress on an annual basis. As part of that, we have set interim 2030 targets for all the highest-emitting sectors in the Group's portfolio.

2021

- Launched our roadmap to net zero by 2050, including interim targets and a supporting methodology
- Announced plans to mobilise $300 billion in sustainable finance by 2030
- Published our inaugural TFF

2022

- Developed financed emissions baselines and 2030 targets for the aviation, shipping and automotive manufacturers sectors
- Joined Partnership for Carbon Accounting Financials (PCAF)

2023

- Announced our enhanced oil and gas absolute financed emissions target
- Updated our power and steel sector baselines and targets moving from a revenue-based intensity metric to a production-based intensity metric
- Developed financed emissions baselines and set interim 2030 targets for four additional sectors: cement, aluminium, residential mortgages and commercial real estate, bringing the total number of net zero targets set for high-emitting sectors to 11
- Financed emissions baselines and sectoral progress against targets, where indicated, assured for the first time by Ernst & Young
- Calculated the Group's facilitated emissions from debt capital markets following the release of the final PCAF guidance (published in December 2023) under both the 33 per cent and 100 per cent weighting factors
- Published the Group's updated Net Zero Methodological White Paper

2024

- Measured and disclosed an agriculture baseline and target, the final high-emitting sector recommended by the Net-Zero Banking Alliance (NZBA)
- Became the first Global Systemically Important Bank (GSIB) to have measured and disclosed a baseline and target for all 12 high-emitting sectors recommended by the NZBA
- Set a baseline and target for our facilitated emissions portfolio focusing on the oil and gas sector, which currently makes up the majority of emissions within our facilitation portfolio

2025

- Issued the Group's first Transition Plan set out with reference to the Transition Plan Taskforce and GFANZ guidance
- Achieved net zero in our Scope 1 and 2 emissions[1]
- Calculated the Group's financed methane emissions intensity for the upstream oil and gas sector
- Exceeded our target of at least $1 billion sustainable finance annual income by 2025

2030

- We expect to have substantially reduced our exposure to the thermal coal mining sector in line with our Position Statements
- Aim to meet the Group's financed and facilitated emissions interim targets set for high-emitting sectors

2032

- Targeted end date for legacy direct thermal coal mining financing globally in line with our Position Statements

2050

- Aim to become net zero in our financed emissions

1 See pages 92–95 for details.

Our emission sources

We reached our net zero target for Scope 1 and Scope 2 emissions and aim to reach net zero in our financed emissions by 2050. We focus on three areas to reduce emissions across our value chain:

Topics	Size of emissions (%)	Emissions sources	Learn more
Our operations	0.01%	**Scope 1 and Scope 2:** Emissions from the combustion of fuels in owned or controlled sources e.g. boilers, generators and vehicles, refrigeration and air conditioning equipment and the purchase of electricity	Page 93
Our suppliers	0.86%	**Scope 3 Categories 1–14:** Emissions from our upstream and downstream supply and value chain	Page 96
Our clients	99.13%	**Scope 3 Category 15:** Emissions from transacting with our clients	Page 97

Our carbon accounting is calculated and reported with reference to the 'GHG Protocol: A Corporate Accounting and Reporting Standard (2004)' and PCAF Standards. Following the materiality assessment performed by the Group and outlined in the section on Materiality on page 72, Scope 2 and Scope 3 categories 1, 6 and 15 were deemed material when using ISSB educational materials on 'Sustainability-related risks and opportunities and the disclosure of material information'. For consistency and transparency in our net zero journey, we will continue to report Scope 1, and Scope 3 categories 2, 4, 5, 7 and 13 on a voluntary basis. The following tables summarise our most recent performance:

Scope 1 and 2 emissions	2025 (tCO_2e)	2024 (tCO_2e)	2023 (tCO_2e)
Scope 1 emissions[1,3]	**5,792**	7,696	8,488
Scope 2 emissions[2,3]	**0**	17,272	26,246
Total Scope 1 and 2 emissions	**5,792**	24,968	34,734

Scope 3 supply chain emissions[4]	2025 (tCO_2e)	2024 (tCO_2e)	2023 (tCO_2e)
Category 1: Purchased goods and services[5]	**251,761**	319,078	346,819
Category 2: Capital goods	**41,799**	43,716	42,707
Category 4: Upstream transportation and distribution (including SAF reductions)[6]	**16,904**	27,268	24,125
Category 5: Waste generated in operations	**349**	379	520
Category 6: Business travel (air travel)	**52,375**	53,326	48,046
Category 6: Business travel (miscellaneous other than air travel)	**8,446**	16,420	8,918
Category 7: Employee commuting[7]	**60,348**	81,065	71,228
Category 8: Upstream leased assets (data centres)[3,12]	**4,397**	4,186	4,431
Category 13: Downstream leased assets (real estate)[8]	**4,799**	7,119	7,898
Total Scope 3 supply chain emissions	**441,178**	552,557	554,692

Scope 3 Category 15: Investments[9]	2025 (tCO_2e)	2024 (tCO_2e)	2023 (tCO_2e)
Financed emissions[10]	**33,900,000**	35,600,000	42,330,000
Facilitated emissions	**3,080,000**	1,761,000	3,007,000
Scope 3 Category 15 emissions excluding agriculture sector Scope 3 emissions[10]	**36,980,000**	37,361,000	45,337,000
Agriculture sector Scope 3 emissions[11]	**13,900,000**	10,300,000	–
Total Scope 3 category 15 emissions[10]	**50,880,000**	47,661,000	45,337,000

1 As we aim to improve our emissions measurement and reporting year-on-year, we have included owned vehicle fleet emissions in our Scope 1 data since 2024 (733 tCO_2e in 2025 and 1,340 tCO_2e in 2024) and fugitive emissions since 2023 (3,035 tCO_2e in 2025, 3,877 tCO_2e in 2024 and 5,266 tCO_2e in 2023).

2 Scope 2 indirect emissions have been calculated using the market-based approach as set out in the GHG Protocol. Location-based emissions are disclosed on page 209.

3 Our Scope 1 and 2 emissions and Scope 3 Category 8: Upstream leased assets (data centres) emissions calculations for the most recent reporting year were independently assured by Global Documentation Ltd. The assurance scope includes the owned vehicle fleet and fugitive emissions.

4 Scope 3 Category 10, Category 11, Category 12 and Category 14 are not relevant for the Group due to the nature of our business, products and services and operations, such that their emissions are not deemed material. Emissions from Scope 3 Category 2, Category 3, Category 4, Category 5, Category 7, Category 8, Category 9 and Category 13 are also not deemed material.

5 We have restated our Scope 3 Category 1: Purchased goods and services emissions data for the 2024 reporting year from 345,193 tCO_2e to 319,078 tCO_2e due to one of our largest suppliers (by spend) restating their publicly reported emissions. The supplier restatement is a result of improved data accuracy within its calculations.

6 We recognise the role of sustainable aviation fuel (SAF) as a lever in lifecycle GHG emissions of logistics emissions. In line with emerging international standards and guidance, we account for the use of SAF in our emissions calculations by applying its verified lifecycle carbon intensity compared to conventional jet fuel for our logistics emissions. Our emissions reductions from SAF (through The Book and Claim Model) are only recognised when supported by robust certification, traceability, and sustainability criteria to avoid double counting and ensure genuine climate benefit. We will continue to monitor evolving standards to align with best practice as frameworks mature. Category 4 emissions for 2025 were 17,467 tCO_2e when excluding the purchase of SAF.

7 Category 7: Employee commuting includes both emissions from commuting (28,834 tCO_2e) and emissions associated with home office working (31,484 tCO_2e).

8 Category 13: Downstream leased assets are leased spaces within locations where the Group is either the owner or main tenant of the building.

9 Category 15: Investments includes financed and facilitated emissions and are measured on a one to two-year lag based on the availability of third-party and client data. Facilitated emissions are calculated on a three-year rolling average. Category 15 emissions are rounded to the nearest 1,000 tCO_2e.

10 Prior year total financed emissions have been restated following a restatement in the oil and gas sector absolute emissions. The prior period has been restated to apply the Group's methodology of only counting Scope 3 emissions on upstream production activities (including diversified and integrated counterparties). There was no impact on the baseline year.

11 The baseline emissions for the agriculture sector are calculated using the Implied Temperature Rise (ITR) method. Agriculture financed emissions includes Scope 3 emissions, which are complex in nature due to the vast value chain, operations of our clients within this sector and data availability limitations. The decision to include Scope 3 emissions of the Group's agriculture clients was intentional as this has the most real-world impact by allowing the Group to engage with our clients to decarbonise both their operations and their supply chains. On an absolute emissions basis the agriculture portfolio has 1.4 $MtCO_2e$ in its Scope 1 and 2 emissions and a further 13.9 $MtCO_2e$ in its Scope 3 emissions, giving the sector 15.3 $MtCO_2e$ in total.

12 Emissions from third party co-located data centres have been reclassified to Scope 3 category 8 from Scope 3 category 1. We re-evaluated the nature of our lessee relationship with these assets and, in line with the GHG Protocol, believe this data aligns more closely to Scope 3 category 8. We have reclassified these emissions in our 2023 and 2024 comparatives, which were already reported separately from other Category 1 emissions.

Our operations

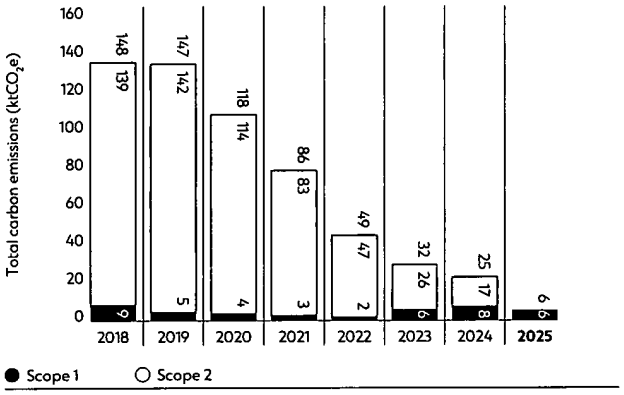
This section covers our Scope 1 and Scope 2 emissions as defined on page 92.

Our approach to managing our environmental footprint

The Group defines net zero in line with ISO IWA 42 as a condition in which human-caused residual GHG emissions are balanced by human-led removals over a specified period and within specified boundaries, whereby residual emissions are those GHG emissions that remain after taking all possible actions to implement emissions reductions. This approach aligns with the principles outlined in the GHG Protocol.

In 2025, we achieved our net zero target across Scope 1 and 2 emissions, marking a significant milestone. We reduced our carbon footprint by 96 per cent from a 2018 baseline of 148 $ktCO_2e$ to just 6 $ktCO_2e$. This achievement reflects the steps we have taken to decarbonise our real estate portfolio and aligns with the overall Group's net zero agenda. Residual emissions that persist despite our rigorous efforts to minimise them are counterbalanced by purchasing and retiring carbon credits as described in the carbon credits section below. Moving forward we remain committed to sustaining our net zero commitment for Scope 1 and 2 emissions and continue to strengthen measures to support it.

Total carbon emissions



This milestone reflects several years of focused efforts backed by the following strategic levers:

Strategic levers	Outcomes
Energy efficiency improvements	• Leveraged efficiency measures across our property portfolio to actively reduce our energy consumption • Reduced our reliance on non-renewable energy sources by replacing old and inefficient heating, ventilation, air conditioning and lighting systems with efficient ones as a part of our annual lifecycle replacement programme • Reduced our energy intensity by 45 per cent from our 2018 baseline • Currently in the process of rolling out smart meters across key sites to optimise our energy performance
Renewable energy adoption	• Leveraged permanent renewable energy by signing long-term Power Purchase Agreements (PPAs) in crucial markets such as Singapore, Taiwan and the Philippines • Implemented onsite solar installations across 52 sites in 17 markets, reducing grid dependency and making up 2 per cent of our total electricity consumption
Purchase energy attribution certificates (EACs)/renewable energy certificates to bridge market gaps where direct renewable energy procurement is not feasible	• Achieved 100 per cent renewable energy for Scope 2. In securing EACs we ensure compliance to RE100 requirements where possible • In markets where RE100 eligible EACs are not available, we purchased verifiable EACs, ensuring transparency, consistency and alignment with our sustainability goals • Read more about RE100 compliance on page 94
Leveraging Green Building Certification to improve energy performance and reduce Scope 1 and 2 emissions	• Certified nearly 130 buildings across our office and branch portfolio to Leadership in Energy and Environmental Design (LEED), WELL or other prominent local certification programmes • Integrated sustainability principles into our building designs and operations to enhance energy efficiency, reduce waste and promote the use of sustainable materials
Leveraging green leasing principles	• As part of our ongoing effort to embed sustainability into our operations, we are working to integrate green leasing principles into our corporate real estate strategy aligning with sustainability goals and fostering collaboration with asset owners

Read more on the list of emissions factors used in our calculations on page 13 of our Environmental Reporting Criteria document at sc.com/reportingcriteria

Progress in 2025

Scope 1

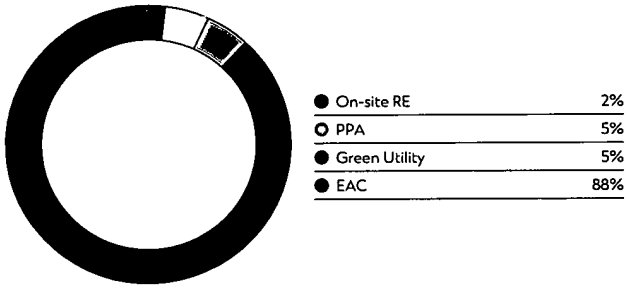
Our Scope 1 emissions primarily originate from our owned vehicles, fugitive emissions, and fuel consumption used in backup diesel generators, which are utilised during grid power disruptions. We are focused on reducing our reliance on fossil fuels and optimising carbon emissions. To optimise fuel consumption, we have enhanced efficiency by reducing the capacity of our generators as needed. In 2025, in the India market, we took significant steps by replacing several diesel generators with natural gas gensets, reducing our dependence on high-carbon fossil fuels. Progressively, we intend to adopt renewable diesel in markets where it becomes available.

Scope 2

We have disclosed our Scope 2 GHG emissions using the market-based calculation methodology. Our location-based emissions are 74,591 tCO_2e (also refer to page 209 for details).

All of our electricity consumption across our global portfolio came from renewable sources in the form of PPAs, onsite solar installations, green tariffs and renewable energy certificates. The breakdown of this is illustrated in the figure below:

Scope 2 energy mix 2025



Energy Attribute Certificates (EACs) account for 88 per cent of our renewable energy mix. We have broadened our sourcing strategy to include Green PPAs and green utility tariffs, which each constitute 5 per cent of our renewable energy mix. We aim to reduce our reliance on EACs and focus on increasing the share of more direct renewable energy procurement mechanisms, such as PPAs and green tariffs, when market conditions allow. Onsite renewable energy systems, including rooftop solar installations, currently make up 2 per cent of the mix.

These onsite systems reduce grid dependence and are an important step towards operational decarbonisation at the asset level.

Overall, this approach strengthens resilience, reduces carbon emissions exposure, and future-proofs the Group's operations to align with global clean-energy developments.

Singapore Green Power Transition

In 2025, we transitioned our Singapore portfolio to 100 per cent green energy, marking a significant milestone in our net zero journey. This achievement was realised through the strategic implementation of onsite and offsite PPAs in our head office and securing fixed-term EACs across the portfolio.

This makes us one of the first within the Singapore banking sector to achieve 100 per cent green energy for our operations. As we continue to navigate the challenges of the renewable energy market, this success story serves as an inspiration for further advancements in our sustainability initiatives.

RE100

Standard Chartered is a member of RE100, a global initiative by businesses committed to sourcing 100 per cent renewable electricity for their operations. Our RE100 performance for 2025 is 95 per cent. While we strived to achieve 100 per cent, market maturity varies significantly by geography, which constrains full coverage, particularly within Africa and the Middle East (for example, Bahrain, Qatar, Botswana, Cameroon, Côte d'Ivoire, Tanzania and Zambia). In these markets we continue to actively monitor developments and aim to transition to RE100 certified mechanisms as they become available.

Moving forward, we remain committed to remain RE100 compliant in all possible markets by continuing to engage in credible renewable energy sourcing.

Carbon credits

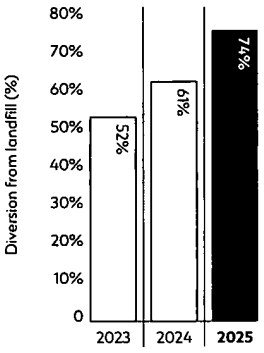
We have purchased and retired carbon credits to cover our residual Scope 1 and 2 emissions for 2025 in line with ISO IWA 42, and Scope 3 emissions associated with air travel. Our carbon credit portfolio includes a range of decarbonisation activities as described in the table on the next page. All residual Scope 1 and 2 emissions for 2025 are covered by activities that result in removal of carbon dioxide. Scope 3 emissions associated with air travel are covered by activities that result in both removal and avoidance of carbon dioxide.

The carbon credits we source are issued by carbon standards approved by the Group's relevant governance committees in relation to carbon integrity, environmental and social safeguards and other relevant criteria. For 2025, the relevant carbon credits were issued by Verra, Gold Standard and Climate Action Reserve and followed one of the following methodologies:

Methodology	Nature based or technological based	Removal or avoidance	Scopes covered
Agriculture, Forestry, and Other Land Uses	Nature based	Removal	Scope 1 and 2
Energy efficiency	Technological based	Avoidance	Scope 3 emissions associated with air travel
Soil enrichment	Nature based	Avoidance	Scope 3 emissions associated with air travel

We do not use an internal transfer price for carbon and instead use the average purchase price for our carbon credits.

Percentage of waste diverted from landfill



Waste

We continue to push for 90 per cent waste avoidance from landfill by 2030. Overall, this commitment translates to better waste segregation and management through awareness programmes. As at the end of the 2025 reporting year, we have reduced our overall waste generated by 49 per cent from our 2018 baseline and achieved 74 per cent avoidance from landfill.

Across branches, we continue to drive initiatives to reduce single-use plastic in operations, demonstrating how everyday actions can make a measurable impact. In alignment with our Zero Waste goals, we launched an internal Single-Use Plastic Free (SUP) certification programme aimed at eliminating single-use plastic items from our operations. Since the program began in 2020, over 370 sites have achieved SUP certification.

In our commitment to sustainability and environmental stewardship, key sites in India, Poland and Kenya have been awarded the highest level of TRUE Zero Waste Platinum Certification for diverting more than 90 per cent of waste from landfill. This recognition underscores our dedication to reducing waste, improving resource efficiency, and fostering sustainable practices across our global operations.

Water

We slightly improved our water efficiency metric by 5 per cent from 0.53 kilolitres per square metre in 2024 to 0.49 kilolitres per square metre in 2025. This is a 54 per cent reduction from our 2018 baseline. While water availability is a growing challenge in many of our markets, we did not face any issues sourcing potable water in 2025. We seek to take a responsible approach to managing water use across the Group.

For detailed environmental performance data see our ESG data pack at sc.com/sustainabilitylibrary

Read the principles and methodology for measuring our environment data at sc.com/environmentcriteria

Read the independent assurance statement related to Scope 1 and 2 GHG emissions at sc.com/sustainabilitylibrary

Embedding sustainability into our new Chennai office

Image removed

Our flagship office in Chennai, India, saw sustainability embedded right from the design, focusing on embodied carbon, local materials sourcing and waste reduction measures. The project was built with Leadership in Energy and Environmental Design (LEED) and WELL standards in mind. It houses around 17,000 employees, incorporating strong sustainability commitments including eco-friendly materials and waste reduction programmes.

Our suppliers

This section covers our Scope 3 Category 1–14 emissions.

Our approach to managing impacts in our upstream value chain

The Supply Chain Management team provides procurement services internally to drive commercial value generation and manage sustainability and supply chain risks. Proactive supplier engagement and data quality remain a key focus of our supply chain sustainability strategy as we continue to engage constructively with suppliers to increase transparency and accountability around climate impact, and to promote emissions reductions.

Supplier Charter and engagement

Through our Supplier Charter, we set out the principles that Standard Chartered expects from its suppliers, and those within the suppliers' sphere of influence that assist them in performing their obligations for us. These principles have been drawn from the international organisations and conventions of which we are members or signatories.

In 2025, we advanced our commitment to building a resilient and responsible supply chain by reducing our upstream Scope 3 emissions[1] by 20 per cent. We have reported Category 4 emissions considering the use of SAF reductions for the first time in 2025 (read more on page 92). Our Category 7 emissions declined by 26 per cent due to a lower total employee count for the year and lower office attendance across our sites. Further upstream Scope 3 emission reductions are attributed to an increase in more accurate supplier-specific emissions data and larger suppliers reporting lower emissions.

We continue to prioritise collaboration with suppliers actively pursuing decarbonisation. As of 2025, 54 per cent of our supplier spend is now with suppliers with science-based emissions reduction targets in place.[2]

Emissions from business air travel remained broadly consistent since 2024, reflecting continued adherence to the Group's travel guidelines. We continue to purchase high-quality carbon credits for our air travel emissions as described on page 94. In 2025, we reviewed our air travel emissions calculation methodology and, from January 2026, we will uplift our calculations in line with Department for Environment, Food and Rural Affairs (DEFRA) emissions factor updates and external assurance recommendations to include well-to-tank emissions.

We continue to build supply chain sustainability knowledge within our supply chain teams. In 2025, we hosted a live online learning session for all internal procurement colleagues and launched an online learning programme to support our procurement colleagues to integrate sustainability into their everyday supply chain processes. In 2026, we aim to evolve our learning programme to support our suppliers directly and focus on integrating sustainability into all our supplier processes, including a sustainability weighting in our tender process, where appropriate.

In 2025, we made significant strides in transitioning our business car fleet to more sustainable options, starting with uplifting 100 per cent of our Korean fleet to hybrid.

Read more on our emissions calculations in our Environmental Reporting Criteria available at sc.com/environmentcriteria

GoGreen with DHL

We've continued to partner with one of our largest logistics providers, DHL, to cut our air freight emissions through adopting SAF. Through DHL's GoGreen Plus programme, we have embedded a three-year glidepath to 100 per cent emission reduction of the emissions related to DHL Express Air shipping using SAF by 2028. We hope this will transform our global packaged logistics into a model for decarbonised supply chains.

Image removed

Limitations

Supply chain emissions calculations are evolving and remain heavily dependent on supplier-provided information. As part of our continuous improvement process, we will continue to work with our suppliers on data quality and our own internal stakeholders to continually improve and enhance our Scope 3 emissions reporting accuracy. This includes the accuracy of individual supplier category mapping to the appropriate emissions calculation factor. As underlying data evolves, we will refine our methodology to improve accuracy and align to evolving industry standards.

Our Supplier Charter can be viewed at sc.com/suppliercharter

Read more on how we engage with suppliers on page 41 and see our supplier spend data on page 453

1 All vendor emission estimations follow the GHG Protocol guidance and use a hybrid of primary and secondary data. All emissions (including air travel) are reported on a one-year lag (e.g. for the 2025 annual reporting cycle, the data reported was from January 2024 to December 2024) and the methodologies are outlined in our Environmental Reporting Criteria at **sc.com/reportingcriteria**. This is in line with the CIB downstream emissions estimation calculations.

2 Spend includes Scope 3 Category 1: Purchased goods and services and capital goods suppliers excluding non-addressable spend. Addressable spend is defined as external costs incurred by Standard Chartered in the normal course of business where Supply Chain Management has influence over where the spend is placed. It excludes costs such as government and brokerage fees, rates and taxes. It includes Cloud data centres but excludes onsite and co-location data centres, which are captured under Scope 2 and Scope 3, Category 8, respectively.

Our clients

This section covers our Scope 3 Category 15 emissions (financed and facilitated emissions).

The majority of our GHG emissions are linked to our lending activities, known as financed emissions. We have prioritised our efforts in the highest-emitting sectors of our portfolio, and where working with our clients can have the greatest impact.

The Group has used the GHG Protocol and referred to PCAF carbon reporting standards. These standards provide comprehensive, internationally recognised approaches when measuring and reporting our emissions to stakeholders. Whilst there were no changes to our measurement approach during the year, our proxy approach for determining emissions for the oil & gas sector changed to reflect improvements in data quality, only counting Scope 3 emissions on upstream production activities.

The labelling of our sustainable finance products through our product frameworks also supports us in measuring, monitoring and reporting our financed emissions. Read more on page 89 for further information on our Sustainable Finance Frameworks.

Setting science-based targets

The Group has set and disclosed science-based interim 2030 financed emissions targets for our 12 highest-emitting sectors, being the first GSIB to do so. This includes a facilitated emissions target for our oil and gas sector. These targets are intended to mitigate the effects of climate change, including transition risk, and assist the group in achieving our 2050 aspiration of being net zero in our financed emissions.

We are working across our businesses and functions, and alongside our clients to deliver these targets, notwithstanding the challenges presented by a material portion of our markets not having a commitment to achieve net zero by 2050.

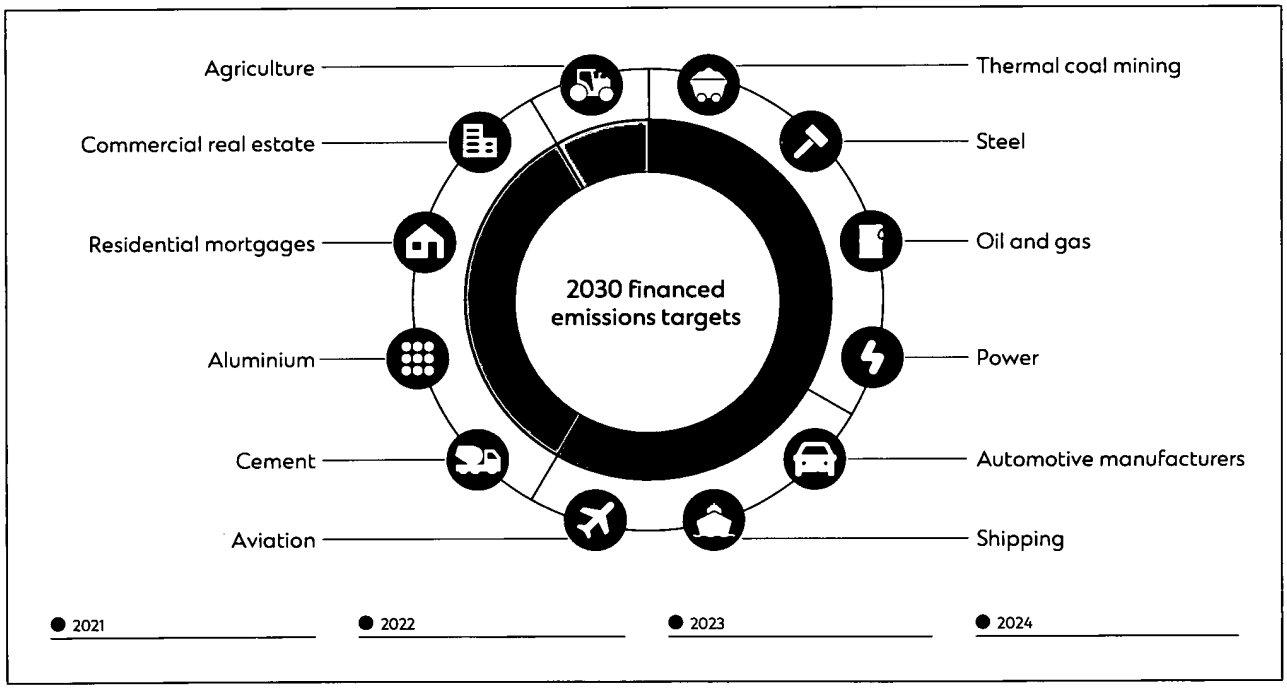
We intend to achieve this through client engagement and the continued provision of financial services, including sustainable finance and transition products, which are aimed at supporting our clients' decarbonisation efforts and, in turn, reduce emissions in our lending portfolio.

The Group's targets have been informed by pre-eminent, scientific forward-looking scenario providers. This includes the IEA for energy sectors, the Mission Possible Partnership (MPP) for metals and aviation and the International Maritime Organization (IMO) for shipping.

In 2024, the Group engaged our external assurance provider to perform an ISRS 4400 (Revised) 'Agreed upon Procedure' review to confirm whether our targets for thermal coal, steel, oil and gas, power, automotive manufacturers, shipping, cement, aluminium, and commercial real estate meet the long-term temperature goal of the Paris Agreement, and are mathematically accurate in reference to the third-party science-based scenarios. Due to our footprint – with many emerging markets and developing countries reliant on carbon-intensive industries – our financed emissions may increase before they decrease. However, our aim is to remain Paris-aligned for our interim targets and aligned to a science-based 1.5°C scientific pathway by 2050. Given our science-based approach, we will strive to update our targets both as the scientific community updates its reference scenarios and as data availability improves.

In line with the PCAF standards, the Group does not recognise carbon credits when reporting our financed emissions. Emissions values are reported gross, exclusive of any offsets utilised by clients.

Read the Agreed upon Procedure report on our Intermediate Financed Emissions Targets at sc.com/sustainabilitylibrary



Detailed progress against our sectoral financed emissions targets

CIB

Sector	2024 Exposure in scope ($bn)	Interim 2030 target[1]	2024[2] Absolute emissions[3] ($MtCO_2e$)	2024[2] Physical intensity	2023[2] Absolute emissions[3] ($MtCO_2e$)	2023[2] Physical intensity	Baseline year	% change cumulative to baseline	Year target set
Agriculture[4]	8.2	2.4–2.6°C (13–20%)	15.3	2.33^°C	11.5	2.96°C	2023	-21	2024
Aluminium	0.4	6.1 tCO_2e/tonne aluminium (–)	0.6	6.75^ tCO_2e/tonne aluminium	0.1	3.28 tCO_2e/tonne aluminium	2021	10[5]	2023
Automotive manufacturers	3.3	66–100 gCO_2/Vkm(44–63%)	3.1	145^ gCO_2/Vkm	3.1	157 gCO_2/Vkm	2021	-19	2022
Aviation	1.5	773 gCO2e/RTK[6] (33%)	1.2	771^ gCO_2e/RTK	1.2	782 gCO_2e/RTK	2021	-33	2024
Cement	0.6	0.52 tCO_2/tonne cement (22%)	1.8	0.60^ tCO_2/tonne cement	2.1	0.62 tCO_2/tonne cement	2021	-10	2023
Commercial real estate	5.3	19–39 $kgCO_2e$/sq.m (47–74%)	0.1	53^ $kgCO_2e$/Sq.m	0.1	58 $kgCO_2e$/sq.m	2021	-27	2023
Oil and gas	6.4	9.3 $MtCO_2e$ (29%)	7.2^	na[7]	8.7[8]	na[7]	2020	-45	2023
Power	6.3	0.17–0.28 tCO_2/MWh (46–67%)	5.6	0.39^ tCO_2/MWh	4.8	0.43 tCO_2/MWh	2021	-25	2023
Shipping[9]	5.7	0% delta 0% delta	3.0	-0.9%^ delta +5.1%^ delta	2.9	+3.2% delta +8.2% delta	2021	-8	2022
Steel	0.6	1.4–1.6 tCO_2/tonne steel (22–32%)	1.0	1.75^ tCO_2/tonne steel	1.3	1.87 tCO_2/tonne steel	2021	-15	2023
Thermal coal mining	0.03	0.5 $MtCO_2e$ (85%)	1.1^	na[7]	1.2	na[7]	2020	-67	2021
Others[10]	40.1	na[11]	7.4	na[11]	8.5	na[11]	na[11]	na[11]	na[11]

WRB

Residential mortgages[12]	65.7	29–32 $kgCO_2e$/sq.m (15–23%)	0.4	34.2^ $kgCO_2e$/sq.m	0.4	36.0 kg CO_2e/sq.m	2021	-9	2023

1 An Agreed Upon Procedure review was performed by EY over the Group's financed emissions net zero targets except for aviation, agriculture and residential mortgages. Procedures included confirming a net zero target had been set, that the scenarios used to set net zero targets are from credible third-party sources as recommended by the NZBA and the selected scenarios align to the quantitative temperature goal of article 2(1)a of the Paris Agreement.

2 Due to third-party data sets that feed into our emissions calculations, the Group's reported financed emissions figures have a one to two-year lag depending on when third-party data providers release their data refresh.

3 Emissions are calculated in CO_2 except where other GHGs are material, which are noted as CO_2e (this includes agriculture, aluminium, aviation, commercial real estate, oil and gas, shipping, thermal coal mining and residential mortgages).

4 Following a CDP methodology update on the default temperature score from 3.1°C to 3.4°C, the 2023 portfolio implied temperature rise (ITR) has been revised from 2.72°C to 2.96°C. As a result, the target pathway has been updated from 2.2–2.4°C to 2.4–2.6°C with the baseline at a higher temperature score.

5 The Aluminium sector intensity increase was driven primarily by increased short-term lending to primary producers, due to mature in 2025. The percentage change cumulative to baseline column has been calculated based on the change in relation to the sector target given our baseline was already below the 2030 target set.

6 RTK (Revenue tonne-kilometre) is a measure of annual passenger and cargo aircraft traffic representing the metric tonne of revenue load carried one kilometre.

7 Value is not required as the Group has set an absolute emissions target and therefore the production intensity of the portfolio has not been measured.

8 The prior period has been restated from 9.4 $MtCO_2e$ to apply the Group's revised methodology to reflect improvements in data quality and only counts Scope 3 emissions on upstream production activities (including diversified and integrated counterparties). There was no impact on the baseline year.

9 Progress is measured against the IMO revised minimum scenario for the shipping sector.

10 Others includes miscellaneous non-high-emitting sectors not included in a sector deep dive.

11 Value is not required as the group has not set a target for the 'others' sector.

12 The Group has set its residential mortgages target range at the most ambitious end of the public commitments made by governments and power companies in the countries where we operate and has been benchmarked to the Carbon Risk Real Estate Monitor (CRREM) scientific pathway. Reporting for residential mortgages includes Hong Kong, Singapore, Taiwan and South Korea. These markets make up the majority of the emissions in our residential mortgages portfolio.

Our approach to measuring financed emissions

CIB

Sector	Emissions approach	Scenario	Value chain	Scope of emissions	2024 PCAF score[1]	2023 PCAF score[1]	In scope exposure coverage
Agriculture	Implied temperature rise (ITR)	IPCC (1.5°C–2°C)	Full value chain (pre-farm and post-farm)	1, 2	2.1	2.7	86%
				3	4.8	4.7	
Aluminium	Production intensity	MPP STS	Aluminium producers	1, 2	1.8	1.2	100%
Automotive manufacturers	Physical intensity	IEA APS and NZE	Automotive manufacturers	1, 2	2.1	2.3	100%
				3	5.0	5.0	
Aviation	Physical intensity	MPP Prudent	Aircraft operators, owners and lessors	1	2.0	2.0	100%
				3	2.0	2.0	
Cement	Production intensity	IEA NZE	Clinker and cement manufacturing	1, 2	2.2	2.3	100%
Commercial real estate	Physical intensity	IEA APS and NZE	Commercial real estate investment facilities	1, 2	4.1	4.0	100%
Oil and gas	Absolute emissions	IEA NZE	Upstream, midstream and downstream	1, 2	2.7	3.2	99%
				3	3.0	3.2	
Power	Production intensity	IEA APS and NZE	Electricity generation	1, 2	3.5	3.4	100%
Shipping	Physical intensity	IMO rev. min. IMO striving	Shipping lessors and companies	1	1.0	1.0	99%
				3	1.0	1.0	
Steel	Production intensity	MPP TM	Steel producers	1, 2	2.7	3.3	96%
Thermal coal mining	Absolute emissions	IEA NZE	Thermal coal miners	1, 2	4.0	3.9	100%
				3	3.0	3.0	
Others	Absolute emissions		Other sectors	1, 2	2.9	3.1	84%

WRB

Residential mortgages	Physical intensity	CRREM	Residential households	1, 2	5.0	4.4	100%

Sector emissions for material Scope 3 high-emitting sectors

	2024 ($MtCO_2e$)		2023 ($MtCO_2e$)	
Sector	Scope 1, 2	Scope 3[3]	Scope 1, 2	Scope 3[3]
Agriculture	1.4	13.9	1.2	10.3
Automotive manufacturers	0.1	3.0	0.1	3.0
Aviation[2]	1.0	0.2		
Oil and gas	1.0	6.2	1.5	7.2
Shipping[2]	0.5	2.5		
Thermal coal mining	0.0[4]	1.1	0.1	1.1

1 PCAF data quality scores are a ranking system used to disclose the accuracy of emissions data included in the financed emissions calculation. Scores range from 1 to 5 with 1 being the best. Client-reported data results in a lower PCAF score whereas estimates or extrapolated data results in a higher score.

2 Disaggregation of Scope 1, 2 and 3 emissions reported for the first time for aviation and shipping.

3 Pursuant to paragraph 28(c), we have reported our Scope 3 category 15 financed emissions. Our reporting is based upon our high-carbon sectors and inclusive of the emissions scopes that we deem to be material to each sector and where we have the most influence on supporting our clients on their transition journeys. As such, we do not include all Scope 3 emissions for each reported sector.

4 Scope 1 and 2 emissions for thermal coal mining have been rounded down to 0 to ensure consistency with the total absolute emissions number included in the financed emissions table.

In general, client emissions data is sourced from the below sources. Where possible, the most recent verified emissions data has been used:

- externally via third-party data aggregators (such as S&P)
- from annual reports or sustainability reports
- calculated using client production data multiplied by an appropriate emissions factor
- estimated using internal or public datasets.

Currently, PCAF calls for financial institutions to report Scope 3 emissions for all sectors. Our inclusion of Scope 3 is limited to sectors where we consider these emissions to be significant to the total emission profile of the industry, and where data quality is sufficient.

For our financed emissions sector reporting we have elected to measure a specific part of each high-emitting sector's value chain as we deem these activities to result in the most GHG emissions. The part of the value chain measured is disclosed in the sector table above.

The Group applies the United Nations International Standard Industrial Classification (ISIC) system rather than the Global Industry Classification Standard (GICS) 6-digit industry-level code for classifying counterparties into the relevant sector. This is to ensure cross-functional consistency in client classification, given sector mapping is utilised in more than just emissions reporting.

Read more in our 'Net Zero Methodological White Paper – The journey continues' publication at sc.com/sustainabilitylibrary

Agriculture

Balance in scope	Interim target	Performance versus baseline	
$8.2bn	2.4–2.6 °C	-21%	●

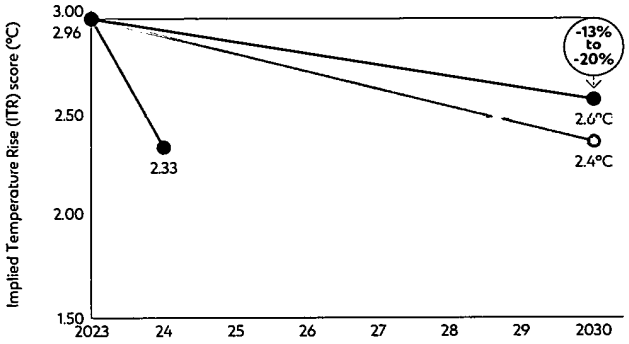
Sector background

According to the Food and Agriculture Organisation (FAO), the agriculture sector is responsible for 30 per cent of global anthropogenic[1] emissions. This sector encompasses an extensive value chain, extending from the production of fertilisers to sale of farm products in retail stores. Emissions arise at various stages, including from the production and use of fertilisers, cultivation of crops, and distribution and processing of agricultural products.

Approach to achieving net zero targets

- Tracking our clients who do not have commitments, engaging and actively working with those clients to assist them on setting targets.
- Encouraging our clients to use renewable energy and improve energy efficiency.
- Improving traceability and labelling for sustainable products.
- Reducing food loss in processing, especially in developing economies.

Baseline, target and portfolio progress 2023 to 2030[2]



● Baseline ● Portfolio progress
● 2.0°C Scope 1, 2 and 3 scenario ○ 1.5°C Scope 1, 2 and 3 scenario

Progress in the year

The agriculture baseline and target have been set using a temperature alignment, known as Implied Temperature rise (ITR). They were updated in 2024 to reflect the increase in CDP default temperature scores for entities with no commitments from 3.1°C to 3.4°C. This has resulted in the baseline increasing from 2.72°C to 2.96°C and the target range increasing from 2.2–2.4°C to 2.4–2.6°C. The ITR for the agriculture portfolio has decreased from 2.96°C to 2.33°C, a reduction of 21 per cent.

This was mainly driven by:

- Increased lending to clients with improved ITR scores.
- Ongoing engagement of high ITR clients to commit to science-informed targets and submissions to CDP.

The Group continues to actively monitor and place emphasis on the larger corporates within the value chain to drive change. This includes those corporates engaging with their suppliers to decarbonise their Scope 3 emissions, which is where we believe the greatest impact can be achieved.

1 Anthropogenic emissions are emissions caused by human activities and include energy-related emissions from the burning of fossil fuels, emissions from agriculture and land use change and emissions from waste.
2 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.

Aluminium

Balance in scope	Interim target	Performance versus target	
$0.4bn	6.1 tCO_2e/tonne aluminium	+10%	●

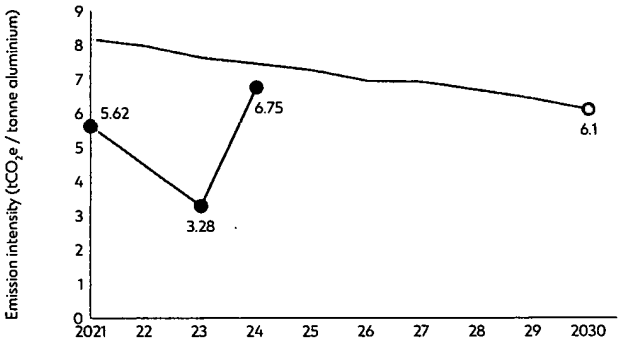
Sector background

The production of aluminium is emissions intensive and is responsible for 1 per cent of energy-related emissions as per the IEA World Energy Outlook (WEO) 2025. The aluminium sector relies heavily on electricity from onsite power generation and the local grid. Nearly 60 per cent of the sector's carbon emissions are attributable to the electricity consumed during smelting for the electrolytic reduction process.

Approach to achieving net zero targets

- Promoting electricity decarbonisation, engaging clients to uptake renewable energy PPAs and low-emission fuel for onsite power generation.
- Reducing direct emissions through electrification, fuel switching and use of carbon capture, utilisation and storage (CCUS).
- Incentivising recycling and resource efficiency that has a significantly lower production intensity.

Baseline, target and portfolio progress 2021 to 2030[1]



● Baseline ● Portfolio progress ○ 2030 Target (MPP STS)

Progress in the year

The production intensity for the aluminium portfolio has increased from 3.28 tCO_2e/tonne aluminium to 6.75 tCO_2e/tonne aluminium, an increase of 105 per cent; however, the sector remains below the net zero target pathway.

This intensity increase was driven primarily by increased short-term lending to primary aluminium producers (that have higher emissions intensities per tonne of aluminium produced), due to mature in 2025. Monitoring the deal pipeline and promoting transition financing are essential towards aligning with the 2030 target intensity of 6.1 tCO_2e/tonne aluminium.

We continue to target the increase of scrap aluminium to avoid electricity use from the electrolysis phase of production. We are also working with our primary aluminium producers on their options for procurement of clean energy.

1 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.

● On track ○ Off track

Automotive

Balance in scope	Interim target	Performance versus baseline	
$3.3bn	66–100 gCO_2/Vkm	-19%	○

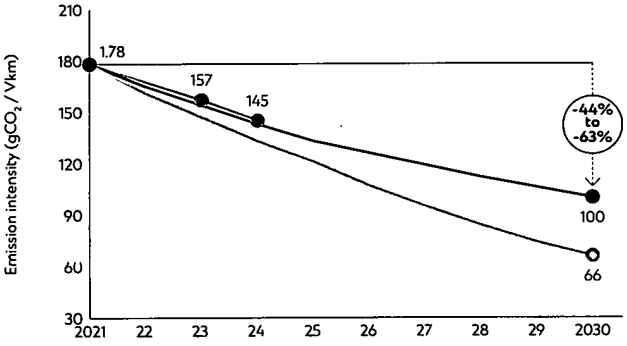
Sector background

The automotive sector is a key sector for international supply chains and the economy, with tailpipe emissions being the primary source of carbon emissions from the sector. Annually, the exhaust emissions from passenger vehicles account for 8 per cent of global energy-related emissions per IEA WEO, 2025.

Approach to achieving net zero targets

- Encouraging fuel-switching and improving fuel-efficiency as a first step.
- Electrification of the vehicle production process.
- Encouraging recycling and the circular economy in the manufacturing process.

Baseline target and portfolio progress 2021 to 2030[1]



Progress in the year

The automotive manufacturers' portfolio intensity, which is based upon the CO_2 of tailpipe emissions per distance travelled, has decreased 8 per cent year-on-year from 157 gCO_2/Vkm to 145 gCO_2/Vkm.

This is driven by active financing provided to manufacturers who are solely making electric vehicles (EVs). Pure battery EVs are treated as having zero tailpipe emissions in our methodology, consistent with the NZBA's automotive sector emerging practice paper. The decrease was also supported by progress among other automotive clients in changing their production mix away from internal combustion engines towards hybrid engines and EVs.

However, headwinds persisted in the sector with decarbonisation policy softening[2] and existing large internal combustion engine manufacturers acknowledging that the pace of decarbonisation will be slower than anticipated and internal combustion engine manufacturing will continue to make up a significant proportion of sales. As a result, the decarbonisation trajectory may be flatter in the near term.

The Group aims to monitor and steer the portfolio towards those automotive manufacturers that have a higher proportion of EVs in their overall vehicle production mix or have tacit plans to shift their powertrain production towards lower-emission engines.

1 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.

2 2025 Automotive Package – Proposed revision of the Regulation on CO_2 standards for cars and vans.

Aviation

Balance in scope	Interim target	Performance versus baseline	
$1.5bn	773 gCO_2e/RTK	-33%	●

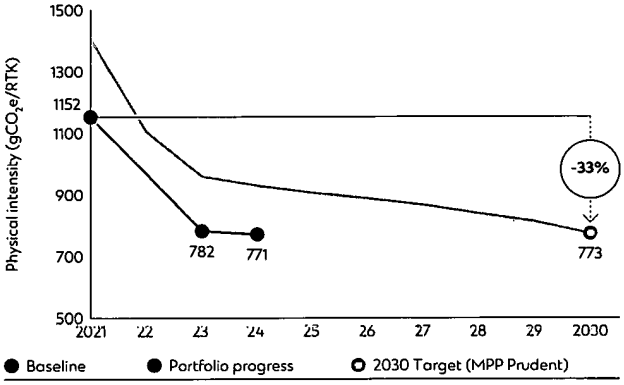
Sector background

The aviation sector accounts for 3 per cent of global energy-related emissions per IEA WEO, 2025. The majority of emissions arise from the burning of aviation fuels.

Approach to achieving net zero targets

- Encouraging and financing our clients to scale up the production and use of SAFs to reduce emissions.
- Supporting clients in financing new aircraft technologies that have enhanced fuel efficiency for weighted distance travelled.

Baseline target and portfolio progress 2021 to 2030[1]



Progress in the year

During 2024, the aviation sector emissions intensity decreased by 1.4 per cent from 782 tCO_2e/RTK to 771 tCO_2e/RTK. This is driven by increased lending towards the latest commercial aircraft with greater aerodynamic performance and fuel efficiency.

1 Read more on our target setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.

● On track ○ Off track

Cement

Balance in scope	Interim target	Performance versus baseline	
$0.6bn	0.52 tCO_2/tonne cement	-10%	●

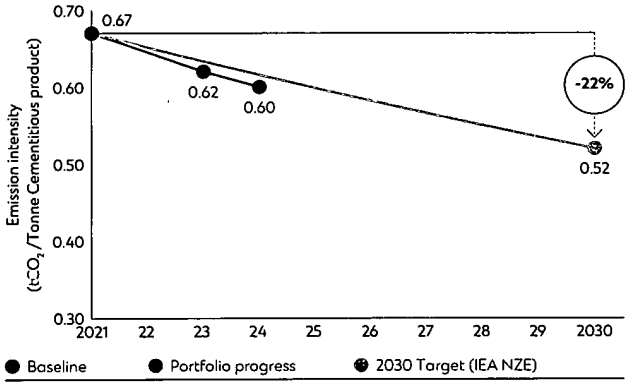
Sector background

The cement sector contributes approximately 6 per cent towards global energy-related emissions per IEA WEO, 2025. The primary source of emissions occurs during the production process where a chemical reaction takes place between limestone and heat.

Approach to achieving net zero targets

- Improving energy efficiency of cement plants.
- Encouraging clients to use alternative fuels such as waste and biomass in the production process.
- Encouraging the use of clinker substitutes.
- Financing of electric kiln technologies.

Baseline target and portfolio progress 2021 to 2030[1]



Progress in the year

The cement portfolio intensity has decreased from 0.62 tCO_2/tonne cement to 0.60 tCO_2/tonne cement, a decrease of 3 per cent year-on-year.

This is driven by increased lending to clients with lower production intensities, which can be observed as clients improve the energy efficiency of their plants, increasing the use of clinker substitutes and scaling up production of low carbon calcined clay cement to meet their targets.

1 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.

Commercial real estate

Balance in scope	Interim target	Performance versus baseline	
$5.3bn	19–39 $kgCO_2e$/sq.m	-27%	●

Sector background

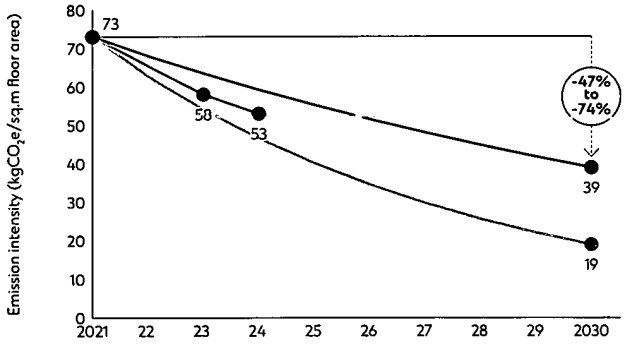
The commercial real estate sector contributed 2 per cent towards global energy-related emissions per IEA WEO, 2025.

Emissions primarily arise from the operation of the building and, to a lesser extent, embodied emissions related to the construction.

Approach to achieving net zero targets

- The decarbonisation of the power grids that supply the commercial buildings financed.
- Encouraging fuel switching from fossil fuels to heat pumps or direct electricity.
- Lending to retrofit existing building stock to improve operational efficiency by installing better insulation, low-energy appliances, efficient cooling and onsite battery and thermal storage.
- Power purchase agreements for renewable electricity from the local grid.

Baseline, target and portfolio progress 2021 to 2030[1]



Progress in the year

The commercial real estate portfolio intensity has decreased 9 per cent from 58 $kgCO_2e$/sq.m to 53 $kgCO_2e$/sq.m year-on-year.

The reduction is predominantly driven by decreases in the electricity grid intensities in the markets where funded properties are located. This follows our belief that energy decarbonisation, which we are actively pursuing through our power target, has positive downstream impacts on other sectors.

The Group has further changed the location mix of its portfolio as a whole, with an increase in exposure to buildings located in European countries that have lower-intensity electricity grids, and a relative decrease in exposure to higher-intensity locations in ASEAN markets.

We continue to work both with our clients to finance new and energy-efficient buildings, but also with power companies in their energy supply decarbonisation, which in turn benefits the commercial real estate portfolio intensity.

1 Read more on our target setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.

● On track ○ Off track

Oil and gas

Balance in scope	Interim target	Performance versus baseline	
$6.4bn	9.3 $MtCO_2e$	-45%	●

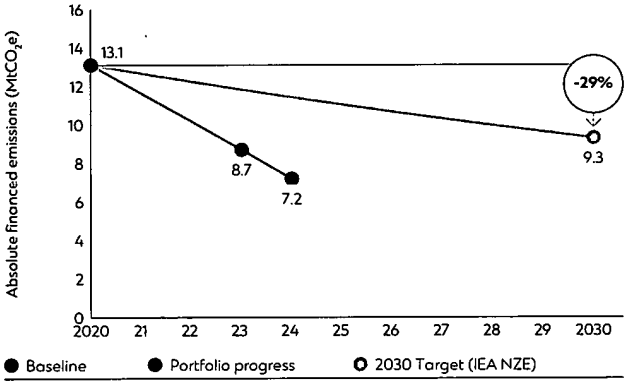
Sector background

The oil and gas sector's production emissions (i.e. operations) account for approximately 15 per cent (IEA Emissions from Oil and Gas Operations in Net Zero Transitions[1]) of global energy-related emissions.

Approach to achieving net zero targets

- Reducing Scope 1 and 2 production-based emissions through improvements in operational efficiency, reducing methane leakages, venting and flaring.
- Encouraging investment in CCUS.
- Encouraging and funding our clients' shift to gas and greater investment in renewables.
- Conducting active deal analysis for carbon budget availability and emissions intensity alignment.

Baseline, target and portfolio progress 2020 to 2030[2]



Progress in the year

The oil and gas portfolio emissions decreased 17 per cent year-on-year from 8.7[3] $MtCO_2e$ to 7.2 $MtCO_2e$. The in-scope portfolio exposure also decreased by 2 per cent from 2023 to 2024.

The decrease in emissions has been driven by a decrease in short-term trade funding and focused lending towards more carbon-efficient clients and projects. While the year-end financed emissions are below the 2030 target, they are anticipated to increase in the short-term as clients increase their borrowing due to lower interest rates and lower oil and gas commodity prices.

We are encouraged to see continued focus by our clients on methane abatement, which materially reduces Scope 1 emissions. We continue to provide funding to oil and gas clients' renewable portfolios and carbon capture technologies.

1 Oil and gas sector operational emissions' contribution to global energy-related emission per the IEA's 'Emissions from oil and gas operations in Net Zero Transitions' publication released in 2023.
2 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.
3 The oil and gas prior period has been restated due to a change in the Group's proxy methodology. There was no impact on the baseline year.

Power

Balance in scope	Interim target	Performance versus baseline	
$6.3bn	0.17–0.28 tCO_2/MWh	-25%	●

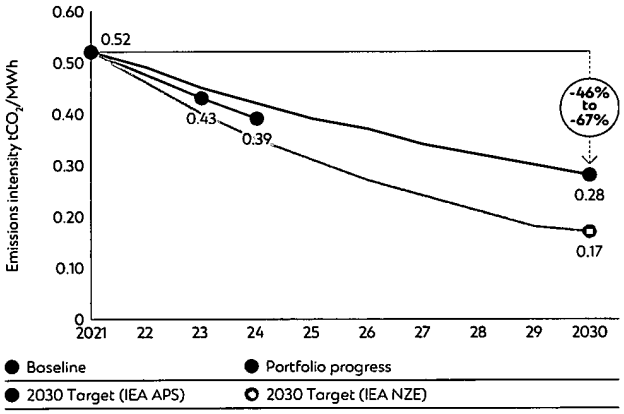
Sector background

The electricity and heat sector contributed 41 per cent towards global energy-related GHG emissions per IEA WEO, 2025. It is projected that global electricity demand will continue to rise especially in emerging markets and developing economies.

Approach to achieving net zero targets

- Mobilising lending towards renewable energy and other low-carbon power plant projects.
- Encouraging our clients to invest in renewable energy sources to diversify their generation mix.[1]

Baseline target and portfolio progress 2021 to 2030[2]



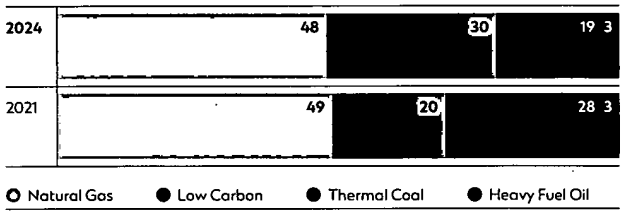
Progress in the year

The power portfolio emissions intensity has decreased 9 per cent year-on-year from 0.43 tCO_2/MWh to 0.39 tCO_2/MWh. Significant movements included:

- Decreases in funded thermal coal power generation as balances mature in line with contractual maturities.
- Increased lending to renewables projects and lower-intensity gas projects which continue to make up a greater proportion of the financed power portfolio.
- Increases in lending to counterparties that had higher percentages of nuclear and renewable generation.

There remains a strong pipeline of lower-intensity power plants and renewables projects due to start operations in the future that are currently being funded.

Power sector financed generation mix (%)



1 Refer to our Power Generation and Thermal Coal Position Statement to read about how we manage environmental and social risks within the power sector.
2 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.

● On track ○ Off track

Shipping

Balance in scope	Interim target	Performance versus baseline	
$5.7bn	0% delta	-8%	●

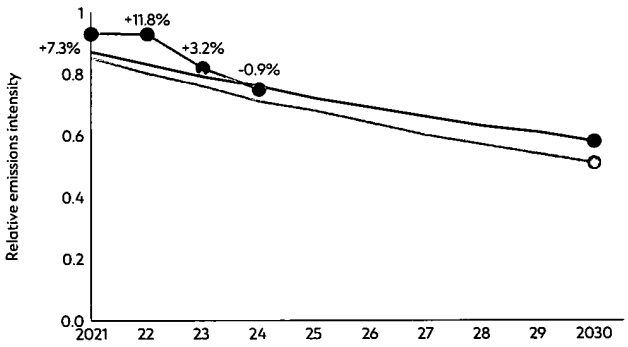
Sector background

Shipping is key to facilitating global trade. The sector contributes 2 per cent of global energy-related emissions per IEA WEO, 2025. The sectoral emissions predominantly arise from the combustion of shipping fuel.

Approach to achieving net zero targets

- Engaging clients to invest in zero emission alternative fuels and set ambitious targets.
- Financing new ships with greater fuel efficiency in line with our infrastructure and transport Position Statement.

Baseline, target and portfolio progress 2021 to 2030[1]



Progress in the year

Over the course of the 2025 reporting period, the Group's alignment delta for the shipping sector improved significantly, moving from +3.2 per cent to -0.9 per cent year-on-year against the revised minimum scenario. This trajectory brings us closer to our stated objective of achieving a 0 per cent alignment delta by 2030.

Climate-related risks are now systematically integrated into our credit underwriting framework through a structured analysis of each client's transition pathway and vessel efficiency profile. This approach ensures that climate considerations are embedded across our credit evaluation and portfolio management processes.

Decarbonisation has become a pivotal element in the pricing of shipping finance. Margins are increasingly shaped not just by conventional risk-reward evaluations, but also through the strategic incorporation of climate alignment criteria at both corporate and asset-specific levels.

Consistent with our commitment to responsible financing under the Poseidon Principles, we continue to support dual-fuel and next-generation vessels that demonstrate enhanced energy efficiency. Our focus remains on partnering with clients who establish credible transition plans underpinned by ambitious decarbonisation targets.

Looking ahead, we anticipate that regulatory expectations and market incentives will further intensify, accelerating the shift towards low- and zero-carbon shipping solutions.

1 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.

Steel

Balance in scope	Interim target	Performance versus baseline	
$0.6bn	1.4–1.6 tCO_2/tonne steel	-15%	●

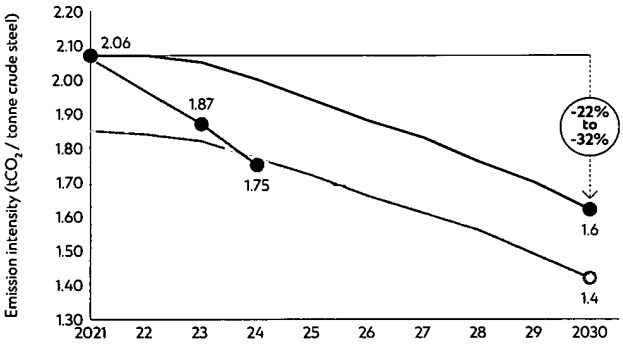
Sector background

Steel is a critical material, essential to the functioning of the global economy from the production of the world's vehicles and household appliances to buildings and infrastructure. As such, the steel sector is the largest source of industrial CO_2 emissions and accounts for roughly 7 per cent of global emissions per IEA WEO, 2025.

Approach to achieving net zero targets

- Increasing client renewable electricity usage for electric arc furnace production.
- Increased scrap steel uptake through trade finance or use of proceeds finance.
- Increased scrap collection and processing in local economies
- Increased operational efficiencies to existing Blast Furnaces and Basic Oxygen Furnaces.

Baseline, target and portfolio progress 2021 to 2030[1]



Progress in the year

The steel sector emission intensity has reduced by 6 per cent year-on-year from 1.87 tCO_2/tonne steel to 1.75 tCO_2/tonne steel. This was driven by increasing lending to clients utilising scrap steel as opposed to those utilising iron ore in blast furnaces.

We are providing funding for an increased uptake of scrap steel from some of our primary steel producers that will reduce their production intensities. Increasing scrap uptake for recycled steel production using electric arc furnaces reduces the carbon emission intensity by decreasing the reliance on blast furnaces that use primary iron ore and coal, thereby saving energy and raw materials.

The Group has also collected better information for the portfolio with fewer proxy-based emissions reported, resulting in a better portfolio intensity.

1 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.

● On track ○ Off track

Thermal coal mining

Balance in scope	Interim target	Performance versus baseline	
$0.03bn	0.5 $MtCO_2e$	-67%	●

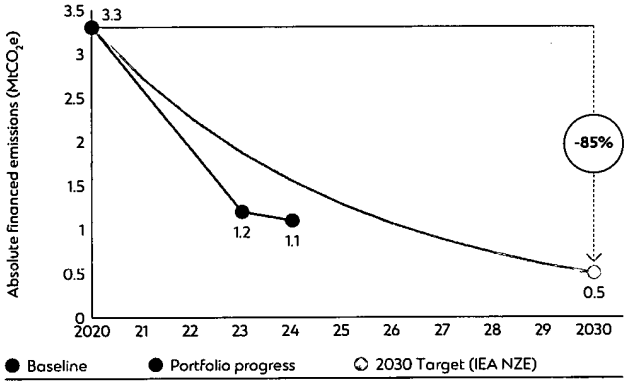
Sector background

Burning of coal is one of the most significant driving factors in climate change. The Group has a Thermal Coal Position Statement that sets out our aim to phase out our thermal coal exposure by 2032 (subject to contractual obligations). Scope 1 and 2 emissions come from coal producers using energy in the mining process, and Scope 3 emissions come from the burning of coal in upstream processes.

Approach to achieving net zero targets

- Rundown of thermal coal exposures in line with contractual commitments.

Baseline, target and portfolio progress 2020 to 2030[1]



Progress in the year

Thermal coal absolute emissions have decreased by 8 per cent from 1.2 $MtCO_2e$ to 1.1 $MtCO_2e$. This was due to the portfolio continuing to be paid down in line with contractual maturities of existing counterparties per the Group's Thermal Coal Position Statement.

1 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.

Residential mortgages

Balance in scope	Interim target	Performance versus baseline	
$65.7bn	29-32 $kgCO_2e$/sq.m	-9%	●

Sector background

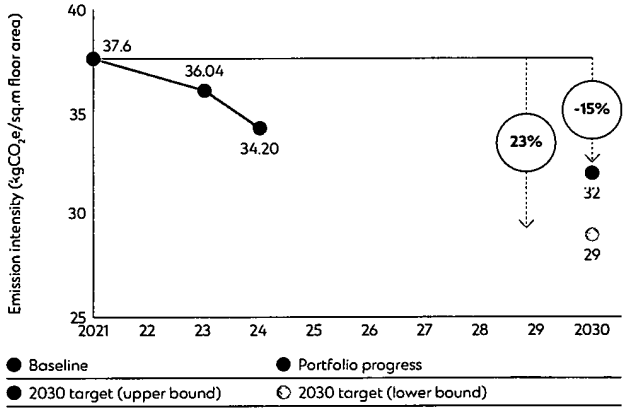
Residential housing contributed 5 per cent towards global energy-related emissions per IEA WEO, 2025. The residential housing sector emissions are primarily from two sources: the operation of the building and embodied emissions (which are emissions related to its construction).

Approach to achieving net zero targets

Market initiatives to achieve net zero include:

- Increased lending to clients to improve energy efficiency through retrofitting and improvement of insulation, ventilation, and energy management.
- Engaging with clients to decarbonise their electricity supply, for example, through the direct purchase of green electricity or green certificates.

Baseline, target and portfolio progress 2021 to 2030[1]



Progress in the year

The Group measured its 2024 progress from the four main residential mortgage portfolios: Hong Kong, South Korea, Singapore and Taiwan, accounting for more than 85 per cent of the Group's exposure. Emissions measured in our baseline and annual progress include Scope 1 and 2 emissions from the residential properties the Group lends against. A physical intensity of $kgCO_2e$/sq.m is the metric used to measure the portfolio's progress. While we have set a single Group-level target, the nature of the residential real estate market means all decarbonisation actions will take place at the local level. Achieving our target is dependent on actions by local governments and power companies decarbonising power generation. The target range has been set at the more ambitious end of the public commitments made by governments and power companies in the countries where the Group operates. These targets have been benchmarked to, and currently sit above, the global CRREM pathway to 2030. The portfolio intensity has decreased 5 per cent from 36.04 $kgCO_2e$/sq.m to 34.2 $kgCO_2e$/sq.m as we start to see the emission intensity of power grids in these regions start to decrease in line with our expectations.

1 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.

● On track ○ Off track

Climate

Facilitated emissions

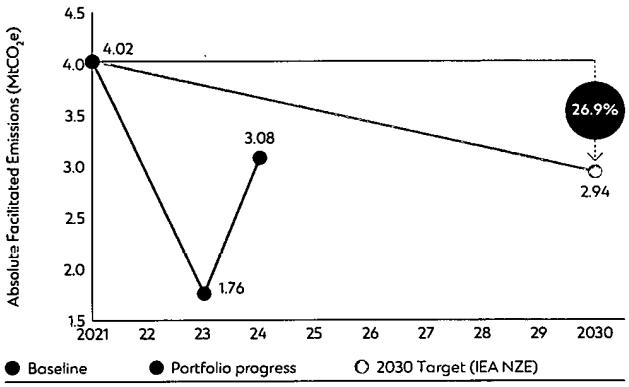
Sector[1,2]	Interim 2030 target	Weighting	2024 $MtCO_2e$	2023 $MtCO_2e$	Baseline $MtCO_2e$	Baseline year	Target set year	% change cumulative to baseline
Oil and gas	2.94 $MtCO_2e$ (26.9%)	100% weighting factor	3.08^	1.76	4.02	2021	2024	-23%
		33% weighting factor	1.02	0.58	1.33			

Sector	Emission approach	Scenario	Value chain	Scope of emissions	2024 PCAF score	2023 PCAF score	In-scope exposure coverage
Oil and gas	Absolute emissions	IEA NZE	Upstream, midstream and downstream	1, 2	2.7	2.9	100%
				3	3.0	3.0	

Oil and gas

Value facilitated[3]	Interim target	Performance versus baseline
$3.8bn	2.94 $MtCO_2e$	-23% ●

Baseline, target and portfolio progress 2021 to 2030[4]



Progress in the year

The facilitated emissions target was set in 2024 for the oil and gas sector with a reduction target of 26.9 per cent from a 2021 baseline, based on the IEA NZE scenario in line with financed emissions.

The Group performs active deal analysis for carbon budget availability and emissions intensity alignment for each oil and gas bond raised. Alignment to the emissions associated with facilitation are highly cyclical, due to interest rates and the global oil price. These emissions trended down between 2021 to 2023 as bond underwriting volumes were low due to COVID-19 and higher interest rates as a response to a higher inflationary environment.

During 2024, this cyclicality continued with a return to the market of many oil and gas counterparties that has seen facilitated emissions increase up to 3.08 $MtCO_2e$. This cyclicality is anticipated to continue in the medium term as clients increase their borrowing driven by lower interest rates and lower oil and gas commodity prices. We aim to continue to monitor this towards our interim 2030 target in tandem with our financed emissions oil and gas progress.

1 The metric and target are based on the rolling three-year average due to the cyclical nature of bond underwriting in the market.
2 Values noted with a caret symbol (^) are subject to independent limited assurance by EY. The report is available at **sc.com/sustainabilitylibrary**.
3 Value facilitated is equal to the Group's share of the Bond notional per the league table where we act as a bookrunner on the deal for the 2024 financial year.
4 Read more on our target-setting approach in the respective sector section under the reference pathway header in the Net Zero Methodological White Paper at **sc.com/sustainabilitylibrary**.

● On track ○ Off track

Methane emissions

In 2025, in line with our net zero roadmap, the Group analysed the intensity of our upstream oil and gas portfolio for methane emissions, aligned with calculations conducted for the 12 highest carbon-emitting sectors. Methane emissions abatement from the oil and gas supply chain is a critical goal for minimising the impacts of climate change given methane is a short-lived climate pollutant with a much greater potency than CO_2 in the near term.

As per the IEA Global Methane Tracker 2025[1], 85 per cent of methane emissions for the industry are produced by upstream activities. As a result, the population of clients considered to be in-scope for our emissions portfolio calculation are those clients of the Group that have some form of upstream operations, including integrated and diversified clients. The Group's in-scope lending exposure will contain a diversified mix of lending for general corporate purposes as well as integrated and diversified clients covering upstream, midstream and downstream oil and gas activities.[2] Our Methane White Paper gives more detail on our methodology and baseline.

The portfolio intensity of the population in scope has been calculated as 0.089 $kgCH_4$/barrel oil equivalent (boe). This is based on data coverage of over 99 per cent of our upstream oil and gas portfolio.

We found our portfolio compares favourably to the IEA NZ Emissions 2030 methane target of 0.200 $kgCH_4$/boe based on upstream production. The baseline calculation methodology is consistent with the target as total methane emissions from upstream operations are divided by fuel production. As at 31 December 2024, over 70 per cent of the Group's in-scope oil and gas exposure is to clients that have announced net zero methane commitments by 2030 through either the Oil & Gas Decarbonisation Charter (OGDC) and/or the Oil & Gas Methane Partnership (OGMP) Twenty per cent of the in-scope population has achieved Gold Standard Reporting per the latest OGMP report 'An Eye on Methane 2025'.

We focus on implementing practical actions to quantify and reduce methane emissions. This will be achieved by encouraging public disclosure, promoting policy initiatives (such as the OGDC and OGMP 2.0, levels four and five, and eventually gold standard), and by providing methane abatement financing. The methane intensity disclosures of our clients, and by extension of the Group, may change in the future due to technological advancements of monitoring. As clients measure their methane abatement more accurately on an individual asset level (as is required by OGMP levels four and five) there may be further restatements of client emission information. We will monitor these changes and update our financed intensity accordingly.

Climate risks and opportunities

An environmental (such as climate), social or governance event, or change in condition, if it occurs, could result in actual or potential financial loss or non-financial detriments to the Group.

As such, Climate Risk is identified as a material risk for the Group, which manifests through the Group's businesses and operations and impacts the relevant Principal Risk Types (PRTs). The Group is exposed to Climate Risk through our clients, own operations, vendors, suppliers and from the industries and markets that we operate in. Therefore, we focus our disclosures on how climate-related risks are governed, managed and embedded in our business.

We manage Climate Risk according to the characteristics of the relevant PRTs. Risk Framework Owners for the relevant PRTs are responsible for embedding Climate Risk requirements within their respective risk types.

Our ESGR Risk Appetite Statement is approved annually by the Board and supported by Risk Appetite metrics and Management Team Limits (MTLs) across relevant risk types.

In 2025, we continued to implement our Transition Plan, which articulates how we plan to manage Climate Risk by aiming to deliver on our commitments to reach net zero emissions in our financed emissions by 2050 and intending to maintain net zero emissions in our Scope 1 and 2 emissions going forward.

Read more about ESGR Risk and Climate Risk in the Risk review on pages 287 to 302

Read more on our TCFD disclosures in the Climate reporting index on pages 458 to 465

Read more on our approach to managing Climate Risk through transition planning in our Transition Plan at sc.com/transition-plan

1 International Energy Agency (2023), Methane Tracker Database.

2 Read more on our methodology and baseline in our Methane White Paper at **sc.com/sustainabilitylibrary**.

Time horizons used to assess the likelihood and impact of climate-related risks and opportunities

During the year, we expanded our climate-related time horizons to better align with the recent Bank of England Climate Financial Risk Forum (CFRF) publication. This adjustment reflects the progress we have made toward our initial short-term targets, many of which are now completed. The updated timeframes allow us to more accurately assess and manage longer-term climate risks and opportunities, while continuing to support our sustainability strategy and the embedded milestones within this. The time horizons that we now use to identify, assess and manage our identified climate-related risks and opportunities are as follows:

Short term	0 to 5 years	• Our short-term time horizon aligns with our aim: – To deliver on our interim 2030 financed emissions targets for our 12 highest-emitting sectors – To mobilise $300 billion of sustainable finance by 2030 • In line with the Group's Scope 1 and 2 net zero target, we set year-on-year improvement targets for our footprint markets. Climate Risk is considered as part of our formal annual corporate strategy and financial planning process.
Medium term	5 to 10 years	• Our strategic and financial planning constitutes action plans that intend to enable us to align to our net zero targets. These plans include the progression of our TPC engagement across our core markets. • Over this timeframe, the most material transition risks identified in our scenario analysis begin to influence client creditworthiness. Our transition scenarios demonstrate policy tightening, carbon-pricing convergence and technological cost declines, which accelerate between 2030 and 2035 under both orderly and disorderly scenarios.
Long term	10+ years	• Our long-term time horizon aligns with our aspiration to achieve net zero in our financed emissions by 2050. • For climate scenario analysis, we run 30-year scenarios for both physical risk and transition risk, with some elements of our physical risk scenario analysis extending to 2100. • Transition risk as our clients move to lower emitting revenues by virtue of legislation is considered with reference to client transition pathways and manifests over a longer term than the maturity of the loan book up to 2050.

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List of climate risks and opportunities

We have identified the following climate risks and opportunities as part of our materiality process (see page 72 for details). While these could reasonably be expected to affect at least part of the Group over the time horizons specified below, they may not affect all our operations, subsidiaries or value chain equally.

Impacted risk type	Risk description	Risk driver	Key risk driver detail	Time horizon	Further detail
Credit Risk (WRB)	Physical risks, such as rising sea levels and severe flood events, could adversely impact repayment ability through damage to properties or loss of insurance cover, leading to potential increases in credit losses for the Group. Credit losses may also result from changes in the economic environment as it transitions towards lower emissions (e.g., changes in clients' disposable income due to fluctuations in energy prices).	Physical Transition	Acute Chronic Market	Short Medium Long	WRB Credit Risk (page 293)
Credit Risk (CIB)	Disruption to clients' business models due to physical or transition risk impacting their profitability and thereby affecting their capacity to repay debt, or the capital and collateral required to back the loan.	Physical Transition	Acute Chronic Market	Short Medium Long	CIB Credit Risk (page 289)
Operational, Technology and Cyber Risk	Impact of acute or chronic physical risks may disrupt our own properties, data centres and third parties leading to business disruptions. Furthermore, costs may increase through implementation of practices such as renewable energy sources and waste reduction to reduce emissions.	Physical Transition	Acute Chronic Technology	Short Medium Long	Operational, Technology and Cyber Risk (page 296)
Country Risk	Both physical and transition risk can have a direct impact on a sovereign's economic strength and increase their cost of borrowing, directly impacting overall creditworthiness.	Physical Transition	Acute Chronic Market Regulation	Short Medium Long	Country Risk (page 295)
Environmental, Social and Governance and Reputational (ESGR) Risk	Potential or actual adverse impact on the Group's financial performance, operations, or the Group's name, brand or standing, arising from environmental, social or governance factors, or as a result of the Group's actual or perceived actions or inactions.	Transition	Regulation Legal	Short Medium	ESGR Risk (page 231)
Traded Risk	Acute physical risk events or a disruptive transition can cause sudden changes in the fair value of assets driven by commodity price changes. Additional impact may result due to trigger sales, or sudden and negative price adjustments where these risks are not yet incorporated into prices.	Physical Transition	Acute Market	Short Medium	Traded Risk (page 297)
Treasury Risk	Impact on client business models and their overall financial stability from transition to a low-carbon economy or recovery from a physical climate event may impact the Group's capital or liquidity adequacy.	Physical Transition	Acute Chronic Market Regulation	Short Medium Long	Treasury Risk (page 297)
Model Risk	Model Risk may exist from inappropriate design, specification, development or governance of a model relative to the intended business objectives and/or ineffective model remediation in response to issues identified by model validation.	Physical Transition	Acute Chronic Technology	Short Medium Long	Model Risk (page 297)

Impacted opportunity type	Opportunity description	Opportunity driver	Key opportunity driver detail	Time horizon	Further detail
Sustainable finance	The global pursuit of a just transition presents revenue opportunities from connecting clients with the funding required to implement climate mitigation and adaptation initiatives. Different geographies and industries will require different initiatives and different financial products to facilitate them.	Physical Transition	Acute Chronic Market	Short Medium Long	Sustainable finance (page 83)
Operational resilience and efficiency	Investing in energy-efficient technologies and practices can reduce operational costs. We also have an opportunity to assess and adapt our operations to become more climate resilient.	Transition	Technology Regulation	Short Medium	Our operations (page 93)
Reputational	Demonstrating a commitment to reducing our own and client emissions can enhance the Group's reputation among clients and other stakeholders. There is a potential to increase client loyalty and attract new clients who prioritise sustainability. The strategic reputational impact of our opportunities is considered alongside other climate risks and opportunities.	Transition	Market Regulation	Short Medium Long	Sustainable finance (page 83)

Climate risks and opportunities in the Group's strategy and financial planning

The current financial effect of climate-related risks is detailed within Note 1 to the Financial Statements (read more on page 332) where we have considered the effect on the Group, noting that climate risk did not result in a material change to the current year's balance sheet or income statement. Specifically, our impact assessment resulted in only an immaterial ECL increase across CIB and WRB, which has been recorded as a management overlay for the 2025 year-end. The current effect of climate-related opportunities can be seen through the progression of our sustainable finance mobilisation, asset and liabilities and sustainable finance income, as described on page 83.

The Group does not currently anticipate any significant residual impact on its financial position, performance, or cash flows over the short term, medium or long term. Our work to date across our net zero journey (detailed within the Sustainability review) and risk management of climate effects (detailed within the Risk review) supports our shorter term strategy to mitigate physical and transition risk where possible and has indicated that our business is resilient to all Network of Central Banks and Supervisors for Greening the Financial System (NGFS) scenarios that were explored for longer term time-frames, validating the actions the Group is taking in terms of net zero ambitions (read more on page 298). While providing more detail would be market-sensitive, the current and ongoing targets in relation to sustainable finance are indicative of the expectations the Group has in relation to the effects of climate-related opportunities. Our Innovation Hubs provide details of emerging sustainability themes that we deem to be potential growth areas. We identify, assess, prioritise and monitor climate-related opportunities including through our Innovation Hubs and our sustainable finance teams, which develop customised solutions that speak to clients' needs and ambitions. Our Transition Plan is a key instrument through which we plan to deliver on these targets and assess the resilience of the Group's strategy to climate-related risks. Read more on how the Transition Plan informs our strategy and decision making on page 90. We will continue to monitor current and anticipated financial effects of climate-related risks and opportunities as we further enhance our modelling and risk assessment capabilities.

While they do not directly inform the Group's identification of climate-related opportunities, the results from scenario analysis serve multiple use cases, including as one of the inputs to CIB clients' Climate Risk grading (BRAG) assessment, which is integrated into the existing credit approval process. This integration is key to informing the overall Climate Risk management process. A quarterly refresh of the scenario analysis for CIB monitors expected stressed losses from Climate Risks against predefined thresholds over a five-year horizon. High-risk clients identified through scenario analysis are disseminated for further consideration and discussion in key forums. The results are used for assessment of Pillar 2A capital add-on as part of Internal Capital Adequacy Assessment Process (ICAAP) for CIB and WRB segments, and for assessing credit impairment due to Climate Risk with a focus on CIB sectors with interim 2030 targets, as part of corporate planning. Further information on the processes and related policies used to identify, assess, prioritise and monitor climate-related risk (for example, through scenario analysis) and how these are integrated into and inform our overall risk management process, are set out in the ESGR Risk section on page 287 to 302.

Nature

It is estimated that more than half of global GDP is highly dependent upon nature[1]. The Nexus assessment[2] from the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) highlights how biodiversity loss undermines livelihoods, food security, economies and health, while also threatening the resilience of our planet to climate change.

We acknowledge that protecting nature is essential to limiting global warming and mitigating the effects of climate change so that the planet can sustain livelihoods and support inclusive sustainable economic development.

We aim to contribute to the Global Biodiversity Framework 2030 mission of halting and reversing nature loss by: (1) continuing to integrate nature in decision-making within our business (target 14); (2) publishing nature-related disclosures based on the TNFD recommendations from 2026 onwards (target 15); and (3) shifting financial flows toward nature-positive outcomes and contributing to mobilising funding for nature and delivery of the Global Biodiversity Framework (target 19). We are members of a wide range of industry platforms working to increase industry awareness of the relevance of nature considerations to financial decision-making.

This year, we have released our inaugural Nature Report. This marks an important milestone in our journey as an early adopter of the TNFD Framework. The Report details Standard Chartered's approach to assessing, evaluating, understanding and managing nature-related impacts, dependencies, risks and opportunities across our financing activities and own operations. It summarises our nature-related policies and procedures, such as our Environmental and Social Risk Management (ESRM) Framework and Position Statements, our Sustainable Finance Frameworks and our Nature Finance Innovation Hub, which is designed to identify and assess nature-related risks and develop nature-related opportunities. It also outlines the actions we are taking to further embed nature considerations into our governance, strategy, and risk and impact management processes.

Our progress on nature

The initiatives below represent the key highlights of nature-related activities undertaken by the Group in 2025.

Mobilising finance for nature-positive outcomes

- We structured a €433 million sustainability-linked loan for the Ministry of Finance and Budget, Republic of Côte d'Ivoire, acting as sole lender and mandated lead arranger. Arranged under Côte d'Ivoire's Sustainability-Linked Financing Framework launched in June 2025, the loan enables access to financing on more favourable terms by linking financial conditions to clear sustainability performance targets in renewable energy (excluding hydropower), deforestation prevention, and reforestation.
- Alongside a syndicate of banks, we participated as a mandated lead arranger in project financing for Chestnut Carbon of up to $210 million, to fund a US voluntary carbon removal afforestation project. See page 82 for details.
- We provided advisory services to Kreditanstalt für Wiederaufbau (KfW) to evaluate the feasibility of the Tropical Forest Forever Facility (TFFF) and Tropical Forest Investment Fund (TFIF), a global initiative led by the Government of Brazil and aimed at creating a long-term, results-based financing mechanism to incentivise tropical forest conservation, for which Germany announced a €1 billion contribution at the United Nations Framework Convention on Climate Change (UNFCCC) COP30 in Belem.
- We signed an Indonesia seaweed project Memorandum of Understanding with the Association of Indonesian Employers (APINDO), Conservation International and Konservasi Indonesia to support sustainable seaweed industry development in Indonesia.
- The Standard Chartered Foundation announced its intent to invest $5 million into creating a thriving blue economy across ASEAN that enables young people to secure decent work while maintaining and protecting the ocean.
- Alongside the International Union for Conservation of Nature (IUCN), we have co-funded a feasibility study to scope the potential blue carbon value that could be derived from Palk Bay's seagrass. This study is led by The Zoological Society of London, the Wildlife Institute of India and the Tamil Nadu Forest Department.[3]
- Read more about the work done by our Nature Finance Innovation Hub on page 78.

Understanding the materiality of nature loss on the Group's activities

- Our Nature Risk Working Group, comprising of cross-functional teams from our first and second line of defence, have reviewed the methodology and assessments developed by the Nature Finance Hub. The key results from our risk and impact assessments, which have been published in our Nature Report, are:
  - Identified potential nature-related impacts and dependencies in our financing activities: We conducted an analysis of our CIB portfolio and identified sectors with the highest exposure to potential nature-sensitive activities based on nature-related impacts and dependencies. Our analysis identified agriculture producers, building products, construction and engineering, metals and mining, oil and gas, other materials, commodity traders, pharmaceuticals,

1 PWC (2023) Managing nature risks: From understanding to action.
2 McElwee, P. D., et al. (2025). IPBES Nexus Assessment: Summary for Policymakers. Zenodo.
3 Read the full study at **sc.com/palk-bay**.

biotechnology and life sciences, consumer services and food, beverage and tobacco as the sectors with the highest potential sensitivities to nature-related impacts and dependencies. This accounts for 8 per cent of CIB's 2025 total portfolio exposure. The insights gained from this analysis will be used to prioritise these sectors for further in-depth assessments and client engagement, enhancing our understanding of the potential nature-related risks involved and enabling identification of potential opportunities.
  - Identified and assessed nature-related impacts and dependencies in our direct operations: We assessed our direct operations' proximity to sensitive locations based on our Nature and Agribusiness Position Statements criteria and examined their nature-related impacts and dependencies. The results reflect that our direct operations' local impacts and dependencies on nature are limited.
- We are ranked 5th out of 150 Financial Institutions in the 2024 Forest500[1] assessment, reflecting the strength and scope of our deforestation-related policies in agriculture and forest-risk commodities.
- Joint number one in the World Wildlife Fund's (WWF) Above Board 2024 assessment[2] of Banks' Seafood Sector Policy Analysis showcasing the robustness of our approach to the fishing industry.
- Exploring ways to minimise the environmental impact of our operations by reducing energy, GHG emissions, water usage and non-hazardous waste generated in our operations (refer to page 93 for details).
- Set out the expectations of our suppliers to reduce waste from their operations through our Supplier Charter, including managing environmental concerns in their own supply chains, and protecting the environment and conserving natural resources, in compliance with all applicable environmental laws and regulations.

Supporting collective action to address nature loss and ecosystem decline

- 2025 saw us continue to focus on advancing the sustainable blue economy:
  - Joined #BackBlue, an Ocean Finance Commitment that aims to ensure that a regenerative sustainable ocean has a seat at the table in finance and insurance decisions.
  - Published our latest sustainability research, 'Harnessing Africa's Blue Economy' and 'Valuing Nature: The ROA of an MPA', highlighting the opportunity a sustainable blue economy represents in Africa and the importance of mainstreaming nature considerations into financial decision-making in marine protected areas.[3]
  - Continued engagement with the Ocean Risk and Resilience Action Alliance, the UN Global Compact Ocean Investment Protocol Steering Committee, the World Economic Forum Global Future Council for the Ocean and the WWF Seafood Finance Working Group.
  - Actively participated in the Blue Economy & Finance Forum and the United Nations Ocean Conference, promoting blue finance solutions such as the Bahamas debt-for-nature-swap, which we executed in 2024.
- Engaged with market initiatives and financial regulators to advance the nature finance ecosystem. This includes co-chairing the UK–China Nature & Biodiversity Finance Workstream under the UK–China Green Finance Taskforce, and memberships in UN Environment Programme Finance Initiative and Principles for Responsible Banking, Singapore Sustainable Finance Association Natural Capital and Biodiversity Workstream, WEF Nature Positive Transition, Green Finance Institute's TNFD UK Consultation Group, WEF Biodiversity Credit Initiative, UK PRA/FCA Climate Financial Risk Forum Nature workstream and the Global Islamic Finance Program.
- We are a member of The Royal Foundation's United for Wildlife Financial Taskforce Advisory Board, which aims to disrupt illicit financial flows that underpin wildlife crime.
- Contributed to nature finance-related white papers from Singapore Sustainable Finance Association[4], World Economic Forum[5] and UK PRA/FCA Climate Financial Risk Forum[6].

Building internal capacity

- Provided nature-related risk training to the Board Risk Committee.
- Piloted nature corporate transition training for selected Sustainable Finance colleagues in CIB Coverage teams.
- Updated Nature Finance module under Sustainable Finance Practitioner Programme for CIB Coverage teams.

Read our Nature Report at sc.com/nature

Read more on our memberships and engagements at sc.com/sustainabilitystakeholders

Read our Supplier Charter at sc.com/suppliercharter

Read our Position Statements at sc.com/positionstatements

1 Based on Forest 500's 2024 rankings for financial institutions.
2 World Wildlife Fund (WWF) Sustainable Banking, 'Above Board: 2024 Assessment of Banks' Seafood Sector Policies', 2025.
3 Read our research and insights at **sc.com/sustainabilitylibrary**.
4 Singapore Sustainable Finance Association in partnership with Oliver Wyman, 'Financing Our Natural Capital: A practical guide for FIs getting started on nature financing', April 2025.
5 World Economic Forum, 'Investing in Mangroves: The Corporate Playbook' White Paper, April 2025.
6 Climate Financial Risk Forum, Nature-Related Risk Working Group, 'Developing an approach to nature risk in Financial Services', October 2025.

Social impact

We believe in the power of finance to drive positive change in the world. Our desire to drive social impact extends across both our commercial and our philanthropic activities, reflecting our aspiration to build a future that is both financially resilient and socially inclusive – a foundation for healthy and sustainable economies in our markets.

We approach social impact from two angles:

- Through our business and clients: we provide clients with the financing that they and their communities need to tackle urgent matters such as inequality, access to essential services, and inclusive growth.
- Through our corporate philanthropy: we work to drive impact and prosperity for underserved young people by providing them with skills and networks and connecting them with employment and commercial opportunities.

The combination of these efforts underscores our holistic approach to creating long-term value for our clients, colleagues and communities. By integrating both commercial and philanthropic aspirations to support our sustainability work and our Stands, we aim to accelerate our progress and amplify positive social impact such as women's empowerment and financial inclusion.

Our commercial activities: investment in social finance

We seek to partner with our clients and communities to mobilise social capital.

Empowering women-owned businesses

The Standard Chartered Women's International Network (SC WIN) is our holistic proposition across banking and beyond banking solutions (network access, training programmes and mentorship). SC WIN launched in 2022, and it is now live in seven markets – India, Kenya, Malaysia, Singapore, Hong Kong, Vietnam, and Pakistan.

The Group has made a commitment to extend $1 billion of financing to women entrepreneurs by 2028. As of December 2025, SC WIN has extended more than $540 million of financing to women-owned businesses. This results in a year-on-year growth of 72 per cent in financing, 155 per cent in deposits, and 44 per cent in client counts. We are well underway to achieving the Group's commitment.

Beyond financial support, we're laying the foundation for two other factors critical to the success of women entrepreneurs: inclusive training and educational programmes, and community support to enable access to mentorship, networks and resources. Therefore, SC WIN also provides training and development capabilities, as well as a SC WIN community for women founders and business leaders to lean in.

Supporting microlending

We recognise the pivotal role of microlending in fostering economic inclusion and sustainable development. Microlending plays a vital role in supporting underserved communities and creating opportunities for growth. Since 2006, we have financed microfinance partners in India, Bangladesh, the Philippines, Nepal, Pakistan, Kenya, Uganda, Tanzania and Nigeria. From 1 October 2024 to 30 September 2025, we've lent more than $584 million to microfinance institutions, enabling over 1.05 million loans. These loans support a wide range of needs, from building small businesses to covering education costs or managing unexpected emergencies.

We have continued to grow our partnerships in 2025. In Indonesia we have partnered with Amartha, a technology company that provides microfinance to women-led microenterprises in rural areas, a region and demographic that has historically had limited access to finance. Through this partnership we aim to empower more female MSMEs, create jobs and build more inclusive economic growth.

Social bond issuance

In March 2025, we issued our inaugural social bond. This €1 billion eight-year non-call seven-year offering will primarily facilitate lending to SMEs, ensuring access to finance, helping create jobs and empowering and nurturing women-owned SMEs. Named after former Group Chair José Viñals who retired from the Board in May 2025 at the end of his nine-year term, the Viñals Social Bond paid tribute to his significant legacy and impact inside and outside the Group.

This bond was issued under our Sustainability Bond Framework. Read more about the framework on page 89.

Our philanthropic activities: community investment

Prevailing youth unemployment continues to be one of the greatest challenges of our time. The consequences are not just for young people, but also pose a threat to broader economic and social prosperity. Our philanthropic approach focuses on helping tackle this global issue through the Standard Chartered Foundation – a charitable organisation established in 2019 – and through community partnerships, client partnerships and employee volunteering.

In 2025, the Group contributed $39.4 million as charitable giving in the form of cash contributions. This includes $15.3 million on our flagship youth economic empowerment initiative delivered with the Standard Chartered Foundation (formally known as Futuremakers by Standard Chartered), which also received an additional $4.3 million of fundraising from our employees and partners. Programmes under this initiative are funded by the Standard Chartered Foundation and directly by local Group offices in those markets where regulatory restrictions apply.

Enabling youth economic empowerment with the Standard Chartered Foundation

The Standard Chartered Foundation (the Foundation) governs and sets the strategy for our youth economic empowerment community investment, with a goal to empower young people. Programmes recognise the importance of youth driving growth by working with them to secure decent work and grow their microbusinesses. Prioritisation is given to the underserved, especially young women and those with disabilities, who are too often left behind.

In 2025, working with a range of expert NGO partners, we supported 24,718 young participants and enabled 16,305 jobs through employability and entrepreneurship programmes, of which 53 per cent were for women, and 12 per cent for those with disabilities. This year-on-year decrease[1] is partly due to the completion of remaining pre-2024 legacy projects in the first half of the year, and partly due to challenging economic context in many of our markets during 2025. 106,570[2] jobs[3] have been enabled since 2019 and, we are actively working with our NGO partners to identify ways to scale so that we can deliver the target of 250,000[4] jobs by 2030.

Catalysing decent jobs

Figures from the International Labour Organization (ILO) show youth unemployment and Not in Employment, Education or Training rates remain high, rising slightly over the last year[5], of which many live in our markets. Systematic barriers to decent jobs continue to leave many young workers behind. To help, the Foundation's employability programmes focus on working with young people to secure quality jobs – commonly referred to as decent work. Through our employability programmes, in 2025, 14,236 young people accessed decent[6] jobs with 50 per cent of these being women and 14 per cent being people with disabilities.

The Foundation launched a three-year partnership with UNICEF Generation Unlimited to help 1,500 young women secure decent work in Kenya and Nigeria. Projects from a partnership with Plan International went live in Asia, to equip over 6,000 young people in Indonesia, the Philippines, South Korea, Thailand and Vietnam with the skills, networks and confidence they need to secure decent jobs.

Building disability awareness and inclusion across Foundation employability programmes also progressed well in 2025. For example, 240 prospective employers became more disability-confident hirers in Kenya, Pakistan, Ghana, Tanzania, Uganda and Zambia.

Helping microbusinesses thrive

Supporting smaller businesses, especially women-owned and youth-led enterprises, is essential to building inclusive and sustainable growth. Foundation entrepreneurship programmes integrate financial access with mentorship, business skills training and ecosystem support, ensuring that microbusiness owners not only gain access to capital, but can use it effectively. Focusing on impact, the programmes are tailored to help achieve business growth, build social and green microbusinesses and, in turn, create much needed jobs in communities. Through our entrepreneurship programmes, in 2025, we supported 977 microbusinesses to become thrive, enabling 2,069 jobs. This brings the total number of thriving microbusinesses since 2019 to 18,319, and the total jobs enabled by these microbusinesses to 37,210.

We expanded investment in our Women in Tech entrepreneurship programme across Africa, the Middle East and Pakistan in 2025, in partnership with Village Capital. Over three years, the aim is to support 400 female entrepreneurs to build thriving microbusinesses and create jobs, with 32 catalytic grants totalling $1.9 million. This programme now covers 14 of our markets.

In Vietnam, entrepreneurs were connected to angel investors, a capital stream they can't typically access, leading to five microbusiness owners receiving investments to help their business grow.

Building ecosystems

For young people to prosper in employment or self-employment, filling gaps in the ecosystem that supports them is critical. In 2025, the Foundation announced a $5 million commitment to help create a thriving blue economy across ASEAN. Currently in the inception phase, expert organisations are being convened to create a programme of interconnected activities. The aim is to enable young people to secure decent work while maintaining and protecting the ocean. Results from this pilot programme will inform the development of similar ecosystem programmes in other markets and sectors.

1 Over 29,000 jobs were enabled in 2024.

2 The data comprises 69,360 young participants in decent employment, and 37,210 direct jobs enabled by supported microbusinesses.

3 Total jobs-enabled data comprises underserved participants who access decent employment at the end of the intervention, and direct jobs (part-time and full-time direct employees, contractors, support/gig workers, and the entrepreneurs themselves) created by supported microbusinesses within 12 months of the end of the intervention. This KPI is based on actual data collated from project alumni over the seven-year period, estimates based on empirical research, and ex-post project evaluations.

4 This target has been revised upwards from 140,000 to 250,000 jobs enabled by 2030, due to a) a revision of the employability KPI to account for underserved male participants and b) moving the baseline from 2024 to 2019 to show progress since the start of programming.

5 ILO (2026) World of Work Series: Employment and Social Trends Report.

6 Decent jobs comprises formal employment and self-employment. 'Decent' aligns with the ILO definition, but in recognition of the challenges in many markets to satisfy every criteria for 'decent', our programmes count those participants who have met minimum wage plus at least two additional ILO criteria.

Measuring societal impact

Driving social impact is at the heart of the Foundation's ambition. We continued to refine a social return on investment model that seeks to measure the broader social and economic impacts of the Foundation's efforts, and quantify the overall impact made beyond the individual. Based on outcomes from youth programmes in 2025, the model estimates that more than 120,000 lives have been impacted. The insights show the Foundation's approach is making progress and we will continue to share successes and learnings with peers and stakeholders.

Promoting skills-based volunteering and other community investments

We believe the most sustainable way to create impact is by sharing what employees know best – their skills. We have continued to focus on skills-based volunteering, connecting colleagues to support social enterprises, NGOs, and youth through mentoring, financial education, green literacy and professional advice. This approach not only drives greater community outcomes but strengthens colleague engagement, leadership and purpose. In 2025, our employees contributed more than 412,900 employee volunteering hours, with more than a quarter (28 per cent) in skills-based volunteering. 50 per cent of Standard Chartered employees volunteered in 2025 (53 per cent in 2024).

In some of our markets, we also support community healthcare, climate, education and agricultural livelihood projects. In 2025, for example, we supported eye health, water, sanitation and hygiene education (WASHE), and education projects in India.

Charitable giving

	$million	2024 $million	2023 $million
Cash contributions	**39.4**	47.9	31.2
Employee time (non-cash item)	**25.8**	25.7	28.7
Gifts in-kind (non-cash item)[1]	**0.7**	0.5	0.4
Management costs	**4.6**	5.2	5.4
Total (direct contributions by Group)	**70.5**	79.3	65.7
Leverage[2]	**4.7**	2.7	2.9
Total (including leverage)	**75.2**	82.0	68.6
Percentage of prior year operating profit (PYOP)	**1.3**	1.6	1.6

1 Gifts in-kind: in-kind contributions of products, property or services valued at the cost to the Group.
2 Leverage: fundraising from employees and partners benefitting the community.

Image removed

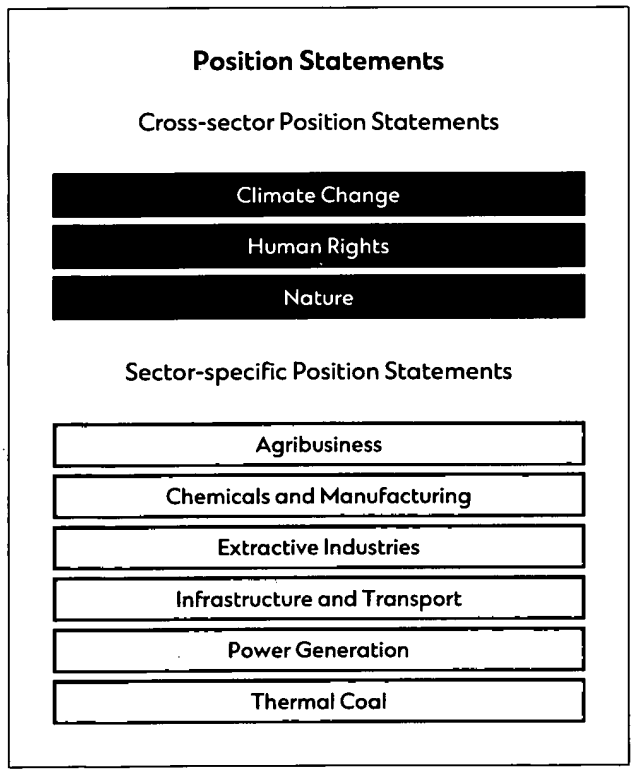
Managing Environmental and Social Risk

We seek to proactively manage environmental and social risks and the impacts arising from the Group's client relationships and transactions.

Our cross-sector Environmental and Social Risk Management (ESRM) Framework describes how we apply international standards and best practices across our markets and helps us make informed decisions when considering trade-offs between sustainability-related risks and opportunities.

On the frontline, our ESRM team within the CSO organisation oversees the management of environmental and social risks associated with our client relationships. Our approach is embedded in our credit approval process and helps us work with our stakeholders to identify, manage, mitigate and monitor the potential impacts that stem from our financing decisions.

Our Position Statements, approved by the GRRRC, outline the cross-sector and sector-specific criteria we apply to assess whether to provide financial services to our clients. They also outline our expectations for clients to follow industry best practice approaches and encourage them to pursue sustainability initiatives.



We use these statements – which draw on International Finance Corporation Performance Standards, the Equator Principles and global best practice – to assess environmental and social risk related to our financing.

Our ESRM Framework explains how we apply our Position Statements in our business relationships with clients and provides further information regarding our environmental and social risk assessment, rating and escalation processes, as well as due diligence and monitoring procedures.

We have been a member of the Equator Principles since 2003. We apply the principles to relevant project-related transactions and report on their application to ensure that the projects we finance and advise on are developed in a socially responsible manner and adhere to sound environmental management practices.

We reviewed 1,204 clients across CIB and WRB client segments and 685 CIB transactions that presented potential for elevated environmental and social risk in 2025. If we find a material environmental and social issue, we take steps to proactively engage the client to mitigate identified risks and impacts, and support and guide our clients to improve their environmental and social performance over time.

However, for clients who do not meet our Position Statement criteria, we may look to withdraw financial services and exit the lending relationship if we cannot work with them to align over an agreed timeframe.

In 2025, we advanced our Nature Risk analysis by leveraging our climate risk asset location data to support in-depth risk identification of a potentially material sector and assess our financed assets' exposure to nature impacts and dependencies. The Group's cross-sector Nature Position Statement provides a consolidated view of our approach to managing Nature Risk across our business, operations and supply chain. Further information can be found on page 111 of this report.

Read more about our ESRM Framework at sc.com/esriskframework

Read more about our Position Statements at sc.com/positionstatements

Our list of Prohibited Activities can be found at sc.com/prohibitedactivities

Our reporting against the Equator Principles can be found on page 450 and at sc.com/equatorprinciples

Respecting human rights

We are committed to respecting human rights across our business. We recognise that the global nature of our business may expose us to the risk of modern slavery and human trafficking in our operations, supply chain and client relationships and we are committed to managing and mitigating these risks. Our Modern Slavery Statement details our approach and actions to manage modern slavery risks across our value chain.

Read our Modern Slavery Statement at sc.com/sustainabilitylibrary

Our Position Statement on Human Rights is a key part of our ESRM Framework and was developed following engagement with a range of internal and external stakeholders, including expert practitioners and civil society organisations. Like our cross-sector Position Statements, the Human Rights Position Statement applies to our clients, suppliers and employees and is regularly reviewed to ensure it addresses emerging risks and issues.

Due diligence is a central part of our approach in assessing and managing risks associated with the provision of financial services to our clients. We approach this due diligence in accordance with our ESRM and Financial Crime Compliance (FCC) frameworks.

Read more about our ESRM Framework and Position Statements at sc.com/positionstatements

We will not knowingly enter into relationships with suppliers involved in human trafficking, modern slavery or forced labour including any corporal punishment in the workplace. ILO Conventions 29 and 105 provide further detail in respect of forced labour. Suppliers that are identified as presenting high risks of modern slavery are subject to due diligence. Our Supplier Charter sets out the principles for the behavioural standard that we expect from our suppliers, and those within our suppliers' sphere of influence that assist them in performing their obligations to us.

Read our Supplier Charter at sc.com/suppliercharter

Our Fair Pay Charter sets out the principles by which we seek to deliver fair and competitive remuneration to all employees. We use these principles to guide reward and performance decision-making globally, including how we set, structure and deliver remuneration.

Read more on our alignment to the Fair Pay Charter on page 189 of this Annual Report and in our 2025 Diversity, Equality and Inclusion Impact Report at sc.com/diversityfairpayreport

Integrity, conduct and ethics

We aim to live our valued behaviours – never settle, better together and do the right thing – through our day-to-day actions, decisions and interactions with colleagues, clients and the markets we serve.

Managing Conduct Risk is critical to delivering positive outcomes for our clients, markets and stakeholders and fundamental to achieving our brand promise, here for good. Conduct Risk may arise anywhere in the Group at any time. The Group therefore expects all employees to be responsible for managing Conduct Risk given it is a transversal risk, which means it impacts every aspect of the Group's operations.

Our Group Conduct Risk Management Standard sets minimum standards for the management of Conduct Risk across our operations. The Group employs a risk-based, three lines of defence approach to Conduct Risk Management, where oversight, governance and controls are proportionate to our assessment of the risk. We set target conduct outcomes that the Group aspires to deliver for clients, external stakeholders, employees, and the environment.

Code of Conduct and Ethics

The Code of Conduct and Ethics remains the primary tool through which we communicate our conduct expectations. It is aligned with our Stands, strengthening the link between ethics, culture, conduct, leadership and the Group's strategy. The code is intended to be more than a guidance document, rather, it is a code to live by, designed to guide colleagues through how to live our valued behaviours on a day-to-day basis, whatever their business, function, geography or role. To guide us, the code has been shaped around 10 conduct outcomes and connects these to our culture, valued behaviours, and ethics. In June 2025, we celebrated Global Conduct Week with the theme #maketherightcall. Throughout the event, we translated #maketherightcall into three core actions: leading with integrity, using conduct as an accelerator driving the Group's strategy, #KnowTheRules and strengthening our commitment to ethical decision-making.

To reinforce our shared commitment to the highest possible standards of conduct, each year we ask our colleagues to reconsider what the code means to them through a mandatory refresher e-learning, and to reaffirm their commitment. In 2025, 99.7 per cent of our colleagues completed the mandatory training and affirmation (99.9 per cent in 2024).

Colleagues who are overdue without a valid reason are subject to a 25 per cent reduction in their annual variable compensation for the year they failed to attest.

99.7%

of employees affirmed recommitment to our Code annually

Read our Code of Conduct and Ethics at sc.com/codeofconductandethics

Speaking Up

Our Speaking Up programme provides a safe, independent and confidential way to report whistleblowing concerns. It is aimed at helping to build and maintain a strong ethical culture, with integrity, trust, and transparency.

The early disclosure of concerns reduces the risk of financial and reputational loss caused by misconduct. We encourage colleagues, contractors, clients, suppliers and members of the public to raise concerns through the Speaking Up channels.

These channels enable whistleblowing concerns to be raised in various ways, such as via email, a web portal, a telephone hotline (where available), or by speaking to someone in their line management, who may or may not be their usual People Leader (available for employees only). When a concern is raised, our Group Investigations team will determine whether the matter is within the scope of the Speaking Up programme or should be investigated via another means, for example as a grievance.

Throughout 2025, we hosted a series of awareness campaigns to ensure that we continue to create an environment where everyone feels secure and empowered to speak up. Global Conduct Week was held from 23–27 June, themed #maketherightcall, to celebrate good conduct, lead with integrity, reinforce our valued behaviours and promote the importance of ethics and trust. All interactive panels were aimed to encourage colleagues to think about how their daily decisions and individual actions can aggregate to a much wider impact on our business strategy and outcomes for our clients, regulators, communities, and other stakeholders.

We also marked World Whistleblowers Day as part of Global Conduct Week. Colleagues were reminded about our commitment to create an environment where everyone feels safe and empowered to use our Speaking Up channels to raise concerns or instances of behaviour that contradict our code.

The Speaking Up programme continues to be used across all countries, businesses and functions, and our 2025 My Voice survey found that there continued to be a high degree of confidence in the programme. 86 per cent of employees felt comfortable raising concerns through the Speaking Up channels (2024: 87 per cent). Each year, the Board reviews a Speaking Up report, which provides an overview of the effectiveness of the programme. For the period July 2024 to June 2025, Speaking Up channel usage increased by 5 per cent compared to the prior 12 months. The volume of concerns raised via the Speaking Up channels by the Group's employees are now at the highest level in five years, representative of returning to pre-COVID-19 numbers and due to an anticipated increase in concerns during times of transformation.

86%

of employees felt comfortable raising concerns through Speaking Up channels (My Voice survey 2025)

Read more about our Speaking Up programme at sc.com/speakingup

Fighting financial crime

Access to the financial system helps transform lives around the world, helping to reduce poverty and spur economic development. However, the financial system is also used by those involved in some of today's most damaging crimes – from human trafficking to terrorism, corruption and the drug trade. The Group is committed to preventing, detecting, and reporting criminals who move money through the banking system.

Our Compliance, Financial Crime and Conduct Risk (CFCR) team sets our Financial Crime Risk management framework. We seek to protect our clients and communities against money laundering, terrorist financing, sanctions, fraud, and other risks, by applying core controls such as client due diligence, screening and monitoring, and strengthening our people's understanding as to how to identify, manage and mitigate such risks. We implement the same set of restrictions, controls, analysis, and response across our entire organisation in all locations. In addition, anti-bribery and corruption (ABC) and fraud prevention controls aim to prevent colleagues, or third parties working on our behalf, from engaging in fraud, bribery or corruption.

Our mission doesn't stop at our door – we are on the front line in the fight against financial crime and our commitment is global, extending beyond countries in which we have a physical presence. To achieve our aspiration to be a leader in the fight against financial crime, we team up with other banks, governments and regulators around the world to raise the bar across the industry and devise innovative ways to stop criminals in their tracks. Throughout 2025, we actively participated in various industry groups, including The Financial Action Task Force, Madison Group, UK Finance and as a member of The Wolfsberg Group of 12 global banks. We continue to keep pace with the identification and analysis of criminal networks through our technology and process capabilities, focusing on the proactive use of data to support early detection and prevention.

Working across our public and private sectors, we are committed to finding increasingly more effective ways to fight financial crime, to protect the communities we serve through providing outreach programmes as part of our aspiration to raise awareness on financial crime risks and raise the bar across the industry. Our public–private partnerships are aimed at producing new insights about various criminal typologies and advances in how we collectively combat financial crime in an increasing number of jurisdictions, including Singapore, Hong Kong, South Africa, India, the UK, US and UAE. Furthermore, we have worked with law enforcement agencies and regulators to raise awareness of financial crime and to build their capability to prevent, detect and investigate.

Sanctions on Russia remain a significant area of focus. In 2025, the attention continued to be on multilateral and multiagency measures to prevent evasion or circumvention of sanctions (for both Russia and Iran) and evolving export controls on Russia.

For those in high-risk roles and functions, we delivered additional training across all financial crime areas, including in-depth awareness on Russia sanctions, managing proliferation financing risk, ABC training for targeted roles, training on tax evasion risk, trade AML, financial crime risks in fintech and digital assets, and money laundering risks concerned with money mules and shell companies. We also delivered a targeted training module covering ESG and ABC risk, and a new module on FCC Threat-Based Risk Management (TBRM), which is part of the FCC Academy learning programme for CFCR colleagues. In addition, masterclasses and forums were held to deepen understanding.

This was further supported by our Group-wide financial crime awareness campaign, 'The Whole Story', which brings together the Group's leaders and external experts in a series of internally broadcast briefings, case studies and panel discussions. The two-week internal campaign returned for its 10th year in 2025, with the theme '#Awareness to Action', which emphasised the need for all colleagues to focus on the important role they have to play in tackling financial crime through vigilance and timely escalation.

In 2025, no legal cases concluded in which allegations of corruption had been made against the Group or its employees.

We have invested significantly to ensure our employees are properly equipped to combat financial crime. In 2025, 99.7 per cent of colleagues and governance body members completed financial crime mandatory e-learnings, covering topics such as ABC, AML including terrorist financing, sanctions, tax evasion and fraud (Asia: 99.6 per cent, AME: 99.9 per cent, EA: 99.96 per cent, governance body members: 100 per cent). This compares with 99.8 per cent in 2024.

99.7%

of colleagues and governance members completed financial crime mandatory e-learnings.[1]

1 Governance body members represent Standard Chartered PLC Board members . Colleagues represent permanent employees of the Group as well as fixed-term workers employed by the Group for a fixed period.

Responsible lending and fair treatment of retail clients

The Board of Directors provides oversight of the Group's treatment of WRB retail clients through its reporting and committee structures. The relevant governance forum or Risk Committee is required to challenge the business for any new or material product proposals prior to the commencement of the product approval process, and there are periodic governance forums to monitor customer complaints and collections effectiveness.

Escalations may be taken to the WRB Risk Committee chaired by the WRB Chief Risk Officer or the Group Risk Committee chaired by the Group Chief Risk Officer, and ultimately to the Group's Board and Board Risk Committee.

Read more about the Board Risk Committee on page 170

Complaints management

Formal avenues are established for WRB clients to lodge complaints. A complaints-handling process has been put in place to enable the proper receipt, acknowledgement and independent and effective handling of complaints, which are to be resolved and notified to clients within a reasonable turnaround time without compromising the quality of the review.

Global key complaints insights, trends and root causes are provided to the WRB Risk Committee. Examples of key metrics that are used to track and manage complaints across WRB markets include: total number of complaints received in the period split by type and root cause, including sub-categories such as potentially inappropriate sales, proven mis-selling or fraud, and percentage of complaints resolved within the predetermined turnaround time.

Collections and recoveries

The Group has a set of comprehensive policies that govern collections and recoveries for all WRB segments, in line with the Group's Enterprise Risk Management Framework (ERMF) and under the oversight of the CRO, WRB as Risk Framework Owner. Oversight and governance of WRB retail collections are also the responsibility of the WRB Risk function, with regular reviews of performance metrics and complaints handling data.

The Group's credit policies outline the high-level requirements with respect to all WRB collections and recoveries, which include the following:

- Ensuring that all collections staff receive appropriate training and demonstrate sufficient familiarly with the relevant Code of Conduct and internal policies prior to undertaking any collection activities.
- Providing fair and reasonable treatment to clients, regarding any allowed concession or waiver.
- Adhering to all applicable legal and regulatory requirements, as well as aligning calling and visitation hours to local regulations and practices.
- Monitoring and regularly reviewing all client interactions with the Collections teams, including complaints and feedback, to ensure compliance with the Group's Code of Conduct, internal policies and effective management oversight.
- Offering temporary or permanent modifications to loan terms when required.

Across the Group, while the approach may vary across markets in line with local regulations, programmes to assist retail banking borrowers in financial distress are detailed in local Collections departmental guidelines that comply with the Group policy requirements.

Each collection and recoveries process is designed to be transparent, efficient and supportive, ensuring that both the Group and the clients have the required information to manage the account and the financial distress situation.

All employees responsible for dealing with clients in financial distress are required to undergo mandatory training prior to commencement of any collection activities. In particular, training topics include the Group's Code of Conduct and Ethics, principles of 'treating clients fairly', approaching situations with a client-centric mindset, understanding the client's situation and using the right negotiation skills.

Existing employees also undergo regular training to refresh and reinforce appropriate ways of dealing with clients who are undergoing financial distress. Communications guidance is regularly updated to reflect common circumstances encountered in our markets.

Where external collections agencies are utilised, these agencies also undergo assessment and due diligence in accordance with the Group's sourcing standards. Their employees must undertake the same training as the Group's internal Collections teams and are subject to monitoring to ensure their conduct complies with Group Collections standards.

The retail collection process typically begins with a service-oriented reminder sent to the client. This could be in the form of an email, SMS, or a phone call, reminding them of the overdue payment and encouraging them to settle their account promptly and avoid late fees.

In cases where clients may face financial distress and are willing and able to pay through modified payment plans, the Collections team will have the due conversations and work with these clients to negotiate loan modification (further details below), settlement and payment plans that are affordable to ensure the best outcome for both parties.

Based on the strategic approach and the operating rhythm adopted, certain markets may utilise third-party collections agencies, which specialise in recovering outstanding debts, to handle certain segments of collections and recoveries cases. The external agencies utilised are subject to ongoing oversight from the Group throughout the entire process to ensure adherence to the Group's principles of respecting client rights and ensuring that all collection practices are ethical and lawful.

Clients and products

Our five largest clients together accounted for 2.1 per cent of our total operating income in the year ended 31 December 2025. We aim to design and offer products based on client needs to ensure fair client treatment and to support fair outcomes for clients. The Group has in place a risk framework, comprising policies, standards and controls to support these objectives in alignment with our Conduct Risk Management approach. We ensure products sold are suitable for clients and comply with relevant laws and regulations. We also review our products on a periodic basis and refine them to keep them relevant to the changing needs of clients and to meet regulatory obligations. We have processes and guidelines specific to each of our client industries to promptly resolve client complaints and understand and respond to client issues.

In 2025, the total number of client complaints in CIB was 1,170 (1,585 in 2024). In WRB, we received 119,472 client complaints (201,901 in 2024), an average of 1.83 per 1,000 active clients per month.

Loan modifications

Loan modification options may be offered to our clients in accordance with local regulations and the Group's internal credit policies, which consider the most recently available information on the client's income, expenditures and circumstances. Collections staff managing these arrangements are trained to discuss options thoroughly with clients to agree on restructured payments that are in alignment with their financial situation.

Data privacy and protection

The Group is committed to safeguarding personal data through strong governance, oversight and accountability frameworks. The Group's Privacy Notice is the primary tool through which we fulfil our transparency obligations and communicate to our customers and stakeholders how we collect, share, protect and process personal data, which we operate in accordance with the data protection laws and regulations of the jurisdictions in which we operate.

Our Compliance, Financial Crime and Conduct Risks (CFCR) team sets our global Data Privacy risk and compliance management framework. Compliance with our Privacy obligations is monitored by the CFCR team under our Compliance Principal Risk Type Framework. The Group maintains a formal mechanism to conduct Data Protection Impact Assessments where required, and we conduct regular reviews and risk assessments to ensure ongoing compliance with the Group's Data Privacy Standard and applicable Privacy obligations and to assess, monitor and assure the effectiveness of Privacy controls. The mechanisms for overseeing and governing Data Risks (including Data Privacy risk) are embedded within the Group's governance structures, and are implemented through regular reporting to the Board and Senior Management, through the Board Risk Committee, Board Audit Committee, Group Risk Committee and individual Business and Functions' Non-Financial Risk Committees.

The Group maintains a formal data breach notification process aligned with regulatory obligations. This process ensures that any data breaches are promptly assessed, escalated, and remediated through clear accountability, coordinated communication, and close collaboration among reporters and key functions, in accordance with internal guidelines. In 2025, no material data privacy breaches were reported, reflecting the continued effectiveness of the Group's controls and response capabilities.

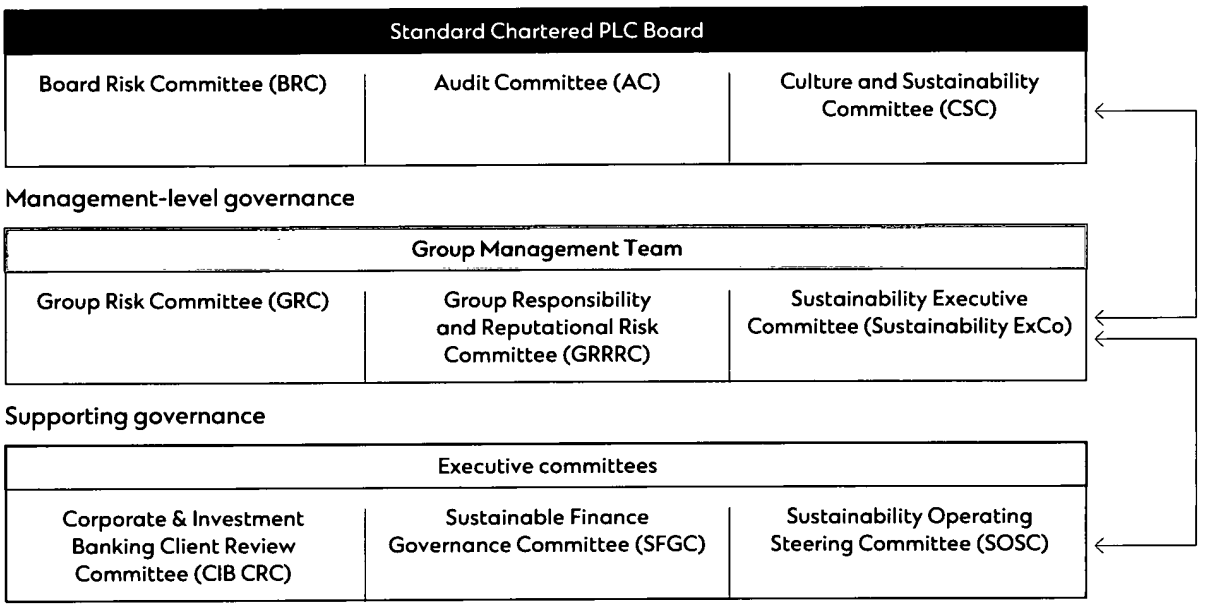
The Group continues to raise awareness of the importance of, and cultivate a strong culture of accountability in relation to, Privacy particularly through the Code of Conduct and regular mandatory Privacy training, such as the Group's Privacy and Data Sovereignty Awareness module which is applicable to all employees.

Read more on our Privacy Notice at sc.com/dataprivacy and our Code of Conduct and Ethics at sc.com/codeofconductandethics

Sustainability governance

Sustainability-related risks, opportunities and organisational implications are overseen by the Group's Board, Management Team and supporting committees.

Structural overview of our sustainability and climate-related governance



Board oversight of sustainability and climate-related risks and opportunities

The Board is responsible for the long-term success of the Group and its strategy. Embedding sustainability across our business is a key strategic priority for the Group, and ultimate responsibility for this sits with the Board. Oversight is exercised through the appointment of supporting committees that consider sustainability and climate-related risks and opportunities when reviewing and guiding strategic decisions. Through these committees the Board has oversight of the progress against the Group's external commitments, Sustainability Aspirations and delivery against key sustainability priorities including sustainable finance, Position Statements, human rights and community engagement. Since 2019, the Board has approved changes to the Climate Risk Appetite Statement annually to reflect our aim to measure and manage the financial and non-financial risks arising from climate change and to reduce emissions related to the Group's own activities, including those associated with providing financial services to clients, in line with the Paris Agreement. To reflect the combined Climate Risk and Reputational and Sustainability Risk, a combined Risk Appetite Statement has been in effect from 2025 for a more comprehensive coverage.

Management-level governance

Supporting the Board in its strategic decisions is the Group Management Team (GMT) and its supporting committees. Each member of the GMT is responsible for strategically driving sustainability considerations within their market(s), client segment or function in line with our net zero roadmap. The management committees hold the ultimate decision-making authority over all material sustainability initiatives and can direct actions as necessary for areas of improvement to ensure their effective implementation. This includes ensuring the effective management of Climate Risk and the net zero roadmap in support of the Group's strategy, as well as overseeing Risk Appetite metrics.

The responsibility for the Group's risk management approach and overall second line of defence for Climate Risk sits with the GCRO as the appropriate senior management function under the Senior Managers Regime. The GCRO is supported by the Global Head, Enterprise Risk Management, who has day-to-day oversight responsibility for Climate Risk.

Read more about the structure of our Board and Management Team on pages 130 to 139

Supporting governance

The oversight and management of sustainability- and climate-related risks and opportunities are integrated into our business management. Several executive committees operate under their terms of reference, delineating responsibilities, decision-making process, authority and the escalation route for any material issues. Additionally, several teams across our business, risk and functional areas are either dedicated to, or spend a proportion of their time, working on sustainability- and climate-related activities.

We are also expanding governance and risk management at the regional, country and segment levels to better identify and manage climate-related risks and opportunities.

Governance and steering committees

Several committees and steering groups support the Group's Board and Management Team on the management and monitoring of sustainability and climate-related risks and opportunities, and associated impacts on our business and for our key stakeholders.

Governance body
Standard Chartered PLC Board

Chair
Group Chair

Agenda frequency and inputs
- Annual Strategy Review
- Annual Sustainability Strategy Update
- ESGR updates delivered through regular Group CRO reports

Roles and responsibilities
- Oversee the Group's sustainability strategy, with input from the Culture and Sustainability Committee.

Topics covered in 2025
- Considered the Group's position on sustainability as part of the annual strategy discussion.
- Approved the Group's Risk Appetite (RA) Statement including ESGR RA and Board-level RA metrics.
- Received an update on the Group's sustainability strategy, including progress against the four sustainability strategic pillars, the Group's scorecard metrics and the tactical action plan for 2026.
- Endorsed the 2026 sustainability priorities.
- Approved the 2024 Modern Slavery Statement, detailing the steps taken to manage the risk of modern slavery in the business and its supply chain.
- Received updates on ESGR Risk.
- Received training on Climate Risk.

Governance body
Board Risk Committee (BRC)

Chair
Independent Non-Executive Director

Agenda frequency and inputs
- ESGR Risk updates provided to BRC in regular Group CRO reports
- One standalone update on ESGR Risk provided in December 2025

Roles and responsibilities
- Oversee the Group's key risks on behalf of the Board and act as the primary risk committee at Board level that oversees ESGR Risk.
- Consider the Group's RA and make recommendations to the Board on the Group's RA Statement including the ESGR RA.
- Assess risk types (including ESGR Risk) and the effectiveness of risk management frameworks and policies.
- Oversee and challenge the design and execution of climate-related Group-wide enterprise stress tests mandated by relevant regulation, when required.

Topics covered in 2025
- Reviewed and discussed an update on the ESGR Risks regulatory environment and emerging risk areas; the Group's ESGR Risk profile; and progress made on embedding Climate Risk.
- Received Climate Risk Information Reports.
- Monitored adherence to RA metrics.

Sustainability governance

Governance body
Audit Committee (AC)

Chair
Independent Non-Executive Director

Agenda frequency and inputs
- Annual climate disclosures within the Group's Annual Report and control environment in Q4
- Group's Net Zero models in May

Roles and responsibilities
- Oversee the Group's financial and non-financial reporting.
- Review the operation and effectiveness of the Company's systems and controls in relation to whistleblowing systems.

Topics covered in 2025
- Reviewed changes to the climate and GHG emissions-related quantitative disclosures to be reported in this Annual Report and the key controls around those quantitative disclosures.
- Received an update on the Group's net zero models and the validation of these under the Group's Model Risk Management framework and provided feedback to management.
- Reviewed the principal non-financial disclosures made by Standard Chartered, including the publication of ESG reporting and Task Force on Climate-related Financial Disclosures (TCFD).

Governance body
Culture and Sustainability Committee (CSC)

Chair
Independent Non-Executive Director

Agenda frequency and inputs
- Three times in 2025

Roles and responsibilities
- Review the Group's overall Sustainability Strategy.
- Review progress against the Group's external commitments, Sustainability Aspirations and delivery against key sustainability priorities.
- Monitor the implementation and delivery of the Group's public commitment to net zero emissions by 2050.
- Monitor emerging sustainability issues that require board-level oversight and/or external stakeholder engagement.
- Monitor progress against the ESG Ratings Strategy Roadmap.
- Review sustainability measures included in the Group annual and/or LTIP scorecards.

Topics covered in 2025
- Reviewed and discussed the Group's Sustainability Strategy and 2026 priorities.
- Reviewed progress on the Group's net zero roadmap and endorsed the approach to annually disclose the Group's methane portfolio emissions intensity.
- Received updates from the CSO on emerging sustainability issues, peer bank developments, policies and developments impacting the Group's key markets, and key initiatives.
- Considered progress on the Group's sustainability-related aspirations and endorsed the modification of two existing KPIs.
- Reviewed progress on the Group's sustainability-related memberships
- Monitored the Group's performance on the prioritised external ESG ratings agencies.
- Received training on the Group's Innovation Hubs (including debt for sustainable development swaps) and the Global Energy Transition Trends.
- Reviewed the sustainability measures included in the Group annual and LTIP scorecards.
- Reviewed progress made against Modern Slavery Statement commitments.

Governance body
Group Risk Committee (GRC)

Chair
Group Chief Risk Officer (GCRO)

Agenda frequency and inputs
- ESGR Risk updates were regularly provided to the GRC via the Group Risk Information Report and GCRO Report

Roles and responsibilities
- Oversee the effective implementation of the Enterprise Risk Management Framework (ERMF) for the Group, including the delegation of any part of its authorities to appropriate individuals or properly constituted committees below the GRC.
- Review RA for all Principal Risk Types (PRT) including ESGR Risk across the Group, to ensure that this is within the approved Board RA and Management Team (MT) limits.

Topics covered in 2025
- Received updates on RA, portfolio risks, recent NGO activity, regulatory updates, net zero, management and local regulatory stress tests via Group CRO Report.
- Received an annual update on ESGR risk, which included: regulatory updates; reputational risk profile updates in CIB, WRB and for third parties; climate risk integration in country risk, credit risk for CIB and WRB, operational and technology risk, country risk, treasury risk, liquidity risk; and scenario analysis and corporate planning.
- Received regular updates on ESGR risk (including Reputational Risk Materiality Assessments and Environmental and Social Risk Assessments, and Climate Risk updates), RA MT Limit and Board RA metrics and monitored adherence to these as part of the GRC Risk Information Report.

Governance body
Group Responsibility and Reputational Risk Committee (GRRRC)

Chair
Global Head of Enterprise Risk Management (ERM)

Agenda frequency and inputs
- Sixteen times in 2025

Roles and responsibilities
- Oversee and approve Position Statements including sector-specific and cross-sector statements including Climate Risk.
- Oversee ESGR-related RA metrics.
- Escalate very high or high ESGR matters to the GRC and BRC as appropriate
- Make decisions on high-rated clients and/or transactions that are based on the relevant ESGR assessments, while considering trade-offs associated with ESGR risks and opportunities.

Topics covered in 2025
Reviewed and approved:
- Clients and/or transactions with high ESGR risks.
- The Green and Sustainable Product, Transition Finance and Sustainable Bond frameworks.
- The process for net zero portfolio steering and governance, including:
  1. evaluating clients' transition plans
  2. refreshed financed emissions data for clients in sectors where the Group has set net zero targets
  3. ongoing approach to net zero portfolio management.
- Updates for cross-sector and sector-specific Position Statements.

Governance body
Sustainability Executive Committee (Sustainability ExCo)

Chair
Chief Sustainability Officer (CSO)

Agenda frequency and inputs
- Three times in 2025

Roles and responsibilities
- Direct actions as necessary for areas of improvement to ensure the effective implementation of sustainability initiatives.
- Review findings and escalations from delegated committees (including but not limited to the Sustainability Operating Steering Committee).
- Oversee the net zero programme.

Topics covered in 2025
Discussed:
- Group's 2026 Sustainability Strategy.
- Group's prioritised ESG ratings.
- Annual Review of memberships, commitments & aspirations.
- Net zero progress.

Governance body
Sustainable Finance Governance Committee (SFGC)

Chair
Head, Global Sustainability Engagement and Disclosures

Agenda frequency and inputs
- At least six times a year

Roles and responsibilities
- Provide leadership, governance and oversight in delivering the Group's sustainable finance offerings.
- Review and endorse sustainable finance products and frameworks.
- Guide the Group in identifying opportunities in sustainable finance and managing the greenwashing risks relating to sustainable finance.
- Oversee appointment, training and qualifications of empowered approvers.

Topics covered in 2025
Reviewed and approved:
- Sustainable finance products including sustainable cash products, sustainable trade finance products and sustainable finance wealth and retail products.
- Green and sustainable finance transactions including transactions with climate-related KPIs.
- The Group's GSPF and Sustainable Bond Framework, encompassing a range of climate finance activities.
- The Group's TFF outlining our approach to defining transition activities.
- The Group's approach to pureplay clients which align to the Group's GSPF and TFF.
- Reviewed and appointed new empowered approvers in alignment with CIB's geographic coverage cluster model.

Governance body
Sustainability Operating Steering Committee (SOSC)

Chair
Global Head, Sustainability Strategic Initiatives

Agenda frequency and inputs
- At least eight times a year

Roles and responsibilities
- Central forum where all strategic objectives related to sustainability are consolidated, prioritised and agreed upon.
- Oversee and monitor milestones and deliverables of sustainability initiatives with a focus on programme updates, including schedule, business benefits and cost.
- Ensure sustainability investment budget is centrally prioritised and allocated to businesses and functions quarterly performance reviews.
- Be a forum for escalation and decision-making to remove impediments and mitigate risks across all relevant non-financial risk types relating to delivery of the work in accordance with the CSO's objectives and key results and KPIs.

Topics covered in 2025
- Enforced accountability and fostered collaboration across the Group to operationalise the Group's net zero plan requirements and the broader sustainability agenda.
- Advanced the pan-bank ESG data and digital strategy and capabilities to embed sustainability into the client and deal lifecycle, enabling the Group's sustainability ambition and CSO strategic priorities.
- Enabled accurate ESG data capture, mitigating operational and greenwashing risks while facilitating accurate and timely reporting and disclosures.
- Aided the implementation of the Bank's ESG platform, consolidating ESG data and enabling business lines to assess ESG risks.
- Provided updates on advancement within the Group's Innovation Hubs.

Governance body
Corporate & Investment Banking Client Review Committee (CIB CRC)

Co-Chairs
Global Head, International Corporates and CCO and Head, CIB Advisory, UK and Europe

Agenda frequency and inputs
- Monthly

Roles and responsibilities
- To serve as a forum for assessing corporate responsibility and stakeholder perception on environmental, social, climate risk, net zero and other related policies when onboarding or maintaining CIB clients.
- Approve or reject new client relationships and make decisions on exiting or retaining existing ones in line with the relevant policies.
- Establish clear responsibilities for escalation to the Committee so that decisions are made as close to the front line as appropriate.

Topics covered in 2025
- Client submissions regarding sanctions risk, defence and dual use goods, sensitive clients and reputational risk.
- Coal related exits – client entities that are dependent on thermal coal revenue and will breach our step-down thresholds.
- ESGR approvals for previously medium/high risk cases where the risk profile remains unchanged.
- Updates from the Net Zero & Climate Risk Working Forum (NZCRWF).
- CIB client committees exits tracking.

Read the Committees' terms of reference at sc.com/committees

Incentive structure

Variable remuneration is based on measurable performance criteria linked to the Group's strategy, including our sustainability-related goals and targets, which are overseen by the Remuneration Committee and the Culture and Sustainability Committee.

Discretionary annual incentives

The Group scorecard, which contains financial and strategic measures, is a key input in determining the Group's variable remuneration pool. Sustainability-related measures were included in the 2025 Group scorecard with our Scope 1 and 2 net zero emissions targets now achieved. We continue to include sustainability in the 2026 Group scorecard related to:

- Growing sustainable finance income in our CIB network.
- Net zero decarbonisation: reducing our financed emissions for key sectors in line with our risk appetite.

Long-term incentive plan (LTIP)

LTIP awards are granted to members of the Group Management Team and may also be granted to other employees in the Group. Sustainability measures continue to be included in the 2026-2028 LTIP, focused on our net zero pathway as follows:

- Accelerating zero: progress towards our 2030 sustainable finance mobilisation target in each of the three performance years.
- Net zero decarbonisation: reducing our financed emissions for key sectors being assessed on annual year-on-year emission reductions.

Read more in the Directors' remuneration report on pages 180 to 206

Key individuals or teams with climate-related objectives which impact variable remuneration

In addition to the Group scorecard and LTIP performance measures, dedicated climate- and sustainability-related objectives apply across functional and regional scorecards including the Risk function, and individual objectives add a further link between sustainability outcomes and reward.

Individual or team	Objectives/performance linkage
Group Management Team (GMT)	Members of the GMT are eligible for an annual incentive based on the outcome of our Group scorecard and an LTIP award which both include sustainability-related measures. Read more on pages 180 to 206.
Group Chief Risk Officer (GCRO)	The GCRO is responsible for the overall second line of defence for Climate Risk as the appropriate senior management function under the senior managers regime. The GCRO is supported by the Global Head, Enterprise Risk Management, who has day-to-day oversight responsibility for Climate Risk.
Chief Sustainability Officer (CSO)	The CSO is responsible for setting and driving the Group's sustainability strategy, including delivering on the Group's public sustainability commitments. The CSO organisation houses the Group's sustainability strategy, net zero delivery, strategic initiatives, Innovation Hubs and ESRM teams. Performance measures for the CSO include progress against the delivery of the Group's net zero roadmap and sustainable finance targets.
Global Head of Supply Chain Management (SCM)	The Global Head of SCM is responsible for the delivery of upstream Scope 3 supply chain (categories 1, 2, 4 and 6) emission reductions and climate-related supply chain objectives and targets.
Global Head of Corporate Real Estate Services (CRES)	The Global Head of CRES is responsible for delivering on our aim to maintain net zero emissions in our Scope 1 and Scope 2 emissions, and to track and monitor Scope 3 (Category 5, 7 and 13) emissions.
All employees	Selected sustainability-related targets are incorporated into our annual Group scorecard, which is a key input in the setting of the employee annual incentive pool.

Directors' Report

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Case study

Partnering with Liverpool FC, Formula 1® and sponsoring marathons

In 2025, our partnerships with Liverpool Football Club and our sponsorship of marathons and global races went from strength to strength.

Liverpool Football Club returned to Asia for their Summer Tour, visiting Hong Kong – their first visit to the market in eight years – and Japan.

Meanwhile, 2025 was a milestone year for our marathons and global races. The year marked the 20th anniversary of the Great City Race 5km corporate run in London and the 20th edition of the Standard Chartered Jersey Marathon.

In January 2026, we announced a new Sponsorship with Formula 1® as Official Wealth Management Partner and Official Corporate & Investment Banking Partner to the global racing series.

Read more: sc.com/sponsorships

Board of Directors

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From left to right

1. **Dr Linda Yueh, CBE**
   Independent Non-Executive Director
2. **Shirish Apte**
   Independent Non-Executive Director
3. **Lincoln Leong**
   Independent Non-Executive Director
4. **Maria Ramos**
   Group Chair
5. **Robin Lawther, CBE**
   Independent Non-Executive Director
6. **Diane Jurgens**
   Independent Non-Executive Director
7. **Bill Winters, CBE**
   Group Chief Executive
8. **Phil Rivett**
   Senior Independent Director
9. **Jackie Hunt**
   Independent Non-Executive Director
10. **David Tang**
    Independent Non-Executive Director

On 10 February 2026, we announced that Diego De Giorgi stepped down from his role as Executive Director and Group Chief Financial Officer, and that Pete Burrill was appointed as Interim Group Chief Financial Officer with effect from 10 February 2026.

Read more about Pete Burrill on page 135

Maria Ramos (67)

Group Chair

Appointed: January 2021 and Group Chair in May 2025. Maria was appointed to the Court of Standard Chartered Bank in January 2021.

Nationality: South African, based in the UK

Committees: GN

Skills and experience: Maria has extensive CEO, banking, commercial, financial, policy and international experience.

Career: Maria served as Chief Executive Officer of ABSA Group Limited (previously Barclays Africa Group), from 2009 to 2019. Before joining ABSA, Maria was the Group Chief Executive of Transnet Ltd for five years. Maria served for seven years as Director General of South Africa's National Treasury. Maria has served on several international boards, including Sanlam Ltd, Remgro Ltd, and SABMiller plc, and more recently was a non-executive director of the Saudi British Bank and Public Investment Corporation Limited until December 2020 and Chair of AngloGold Ashanti PLC until 2024. She was also a non-executive director of Compagnie Financière Richemont SA before stepping down in March 2025.

External appointments: Member of the Group of Thirty; International Advisory Board member of the Blavatnik School of Government at Oxford University; Advisory Board member of the Wits Foundation Board of Governors; Board member of the Institute of International Finance; Member of the Leadership Council of TheCityUK; Member of the Bretton Woods Committee; Board member of the Institute of International Finance; Member of the National Financial Regulatory Administration International Advisory Council; and High-Level Private Sector Advisory Group member of Asian Development Bank.

Bill Winters, CBE (64)

Group Chief Executive

Appointed: June 2015. Bill was also appointed to the Court of Standard Chartered Bank in June 2015.

Nationality: American/British, based in the UK

Skills and experience: Bill is a career banker with significant frontline global banking experience and a proven track record of leadership and financial success.

Career: Bill began his career with JP Morgan, where he became one of its top five executives and later Co-Chief Executive Officer at the investment bank from 2004 until 2009. Bill was a committee member of the UK Independent Commission on Banking, where he recommended ways to improve competition and financial stability. Subsequently, he served as an adviser to the UK Parliamentary Commission on Banking Standards and was asked by the Court of the Bank of England to complete an independent review of the Bank of England's liquidity operations. In 2011, Bill founded Renshaw Bay, an alternative asset management firm, where he was Chair and CEO until his appointment to the Standard Chartered PLC Board. Bill received a CBE in 2013 and was previously a non-executive director of Pension Insurance Corporation plc and RIT Capital Partners plc. He stepped down as a non-executive director of Novartis International AG in March 2025.

External appointments: Non-executive director at Stripe INC; Advisory Group member of the Integrity Council for Voluntary Carbon Markets; and Board Advisor to the International Rescue Committee.

Phil Rivett (70)

Senior Independent Director

Appointed: May 2020. Phil was appointed to the Court of Standard Chartered Bank in May 2020.

Nationality: British, based in the UK

Committees: A Ri GN R

Skills and experience: Phil has significant professional accountancy and audit experience in the financial services sector.

Career: Phil joined PricewaterhouseCoopers (PwC) in 1976, becoming a partner in 1986. He spent more than 30 years at PwC and was lead relationship partner for several FTSE 100 companies, including several international banks and financial services institutions. He has substantial international experience, having worked with banks across the Middle East and Asia, particularly China. He became Leader of PwC's Financial Services Assurance practice in 2007 and was appointed Chair of its Global Financial Services Group in 2011. Phil has sat on several global financial services industry groups, producing guidelines for best practice in governance, financial reporting and risk management.

External appointments: Independent non-executive director and Chair of the audit committee at Nationwide Building Society; and Independent non-executive director at Virgin Money UK PLC.

Key to the Board committees

- A Audit Committee
- Ri Board Risk Committee
- CS Culture and Sustainability Committee
- GN Governance and Nomination Committee
- R Remuneration Committee
- ○ Denotes Committee Chair

Shirish Apte (73)

Independent Non-Executive Director

Appointed: May 2022. Shirish was appointed to the Court of Standard Chartered Bank in January 2023.

Nationality: British, based in Singapore

Committees: A Ri GN R

Skills and experience: Shirish has extensive corporate, investment banking, risk management, commercial and retail banking experience.

Career: Shirish spent more than 30 years with Citigroup, where he focused on corporate and investment banking, and managed commercial and retail banking businesses at country and regional level. He has strong risk experience and was a Senior Credit Officer and a Senior Securities Officer at Citigroup. Shirish was Co-CEO for Citi's Europe, Middle East and Africa business from 2008 to 2009, and Regional CEO Asia Pacific from 2009 to 2011. He was Chair of Asia Pacific Banking from 2012 until his retirement in 2014. He was on the Executive and Operating Committees of Citigroup from 2008 to 2014. From June 2014 until October 2022, he was an independent non-executive director at the Commonwealth Bank of Australia.

External appointments: Independent non-executive director at Singapore Life Pte Ltd and Hillhouse Investments; and Independent non-executive director and Chair of the board risk and nomination committees at Keppel Corporation Limited.

Jackie Hunt (57)

Independent Non-Executive Director

Appointed: October 2022. Jackie was appointed to the Court of Standard Chartered Bank in October 2022.

Nationality: British, based in the UK

Committees: A Ri GN R

Skills and experience: Jackie is a chartered accountant and has spent most of her career within financial services. She brings significant UK and international financial services experience, including asset management, insurance, regulatory and accounting knowledge.

Career: Jackie has held several senior management positions at companies including Hibernian Group, Norwich Union Insurance (now Aviva), PwC and RSA Insurance. From 2016 until 2021, she was a member of the Allianz SE management board. Jackie was an executive director of Prudential plc and CEO of Prudential UK, Europe and Africa. She was Group Chief Financial Officer of Standard Life plc from 2010 to 2013, where she helped transform the life insurer into a diverse savings, pensions and asset management business. Jackie was previously the Senior Independent Director of National Express Group PLC, a non-executive director of TheCityUK and the Deputy Chair of the FCA Practitioner Panel. She was also an independent non-executive director of Man Group PLC, Rothesay Life PLC and OneWeb Holdings Limited.

External appointments: Independent non-executive director at Willis Towers Watson plc; and Director of Extraprop Unlimited.

Diane Jurgens (63)

Independent Non-Executive Director

Appointed: March 2024. Diane was appointed to the Court of Standard Chartered Bank in March 2024.

Nationality: American, based in the US

Committees: Ri CS

Skills and experience: Diane has significant expertise in driving technology, product development and innovation to transform business operations across the mass media and entertainment, mining, automotive and aerospace sectors.

Career: From 2020 to 2023, Diane was Executive Vice President and Chief Information Officer at The Walt Disney Company, where she oversaw Disney's global enterprise technology organisation. From 2015 to 2020, Diane was Chief Technology Officer of the multinational mining and metals company BHP, where, largely based in Singapore, she was responsible for leading capital programme delivery, technology operations, cyber security, data privacy, and research and development. From 2012 to 2015, Diane was President and Managing Director of an American and Chinese joint venture, Shanghai Onstar Telematics, and was based in Shanghai. Prior to that, Diane held numerous senior executive positions at General Motors including several global roles across many of the Group's key markets.

External appointments: Non-executive director of the World 50 Group; and Dean's Advisory Board member at the University of Washington College of Engineering.

Robin Lawther, CBE (64)

Independent Non-Executive Director

Appointed: July 2022

Nationality: American/British, based in the UK

Committees: CS Ri R

Skills and experience: Robin brings extensive international banking experience in global markets and financial institutions with specialist knowledge in investment banking, mergers and acquisitions, and capital raising.

Career: Robin spent more than 25 years at JP Morgan Chase in several senior executive positions. She has valuable executive and non-executive experience across global markets and has considerable understanding of regulatory and governance issues. From 2019 to 2021, she served as a non-executive director on the board of M&G plc. In January 2014, Robin joined Shareholder Executive (now UK Government Investments), as a non-executive board member until completing her term in May 2022. She received a CBE for services to finance and diversity in the Queen's Birthday Honours 2020. From 2016 to 2020, Robin was a non-executive board member of Oras Invest and from 2014 to 2023, she served as an independent non-executive director of Nordea Bank Abp.

External appointments: Non-executive director at ICG plc; Independent board member at Ashurst LLP; and Global Advisory Board member at Aon PLC.

Lincoln Leong (65)

Independent Non-Executive Director

Appointed: November 2024. Lincoln was appointed to the Court of Standard Chartered Bank in November 2024.

Nationality: Canadian/Chinese (HK), based in Hong Kong

Committees: A

Skills and experience: Lincoln is a chartered accountant with experience in investment management and investment banking.

Career: Lincoln spent more than 15 years at MTR Corporation Limited in a range of executive roles, becoming its Chief Executive Officer from 2015 to 2019. Prior to this he held a number of senior roles within private equity and investment banking including as a partner at Capital Z Asia Limited, Senior Vice President of Investment Banking at Lehman Brothers Asia Ltd and Director of, followed by Head of Corporate Finance at Schroders Asia Ltd. Lincoln started his career as an accountant at PriceWaterhouse (now PwC) in London and subsequently joined PriceWaterhouse in Vancouver. He was previously a non-executive director of Jardine Strategic Holdings Limited and Mandarin Oriental International Limited, and an independent non-executive director of Link Asset Management Limited (manager of the listed Link Real Estate Investment Trust) and SUNeVision Holdings Ltd.

External appointments: Independent non-executive director of Standard Chartered Bank (Hong Kong) Limited; Independent non-executive director and Chair of the audit committee of the China Resources Land Limited; Non-executive director of Hongkong Land Holdings Limited; Board member and executive committee member of The Community Chest of Hong Kong; and Vice Chair supervisory board member and executive committee member of the Hong Kong Housing Society.

David Tang (71)

Independent Non-Executive Director

Appointed: June 2019

Nationality: American, based in China

Committees: CS R

Skills and experience: David has a deep understanding and experience of emerging technologies most notably in Mainland China.

Career: David has more than 30 years of international and Chinese operational experience in the technology and venture capital industries, covering venture investments, sales, marketing, business development, research and development and manufacturing. From 1989 to 2004, David held several senior positions in Apple, Digital Equipment Corp and 3Com based in China and across the Asia Pacific region. From 2004 to 2010, David held various positions at Nokia, including Corporate Vice President, Chair of Nokia Telecommunications Ltd and Vice Chair of Nokia (China) Investment Co. Ltd. He went on to become Corporate Senior Vice President and Regional President of Advanced Micro Devices, Greater China, before joining NGP Capital (Nokia Growth Partners) in Beijing as Managing Director and Partner in 2013, a position he held until June 2021. David was an independent non-executive director of Kingsoft Corporation, a Chinese software and internet services company.

External appointments: Non-executive director of JOYY Inc.; and Founding member of the Hong Kong AI Foundation.

Dr Linda Yueh, CBE (54)

Independent Non-Executive Director

Appointed: January 2023. Linda was appointed to the Court of Standard Chartered Bank in January 2023.

Nationality: American/British, based in the UK

Committees: CS GN R

Skills and experience: Linda is a renowned economist and financial broadcaster with a diverse range of skills and experience across financial services, technology, not-for-profit and business-to-business service sectors.

Career: Linda has held various academic and advisory roles after starting her career as a corporate lawyer. Linda was Economics Editor at Bloomberg News from 2010 to 2012 and Chief Business Correspondent for the BBC from 2013 to 2015. She was a Visiting Professor at LSE IDEAS at the London School of Economics and Political Science from 2019 to 2022 and served on the Independent Review Panel on Ring-Fencing and Proprietary Trading for HM Treasury. Linda held non-executive directorships with Scottish Mortgage Investment Trust Plc, London & Partners Ltd and JPMorgan Asia Growth & Income Plc. She was Senior Independent Director of Fidelity China Special Situations Plc, Trustee of the Coutts Foundation and Adviser to the UK Board of Trade. Linda was awarded a CBE for Services to Economics in the 2023 New Year Honours List.

External appointments: Independent non-executive director of Rentokil Initial Plc and Segro Plc; Chair of the Baillie Gifford The Schiehallion Fund Ltd; Senior Advisor to the CEO at Greene King; Fellow at St Edmund Hall, Oxford University; Adjunct Professor of Economics at London Business School; Trustee of the Fidelity UK and International Foundations; Associate Fellow at Chatham House; and Advisory member of the UK Soft Power Council and the English Law Promotion Panel.

Scott Corrigan (59)

Group General Counsel and Group Company Secretary

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Appointed: November 2025

Nationality: American, based in the UK

Skills and experience: Scott joined the Bank in 2014 as General Counsel, Americas. He previously held the Group Company Secretary role on an interim basis from 2021 to 2022. Scott is also Group General Counsel, having been appointed to the role in January 2025. He leads the Group's Legal and Corporate Secretariat teams globally.

Career: Scott has extensive legal expertise, having previously served as Assistant District Attorney at the New York County District Attorney's Office and as Enforcement Counsel for the Federal Reserve Bank of New York. After leaving government service, Scott represented banks, other financial services firms, and financial services executives in government investigations and civil litigation. He also served in a variety of managerial roles as a law firm partner.

Compliance statement

The directors are pleased to confirm that during 2025 the Company complied with the UK Corporate Governance Code 2024 (UK Code) and the Hong Kong Corporate Governance Code contained in Appendix C1 of the Hong Kong Listing Rules (HK Code).

During 2025, an updated version of the HK Code was published that applies to the Company's financial year ending 31 December 2026. The Board has received presentations on the changes and discussed the actions to be taken to prepare for their implementation.

The Board and the Audit Committee remained focused on the Group's progress towards ensuring compliance with Provision 29 of the UK Code, which applies to the financial year ending 31 December 2026. Read more on page 168.

This Directors' report, which constitutes our corporate governance report, provides insights into how governance operates within the Group and how we have applied the principles set out in the UK Code and HK Code. Copies of the UK Code and the HK Code can be found at **www.frc.org.uk** and **www.hkex.com.hk**, respectively.

The Group confirms that it has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than required by Appendix C3 of the Hong Kong Listing Rules. Having made specific enquiries of all directors, the Group confirms that all directors have complied with the required standards of the adopted code of conduct.

A table setting out where relevant information is disclosed can be found in Other statutory and regulatory disclosures on page 207.

Management Team

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Bill Winters, CBE (64)
Group Chief Executive

Read more about Bill on page 131

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Pete Burrill (54)
Interim Group Chief Financial Officer

Appointed: February 2026

Nationality: American/British, based in UK

Career: Pete was appointed as the Interim Group Chief Financial Officer in February 2026, following tenure as Group Head, Central Finance and Deputy Chief Financial Officer since 2017. Additionally, he is Chair of the Standard Chartered Bank AG Supervisory Board, a position he has held since March 2025, having joined the Supervisory Board in 2019. Prior to joining the Bank, Pete was Group Controller and Co-Head of Group Finance at Deutsche Bank. Earlier in his career, Pete spent almost 20 years at KPMG, including 10 years in the United States followed by 10 years in Germany.

External appointments: None.

Noelle Eder (56)
Group Head, Technology & Operations

Appointed: May 2025

Nationality: American, based in Singapore

Career: Noelle's extensive career spans more than 30 years across financial services, financial technology, healthcare, and hospitality. She has deep experience in areas from modernising global technology to driving core innovation, as well as in data and analytics, cyber security, product management and software development. Noelle was named one of the top 50 leaders in technology on the Forbes CIO Next List in 2023 and was listed in WomenTech network's 100 Executive Women in Tech to Watch for 2025.

Prior to joining the Bank, Noelle was the Executive Vice President and Global Chief Information Officer at The Cigna Group, where she was responsible for leading the digital, technology, data and analytics and operations strategy. Prior to joining The Cigna Group, her previous roles included Chief Information and Digital Officer at Hilton Worldwide Holdings, and Chief Card Customer Experience Officer for Capital One Financial Corporation. She also held leadership roles at Intuit and Teknowledge.

External appointments: None.

Jason Forrester (56)
Group Chief Risk Officer

Appointed: January 2026

Nationality: British, based in the UK

Career: Jason was appointed as the Group Chief Risk officer in January 2026, following tenure as Global Head of Enterprise Risk Management and Deputy Chief Risk Officer since joining the Bank in September 2020. Additionally, he was appointed Co-Head, Chief Risk Officer, Corporate & Investment Banking in July 2024 and to Standard Chartered Bank AG's Supervisory Board in January 2025. Jason's career in financial services spans over three decades. Prior to his role at the Bank, Jason accumulated 21 years at Credit Suisse, where he held a variety of senior positions including Global Head of Enterprise and Operational Risk Management and CFO Credit Suisse Europe and Chief Operating Officer for the Risk Division. Earlier in his career, Jason spent a decade at PwC, undertaking key roles as Senior Manager and Manager in the Financial Services Audit and Advisory Groups across London, Moscow and Birmingham.

External appointments: None.

Management Team

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Roberto Hoornweg (57)
CEO, Corporate & Investment Banking

Appointed: December 2025

Nationality: Italian/Dutch, based in the UAE

Career: Prior to his current role, Roberto was Global Head of Financial Markets from January 2017 and Global Co-Head, Corporate & Investment Banking from April 2024. He currently has responsibility for our Europe, Americas, Middle East and Africa markets. Before joining the Bank, Roberto was a partner at Brevan Howard, leading the Liquid Portfolio Strategies funds business. Previously, he spent three years at UBS Investment Bank in London leading the global Securities Distribution business and then co-heading the global Fixed Income, Currencies and Commodities division. Roberto spent 17 years at Morgan Stanley where he held various senior roles in fixed income derivatives, led the global Emerging Markets Fixed Income & FX business, and was latterly Head of Global Interest Rates, Credit and Currencies.

External appointments: Independent non-executive director of MarketAxess Holdings Inc.

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Judy Hsu (62)
CEO, Wealth & Retail Banking

Appointed: October 2017

Nationality: Canadian, based in Hong Kong

Career: Judy was appointed CEO, Wealth & Retail Banking in January 2021. In addition, she has responsibility for our ASEAN, South Asia, Greater China & North Asia markets. She is also the Chair of Trust Bank Singapore Limited. Previously, Judy was Regional CEO, ASEAN & South Asia, a position she held from June 2018 and the CEO for Standard Chartered Singapore from 2015 to 2018. She joined the Bank in December 2009 as the Global Head of Wealth Management and led the strategic advancement of the division. Prior to this, Judy spent 18 years at Citibank, where she held various leadership roles in its Consumer Banking business in Asia.

External appointments: Independent non-executive director of CapitaLand Limited.

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Mary Huen (58)
CEO, Hong Kong and Greater China & North Asia

Appointed: August 2024

Nationality: Chinese, based in Hong Kong

Career: Mary is an executive director of Standard Chartered Bank (Hong Kong) Limited (SCBHK). She has over 30 years of experience in business management and banking services. Mary was the Regional Head of Retail Banking, Greater China & North Asia, before being appointed CEO for Hong Kong in March 2017, and took on an expanded role as Cluster CEO for Hong Kong, Taiwan and Macau in January 2021.

External appointments: Rotating Chair or Vice Chair of the Hong Kong Association of Banks; Vice President of the Council of the Hong Kong Institute of Bankers; Council member of the Hong Kong Treasury Markets Association; Member of the Hong Kong Monetary Authority's Banking Advisory Committee; Member of the Hong Kong Academy of Finance; Representative of Hong Kong, China to the Asia-Pacific Economic Cooperation Business Advisory Council; Council member of the Hong Kong Management Association; Member of the Belt and Road & Greater Bay Area Committee of the Hong Kong Trade Development Council; Member of the Advisory Committee on Development of International Aviation Superhub; Member of the Human Resources Planning Commission; Board positions in the Hong Kong Hospital Authority; and Member of the Advisory Committee on Corruption of the Independent Commission Against Corruption.

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Benjamin Hung (61)
President, International

Appointed: April 2024

Nationality: Canadian, based in Hong Kong

Career: Ben is the Chair of SCBHK, Standard Chartered Bank (China) Limited and Standard Chartered Bank (Singapore) Limited. Ben joined Standard Chartered in 1992 and has held several senior management positions spanning corporate, commercial and retail banking. Prior to his current role, he was CEO, Asia, overseeing the Bank's presence in 21 markets. He was previously Regional CEO for Greater China & North Asia and CEO for the Bank's Retail Banking and Wealth Management businesses globally.

External appointments: Chair of the Board of directors of the Hong Kong Financial Services Development Council; Member of the Hong Kong Chief Executive's Council of Advisers, the Exchange Fund Advisory Committee and the General Committee of the Hong Kong General Chamber of Commerce; Board member of the West Kowloon Cultural District Authority Board; Co-Chair of B20's Finance and Infrastructure; and Economic Adviser at the International Consultative Conference on the Future Economic Development of Guangdong Province, Mainland China; and Visiting Lecturer at Princeton University.

Tanuj Kapilashrami (48)
Chief Strategy & Talent Officer

Appointed: April 2024

Nationality: British, based in the UK

Career: Tanuj heads Corporate Strategy, Group-wide Transformation and Corporate Functions (HR, Corporate Affairs, Brand and Marketing, Supply Chain Management and Corporate Real Estate & Services). Before taking on this role, Tanuj was the Group Head, Human Resources from 2019, and joined the Bank as Group Head, Talent, Learning & Culture in 2017. Tanuj has over two decades of experience in the global financial services sector, and prior to Standard Chartered, she built her career at HSBC in a range of country, regional and global leadership roles across multiple markets, including Hong Kong, Singapore, Dubai, India and London. Tanuj was previously an associate non-executive director of the Board of NHS England advising on their workforce transformation agenda.

External appointments: Non-executive director and member of the nomination and remuneration committees of J Sainsbury's PLC; and Member of the Asia House Board of Trustees.

Alex Manson (56)
CEO, SC Ventures

Appointed: August 2024

Nationality: French, based in Singapore

Career: Alex is the CEO of SC Ventures, which he set up in 2018. He joined Standard Chartered in 2012 initially as Group Head, Wholesale Banking Geographies, and later served as Global Head, Transaction Banking. Alex set up SC Ventures as a unit of the Bank to promote innovation, invest in disruptive technology and build new ventures to explore alternative business models in the financial sector. Prior to joining the Bank, Alex was at Deutsche Bank for 12 years, where he held roles including Global Head of Lending and Corporate Banking Coverage and Head Global Banking (IBD) Coverage APAC. He started his banking career at Credit Suisse, where he held roles in the Securitization Group, and Derivatives & Structured Products.

External appointments: Board member (various) for our ventures and portfolio companies.

Our Board at a glance

2025 Board priorities

In our commitment to deliver value through a culture of operational excellence, we focused on the following priorities during 2025:

Sharpening execution of the strategy

Navigating the geopolitical environment

Oversight of key transformation programmes

Risk, compliance and regulatory

Innovation and sustainability

Succession planning

2025 governance outcome highlights

Annual performance review

Appointed an external independent reviewer to undertake the annual performance review of the Board and its committees and received recommendations to enhance performance.

Read more on pages 150 to 152

UK Audit and Corporate Governance Reforms (ACG)

Oversaw the multidisciplinary Group-wide rollout on the ACG reforms, which went live on 1 January 2026.

Read more on pages 161 and 168

Board and committee changes

Oversaw the implementation of succession plans in relation to the appointment of the Group Chair, Audit Committee Chair and Risk Committee Chair.

Read more on page 157

Directors' remuneration policy

Received the support of shareholders for the new Directors' remuneration policy and the implementation of the 2024 Directors' remuneration report at our 2025 AGM.

Read more on pages 146 and 181

2025 Board meetings attendance

	AGM	Scheduled
Maria Ramos (Group Chair)	✓	8/8
Bill Winters, CBE (Group Chief Executive)	✓	8/8
Diego De Giorgi (Group Chief Financial Officer)[1]	✓	8/8
Phil Rivett	✓	8/8
Shirish Apte	✓	8/8
Jackie Hunt	✓	8/8
Diane Jurgens	✓	8/8
Robin Lawther, CBE	✓	8/8
Lincoln Leong	✓	8/8
David Tang[2]	✓	7/8
Dr Linda Yueh, CBE	✓	8/8
Dr José Viñals[3]	✓	3/3

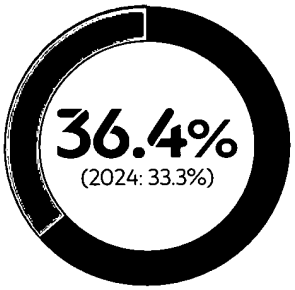
1 Diego De Giorgi stepped down as Executive Director and Group Chief Financial Officer on 10 February 2026.
2 David Tang was unable to attend one scheduled meeting due to a family bereavement. David had access to all relevant materials prior to the meeting and the opportunity to provide feedback.
3 José Viñals stepped down from the Board on 8 May 2025.

Diversity as at 31 December 2025

Group Chair and INED tenure

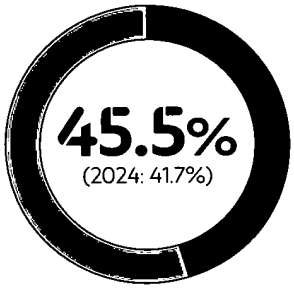
0 – 3 years	2
3 – 6 years	6
6 – 9 years	1

Ethnicity



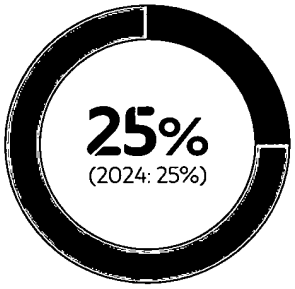
White British/Other White	7
Asian/Asian British	4

Gender



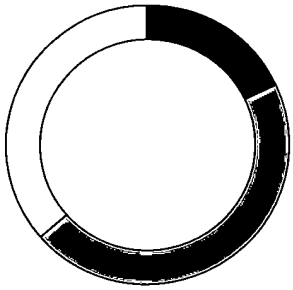
Women	5
Men	6

Senior positions (GCE, GCFO, Group Chair and SID)



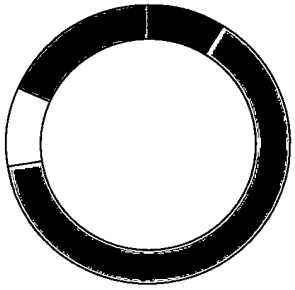
Women	1
Men	3

Age



44 – 55	2
56 – 65	5
66 – 75	4

Independence



Group Chair (independent upon appointment)	1
Independent non-executive directors	7
Senior independent director	1
Executive directors	2

Board and committee composition changes

1 January 2025

- Diane Jurgens and Jackie Hunt joined the Board Risk Committee.
- David Tang stepped down from the Board Risk Committee.
- David Tang and Jackie Hunt joined the Remuneration Committee.

8 May 2025

- Maria Ramos succeeded José Viñals as Group Chair and Governance and Nomination Committee Chair.
- Maria stepped down as Senior Independent Director, Board Risk Committee Chair and as a member of the Audit and Remuneration Committees.
- Phil Rivett was appointed Board Risk Committee Chair, subject to regulatory approval, and assumed the role immediately on an interim basis.
- Phil Rivett was appointed as Senior Independent Director.
- Jackie Hunt was appointed as a member of the Governance and Nomination Committee and, subject to regulatory approval, was appointed as Audit Committee Chair.

1 August 2025

- Phil Rivett received regulatory approval as Board Risk Committee Chair.

15 September 2025

- Jackie Hunt received regulatory approval as Audit Committee Chair.

1 January 2026

- Phil Rivett was appointed as a member of the Remuneration Committee.

10 February 2026

- Diego De Giorgi stepped down as Executive Director and Group Chief Financial Officer.

Board leadership and Company purpose

Governance structure

The Standard Chartered PLC Board

The Board is responsible for:

- The governance, strategic direction and performance of the Group, and the delivery of sustainable value within a framework of prudent and effective controls to which the Group's culture is aligned.
- The Group's engagement with key stakeholders and considering their views and interests during its discussions and decision-making.
- Overseeing the Group's conduct and affairs and for promoting its long-term sustainable success.

Under its Terms of Reference, the Board has direct responsibility for specific matters, including approval of the Group's long-term objectives, purpose, valued behaviours, culture and commercial strategy.

Section 172 Statement and stakeholder engagement
See pages 37 to 41

Board activities
See pages 141 to 145

Board engagement with our shareholders
See pages 146 to 147

Roles and responsibilities
See page 149

Board committees

To assist in fulfilling its responsibilities, the Board delegates responsibilities to its five committees: Audit, Board Risk, Culture and Sustainability, Governance and Nomination, and Remuneration. The Chair of each committee reports to the Board at every meeting, ensuring that the Board retains suitable oversight of delegated matters.

With exception of the Governance and Nomination Committee (which is chaired by the Group Chair), all the Board committees are composed of INEDs.

Audit Committee **Read more on pages 161 to 169**

The Audit Committee is responsible for oversight and review of matters relating to financial, non-financial and narrative reporting, the Group's internal controls, including internal financial controls, and the work undertaken by the Compliance, Financial Crime & Conduct Risk (CFCR) function, Group Internal Audit & Investigations (GIAI) and the Group's Statutory Auditor, Ernst & Young LLP (EY).

Board Risk Committee **Read more on pages 170 to 175**

The Board Risk Committee is responsible for oversight of the Group's key risks. It reviews the Group's Risk Appetite, and the appropriateness and effectiveness of the Group's Enterprise Risk Management Framework (ERMF), and assesses emerging and existing principal risks. It also considers the implications of material regulatory change proposals and due diligence on material acquisitions and disposals.

Culture and Sustainability Committee **Read more on pages 176 to 179**

The Culture and Sustainability Committee is responsible for oversight and review of the Group's culture and sustainability priorities.

Governance and Nomination Committee **Read more on pages 155 to 160**

The Governance and Nomination Committee is responsible for advising the Board in relation to the composition of, and appointments to, the Board and its committees, and the development of a diverse pipeline for succession. The Committee also assesses the independence of each INED and monitors and advises on the impact of changes to corporate governance affecting the whole Group.

Remuneration Committee **Read more on pages 180 to 206**

The Remuneration Committee is responsible for setting the principles, parameters and governance framework for the Group's remuneration policy and overseeing its implementation. This Committee determines the framework and policies for the remuneration of the Group Chair, the executive directors and other senior management. It also oversees the alignment of reward, culture and the strategic priorities and oversees the Fair Pay Charter.

Group Chief Executive and Management Team

The Board delegates authority for the operational management of the Group's business to the Group Chief Executive for further delegation by him in respect of matters that are necessary for the effective day-to-day running and management of the business. The Board holds the Group Chief Executive accountable in discharging his delegated responsibilities. The Management Team comprises the Group Chief Executive and the Group Chief Financial Officer, client segment CEOs and global function heads. It has responsibility for the day-to-day management of the Group and for executing its strategy.

Read more on pages 135 to 137

The Terms of Reference of the Board and its committees are available on our website at sc.com/termsofreference

Board activities

The Board maintains a comprehensive schedule of meetings and a forward agenda to ensure meetings run efficiently and effectively. Board meeting agendas are agreed in advance by the Group Chair and Group Company Secretary, ensuring adequate time is allocated to all items with a balance between strategic, operational, financial and governance matters. The Group Chair holds INED-only meetings ahead of each scheduled Board meeting, which provides the opportunity for discussion on key agenda items and other matters without the executive directors and management present.

The Board considers several standing items at each Board meeting including:

- Group Chief Executive's report
- Group Chief Financial Officer's report
- Committee reports
- Group Company Secretary's report, including updates on governance matters.

In addition to the regular financial and operational performance updates included in the Group Chief Executive and GCFO reports presented to the Board at its regular meetings, the Board also receives a monthly Group Chief Executive newsletter and financial updates including management accounts.

Stakeholders considered

Relationships with our key stakeholders were actively considered during Board and committee meetings, in decision-making, and in the individual and collective engagements that took place throughout the year.

- Clients
- Employees
- Investors
- Society
- Suppliers
- Regulators and governments

Read more on our stakeholder engagement on pages 37 to 41

Key activities during 2025

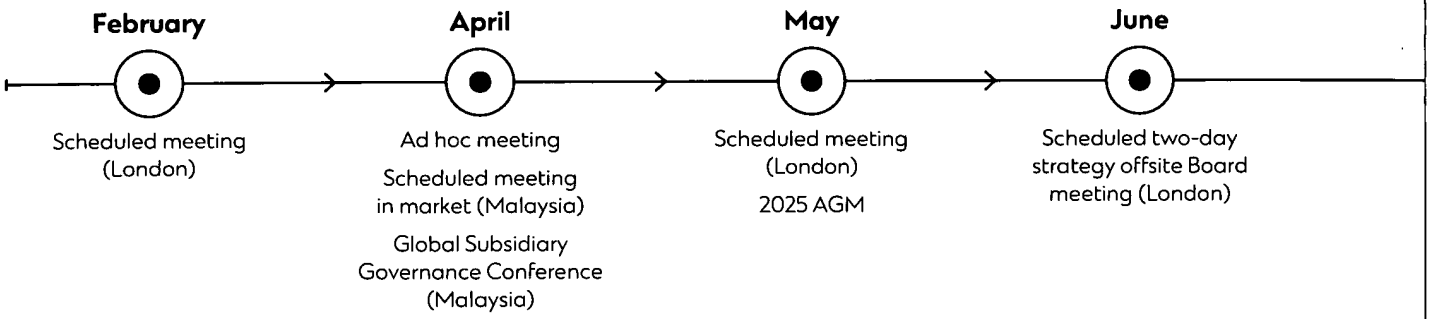
This table details some of the key areas of focus for the Board during 2025 and the relevant stakeholder groups to which these areas align.

Activities	Outcomes
Strategy • Reviewed the Group's strategy over two days at an offsite Board meeting. See page 144 for further information. • Received and discussed regular corporate development updates. • Approved and monitored the Group's exit from various markets and businesses in the Asia, Africa and the Middle East regions. • Received updates on the Group's Investor Relations strategy. • Reviewed and discussed the progress and evolution of the Group's Technology & Operations strategy. • Discussed the role of digital assets in the evolution of financial services and the Group's role in shaping the future of the banking industry.	• Approved sales of WRB businesses in Uganda, Zambia and Sri Lanka. See page 145 for further information. • Oversaw a new market entry into Luxembourg. See page 144 for further information.

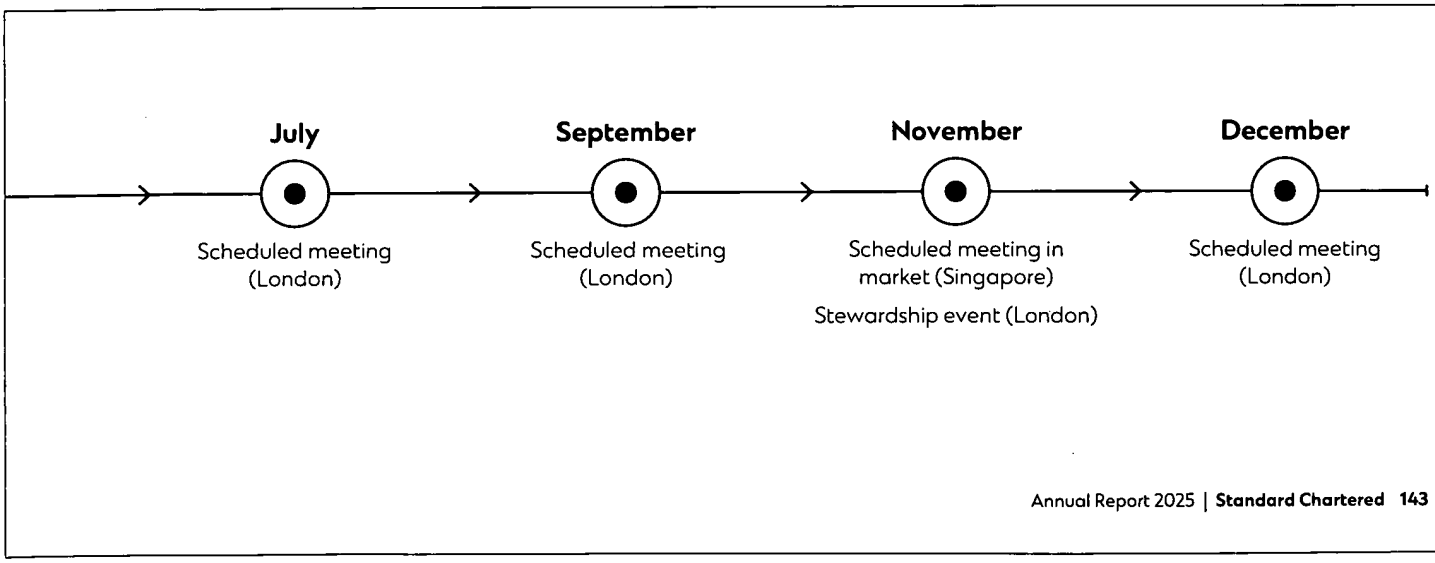
Board activities

Activities	Outcomes
Risk management and regulatory • Received risk reports from the GCRO and Board Risk Committee. • Reviewed the Financial Conduct Authority (FCA) Firm Evaluation Letter, engaged directly with the FCA on its contents and approved the response and actions. • Received an update on the progress made against the actions agreed with the Prudential Regulation Authority (PRA) in respect of its findings identified in the 2024 Periodic Summary Meeting (PSM) Letter, noting good progress had been made. • Reviewed stress testing and assessment of the impacts of tariffs, trade tensions and market turbulence on the client segments, industry and sectors, and markets and countries. • Engaged with the PRA on the findings of its 2025 PSM Letter. • Received an update on change management and the Group's key transformation programmes.	• Approved the Group's Risk Appetite for 2026, which included a consideration of principal risks. • Approved material changes to the ERMF. • Approved the Contingent Liquidity Risk Framework, Board Risk Appetite and contingent liquidity risk management plan for the Group.
People, culture and values • Reviewed the Board Diversity Policy. • Reviewed an annual update on the operation and effectiveness of the Group's Speaking Up programme for 2024-2025. • Received updates on the recruitment and appointment of a new Head of Technology and Operations (T&O) as well as wider changes and appointments in the T&O team. • Reviewed 2025 Group and Management Team scorecards. • Discussed progress made against the Group's people strategy. • Received the annual report on employee conduct and concerns management. • Reviewed the Group's culture strategy.	• Discussed the Group's global position on diversity and inclusion (D&I), and sustainability, in the context of the political stance in the US, confirming that our position remained unchanged with management firmly committed to the Group's global D&I strategy and sustainability agenda. • Approved changes to the Board Diversity Policy. See page 158 for further information. • Approved the Group's UK and Australia Modern slavery statements.
Financials and performance • Monitored the Group's financial performance. • Considered the Group's approach to capital management and returns. • Received financial updates from the CFO including key financial highlights and performance against budget. • Discussed the outlook for 2025. • Received updates on operational events. • Reviewed and approved the five-year corporate plans and 2026 budget.	• Approved the final dividend for 2024, the interim dividend for 2025 and two share buyback programmes. • Approved the 2024 Annual Report, 2025 Half-Year Report and quarterly results.

Key Board meetings



Activities	Outcomes
Governance	
• Attended a global subsidiary governance conference in Malaysia, held over two days in April 2025. See page 145 for further information. • Reviewed and approved directors' potential conflicts of interest. • Received quarterly updates on the Standard Chartered Bank (Hong Kong) Limited (SCBHK) board and committee meetings. • Reviewed the Board performance review 2024 and approved the 2025 action plan. • Received workforce engagement updates. • Received updates on new regulations impacting corporate governance. • Received updates on the Group's AI framework and discussed the establishment of a governance structure to drive adoption across the business. • Received an update on the key amendments to the HK Corporate Governance Code taking effect from 1 January 2026. • Reviewed material escalations and events from the Group's key subsidiaries. • Discussed executive director and Management Team succession planning. • Received and discussed the 2025 externally facilitated Board performance review presentation. • Received an external report on investor perception of the Group. • Received updates from, and engaged with, three of the Group's largest shareholders, providing an overview of their investment views.	• Approved non-executive directors' independence and reappointment, and recommended the re-election of directors at the 2025 AGM. • Approved several Board and committee appointments. See pages 139 and 157 for further information. • Approved the appointment of Scott Corrigan as the Group Company Secretary. • Approved the expansion of Sir Iain Lobban's role as independent adviser and critical friend to the Board, its committees and management.
External environment	
• Received updates on the macroeconomic and geopolitical environment including: – Tariffs and changing global trade flows and the risks and opportunities for the Bank – US-China relations – Conflicts – Middle East, Russia/Ukraine, Israel/Gaza – Technology and innovation and how quickly these are changing – AI, digital currencies and digital assets – Singapore, Malaysia and the wider ASEAN region • Given the number of shifts in the macroenvironment and geopolitics/ geoeconomics, the Board tested the resilience of the strategy.	• Identified the associated risks and opportunities for the Group arising from the volatile macroeconomic and geopolitical environment. • Agreed that the strategy of focusing on differentiated cross-border capabilities with leading wealth management expertise remained the right one in the rapidly evolving external environment.



Principal Board activities

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Strategy offsite meeting

A two-day offsite strategy Board meeting was held in London in June 2025, which provided an opportunity for the Board to consider detailed strategic updates, challenge management, and shape and provide feedback on the Group's longer-term strategic ambition. The Board discussed key strategic matters, the Group's long-term strategic ambition, and progress against the Group's strategic priorities, taking into consideration the evolving external environment.

The Board discussed geoeconomic and geopolitical drivers; our distinctive cross-border offering; our affluent business; establishing a stronger originate-to-distribute engine; building alternative business models in digital assets; skills and talent; and our shareholders' expectations.

The Board concluded that the execution of the strategy remained on track with performance improving and positive client feedback received. The strategy is well-positioned to deliver against a rapidly evolving external environment and regulatory landscape. The Board acknowledged enhancements to the alignment between the Group's brand and strategy and the importance of building specialist skills, capabilities and knowledge to deliver the strategy.

Principal decisions

Image removed

New digital assets business in Luxembourg

Stakeholders considered

Clients

Regulators and governments

Image removed

The Board approved the Group's entry into Luxembourg to establish a new crypto and digital assets custody business. In order to ensure that we may provide a comprehensive digital assets custody solution for our global clients, the Group was required to establish an EU presence and apply for a licence under the EU's newly established digital assets regulatory framework, the Markets in Crypto Asset Regulation. Luxembourg was selected to serve as the Group's entry point to the EU, with the market having already demonstrated a proactive approach to the regulation of digital asset services, and possessing a strong local digital asset ecosystem with a deep talent pool. The new entity has now obtained its licence to operate digital asset custody services and represents a key pillar in the Group's global digital assets strategy, supporting clients with a product changing the landscape of traditional finance.

Image removed

Global Subsidiary Governance Conference

The Global Subsidiary Governance Conference, which takes place every two years, convened in Malaysia in April 2025, coinciding with 150 years of the Bank's presence in Malaysia. The conference marked another milestone in the Group's subsidiary governance programme. This conference is designed to strengthen alignment and collaboration between the Group Board and the boards of the banking subsidiaries across the network.

The conference addressed several priorities, including the Group's strategic direction and financial performance, with particular emphasis on leveraging the Group's distinctive network to facilitate connectivity across global trade corridors. Discussions centred on enhanced understanding and management of Information and Cyber Security Risk in an evolving digital landscape, alongside a forward-looking perspective on workforce transformations to align to the Group's strategy. The conference also focused on geopolitics and the macro implications across our regions.

The conference reinforced the Group's commitment to robust governance infrastructure and collaborative leadership across its international operations and demonstrated the cohesive approach to delivering the Group's strategy by leveraging its unique physical footprint and diversified markets.

Image removed

Exit of three WRB businesses

Stakeholders considered

- Clients
- Employees
- Society
- Regulators and governments

The Board approved the divestment of three WRB businesses in Uganda, Zambia and Sri Lanka, with the Group concentrating its resources in these markets on serving the cross-border needs of global corporate and financial institution clients through its CIB business. In determining the preferred acquiror for each WRB business, the Board took into account the impact of each transaction on key stakeholders including our employees, clients and the broader market environment. This included determining that acquirors were able to provide continuous employment for all in-scope employees and a seamless product offering for all clients. The Board also considered the regulatory and licensing status of each acquiror and their economic and operational capacity to integrate the WRB businesses into their own group in a timely manner.

Capital distributions

Stakeholders considered

- Investors
- Regulators and governments

During 2025, the Board approved two dividend payments and announced buybacks of ordinary shares totalling $2.8 billion. The Board noted the importance of approving distributions and other capital management activities within an appropriately prudent framework. These decisions were informed by assurance sought from management regarding the protection of the Group's capital position and its ability to execute planned investment activities for future growth. With the successful completion of our 2025 buybacks, in addition to total dividends for 2025 of 61 cents per ordinary share and a new $1.5 billion buyback announced on 24 February 2026, we have announced greater than $9 billion, shareholder distributions since February 2024 exceeding our $8 billion three-year cumulative shareholder distributions target.

Board engagement with our shareholders

Regular and transparent engagement with our shareholders helps the Board understand their needs and tailor our public information accordingly. In addition to engagement via our Investor Relations team, we communicate through quarterly, half-year and full-year results, conferences, roadshows, investor days and media releases. The Remuneration Committee Chair conducts shareholder engagement on an annual basis to provide an update on remuneration for the executive directors, and at least every three years to consult on the development of the executive directors' remuneration policy.

Information released by the Group to the London Stock Exchange and Hong Kong Stock Exchange is also published on our website at **sc.com/stock-exchange-announcements**.

INEDs, including the SID and committee chairs, are available to meet with shareholders and investors on request. They can share their views on issues affecting the Group through various channels during the year, including investor events. Retail shareholders can access dedicated services through our registrar, Computershare.

Key feedback, recommendations and requests from shareholder engagements are considered by the Board, who are updated on current topics of interest.

During the year, the directors and Company representatives engaged directly with its largest shareholders through a variety of initiatives as set out below:

	Engagement	Outcome
2025 Directors' remuneration policy	The Remuneration Committee Chair led an investor consultation on proposals for the new Directors' remuneration policy which was put to shareholders at the 2025 AGM. During the development of the policy, we consulted with 21 shareholders, accounting for approximately 60 per cent of our share register, certain proxy advisers, and other important stakeholders, including the PRA and FCA. Over 40 meetings were held with the Remuneration Committee Chair supported by colleagues from Group Human Resources, Company Secretariat and Investor Relations. We began our consultation earlier than usual in 2024 to allow for multiple rounds of engagement to help shape the policy.	We received valuable input and feedback that helped to shape the final remuneration policy. For example, we addressed specific feedback relating to our incentive scorecards by simplifying the metrics and placing a greater emphasis on financial metrics. The final proposals were reviewed again with key shareholders and proxy advisers in late 2024 and early 2025, prior to being finalised and published in the 2024 Directors' remuneration report. The Directors' remuneration policy was approved by shareholders at our 2025 AGM, receiving 81.86% votes in favour.
2024 annual report on Directors' remuneration	The consultation also covered proposals for the 2024 year-end executive director remuneration outcomes, which were then finalised and reported in the 2024 Directors' remuneration report.	The 2024 annual report on remuneration was approved by shareholders at our 2025 AGM, receiving 98.87% votes in favour.
Stewardship event	The Group Chair, alongside the Board committee chairs, hosted a stewardship event for institutional investors. Investors had the option to attend either online or in person. The event was held on 26 November 2025 in London and provided attendees with an update on the Group's strategy, the activities of the Board committees and a keynote presentation on artificial intelligence and cyber governance.	Provided an opportunity for institutional investors to engage with the Board and ask questions. These covered a diverse range of topics, including digital assets, cyber security, artificial intelligence, capital return framework and return on equity, sustainability challenges and leadership succession.
AGM	The AGM, held on 8 May in 2025, was the Board's key opportunity for engagement with retail shareholders, enabling discussion of the Group's recent performance and strategic priorities. It was hosted by the Group Chairman, José Viñals, with all Board members in attendance.	Provided an opportunity for retail shareholders to engage with the Board and ask questions. These covered a diverse range of topics, including the Group's strategy, sustainability, biodiversity, and the energy transition. Shareholders representing over 82% of the issued share capital voted and all resolutions were passed.

	Engagement	Outcome
Investor meetings	The Group Chair met with the Group's top institutional shareholders in one-on-one meetings on an ad hoc basis. In parallel, the Group Chief Executive Officer and Group Chief Financial Officer conducted extensive regular engagements with potential and existing shareholders, including the Group's major institutional investors, through investor meetings and conferences. In addition, in 2025, three shareholders were invited to present their views directly to the Board, providing an opportunity for open and constructive dialogue between the Board and shareholders on matters of interest and concern. The Board also commissioned an external independent investor perception study to offer insights into how Standard Chartered is perceived, the areas of focus for investors and how Standard Chartered can improve its investor communications. The findings were presented to the Board in September.	Key topics of interest raised during these meetings included the Group's network strategy and affluent franchise, the underlying drivers of performance, capital management, operational efficiency and cost management, as well as governance matters. The Board has noted the views expressed and will continue to take such feedback into account, where appropriate, when formulating and reviewing the Group's strategic priorities. The Board values constructive engagement with shareholders and regards effective communication as an important element of the Group's corporate governance framework.

Read more on engagement with shareholders and wider stakeholders on pages 37 to 41

Board engagement with the Group's subsidiaries

The Board and its committees maintain strong connections and information sharing across the Group by engaging with its subsidiaries through various forums.

Subsidiary committee meetings	• Annually, the chairs of the SCBHK and Standard Chartered Bank (Singapore) Limited (SCBSL) audit committees and risk committees are invited to observe meetings of the PLC Audit and Risk Committees. The Chairs of the PLC Audit and Board Risk Committees are also invited to observe relevant committee meetings of SCBHK and SCBSL.
Committee chair video-conferences	• The Audit Committee Chair hosted an annual videoconference with subsidiary audit committee members to discuss key topics including Model Risk, Climate Risk, key priorities from Group Finance and GIAI, an audit update from EY, and an update from CFCR. • The Board Risk Committee Chair hosted an annual videoconference with subsidiary risk committee members to discuss key topics including stress testing, sovereign and geopolitical risks, resolvability and operational resilience. • The Remuneration Committee Chair held a videoconference attended by members of country remuneration committees, which covered Group Performance, Reward and Benefits focus areas, 2026 outlook and anticipated UK regulatory changes. • All videoconferences had dedicated Q&A sessions, which were well utilised and actively encouraged two-way participation.
Engagement with local teams	• Members of the Audit Committee met with local GIAI colleagues in Malaysia and Singapore to increase awareness of the audit activities within these markets. These discussions provided a useful opportunity for Audit Committee members to understand any local challenges faced on the ground and how the control environment is working. • Members of the Board Risk Committee met with local risk teams in Malaysia and Singapore to gain insights into their key priorities and areas of focus. • Members of the Remuneration Committee met with local HR teams in Malaysia and Singapore to gain their insights into local performance, cultural and engagement matters.

Culture

It is the Board's responsibility to ensure that the Group's culture helps drive our purpose and strategic direction. The Board is supported by its Culture and Sustainability Committee (CSC), which reviews the way the Group develops, manages and embeds its culture and the associated expectations of employees, including the Group's approach to its purpose, valued behaviours, diversity and inclusion, employee engagement, policies and practices.

Our distinctive culture has been developed in pursuit of our purpose – to drive commerce and prosperity through our unique diversity. Successful delivery of our strategy relies on our ability to preserve our culture. Our valued behaviours and brand promise shape our culture and are key to delivering on our strategy. Read more on our purpose and culture on page 3 and our strategy on page 9.

The Board and its committees undertake activities to monitor and assess our culture and ensure that our desired culture is embedded throughout the Group.

How we embed our culture

- Leadership communication and tone from the top, including town halls led by the Group Chair, Group Chief Executive, GCFO and members of the Management Team, which provide employees with important information and business updates.
- Culture is deeply integrated into our decision-making processes, strategy and performance ensuring that our valued behaviours and brand promise consistently guide our decisions.
- Integration of valued behaviours into policies, decision-making and risk frameworks.
- Remuneration framework, policies and practices, which are consistent with the Group's valued behaviours, support long-term success of the Group and are aligned with our culture. Read more on pages 180 to 206.
- Linkages with our subsidiaries, including the Global Subsidiary Governance Conference to ensure alignment of the culture and strategic direction across the Group. Read more on pages 145 and 147.
- People and performance practices and employee training, which promote alignment of our valued behaviours and culture.

How we monitor and assess culture

- Received updates from management on people and culture.
- Received and assessed insights on how colleagues feel about our culture via our employee listening channels including the annual My Voice survey which was conducted through May and June and had an employee response rate of 85 per cent. Read more about the My Voice outcomes on page 33.
- Reviewed the Culture Dashboard and discussed reports on cultural indicators, including engagement scores, conduct metrics, and employee attrition.
- INEDs engaged directly with employees through the BWE programme to understand insights on their lived experience of working for the Bank and how they bring to life the diversity and inclusion strategy in their daily work.
- Attended site visits, forums and listening sessions as well as market visits in Malaysia and Singapore to gain insights into our culture by meeting and observing colleagues from across the Group.
- Reviewed and discussed the annual conduct and concerns management report including an update on the Group's confidential whistleblowing programme, Speaking Up. Read more on page 118 to 119.

Key outcomes

We have strengthened our focus on reinforcing good conduct standards from the top down. In 2025, all managing directors attended sessions outlining their businesses expectations and the 'It Matters' training, which includes real-life case studies, became mandatory across the group. In addition, training and awareness measures continue to be developed using a variety of tools including country specific communications, visible business-led sessions and upliftment of the internal Global Conduct Week held in June 2025 which encouraged employees to participate in various educational activities and embed good conduct. There has also been increased advertising for the variety of channels available to colleagues to raise concerns.

To enhance alignment of the Company's culture with its purpose, valued behaviours and strategy, and ensure it is embedded across the organisation, we have overseen simplification and sharpening of the Group's strategy including endorsement of new target cultural markers: client-centricity, innovation, and collaboration. These cultural markers align with our valued behaviours and are characteristics that will be nurtured to deliver our strategy and aim to make work easier, more efficient, and more effective. Initial feedback on the target cultural markers highlighted that our employees remain positive about the Bank's strategic direction and the sharpening of our strategy has been instrumental in opening discussions, unblocking decisions, focusing efforts, and getting investments needed to drive us forward.

Following receipt of feedback from participants of the BWE, the Board has endorsed an adjusted BWE framework for 2026 to enhance engagement.

Division of responsibilities

Roles and responsibilities

The responsibilities of the Group Chair, Group Chief Executive and SID are set out in writing and can be found on our website.

sc.com/responsibilities

The roles of the Group Chair and Group Chief Executive are distinct from one another and held by separate individuals.

The Group Chair, Maria Ramos, is responsible for leading the Board, ensuring its effectiveness and, together with the Group Chief Executive, developing and embedding the Group's culture. The Group Chair promotes high standards of integrity and governance across the Group and ensures effective communication and understanding between the Board, management, shareholders and other stakeholders.

The SID, Phil Rivett, provides a sounding board for the Group Chair and acts as an intermediary for the other directors. The SID undertakes the performance review of the Group Chair and holds meetings with each director separately to receive their feedback. Consolidated feedback is shared with the Group Chair. Phil can be contacted via the Group Company Secretary at 1 Basinghall Avenue, London EC2V 5DD, and is available to shareholders if they have concerns that the Group Chair, Group Chief Executive or other executive directors are not able to resolve or if the normal channels would be inappropriate.

Director independence

The Governance and Nomination Committee reviews the independence of each of the non-executive directors, considering any circumstances that could impair their independence. Recommendations are then made to the Board for further consideration. In determining the independence of a non-executive director, the Board considers each individual against, but not limited to, the criteria set out in the UK Code and the Hong Kong Listing Rules. The Board considers the non-executive directors to be independent of Standard Chartered, and has concluded that there are no relationships or circumstances likely to impair any individual non-executive director's judgement.

External directorships and other business interests

Board members hold external directorships and other outside business interests, the details of which are set out in their biographies on pages 131 to 134. We recognise the significant benefits that broader boardroom and other commercial, advisory and charitable activity provide.

We closely monitor the nature and quantity of external directorships our directors hold, to satisfy ourselves that any additional appointments will not adversely impact their time commitment to their role at Standard Chartered. We also ensure that all Board members remain compliant with the PRA directorship requirements, as well as proxy advisor and shareholder guidance on overboarding.

Our established internal processes ensure that directors do not undertake any new external appointments without first receiving Board approval. The Board has delegated authority to make such approvals to the Group Chair, with the exception of her own appointments. Potential conflicts of interest are considered before any approval is given and, if any are identified, appropriate undertakings are sought and safeguards put in place.

Before committing to an additional appointment, directors confirm the existence of any potential or actual conflicts, that the role will not breach their limit as set out by the PRA, and provide the necessary assurance that the appointment will not adversely impact their ability to continue to fulfil their role as a director of Standard Chartered. All directors continue to hold no more than four non-executive directorships (or one executive directorship alongside two non-executive directorships) permitted under the General Organisational Requirements Part of the PRA Rulebook.

On behalf of the Board, the Governance and Nomination Committee reviews potential and existing conflicts of interest annually to consider if they continue to be conflicts of interest, and also to revisit the terms upon which they were authorised. The Board is satisfied that our processes in this respect continue to operate effectively.

Fitness and propriety assessment and time commitment

The Group Chair has responsibility for assessing annually the fitness and propriety of the Company's INEDs and the Group Chief Executive Officer under the UK Senior Managers and Certification Regime. These assessments were carried out in respect of each INED and the Group Chief Executive. The Group Chief Executive carried out a similar assessment for the Group Chief Financial Officer who was an Executive Director as at 31 December 2025.

These one-to-one sessions considered:

- Performance against core competencies, including their challenge and conduct in meetings and the Board's expectation of directors.
- Time commitment to the Group, including (where relevant) the potential impact of any outside interests.
- Ongoing development and training needs.
- The Board's composition and refreshment.
- Level of engagement across the Group.

No issues were identified during these assessments and we remain satisfied that our INEDs commit sufficient time in discharging their responsibilities as directors of Standard Chartered. In general, we estimate that each INED spent more than their expected time commitments on Board-related duties.

Access to independent advice

All directors have access to the advice of the Group Company Secretary, who provides support to the Board and is responsible for advising the Board on governance matters. Directors also have access to independent professional advice at the Group's expense, on any matter relating to their responsibilities.

Sir Iain Lobban, as independent adviser to the Board and its committees on cyber security and cyber threat management, attends relevant items at Board and committee meetings to provide an independent view on the Group's progress in these areas.

Composition, succession and evaluation

Composition and succession

As at 31 December 2025, the Board consisted of 11 members, comprising the Group Chair, two executive directors, the SID, and seven independent non-executive directors.

On 10 February 2026, we announced that Diego De Giorgi stepped down from his role as Executive Director and Group Chief Financial Officer, with effect from 10 February 2026.

The biographies of each director, including details of their skills and experience, are set out on pages 131 to 134.

We remain committed to ensuring that the Board has the right balance of skills, knowledge, experience and diversity to deliver our strategy and achieve our brand promise – here for good. The Governance and Nomination Committee reviews the skills, experience and time commitment of our directors and supports the Board in ensuring adequate succession plans are in place for the Board, its committees and the Management Team.

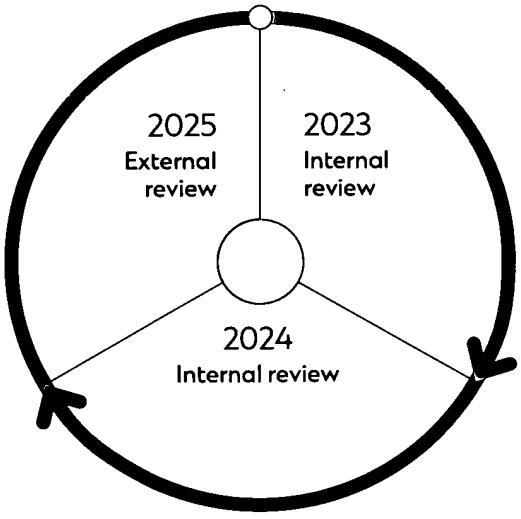
The Governance and Nomination Committee recommends appointments of new directors to the Board as well as appointments to the Board's committees. An overview of the Board and committee changes made during the year can be found on page 139 and the appointment process for new directors is detailed on page 158.

Read more on Board composition and succession in the Governance and Nomination Committee report on pages 155 to 160

Annual performance review

Performance review cycle

In line with the UK Code, a formal and rigorous review of the performance of the Board, its committees, the Group Chair and the individual directors is conducted annually. We have adopted an assessment cycle which ensures an external review of the Board takes place every three years.



Progress against the 2025 Action Plan

As disclosed in the Company's 2024 Annual Report, the 2024 evaluation of the Board, Board committees, individual directors and the Group Chair was internally facilitated by the Group Company Secretary. Following analysis of the key observations from that evaluation, the Board and its committees created a 2025 Action Plan to enhance performance, the progress of which was monitored during the year. We are pleased to confirm that all actions have been completed, and following their implementation we have a reduction in duplication across the Board and its committees and improvements to the effectiveness and efficiency of the Board, through a more strategic focus to agendas and the meetings.

2025 performance review of the Chair and individual directors

Maria Ramos, as the Group Chair, led the performance review of individual directors for 2025 alongside the assessment of each INED's fitness and proprietary and time commitment, the details of which can be found on page 149.

Phil Rivett, as SID, reviewed the performance of the Group Chair, Maria Ramos. Phil held individual meetings with each director to receive their feedback, which was then anonymously consolidated and shared with Maria. It was determined that each director, including the Group Chair, continues to perform effectively.

2025 external performance review of the Board

In accordance with our dedication to upholding the highest standards of corporate governance, and as recommended by the UK Code, we conducted an external Board performance review in 2025. The review was facilitated by an independent third party, Clare Chalmers Ltd, who has no other connection with the Group or its directors and has not previously been engaged to undertake our performance review. Clare Chalmers Ltd adheres to the principles of the International Register of Board Reviewers.

The review involved an independent assessment of the overall performance of the Board and its committees.

The external Board performance review process

1

Definition of scope and identification of potential reviewers

Following extensive consultations with key stakeholders, including the Group Chair and the SID, the objectives, focus areas and anticipated outcomes of the Board performance review were agreed. After these consultations, we selected four potential reviewers from a pool of distinguished consultancy firms which demonstrated the required expertise and capability to fulfil our rigorous objectives.

2

Appointment of a reviewer

Upon receiving the proposals, a thorough review was conducted to assess each vendor's experience, methodology, approach and alignment with our evaluation criteria. Shortlisted vendors were invited to present their proposals and methodologies to the selection committee. After careful consideration, Clare Chalmers Ltd was selected as the reviewer based on their demonstrated expertise, comprehensive methodology, and ability to provide a tailored review that met our specific requirements.

An initial meeting was held with the reviewer to align on the process, timelines, and key deliverables, and to meet key stakeholders including the Group Chair and the Group Company Secretary. The Group Chair served as the escalation point for the review and the Group Company Secretary provided the reviewer with access to relevant documents and support as requested.

3

Conducting the performance review

- **Documents review:** Relevant data, including Board and committee papers and terms of reference, directors' biographies, agenda planners, Board training plan, skills matrix, previous internal and external performance review reports and the accompanying action trackers were collated and assessed by the reviewer.
- **Meeting observations:** In September, the reviewer attended the Board meeting and key committee meetings to observe dynamics, decision-making processes, and overall performance in real-time.
- **Interviews:** A framework interview agenda was tailored as agreed with the Group Chair and sent to all participants ahead of their meeting with the reviewer. Confidential interviews with Board members, Management Team, senior executives, advisers and other key stakeholders were conducted by the reviewer to gather qualitative insights and candid feedback on various aspects of performance, including composition, leadership, strategic direction, performance oversight, stakeholder engagement, effectiveness, dynamics, and areas for improvement.

4

Analysis, presentations and discussion

After the data was analysed, the reviewer prepared a detailed report based on the reviewer's analysis of the views expressed by participants and their own findings from the document review and meeting observations. The report included suggestions and commentary based on this analysis, suggestions from participants, and the reviewer's ideas of pragmatic solutions or applicable good practice. The report was initially discussed with the Group Chair and the draft report was presented to the Board during a dedicated session in December 2025, which the reviewer attended. During this meeting, the Board had the opportunity to ask questions, seek clarifications, and discuss the implications of the findings. The final report was presented to the Board in February 2026.

5

Outcomes and 2026 Board Action Plan

Following the presentation, the Board developed an action plan to address the recommendations outlined in the report. This plan includes specific initiatives, timelines, and responsibilities to ensure the effective implementation of the recommended actions. A summary of the key themes and action plan objectives is set out on page 152.

A monitoring framework has been established to ensure accountability and track progress of the 2026 Action Plan. Regular updates on the implementation of the 2026 Action Plan will be provided to the Board and its committees during 2026. Lessons learned from the review have been incorporated into our governance practices, and a check-in meeting around the half-year has been scheduled to assess the impact of the implemented changes and identify further opportunities for enhancement. The performance review process has been instrumental in reinforcing our commitment to exemplary corporate governance. By engaging the reviewer, we ensured an objective assessment of our performance and identified actionable insights to drive continuous improvement.

Key themes arising from the 2025 review	2026 Action Plan objectives
Board debate and performance oversight	• Continue to evolve debate and challenge at Board meetings by encouraging more direct conversations and more targeted and succinct questioning. • Focus on enhancing performance oversight by streamlining KPIs, extracting clearer insights from Board papers, and increasing scrutiny and accountability.
Board and committee meeting papers	• Continue to monitor the length, focus and timeliness of Board and committee papers with a view to simplify meeting packs, making them more user-friendly with clearer prioritisation, concise commentary, greater use of graphics, and introducing short memos instead of full reports where appropriate. • Ensure INEDs receive papers in a timely manner so that they can sufficiently prepare for meetings.
Board and committee agendas	• Continue streamlining agendas to ensure sufficient time is afforded to address the most significant topics. • Focus on the shape of the agendas and meeting flow to increase strategic focus and improve time allocation. • Ensure strategic priorities receive appropriate time and structured comparison with peers, maintaining a strong line of sight on market positioning and long-term strategic direction.
INED training	• Ensure the INED training programme integrates business deep-dives, technical briefings and refresher sessions ensuring all INEDs have the knowledge and context needed to engage effectively with the increasingly complex and evolving materials presented at Board and committee meetings.
Client deep dives	• Strengthen the Board's understanding of current and future client needs by scheduling deep-dive sessions on major client segments and key global clients, supported by structured insights from management to ensure the Board has a clear, forward-looking view of client expectations and strategic opportunities.
Board and committee responsibilities	• Continue to monitor and eliminate any areas of duplication between the Audit Committee, Board Risk Committee and the Board.
Culture and Sustainability Committee (CSC)	• Review the CSC's remit including exploring alternative opportunities and options.
Audit Committee (AC)	• Consider further opportunities to obtain early insights from Group Internal Audit and Investigations on key matters. • Continue to ensure that the AC's remit remains focused, cognisant of the composition of the AC and its skills.
Board Risk Committee (BRC)	• Continue to place focus on improving Non-Financial Risk to allow the Board to consider growth opportunities. • Further explore how the work and focus of the BRC is communicated to the Board, with a view to eliminating any duplication.
Governance and Nomination Committee (GNC)	• Increase the GNC's focus on long-term succession planning, ensuring that transitional periods are factored in for key committee chair roles. • Allocate more time to the long-term succession planning for the GMT roles. • Consider the key skills and experience required on the Board over the next few years, ensuring close alignment to the Group's strategic ambitions. • Ensure greater consultation with the wider Board (non-GNC members) through the search and appointment process of new Board members to enhance the process.
Remuneration Committee	• Leverage the insights and expertise of Deloitte, the Remuneration Committee's external adviser, to bring in wider perspective to Remuneration Committee discussions. • Consider the future format of the annual Remuneration Committee strategy session, including deep-dive topics of interest.

Board induction, training and development

Induction

Upon joining the Board, our directors undertake a comprehensive tailored induction programme based on their previous experience and knowledge, which is led by the Group Corporate Secretariat function.

In addition to site visits across some of the Group's key markets and meetings with the Management Team and Board members, the induction programme includes an overview of the following areas: the regulatory environment; corporate governance including directors' duties; Board and committee governance; strategy; business areas including CIB, WRB and SC Ventures; the regions; legal; talent, corporate affairs, brand and marketing; audit; transformation, technology and operations; corporate activity; conduct, financial crime and compliance; finance and taxation; capital and liquidity; internal audit; sustainability; and risk. Deep dives are also arranged for topics relevant to the director's committee membership.

The Governance and Nomination Committee reviews the progress of the induction programmes and is satisfied that the inductions of Diane Jurgens and Lincoln Leong, who were appointed during 2024, were completed during 2025. Further information regarding their tailored inductions can be found on page 117 of the 2024 Annual Report.

Development plan for the new Group Chair

A tailored development plan was devised for Maria Ramos as she transitioned into the role of Group Chair during 2025. The development plan complemented her deep knowledge of the Group and her strong banking experience, having previously held roles on the Board of Senior Independent Director and Board Risk Committee Chair, as well as previously being the chair of a listed mining company.

While Maria already had extensive knowledge of the Group's operations, regularly travelled to our key markets across Asia, Africa and the Middle East and was well versed with the significant issues and key risks facing the Group, it was important to take further steps to deepen her knowledge given the new role. Accordingly, the development plan placed emphasis on ensuring she met with management across the Group, a wide range of stakeholders, investors, regulators, and employees, with the aim of raising her profile with key stakeholders across the Group as well as increasing her understanding of the Group's Asia footprint.

The Group Corporate Secretariat provides support to Maria in discharging her responsibilities and has worked with her to ensure she received a comprehensive handover and development plan. Prior to her appointment, Maria received significant insight and preparation from the outgoing Group Chairman, José Viñals, including a period of shadowing him through discussions and meetings.

Development plan for new Committee Chairs

During 2025, Phil Rivett was appointed as the Board Risk Committee Chair and Jackie Hunt was appointed as the Audit Committee Chair. Both Phil and Jackie received individualised development plans that took into consideration their existing knowledge of the Group and aimed to deepen their understanding of the responsibilities as Chairs of the respective committees. Prior to appointment they received handovers from the previous committee chairs and reviewed the forward-looking agendas to identify specific areas where further insight would enhance their understanding.

The Group Corporate Secretariat provided oversight of the completion of their development plans, provided advice and support and continued to assist Phil and Jackie in discharging their responsibilities.

Ongoing training

Ongoing training and development plans ensure that our Board directors lead with confidence and integrity and promote the Group's culture, purpose and valued behaviours. Mandatory learning and training are also important elements of directors' fitness and propriety assessments as required under the UK Senior Managers and Certification Regime. During the year, all directors participated in an education programme, which included mandatory learning, briefings, insights from guest speakers and papers on a wide range of topics to ensure that they are well informed and that the Board remains highly effective. The table overleaf provides an overview of the directors' training in 2025.

2025 director training overview

	Expected credit loss training	Information and Cyber Security (ICS)	Audit and Corporate Governance (ACG) socialisation	ACG socialisation	Software Security Vulnerability Management/ Managing Quantum Computing ICS Risks (INED-only session)	Climate Risk	Annual directors' duties training
Maria Ramos	●	●	●	●	●	●	●
Bill Winters, CBE	●	●	●	●	n/a	●	●
Diego De Giorgi[1]	●	●	●	●	n/a	●	●
Phil Rivett	●	●	●	●	●	●	●
Shirish Apte	●	●	●	●	●	●	●
Jackie Hunt	●	●	●	●	●	●	●
Diane Jurgens	●	●	●	●	●	●	●
Robin Lawther, CBE	●	●	●	●	●	●	●
Lincoln Leong	●	●	●	●	●	●	●
David Tang	●	●	●	●	●	●	●
Dr Linda Yueh, CBE	●	●	●	●	●	●	●
Dr José Viñals[2]	●	●	●	n/a	n/a	n/a	n/a

1 Diego De Giorgi stepped down from the Board on 10 February 2026.
2 José Viñals stepped down from the Board on 8 May 2025.

● Director attended the session

● Director was unable to attend the session but received any accompanying materials/recordings of the training and had an opportunity to raise questions and observations with the Group Chair and Group Company Secretary as well as the presenter of the training

Committee training

Members of the Board committees also received training relevant to their respective committees. In 2025, the Board Risk Committee received training on topics including the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP), and model risk management. The Culture and Sustainability Committee received training on sustainability innovation hubs and energy transition. The Remuneration Committee attended a strategy education session.

Governance and Nomination Committee report

Image removed

Maria Ramos, Governance and Nomination Committee Chair

Committee composition and attendance

Committee member	Scheduled meeting attendance	Ad hoc meeting attendance
Maria Ramos[1]	**3/3**	1/1
Dr José Viñals[2]	**1/1**	1/1
Shirish Apte	**3/3**	1/1
Jackie Hunt[3]	**2/2**	n/a
Phil Rivett	**3/3**	1/1
Dr Linda Yueh, CBE	**3/3**	1/1

1 Maria was appointed as Committee Chair on 8 May 2025.
2 José stepped down as Committee Chair on 8 May 2025.
3 Jackie was appointed as a member of the Committee on 8 May 2025.

Additional attendees

Group Chief Executive; Group Head, Human Resources; and Group Company Secretary also attended Committee meetings in 2025.

Responsibilities

The Committee's responsibilities are described in this report and the Committee's terms of reference which can be viewed at **sc.com/termsofreference**.

As Chair of the Governance and Nomination Committee I am pleased to report on the Committee's work during 2025, having succeeded José Viñals as Committee Chair and Group Chair in May. I would like to thank José, who generously, diligently and with great care and commitment, chaired the Board for almost nine years. We are grateful for his leadership, impact on the culture, and steady guidance in shaping and ensuring good governance.

Our focus is to ensure that the Board and its committees provide effective leadership, challenge and oversight of the Group's strategy, risk management and culture. Succession planning is a central element of this work. We maintain a robust forward-looking pipeline of independent non-executive directors (INEDs), taking account of the optimum balance of skills, experience, expertise, emerging strategic and capability requirements, and diverse perspectives. Executive and Group Management Team succession is a key area of work for the Committee, covering reviewing and challenging plans, informed by regular assessment of internal talent and external market insight.

The Committee regularly reviews the Board and its committees' composition, skills and experience to ensure that as a Board, we can support, shape and challenge the Bank's current and future ambitions. Diversity of views and perspective also remain core to the Committee when considering the Board's composition and succession plans. During the year, the Committee has continued to look at those skills and attributes which the Board and its committees will need over the short, medium and longer term, and engaged with external search firms to assist it.

It was an active year for the Committee in which it oversaw a number of significant changes to key Board and committee positions. Following my appointment as Group Chair in May, Phil Rivett succeeded me as Senior Independent Director. In August, Phil was also appointed as Chair of the Board Risk Committee, with Jackie Hunt succeeding Phil as Chair of the Audit Committee in September. Both are experienced, highly respected members of the Board and well-versed in managing financial services risks. The Committee also recommended the appointments of Phil and Jackie as members of the Remuneration Committee and Governance and Nomination Committee respectively. More information on the Board and committee changes can be found on page 157.

Since year end, and as announced on 10 February 2026, Pete Burrill was appointed as Interim Group Chief Financial Officer (GCFO), succeeding Diego De Giorgi who stepped down as Executive Director and GCFO. The process for appointing a permanent GCFO and Executive Director is underway.

The Committee plays an important role in assessing the performance of the Board, its committees and individual directors to ensure we continue to function effectively. In 2025, in accordance with the 2024 UK Corporate Governance Code (UK Code), we appointed Clare Chalmers Ltd to conduct an independent external performance review. This was a beneficial exercise, concluding that the Board continues to operate effectively while highlighting feedback and recommendations to optimise its performance. An action plan to address these recommendations has been developed and will be progressed during 2026. Details of the review process and outcomes can be found on pages 150 to 152.

As part of the Committee's broader governance remit, it received updates on corporate governance developments impacting our banking subsidiaries; recent regulatory inspections and audits impacting corporate governance; key themes from subsidiary board effectiveness reviews; linkages between banking subsidiaries and the Group; and oversight of processes around board succession at a country level.

More detail on the Committee's key activities and areas of focus during 2025 is set out on pages 156 to 160.

Maria Ramos
Governance and Nomination Committee Chair

Board composition, succession planning and evaluation

The Committee has responsibility for advising the Board and its committees on their composition, appointments and succession. The Committee is responsible for reviewing the composition and considering the likely technical skills, knowledge and experience required for the Board in the context of the development and execution of the Group's strategy. The Committee also keeps the Group's long-term succession plans under review in relation to executive directors and senior management. The evaluation of the performance of the Board, its committees and the individual directors is overseen by the Committee.

Action and decision	Outcome and impact
External performance review • Appointed an independent third-party, Clare Chalmers Ltd, to review the performance of the Board and its committees in accordance with the UK Code. • Reviewed the external evaluators draft report in December 2025. Read more on the external performance review process on pages 150 to 151.	• Developed an action plan to address the external reviewer's recommendations to enhance performance. • Progress against the action plan will be monitored during 2026. Read more on the outcomes of the external performance review on pages 151 to 152.
Board composition and succession planning • Reviewed the composition of the Board. • Reviewed succession plans for the Board and its committees, considering a range of potential future INED candidates. • Identified appropriate individuals with the necessary skills and attributes to provide emergency cover for committee chair roles and senior Board roles as required. • Reviewed succession plans and candidates for the Senior Independent Director and committee chair roles, and identified appropriate successors. • Recommended the appointments of: – Maria Ramos as Group Chair and Governance and Nomination Committee Chair – Phil Rivett as Senior Independent Director and Risk Committee Chair – Jackie Hunt as Audit Committee Chair and member of the Governance and Nomination Committee – Phil Rivett as a member of the Remuneration Committee. • Engaged Russell Reynolds Associates Limited[1] to perform a search of candidates with deep banking experience and experience as former CEO/CFO/CROs. • Reviewed and approved the appointment of Ben Hung, President International, as Chair of Standard Chartered Hong Kong's board to replace Stephen Eno who had been on the Board for 11 years. • Assessed Sir Iain Lobban's independence in line with the UK Code and concluded that he remains independent. • Approved and recommenced the expansion of Sir Iain Lobban's role as independent adviser to the Board, its committees and management.	• Regular refreshment of the Board and succession planning ensures the Board achieves the right blend of skills, experience, tenure and diversity to provide the appropriate level of oversight, challenge and corporate knowledge. • In accordance with the Committee's succession plans, the Board approved all appointments recommended by the Committee, subject to regulatory approval where required. • The Board approved the expansion of Sir Iain Lobban's advisory role with effect from 1 January 2026. • The Committee will update and enhance the Board's skills matrix in 2026 to more accurately evaluate the expertise and experience of each director and support effective succession planning. Read more on the changes to the Board and its committees during 2025 on page 157 and details of the appointment process on page 158.
Executive directors and senior talent succession planning • Discussed management's executive talent approach. • Reviewed and provided feedback on the Group's succession plans for executive directors and the Management Team in respect of both contingency plans and long-term strategies. Internal successors were assessed and their skills developed, and identified and assessed the skills of possible external candidates.	• Approved the Group Management Team and Group Chief Executive succession plans. • The development of a robust pipeline ensures there are appropriate short- and longer-term succession plans in place for the executive directors and Management Team.

1 Russell Reynolds also provides senior resourcing to the Group. The Company is not aware of any ongoing business relationship between Russell Reynolds and the Company's directors.

Action and decision	Outcome and impact
Time commitment assessment • Assessed each director's time commitment and contribution to the Board, having regard for the Prudential Regulation Authority directorship and HK Code requirements, as well as proxy advisor and shareholder guidance on overboarding. • Considered the review of each director's performance which requires the directors to assess their own contribution to the Board. • The Committee recognises that, in certain circumstances, directors may be unable to attend meetings due to pre-existing business or personal commitments. Where this occurs, in advance of the meeting directors receive relevant papers and have the opportunity to feed back any comments or observations that are discussed at the meeting. Directors receive updates on any developments after the meeting.	• The assessment confirmed that no director is overboarded. • The Committee confirmed to the Board that it remained satisfied that each director commits the necessary time to effectively fulfil their duties and responsibilities as a director of Standard Chartered PLC. • Provides assurance that each director commits the necessary time and effort to the Company to effectively fulfil their responsibilities. Details of each director's significant external appointments can be found in their biographies on pages 131 to 134.
External interests and directors' independence • Conducted a review of the directors' existing and previously authorised potential and actual situational conflicts of interest. • Noted directors' other directorships and business interests taken on during the year in the context of time commitment, overboarding and the regulatory and shareholder limits on directorships as well as other regulatory requirements in this area. • Reviewed the independence of each of the non-executive directors, considering any circumstances with a reasonable prospect of impairing their independence.	• Concluded that there were no circumstances which would necessitate any of the previous authorisations being revoked or amended. • Concluded that each INED continued to be independent.

Board and committee changes during 2025

Maria Ramos was appointed as Group Chair and Governance and Nomination Committee Chair on 8 May 2025. The search was initiated in 2023 and was led by a selection panel comprising non-executive directors and was chaired by Phil Rivett, a member of the Committee. The previous Group Chair, José Viñals, was not involved in the appointment of their successor.

The decision to appoint Maria as Group Chair was announced on 4 February 2025, following recommendation by the Committee. Details of the appointment process can be found on page 142 of the Group's 2024 Annual Report.

Further to the decision to appoint Maria Ramos as Group Chair, the Committee discussed potential candidates to succeed her as Senior Independent Director. The Committee identified Phil Rivett as a suitable candidate, having the requisite skills, experience and corporate memory for the role. Following recommendation by the Committee to appoint Phil Rivett as Senior Independent Director, the Board approved his appointment with effect from 8 May 2025.

In light of Maria's appointment as Group Chair, the Committee considered a number of changes to the composition and membership of the committees. Following the recommendation from the Committee, the Board approved the appointment of Phil Rivett as Board Risk Committee Chair, given his strong technical understanding and broad financial, risk and business experience, and good understanding of the business and the role of the Board Risk Committee, having been a member since 2020. In addition, the Board approved the appointment of Jackie Hunt as Audit Committee Chair, given her deep financial literacy and understanding of the Group and global financial services industry. She is a qualified Chartered Accountant and has held a number of senior executive and board positions, including being a member of audit committees within the financial services industry. She was also appointed as a member of the Board's Governance and Nomination Committee. Read more regarding the development plans conducted for Maria, Phil and Jackie in respect of their new roles on page 153.

Finally, in December 2025 we approved the appointment of Phil as a member of the Remuneration Committee with effect from 1 January 2026.

The Committee keeps the composition of the Board and its committees under review to ensure that it remains appropriate with the right balance of skills, knowledge, experience and diversity in accordance with the Board's Diversity Policy.

Appointment process

The directors have power under the Company's articles of association to appoint new directors. The Committee is responsible for leading the process for appointments, by identifying suitable candidates based on merit and objective criteria, whilst considering the promotion of diversity, inclusion and equal opportunity. Recommendations of new Board appointments are made by the Committee to the Board for approval. Below is an overview of our appointment process.

- Agree role specification and key search criteria
- Engage external recruitment advisor
- Conduct candidate search
- Review long-list of candidates
- Meet with short-listed candidates to gauge appetite and suitability
- Interview final list of candidates
- Discuss the candidates, measuring them against the agreed role specification
- Recommend candidate to the Board for review and approval

Election by shareholders

As required by the UK Code, all directors are subject to annual re-election by shareholders, subject to continued satisfactory performance based upon their annual assessment. Newly appointed directors retire at the Annual General Meeting (AGM) following appointment and are eligible for election. Non-executive directors are appointed for an initial period of one year and subject to (re)election by shareholders at AGMs.

Taking into consideration a range of factors including, but not limited to, each director's time commitment, performance, length of service and their independence of character and integrity, the Committee recommended to the Board the re-election of all directors.

Diversity

The Committee is responsible for reviewing the Board Diversity Policy and progress made against it. In addition, the Committee has regard to the targets set out in the UK Listing Rules, the FTSE Women Leaders Review and the Parker Review.

Action and decision	Outcome and impact
Board Diversity Policy • Reviewed the progress against the policy that was in effect during 2025. • Reviewed the policy and recommended updates to improve alignment with the Group Diversity & Inclusion Policy Standard, the 2024 UK Code, the UK Listing Rules and best practice, as well as enhance the Board's oversight and monitoring of the policy.	• We remain satisfied with our progress against our Board Diversity Policy which is set out on page 159. • In December, the Board approved the recommended changes to the policy with effect from 1 January 2026. The Board Diversity & Inclusion Policy can be viewed at **sc.com/boarddiversitypolicy**

Progress against the Board Diversity Policy

Our policy provides for a diverse Board with a wide range of skills and perspectives that its members bring to our Board and its committees. We set out below our progress against our policy as of 31 December 2025.

Increasing the representation of women on the Board with an aim to have a minimum of 40% female representation	Female representation on the Board is 45%.
Adopting an ethnicity aspiration of a minimum of 30% from an ethnic minority background	Representation on the Board from ethnic minority backgrounds is 36%.
Ensuring that our Board reflects the diverse markets in which we operate	The Board has members either based in or who are nationals of many of the regions we operate in, including the UK, Europe, North America, Asia and Africa. Many of the INEDs have additional experience of having worked and lived in many of the Group's other markets. We continue to prioritise Board representation from our key markets.
Ensuring that the Board is comprised of a good balance of skills, experience, knowledge, perspective and varied backgrounds	The Committee has continued to focus on ensuring that the Board has the right combination of experience, skills and attributes required both immediately and in the medium to long term. A review is currently being undertaken of the Board skills and experience matrix to better identify the depth of experience and potential skills gaps. Deep banking experience is a particular focus area for a potential future INED.
Ensuring that we consider the Group's aspirations in relation to disability, sexual orientation, gender identity and gender expression	We remain committed to all aspects of diversity in our succession process.
Only engaging search firms who are signed up to the Voluntary Code of Conduct for Executive Search Firms	Russell Reynolds Associates Limited, who is signed up to the Voluntary Code, was engaged during 2025 to assist us in identifying and building a pipeline of high-quality potential INED candidates. No additional search firms were engaged with during the year.
Reporting annually on the diversity of the executive pipeline as well as the diversity of the Board, including progress being made on reaching the Board's gender and ethnicity aspirations	We continue to report on our Board and senior talent succession planning as well as our commitment to maintaining a diverse Board. We are pleased to have achieved our gender and ethnicity aspirations.

UK Listing Rules diversity targets and disclosure

We are pleased to report that as at 31 December 2025, our Board met the diversity targets set out in UK Listing Rules (UKLR), with 45 per cent of the Board Directors being women, the senior position of Chair is held by a woman, and four members of our Board are from minority ethnic backgrounds.

In accordance with UKLR 6.6.6R(10), the tables on page 160 detail the composition of the Board and executive management, as at 31 December 2025. For the purpose of this reporting, 'executive management' comprises members of our Group Management Team and the Group Company Secretary.

This data was collected on a self-reporting basis by each individual who confirmed which of the categories specified in the prescribed tables were most applicable to them.

On 10 February 2026, Diego De Giorgi stepped down as Executive Director and Group Chief Financial Officer. This change to the membership of the Board has not affected the Company's ability to continue to meet the UKLR targets.

	Number of Board members	Percentage of the Board (%)	Number of senior positions on the Board (GCE, GCFO, SID and Group Chair)	Number in executive management	Percentage of executive management (%)
Male	6	54.5	3	6	54.5
Female	5	45.5	1	5	45.5
Not specified/prefer not to say	–	–	–	–	–

	Number of Board members	Percentage of the Board (%)	Number of senior positions on the Board (GCE, GCFO, SID and Group Chair)	Number in executive management	Percentage of executive management (%)
White British or Other White (including minority-white groups)	7	63.6	4	7	63.6
Mixed/Multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	4	36.4	–	4	36.4
Black/African/Caribbean/Black British	–	–	–	–	–
Other Ethnic Group	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

Read more on diversity in the Supplementary people information on pages 444 to 449 and on the Group Diversity and Inclusion Standard on pages 214 to 215

Governance

The Committee monitors and advises on the impact of changes to corporate governance affecting the whole Group.

Action and decision	Outcome and impact
Terms of reference review • Conducted an annual review of the Committee's terms of reference in November 2025, considering applicable rules and best practice in the UK and Hong Kong. • Following the review, and in consideration of the revised Hong Kong Listing Rules, recommended clarification of the Committee's responsibility in respect of the assessment of each director's time commitment and contribution.	• The Board approved amendments to the Committee's terms of reference in February 2026. • Ensured the roles and responsibilities of the Committee remain appropriate and aligned with best practice.
Subsidiary governance • Received updates from the Group Heads of CIB and WRB, who have management responsibility for the Group's subsidiaries, on the Group's approach to subsidiary governance.	• Reviewed the governance process in place around succession planning for the Group's banking subsidiaries. • Ensured compliance with existing corporate governance rules across the Group and horizon scanning for changes across our markets.
Committee performance • Reviewed progress against the 2025 Action Plan which set out several actions arising from the internally facilitated performance review conducted in 2024. • A review of the Committee's performance was facilitated by an independent external reviewer in accordance with the UK Code. • The external reviewer's report was reviewed and discussed by the Board with all Committee members present.	• Addressed all actions in the 2025 Action Plan to enhance the performance of the Committee. • Developed a 2026 Action Plan to address the external reviewers' recommendations from the 2025 performance review. • Progress against the 2026 Action Plan will be monitored during 2026. Read more on the review on pages 150 to 152.

Meetings

Meetings are scheduled to align with key dates in the Group's calendar and in accordance with the Committee's forward planner. As part of, and in addition to scheduled Committee meetings, the Committee held private members-only meetings.

The Committee Chair reports to the Board on the Committee's key areas of focus following each meeting.

Audit Committee report

Image removed

Jackie Hunt, Audit Committee Chair

Additional attendees

Group Chair; Group Chief Executive; Group Chief Financial Officer (GCFO); Group Chief Risk Officer; Group Chief Internal Auditor; Group Head, Compliance, Financial Crime & Conduct Risk (CFCR); and senior representatives from Group Finance, the Group Statutory Auditor and the Group Company Secretary also attended Committee meetings.

Committee composition and attendance

Committee member	Scheduled meeting attendance	Ad hoc meeting attendance
Jackie Hunt[1]	**8/8**	2/2
Shirish Apte	**8/8**	2/2
Lincoln Leong	**8/8**	2/2
Maria Ramos[2]	**4/4**	1/1
Phil Rivett[3]	**8/8**	2/2

1 Jackie was appointed as Committee Chair on 15 September 2025.
2 Maria stepped down as a member of the Committee on 8 May 2025.
3 Phil stepped down as Committee Chair on 15 September 2025.

In addition, there were two joint meetings held with the Board Risk Committee in 2025.

Responsibilities

The Committee's responsibilities are described in this report and the Committee's terms of reference which can be viewed at **sc.com/termsofreference**.

I am pleased to present the Audit Committee report for 2025 on pages 161 to 169, which provides an overview of the Committee's key activities during the year.

Following receipt of regulatory approval, I succeeded Phil Rivett as Audit Committee Chair with effect from 15 September 2025, having been a member of the Committee for three years. I also assumed the role of Speaking Up Board Champion. On behalf of the Committee, I would like to thank Phil for his strong leadership and continued support given that he remains a member of the Committee. I would also like to express thanks for his comprehensive handover to me as incoming Committee Chair to ensure a seamless transition.

During 2025, we remained focused on the Group's progress towards ensuring compliance with the Audit and Corporate Governance (ACG) reforms and Provision 29 of the UK Corporate Governance Code (UK Code) from 1 January 2026. We focused on the multidisciplinary Group-wide rollout, with various updates provided to the Committee by Finance, Risk and Group Internal Audit and Investigations (GIAI). We spent time discussing the identification of relevant controls, the implementation of process and controls mapping, testing and quality assurance, training, tooling and business readiness. Strengthening the Group's internal control environment through the development of the Group's Financial Reporting Controls Framework (FRCF) continued to be a key priority throughout the year. To enhance knowledge and understanding, two ACG socialisation sessions covering Material Controls were held in May and September 2025, to which all Board members were invited. In addition, the Board and Committee received training on the determination of expected credit loss (ECL) in accordance with IFRS9.

We scrutinised the integrity of the Group's published financial information, challenging credit impairments, key accounting issues, significant accounting estimates and judgements made by management and ensured that disclosures are appropriate.

We worked in close partnership with the Board Risk Committee (BRC), holding joint meetings to address areas of shared responsibility. These included financial crime, the annual Risk and Control Self-Assessment (RCSA), the affirmation of the Enterprise Risk Management Framework (ERMF) and the broader risk management framework, as well as internal financial controls for books and records.

We also reviewed the effectiveness of the GIAI function, Ernst & Young (EY), the Group's Statutory Auditor, and the Committee, all of which continue to operate effectively.

We continued close oversight of Financial Crime Risk (FCR). During 2025 the Committee placed focus on the financial crime end-to-end programme, a forward-looking initiative designed to build future-proof and resilient FCR management. We also held a joint meeting with the BRC focused on FCR, with an external speaker providing insight on the external risk landscape. Following this session, a recommendation was made and approved by the Board for the BRC to have sole oversight of FCR, and Compliance Risks, to consolidate oversight of Principal Risk Types and avoid duplication.

I invite you to read more about our work in the following pages.

Jackie Hunt
Audit Committee Chair

Financial and non-financial reporting

A principal responsibility of the Committee is to monitor and critically assess the integrity of the financial statements, interim reports, preliminary announcements and related financial reports, including review of any significant financial reporting issues and judgements. The Committee advises the Board on whether the information presented in the financial statements presents a fair, balanced and understandable (FBU) assessment of the position and prospects of the Company. The Committee is also responsible for reviewing the Company's non-financial reporting disclosures to ensure compliance with relevant standards.

Action and decision	Outcome and impact
Financial reporting • Received detailed reports from the GCFO and the Group's Statutory Auditor, EY, in respect of management's judgements, reporting and audit in relation to the financial statements. • Reviewed the clarity and completeness of the disclosures made within the published financial statements. • Monitored the integrity of the Group's published financial statements, such as half-year and quarterly reports, and formal announcements relating to the Group's financial performance, reviewing the significant financial judgements, estimates and accounting issues. Read more on the significant accounting judgements considered during 2025 on page 163.	• The Committee satisfied itself that the Group's accounting policies and practices are appropriate. • Ensured alignment with IFRS and UK-adopted International Accounting Standards. • Enhanced disclosure clarity.
Going concern assessment and viability statement • Reviewed management's process, assessment and conclusions with respect to the Group's going concern assessment and viability statement. • Reviewed forward-looking Corporate Plan cash flows, including the annual budget, results of various stress tests that explore the resilience of the Group to shocks to its balance sheet and business model, principal and emerging risks, liquidity and capital positions, and key assumptions. • Recommended to the Board that the financial statements should be prepared on a going concern basis and recommended the viability statement to the Board for approval. Read more on pages 51 to 52 and 217.	• The Board approved the Committee's recommendation. • Satisfied itself that the Company's risk management, financial planning and governance oversight are effective and forward-looking. • Ensured that the going concern assessment and viability statement disclosures are appropriate and consistent with the Group's Strategic report and other risk disclosures.
Fair, balanced and understandable • Reviewed drafts of the Annual Report and provided input and challenge to ensure balance and consistency. • Received reports from the GCFO and challenged management's assessment of the Annual Report, to consider whether it is FBU. • Evaluated the process for preparing and verifying the Annual Report to ensure it was appropriate. • Satisfied itself and recommended to the Board that the processes and procedures in place ensure that the Annual Report, taken as a whole, is FBU. The FBU statement can be found on page 217 of the Statement of directors' responsibilities.	• The Board approved the Committee's recommendation. • The Annual Report is representative of the year under review and provides the information necessary for shareholders to assess the Group's position and performance, business model, strategy, and the business risks it faces.
Non-financial reporting • Reviewed the principal non-financial disclosures made by Standard Chartered, including the Pillar 3 disclosures and the publication of the Main Features of Capital Instruments, Environmental, Social and Governance (ESG) reporting and Task Force on Climate-related Financial Disclosures (TCFD). • Received an update on the 2025 climate disclosures within the Annual Report including new disclosures mandated by Part D of the ESG Reporting Code (Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited).	• Ensured that the disclosures are compliant with standards, frameworks and principles that are relevant to the Group. • Counselled on the need to ensure that climate disclosures remain commensurate with the overall Annual Report.

Significant matters considered by the Committee

The significant accounting judgements considered during 2025 are detailed below:

Significant matter	How it was addressed
Credit impairment	• Reviewed and challenged, on a quarterly basis, reports detailing the composition and credit quality of the loan book, concentrations of risk and provisioning levels, and the key judgements made in applying the Group Impairment Provisioning Policy, including staging. • Assessed the overall adequacy of the ECL model output, reviewed, considered and challenged the economic variables and scenario forecast input to the models, judgemental post model adjustments (with a focus on the adequacy of non-linearity) and management overlays in both the wholesale and retail portfolios that were required to estimate ECL on a quarterly basis. • Reviewed and discussed updates highlighting expected losses in the Hong Kong Commercial Real Estate sector, and potential and actual sovereign downgrades. • In respect of high-risk credit grade and Stage 3 exposures, received briefings on business plans, including remedial actions and management assessment of the recoveries and collateral available.
Basis of accounting and impairment assessment of China Bohai Bank (Bohai)	• Reviewed and discussed management's value in use assessment on the Group's investment in its associate, Bohai, the appropriateness of the equity method accounting treatment, including the significant influence assessment, and the related disclosures.
Valuation of financial instruments held at fair value	• Received reports and updates at each reporting period detailing the key processes undertaken to produce and validate valuations of financial instruments, including any changes in methodology from prior years and significant valuation judgements. • Received regular updates on the level of unsold positions in the syndication's portfolio and the valuation of these positions and plans for sell down. • Reviewed credit valuation adjustments, debit valuation adjustments, funding valuation adjustments and own credit adjustments, and considered the explanation and rationale for any significant movements.

The Committee confirms that the key judgements and significant issues reported are consistent with the disclosures of key estimation uncertainties and critical judgements, as set out in Note 1 on pages 330 to 334.

External audit

The Committee is responsible for appointing, overseeing the work of, and ensuring the independence, objectivity and effectiveness of the Group's statutory auditor, EY.

Action and decision	Outcome and impact
External Audit Plan and fees • Reviewed the External Audit Plan and any updates. • Reviewed and discussed the risks identified by EY's audit planning, as well as EY's planned audit strategy in response to those risks. • Reviewed the level of audit fees, to ensure that audit work can be conducted effectively and independently.	• Reviewed and discussed whether the External Audit Plan is tailored to the Group's business and promotes a robust and quality audit. • Reviewed and approved the 2025 audit fees.
External audit reports • Received and discussed EY's control themes and observations from the 31 December 2024 year-end audit, as well as an update on these matters later in the year provided by management. • Received EY's private Written Auditor Reporting to the Prudential Regulation Authority for the year ended 31 December 2024 and reviewed and discussed EY's approach to Written Auditor Reporting for the year ended 31 December 2025. Updates from management were also provided. • Reviewed EY's digital plan, which will drive audit quality through automation, use of data analytics, increased population coverage and focused effort of higher audit risk. This included a practical demonstration of several tools currently being deployed in the Group's audit and an overview of those planned for the future.	• Provided feedback to management and the Board on the appropriateness of the financial statements. • Highlighted areas of improvement to enhance the quality of the financial statements. • Received assurance as to how EY intends to leverage automation in its audit work.
Annual performance review • Conducted an annual review of the performance, effectiveness and independence of EY with input received from Committee members, chairs of subsidiary audit committees, Group Management Team, cluster/country chief financial officers, senior members of Group Finance, Group Internal Audit & Investigations, Risk, Legal and Operations. • Identified that EY provides a good level of scrutiny and challenge to management's judgements and assumptions as set out in their report on pages 310 to 321. • EY has allocated sufficient and suitably experienced resources to address these risks and reviewed the findings from the audit work undertaken. • EY is considered to be effective, objective and independent in its role as the Group's Statutory Auditor. See 'Non-audit services' below for further information on how independence is safeguarded. • Recommended the re-appointment of EY as the Group's Statutory Auditor to the Board.	• The Board approved and recommended to shareholders the re-appointment of EY as the Group's Statutory Auditor at the 2025 AGM. • Maintained independence safeguards. • Ensured effective oversight of EY and collaboration with management to increase audit efficiency.

Non-audit services

The Group's Auditor Independence Policy includes non-audit services policies that are based on an overriding principle that, to avoid any actual or perceived conflicts of interest, the Group's Statutory Auditor should only be used when there is evidence that there is no alternative in terms of quality and when there is no conflict with their duties as auditor. Each request for EY to provide non-audit services will be assessed on its own merits. The following are strictly prohibited under the Policy:

- bookkeeping, information technology and internal audit services
- corporate finance services, valuation services or litigation support
- tax or regulatory structuring proposals
- services where fees are paid on a contingent basis (in whole or in part)
- consulting services that actively assist in running the business in place of management as opposed to providing or validating information, which management then utilises in the operation of the business.

The policy requires that annual non-audit service fees are lower than 70 per cent of the average Group audit fee over the previous three consecutive financial years. This cap excludes audit related non-audit services and services carried out pursuant to law or regulation. For 2025, the Group spent $15.5 million (2024: $13 million) on non-audit services provided by EY (including audit-related assurance services such as quarterly and half-year reviews and regulatory reporting), representing 26 per cent of the total fees paid to EY (2024: 23 per cent). Details of EY's remuneration as the Group Statutory Auditor and the types of non-audit services provided by EY are set out in Note 38 to the financial statements on page 420.

The policy was reviewed and approved by the Committee in September 2025.

The non-audit services provided by EY during 2025 complied with the Company's non-audit services policies and ensured that actual or perceived conflicts of interest were avoided, and EY's independence and objectivity was maintained.

The Committee considered and concluded there were no relationships between EY and the Group during 2025 that adversely affected its independence and objectivity.

Audit tender and lead audit partner rotation

The Company's last audit tender was in 2017, following which EY was appointed as the Group's Statutory Auditor for the financial year ended 31 December 2020. EY was re-appointed as the Group's Statutory Auditor for the financial year ended 31 December 2025 at the 2025 AGM. At the conclusion of the audit for the financial year ended 31 December 2025, EY had been the Group's Statutory Auditor for six years.

Micha Missakian, who is experienced in auditing global banking institutions, served as the lead audit partner for the Company following completion of the audit for the year ended 31 December 2024. Due to the comprehensive handover from the previous lead audit partner, David Canning-Jones, the transition of the lead audit partner has been successful.

As a UK public interest entity, the Group is required to tender the audit every 10 years and rotate the auditor every 20 years. As the Committee remains satisfied with EY's performance, the Group has no current intention of tendering for an alternative auditor before the end of the current required 10-year period. The next audit tender will be in respect of 2030 onwards and would likely occur in 2027 to allow for sufficient transition.

EY is a public interest entity auditor recognised in accordance with the Hong Kong Financial Reporting Council Ordinance. During the year, the Company complied with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Process and Audit Committee Responsibilities) Order 2014.

Information given to the auditor

Each director believes that there is no relevant information of which our Group Statutory Auditor, EY, is unaware. Each director has taken all steps necessary to be aware of any relevant audit information and to establish that EY is made aware of any pertinent information.

Group Internal Audit and Investigations

The Committee has oversight of Group Internal Audit and Investigations (GIAI), including monitoring its effectiveness and independence. GIAI encompasses the activities of the Group Internal Audit (GIA) and Group Investigations teams.

Action and decision	Outcome and impact
GIAI reports • Received reports providing a summary of GIAI activity, including trends observed and notable outcomes and opinions. • Received and discussed a dedicated paper on GIAI's assessment of the transformation landscape and a deep dive into GIAI's assurance work over the Group's key transformation programmes. • Received updates on material issues raised by GIAI and, where requested, management developed risk-reduction plans for items.	• GIAI identified eight key risk themes for 2025: transformation and change; third-party risk management; environmental, social and governance; operational resilience; data quality; financial regulatory reporting; information and cyber security; and financial crime. • The Committee satisfied itself that transformation remains one of the top GIAI risk themes and ensures coverage through regular change audits, health checks and business monitoring. The Group is taking steps to address challenges through enhanced oversight, new governance structures, and targeted remediation actions. • The Committee satisfied itself that material issues raised by GIAI have received sufficient management focus.
Annual plan and budget • Reviewed and monitored progress against the 2025 GIA Plan. • Reviewed and monitored audit themes, trends and significant issues. • Reviewed the 2026 GIA Plan, resourcing and budget. • Reviewed GIAI's functional strategy, including GIAI's mission, vision and priorities.	• Changes to the 2025 GIA Plan were regularly reviewed and approved by the Committee. • The Committee discussed and approved the 2026 GIA Plan, ensuring alignment with the Company's principal risks and strategic priorities. • The Committee is satisfied that GIAI is appropriately resourced with sufficient budget.
Group Internal Audit Charter • Reviewed proposed changes to the GIA Charter.	• Discussed and approved changes to the GIA Charter.
Performance assessment and independence • Discussed the GIA annual self-assessment including regulatory feedback received and actions being taken to address any findings. • Received and discussed reports from the Senior Audit Director, Quality Assurance (QA) & Professional Practices on the QA function's view of the quality of GIAI's audit work, including trends observed and notable outcomes and opinions. • Assessed the role, independence, objectivity and effectiveness of the GIAI function. • Progress against the improvement actions identified from the independent external QA review conducted by Deloitte in 2024, was regularly reported to the Committee. • Received the internal QA review, which highlighted that GIA generally complies with the requirements of the GIA Charter, the Institute of Internal Audit standards and other regulatory standards, and that there had been an improvement in the quality of audits from 2024.	• The Committee remained satisfied with GIAI's performance against its objectives agreed at the beginning of the year. • Demonstrates GIAI's position and value in the organisation and its impact, quality, effectiveness, and efficiency. • Ensures and confirms that GIAI continues to achieve its primary role to help the Committee, Board and management to protect the assets, reputation and sustainability of the Group through independent, risk-based, timely and objective assurance, advice, insight and foresight. • The Committee is satisfied with the independence and objectivity of the GIAI function.

Internal controls and risk management

The Committee monitors the Company's systems of internal control, risk management frameworks, and compliance with laws and regulations. The Committee reviews and considers appropriate actions related to the Group's procedures for preventing and detecting fraud and bribery.

Action and decision	Outcome and impact
Internal controls and risk management	
• A joint meeting was held with BRC to review the annual RCSA, affirmation of the ERMF and risk management framework, and the broader risk management framework, as well as internal financial controls for books and records. • Reviewed the Group's internal controls including internal financial controls. • Received quarterly updates from management on internal control observations and from EY on areas of focus which are part of their ongoing audit procedures. • Discussed reports from GIAI that provide its view on the system of internal controls across all risk types including summary highlights of the most significant matters identified by GIAI and areas of thematic interest that have arisen as part of the audits and warrant the Committee's attention. • The BRC and the Culture and Sustainability Committee discussed separate reports from the Group Chief Internal Auditor on GIAI's appraisal of controls across key risks, subject to each committee's oversight. **Read more on risk management and internal controls on pages 212 to 213**	• Partnered with the BRC to ensure efficiency on matters of shared interest. • Preparation for compliance with Provision 29 of the UK Code which will apply from 1 January 2026. Read more on page 168. • Enhanced effective operation and monitoring of the Group's control environment.
Compliance, Financial Crime and Conduct Risk Function	
• Reviewed Standard Chartered's position to manage financial crime compliance in an evolving landscape. • Received a deep dive into the development and progress of the end-to-end programme for managing financial crime, a forward-looking programme to build future-proof and resilient Financial Crime Risk (FCR) management. • Received reports from the Money Laundering Reporting Officer in May and December that provided an overview of FCR. • Received CFCR compliance oversight reports.	• Ensured maintenance of effective systems and controls to meet legal and regulatory obligations in respect of FCR. • The financial crime end-to-end programme aims to: materially enhance client experience, improve risk effectiveness and improve operational effectiveness and efficiency.
Whistleblowing oversight	
• Reviewed and discussed the annual report on the operation and effectiveness of Speaking Up, the Group's confidential whistleblowing programme. • The Committee Chair received regular updates on Speaking Up outside of formal Committee meetings and met with senior management from our Conduct and Compliance teams.	• The report provided assurance of the Group's ongoing compliance with the PRA and the Financial Conduct Authority's Whistleblowing Rules. **Read more on our Speaking Up programme on pages 118 to 119**

The Committee acknowledges the Board's overall responsibility for the effectiveness of the risk management and internal control framework, and confirms compliance with UK Code, including section 4 on Audit, Risk and Internal Control. Read more on risk management and internal controls on pages 212 to 213.

Spotlight on UK Audit and Corporate Governance reforms implementation

During 2025, the Committee continued its oversight of the Group's Material Controls Programme and FRCF development to ensure compliance with Provision 29 of the UK Code ahead of its implementation for the Group's financial reporting year beginning on 1 January 2026.

The Committee received regular reports on the implementation of the Material Controls Programme and FRCF from management through formal Committee meetings and informal sessions. Throughout 2025, an initial list of Material Controls was defined and the testing and assurance strategy was also defined. Governance structures were developed to support operational alignment to the UK Code.

A dry run of the Material Controls lifecycle was conducted for FY 2025. In December 2025, the Committee reviewed and provided feedback on management's proposed approach to the disclosure on Materials Controls.

The 2026 Annual Report will include the Board's first required declaration on their effectiveness of Material Controls (including additional detail for any Material Controls that have not operated effectively).

Other areas of focus

Tax

The Committee approved the updated UK Tax Strategy for the year ending 31 December 2025 and approved Standard Chartered PLC country-by-country reporting for the year ended 31 December 2024, which can be found on the Group's website **sc.com/country-by-country-disclosure**.

Legal and regulatory matters

The Committee received and discussed updates on major disputes and significant regulatory government investigations facing the Group. The Committee also reviewed management's judgements on the level of provisions and the adequacy of disclosure.

Non-financial misconduct

The Committee reviewed analysis and notable trends on non-financial misconduct (NFM) matters and key actions being taken to address such matters within the Group. The Committee discussed the NFM training provided to employees and the reporting channels available. Training is now being delivered with a focus on using anonymised case studies to drive key messages throughout the organisation. Reporting channels and the possibility of a separate channel for sexual harassment reporting given the sensitivities involved was also considered.

A paper was presented to the Committee that provided a consolidated overview of concerns raised through the Speaking Up and grievance channels, as well as via business referrals. This was presented by representatives from Employee Relations, GIAI and CFCR to deliver a joined up account.

Strategic Regulatory Reporting Programme

The Committee reviewed and discussed updates to the Strategic Regulatory Reporting Programme, which is a programme designed to strengthen aspects of prudential regulatory reports, with regular progress updates provided to the Committee.

Data Risk management

The Committee reviewed and discussed progress on the delivery of the Group's refreshed Data Management Strategy, and the Group's current data risk exposure. The Committee focused on data sovereignty and the challenges of operating across multiple jurisdictions, the various dependencies on other projects, the prioritisation of critical data elements, heightened focus on data quality, and the design of the Global Data Platform.

Complaints deep dives

Dedicated papers on complaint handling in both CIB and WRB including key areas of focus and themes, and forward-looking initiatives that will further improve the process and client experience were received and discussed by the Committee. The Committee welcomed the opportunity to hear from the three lines of defence, which encapsulate the Group's approach to managing client complaints, and the focus placed on process improvement and simplification.

Fit For Growth

The Committee was presented with an overview of the processes and controls around Fir For Growth (FFG) savings. The Committee received assurance from management that all FFG savings are subject to appropriate governance and that there is an appropriate tracking and assurance process from origination of the savings to embedment.

Aspire programme

An update was provided to the Committee on the Group's Aspire programme, which was launched in 2018 to deliver a modern technology system and data landscape for financial management and reporting. The programme has modernised the Group's financial infrastructure, improved efficiency, and delivered substantial financial and operational benefits. All components are now live, and it is recognised as industry leading. Aspire has laid the groundwork for future strategic delivery, robust controls, and advanced analytics. While the core transformation is complete, further enhancements and centralisation efforts are planned for 2026 to maximise value and consistency. The Committee is keen that any lessons learned from this implementation, can be leveraged for future technology rollouts.

Climate and net zero model validation

The Committee received an update on the Group's net zero models and the validation of these under the Group's Model Risk Management framework and provided feedback to management.

Action and decision	Outcome and impact
Terms of reference review • Conducted an annual review of the Committee's terms of reference in December 2025, considering applicable rules and best practice in the UK and Hong Kong and the ACG reforms. • Following the review, alongside the BRC, the Committee recommended material changes in relation to the transfer of oversight of FCR and Compliance Risk to the BRC. In light of the ACG reforms, the Committee's responsibilities regarding material controls were defined.	• The Board approved the recommended amendments to the Committee's terms of reference in February 2026. • Ensured the role and responsibilities of the Committee remain appropriate and aligned with best practice.
Committee performance review • Regularly reviewed progress against the 2025 Action Plan, which set out actions arising from the internally facilitated performance review conducted in 2024. • A review of the Committee's performance was facilitated by an independent external reviewer, in accordance with the UK Code. • The external reviewer's report was reviewed and discussed by the Board with all Committee members present.	• Addressed all actions in the 2025 Action Plan to enhance the performance of the Committee. • Developed a 2026 Action Plan to address the external reviewer's recommendations from the 2025 performance review. • Progress against the 2026 Action Plan will be monitored during 2026. Read more on the review on pages 150 to 152.

Committee composition

In accordance with the UK Code, the Committee's membership comprises independent non-executive directors who have a deep and broad experience of banking and the risk factors affecting the Group, including geopolitical, economic, IT, financial crime and general business risks. The Board is satisfied that the Chair of the Committee, Jackie Hunt, has recent and relevant financial experience. Jackie is a qualified chartered accountant and has held a number of senior management positions within the financial services sector. The skills and experience of each member can be found on pages 131 to 134.

Meetings

Meetings are scheduled to align with key dates in the Group's financial calendar and in accordance with the Committee's forward agenda. As part of, and in addition to, scheduled Committee meetings, the Committee held private members-only meetings.

The Committee also met with the Group's Statutory Auditor, EY, and the Group Chief Internal Auditor, without management being present.

During the year, the Committee Chair also met regularly with the EY partners leading the Group's audit. The Committee Chair held regular meetings with the Group Head, CFCR and Group Chief Internal Auditor, and met with members of senior management to ensure there was sufficient oversight of their work and key emerging issues.

The Committee Chair reports to the Board on the Committee's key areas of focus following each meeting.

Financial Reporting Council Minimum Standard

The Committee confirms that the Committee's activities during the year including interactions with management, GIAI and EY, as set out in this report, have complied with the Financial Reporting Council's Audit Committees and the External Audit: Minimum Standard issued in May 2023.

Board Risk Committee report

Image removed

Phil Rivett, Board Risk Committee Chair

Committee composition and attendance

Committee member	Scheduled meeting attendance	Ad hoc meetings attendance
Phil Rivett[1]	**6/6**	3/3
Shirish Apte	**6/6**	3/3
Jackie Hunt	**6/6**	3/3
Diane Jurgens[2]	**6/6**	2/3
Robin Lawther, CBE[3]	**6/6**	2/3
Maria Ramos[4]	**3/3**	n/a

In addition, there were two joint meetings held with the Audit Committee in 2025.

Additional attendees

Group Chair; Group Chief Executive; Group Chief Financial Officer; Group Chief Risk Officer (GCRO); Group Head of Enterprise Risk Management; Group Treasurer; Group Head, Compliance, Financial Crime & Conduct Risk; Group Chief Internal Auditor; the Group's Statutory Auditor and the Group Company Secretary also attended Committee meetings.

Sir Iain Lobban, our cyber adviser to the Board, regularly attended discussions on ICS Risk, Financial Crime Risk (FCR) and technology-related matters.

David Tang, a Board member with IT expertise, also attended technology-related discussions.

EY attended all Committee meetings in 2025. The Committee Chair regularly meets with senior leaders of the Risk function, including the GCRO.

Responsibilities

The Committee's responsibilities are described in this report and the Committee's terms of reference which can be viewed at **sc.com/termsofreference.**

1 Phil was appointed as interim Committee Chair on 8 May 2025, and received regulatory approval as Committee Chair on 1 August 2025.
2 Diane was unable to attend one ad hoc meeting which was scheduled at short notice due to the time zone difference. She had access to all relevant materials prior to the meeting and opportunity to provide feedback.
3 Robin was unable to attend one ad hoc meeting which was scheduled at short notice due to pre-existing commitments. She had access to all relevant materials prior to the meeting and opportunity to provide feedback.
4 Maria stepped down as Committee Chair on 8 May 2025.

I am pleased to present the Board Risk Committee report, which provides an overview of the Committee's key activities during 2025, on pages 170 to 175. I was appointed as Interim Chair of the Committee on 8 May 2025 and, following regulatory approval, assumed the role of Committee Chair on 1 August 2025, having been a member of the Committee for five years. I would like to extend my gratitude to Maria Ramos, the previous Committee Chair, for her strong leadership on risk oversight and for her comprehensive handover to me as incoming Chair.

This year we focused on carefully monitoring sovereign and geopolitical risks, particularly our response to sovereign downgrades and volatility in key markets. A close watch has been kept on US tariffs and the risk of higher global inflation and fluctuating oil prices fuelled by the Russia-Ukraine and Middle East conflicts for their impacts on our markets. This supported the work on strengthening our approach to stress testing, mindful of the uncertain macroeconomic outlook. The monitoring of sovereign and geopolitical risks and strengthening of our stress testing will remain on the Committee's agenda for 2026 and beyond. We have also reviewed and challenged that the Group has appropriate Risk Appetite boundaries and metrics in place to achieve its strategic aspirations, in line with the Corporate Plan.

We have overseen the work underway on resolution and recovery planning, in particular, addressing our restructuring planning capabilities in response to feedback received from the Bank of England (BoE), cognisant of the work of the Board in this area. Credit Risk has also been carefully monitored in light of the macroeconomic environment. Our CIB and WRB Risk Reviews covered sector deep dives including oil and gas, solar and electric vehicles, alongside reporting of our credit card, personal loan and partnership portfolios.

We have continued our review of the Group's key change, technology and simplification programmes, including the consideration of external disruptive incidents and the operational risks posed. Information and Cyber Security (ICS) Risk remained an important priority, with focus placed on our approach to vulnerability management, third parties and responsible use of AI.

We dedicated time throughout the year to undertake education sessions on software security vulnerability management, managing quantum computing ICS risks, Climate Risk including Nature Risk, and Model Risk Management (MRM), which has enabled the Committee to consider these risks through a broader, more anticipatory lens.

In July 2025, the Group appointed Jason Forrester as its GCRO, effective from 1 January 2026, following regulatory approval received in December 2025. On behalf of the Committee, I would like to thank Sadia Ricke, as departing GCRO, for her significant contributions in driving a client-focused, risk-aware approach and for her valuable contributions in and outside of meetings. I look forward to working with Jason in his new role. The Committee underwent some membership changes in late 2024 and early 2025, and I am pleased to report that the Committee is operating effectively and is well placed to oversee and challenge the risks faced by the Group, with the mitigation we have in place.

Phil Rivett
Board Risk Committee Chair

Principal areas of focus

The table below provides an overview of the principal areas considered by the Committee during the year and the associated outcome and impact of those activities:

Action and decision	Outcome and impact
Macro, sovereign and geopolitical risks • Discussed regular reports from the GCRO on global conflicts, the decoupling of China and the US, US tariffs and executive orders and market volatility. • Assessed country risks through our Country Risk Early Warning system and performed out-of-cycle reviews for at-risk sovereigns.	• Kept abreast of the evolving macro, sovereign and geopolitical risk environment, critical for wider discussions on stress testing. • Identified key emerging risks and opportunities and critically assessed their potential impact on the Group, our clients, colleagues, markets and regulators. • Challenged management on Risk Appetite metrics relating to Single Country Risk Exposure considering external environment volatility.
Stress testing • Reviewed and challenged the Group's Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP) submissions, including scenarios analysis, stress test outcomes and reverse stress test results. • Reviewed and challenged the 2025 BoE Bank Capital Stress Test. • Reviewed an overview of internal and regulatory stress scenarios used across the stress continuum including updates arising due to emerging sovereign and geopolitical risks.	• Approved submissions of the following to the Prudential Regulation Authority (PRA): ICAAP, ILAAP and the Bank Capital Stress Test. • Challenged the outcomes and key findings arising from stress tests to monitor our resilience. • Critically assessed our approach to stress testing and challenged management to consider its use to further enhance performance and accelerate the use of stress testing tools. Read more on stress testing on pages 221 to 222.
Recovery and Resolution Planning • Discussed regular updates on the Group's recovery and resolution capabilities, with particular focus on work to address the findings from the BoE's 2024 resolvability assessment. • Reviewed and challenged the Group's Recovery Plan. • Reviewed work undertaken to achieve compliance with the PRA's Trading Activity Wind-Down requirements.	• Ensured continued robust oversight, governance, testing and assurance of resolution planning in preparation for the next Group Resolvability Self-Assessment Report due in October 2026. • Provided feedback on the Group's activities to improve recovery and resolution planning capabilities and arrangements, including on restructuring planning. • Regularly checked that the Committee's work on resolvability is complementary to that of the Board. Read more on Recovery and Resolution Planning on pages 228 to 229.
Technology and Operations (T&O) Risk • Reviewed and discussed updates on key technology-related change programmes covering our core banking applications and data centres, focused on progress, interdependencies, milestones, resources, key risks and regulatory engagement. • Discussed changes to the T&O function and risk profile.	• Tracked progress of key change programmes and held management to account on deliverables and committed timelines. • Probed into the T&O risk profile with each of the three lines of defence ensuring robust risk management. • Recognised the industry-wide increase in third-party risk and challenged management on the mitigation plan.

Action and decision	Outcome and impact
Information and Cyber Security Risk	
• Reviewed the progress being made on ICS Risk management, with papers and input from the three lines of defence. • Received Chief Information Security Officer Management Information reports, providing a holistic end-to-end risk management view, including key metrics. • Requested and received training on software security vulnerability management and managing quantum computing ICS Risks, which was opened up to the Board. • Considered the ICS strategy focusing on cyber resilience and enabling growth. • Received regular external perspective from Sir Iain Lobban.	• Maintained focus on ICS Risk management, including control indicator performance. • Recognised that ICS Risk management continues to strengthen, in an ever changing and dynamic landscape. • Challenged management on key ICS priorities to ensure continued focus in the evolving environment. • Discussed software security vulnerability management and managing quantum computing ICS Risks. • Recommended the ICS strategy to the Board for endorsement.
Operational resilience	
• Reviewed the Group's overall readiness position against the Supervisory Statement (SS) 1/21 policy implementation date of 31 March 2025. • Considered material changes to Important Business Services (IBS) and Impact Tolerance Statements (ITOL) for Corporate & Investment Banking (CIB) and Wealth & Retail Banking (WRB). • Reviewed the Treasury Select Committee's letter to another UK bank following IT system failures and explored how the Group would have responded to this letter to understand any lessons learned and improvement opportunities.	• Approved the Operational Resilience Group Self-Assessment for submission to the PRA. • Challenged the level of testing needed given the interdependencies with other significant change programmes and the priorities of our global regulators. • Approved material changes to the Group's IBS and ITOL. • Recognised the dependency on our major business centres, challenging management to ensure adequate consideration of this dependency in resilience planning.
Credit Risk	
• Paid particular attention to the CIB and WRB portfolios to ensure they remain resilient. • Focused on credit cards, personal loans and partnerships, where elevated risk has been observed. • Considered portfolio deep dives including oil and gas, solar and electric vehicles in light of the evolving geopolitical landscape.	• Challenged and received assurance on the alignment of Credit Risk Appetite metrics to strategy. • Challenged Credit Risk oversight in our expanding markets to ensure robust oversight supporting portfolio growth. • Probed into potential concentrations in certain industries. • Reviewed and challenged the results of credit stress tests.
Transformation	
• Tracked the progress of our key transformation programmes and probed into the challenges faced. • Reviewed and discussed an overview of our Transformation Office including its governance, resources and prioritisation.	• Challenged the resources, budget and timelines of our key transformation programmes to ensure progress. • Risk oversight, time management and the resources of our key transformation programmes will continue as a key focus in 2026.
Financial Crime Risk	
• Discussed reporting on controls in our WRB and CIB portfolios. • In conjunction with the Audit Committee, considered the key emerging threats in this space. • Received insights from an external speaker on the broader Financial Crime Risk (FCR) landscape.	• Considered the oversight of FCR across the Board Risk Committee and the Audit Committee to ensure maximum focus and eliminating potential duplication.

Action and decision	Outcome and impact
Risk Appetite • Reviewed and challenged the changes to the Group's Risk Appetite and Board metrics twice during the year through interim and annual reviews. • Recommended the Group Risk Appetite and Board metrics to the Board for approval following its annual review. • Provided feedback to management on key metrics including ICS and FCR.	• Approved the interim changes to the Group Risk Appetite and Board metrics. • The Board approved the Group Risk Appetite and Board metrics, following recommendation from the Committee. • Ensured the affordability of the Risk Appetite against capital capacity, while allowing achievement of 2026 Corporate Plan. Read more on the Group's Risk Appetite on page 221.
Enterprise Risk Management Framework • In conjunction with the Audit Committee, reviewed the outcomes from the annual effectiveness review of the Enterprise Risk Management Framework (ERMF). • Reviewed proposed changes to the ERMF following its annual review and recommended the updated ERMF to the Board for approval. • Reviewed material changes to Risk Policies.	• Received affirmation from the GCRO that the ERMF is materially effective and adequately highlights risks and improvement areas. • The Board approved the material changes to the ERMF following recommendation from the Committee. Read more on the ERMF on pages 220 to 225. Further details on Principal Risk Types (PRTs), including definitions of each, are set out on pages 222 to 223.
Model Risk • Discussed reports on MRM and the ongoing implementation work arising from the PRA's MRM requirements (SS1/23). • Received training on MRM.	• Continued to focus on the Group's Model Risk profile while recognising the progress made on MRM. • Dedicated time and space for MRM training, including UK regulators' requirements regarding Board-level oversight.
Treasury Risk • Reviewed and discussed reports on our capital and liquidity position cognisant of the evolving regulatory environment. • Discussed an enhanced risk-based framework for managing the capital and liquidity risks of the Hold to Collect portfolio. • Challenged and recommended the Contingent Liquidity Risk Framework, including a Board Risk Appetite metric, to the Board for approval. • Reviewed and challenged regulatory submissions including ILAAP and ICAAP.	• The Board approved the Contingent Liquidity Risk Framework, following the Committee's review and recommendation. • Ensured the enhanced Hold to Collect portfolio framework supported the structural hedging programme while managing the risk dynamically.
Digital assets • Dedicated time assessing whether our risk management framework (RMF) is fit for purpose to mitigate digital asset specific risks, in line with the Group's aspirations in this space.	• The review of the RMF supports our digital asset strategy discussions by the Board.
Traded Risk • Reviewed and challenged the key financial and non-financial risks of our trading business including Risk Appetite and stress testing results.	• Confirmed traded risk is well understood and managed in line with established Risk Appetite.
Non-Financial Risks • Closely monitored Non-Financial Risk reporting to ensure the Group remains on track to achieve annual risk reduction. • Received reports on Elevated Residual Risks and Material Risk events. • Discussed a Third-Party Risk Management (TPRM) update and refreshed strategy.	• Delved into material and thematic issues, with robust challenge of any overdue items to ensure progress to achieve risk buydown targets. • Recognised the ever-growing challenge of TPRM and provided feedback on the TPRM strategy ahead of its submission to the Board for approval.

Action and decision	Outcome and impact
Internal Controls	
• Discussed reports from Group Internal Audit & Investigations covering the appraisal of controls across key risks within the Committee's scope. • In conjunction with the Audit Committee, reviewed the outcomes of the annual Risk and Control Self-Assessment (RCSA). • Reviewed and discussed an addition to its terms of reference on the oversight of material controls alongside the Audit Committee, which was recommended to the Board for approval.	• Encouraged management to ensure that the RCSA process continues to identify the real risks faced by the Group in its day-to-day operations. • Ensured that appropriate mitigations and controls are in place for material risk events.
Environment, Social, Governance and Reputational Risk	
• Reviewed and discussed a paper on the Group's approach to Environment, Social, Governance and Reputational Risk. • Requested and received training on Climate Risk, including Nature Risk. • Reviewed the key areas of reputational risk faced by the Group.	• Devoted time and space to discuss Climate Risk and Nature Risk, including UK regulators' current requirements and future expectations regarding Board-level oversight.
Alignment of risk and remuneration	
• Received and discussed the risk factors to be considered by the Remuneration Committee in determining incentives as part of the 2025 year-end review.	• Assisted the Remuneration Committee in its assessment as to whether remuneration aligns with effective risk management and does not encourage excessive risk-taking. Read more on utilising remuneration as a risk management tool in the Directors' remuneration report on pages 180 to 206.
Regulatory	
• Discussed key communications received from the PRA and Financial Conduct Authority. • Reviewed and discussed the BCBS 239 2024 self-assessment exercise and actions to address identified gaps.	• Ensured coverage of the 2025 regulatory priorities within the scope of its responsibilities and encouraged continued engagement with regulators.

Action and decision	Outcome and impact
Terms of reference review • Conducted an annual review of the Committee's terms of reference in December 2025, considering applicable rules and best practice in the UK and Hong Kong and the ACG reforms. • Following the review, alongside the Audit Committee, the Committee recommended material changes including the transfer of the oversight of FCR and Compliance Risk from the Audit Committee to the Board Risk Committee. A new material controls responsibility was added in light of the ACG reforms to complement the oversight of the Audit Committee.	• The Board approved the proposed amendments to the Committee's terms of reference in February 2026. • Ensured the role and responsibilities of the Committee remain appropriate and align with best practice.
Committee performance review • Regularly reviewed progress against the 2025 Action Plan which set out actions arising from the internally facilitated performance review conducted in 2024. • A review of the Committee's performance was facilitated by an independent external reviewer, in accordance with the 2024 UK Corporate Governance Code. • The external reviewer's report was reviewed and discussed by the Board with all Committee members present.	• Addressed all actions in the 2025 Action Plan to enhance the performance of the Committee. • Developed a 2026 Action Plan to address the external reviewer's recommendations from the 2025 performance review. • Progress against the 2026 Action Plan will be monitored during 2026. Read more on the review on pages 150 to 152.

Committee composition

The Committee's membership comprises independent non-executive directors (INEDs) who have a deep and broad experience of banking and the risk factors affecting the Group, including geopolitical, economic, IT, financial crime and general business risks. The skills and experience of each member can be found on pages 131 to 134.

Meetings

Meetings are scheduled to align with key dates in the Group's calendar and in accordance with the Committee's forward agenda. As part of, and in addition to scheduled Committee meetings, the Committee held private members-only meetings.

Two private sessions between Committee members and the GCRO were held in 2025.

The Committee Chair reports to the Board on the Committee's key areas of focus following each meeting.

Risk information provided to the Committee

The Committee is authorised to seek any information that will allow it to fulfil its governance mandate relating to risks to which the Group is exposed, and alert senior management when risk reports do not meet its requirements. The Committee receives regular reports on risk management and tracks a wide range of risk metrics through a Board Risk Information Report which provides an overview of the Group's risk profile against the Group's Risk Appetite Statement. The GCRO's report covers the macroeconomic environment, geopolitical outlook, material events and disclosures and ongoing risks. Coverage of PRTs and regulatory matters are also included in this report.

Resources

The Committee has sought and received assurance that the Risk function is adequately resourced to perform its remit effectively.

Culture and Sustainability Committee report

Image removed

Committee composition and attendance

Committee member	Scheduled meeting attendance
Dr Linda Yueh, CBE	**3/3**
Diane Jurgens	**3/3**
Robin Lawther, CBE	**3/3**
David Tang	**3/3**

Dr Linda Yueh, Culture and Sustainability Committee Chair

Additional attendees

Group Chair; Group Chief Executive; Group Head of HR; Chief Sustainability Officer; Chief Auditor – Functions; and Group Company Secretary also attended Committee meetings in 2025.

Responsibilities

The Committee's responsibilities are described in this report and the Committee's terms of reference which can be viewed at **sc.com/termsofreference**.

I am pleased to present the Culture and Sustainability Committee report on pages 172 to 175, which provides an overview of the Committee's key activities during 2025.

We are pleased to report that the Group has exceeded the sustainable finance target of at least $1 billion in sustainable finance income by 2025 and is on track to meet the target of $300 billion mobilised by 2030.

This year we have overseen good progress in both target setting and delivering on the Group's public sustainability commitments. We are incredibly proud of the Group's contribution to both global and core regional market sustainability projects, initiatives and coalitions that are delivering differentiated impact and helping to mature and advance the field of sustainability. We are conscious of the volatile external environment which has seen a market retrenchment by the US administration on sustainability policies. Nonetheless, there are several key macroeconomic trends and a geographic divergence that largely embraces sustainability in the Group's core markets outside the US and will continue to present significant opportunities for the Group to pursue.

On nature, an increasingly important aspect of sustainability, the Group has published its first Nature Report alongside this Annual Report, as an early adopter of the Taskforce on Nature-related Financial Disclosures (TNFD). Read our Nature Report at **www.sc.com/nature**.

During the year we have overseen the progress being made on diversity and inclusion (D&I) which has also faced challenges with the evolving US landscape. We're pleased to say that the Group remains fully committed to D&I and this unwavering commitment has been reaffirmed both to colleagues within the business and externally. This has been put into action through Colleague Communities which are employee-led, Bank-supported networks that bring together colleagues with shared experiences to foster inclusion and drive business impact. The latest employee engagement survey shows a nine percentage point increase in Colleague Communities' membership since last year, and colleagues who are members demonstrate higher scores on the engagement metrics than non-members, demonstrating their measurable impact. In addition, we discussed and guided management on the launch of the new sponsorship programme that is being piloted with our Accelerate Black and African talent. The programme is for individuals who have been identified as having the skills, aspirations and valued behaviours that indicate they can take on bigger and more complex challenges in the future.

The sharpening of the Group's strategy to focus on areas where we are most competitive and differentiated led management to review our culture to ensure it was appropriate and to understand what aspects of our culture will best serve our clients and our growth ambitions. We endorsed the Group's new cultural markers of client-centricity, innovation and collaboration, which must be embedded to deliver the Group's strategy, while challenging management on the actions needed to embed these and ensure consideration is given to any unintended consequences.

Over the course of the year, we have been reviewing and shaping the evolution of the Group's corporate philanthropy approach to amplify the impact the Group can have on its commitment to the economic empowerment of underserved young people. Aligned to the Group's purpose, brand promise and 'Lifting Participation' Stand, the Standard Chartered Foundation will harness the Group's expertise to help tackle inequality and reach communities who might otherwise not experience the benefits of the Bank.

Dr Linda Yueh, CBE
Culture and Sustainability Committee Chair

Culture

The Committee is responsible for reviewing the way the Group develops, manages and embeds its culture and the Group's approach to its purpose, values, diversity and inclusion, employee engagement and workforce policies and practices.

Action and decision	Outcome and impact
Culture • Reviewed and provided feedback on the next iteration of the Group's culture which aligned it with the Group's refocused strategy and identified the cultural markers that must be nurtured to deliver the strategy as well as to make work easier, more efficient, and more effective. • Received a summary of the annual My Voice employee engagement survey. Read more on the Group's culture and how it has been embedded on page 32 to 36 and 150.	• Provided guidance on how to implement the cultural markers and identified the potential unintended consequences. • The Committee Chair met with the HR team to evaluate data, insights, and external best practice.
Diversity and Inclusion • Received progress updates which focused on the three Diversity and Inclusion (D&I) strategic priorities – to develop a diverse talent pipelining mindset; build sponsorship muscle; and refresh Colleague Communities – while being mindful of the challenging external landscape and the opportunities this provided for the Group to differentiate.	• Tracked progress being made towards the Group's D&I strategic priorities and provided guidance on a number of areas including the Group's sponsorship programme, the target for 35 per cent women at senior levels by 2028 and the challenges being faced with collecting colleague D&I data.
Board workforce engagement • Discussed adjustments to the current Board workforce engagement (BWE) framework and received a summary of the themes and feedback from the 2025 engagements.	• Provided guidance and endorsed the adjusted BWE framework which will be in place from 2026.

Sustainability

The Committee is responsible for reviewing the Group's Sustainability Strategy and progress against the Group's external commitments, Sustainability Aspirations and key sustainability priorities. The Committee also keeps emerging sustainability issues under review.

Action and decision	Outcome and impact
Net zero • Received and discussed a progress update on the Group's net zero roadmap, which included a review of the evolving sustainability market landscape and the potential risks that needed to be monitored. Discussion included a deep dive into progress against our science-based targets for our 12 high-emitting sectors.	• Tracked the Group's net zero progress, probed into the challenges being faced, requested analysis on the response that peers were taking to the issues being faced in the current sustainability environment, and endorsed the approach to annually disclose the Group's methane portfolio emissions intensity.
Group's sustainability strategy • Reviewed and discussed the Group's sustainability strategy in light of the market developments following US policy changes at the start of 2025. • Reviewed and discussed the 2026 sustainability strategy and the action plan at the end of 2025.	• Provided guidance and feedback which was incorporated into the Group Management Team's discussions on the sustainability strategy. • Endorsed management's recommendation to reconfirm the Group's ambition to remain a sustainability thought and action leader given the value creation opportunity sustainability presents for the Group.
Group's Sustainability Aspirations • Received the annual update on the Group's Sustainability Aspirations.	• Tracked progress against the Group's Sustainability Aspirations and endorsed the proposal to modify two of the existing underlying KPIs. Details of these are set out on page 454 to 457.

Action and decision	Outcome and impact
ESG ratings	
• Discussed an update on the Group's performance against assessments produced by the Group's prioritised external ratings agencies.	• Reviewed the 2025 priority ESG ratings and discussed the forward strategy to address the identified gaps.
Modern Slavery	
• Received an update on progress made against the Modern Slavery Statement (MSS) commitments, and the proposed actions to improve the content of the Group's MSS.	• Tracked progress against the MSS commitments and challenged management's actions to prevent modern slavery.
CSO's Report	
• Received regular reports from the CSO covering a wide range of sustainability updates including peer bank developments, regulation, policies and developments impacting the Group's key markets, and the Group's participation in COP30. • Reviewed the Group's substantive sustainability memberships.	• Kept abreast of the fast-changing sustainability landscape, including the Group's response and progress compared to peers. • Ensured that appropriate governance is in place to manage the reputational risk of the Group's sustainability memberships and that any costs, both time and monetary, were commensurate with the value obtained.
Remuneration metrics	
• Reviewed and provided feedback on the proposed sustainability measures for inclusion in the Group's remuneration scorecards.	• The Group scorecard and Long-Term Incentive Plan (LTIP) scorecard were approved by the Remuneration Committee.

Our Stands

The Committee is responsible for monitoring progress against achievement of the Stands.

Action and decision	Outcome and impact
Our Stands	
• Reviewed and tracked progress against the three Stands: Accelerating Zero, Lifting Participation and Resetting Globalisation. Read more about our Stands on our website **sc.com/purpose**	• Accelerating Zero: Tracked progress against the sustainable finance mobilisation target, commended management on the progress made towards advancing the sustainability ecosystem and probed into the headwinds being faced in some of the net zero sectors. • Resetting Globalisation: Challenged and received assurance that the Group remained ahead of the evolving external environment with respect to the alternative methods of payments that are emerging and commended management for the excellent progress being made. • Lifting Participation: Discussed the challenges with achieving the LTIP target due to the shifts in the Group's strategy and agreed with management's approach to realign this Stand. The 2026–2028 LTIP awards have simplified performance measures, in line with the Directors' remuneration policy, and no longer include measures relating to our Stands.
Group's community impact strategy	
• Reviewed and provided feedback on the proposal to reposition the Group's corporate philanthropy approach. Discussion included the programme portfolio, alignment with the refreshed Brand Strategy, potential models to increase client collaboration, and build out of ecosystem approach to drive greater impact.	• Provided guidance and challenge on the ongoing work to strengthen the Standard Chartered Foundation as a central, impact-focused platform, elevated to oversee the Group's corporate philanthropy. The main focus will be maintained on youth employment and entrepreneurship.

Group Internal audit and investigations

The Committee receives an annual report from the Group Chief Internal Auditor on their work around culture, sustainability and other matters relevant to the Committee's remit.

Action and decision	Outcome and impact
Group Internal Audit and Investigations	
• Received a report from the Group Chief Internal Auditor on their activities including trends observed and notable outcomes and assessments with respect to culture and sustainability.	• Reviewed the emerging trends from Group Internal Audit and Investigations' work in relation to the Committee's remit and counselled management on the key themes that needed to be addressed.

Governance

Action and decision	Outcome and impact
Terms of reference review	
• Conducted the annual review of the Committee's terms of reference in December 2025 and recommended minor changes to the Board.	• The Board approved minor amendments to the Committee's terms of reference in February 2026. • Ensured the role and responsibilities of the Committee remain appropriate and aligned with best practice.
Committee performance review	
• Reviewed progress against the 2025 Action Plan which set out several actions arising from the internally facilitated performance review conducted in 2024. • A review of the Committee's performance was facilitated by an independent external reviewer in accordance with the UK Code. • The external reviewer's report was reviewed and discussed by the Board.	• Addressed all actions in the 2025 Action Plan to enhance the performance of the Committee. • Developed a 2026 Action Plan to address the external reviewer's recommendations from the 2025 performance review. • Progress against the 2026 Action Plan will be monitored during 2026. Read more on the review on pages 150 to 152.

Meetings

Meetings are scheduled to align with key dates in the Group's calendar and in accordance with the Committee's forward planner, developed by the Committee Chair and the Company Secretary. As part of, and in addition to scheduled Committee meetings, the Committee held private members-only meetings.

The Committee Chair reports to the Board on the Committee's key areas of focus following each meeting.

Directors' remuneration report

Image removed

Shirish Apte, Remuneration Committee Chair

Committee composition and attendance

Committee member	Scheduled meeting attendance
Shirish Apte	5/5
Jackie Hunt[1]	5/5
Robin Lawther, CBE	5/5
Maria Ramos[2]	2/2
David Tang[1]	5/5
Dr Linda Yueh, CBE	5/5

1 Jackie and David were appointed as members of the Committee on 1 January 2025.
2 Maria stepped down from the Committee on 8 May 2025 when she was appointed Group Chair.

The Committee's terms of reference can be viewed at sc.com/termsofreference

Additional attendees

Group Chair; Group Chief Executive (GCE); Group Chief Financial Officer (GCFO); Group Chief Risk Officer; Chief Strategy and Talent Officer; Group Head, Human Resources; Global Co-Head of Performance, Reward & Benefits; Group Company Secretary; Group Head, Compliance, Financial Crime and Conduct Risk; Group Chief Internal Auditor; Chair of the Board Risk Committee

Responsibilities

The Committee is responsible for setting the principles, parameters and governance framework for the Group's remuneration policy and overseeing its implementation.

This includes determining the framework and policies for the remuneration of the Group Chair, the executive directors and other senior management considering our Fair Pay Charter, wider workforce remuneration and alignment with culture and conduct.

Summary of 2025 remuneration decisions

- Group performance has been strong across both financial and non-financial measures. Committee decisions on remuneration reflect this.
- Discretionary incentives at $1,856 million for 2025, are up 10 per cent on 2024. The average global salary increase for 2026 is 2.6 per cent.
- Salary increase of 2 per cent for Bill Winters, GCE.
- Annual incentive of £3,402,000 for Bill, assessed at 84 per cent of the maximum.
- Projected performance outcome for the 2023–25 long-term incentive plan (LTIP) award of 88 per cent.
- 2025 single total figure of remuneration of £12,694,475 for Bill and £1,407,114 for Diego De Giorgi, GCFO during 2025.
- Group remuneration structures have been reviewed in light of Prudential Regulatory Authority (PRA) remuneration reforms and to ensure the Group remains competitive with global peers.

Key sections

Remuneration Committee Chair's statement	Page 181
Remuneration at glance	Page 184
Remuneration disclosures	Page 190

How to use this report

Within the directors' remuneration report, we have used colour coding to denote different elements of remuneration, as follows:

- **Salary, pension, benefits (fixed remuneration)**
- **Annual incentive**
- **LTIP**

We have also used the following icons to ease navigation through this section and to show alignment between remuneration, stakeholders and Group strategic priorities.

Employees | Investors | Society
Regulators and governments | Financial | Strategic
Sustainability | Personal

I am pleased to present the directors' remuneration report for the year ended 31 December 2025. This report provides an overview of the Remuneration Committee's work and decision-making in determining the remuneration for executive directors and the wider workforce.

A new directors' remuneration policy, developed following the removal of the variable pay cap which applied between 2014 and 2023, was approved by our shareholders at the 2025 AGM. The policy rebalanced total remuneration from fixed pay towards performance-linked variable remuneration, reinforcing the alignment between executive director reward, execution of Group strategy and shareholder returns, as well as enabling us to better compete for talent with our global banking peers. The new policy operated in 2025 as intended.

The decisions taken by the Committee were based on careful consideration of a broad range of factors, including performance across the Group, the macroeconomic environment and the need for fair and competitive reward for our workforce.

Financial KPIs

Profit before tax

$7,900m

↑ 18% (underlying basis)

Operating income

$20,894m

↑ 6% (underlying basis)

Common Equity Tier 1 (CET1) ratio

14.1%

↓ -12bps

Return on tangible equity (RoTE)

Underlying basis	Reported basis
14.7%	**11.9%**
↑ 300bps	↑ 220bps

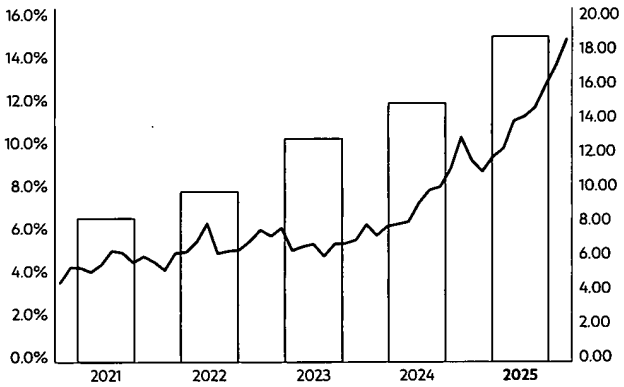
Total shareholder return (TSR)

89.0%

2024: 53.5%

Our performance in 2025

RoTE and share price performance



The Group continued to deliver strong performance in 2025, reflecting the successful and sustained execution of our cross-border and affluent banking strategy. The continued strategic focus on areas of our distinctive competitive advantage helped us to achieve 14.7 per cent underlying RoTE in 2025, surpassing our 13 per cent target a year earlier than planned, and outperforming our peers with a share price growth of 84 per cent.

Underlying profit before tax is up 18 per cent and underlying earnings per share (229.7 cents) increased 37 per cent, benefitting from increased profitability, and a reduction in share count through the $2.8 billion share buybacks announced in 2025.

The Group remains well capitalised and highly liquid with a strong and diverse deposit base. The CET1 ratio of 14.1 per cent is above our target range of 13 to 14 per cent, allowing the Board to announce a further $1.5 billion share buyback programme. This, along with the 65 per cent year-on-year increase in the full-year dividend, takes total shareholder distributions announced since the full-year 2023 results to $9.1 billion, meeting our target one year earlier than committed.

Group-wide remuneration

Our Fair Pay Charter guides the design and delivery of reward. In 2025, we continued to implement initiatives across the Group in line with the Charter, including a focused HR advisory support service for people leaders to guide them through critical moments in their leadership career, and a new Group share plan platform that will improve operational efficiency and enhance the colleague experience.

We continue to promote continuous feedback, coaching and transparent performance discussions. To incentivise and reward sustainable high performance, we are focused on differentiating bonus outcomes towards exceptional performance achieved in line with our values.

Diversity, Equality and Inclusion

Our 2025 Diversity, Equality and Inclusion Impact Report outlines the steps we are taking and the progress we are making to create a culture where our colleagues can thrive and generate positive results for our clients and the communities that we operate in.

Read our 2025 Diversity, Equality and Inclusion Impact Report at sc.com/diversityfairpayreport

2025 discretionary annual incentives

The incentive pool outcome for 2025 reflects the strength of the Group's performance. In determining an appropriate incentive pool, the Committee considers the Group scorecard outcome alongside additional factors, such as the external environment, market competitiveness and overall affordability. The Committee also considers risk, control and conduct matters, including ongoing investigations and matters raised by regulators.

Following its review of these factors, the Committee set an annual incentive pool of $1,856 million, a 10 per cent increase on 2024.

2026 salaries

The average global salary increase for 2026 is 2.6 per cent. Increases have been focused on junior employees, our top talent, and areas of strategic importance.

Executive director remuneration

Change of GCFO

On 10 February 2026 we announced that Diego De Giorgi had decided to resign as GCFO, stepping down as an executive director. In accordance with the approved directors' remuneration policy, he will not receive a 2025 annual incentive award nor a 2026 LTIP award and his in-flight LTIP awards have been forfeited. He will continue to receive his salary and benefits until his final date of employment with the Bank. There are no other remuneration payments in relation to his stepping down as an executive director.

2025 annual incentive

The annual incentive for Bill is based on targets relating to the Group's annual financial plan and strategic priorities, as well as his personal performance contribution.

The Committee approved the following outcome for 2025 and is satisfied that the award is appropriate given the strong Group performance and Bill's significant personal contributions.

	2025 annual incentive (£)	% of maximum
Bill Winters	**3,402,000**	84%

Read more on pages 190 to 193

2023–25 LTIP award

The Group has delivered strong performance over the last three years and this is reflected in the projected performance outcome of 88 per cent, based on underlying RoTE of 14.7 per cent, projected relative TSR ranking within the upper quartile and above target performance against sustainability and other strategic measures. The final relative TSR outcome will be assessed three years from the award date, in March 2026. The projected outcome is based on the three-month average share price to 31 December 2025 and included in the single total figure of remuneration for Bill. Diego did not participate in this LTIP award as it was granted prior to his appointment.

	Award share price (£)	Valuation share price (£)	Projected outcome (£)
Bill Winters	7.398	15.95	**7,103,714**

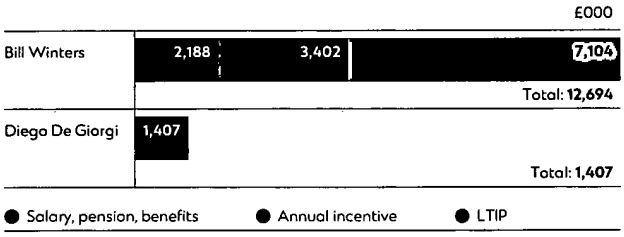
Given the improvement in RoTE performance and relative TSR growth, the Committee is satisfied that the projected outcome reflects the positive performance over the three-year period.

Bill's 2023–25 LTIP award will be delivered, pro rata, over the next five years beginning in March 2026, aligning remuneration outcomes with shareholder interests and the Group's long-term performance.

Read more on pages 193 to 195

Single total figure of remuneration for 2025

The 2025 annual incentive and projected 2023–25 LTIP performance outcome results in a 2025 single figure for Bill of £12,694,475. The single figure for Diego of £1,407,114 includes fixed remuneration only.



Read more on page 190

PRA remuneration reform

The PRA concluded their review into remuneration reform and published updated regulations on 15 October 2025. We welcome this development, which has a positive impact on the competitiveness of UK-headquartered global banks. We have reviewed our remuneration structures for material risk takers in accordance with the revised regulations.

Impact on the operation of the remuneration policy for executive directors

While the Committee is keen to ensure the Group remains competitive with our global peers, in considering how to apply the changes to our executive directors we have also considered the expectations of our shareholders.

Although we have refined our approach in certain areas, the overall pay structure remains consistent with the policy approved by shareholders at the 2025 AGM. The key decisions relate to the timeframe for the release of incentive awards and are summarised below.

Annual incentive awards

From 2025, 30 per cent of annual incentive awards will be in deferred share awards, to be delivered pro rata over three years. The proportion deferred will fall to 15 per cent over three years once an executive director has met their shareholding requirement.

LTIP awards

For LTIP awards to be granted from 2026 onwards, the entire performance-tested award will be delivered five years after the grant date.

This structure continues to ensure that remuneration does not incentivise inappropriate risk-taking, and that decisions are made in the context of long-term, sustainable performance. Executive directors will continue to have strong long-term alignment with shareholders through their incentives and shareholdings, and a significant portion of their remuneration will remain subject to malus and clawback. Bill's shareholding is currently significantly above his requirement.

While the revised PRA regulations allow for retrospective changes to the deferral schedule of existing awards, the Committee determined that existing LTIP awards for current and former executive directors will continue to vest on their original schedules, in line with commitments made to shareholders when these awards were granted. However, consistent with the new regulations, the additional 12-month retention periods will be removed from all existing LTIP awards.

2026 salary for Bill Winters

In line with the approved directors' remuneration policy, the Committee considers annual salary increases for executive directors taking account of any increase in scope or responsibility, market competitiveness and salary increases across the Group. Having considered these factors, Bill's salary will increase by 2 per cent to £1,530,000.

The Committee determined this increase is appropriate to ensure his remuneration opportunity remains competitive and appropriately positioned with reference to our peer group.

2026–28 LTIP award

Having considered 2025 performance, the Committee has approved the following LTIP award for the period of 2026–28, to be granted in March 2026.

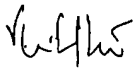
	Award value (£)	% of salary
Bill Winters	**7,350,000**	490%

The LTIP award will be linked to the same measures as the 2025–27 LTIP awards. In line with policy, the scorecard will continue to have 80 per cent weighting for financial measures. However, the Committee determined a change in weightings between RoTE and relative TSR was needed to emphasise the importance of RoTE as our primary financial metric. As such, the weighting for RoTE in the 2026-28 LTIP scorecard is being increased from 40 per cent to 50 per cent. Correspondingly, the weighting for relative TSR will decrease from 40 per cent to 30 per cent. The remaining 20 per cent will continue to be linked to our sustainability targets.

Read more on the 2026–28 LTIP performance targets on page 198

In the rest of this Committee report, we present the disclosures required by regulations, as well as additional information, to explain how remuneration for our executives aligns with our strategy, shareholder interests and wider workforce pay. In making remuneration decisions for 2025 and beyond, we have also been mindful of the experience of our wider stakeholder group.

I would like to thank my fellow Committee members for their work in 2025, and our shareholders for their continued engagement and support.



Shirish Apte

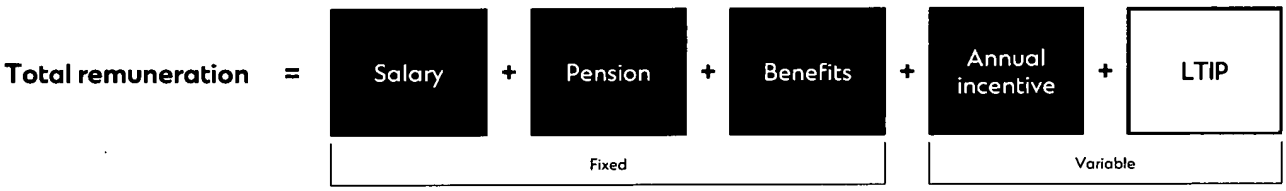
Remuneration Committee Chair

24 February 2026

(All disclosures in the directors' remuneration report are unaudited unless otherwise stated. Disclosures marked as audited should be considered audited in the context of the financial statements as a whole.)

Remuneration at a glance

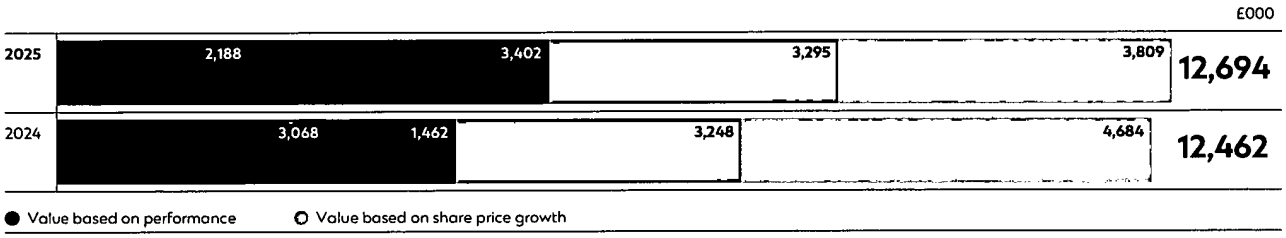
Executive director remuneration structure



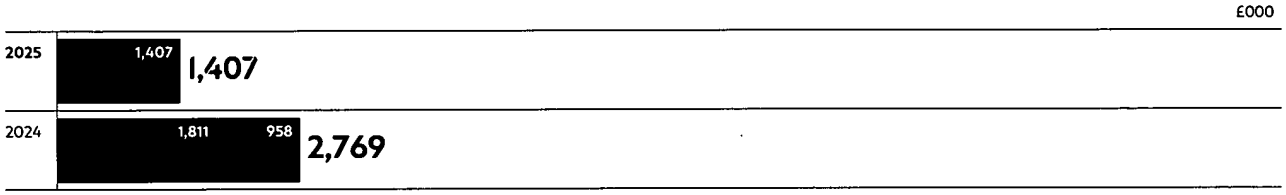
Read more about our directors' remuneration policy on page 188

How did we pay our executive directors in 2025?

Bill Winters



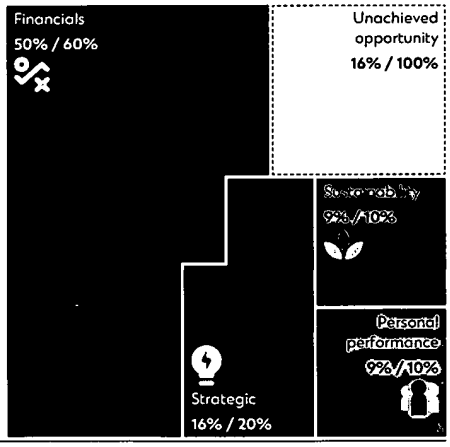
Diego De Giorgi



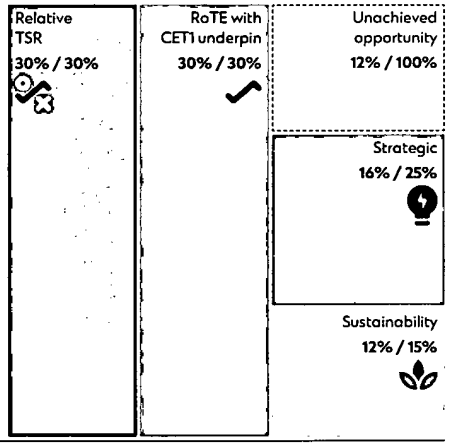
Read more about the single total figure of remuneration on page 190

How did we determine executive director variable remuneration outcomes in 2025?

2025 annual incentive outcome
84%



2023–25 LTIP projected outcome
88%



Read more about the annual incentive outcome on pages 190 to 193 and LTIP projected outcome on pages 193 to 195

How will 2025 executive director remuneration be delivered?

	Performance year	Year 1	Year 2	Year 3	Year 4	Year 5
Salary	Cash					
Pension	Cash					
Annual incentive[1]	Performance period	70% cash				
		30% shares[2] delivered pro rata				
LTIP[1]	Preliminary performance period	Performance period			Vesting/holding period Delivered in shares 100% in year 5	

1 Variable remuneration, including annual incentive and LTIP, is subject to clawback for up to 10 years from grant.
2 For executive directors who have met their shareholding requirement, the deferral required will decrease to 15 per cent.

Ensuring executive director remuneration is appropriate

Executive director remuneration is reviewed annually against internal and external measures to ensure fairness and alignment with company performance and stakeholder interests.

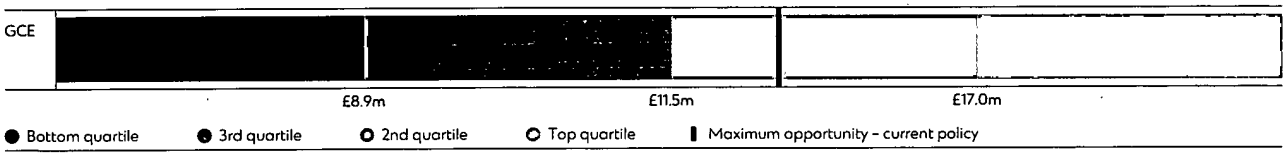
Internal

- We maintain a consistent remuneration approach for all employees, in line with our Fair Pay Charter.
- The balance between fixed and variable remuneration is geared to provide a greater proportion of fixed remuneration for more junior employees to give more financial security.
- In comparison, for more senior employees, including the executive directors, the variable remuneration opportunity is larger, reflecting their ability to influence the Group's performance and, in turn, their remuneration outcome.

External

- We review executive director fixed and variable remuneration opportunity against a peer group of international banks to ensure that it remains appropriately competitive. This peer group reflects both our global footprint and where we compete for talent.
- The group includes two US banks for whom we have used a direct report of the Group CEO, in recognition that this is a more appropriate match for potential recruitment.
- Market data used in our benchmarking is based on the latest published report and accounts. In addition, we consider executive director remuneration against FTSE30 companies, with data sourced from an external provider.

The 2026 maximum remuneration opportunity for Bill against our benchmarking peer group is shown below:



Remuneration peer group: Barclays, Citi (Head of Markets), DBS, Deutsche Bank, HSBC, JPMorgan Chase (Co-CEO Commercial and Investment Bank), Lloyds Banking Group, OCBC, Société Générale, UBS, UOB.

For 2026 awards, at maximum opportunity, 87 per cent of Bill's total remuneration would be variable and 61 per cent would be delivered in shares, creating strong alignment with shareholder interests.

Remuneration at a glance

How does executive director remuneration link to Group strategy and purpose?

Remuneration decisions made across the Group, including for our executive directors, align with our strategic priorities, including our commitment to sustainable social and economic development. If outcomes are not consistent with our strategic commitments, the Committee has the discretion to make adjustments.

Measure	2026 annual incentive	2026–28 LTIP	Alignment to strategic priorities and purpose
Financial			
Income	✓		Generating diverse income streams supports sustainable Group growth, creates long-term value for shareholders and enables clients to achieve their financial goals.
Cost-to-income ratio	✓		Effective cost management enhances our operational efficiency, ensuring resources are optimally utilised to support strategic initiatives. This allows us to invest in growth opportunities, deliver value to shareholders, all while maintaining a sustainable and responsible business model.
RoTE with CET1 underpin	✓	✓	RoTE targets reflect our focus on maximising shareholder returns and improving profitability through strategic investments and efficient capital allocation, supporting broader economic development.
Relative TSR		✓	Relative TSR as a measure demonstrates our commitment to outperforming peers and delivering superior returns to shareholders, aligning with our strategic objective of market leadership. This long-term shareholder value is essential for maintaining trust and confidence in our role as a key financial institution.
Strategic			
Sustainability		✓	Sustainability is a strategic focus area for us, as we strive to promote inclusive growth and prosperity across our footprint. This supports our purpose of fostering a better future by integrating ESG considerations into our business practices, promoting long-term prosperity for all stakeholders. In 2025, we met our Scope 1 and 2 emissions targets. As our Group sustainability targets are longer term goals, these measures are captured in our LTIP scorecard.
Strategic	✓		Strategic measures incentivise achievement of KPIs relating to the Group's long-term goals, ensuring a focus on sustainable growth and value creation. These ensure our operations and strategies are aligned with our purpose of fostering commerce and prosperity in a responsible and sustainable manner.
Personal performance	✓		Personal objectives for our executive directors reflect their personal impact in delivering our strategic priorities and purpose.

Read more on our strategy and purpose on pages 3 and 9

Executive director remuneration and stakeholder experience

The Committee actively considers the perspectives of stakeholders when discussing and determining policies, practices and outcomes related to executive director remuneration. It has the discretion to adjust remuneration outcomes if considered appropriate.

Our stakeholders	Monitoring how we perform	
Investors		
Remuneration outcomes reflect key financial and non-financial performance delivered during the year. These are based on stretching targets, which are subject to robust assessment.	**Aggregate value of shares held by the GCE**	**£67.2m**
A significant portion of executive remuneration is paid in shares, and shareholding requirements apply during and post-employment.	**% of incentives based on financial measures** Across the 2026 annual incentive and 2026–28 LTIP scorecards	**73%**
The Committee Chair regularly engages with shareholders on remuneration matters.		
Employees		
Executive remuneration is considered in the context of the wider workforce.	**2026 average global salary increase** GCE 2026 salary increase: 2%	**2.6%**
Incentives for executive directors are based on a set of measures that strongly align with those used to determine discretionary incentives across the Group.	**% of executive director annual incentives based on improving employee experience** 2026 annual incentive scorecard	**5%**
Measures to improve employee experience are included in the executive director scorecard.		
Regulators and governments		
Executive remuneration is set in line with regulatory requirements.	**CET1 ratio** Minimum regulatory level: 10.3%	**14.1%**
The Committee Chair regularly meets with lead regulators to discuss our remuneration approach and outcomes.	**Malus and clawback provision from award grant**	**up to 10 years**
Remuneration outcomes take into account risk, control and conduct considerations.		
Society and environment		
Sustainability measures used within incentives are aligned to our Sustainability Aspirations, reflecting our commitment to sustainable social and economic development.	**Proportion of executive remuneration in 2025 linked to climate-related considerations**	**9%**
The Committee tracks gender and ethnicity pay gaps, and actively monitors the actions being taken to close them.	**2025 sustainable finance income** 2025 annual incentive scorecard	**$1.07bn**

Read more about our stakeholders on pages 32 to 41

Remuneration at a glance

Summary of the directors' remuneration policy

The 2025 directors' remuneration policy was approved by shareholders at the AGM on 8 May 2025. A summary of the executive director policy is below.

Read the full policy on pages 164 to 169 of the 2024 Annual Report and on our website at sc.com

Fixed remuneration	Executive directors	Aligned with... Management Team	Aligned with... All UK employees
Salary Set to reflect the role, and the skills and experience of the individual.	• A contractually fixed amount paid fully in cash. • Reviewed annually.	✓	✓
Pension To facilitate long-term retirement savings.	• 10% of salary.	✓	✓
Benefits A competitive benefits package to help executives carry out their duties effectively.	• Core benefits include a benefits cash allowance, private medical insurance and life insurance. Other benefits may be selected through the Group's flexible benefits plan. • A car and driver or other car-related service is available to the GCE, which is a role-based provision due to security requirements.	✓	✓

Variable remuneration	Executive directors	Management Team	All UK employees
Annual incentive Remuneration based on measurable performance criteria linked to the Group's strategy and assessed over a period of one year.	• Determined based on Group and personal performance over the preceding financial year. • GCE: up to 270% of salary. • GCFO: up to 220% of salary. • Delivered as a combination of cash and shares.	✓	✓
LTIP Granted to senior executives with the ability to influence the long-term performance of the Group. Awards are performance dependent based on measurable, long-term criteria.	• Granted annually with Group and personal performance considered in determining the award level. • Performance outcome assessed over a forward-looking period of at least three years. • GCE: up to 490% of salary. • GCFO: up to 370% of salary. • Delivered fully in shares after a five-year deferral and holding period.	✓	

Other remuneration	Executive directors	Management Team	All UK employees
Sharesave Provides an opportunity to invest voluntarily in the Group.	• Enables all employees to share in the success of the Group at a discounted share price.	✓	✓
Shareholding requirements Provides alignment with the interests of shareholders during employment.	• GCE: 500% of salary. • GCFO: 400% of salary. • GCE and GCFO requirements remain in place for two years after stepping down as an executive director.	✓	

Group-wide remuneration alignment

Remuneration and culture

Our performance and reward framework supports us in embedding a high-performance culture and aligns with our principle that colleagues should share in the success of the Group.

- Remuneration decisions are guided by our Fair Pay Charter, which sets out our fundamental principles around reward.
- Employee performance is assessed based on what is achieved and how it is achieved in line with our valued behaviours. Our remuneration structure and policies ensure that behaviours consistent with these values are appropriately recognised and rewarded.
- The wider workforce and our executive directors participate in continuous performance management and feedback to ensure that performance is discussed and assessed throughout the year. Our Performance and Pay survey shows that in 2025 there was an increase in performance check-ins and giving and receiving feedback.
- To incentivise and reward sustainable high performance, we are continuing to differentiate bonus outcomes with a focus on rewarding exceptional performance achieved in line with our valued behaviours.
- We are investing in wellbeing as a critical enabler of sustainable high performance.
- Colleagues recognise efforts to live our valued behaviours by awarding each other recognition points, which are redeemable against gifts.
- Employees are able to voluntarily invest in the Group through Sharesave, which enables them to share in the success of the Group at a discounted share price.

Our Fair Pay Charter

Equal pay	We offer equal pay for equal work by market, and don't tolerate unlawful discrimination
Purpose-led	We provide a holistic set of rewards and benefits in line with our valued behaviours
Competitive opportunities	We are committed to paying colleagues competitively
Performance-driven	We value sustainable high performance and motivate, recognise and reward the behaviours and outcomes that support this

84%

of employees in our Performance and Pay survey feel they are actively engaging and taking steps to deliver high performance.

Our approach to risk and control

The determination of our remuneration policy and outcomes align with the Group's risk and control framework.

- The Group has a robust formal process for reviewing risk and control matters and reflecting these in remuneration outcomes at both an individual and collective level.
- The most significant risk and control matters are discussed by the Remuneration Committee and, at year-end, these are reviewed to determine any impact to Group incentives.
- The Board Risk Committee advises and assists the Remuneration Committee in its assessment as to whether remuneration frameworks and outcomes align with effective risk management.
- Long-term sustainable performance is supported through the ability to make adjustments to variable remuneration for risk, control and conduct behaviours, the deferral of variable remuneration, and the ability to apply malus and clawback where appropriate.
- Malus and clawback provisions apply for up to 10 years from grant, in alignment with remuneration regulations for senior management. No malus or clawback provisions were used during 2025.

Remuneration disclosures

The following disclosures provide further information and context on executive director and wider workforce remuneration as required by the UK directors' remuneration report regulations and the Stock Exchange of Hong Kong.

Directors' remuneration in 2025

This section, which is subject to an advisory vote at the 2026 AGM, outlines the 2025 executive director remuneration delivered under the 2025 shareholder-approved remuneration policy and the 2025 fees for the Group Chair and Independent Non-Executive Directors (INEDs).

Single total figure of remuneration for executive directors (audited)

The 2025 single total figures of remuneration for Bill and Diego are detailed below. In light of the change in remuneration policy, this is a transition year for single figure reporting purposes. A like-for-like comparison with 2024 is not possible as the 2025 outcomes combine fixed pay and annual incentive awards made under the new directors' remuneration policy with a projected outcome for an LTIP award made under the previous policy.

	Bill Winters		Diego De Giorgi[1]	
£000	**2025**	2024	**2025**	2024
Salary	**1,748**	2,517	**1,235**	1,641
Pension	**175**	252	**110**	109
Benefits	**265**	299	**62**	61
Total fixed remuneration	**2,188**	3,068	**1,407**	1,811
Annual incentive award	**3,402**	1,462	**–**	958
LTIP outcome				
Value based on performance	**3,295**	3,248	**–**	–
Value based on share price growth	**3,809**	4,684	**–**	–
Total variable remuneration	**10,506**	9,394	**–**	958
Single total figure of remuneration	**12,694**	12,462	**1,407**	2,769

1 Diego was appointed to the Board and as GCFO on 3 January 2024. The remuneration shown for 2024 is in respect of his services as GCFO during the year. Diego stepped down from the Board on 10 February 2026.

Notes to the single total figure of remuneration table

Benefits	• Bill receives a contribution towards his annual tax preparation due to the complexity of his tax affairs, partly due to Group business travel requirements. • Bill has the use of a car and driver. This is a role-based provision given the executive role and the associated security and privacy requirements. • 2025 figures relate to the 2024/25 UK tax year and 2024 figures relate to the 2023/24 UK tax year.
Annual incentive award	• Received in respect of 2025 and 2024.
Outcome of LTIP award	• For 2025, projected values of the 2023–25 LTIP award, awarded in 2023. • For 2024, values of the 2022–24 LTIP have been restated based on the actual share price of £11.908 when the awards vested in March 2025.

Read more about the directors' remuneration policy on page 188

Payments to former directors

There were no payments or pension contributions made to, or in respect of, past directors in the year in excess of the minimum threshold of £50,000, set for this purpose.

Annual incentive awards

Annual incentive awards for executive directors are based on the assessment of the executive director scorecard, which includes an element of personal performance, in line with the current remuneration policy.

The Committee determined that Bill exhibited appropriate levels of conduct and met the gateway requirement to be eligible for an incentive award and that the scorecard outcome appropriately reflects performance in 2025. In addition, the Board Risk Committee assessed Group risk appetite, control issues and conduct to ensure the annual incentive outcome was delivered with appropriate risk and control management and determined no adjustment was required.

Diego has not been awarded a 2025 annual incentive.

2025 executive director scorecard outcome

Measure	Weighting	Bill Winters outcome
Financial	60%	50%
Strategic	30%	25%
Personal performance	10%	9%
Risk and control modifier		0%
Total		**84%**
Maximum annual incentive opportunity (£000)		4,050
Annual incentive outcome (£000)		**3,402**

Assessment of the 2025 scorecard – financial measures

Measure	Weighting	Threshold (0%)	Maximum (100%)	Achievement	Outcome
Underlying Income[1] ($m)	20%	19,193	20,793	20,894	**20%**
Costs[2] ($m)	20%	12,498	11,536	12,157	**10%**
Underlying RoTE[3] with a CET1[4] underpin	20%	10.6%	13.0%	RoTE: 14.7% CET1: 14.1%	**20%**

1 The Group's reported income is adjusted for profits or losses of a capital nature, amounts consequent to investment transactions driven by strategic intent, other infrequent and/or exceptional transactions that are significant or material in the context of the Group's normal business earnings for the period and items which management and investors would ordinarily identify separately when assessing underlying performance period by period.

2 The Group's reported costs are adjusted for bank levy exclusion, increase in performance related remuneration beyond what is budgeted for income being delivered in line with budget, profits or losses of a capital nature, amounts consequent to investment transactions driven by strategic intent, other infrequent and/or exceptional transactions that are significant or material in the context of the Group's normal business earnings for the period and items which management and investors would ordinarily identify separately when assessing underlying performance period by period.

3 Underlying RoTE represents the ratio of the current year's underlying profit attributable to ordinary shareholders plus fair value on other comprehensive income equity movement relating to the Ventures segment to the weighted average tangible equity, being ordinary shareholders' equity less the intangible assets for the reporting period. Underlying RoTE normally excludes material regulatory fines and certain other adjustments but, for remuneration purposes, this would be subject to review by the Committee.

4 The CET1 underpin was set at the higher of 13 per cent or the minimum regulatory level as at 31 December 2025. In addition, the Committee has the discretion to take into account at the end of the performance period any changes in regulatory capital and risk-weighted asset requirements that might have been announced and implemented after the start of the performance period.

Assessment of the 2025 scorecard – strategic measures

Clients

Target	Assessment
• Deliver cross-border income growth in Corporate & Investment Banking (CIB) • Grow net new money from new and existing affluent clients	• Increased CIB cross-border income to $7.6 billion (2024: $7.3 billion) contributing to 66 per cent of total CIB income with growth across strategic corridors. • Record performance in client growth with the addition of 276,000 new-to-bank affluent customers and affluent net new money reaching $52 billion (2024: $44 billion), driven by a focus on our international and high-net-worth clients.
Weighting – 10%	Outcome – 10%

Sustainability

Target	Assessment
• Grow sustainable finance income • Reduce emissions from our own operations (Scope 1 and 2 emissions) to net zero by the end of 2025	• $1.07 billion of sustainable finance income generated in 2025, exceeding our target of at least $1 billion annual income by 2025. • Scope 1 and 2 net zero emissions targets achieved.
Weighting – 10%	Outcome – 9%

Remuneration disclosures

Productivity and transformation

Target	Assessment
• Execute on our most critical transformation programmes • Execute on our Fit for Growth objectives to simplify, standardise, and digitise Standard Chartered	• Exceeded transformational change target with over 82% of programmes on track (versus target of 75%). • Robust planning and resource allocation resulted in an overall programme utilisation rate of 95.4%. • Fit for Growth created efficiency saves, helping improve cost-to-income ratio by 1 percentage point to 59%.
Weighting – 5%	Outcome – 3.5%

People and culture

Target	Assessment
• Delivery of our commitment to have 35 per cent females in senior leadership positions, at a global level, by 2025[1] • Improve our 'culture of inclusion' score (internal index)	• Our global senior women leadership representation at the end of 2025 was 33%, below target for 2025. • Employee experience remains positive and stable, with our 'culture of inclusion' score currently at 83%, 1 percentage point higher than 2024.
Weighting – 5%	Outcome – 2.5%

1 Subject to local legal requirements.

Assessment of the 2025 scorecard – personal performance

The Committee considers areas of responsibility together with progress against key objectives for the year and personal contribution to the Group scorecard outcome.

This element focuses on measures that reflect real personal impact, such as transformation of processes and improving the culture within the Bank. Key achievements against Bill's personal objectives are summarised below and on the next page.

Bill Winters

2025 was an excellent year for Bill, marked by strong and consistent progress in delivering the Group's multi-year strategy with solid financial performance and visionary leadership in key areas, recognised internally and externally. Bill continued his significant work with key stakeholders, including investors, clients, and leaders across the globe, while navigating regulatory expectations across multiple jurisdictions. His strategic leadership has been pivotal in defining and refining our growth strategy and key priorities, and his relentless focus has ensured execution of our key targets for the year. The progress made is evident in the strong performance reported for 2025 and the significantly improved share price. Bill's leadership has greatly enhanced Standard Chartered's competitive position and has provided the platform for continued progress as we enter 2026.

Bill – performance measures

Target	Assessment
• Support and ensure a smooth transition of the Group Chair and continue to develop the senior internal succession pool	• Bill led the Group through major senior management changes in 2025, including the smooth transition of Maria Ramos into her role as Group Chair and the successful onboarding of Management Team members. • Ongoing organisation development has resulted in fewer, larger roles on our Management Team, and the internal succession pipeline for senior roles has improved.

Bill – performance measures

• Lead and support delivery of the strategy through relentless execution under a strong risk and controls framework, to produce higher and sustained profitable growth	• Bill continued to develop and deliver on our growth strategy and has driven better collaboration between the Group's businesses, promoting strong growth with increased synergies. • The strategy is working, as evidenced by the Group's strong operating performance, customer satisfaction indicators and financial results, delivered alongside outperformance in non-financial risk reduction across the Group. • We have exceeded or met all our sustainability public commitments for 2025, with $1.07bn of sustainable finance income exceeding our target of at least $1bn annual income by 2025, despite challenging market conditions. • The Bank's inaugural public mandatory Transition Plan was delivered to external acclaim, including a positive acknowledgement from the UK regulator, and the Bank was recognised for its leadership at Reuters Global Sustainability Awards 2025.
• Continue to advance internal transformation, ensuring the Bank progresses and delivers key change management initiatives, including Fit for Growth	• The transformation agenda continues to progress under Bill's leadership, with improved processes and automation through the accelerated investment of Fit for Growth. • The Bank has delivered against the major platform changes within timelines, including some of our major foundations that support Payments and Wealth & Retail Banking (WRB).
• Promote and develop an innovation culture throughout the Bank, including in products and services, increasing connectivity between Ventures and the rest of the Bank	• Bill continued to provide thought leadership on the future of banking, which allowed Standard Chartered to stay ahead of the curve on the deployment of digital assets into financial markets, including paving the way on an accelerated distribution model for credit risk, leading to key partnerships with non-banks. • Bill continues to be a leading advocate for our Ventures business, which complements the services offered by the traditional bank by addressing the digital banking and lifestyle needs of clients. • Bill championed our Group approach to artificial intelligence (AI) with 15 themes identified for execution, including 'MyWealth Advisor' in Singapore and Hong Kong.
• Continue to develop and embed an ambitious, high-performance culture, while retaining the best of the Bank's traditional culture	• Bill continues to personally drive the high-performance agenda, supporting the introduction of detailed calibration discussions across all aspects of performance for the Group's leadership cohort (including the Management Team and their direct reports). • Approximately 50% of open roles in 2025 were filled through internal hiring with strong people leader satisfaction in the pipeline.
Weighting – 10%	Outcome – 9%

2023–25 LTIP award

The LTIP values included in Bill's single total figure of remuneration for 2025 are based on the award that will be subject to final performance testing in March 2026. This award was granted in 2023 with a face value of 132 per cent of salary, to incentivise the achievement of the Group's priorities over the three-year period from 2023 to 2025. The award is share-based and subject to the performance targets set out below that were set when the award was granted and have not been adjusted since.

A conduct gateway requirement must be met before any awards vest. The Committee concluded that Bill exhibited appropriate conduct during the performance period and, therefore, the conduct gateway was met. Diego did not participate in this award.

RoTE performance of 14.7 per cent was achieved, resulting in a maximum 30 per cent outcome, and relative TSR is projected to be ranked above upper quartile resulting in a projected maximum outcome of 30 per cent.

The Committee considered performance against the sustainability and strategic proof points set out in the table below and determined that an outcome of 28 per cent was appropriate. Based on these assessments, the total projected performance outcome is 88 per cent. The final relative TSR performance will be assessed in March 2026 and any change to the overall outcome will be reported in the 2026 Annual Report.

Bill's award will vest pro rata over 2026 to 2030. Malus and clawback provisions apply.

Remuneration disclosures

2023–25 LTIP projected outcome for Bill

	Award share price (£)	Projected outcome (%)	Valuation share price (£)	Projected outcome (£000)
Bill Winters	7.398	88%	15.95	7,104

Read more about the value attributable to share price growth on page 190

For the 2023 awards, the grant price was higher in comparison to the prior year's award and the Committee therefore considered that windfall gains were not applicable to this award.

Projected performance outcome

	Measure	Weighting	Minimum performance (25% outcome)	Maximum performance (100% outcome)	Assessment of achievement	Outcome status	Projected outcome
	Underlying RoTE[1] in 2025 with a CET1[2] underpin	30%	10%	12.5%	RoTE: 14.7% CET1: 14.1%	Confirmed	30%
	Relative TSR performance against peer group[3]	30%	Median	Upper quartile	Currently estimated above upper quartile	Projected	30%
	Sustainability	15%	Targets set for sustainability measures linked to the business strategy		Above target performance achieved	Confirmed	12%
	Other strategic measures	25%	Targets set for strategic measures linked to the business strategy		Above target performance achieved	Confirmed	16%
	Total 2023–25 LTIP awards projected outcome						**88%**

1 Underlying RoTE represents the ratio of the current year's underlying operating profit attributable to ordinary shareholders to the weighted average ordinary shareholders' equity less the average goodwill and intangibles for the reporting period. Underlying RoTE normally excludes regulatory fines and certain other adjustments but, for remuneration purposes, such adjustments are subject to review by the Committee.

2 The CET1 underpin was set at the higher of 13 per cent or the minimum regulatory level as at 31 December 2025. In addition, the Committee has the discretion to take into account at the end of the performance period any changes in regulatory capital and risk-weighted asset requirements that might have been announced and implemented after the start of the performance period.

3 Final TSR performance will be assessed three years from the date of award in March 2026.

Non-financial performance assessment

Sustainability

Proof point	Assessment
• Sustainable finance income in excess of $1bn by 2025	• $1.07 billion of sustainable finance income generated in 2025, exceeding target of income in excess of $1bn by 2025.
• Delivery of the net zero roadmap	• The Group has delivered on the net zero roadmap targets set for the 2023–25 timeline, to reach net zero by 2050.
• Contribution to the advancement of the sustainability ecosystem	• Progress has been achieved, supported by our five thematic Innovation Hubs: Adaptation Finance, Blended Finance Programmes, Carbon Markets & Finance, Nature Finance and Circular Economy, which focus on emerging sustainability themes and drive innovation in the market across sustainability.

Our Stands

Proof point	Assessment
• Uplifting participation: increase access to financial services and lending to female entrepreneurs and SMEs	• Targets were met in 2023. However, the original disclosed targets have since been retired due to the change of strategic focus.
• Resetting globalisation: create diversity and inclusion supplier plans; bank an increased proportion of our clients' international and domestic networks of suppliers and buyers	• Group market share is steady and improving in key dynamic markets (>10%) and we have continued to identify and expand a diverse supplier base.

Clients

Proof point	Assessment
• Improve client satisfaction rating evidenced in surveys and internal benchmarks	• Strong performance across all three years based on strengthening of CIB engagement and experience scores and WRB net promoter score.
• Deliver growth in affluent wealth client activity	• Outperformance across all three years driven by the focus on international clients strategy.
• Deliver network income growth in CIB	• Strong network income performance driven by cross-border income, including growth across strategic corridors.
• Increase China onshore and offshore profit before tax in line with externally disclosed targets	• Targets achieved by 2024 but mixed performance in 2025, resulting in partial outcome.
• Drive digital ventures growth with meaningful value from digital creations	• Customer base growth in all three years (2025: 57%, 2024: 13%, 2023: 25%) with outperformance in Mox and Trust Bank.

Enablers (ways of working and people)

Proof point	Assessment
• Ways of working: organisational effectiveness – reducing complexity	• Exceeded transformational change targets of the number of programmes on track, with 82% achieved versus target of 75% in final year, following steady progress in the earlier years of the performance period.
• People: improve employee net promoter score; increase diversity; increase our culture of inclusion	• Female representation has increased over the three years to 33% versus a starting point of 32.1% at the end of 2022, and although this is an improvement, our annual targets have not been achieved resulting in no outcome for this measure. • Employee experience remains positive and stable, with our 'culture of inclusion' score currently at 83% (2024: 82%, 2023: 83%).

Risk and control

Proof point	Assessment
• Reduction in non-financial risk, evaluating the elevated residual risks to allow for effective prioritisation and give credit for risk reduction	• We achieved or exceeded our non-financial risk reduction targets in 2023, 2024 and 2025.
• An assessment of the proportion of audit issues identified by the business/region/function compared with total issues raised	• The proportion of audit issues identified compared to total issues raised was below threshold for 2024 and 2025 resulting in no outcome for this measure.

Remuneration disclosures

Service contracts for executive directors

Copies of the executive directors' service contracts are available for inspection at the Group's registered office. Bill's contract was updated effective 1 January 2020 to reflect the changes made following the implementation of the 2019 remuneration policy and the change to pension contributions.

	Bill Winters	Diego De Giorgi
Date of employment contract	1 January 2020	1 September 2023
Notice period	12 months	6 months

Single figure of remuneration for the Group Chair and INEDs (audited)

The Group Chair and INEDs were paid in monthly instalments during the year. The INEDs are required to hold shares with a nominal value of at least $1,000. The table below shows the fees and benefits received by the Group Chair and INEDs in 2025 and 2024. The INEDs' 2025 benefit figures are in respect of the 2024/25 tax year and the 2024 benefit figures are in respect of the 2023/24 tax year to provide consistency with the reporting of similar benefits in previous years and with those received by executive directors.

	Fees £000		Benefits[1] £000		Total £000		Shares beneficially held as at 31 December[2]
	2025	2024	2025	2024	2025	2024	2025
Group Chair							
Maria Ramos[3]	959	337	102	1	1,061	338	2,000
Dr José Viñals (former Group Chair)[4]	759	1,293	54	57	813	1,350	45,000
Current INEDs							
Shirish Apte	320	292	51	1	371	293	2,000
Jackie Hunt	285	188	5	0	290	188	2,000
Diane Jurgens	195	125	27	0	222	125	8,888
Robin Lawther, CBE	236	230	4	0	240	230	2,000
Lincoln Leong[5]	259	43	7	0	266	43	13,369
Phil Rivett	303	252	0	0	303	252	2,128
David Tang	195	190	1	1	196	191	2,000
Dr Linda Yueh, CBE	249	242	9	10	258	252	2,000

1 The costs of benefits (and any associated tax costs) are paid by the Group. Due to developments in the application of tax rules and guidance, the Group has updated its reporting approach in relation to benefits. This has resulted in an increased cost in 2025 compared with 2024.

2 The beneficial interests of the Group Chair and INEDs, and connected persons in the shares of the Company are set out above. These directors do not have any non-beneficial interests in the Company's shares. None of these directors used shares as collateral for any loans. No director had either: (1) an interest in the Company's preference shares or loan stocks of any subsidiary or associated undertaking of the Group; or (2) any corporate interests in the Company's ordinary shares. All figures are as at 31 December 2025 or on the retirement of a director unless otherwise stated.

3 Maria Ramos was appointed to Group Chair on 8 May 2025. She received a one-off relocation allowance, in line with our directors' remuneration policy.

4 José Viñals retired from the Board on 8 May 2025 and we are no longer tracking his shareholding. His reported fee for 2025 of £759,000 is in respect of the period 1 January 2025 to 8 May 2025. He did not receive any compensation for loss of office as a director.

5 Lincoln Leong's fee includes his role as an INED of Standard Chartered Bank (Hong Kong) Limited.

INEDs' letters of appointment

The INEDs have letters of appointment, which are available for inspection at the Group's registered office. INEDs are appointed for a period of one year, unless terminated by either party with three months' notice.

Read more about the INEDs' appointments on page 131 to 134

2026 policy implementation for directors

Remuneration for the executive directors in 2026 will be in line with our directors' remuneration policy, approved at the AGM in May 2025. Key elements include salary, pension, benefits, an annual incentive and an LTIP award.

Our policy is summarised on page 188 of this report, set out in full on pages 164 to 169 of the 2024 Annual Report and on our website at sc.com

Executive director salaries

The Committee annually reviews the executive directors' salaries, considering changes to the scope or responsibility of the role, market alignment and Group-wide increases. Taking these factors into account, Bill's salary will increase by 2 per cent to £1,530,000 with effect from 1 April 2026. The Committee determined this salary increase is appropriate to ensure his remuneration opportunity remains competitive and appropriately positioned with reference to our peer group.

	Bill Winters		
£000	2026	2025	% change
Salary	1,530	1,500	2
Pension	153	150	2
Total fixed pay	1,683	1,650	2

2026 executive director scorecard

The executive director scorecard reflects our strategic priorities. Targets are set annually by the Committee based on the Group's annual financial plans and strategic priorities. Targets and performance achieved will be disclosed retrospectively in the 2026 Annual Report due to commercial sensitivity.

Financial measures make up 60 per cent of the scorecard. In 2025, we met our Scope 1 and 2 emissions targets. As our Group sustainability targets are longer term goals, these measures have been captured in our LTIP scorecards. The Committee assesses strategic and personal measures using a quantitative and qualitative framework. The overall outcome will be subject to a risk and control modifier, assessed over the year.

Measure	Weighting	Target
2026 scorecard – financial measures		
Reported income[1]	20%	Targets to be disclosed retrospectively
Cost-to-income ratio[2]	20%	
Reported RoTE[3] with CET1 underpin[4]	20%	
2026 scorecard – strategic measures		
Key transformation programmes: Execution of our most critical transformation programmes (including the Platinum programmes)		Weighting – 15%
Revenue per FTE: Group productivity measure calculated as revenue/average controllable FTE		Weighting – 10%
Inclusion: Measured using the My Voice Inclusion Index, considering concepts of empathy, respect, fairness, growth, career development opportunities, and work-life balance		Weighting – 5%
2026 scorecard – personal performance measures		
Bill		
• Continue to personally drive the execution of the growth strategy through our cross-border capabilities and leading wealth management expertise		Weighting – 10%
• Translate thought leadership into business leadership in the application of digital assets, tokenisation and distributed ledger technology into our mainstream products and services		
• Lead the creation of a clear and Bank-specific approach to the application of advanced data strategies, including GenAI		
• Continue to advance internal transformation, including process simplification and delivery of a strong finish on Fit for Growth		
• Continue to develop senior internal succession pool, through increased focus on succession planning and creating cross-functional leadership opportunities for senior talent		

1 The Group's reported income as per the income statement.

2 The proportion of total operating expenses to total operating income.

3 Reported RoTE represents the ratio of the current year's underlying profit attributable to ordinary shareholders to the weighted average tangible equity, being ordinary shareholders' equity less the intangible assets for the reporting period. The Committee reserve discretion to make exceptional adjustments to the reported RoTE, where appropriate, for 'one-off' material events.

4 The CET1 underpin will be set at the higher of 13 per cent or the minimum regulatory level as at 31 December 2026. In addition, the Committee has the discretion to take into account at the end of the performance period any changes in regulatory capital and risk-weighted asset requirements that might have been announced and implemented after the start of the performance period.

Remuneration disclosures

LTIP award to be granted in 2026

	Award value on grant (£)	Award as % of salary	Award value on vesting (£)
Bill Winters	7,350,000	490%	To be determined based on the level of performance achieved at the end of the three-year period against the performance measures and the future share price.

From 2026, the Group's RoTE disclosure and target setting will be on a reported basis, and the range for the 2026–28 LTIP has, therefore, also been set on a reported basis (rather than underlying as previously). The reported RoTE range for the 2026–28 LTIP scorecard is 12 to 16 per cent. In the context of analyst expectations for our progress over the next three years, the Committee is confident that the upper end is suitably stretching to incentivise outperformance, while the wider range has been set in the context of the macroeconomic environment being more uncertain than it has been in recent years with an increasing level of geopolitical risk. The Committee retain discretion to adjust reported RoTE figures in respect of material or exceptional items on a case-by-case basis in line with standard market practice. The overall outcome will be subject to a risk and control modifier, assessed over the performance period.

The peer group of companies selected for the relative TSR performance calculation are those with generally comparable business activities, size or geographic spread to Standard Chartered or with which we compete for investor funds and talent. The group is reviewed annually, prior to new LTIP awards being made, and remains unchanged for the 2026–28 awards.

TSR is measured in pound sterling for each company and the data is averaged over a three-month period at the start and end of the three-year measurement period, which begins on 1 January of the year of grant.

Barclays	Deutsche Bank	OCBC
BNP Paribas	HSBC	Standard Bank
Citi	ICICI	UBS
China Merchants Bank	JPMorgan Chase	UOB
DBS Group		

Deferral and holding periods for the award will be in line with PRA regulatory requirements and the UK Corporate Governance Code. Subject to performance assessment, vesting will be 75 per cent in year three (subject to a two-year holding period) and 25 per cent in year four (subject to a one-year holding period).

Financial measures for 2026–28 LTIP awards

	Measure	Weighting	Minimum performance (25%)	Between minimum and maximum performance	Maximum performance (100%)
%	Reported RoTE[1] in 2028 with a CET1[2] underpin	50%	12%	Straight-line assessment between minimum and maximum	16%
%	Relative TSR performance against peer group	30%	Median	Straight-line assessment between peer companies positioned immediately above and below the Group	Upper quartile

1 Reported RoTE represents the ratio of the current year's underlying profit attributable to ordinary shareholders to the weighted average tangible equity, being ordinary shareholders' equity less the intangible assets for the reporting period. The Committee reserve discretion to make exceptional adjustments to the reported RoTE, where appropriate, for 'one-off' material events.

2 The CET1 underpin will be set at the higher of 13 per cent or the minimum regulatory level as at 31 December 2028. In addition, the Committee has the discretion to take into account at the end of the performance period any changes in regulatory capital and risk-weighted asset requirements that might have been announced and implemented after the start of the performance period.

Non-financial measures for 2026–28 LTIP awards

Sustainability

- Progress towards our 10-year $300 billion sustainable finance mobilisation target:
  - Translates to a three-year target of $90 billion
  - Progress will be assessed based on cumulative finance mobilised across the assessment period with 100% vesting for $90 billion or above and 25% for $75 billion (0% if lower), assessed on a straight-line basis in between
- Net zero sector financed emissions decarbonisation:
  - For the 12 sectors where the Group has set a 2030 interim net zero target, progress is measured as emission reductions against the sectoral pathway
  - A 100% outcome is achieved if at least 10 sectors are within their emissions reduction pathways or risk appetite with proportionate reduction as the number of sectors achieving their targets falls to five sectors, at which the minimum 25% outcome is achieved (with no vesting if fewer than five sectors have achieved the target)

Weighting – 20%

Read more about our net zero decarbonisation on page 90

INED fees

The Board regularly reviews the fee levels, considering market data and the duties, time commitment and contribution expected for the PLC Board and, where appropriate, subsidiary boards. To ensure we can continue to attract a calibre of individual as INEDs, the Board determined an increase in fees of 4 per cent to be appropriate. The revised fees are effective from 1 January 2026.

The Group Chair and the INEDs are eligible for benefits in line with the directors' remuneration policy. Neither the Group Chair or INEDs receive any performance-related remuneration.

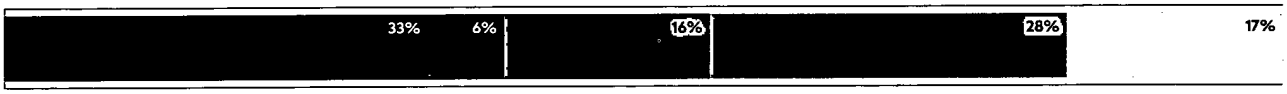
Role	Annual fee
Group Chair[1]	£1,293,000
Senior Independent Director	£48,000
Independent Non-Executive Director	£123,000

Role	Member fee	Chair fee
Audit, Board Risk, Remuneration	£43,000	£85,000
Culture and Sustainability	£37,000	£75,000
Governance and Nomination	£19,000	Nil

1 The Group Chair receives a standalone fee, which is inclusive of all services (including Board and Committee responsibilities). The Group does not currently utilise the role of Deputy Chair and does not plan to do so.

Remuneration Committee

How did the Committee spend their time during their 2025 meetings?



- Executive remuneration, policy and shareholder engagement
- Group-wide reward, the Fair Pay Charter and pay diversity
- Regulatory and governance
- Senior management remuneration
- Business performance and risk assessment review

Read more on our workforce engagement framework and how the Committee understands the views of our workforce in our Culture and Sustainability Committee report on pages 176 to 179 and in Our people and culture on pages 32 to 36

How did our shareholders vote?

	For	Against	Withheld
Advisory vote on the 2024 remuneration report at the 2025 AGM[1]	**1,941,855,272** 98.87%	**22,208,489** 1.13%	787,019
Binding vote to approve the 2025 directors' remuneration policy at the 2025 AGM[2]	**1,607,844,267** 81.86%	**356,270,992** 18.14%	735,521

1 If withheld votes are considered as part of the overall voting outcome distribution, 98.83 per cent of votes would have been 'For' the resolution.

2 If withheld votes are considered as part of the overall voting outcome distribution, 81.83 per cent of votes would have been 'For' the resolution.

At last year's AGM, we proposed significant changes to our remuneration structure, responding to the removal of the variable pay cap for UK banks. This represented a significant change and allowed the Committee to rebalance total remuneration, from fixed pay towards performance-linked variable remuneration, reinforcing alignment between executive director reward and performance, as well enabling us to better compete for talent with our global banking peers.

Although we were pleased to see strong majority support for the policy, we recognise that a minority of shareholders were unable to support the resolution.

The Committee consulted at length with shareholders during the development of the policy and prior to the AGM. While there were a variety of views raised by shareholders, there was strong support across the shareholder register regarding the more material aspects of the policy, including the changes in pay structure.

The Committee remains committed to an open and transparent dialogue with shareholders. We once again engaged with shareholders in Q1 of 2026, and will continue this approach in future years.

What advice does the Committee receive?

In 2025, the Committee conducted a competitive tender process and Deloitte was appointed as the Committee's remuneration adviser in September, replacing PwC who had advised the Committee since 2013.

PwC and Deloitte are signatories to the voluntary remuneration consulting Code of Conduct. Deloitte provides other services to the Group including advice on restructuring, HR, tax, risk, treasury, tech and innovation, financial and corporate banking. The Committee is satisfied the advice received was objective and independent and that no potential or actual conflict arose. The total fees paid were £103,343 to PwC and £80,000 to Deloitte, which includes advice to the Committee relating to executive directors' remuneration and regulatory matters.

Remuneration disclosures

The GCFO and Group Chief Risk Officer regularly update the Committee on finance and risk matters and the Committee also receives input from the Board Risk Committee, Culture and Sustainability Committee and Chair of the Board Audit Committee on relevant matters.

The Committee manages conflicts of interest when receiving views from senior individuals on remuneration proposals and no individual is involved in deciding their own pay.

How effective was the Committee in 2025?

Action and decision	Outcome and impact
Terms of reference review	
• Conducted the annual review of the Committee's terms of reference in November 2025 and recommended minor changes to the Board	• The Board approved the minor amendments to the Committee's terms of reference in February 2026 • Ensured the Committee roles and responsibilities remain appropriate and aligned with best practice
Committee performance review	
• Reviewed progress against the 2025 Action Plan, which set out several actions arising from the internally facilitated performance review conducted in 2024 • A review of the Committee's performance was facilitated by an independent external reviewer in accordance with the UK Code • The external reviewer's report was reviewed and discussed by the Board with all Committee members present	• Addressed all actions in the 2025 Action Plan to enhance the performance of the Committee • Developed a 2026 Action Plan to address the external reviewer's recommendations from the 2025 performance review • Progress against the 2026 Action Plan will be monitored during 2026

Read more on the review on pages 150 to 152

The relationship between the remuneration of the GCE and all UK employees

The 2025 ratios based on salary have decreased and ratios based on salary plus annual incentive have increased, reflecting improved annual incentive performance outcomes and the rebalancing of GCE total remuneration from fixed pay towards performance-linked variable remuneration under our new directors' remuneration policy, which was approved by our shareholders at the 2025 AGM.

The Committee considered the data for the three individuals identified at the quartiles for 2025 and believes it fairly reflects UK employee pay. They were full-time employees and received remuneration in line with policy, without exceptional pay. Our LTIP links remuneration to the achievement of long-term strategy and reinforces alignment with shareholder interests. Participation is typically senior employees who directly influence the award's performance targets. The identified quartile employees are not LTIP participants.

The ratio will depend materially on yearly LTIP outcomes for the GCE and accordingly may fluctuate. The Committee also discloses ratios using salary and salary plus annual incentive, as most UK employees do not typically receive LTIP awards.

Ratio of the total remuneration of the GCE to that of the UK lower quartile, median and upper quartile employees

		GCE[2]	UK employee[3] – £000			Pay ratio		
Year	Method[1]	£000	P25	P50	P75	P25	P50	P75
2025	**A**	**12,694**	**117**	**166**	**256**	**109:1**	**77:1**	**50:1**
2024	A	12,462	113	164	247	110:1	76:1	51:1
2023	A	7,309	110	162	247	66:1	45:1	30:1
2022	A	6,408	95	145	228	67:1	44:1	28:1
2021	A	4,740	92	139	215	52:1	34:1	22:1
2020	A	3,926	84	128	199	46:1	31:1	20:1
2019	A	5,360	83	128	212	65:1	42:1	25:1
2018	A	6,287	78	124	208	80:1	51:1	30:1
2017	A	4,683	76	121	203	61:1	39:1	23:1

1 Pay ratios are calculated using Option A methodology, aligned with investor guidance.

2 GCE pay is the single total figure of remuneration for 2025 and is restated for 2024 to reflect the final 2022–24 LTIP performance outcome assessed in March 2025. The 2025 ratio will be restated in the 2026 Annual Report to reflect the final 2023–25 LTIP performance outcome for eligible employees and the GCE.

3 Employee pay data is based on FTE UK employees as at 31 December for the relevant year, excluding leavers, joiners and transfers in/out of the UK during the year to ensure a like-for-like comparison. Total remuneration is calculated in line with the single figure methodology and insured benefits data is based on notional premiums. No other adjustments or assumptions have been made.

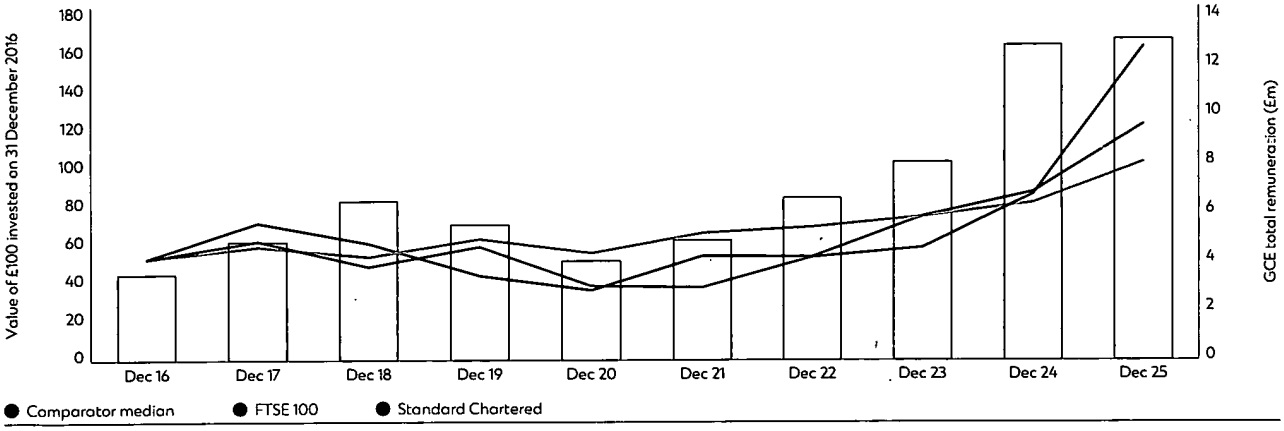
Additional ratios of pay based on salary and salary plus annual incentive

	GCE	UK employee – £000			Pay ratio		
Salary	£000	P25	P50	P75	P25	P50	P75
2025	**1,748**	**79**	**116**	**162**	**22:1**	**15:1**	**11:1**
2024	2,517	85	116	156	30:1	22:1	16:1
2023	2,496	78	103	149	32:1	24:1	17:1
2022	2,418	72	87	138	34:1	28:1	18:1
2021	2,370	68	100	136	35:1	24:1	17:1
2020	2,370	63	93	116	38:1	25:1	20:1
2019	2,353	65	90	128	36:1	26:1	18:1
2018	2,300	59	86	142	39:1	27:1	16:1
2017	2,300	55	81	124	42:1	28:1	19:1

	GCE	UK employee – £000			Pay ratio		
Salary plus annual incentive	£000	P25	P50	P75	P25	P50	P75
2025	**5,150**	**102**	**142**	**227**	**51:1**	**36:1**	**23:1**
2024	3,979	98	141	217	41:1	28:1	18:1
2023	3,958	96	138	220	41:1	29:1	18:1
2022	3,917	84	123	202	47:1	32:1	19:1
2021	3,559	79	122	186	45:1	29:1	19:1
2020	2,756	74	104	175	37:1	26:1	16:1
2019	3,604	73	109	187	49:1	33:1	19:1
2018	3,691	72	105	183	52:1	35:1	20:1
2017	3,978	69	103	182	58:1	39:1	22:1

Group performance versus the GCE's remuneration

This graph shows the Group's TSR performance on a cumulative basis over the past 10 years alongside that of the FTSE 100 and peer banks. The graph also shows GCE remuneration based on the single figure over the 10 years ended 31 December 2025 for comparison. The FTSE 100 provides a broad comparison group against which shareholders may measure their relative returns.



The table below shows the single total figure of remuneration for the GCE since 2016 and the variable remuneration delivered as a percentage of maximum opportunity.

Salary	BW 2016	BW 2017	BW 2018	BW 2019	BW 2020	BW 2021	BW 2022	BW 2023	BW 2024	BW **2025**
Single total figure of remuneration[1] £000	3,392	4,683	6,287	5,360	3,926	4,740	6,408	7,309	12,462	**12,694**
Annual incentive as percentage of maximum opportunity	45%	76%	63%	55%	18.5%	57%	70%	66%	66%	**84%**
Vesting of LTIP awards as a percentage of maximum[2]	–	–	27%	38%	26%	23%	37%	57%	88%	**88%**

1 2024 single figure has been restated to reflect actual performance outcome and share price when the 2022–24 LTIP award started being released in March 2025.

2 2025 projected LTIP outcome of 88 per cent is subject to change until the final assessment of TSR performance in March 2026.

Remuneration disclosures

Percentage change in remuneration levels

This table below compares changes in remuneration of directors with UK employees. The same employee population is used for the GCE pay ratio disclosure on pages 200 and 201. Employee remuneration is calculated on a mean basis for consistency year-on-year.

	Salary % change					Taxable benefits % change[1]					Annual incentive % change				
	2025	2024	2023	2022	2021	**2025**	2024	2023	2022	2021	**2025**	2024	2023	2022	2021
GCE Bill Winters	**(30.5)**	0.8	3.2	2.0	0.0	**(11.4)**	3.9	(3.0)	79.8	(26.5)	**132.7**	0.0	(2.5)	26.1	208.1
GCFO Diego De Giorgi[2]	**(24.7)**	–	–	–	–	**2.8**	–	–	–	–	–	–	–	–	–
Workforce average FTE UK employee	**0.6**	2.9	10.4	3.3	3.1	**(1.2)**	(1.2)	2.2	(7.0)	(2.0)	**2.9**	11.5	0.8	14.3	38.2
Group Chair Maria Ramos[3]	**184.7**	1.5	38.8	25.9	–	**11,232.8**	100.0	0.0	0.0	–	Not applicable as these individuals are not eligible for annual incentive awards.				
Dr José Viñals (former Group Chair)[3]	–	0.0	3.4	0.0	0.0	–	(17.5)	53.2	170.2	(61.5)					
Shirish Apte	**9.6**	1.7	–	–	–	**5,606.5**	–	–	–	–					
Jackie Hunt	**51.8**	1.5	–	–	–	–	–	–	–	–					
Diane Jurgens	–	–	–	–	–	–	–	–	–	–					
Robin Lawther, CBE	**2.6**	2.2	–	–	–	–	–	–	–	–					
Lincoln Leong	–	–	–	–	–	–	–	–	–	–					
Phil Rivett	**20.3**	2.0	5.7	3.9	–	**0.0**	0.0	0.0	0.0	–					
David Tang	**2.6**	2.7	8.8	0.0	18.3	**(35.6)**	55.3	0.0	0.0	(82.3)					
Dr Linda Yueh, CBE	**2.9**	10.4	–	–	–	**(12.1)**	–	–	–	–					

1 Due to developments in the application of tax rules and guidance, the Group has updated its reporting approach in relation to benefits. This has resulted in an increased cost in 2025 compared with 2024.
2 On 10 February 2026, Diego De Giorgi stepped down from the Board.
3 In 2025, on 8 May José Viñals retired from the Board and Maria Ramos was appointed as Group Chair.

Read more about what the GCE, GCFO, Group Chair and INEDs' data changes relate to on pages 190 and 196

Scheme interests awarded, exercised and lapsed during the year

Employees, including executive directors, are not permitted to engage in any personal investment strategies with regards to their Company shares, including hedging against the share price of Company shares.

Scheme interests awarded during 2025

Awards were granted to Bill and Diego under the 2025–27 LTIP on 12 May 2025. Performance measures apply to these awards.

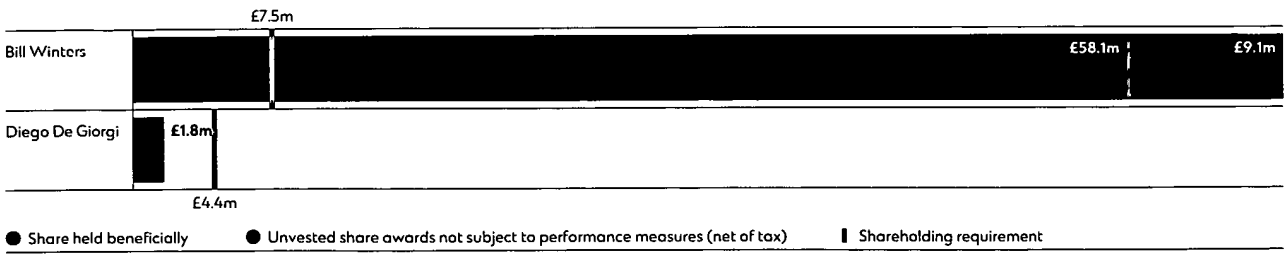
	Type of interest awarded	Basis on which award is made	Number of shares[1]	Award face value (£)[2]	Award outcome achievable for minimum performance	Performance period end[3]
Bill Winters	LTIP – conditional rights	% of salary	816,213	8,713,074	25%	31 December 2027
Diego De Giorgi[4]	LTIP – conditional rights	% of salary	451,971	4,824,790	25%	31 December 2027

1 The number of shares awarded in respect of the LTIP took account of the lack of dividend equivalents (calculated by reference to market consensus dividend yield) such that the overall market value of the award is maintained.
2 The award face value is calculated by multiplying the number of shares awarded by the share award price of £10.675.
3 Details of the LTIP performance measures can be found on page 205.
4 Following the announcement of Diego's resignation on 10 February 2026, this award has been forfeited.

Executive directors' shareholdings and share interests including share awards (audited)

Shares that count towards the executive director shareholding requirements are beneficially owned shares and unvested share awards for which performance conditions have been satisfied (on a net of tax basis).

As at 31 December 2025, Bill significantly exceeded his shareholding requirement. In addition to shares acquired from incentive plans and the share element of salary, he has voluntarily purchased shares equivalent to 377 per cent of his salary from his own funds.



	Shares held beneficially[1,2,3]	Unvested share awards not subject to performance measures (net of tax)[4]	Total shares counting towards shareholding requirement	Shareholding requirement	Salary	Value of shares counting towards shareholding requirement as a percentage of salary	Unvested share awards subject to performance measures (before tax)
Bill Winters	3,190,874	497,989	3,688,863	500% salary	£1,500,000	**4,481%**	1,938,636
Diego De Giorgi	101,535	–	101,535	400% salary	£1,100,000	**168%**	856,033

1 All figures are as at 31 December 2025 unless stated otherwise. The closing share price on 31 December 2025 was £18.220. No director had either: (1) an interest in Standard Chartered PLC's preference shares or loan stocks of any subsidiary or associated undertaking of the Group; or (2) any corporate interests in Standard Chartered PLC's ordinary shares.

2 The beneficial interests of directors and connected persons in the ordinary shares of the Company are set out above. The executive directors do not have any non-beneficial interest in the Company's shares. Neither of the executive directors used ordinary shares as collateral for any loans.

3 The shares held beneficially include shares awarded to deliver the share element of executive directors' salary prior to 1 April 2025, when part of salary was delivered in shares. Since this date, all salary is delivered in cash.

4 In March 2025, the final assessment of the 2022–24 LTIP award resulted in an 88 per cent outcome due to achievement against RoTE, relative TSR and strategic measures. The award is no longer subject to performance measures and is included here. The remaining 12 per cent of the award lapsed.

5 As Bill and Diego are UK taxpayers, 47 per cent tax is assumed to apply to other unvested share awards (marginal combined PAYE rate of income tax at 45 per cent and employee National Insurance contributions at 2 per cent) – rates may change.

Andy Halford retired from the Company on 31 August 2024 and is subject to a two-year post-employment shareholding requirement. This is being monitored and, as at 31 December 2025, he is continuing to significantly exceed this requirement.

Change in interests during the period 1 January to 31 December 2025 (audited)

Bill Winters[1]

	Date of grant	Share award price (£)	As at 1 January	Awarded[2]	Vested[3]	Lapsed	As at 31 December	Performance period end	Vesting date
2018–20 LTIP	9 Mar 2018	7.782	28,179	–	28,179	–	–	9 Mar 2021	9 Mar 2025
2019–21 LTIP	11 Mar 2019	6.105	30,604	–	30,604	–	–	11 Mar 2022	11 Mar 2025
			30,605	–	–	–	**30,605**		11 Mar 2026
2020–22 LTIP	9 Mar 2020	5.196	59,282	–	59,282	–	–	9 Mar 2023	9 Mar 2025
			59,282	–	–	–	**59,282**		9 Mar 2026
			59,282	–	–	–	**59,282**		9 Mar 2027
2021–23 LTIP	15 Mar 2021	4.901	85,853	–	85,853	–	–	15 Mar 2024	15 Mar 2025
			85,853	–	–	–	**85,853**		15 Mar 2026
			85,853	–	–	–	**85,853**		15 Mar 2027
			85,853	–	–	–	**85,853**		15 Mar 2028
2022–24 LTIP	14 Mar 2022	4.876	151,386	–	133,219	18,167	–	14 Mar 2025	14 Mar 2025
			151,386	–	–	18,167	**133,219**		14 Mar 2026
			151,386	–	–	18,167	**133,219**		14 Mar 2027
			151,386	–	–	18,167	**133,219**		14 Mar 2028
			151,388	–	–	18,167	**133,221**		14 Mar 2029
2023–25 LTIP	13 Mar 2023	7.398	101,209	–	–	–	**101,209**	13 Mar 2026	13 Mar 2026
			101,209	–	–	–	**101,209**		13 Mar 2027
			101,209	–	–	–	**101,209**		13 Mar 2028
			101,209	–	–	–	**101,209**		13 Mar 2029
			101,209	–	–	–	**101,209**		13 Mar 2030
2024–26 LTIP	12 Mar 2024	6.600	123,275	–	–	–	**123,275**	12 Mar 2027	12 Mar 2027
			123,275	–	–	–	**123,275**		12 Mar 2028
			123,275	–	–	–	**123,275**		12 Mar 2029
			123,275	–	–	–	**123,275**		12 Mar 2030
			123,278	–	–	–	**123,278**		12 Mar 2031
2025–27 LTIP	12 May 2025	10.675	–	163,242	–	–	**163,242**	31 Dec 2027	12 May 2028
			–	163,242	–	–	**163,242**		12 May 2029
			–	163,242	–	–	**163,242**		12 May 2030
			–	163,242	–	–	**163,242**		12 May 2031
			–	163,245	–	–	**163,245**		12 May 2032

Remuneration disclosures

Diego De Giorgi[1,5]

	Date of grant	Share award price (£)	As at 1 January	Awarded[2]	Vested	Lapsed	As at 31 December	Performance period end	Vesting date
2024–26 LTIP	12 Mar 2024	6.600	80,812	–	–	–	**80,812**	12 Mar 2027	12 Mar 2027
			80,812	–	–	–	**80,812**		12 Mar 2028
			80,812	–	–	–	**80,812**		12 Mar 2029
			80,812	–	–	–	**80,812**		12 Mar 2030
			80,814	–	–	–	**80,814**		12 Mar 2031
2025–27 LTIP	12 May 2025	10.675	–	90,394	–	–	**90,394**	31 Dec 2027	12 May 2028
			–	90,394	–	–	**90,394**		12 May 2029
			–	90,394	–	–	**90,394**		12 May 2030
			–	90,394	–	–	**90,394**		12 May 2031
			–	90,395	–	–	**90,395**		12 May 2032

1 The unvested LTIP awards held by Bill and Diego are conditional rights. They do not have to pay towards these awards. Under these awards, shares are delivered on vesting or as soon as practicable thereafter.

2 For the 2025–27 LTIP awards granted to Bill and Diego on 12 May 2025, the values granted were: Bill: £7.4 million; Diego: £4.1 million. The number of shares awarded in respect of the LTIP took into account the lack of dividend equivalents (calculated by reference to market consensus dividend yield) such that the overall value of the award was maintained. Performance measures apply to 2025–27 LTIP awards. The closing price on the day before grant was £10.675.

3 Shares (before tax) were delivered to Bill from the vesting element of LTIP awards. The closing share price on the day before the shares were delivered were:

- 10 March 2025: Shares in respect of the 2018–20 LTIP and 2020–22 LTIP. Previous day closing share price: £12.150.
- 11 March 2025: Shares in respect of the 2019–21 LTIP. Previous day closing share price: £11.705.
- 17 March 2025: Shares in respect of the 2021–23 LTIP. Previous day closing share price: £11.765.
- 19 March 2025: Shares in respect of the 2022–24 LTIP. Previous day closing share price: £12.060.

4 The weighted average closing price for Bill's awards that vested during the period was £11.976.

5 Following the announcement of Diego's resignation on 10 February 2026, these awards have been forfeited.

As at 31 December 2025, none of the directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the Hong Kong Securities and Futures Ordinance, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

Read more on the details of share plan dilution limits on pages 406 to 407

Historical LTIP awards

The current projected outcome for in-flight LTIP awards from the 2024 and 2025 performance years based on current performance as at 31 December 2025 are set out in the tables below. In the context of the change to using reported RoTE as the Group's main metric for target setting, we are reviewing how we will measure progress against the existing in-flight LTIP ranges, and will provide an update in the 2026 Annual Report.

Current position on the 2024–26 LTIP award: projected partial performance outcome

	Measure	Weighting	Minimum (25%)	Maximum (100%)	Assessment as at 31 December 2025
	Underlying RoTE[1] in 2026 with a CET1[2] underpin	30%	10%	13%	RoTE above maximum: indicative full outcome
	Relative TSR performance against peer group	30%	Median	Upper quartile	TSR positioned above upper quartile: indicative full outcome
	Sustainability	25%	Targets set for sustainability measures linked to the business strategy		Performance tracking on target: indicative partial outcome
	Other strategic measures	15%	Targets set for strategic measures linked to the business strategy		Performance tracking on target: indicative partial outcome

1 Underlying RoTE represents the ratio of the current year's underlying operating profit attributable to ordinary shareholders to the weighted average ordinary shareholders' equity less the average goodwill and intangibles for the reporting period. Underlying RoTE normally excludes regulatory fines and certain other adjustments but, for remuneration purposes, such adjustments are subject to review by the Committee.

2 The CET1 underpin was set at the higher of 13 per cent or the minimum regulatory level as at 31 December 2026. In addition, the Committee has the discretion to take into account at the end of the performance period any changes in regulatory capital and risk-weighted asset requirements that might have been announced and implemented after the start of the performance period, for example in relation to Basel IV.

Current position on the 2025–27 LTIP award: projected partial performance outcome

	Measure	Weighting	Minimum (25%)	Maximum (100%)	Assessment as at 31 December 2025
	Underlying RoTE[1] in 2027 with a CET1[2] underpin	40%	11.5%	14.5%	RoTE above maximum: indicative full outcome
	Relative TSR performance against peer group	40%	Median	Upper quartile	TSR positioned above upper quartile: indicative full outcome
	Sustainability	20%	Targets set for sustainability measures linked to the business strategy		Performance tracking above target: indicative partial outcome

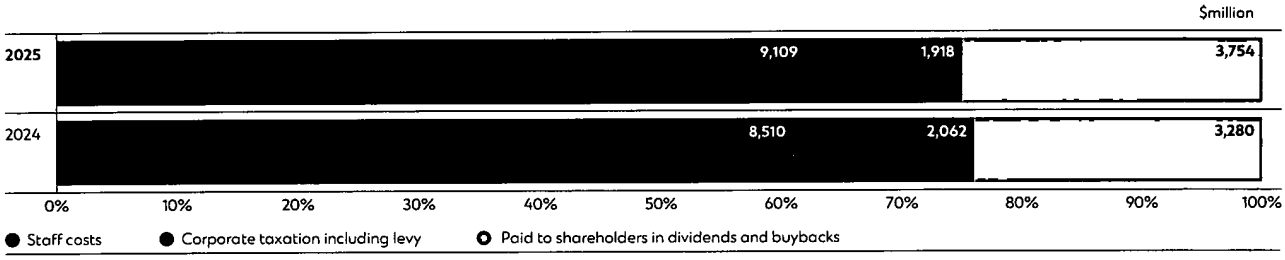
1 Underlying RoTE represents the ratio of the current year's underlying profit attributable to ordinary shareholders plus fair value on other comprehensive income equity movement relating to Ventures segment to the weighted average tangible equity, being ordinary shareholders' equity less the intangible assets for the reporting period. Underlying RoTE normally excludes material regulatory fines and certain other adjustments but, for remuneration purposes, this would be subject to review by the Committee.

2 The CET1 underpin was set at the higher of 13 per cent or the minimum regulatory level as at 31 December 2027. In addition, the Committee has the discretion to take into account at the end of the performance period any changes in regulatory capital and risk-weighted asset requirements that might have been announced and implemented after the start of the performance period, for example in relation to Basel IV.

The Committee assesses the outcome value of LTIP awards on vesting and has the flexibility to adjust if the formulaic outcome is not considered to be an appropriate reflection of the performance achieved and to avoid windfall gains.

Allocation of the Group's earnings between stakeholders

When considering Group variable remuneration, the Committee takes account of shareholders' concerns about relative expenditure on pay and determines the allocation of earnings to expenditure on remuneration carefully and has approached this allocation in a disciplined way. The amount of corporate tax, including the bank levy, is included in the chart because it is a significant payment and illustrates the Group's contribution through the tax system.



Approach to risk and control

What and how?

- The Group annual scorecard and LTIP performance criteria include risk and control measures
- In addition, the Committee carries out a detailed review of all risk, control and conduct matters including ongoing investigations and any matters raised by regulators and may use its discretion to adjust remuneration to reflect matters not adequately captured by the scorecards
- All variable remuneration is subject to risk adjustment provisions (through the reduction or forfeiture of the value of current year variable remuneration or the application of malus or clawback to unpaid or paid variable remuneration as appropriate, at the Committee's discretion)

When?

Adjustments would be applied for issues including, but not limited to:

- Where employee conduct and/or performance falls short of the expected standards (including failure to meet appropriate standards of fitness and propriety)
- Material failure of risk management at a Group, business area, division and/or business unit level
- Material restatement of the Group's financials or material breach of regulatory guidelines

Read our Pillar 3 remuneration disclosures in our 2025 Pillar 3 Report at sc.com/financial-results

Remuneration disclosures

Remuneration of the five highest-paid individuals and senior management for the year to 31 December 2025

Components of remuneration	Five highest paid[1] $000	Senior management[2] $000
Salary, cash allowances and benefits in kind	13,473	25,570
Pension contributions	681	1,463
Variable remuneration awards paid or receivable	50,385	74,271
Payments made on appointment	7,319	7,319
Remuneration for loss of office (contractual or other)	–	94
Other	–	–
Total	71,858	108,717
Total HKD equivalent	560,384	847,843

1 The five highest paid individuals includes Bill Winters.

2 Senior management comprises the executive directors and the members of the Management Team at any point during 2025.

Share award movements for the five highest-paid individuals for the year to 31 December 2025[1]

	LTIP[2]	Deferred shares[2]	Sharesave	Weighted average Sharesave exercise price (£)
Outstanding at 1 January 2025	3,246,134	3,090,430	3,649	5.01
Granted[3,4]	1,168,088	881,757	–	–
Lapsed	(114,210)	–	–	–
Vested/exercised	(395,824)	(861,411)	–	–
Outstanding at 31 December 2025	3,904,188	3,110,776	3,649	5.01
Exercisable at 31 December 2025	–	–	–	–
Range of exercise prices (£)	–	–	–	4.23 – 6.10

1 The five highest paid individuals includes Bill Winters.

2 Granted under the 2021 Plan and 2011 Plan. Employees do not contribute to the cost of these awards.

3 1,168,088 (LTIP) granted on 12 May 2025; 398,549 (Deferred shares) granted on 14 March 2025; 483,208 (Deferred shares) granted on 24 September 2025.

4 Deferred shares were granted at a share price of £11.580 (14 March 2025) and £14.545 (24 September 2025); LTIP shares were granted at a share price of £10.675, the closing price on the last trading day preceding the grant date. The vesting period for these awards ranges from 1-4 /7years.

Read more about the awards for Bill Winters on page 203

Read more about the IFRS2 accounting standard adopted for share awards on page 403

Read more about the share awards and options for all employees on page 407

The table below shows the emoluments of: (1) the five highest-paid employees; and (2) senior management for the year ended 31 December 2025.

		Number of employees	
Remuneration band HKD	Remuneration band USD equivalent	Five highest-paid	Senior management[1]
3,000,001-3,500,000	384,685-448,799	–	1
14,000,001-14,500,000	1,795,194-1,859,308	–	1
29,000,001-29,500,000	3,718,616-3,782,730	–	1
31,500,001-32,000,000	4,039,187-4,103,300	–	1
32,000,001-32,500,000	4,103,301-4,167,415	–	1
41,000,001-41,500,000	5,257,354-5,321,468	–	2
54,000,001-54,500,000	6,924,320-6,988,434	–	2
55,500,001-56,000,000	7,116,662-7,180,776	–	1
69,500,001-70,000,000	8,911,856-8,975,970	1	–
73,500,001-74,000,000	9,424,769-9,488,883	1	1
78,500,001-79,000,000	10,065,909-10,130,023	1	1
132,500,001-133,000,000	16,990,229-17,054,343	1	1
148,000,001-148,500,000	18,977,765-19,041,879	1	1
Total		**5**	**14**

1 Senior management comprises of the executive directors and the members of the Management Team at any point during 2025.

Other statutory and regulatory disclosures

This section sets out additional information required to be included in the Directors' report. Where set out elsewhere in the report, the information in the tables below is incorporated by reference. The Group operates in the UK and overseas through several subsidiaries, branches and offices. Information about the principal activities of the Group is set out in the Strategic report on pages 1 to 52.

Disclosures required pursuant to Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008

Engagement with clients, suppliers and others	Pages 37 to 41 of the Strategic report
Engagement with employees	Pages 32 to 37 and 39 of the Strategic report
Post balance sheet events	Note 37 to the financial statements
Directors' interests	Page 196 of the Directors' remuneration report. As at 17 February 2026, there had been no changes to those interests in relation to directors remaining in office at that date.
Future developments in the Group's business	Pages 1 to 52 of the Strategic report
Debt and equity capital	Notes 22 and 28 to the financial statements in addition to pages 209 to 210 of this Directors' report
Loan capital	Notes 22 and 27 to the financial statements
Share buyback	Note 28 to the financial statements in addition to pages 209 to 210 of this Directors' report
Financial instruments	Notes 13 and 14 to the financial statements

The Group's 2025 financial statements have been prepared in accordance with the principles of the UK Finance Disclosure Code for Financial Reporting Disclosure.

Disclosures required under UK Listing Rule 6.6.1

UKLR 6.6.1 (11-12) (Waiver of dividends)	See Note 28 to the financial statements
UKLR 6.6.1 (1) (2) (3-10) (13)	N/A

Application of the principles of the 2024 UK Corporate Governance Code

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Environmental, Social and Governance disclosures

Hong Kong Listing Rules Appendicies C1 and C2	Our disclosures are consistent with the requirements of the ESG Reporting Guide contained in Appendix C1 and C2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. With respect to the KPIs noted in Appendix C2: 'Comply or explain' provisions, the Group does not report on KPI A1.3 and KPI A1.6 related to the production and handling of hazardous waste; KPI A2.4 related to water efficiency targets; KPI A2.5 related to packaging materials used for finished products; KPI B6.1 total products recalled due to safety and health reasons; and KPI B6.4 product recall procedures. As an office-based financial services provider these issues were not deemed material. For further information related to Aspect B4 Labour Standards and B5 Supply Chain Management, please also refer to the Group's annual Modern Slavery Statement. With respect to the climate-related disclosures in Part D: 'Comply or explain' provisions, the Group has sought to comply with material requirements to the extent currently possible without undue cost or effort for the Group or for our clients and other third parties who provide or publish information required for our most material disclosures. Requirements for which we are not yet able to disclose all information are disclosed on page 71.
Task Force on Climate-related Financial Disclosures (TCFD)	In accordance with UK Listing Rule 6.6.6R(8), we confirm that we have made disclosures in this Annual Report consistent with the TCFD recommendations as per Section C – Guidance for All Sectors, and Section D – Supplemental Guidance for the Financial Sector: Banks of the 2021 TCFD Implementing Guidance. For further information, refer to our Climate Reporting Index on pages 458 to 465.
Aspect B4 Labour Standards and B5 Supply Chain Management	Refer to the Group's annual Modern Slavery Statement (see below).
Non-financial and sustainability information statement	Our non-financial and sustainability information statement is included within page 50 of the Strategic report.
Modern slavery	The Group annually publishes a Modern Slavery Statement under the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018. The Statement for the year ended 31 December 2025 can be located at **sc.com/modernslavery**.

Sustainable finance taxonomies

Standard Chartered continues to assess the applicability of sustainable finance taxonomies across the Group's footprint. Reporting has commenced in several markets in accordance with local sustainable finance taxonomy regulatory requirements.

The Group will continue to consider applicable taxonomy alignment in our business decisions, including at a client and transaction level, as well as more broadly at a sector strategy level. Given our footprint across Europe and the UK, Asia, Africa and the Middle East, we need to continually assess taxonomy alignment requirements based on information available from clients and through our due diligence processes.

Streamlined energy and carbon reporting

Environmental impact of our operations

We aim to minimise the environmental impact of our operations as part of our commitment to be a responsible company. We report on the actions we take to reduce energy and water usage, and non-hazardous waste generated in our operations in the Sustainability review on page 93 and in the ESG Data Pack at **sc.com/sustainabilitylibrary**.

Our reporting methodology is based on 'The Greenhouse Gas (GHG) Protocol – A Corporate Accounting and Reporting Standard (Revised Edition)'. We have adopted the operational control approach to define our reporting boundary for GHG Scope 1 and 2 emissions. For Scope 3 financed and facilitated emissions, boundaries are noted for each high-emitting sector in the 'Our approach to measuring financed emissions' table in the Sustainability review on page 99.

Information on the principles and methodologies used to calculate the GHG emissions of the Group can be found in our Environmental Reporting Criteria document at **sc.com/environmentcriteria**.

Reporting period, boundary and scope

We report on sustainability and ESG matters throughout this Annual Report, including in the following sections: (i) Strategic report on pages 1 to 52; (ii) Sustainability review on pages 66 to 128; (iii) Risk review on pages 218 to 302; and (iv) in the Supplementary sustainability information section on pages 450 to 465.

The reporting period for Scope 1 and Scope 2 emissions and energy consumption is from 1 October 2024 to 30 September 2025. This allows sufficient time for independent third-party assurance to be completed prior to the publication of the

Group's Annual Report. Accordingly, the operating income used in the GHG emissions and energy consumption data table below for associated environmental intensity metrics corresponds to the same period, rather than the calendar year used for financial reporting. The reporting periods for other sustainability information in this Annual Report may differ and are set out on page 74.

There was no significant change in the boundary and scope of our Scope 1 and Scope 2 emissions reported in this Annual Report from that of Standard Chartered PLC Annual Report 2024, published on 21 February 2025.

Assurance

Our Scope 1 and 2 emissions are assured (limited level) by an independent company, Global Documentation, against the requirements of ISO 14064.

GHG emissions and energy consumption data

The Group has disclosed Scope 1 and Scope 2 GHG emissions and energy consumption data as required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

	Units	2025	2024	2023
Reporting coverage of data				
Annual operating income from 1 October to 30 September	$ million	**20,818**	19,110	17,414
Net internal area of occupied property	m^2	**864,961**	850,817	880,515
GHG emissions				
Scope 1 and 2:				
Scope 1 emissions	tCO_2e	**5,792**	7,696	8,488[1]
Scope 2 emissions (location-based)[2]	tCO_2e	**74,591**	82,837	85,741
Scope 2 emissions (market-based)[3]	tCO_2e	**0**	17,272	26,246
Scope 1 and 2 emissions (market-based)[3]	tCO_2e	**5,792**	24,968	34,734
Scope 1 and 2 emissions (UK and offshore area only)	tCO_2e	**0**	–	248
GHG emissions – Intensity:				
Total Scope 1 and 2 emissions (market-based)/intensity	tCO_2e/$ million	**0**	1	2
Environmental resource efficiency				
Energy				
Indirect non-renewable energy consumption	GWh	**126**	125	142
Indirect renewable energy consumption	GWh	**13**	14	16
Direct non-renewable energy consumption	GWh	**8**	12	13
Direct renewable energy consumption	GWh	**2**	2	2
Energy consumption	GWh	**150**	154	173
Energy consumption (UK and offshore area only)	GWh	**5**	7	6

1 As we aim to improve our emissions measurement and reporting year-on-year, we have included leased vehicle fleet emissions in our Scope 1 data since 2024 (733 tCO_2e in 2025 and 1,340 tCO_2e in 2024) and fugitive emissions since 2023 (3,035 tCO_2e in 2025, 3,877 tCO_2e in 2024 and 5,266 tCO_2e in 2023).

2 Location-based reductions are attributed to footprint reduction and efficiency gains.

3 Market-based emissions have decreased from 2024 to 2025 also due to footprint reduction, efficiency gains as well as the purchase of additional energy attribution certificates by the Group.

Further detail on our environmental performance and the independent assurance report can be found in our ESG data pack at sc.com/sustainabilitylibrary; and associated assumptions and methodologies in our reporting criteria document at sc.com/environmentalcriteria

Share capital, constitution and shareholder rights

Share capital in issue

The issued ordinary share capital of the Company was reduced by a total of 162,524,297 over the course of 2025. This was due to the cancellation of ordinary shares as part of the Company's two share buyback programmes. No ordinary shares were issued during the year. The Company has one class of ordinary shares, which carries no rights to fixed income. On a show of hands, each member present has the right to one vote at our general meetings. On a poll, each member is entitled to one vote for every share held. The issued nominal value of the ordinary shares represents 81.15 per cent of the total issued nominal value of all share capital.

The remaining 18.85 per cent comprises preference shares, which have preferential rights to income and capital but which, in general, do not confer a right to attend and vote at our general meetings.

There are no specific restrictions on the size of a holding or on the transfer of shares, which are both governed by the Articles of Association and prevailing legislation. There are no specific restrictions on voting rights and the directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights. No person has any special rights of control over the Company's share capital and all issued shares are fully paid.

Buyback

At the AGM held on 8 May 2025, our shareholders renewed the Company's authority to make market purchases of up to 239,567,385 ordinary shares, equivalent to approximately 10 per cent of issued ordinary shares as at 19 March 2025, and up to all of the issued preference share capital.

The authority to make market purchases up to 10 per cent of issued ordinary share capital (and, prior to the 2025 AGM, a similar authority granted in the previous year at the 2024 AGM) was used during the year through two buyback programmes announced in February and in July 2025. These were utilised as part of the Group's approach to dividend growth and capital returns. The first share buyback programme commenced on 21 February 2025 and ended on 30 July 2025. The second share buyback programme commenced on 1 August 2025 and ended on 26 January 2026. A total of 160,384,816 ordinary shares with a nominal value of $0.50 each were re-purchased under the two programmes for an approximate aggregate consideration paid of $2.8 billion. A monthly breakdown of the shares purchased during the period including the lowest and highest price paid per share is set out in Note 28 to the financial statements. All ordinary shares that were bought back were cancelled.

Articles of Association

The Articles of Association may be amended by special resolution of the shareholders. The Articles of Association contain provisions relating to the appointment, retirement and removal of directors. Read more on the election and appointment of directors on page 158.

Directors' powers

Subject to company law, the Articles of Association and the authority granted to directors in general meeting, the directors may exercise all the powers of the Company and may delegate authorities to committees.

The Company is granted authority to issue shares by the shareholders at its AGM. The size of the authorities granted depends on the purposes for which shares are to be issued and is within applicable legal and regulatory requirements.

Shareholder rights

Under the Companies Act 2006, shareholders holding 5 per cent or more of the paid-up share capital of the Company carrying the right of voting at general meetings of the Company are able to require the directors to hold a general meeting. Where such a request has been duly lodged with the Company, the directors are obliged to call a general meeting within 21 days of becoming subject to the request and must set a date for the meeting not more than 28 days from the date of the issue of the notice convening the meeting.

Under the Companies Act 2006, shareholders holding 5 per cent or more of the total voting rights at an AGM of the Company, or 100 shareholders entitled to vote at the AGM with an average of at least £100 paid-up share capital per shareholder, are entitled to require the Company to circulate a resolution intended to be moved at the Company's next AGM. Such a request must be made not later than six weeks before the AGM to which the request relates or, if later, the time when notice is given of the AGM.

Sufficiency of public float

As at the date of this report, the Company has maintained the prescribed public float under the rules governing the listing of securities on The Stock Exchange of Hong Kong Limited (HKEx) (the Hong Kong Listing Rules), based on the information publicly available to the Company and within the knowledge of the directors.

Free float percentage

As of 31 December 2025, the free float percentage of voting rights attached to all of the Company's listed ordinary and preference shares in issue was approximately 99.99 per cent. For information on the outstanding Fixed Rate Resetting Perpetual Subordinated Contingent Convertible AT1 securities issued by Standard Chartered PLC and the rights attached to them, see Note 28 and **sc.com/capital-securities-in-issue**.

Debenture issues and equity-linked agreements

During the financial year ended 31 December 2025, other than as disclosed in the Annual Report and Notes 22, 27 and 28 to the financial statements, the Company made no issuance of debentures (including debenture stock, bonds and any other debt securities). Details of the equity-linked agreements the Group entered into can be found in Note 28 to the financial statements.

Electronic communications

Our shareholders are encouraged to receive our corporate documents electronically. The annual and interim financial statements, Notice of AGM and dividend circulars are all available electronically. If you do not already receive your corporate documents electronically and would like to do so in future, please contact our registrars at the address on page 467. Shareholders are also able to submit proxy votes or voting instructions online by visiting our registrar's website at **www.investorcentre.co.uk/eproxy**.

Dividends

2025: paid interim dividend of 12.3 cents per ordinary share

(2024: paid interim dividend of 9 cents per ordinary share)

2025: proposed final dividend of 49 cents per ordinary share

(2024: proposed final dividend of 28 cents per ordinary share)

2025: total dividend of 61 cents per ordinary share

(2024: total dividend of 37 cents per ordinary share)

In 2026, the Board adopted a dividend policy which formalised the existing approach to dividend payments. The dividend policy provides that the Board is committed to paying a sustainable cash dividend to its shareholders, while retaining the flexibility to invest and grow the business. The Board decides the level of any dividend based on several factors including, but not limited to, capital adequacy and regulatory requirements, profitability and earnings and macroeconomic and credit conditions. This policy may be supplemented by additional shareholder distributions if deemed appropriate.

Directors' independence, interests and conflicts

The Company has received from each of the INEDs an annual confirmation of independence, pursuant to Rule 3.13 of the Hong Kong Listing Rules, and still considers all the non-executive directors to be independent.

Details of the directors' beneficial and non-beneficial interests in the ordinary shares of the Company as at 31 December 2025 are shown in the Directors' remuneration report on page 196. As at 17 February 2026, the latest practicable date before publication of this Annual Report, there had been no changes to those interests in relation to directors remaining in office at that date.

At no time during the year did any director hold a material interest in any contracts of significance (as defined in the Hong Kong Listing Rules) with the Company or any of its subsidiary undertakings. In accordance with the Companies Act 2006, we have established a process requiring directors to disclose proposed outside business interests before any are entered into. This enables prior assessment of any conflict or potential conflict of interest and any impact on time commitment. On behalf of the Board, the Governance and Nomination Committee reviews potential and existing conflicts of interest annually to consider if they continue to be conflicts of interest, and to revisit the terms upon which they were authorised. The Board is satisfied that these processes continue to operate effectively.

The Company has granted indemnities to all its directors on terms consistent with the applicable statutory provisions. Qualifying third-party indemnity provisions for the purposes of section 234 of the Companies Act 2006 were accordingly in force during the financial year ended 31 December 2025 and remain in force at the date of this report. Qualifying pension scheme indemnity provisions (as defined by section 235 of the Companies Act 2006) were in force during the financial year ended 31 December 2025 for the benefit of the UK's pension fund corporate trustee (Standard Chartered Trustees (UK) Limited) and remain in force at the date of this report.

Significant and related/connected party contracts and arrangements

The Company is not party to any significant agreements that would take effect, alter or terminate following a change of control of the Company. The Company does not have agreements with any director or employee that would provide compensation for loss of office or employment resulting from a takeover, except that provisions of the Company's share schemes and plans may cause awards granted to employees under such schemes and plans to vest on a takeover, subject to any regulatory or tax considerations that may prevent this.

Details of transactions with directors and officers and other related parties (within the meaning of IAS 24) are set out in Note 36 to the financial statements.

Transactions with Temasek

By virtue of its shareholding of over 10 per cent in the Company, Temasek and its associates are connected persons of the Company for the purpose of the Rules Governing the Listing of Securities on HKEx (the HK Listing Rules).

The HK Listing Rules are intended to ensure that there is no favourable treatment to Temasek or its associates to the detriment of other shareholders in the Company. Unless transactions between the Group and Temasek or its associates are specifically exempt under the HK Listing Rules or are subject to a specific waiver, they may require a combination of announcements, reporting and independent shareholders' approval.

On 19 November 2024, the HKEx extended a waiver (the Waiver) it previously granted to the Company for the revenue banking transactions with Temasek which do not fall under the passive investor exemption (the Passive Investor Exemption) under Rules 14A.99 and 14A.100 of the HK Listing Rules. Under the Waiver, the HKEx agreed to waive the announcement requirement, the requirements to enter into written agreements and to set annual caps, and the annual report disclosure (including annual review) requirements under Chapter 14A of the HK Listing Rules for the three-year period ending 31 December 2027 on the conditions that:

a) the Company will disclose details of the Waiver (including nature of the revenue banking transactions with Temasek and reasons for the Waiver) in subsequent annual reports; and
b) the Company will continue to monitor the revenue banking transactions with Temasek during the three years ending 31 December 2027 to ensure that the 5 per cent threshold for the revenue ratio will not be exceeded.

The main reasons for seeking the Waiver were:

- The nature and terms of revenue banking transactions may vary and evolve over time and the transactions may be subject to the change in financial and capital markets outlook. As a result of that, having fixed-term written agreements would not be suitable to accommodate the various banking needs of the Company's customers (including Temasek).
- It would be impracticable to estimate and determine an annual cap on the revenue banking transactions with Temasek as the volume and aggregate value of each transaction are uncertain and unknown to the Company as a banking group due to multiple factors including market-driven factors.
- The revenues generated from revenue banking transactions were insignificant. Without a waiver from the HKEx or an applicable exemption, these transactions would be subject to various percentage ratio tests which cater for different types of connected transactions and as such may produce anomalous results.

As a result of the Passive Investor Exemption and the Waiver, the vast majority of the Company's transactions with Temasek and its associates fall outside of the connected transactions regime. However, non-revenue transactions with Temasek or any of its associates continue to be subject to monitoring for connected transaction issues.

The Company confirms that:

- the revenue banking transactions entered into with Temasek and its associates in 2025 were below the 5 per cent threshold for the revenue ratio test under the HK Listing Rules; and
- it will continue to monitor revenue banking transactions with Temasek during the three years ending 31 December 2027 to ensure that the 5 per cent threshold for the revenue ratio will not be exceeded.

The Company therefore satisfied the conditions of the Waiver.

Major shareholders

As at 31 December 2025, Temasek Holdings (Private) Limited (Temasek) is the only shareholder that has an interest of more than 10 per cent in the Company's issued ordinary share capital carrying a right to vote at any general meeting.

As at 31 December 2025, the Company has been notified of the following information, from holders of notifiable interests in the Company's issued share capital in accordance with Rule 5 of the Financial Conduct Authority's (FCA) Disclosure and Transparency Rules (DTRs).[1]

Notifiable interests	Interest in ordinary shares (based on voting rights disclosed)	Percentage of voting rights disclosed[2]	Nature of holding as per disclosure
Temasek Holdings (Private) Limited	447,461,831	17.00	Indirect
BlackRock Inc.	183,640,172	5.55	Indirect (5.01%) Securities Lending (0.39%) Contracts for Difference (0.14%)
The Capital Group Companies, Inc	121,730,334	5.04	Indirect
Schroders Plc	36,744,077	4.95	Indirect

1 The information provided was correct at the date of notification. These holdings are likely to have changed since the Company was notified; however, notification of any change is not required until the next notifiable threshold is crossed.

2 The percentage of voting rights detailed above was calculated at the time of the relevant disclosures made in accordance with Rule 5 of the DTRs.

For the period 1 January 2026 up to and including 17 February 2026 (the latest practicable date for inclusion in this report), the Company has not received any additional notifications pursuant to Rule 5 of the DTRs.

Information provided to the Company pursuant to Rule 5 of the DTRs is published on the Company's website at **sc.com/stock-exchange-announcements** and the London Stock Exchange website at **www.londonstockexchange.com**.

Risk management and internal controls[3]

Risk management

The Board is responsible for maintaining and reviewing the effectiveness of the risk management framework, including approval of any material changes to the Enterprise Risk Management Framework (ERMF). There is an ongoing process for identifying, evaluating and managing topical and emerging risks that we face. The Board is satisfied that this process constitutes a robust assessment of all the principal risks and topical and emerging risks that the Group faces, including those that would threaten our business model, future performance, solvency or liquidity.

Key areas of risk on financial instruments for the directors included the impairment of loans and advances, and valuation of financial instruments held at fair value. Read more on the risk assessment and management in the Audit Committee report on pages 161 to 169.

The Risk review section sets out the principal risks, our approach to risk management, an overview of our ERMF and the risk for each principal risk type. Read more on the Board-approved Risk Appetite Statement on page 221 and our risk management approach on pages 220 to 232.

In accordance with Article 435(1)(e) of the Disclosure (CRR) Part of the PRA Rulebook, the Board Risk Committee, on behalf of the Board, has considered the adequacy of the risk management arrangements of the Group and has sought and received assurance that the risk management systems in place are adequate with regard to the Group's profile and strategy.

Internal controls

The Board is responsible for maintaining and reviewing the effectiveness of the internal control framework covering all material controls, including financial, operational and compliance controls. Its effectiveness is reviewed regularly by the Board, its committees, the Management Team and Group Internal Audit and Investigations (GIAI).

In January 2024, the Financial Reporting Council (FRC) published a revised UK Corporate Governance Code (the Code), which introduces enhanced requirements for boards regarding risk management and internal controls. The most significant change is in respect of Provision 29, which requires the Board to make a declaration of the effectiveness of material controls in our FY2026 Annual Report. This declaration will supplement our existing annual ERMF effectiveness review. The Stock Exchange of Hong Kong amended its Corporate Governance Code and related listing rules in July 2025 regarding boards' responsibilities over risk management and internal controls, including enhanced Mandatory Disclosure Requirements on significant control failings or weaknesses. Throughout 2025, our dedicated Programme has been preparing for the implementation of both codes through identifying and prioritising material controls against our Principal Risks, ensuring a robust foundation for the declaration of effectiveness.

For the year ended 31 December 2025, the Board Risk Committee and Audit Committee jointly reviewed the effectiveness of the Group's ERMF and internal control framework and discussed reports on the 2025 annual risk and control self-assessment and on the internal controls for financial books and records.

Group Internal Audit (GIA) represents the third line of defence and provides independent assurance of the effectiveness of management's control of business activities (the first line) and of the control processes maintained by the Risk Framework Owners and Policy Owners (the second line). The audit programme includes obtaining an understanding of the processes and systems under audit review, evaluating

3 The Group's Risk Management Framework and System of Internal Control applies only to wholly controlled subsidiaries of the Group, and not to Associates, Joint Ventures or Structured Entities of the Group.

the design of controls, and testing the operating effectiveness and outcomes of key controls.

The work of GIA is focused on the areas of greatest risk as determined by a risk-based assessment methodology. The Board considers the internal control systems of the Company to be effective and adequate.

GIAI reports regularly to the Audit Committee, the Group Chair and the Group Chief Executive and the Group Chief Internal Auditor reports directly to the Chair of the Audit Committee and administratively to the Group Chief Executive. The findings of all adverse audits are reported to the Audit Committee, the Group Chair and the Group Chief Executive where immediate corrective action is required.

The Board Risk Committee is responsible for exercising oversight, on behalf of the Board, of the Group's key risks. It reviews the Group's Risk Appetite Statement and makes recommendations to the Board. The Audit Committee is responsible for oversight and advice to the Board on matters relating to financial, non-financial and narrative reporting. The Audit Committee's role is to review, on behalf of the Board, the Group's internal controls including internal financial controls.

The risk management approach on page 223 describes the Group's risk management oversight committee structure.

Our business is conducted within a developed control framework, underpinned by policies and standards. These are designed to ensure the identification and management of risk, including Credit Risk, Traded Risk, Treasury Risk, Operational and Technology Risk, Information and Cyber Security Risk, Compliance Risk, Financial Crime Risk, Environmental, Social and Governance and Reputational (ESGR) Risk, and Model Risk. This framework incorporates the Group's internal controls on financial reporting. The Board has established a management structure that clearly defines roles, responsibilities and reporting lines.

Delegated authorities are documented and communicated. Executive risk committees regularly review the Group's risk profile. The performance of the Group's businesses is reported regularly to senior management and the Board. Performance trends and forecasts, as well as actual performance against budgets and prior periods, are monitored closely. Group financial information is prepared on the basis set out in Note 1 to the financial statements within the Statement of compliance and financial reporting is subject to the Group's control framework for reconciliation processes.

Policies, processes and internal controls have been established to facilitate complete, accurate and timely processing of transactions and the safeguarding of assets. These controls include appropriate segregation of duties, the regular reconciliation of accounts and the valuation of assets and positions. In respect of handling inside information, we have applied industry standard controls that meet regulatory requirements and expectations. These help ensure that inside information is disclosed only in the normal course of professional duties, and to the minimum number of individuals possible. Pre-clearance controls are also in place to review personal dealings in related securities.

Such systems and controls are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Safeguarding intellectual property rights

The Group has brands including STANDARD CHARTERED, SC (logo), its blue/green livery, and various product brand names. These brands are protected through various legal means including but not limited to a trademark registration process in all relevant markets. The Group has a global brand protection strategy which enables proactive enforcement of the Group's intellectual property rights against unauthorised third-party use. The Group also has processes to identify and protect innovation by various means including patents.

Employee engagement

We work hard to ensure that our employees are kept informed about matters affecting, or of interest to, them and more importantly that they have opportunities to provide feedback and engage in a dialogue.

We strive to listen and act on feedback from colleagues to ensure internal communications are timely, informative, meaningful, and in support of the Group's strategy and transformation. Pulse is our primary internal communications channel that allows colleagues to receive Group updates and information that is personalised by role and location, sign up for events, provide feedback, and navigate to other internal platforms. In addition to targeted digital communications, we also organise audio and video calls, virtual and face-to-face townhalls, and other employee engagement and recognition events.

We periodically analyse and measure the impact of our communications through a range of feedback tools, including an annual global internal communications survey to ensure our communications remain effective. Our senior leaders and people leaders play a critical role in engaging our teams across the network, ensuring that they are kept up to date on key business developments related to our performance and strategy. We offer additional support to our senior leaders and people leaders with specific calls and communications packs to help them provide context and guidance to their team members to better understand their role in executing and delivering the Group's strategy.

Across the organisation, regular team meetings with people leaders, one-to-one conversations and various management meetings provide an important platform for colleagues to discuss and clarify key issues. Regular performance conversations provide the opportunity to discuss how individuals, the team and the business area have contributed to our overall performance and how recognition and reward relate to this. The Group's senior leadership regularly shares global, business, function, and market updates on performance, strategy, structural changes, HR programmes, community involvement and other campaigns. The Board engages with and listens to the views of the workforce through several sources, including through interactive engagement sessions.

Employees past, present and future can follow our progress through the Group's LinkedIn network, Facebook page, Instagram and X, which collectively have nearly 13.1 million followers.

The diverse range of internal and external communication tools and channels we have put in place aim to ensure that all colleagues receive timely and relevant information to support their effectiveness. Read more on how the Company and the Board have engaged with employees and considered employee interests on page 39 of the Strategic Report.

Employee share plans

Employees are encouraged to participate in the Company's performance through the Employee Sharesave Plans, the details of which are set out in Note 31 of the financial statements on pages 403 to 408.

Employment policies

We work hard to ensure our employees' wellbeing so that they can thrive at work and in their personal lives. Our Group minimum standards provide employees with a range of flexible working options, in relation to both location and working patterns. Employees are provided with at least 30 days' leave (through annual leave and public holidays), and new parents are provided a minimum of 20 calendar weeks' fully paid leave, irrespective of gender, relationship status or how a child comes to permanently join a family. These benefits are in excess of the International Labour Organization's (ILO) minimum standards.

We seek to maintain a meaningful relationship based on mutual trust and respect with various employee representative bodies (including unions and work councils). In our recognition and interactions, we are heavily influenced by the 1948 United Nations Universal Declaration of Human Rights, and several ILO conventions including the Right to Organise and Collective Bargaining Convention, 1949 (No. 98) and the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87). As at 31 October 2025, 13.5 per cent of employees, across 18 markets, have collective representation through unions or employee representative bodies. Working conditions and terms of employment of other employees are based on our Group and country policies, and in accordance with individual employment contracts issued by the Group.

Employees' concerns in relation to their employment or another colleague which cannot be resolved through informal mechanisms such as counselling, coaching or mediation, are dealt with through our Group Grievance Standard. This includes concerns related to bullying, harassment, sexual harassment, discrimination and/or victimisation, as well as concerns regarding conditions of employment (for example, working practices or the working environment).

Employees can raise grievances to their People Leader or a Human Resources (HR) representative. The global process for addressing grievances involves an HR representative and a member of the business reviewing the grievance, conducting fact finding into the grievance and providing a written outcome to the aggrieved employee. Where employees raise concerns regarding alleged wrongdoing pertaining to another employee or in circumstances where the employee alleges wrongdoing, but does not wish to raise a grievance, such concerns are investigated in accordance with the Group Investigations Standard.

If a grievance or investigation is upheld, the next steps might include remedying a process or initiating a disciplinary review of the conduct of the colleague who is the subject of the concern. The Group Grievance Standard, Group Investigation Standard and accompanying process are reviewed on a periodic basis in consultation with stakeholders across HR, Legal, Compliance, and Group Internal Audit and Investigations. Grievance and investigation trends are reviewed on a regular basis and action is taken to address any concerning trends.

There is a distinct Group Speaking Up Policy and Standard which covers instances where an employee wishes to 'blow the whistle' on actual, planned or potential wrongdoing by another employee or the Group. Further information regarding Speaking Up can be found on pages 118 to 119.

The Group is committed to creating a fair, consistent and transparent approach to making decisions in a disciplinary context. This commitment is codified in our Fair Accountability Principles, which underpin our Group Disciplinary Standard. Dismissals due to misconduct issues and/or performance (where required by law to follow a disciplinary process) are governed by the Group Disciplinary Standard. Where local law or regulation requires a different process with regards to dismissals and other disciplinary outcomes, we have clearly documented country variances in place.

Our Group Diversity and Inclusion Standard applies to all employees, including the Management Team, and non-employed workers as well as any other individual working for the Group, including contractors, consultants and secondees. All colleagues are required to comply with this standard. The standard has been developed to ensure a diverse and inclusive workplace, with fair and equal treatment, and the provision of opportunities for employees to participate fully and reach their full potential in a respectful working environment. All individuals are entitled to be treated with dignity and respect, and to a workplace free from harassment, bullying, discrimination and victimisation. This helps to support productive working conditions, decreased employee attrition, positive employee morale and engagement, maintains employee wellbeing and reduces people-related risk.

All colleagues are responsible for fostering an inclusive culture where individuality and differing skills, capabilities and experience are understood, respected and valued. All colleagues, consultants, contractors, volunteers, interns, casual workers and agency workers are required to comply with the standard, including conducting themselves in a manner that demonstrates appropriate, non-discriminatory behaviours.

Information on the Group's wider diversity and inclusion strategy, including gender balance across the Group and targets for ethnic representation across the Group, can be found on pages 35 to 36.

Read more on the Group's approach to diversity and inclusion can be viewed at sc.com/diversity-and-inclusion

We do not accept unlawful discrimination in our recruitment or employment practices on any grounds including but not limited to: sex, race, colour, nationality, ethnicity, national or indigenous origin, disability, age, marital or civil partner status, pregnancy or maternity/paternity, sexual orientation, gender identity, expression or reassignment, HIV or AIDS status, parental status, military and veterans status, flexibility of working arrangements, religion or belief.

We are committed to providing equal opportunities and fair treatment in recruitment, appraisals, pay and conditions, training, development, succession planning, promotion, grievance/disciplinary procedures and employment termination practices, that are inclusive and accessible, and do not directly or indirectly discriminate. Recruitment, employment, training, development and promotion decisions are based on the skills, knowledge and behaviour required to perform the role to the Group's standards. Implied in all employment terms and our fair pay charter is the commitment to equal pay for equal work.

We comply with the duty to consider reasonable workplace adjustments (including during the hiring process by giving full and fair considerations to all applications) to ensure all individuals feel supported and are able to participate fully and reach their potential.

We aim to be a disability-confident organisation with a focus on removing barriers, improving accessibility and supporting colleagues who acquire a disability through appropriate training and workplace adjustments where possible to enable continued employment and career development.

Health, safety and wellbeing

Our health, safety and wellbeing (HSW) vision is to enable a healthy, safe, and resilient workforce that supports employee productivity, operational resilience and sustainable performance. Effective management of HSW risks is fundamental to maintaining trust with colleagues, clients, regulators and communities, and forms part of the Bank's enterprise risk management framework.

Our global HSW programme encompasses both physical and mental health and wellbeing and is embedded across our operations. We comply with all applicable regulatory requirements and internal standards in every market, adopting the more stringent requirement. Status of health and safety management and compliance are reported at least biannually to each country's Management Team.

HSW performance is reported annually to the Group Risk Committee and Board Risk Committee. We operate a global H&S management system and compliance tracker, complemented by leading indicators such as near-miss reporting, inspections, training completion and audit outcomes to strengthen preventive controls.

We align to the International Labour Organization (ILO) Code of Practice and UK Health and Safety Executive (HSE) guidance, ensuring consistent recording, notification and management of occupational accidents and disease that may involve employees, contractors, and visitors. In 2025, there were no work-related fatalities or occupational ill health cases. 16 major injuries were recorded, with commuting-related incidents remaining the most common. Major injuries follow the UK definition and fractures remain to be the most common type accounting for 56 per cent of those recorded. We recorded a 14 per cent increase in reported injuries reflecting improved reporting awareness and earlier intervention. Injury rates remain aligned with, or better than, industry benchmarks.

An Operational Excellence programme was implemented across the premises portfolio to address ageing assets, near-miss trends and third-party risk. Lessons learned are systematically reviewed to drive continuous improvement. The programme involves the review of the CRES process universe to incorporate business resilience risk and impacts of ageing and natural disasters to premises, risk profiling and tiering of real estate portfolio, third-party inspections, review of third-party supplier key performance metrics for integrated facilities management, training and upskilling for timely reporting, escalation, investigation and analysis of incidents.

Except in markets where cover is provided through State-mandated healthcare, the Bank provides global access to medical and healthcare services. Counselling and proactive wellbeing support is provided through the Employee Assistance Programme and Unmind platform.

Mental health is treated with the same priority as physical health. 513 Mental Health First Aiders across 51 markets support early intervention and stigma reduction.

In 2025, 795 of our locations achieved the WELL Health-Safety Rating – an increase of more than 640 sites from 2024 – and 21 locations earned the WELL Equity Rating, an addition of 12 from 2024, while we are on our way to obtaining certifications in major projects embedding accessibility, belonging and equitable experiences deeper into our global workplace strategy. These achievements reflect our continued effort to ensure every colleague feels safe, supported and able to perform at their best, wherever they are.

Looking ahead, priorities include strengthening preventive risk management through data driven insights supporting decision making, embedding wellbeing into leadership capability, and reinforcing a culture of continuous improvement.

Read more on how we support our colleagues' wellbeing on pages 33 to 36

Group Code of Conduct and Ethics

The Board has adopted a Group Code of Conduct and Ethics (the Code) relating to the lawful and ethical conduct of business and this is supported by the Group's valued behaviours. This has been communicated to all directors and employees, all of whom are expected to observe high standards of integrity and fair dealing in relation to customers, employees and regulators in the communities in which the Group operates. Directors and employees are asked to recommit to the Code annually, and 99.7 per cent have completed the 2025 recommitment. All Board members have recommitted to the Code.

Suppliers and our supply chain

In 2025, USD $5.08 billion was spent with 10,127 suppliers. Of this, 72.3 per cent of the total spend was in the Asia region, with 21.6 per cent in Europe and the Americas, and 6.1 per cent in Africa and the Middle East. Furthermore, 80 per cent of total spend in 2025 was with 342 suppliers. In 2025, our five largest suppliers together accounted for 16.2 per cent of total spend, with the largest ten amounting to 25.18 per cent of total spend.

Our purchases of goods and services are governed through a third-party risk management framework through which we aim to follow the highest standards in terms of selection of suppliers, due diligence and contract management.

Read more on how the Group engages with suppliers on environmental and social matters in our Supplier Charter and Supplier Diversity and Inclusion standard at sc.com/suppliers and sc.com/supplier-diversity

Read more on how we create value for our suppliers and other stakeholder groups on page 11

Political donations

The Group has a policy in place which prohibits donations being made that would: (i) improperly influence legislation or regulation, (ii) promote political views or ideologies, and (iii) fund political causes. In alignment to this, no political donations were made in the year ended 31 December 2025.

Read more regarding our public policy engagement on our website sc.com/politicalengagement

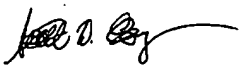
Research and development

During 2025, the Group invested $2.09 billion (2024: $2.13 billion) in research and development, of which $1.21 (2024: $1.18 billion) was recognised as an expense. The research and development investment primarily related to the planning, analysis, design, development, testing, integration, deployment and initial support of technology systems.

Responsible AI

The Group has been actively embracing AI and digital innovation to stay competitive in the banking, financial services and insurance sector for a number of years. The approved AI use cases in the Bank are deployed in various domains such as customer engagement, operational efficiency, risk management, customer onboarding, employee engagement, management reporting and talent acquisition. Our Responsible AI governance has been established for several years and is led by a dedicated team within the Chief Data Office, who have been effectively managing the centralised governance of all AI use cases. Our approach aligns with leading industry standards, specifically the Monetary Authority of Singapore Fairness, Ethics, Accountability, and Transparency (MAS FEAT) and Hong Kong Monetary Authority Big Data and Artificial Intelligence (HKMA BDAI) guidelines, which are benchmarks in the Banking regulator space. This alignment not only ensures our adherence to high ethical and regulatory guidelines but also positions us well for future industry developments. Our Audit Committee receives twice-yearly reports on Data Risk, which includes responsible AI.

By order of the Board



Scott Corrigan

Group Company Secretary

24 February 2026

Standard Chartered PLC Registered No. 966425

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the Group and Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and Company financial statements for each financial year. Under that law:

- the Group financial statements have been prepared in accordance with UK-adopted International Accounting Standards and International Financial Reporting Standards as adopted by the European Union
- the Company financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards as applied in accordance with section 408 of the Companies Act 2006, and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of their profit or loss for that period.

In preparing each of the Group and Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable, relevant and reliable
- state whether they have been prepared in accordance with UK-adopted International Accounting Standards and International Financial Reporting Standards as adopted by the European Union
- assess the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report, a Directors' Report, a Directors' Remuneration Report and a Corporate Governance Statement that comply with that law and those regulations.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.

Responsibility statement of the directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole, and
- The Strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the emerging risks and uncertainties that they face.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

By order of the Board.

Bill Winters, CBE
Group Chief Executive

24 February 2026

Risk review and Capital review

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Case study

Broadening our wealth offering across the globe

In February 2025, we opened our first Priority Private Wealth Centre in Dubai, expanding our global wealth offering for high-net-worth clients in the Middle East, Europe and Africa.

The new centre caters to the growing demand of high-net-worth individuals for bespoke, cross-border financial solutions, including a range of international investment opportunities and multi-market lending facilities.

In 2025, we also opened additional Wealth Centres in Mainland China, Hong Kong, Taiwan and Korea, bringing the number to 16.

Read more: sc.com/wealthcentres

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The following parts of the Risk review and Capital review form part of these financial statements and are audited by the external auditors:

a) **Risk review:** Disclosures marked as 'audited' from the start of Credit risk section (page 233) to the end of other principal risks in the same section (page 286); and

b) **Capital review:** Tables marked as 'audited' from the start of 'Capital base' to the end of 'Movement in total capital', excluding 'Total risk-weighted assets' (pages 304 and 305).

Enterprise Risk Management Framework

Risk management is at the heart of banking, it is what we do. Managing risk effectively is how we drive commerce and prosperity for our clients and our communities, and it is how we grow sustainably and profitably as an organisation.

Effective risk management is essential in delivering consistent and sustainable performance for all our stakeholders and is a central part of the financial and operational management of the Group. The Group adds value to clients and the communities in which they operate by balancing risk and reward to generate returns for shareholders.

The Enterprise Risk Management Framework (ERMF) enables the Group to manage enterprise-wide risks, with the objective of maximising risk-adjusted returns while remaining within our Risk Appetite (RA). The ERMF is complemented by frameworks, policies and standards which are mainly aligned to the Principal Risk Types (PRTs), and is embedded across the Group, including its branches and subsidiaries.[1] It is reviewed and approved by the Board annually, with the latest version being effective from August 2025.

Risk culture

Risk culture encompasses our general awareness, attitudes, and behaviours towards risk, as well as how risk is managed at enterprise level.

A healthy risk culture is one in which everyone takes personal responsibility to identify and assess, openly discuss, and take prompt action to address existing and emerging risks. We expect our control functions to provide oversight and challenge constructively, collaboratively, and in a timely manner on the risks owned by the first line of defence. This effort is reflected in our valued behaviours and underpinned by our Code of Conduct and Ethics.

The risks we face constantly evolve, and we must always look for ways to manage them as effectively as possible. While unfavourable outcomes will occur from time to time, a healthy risk culture means that we react quickly and transparently. We can then take the opportunity to learn from our experience and improve our framework and processes.

Read more on our Code of Conduct and Ethics on page 118

Strategic risk management

The Group's approach to strategic risk management includes the following:

- **Risk identification:** impact analyses of risks that arise from the Group's growth plans, strategic initiatives, and business model vulnerabilities are reviewed. This assesses how existing risks have evolved in terms of relative importance and whether new risks have emerged.
- **Risk Appetite:** impact analysis is performed to assess if strategic initiatives can be achieved within RA and highlight areas where additional RA should be considered.
- **Stress testing:** identified risks are used to develop scenarios for enterprise stress tests.

Roles and responsibilities

Senior Managers Regime[2]

Roles and responsibilities under the ERMF are aligned to the objectives of the Senior Managers Regime. The Group Chief Risk Officer (GCRO) is responsible for the overall development and maintenance of the Group's ERMF and for identifying material risks which the Group may be exposed to.
The GCRO delegates effective implementation of the Risk Type Frameworks (RTF) to Risk Framework Owners (RFO), who provide second line of defence oversight for their respective PRTs.

The Risk function

The Risk function provides independent oversight and challenge on the Group's risk management, ensuring that business is conducted in line with regulatory expectations. The GCRO directly manages the Risk function, which is independent from the origination, trading, and sales functions of the businesses. The Risk function is responsible for:

- proposing the RA for approval by the Board
- maintaining the ERMF, ensuring that it remains relevant and appropriate to the Group's business activities, and is effectively communicated and implemented across the Group
- ensuring that risks are properly assessed, risk and return decisions are transparent and risks are controlled in accordance with the Group's standards and RA
- overseeing and challenging the management of PRTs under the ERMF
- ensuring that the necessary balance in making risk and return decisions is not compromised by short-term pressures to generate revenues.

We have a unified second line of defence, with all the PRTs reporting into the GCRO. The unified second line supports the Group's strategy by building a sustainable ERMF that places regulatory and compliance standards, together with culture of appropriate conduct, at the forefront of the Group's agenda.

1 The Group's ERMF and system of internal control applies only to wholly controlled subsidiaries of the Group, and not to associates, joint ventures or structured entities of the Group.

2 Senior managers refer to individuals designated as senior management functions under the FCA and PRA Senior Managers Regime.

Three lines of defence model

The Group applies a three lines of defence model to its day-to-day activities for effective risk management, and to reinforce a strong governance and control environment. Typically:

- Businesses and functions engaged in or supporting revenue generating activities that own and manage risks constitute the first line of defence.
- Control functions, independent of the first line of defence, that provide oversight and challenge of risk management activities act as the second line of defence.
- Group Internal Audit acts as the third line of defence, providing independent assurance on the effectiveness of controls supporting the activities of the first and second lines of defence.

Each PRT has an RTF which outlines the areas of governance and risk management and is the formal mechanism through which authorities are delegated. Risk management plans, processes, activities, and resource allocations are consistent with the three lines of defence model prescribed by the ERMF.

Risk identification and assessment

Identification and assessment of potentially adverse risk events is an essential first step in managing the risks of any business or activity. To ensure consistency we use PRTs to classify our risk exposures. However, we also recognise the need to maintain a holistic perspective since:

- a single transaction or activity may give rise to multiple types of risk exposure
- risk concentrations may arise from multiple exposures that are closely correlated
- a given risk exposure may change its form from one risk type to another.

There are also sources of risk that arise beyond our own operations, such as the Group's dependency on suppliers for the provision of services and technology.

As the Group remains accountable for risks arising from the actions of such third parties, failure to adequately monitor and manage these relationships could materially impact the Group's ability to operate.

The Group maintains a taxonomy of risks inherent to the strategy and business model, as well as a risk inventory which captures identified risks, including the Topical and Emerging Risks (TERs) which the Group is or might be exposed to. Multiple identification and assessment techniques are used to ensure breadth and depth of understanding of the internal and external risk environment, as well as potential opportunities. A risk assessment of the corporate plan is undertaken annually, supplemented by risk assessments of new initiatives. Risk identification findings inform the related risk oversight process, RA and controls setting, scenario selection and design, and model refinement and development.

The GCRO and the Group Risk Committee (GRC) regularly review reports on the risk profile for the PRTs, adherence to Group RA, stress test results and the risk identification results including TERs.

Risk Appetite and profile

The Group recognises the following constraints which determine the risks that we are willing to take in pursuit of our strategy and the development of a sustainable business:

- Risk capacity is the maximum level of risk the Group can assume, given its current capabilities and resources, before breaching constraints determined by capital and liquidity requirements or the internal operational environment, or otherwise failing to meet the expectations of regulator and law enforcement agencies.
- RA is defined by the Group and approved by the Board. It is the boundary for the risk that the Group is willing to undertake to achieve its strategic objectives and corporate plan. We set our RA to enable us to grow sustainably while managing our risks, giving confidence to our stakeholders. The Group RA is supplemented by risk control tools such as granular level limits, policies, and standards to maintain the Group's risk profile within approved RA.

The Board is responsible for approving the RA Statements, which are underpinned by a set of financial and operational control parameters known as RA metrics and their associated thresholds. These set boundaries for the aggregate risk exposures that can be taken across the Group.

The Group RA is reviewed at least annually to ensure that it is fit for purpose and aligned with strategy, with focus given to new or emerging risks.

Risk Appetite Statement

The Group will not compromise adherence to its RA in order to pursue revenue growth or higher returns.

Read more on the Group's RA Statements on page 221.

Stress testing

The objective of stress testing is to support the Group in assessing that it:

- does not carry excessive risk concentrations that could produce unacceptably high losses under severe but plausible scenarios
- has sufficient financial resources to withstand stress, including under severe but plausible scenarios
- understands key business model risks and considers what kind of event might crystallise those risks – even if extreme and with a low likelihood of occurring – and identifies, as required, actions to mitigate the likelihood or impact of those events
- can meet risk appetite and planned distributions after considering relevant downside scenarios
- has set RA metrics at appropriate levels.

Enterprise stress tests incorporate capital and liquidity adequacy stress tests, including recovery and resolution, as well as reverse stress tests. The Group uses historical, topical, emerging and hypothetical forward-looking scenarios. A common set of scenarios is used across all legal entities complemented in some cases with entity-specific scenarios.

Stress tests are performed at the Group, country, business, and portfolio level under a wide range of risks and at varying degrees of severity. Unless specifically set by the regulator, scenario design is a bespoke process that aims to explore risks that can adversely impact the Group.

The Board delegates approval of the Bank of England (BoE) stress test submissions to the Board Risk Committee (BRC), which reviews the recommendations from the GRC. Based on the stress test results, the Group Chief Financial Officer (GCFO) and GCRO can recommend strategic actions to the Board to ensure that the Group's strategy remains within RA.

In addition, analysis is run at the PRT level to assess specific risks and concentrations that the Group may be exposed to. These include qualitative assessments such as stressing of credit sectors or portfolios, and quantitative assessments such as potential losses from severe but plausible market risk scenarios or internal stressed liquidity metrics. RA for market risk stress losses is set at the Group as well as legal entity level.

Non-financial risk types are also stressed to assess the necessary capital requirements and/or operational resilience under the Operational and Technology RTF.

The Group has also undertaken a number of Climate Risk stress tests, both those mandated by regulators as well as management scenarios.

Principal Risk Types

PRTs are those risks that are inherent in our strategy and business model and have been formally defined in the Group's ERMF. These risks are managed through distinct RTFs which are approved by the GCRO.

The PRTs and associated RA Statements are reviewed annually. The table below shows the Group's current PRTs, their definitions and RA statements.

Principal Risk Types	Definition	Risk Appetite Statement
Credit Risk	Potential for loss due to failure of a counterparty to meet its agreed obligations to pay the Group.	The Group manages its credit exposures following the principle of diversification across products, geographies, client segments and industry sectors.
Traded Risk	Potential for market or counterparty credit risk losses resulting from activities undertaken by the Group in fair valued financial market instruments.	The Group should control its financial markets activities to ensure that market and counterparty credit risk losses do not cause material damage to the Group's franchise.
Treasury Risk	Potential for insufficient capital, liquidity, or funding to support our operations, the risk of reductions in earnings or value from movements in interest rates impacting banking book items and the potential for losses from a shortfall in the Group's pension plans.	The Group should maintain sufficient capital, liquidity and funding to support its operations, and an interest rate profile ensuring that the reductions in earnings or value from movements in interest rates impacting banking book items do not cause material damage to the Group's franchise. In addition, the Group should ensure that its pension plans are adequately funded.
Operational and Technology Risk	Potential for loss resulting from inadequate or failed internal processes, technology events, human error, or from the impact of external events (including legal risks).	The Group aims to mitigate and control Operational and Technology risks, to seek to ensure that events, including any related to conduct of business matters, do not cause the Group material harm as a result of business disruption, financial loss or reputational damage.
Information and Cyber Security (ICS) Risk	Risk to the Group's assets, operations, and individuals due to the potential for unauthorised access, use, disclosure, disruption, modification, or destruction of information assets and/or information systems.	The Group aims to mitigate and control ICS risks to ensure that incidents do not cause the Group material harm, business disruption, financial loss or reputational damage, recognising that while incidents are unwanted, they cannot be entirely avoided.

Principal Risk Types	Definition	Risk Appetite Statement
Financial Crime Risk[1]	Potential for legal or regulatory penalties, material financial loss or reputational damage resulting from the failure to comply with applicable laws and regulations relating to international sanctions, anti-money laundering and anti-bribery and corruption, and fraud.	The Group has no appetite for breaches of laws and regulations related to Financial Crime, recognising that while incidents are unwanted, they cannot be entirely avoided.
Compliance Risk	Potential for penalties or loss to the Group or for an adverse impact to our clients or stakeholders or to the integrity of the markets we operate in through a failure on our part to comply with laws, or regulations.	The Group has no appetite for breaches of laws and regulations related to regulatory non-compliance; recognising that while incidents are unwanted, they cannot be entirely avoided.
Environmental, Social and Governance and Reputational (ESGR) Risk	Potential or actual adverse impact on the environment and/or society, the Group's financial performance, operations, or the Group's name, brand or standing, arising from environmental, social or governance factors, or as a result of the Group's actual or perceived actions or inactions.	The Group aims to measure and manage financial and non-financial risks arising from climate change, reduce emissions in line with our net zero strategy and protect the Group from material reputational damage by upholding responsible conduct and striving to do no significant environmental and social harm.
Model Risk	Potential loss that may occur because of decisions or the risk of misestimation that could be principally based on the output of models, due to errors in the development, implementation, or use of such models.	The Group has no appetite for material adverse implications arising from misuse of models or errors in the development or implementation of models; while accepting some model uncertainty.

ERMF effectiveness reviews

The GCRO is responsible for annually affirming the effectiveness of the ERMF to the BRC via an effectiveness review. This review is based on the principle of evidence-based self-assessments for all the RTFs and relevant policies. A top-down review and challenge of the results is conducted by the GCRO with all RFOs and an opinion on the internal control environment is provided by Group Internal Audit.

The ERMF effectiveness review measures year-on-year progress. The key outcomes of the 2025 review are:

- Continued focus on embedding the ERMF across the organisation.
- Financial risks remain effectively managed, and the Group is continually making progress in embedding non-financial risk management.
- Self-assessments performed in branches and banking subsidiaries reflect the embeddedness of the ERMF. Country and cluster risk committees continue to play an active role in overseeing and managing risks across our footprint markets.

Ongoing effectiveness reviews allow for a structured approach to identify improvement opportunities and build plans to address them.

Executive and Board risk oversight

Overview

The corporate governance and committee structure helps the Group to conduct our business. The Board has ultimate responsibility for risk management and approves the ERMF based on the recommendation of the BRC, which also recommends the Group RA Statement for all PRTs and other risks. In addition to the BRC and Audit Committee, the Culture and Sustainability Committee oversees the Group's culture and key sustainability priorities.

Group Risk Committee

The GRC, which derives its authority from the GCRO, is responsible for ensuring the effective management of risk throughout the Group in support of the Group's strategy. The GCRO chairs the GRC, whose members are drawn from the Group Management Team. The GRC oversees the effective implementation of the ERMF for the Group, including the delegation of any part of its authorities to appropriate individuals or sub-committees.

1 Fraud forms part of the Financial Crime RA Statement but, in line with market practice, does not apply a zero-tolerance approach.

Group Risk Committee sub-committees	Chair	Roles and responsibilities
Group Non-Financial Risk Committee (GNFRC)	Global Head, Operational, Technology and Cyber Risk	Governs the non-financial risks, including Fraud Risk, throughout the Group in support of the ERMF and the Group's strategy.
Group Financial Crime Risk Committee (GFCRC)	Group Head, CFCR	Ensures that the Financial Crime Risk profile (excluding Fraud Risk and Secondary Reputational Risk arising from Financial Crime Risk) is managed within RA and policies.
Group Responsibility and Reputational Risk Committee (GRRRC)	Global Head ERM	Ensures the effective management of Environmental, Social, Governance and Reputational Risk across the Group. This includes providing oversight of matters arising from clients, products, transactions and strategic coverage-related decisions and matters escalated by the respective RFOs.
International Financial Reporting Standards (IFRS) 9 Impairment Committee (IIC)	Co-chaired by the Global Head ERM and Group Head, Central Finance	Ensures the effective management of expected credit loss (ECL) computations, as well as stage allocation of financial assets for quarterly financial reporting.
Model Risk Committee (MRC)	Global Head, Model Risk Management	Supports the Group strategy by ensuring the effective measurement and management of Model Risk in line with internal policies and model RA.
Investment Committee	Global Head of Stressed Assets Risk	Ensures the optimised wind-down of the Group's non-core direct investment activities in equities, quasi-equities (excluding mezzanine), funds and other alternative investments (excluding debt/debt-like instruments).
SC Ventures (SCV) Risk Committee	CRO, SC Ventures & Global Head, Digital Asset Risk	Oversees the effective management of risk throughout SCV and the portfolio of controlled entities operating under SCV.
Regulatory Interpretation Committee (RIC)	Co-chaired by the Global Head ERM and Group Head, Central Finance	Provides oversight of material regulatory interpretations for the Capital Requirements Regulation (as amended by UK legislation), the Prudential Regulatory Authority (PRA) rulebook and other relevant regulations impacting Group regulatory capital calculations and reporting. The areas and risk types in scope are credit risk, traded risk, operational risk, large exposures, leverage ratio and securitisation.
Digital Assets Risk Committee (DRC)	CRO, SC Ventures & Global Head, Digital Asset Risk	Oversees effective risk management of the Digital Assets (DA) Risk profile of the Group. This includes providing subject matter expertise and oversight of DA Risk matters across the PRTs.
Corporate & Investment Banking Financial Risk Committee (CIBFRC)	Co-Heads CRO CIB and CRO, ASEAN & South Asia	Ensures the effective management of financial risk throughout CIB in support of the Group's strategy.
Wealth & Retail Banking Risk Committee (WRBRC)	Chief Risk Officer, WRB & GCNA	Ensures the effective management of risk throughout WRB in support of the Group's strategy.

Group Risk Committee sub-committees	Chair	Roles and responsibilities
HK & GCNA Risk Committee (HK&GCNA RC)	CRO, Hong Kong & GCNA	These committees ensure the effective management of risk in the clusters in support of the Group's strategy.
SG & ASEAN Risk Committee (SG&ASEAN RC)	CRO, Singapore & ASEAN	
Standard Chartered Bank (SCB) India Country Risk Committee (CRC & CNFRC)	CRO, India & South Asia	
UK & Europe Risk Committee (UK & ERC)	CRO, Europe	
US Risk Committee (URC)	CRO, Americas	
Middle East and Pakistan Risk Committee (MEPRC)	CRO, AME	
Africa Risk Committee	CRO, AME	

Group Asset and Liability Committee

The Group Asset and Liability Committee (GALCO) is chaired by the GCFO. Its members are drawn principally from the Management Team. GALCO is responsible for determining the Group's balance sheet strategy and ensuring that, in executing the Group's strategy, the Group operates within RA and regulatory requirements relating to capital, loss-absorbing capacity, liquidity, leverage, Interest Rate Risk in the Banking Book (IRRBB), Banking Book Basis Risk and Structural Foreign Exchange Risk. GALCO is also responsible for ensuring that internal and external recovery planning requirements are met.

Principal risks

We manage and control our PRTs through distinct RTFs, policies and RA.

Read more on the Group's PRT definitions and Risk Appetite Statements on page 221

Credit Risk

Mitigation

Segment-specific policies are in place for Corporate & Investment Banking (CIB) and Wealth & Retail Banking (WRB) which set the principles that must be followed for the end-to-end credit process covering initiation, assessment, documentation, approval, monitoring and governance.

The Group also sets out standards for the eligibility, enforceability, and effectiveness of mitigation arrangements. Potential losses are mitigated using a range of tools, such as collateral, netting agreements, credit insurance, credit derivatives and guarantees.

Risk mitigants are carefully assessed for their market value, legal enforceability, correlation, and counterparty risk of the protection provider. Collateral is valued prior to drawdown and monitored regularly thereafter as required, to reflect current market conditions, the probability of recovery and the period of time to realise the collateral in the event of liquidation. The Group also seeks to diversify its collateral holdings across asset classes and markets.

Where guarantees, credit insurance, standby letters of credit or credit derivatives are used as Credit Risk mitigation, the creditworthiness of the protection provider is assessed and monitored using the same credit process applied to the obligor.

Monitoring

The Group regularly monitors credit exposures, portfolio performance, external trends and emerging risks that may impact risk management outcomes. Internal risk management reports that are presented to risk committees contain information on key political and economic trends across major portfolios and countries, portfolio delinquency and loan impairment performance.

In CIB, clients and portfolios are subject to additional review when they display signs of actual or potential weakness; for example, where there is a decline in the client's position within their industry, financial deterioration, a breach of covenants, or non-performance of an obligation within the stipulated period. Such accounts are subject to a dedicated early alert process overseen by the Credit Issues Committee in the relevant countries where client account strategies and credit grades are re-evaluated. In addition, remedial actions can be undertaken, such as exposure reduction, security enhancement or exiting the account. Credit-impaired accounts are managed by the Group's specialist recovery unit, Stressed Asset Group (SAG), which is independent of the Client Coverage/Relationship Managers. Stressed Asset Risk is the second line risk unit and is responsible for the independent challenge, monitoring and approving of the credit risk decisions including stage 3 credit impairment provision of the credit-impaired accounts.

Regular portfolio reviews across industries are conducted. Senior members from the CIB business and Risk participate in more extensive portfolio reviews (known as the 'industry portfolio review') for certain industry groups. In addition to a review of the portfolio information, this industry portfolio review incorporates industry outlook, key elements of the business strategy, RA, credit profile and emerging and horizon risks. A summary of these industry portfolio reviews is also shared with the CIB Financial Risk Committee.

For WRB, exposures and collateral monitoring are performed at the counterparty and/or portfolio level across different client segments to ensure transactions and portfolio exposures remain within RA. Portfolio delinquency trends are also monitored. Accounts that are past due (or perceived as high risk but not yet past due) are subject to collections or recovery processes managed by a specialist independent function. In some countries, aspects of collections and recovery activities are outsourced. For discretionary lending portfolios, similar processes to those of CIB are followed.

Any material in-country developments that may impact sovereign ratings are monitored closely by Country Risk within the ERM function. The Country Risk Early Warning system, a triage-based risk identification system, categorises countries based on a forward-looking view of possible downgrades and the potential incremental risk-weighted assets (RWA) impact.

In addition, an independent Credit Risk review team within the ERM function performs assessments of the Credit Risk profiles at various portfolio levels. They focus on selected countries and segments through deep dives, comparative analysis, and review and challenge of the basis of credit approvals. The review aims to ensure that the evolving Credit Risk profiles of CIB and WRB are well managed within RA and policies. Results of the reviews are reported to the GRC and BRC.

Credit rating and measurement

All credit proposals are subject to a robust credit risk assessment. It includes a comprehensive evaluation of the client's credit quality, including willingness, ability, and capacity to repay. The primary lending consideration for counterparties is based on their credit quality and operating cash flows, while for individual borrowers it is based on personal income or wealth. The risk assessment gives due consideration to the client's liquidity and leverage position.

Where applicable, the assessment includes a detailed analysis of the Credit Risk mitigation arrangements to determine the level of reliance on such arrangements as the secondary source of repayment in the event of a significant deterioration in a client's credit quality leading to default. Client income, net worth, and the liquidity of assets by class are considered for overall risk assessment for wealth lending. Wealth lending credit limits are subject to the availability of qualified collateral.

We implement a standard alphanumeric Credit Risk grade system to differentiate the credit quality of exposures for CIB clients, whereby credit grades (CG) 1 to 12 are assigned to reflect the probability of default of performing clients (CG 1 being the best performing), and credit grades 13 and 14 are assigned to non-performing or defaulted clients.

WRB internal ratings-based portfolios use application and behavioural credit scores that are calibrated to generate a probability of default. The Risk Decision Framework uses a credit rating system to define the portfolio/new booking segmentation, shape and decision criteria for the unsecured consumer business segment.

Advanced Internal Ratings-Based (AIRB) models cover the majority of our exposures and are used in assessing risks at a customer and portfolio level, setting strategy, and optimising our risk-return decisions. The Model Risk Committee (MRC) approves material internal ratings-based risk measurement models. Prior to review and approval, all internal ratings-based models are validated by an independent model validation team. Reviews are also triggered if the performance of a model deteriorates materially against predetermined thresholds, measured through the ongoing model performance monitoring process.

We adopt the AIRB approach under the Basel regulatory framework to calculate Credit Risk capital requirements for the majority of our exposures. The Group has also established a global programme to assess capital requirements necessary to be implemented to meet the latest revised Basel III regulation (referred to as Basel 3.1 or Basel IV).

Credit Concentration Risk

Credit Concentration Risk for CIB is managed through concentration limits covering large exposure limit to a single counterparty or a group of connected counterparties (based on control and economic dependence criteria), or at portfolio level for multiple exposures that are closely correlated. Single name and Portfolio RA metrics are set, where appropriate, by credit grade, industry, products, tenor, collateralisation level, top clients, and exposure to holding companies.

For concentrations that are material at a Group level, breaches and potential breaches are monitored by the respective governance committees and reported to the GRC and BRC.

Credit impairment

For CIB, in line with the regulatory guidelines, Stage 3 expected credit loss (ECL) is considered when an obligor is more than 90 days past due on any amount payable to the Group, or the obligor has symptoms of unlikeliness to pay its credit obligations in full as they fall due. These credit-impaired accounts are managed by SAG.

In WRB, loans to individuals and small businesses are considered credit-impaired as soon as any payment of interest or principal is 90 days overdue or they meet other objective evidence of impairment, such as bankruptcy, debt restructuring, fraud, or death, with unlikely continuation of contractual payments. Financial assets are written off, in the amount that is determined to be irrecoverable, when they meet conditions set such that empirical evidence suggests the client is unlikely to meet their contractual obligations, or a loss of principal is reasonably expected.

Estimating the amount and timing of future recoveries involves significant judgement and considers the assessment of matters such as future economic conditions and the value of collateral, for which there may not be a readily accessible market. The total amount of the Group's impairment provision is inherently uncertain, being sensitive to changes in economic and credit conditions across the markets in which the Group operates.

Underwriting

The underwriting of securities and loans is in scope of the CIB RA. The Underwriting Committee approves individual proposals to underwrite new security issues and loans for our clients in compliance with the RA statement. Additional risk triggers are set based on the type of exposure and credit grade as approved by the GCRO.

Traded Risk

Mitigation

Traded Risk limits are calibrated to ensure that risk exposure is affordable under both BAU and stress conditions. The Traded Risk Policy sets the principles that must be followed for the end-to-end traded risk management process including limit setting, risk capture and measurement, limit monitoring and escalation, risk mitigation and stress testing. Policies are reviewed and approved by the Global Head, Traded Risk Management periodically to ensure their ongoing effectiveness.

Market Risk measurement

The Group uses a VaR model to measure the risk of losses arising from future potential adverse movements in market rates, prices, and volatilities.

VaR provides a consistent measure that can be applied across trading businesses and products over time and can be set against actual daily trading profit and loss outcomes.

For day-to-day risk management, VaR is calculated as at the close of business, generally at UK time, for expected market movements over one business day and to a confidence level of 97.5 per cent.

The Group applies two VaR methodologies:

- Historical simulation: this involves the revaluation of all existing positions to reflect the effect of historically observed changes in Market Risk factors on the valuation of the current portfolio. This approach is applied for general Market Risk factors and the majority of specific (credit spread) risk factors. The enhanced Volatility Scaling VaR (VSV) model went live in January 2025, where risk factors' returns are scaled to reflect historical volatility. The VSV model is more responsive to volatility changes observed in the market.
- Monte Carlo simulation: this methodology is used in conjunction with historical simulations when historical data are not directly available. This approach is applied for the idiosyncratic credit spread risk factor or single name equity risk factor. The simulation is performed by calibrating the model to preserve volatility of risk factors.

As an input to regulatory capital, trading book VaR is calculated for expected movements over 10 business days and to a confidence level of 99 per cent. Some types of market risk are not captured in the regulatory VaR measure and these risks not in VaR are subject to capital add-ons.

Counterparty Credit Risk measurement

A Potential Future Exposure (PFE) model is used to measure the credit exposure arising from the positive mark-to-market of traded products. The PFE model provides a quantitative estimate of future potential movements in market rates, prices, and volatilities at a certain confidence level over different time horizons based on the tenor of the transactions.

The Group applies two PFE methodologies: simulation-based, used for the bulk of FX, interest rates and commodity products, and add-on-based for credit products and residual non-simulation-based products.

Monitoring

Traded Risk Management monitors the overall portfolio risk and ensures that it is within specified limits and therefore RA. Limits are typically reviewed at least once a year.

All material Traded Risks are monitored daily against approved limits. Traded Risk limits apply at all times unless separate intra-day limits have been set.

Treasury Risk

Mitigation

The Group develops policies to address material Treasury Risks and aims to maintain its risk profile within RA. In order to do this, metrics are set against Capital Risk, Liquidity and Funding Risk and IRRBB. Where appropriate, RA metrics are cascaded down to clusters and countries in the form of limits and management action triggers.

Capital Risk

In order to manage Capital Risk, strategic business, financial plans and capital plans (Corporate Plan) are drawn up covering a five-year horizon and are approved by the Board annually. The plan ensures that adequate levels of capital, including loss-absorbing capacity, and an efficient mix of the different components of capital, are maintained to support our strategy and business plans. This process considers downside scenarios and the availability of recovery actions to course correct, as appropriate.

Treasury is responsible for the ongoing assessment of the demand for capital and the updating of the Group's capital plan.

RA metrics including capital, leverage, minimum requirement for own funds and eligible liability (MREL) and double leverage are assessed within the Corporate Plan to ensure that the strategy can be achieved within risk tolerances.

Structural Foreign Exchange Risk

The Group's structural FX position results from the Group's non-US dollar investment in the share capital and reserves of subsidiaries and branches. The FX translation gains or losses are recorded in the Group's translation reserves with a direct impact on the Group's Common Equity Tier 1 ratio.

The Group contracts hedges to manage its structural FX position in accordance with the RA, and as a result the Group has taken net investment hedges to partially cover its exposure to certain non-US dollar currencies to mitigate the FX impact of such positions on its CET1 ratio.

Liquidity and Funding Risk

At Group, cluster and entity level we implement various business-as-usual and stress risk metrics to monitor and manage Liquidity and Funding risk. This ensures that the Group maintains an adequate and well-diversified liquidity buffer, as well as a stable funding base, to meet its liquidity and funding regulatory requirements.

The risk management approach and RA are assessed annually through the Internal Liquidity Adequacy Assessment Process. A funding plan, which is part of the Corporate Plan process, is developed for efficient liquidity projections to ensure that the Group is adequately funded to support the business growth and meet its obligations and client funding needs.

Read more on Liquidity and Funding Risk on page 281

Interest Rate Risk in the Banking Book

This risk arises from differences in the repricing profile, interest rate basis, and optionality of banking book assets, liabilities and off-balance sheet items. IRRBB represents an economic and earnings risk to the Group and its capital adequacy. The Group monitors and manages IRRBB using multiple RA metrics.

Read more on IRRBB on page 285

Pension Risk

Pension Risk is the potential for loss due to having to meet an actuarially assessed shortfall in the Group's pension plans. Pension Risk arises from the Group's contractual or other liabilities with respect to its occupational pension plans or other long-term benefit obligations. For a funded plan, it represents the risk that additional contributions will need to be made because of a future funding shortfall. For unfunded obligations, it represents the risk that the cost of meeting future benefit payments is greater than currently anticipated.

The Pension Risk is monitored against the RA and reported to the GRC. The RA metric is calculated as the total capital requirement (including both Pillar 1 and Pillar 2A capital) in respect of Pension Risk, expressed as a number of basis points of RWA.

Recovery and resolution planning

In line with PRA requirements, the Group maintains a Recovery Plan, which is a live document to be used by management in the event of financial stress in order to restore the Group's financial strength to a stable and sustainable position. The Recovery Plan includes a set of recovery indicators, an escalation framework, and a set of management actions capable of being implemented during a stress. A Recovery Plan is also maintained within each major entity, and all Recovery Plans are subject to periodic fire-drill testing.

As the UK resolution authority, the BoE set a single point of entry bail-in at the ultimate holding company level (Standard Chartered PLC) as the preferred resolution strategy for the Group. In support of this strategy, the Group has a set of capabilities, arrangements, and resources in place to maintain, test and improve resolution capabilities, and continues to meet the required resolvability outcomes on an ongoing basis.

The Resolvability Self-Assessment Report was submitted by the Group to the PRA in October 2023, with an update provided in January 2024. The Group also published its latest resolvability disclosure, as required by the BoE, on 6 August 2024. The next Group Resolvability Self-Assessment Report will be submitted to the BoE/PRA in October 2026.

Monitoring

On a day-to-day basis, Treasury Risk is managed by Treasury, Finance and country CEOs. The Group regularly reports and monitors Treasury Risk inherent in its business activities and those that arise from internal and external events.

Internal risk management reports covering the balance sheet and the capital, liquidity, and IRRBB positions are presented to the relevant country Asset and Liability Committee. The reports contain key information on balance sheet trends, exposures against RA and supporting risk measures which enable members to make informed decisions around the overall management of the balance sheet. In addition, an independent Treasury CRO team within ERM reviews the prudency and effectiveness of Treasury Risk management.

Pension Risk is managed by the Head of Pensions and Reward Analytics, and monitored by the Treasury CRO on a periodic basis.

Operational and Technology Risk

Mitigation

The Operational and Technology RTF sets out the Group's overall approach to the management of Operational and Technology Risk in line with the Group's Operational and Technology RA. This is supported by the Risk and Control Self-Assessment (RCSA), which provides a systematic approach for identification and assessment of operational risks, including design and operation of mitigating controls (applicable to all risks as per the Non-Financial Risk Taxonomy).

The RCSA is used to determine the design and operating effectiveness of each process, and requires:

- the recording of end-to-end processes which deliver our key client journey and business outcomes
- the identification of risks to support the achievement of client and business outcomes
- the assessment of inherent risk on the impact to client and business outcomes, and likelihood of occurrence
- the design and monitoring of key controls to effectively and efficiently mitigate prioritised risks within acceptable levels and
- the assessment of residual risk and timely treatment of elevated risks.

Elevated Residual Risks require treatment plans to address the underlying causes and reduce the risks to within the RA.

We continue to strengthen our commitment to operational resilience through a robust risk management framework which enables the Group to anticipate, prevent, adapt, respond to, recover from, and learn from both internal and external disruptions, supported by ongoing reviews, control testing, and scenario-based assessments aimed at anticipating and reducing the potential impact of operational disruptions. The Group is required to conduct an annual self-assessment to evaluate its operational resilience. This self-assessment reviews the effectiveness of the operational resilience framework, identifies areas for improvement, and ensures compliance with regulatory expectations. These activities support the continuous oversight and improvement of our response and recovery capabilities.

Monitoring

To deliver services to clients and to participate in the financial services sector, the Group runs processes which are exposed to Operational and Technology risks. The Group prioritises and manages risks which are significant to our clients and to the financial services sectors. The control indicators are regularly monitored to determine the Group's exposure to residual risk.

The residual risk assessments and reporting of events form the Group's Operational and Technology Risk profile. The completeness of the Operational and Technology Risk profile ensures appropriate prioritisation and timeliness of risk decisions, including risk acceptances with treatment plans for risks that exceed acceptable thresholds.

The BRC is informed on adherence to Operational and Technology RA through metrics reported for selected risks. These metrics are monitored, and escalation thresholds are devised based on the materiality and significance of the risk. These Operational and Technology RA metrics are consolidated on a regular basis and reported at the relevant Group committees, providing senior management with the relevant information to inform their risk decisions.

Read more on Operational and Technology Risk on page 286

Information and Cyber Security (ICS) Risk

Mitigation

ICS Risk is managed through the ICS RTF, comprising a risk assessment methodology and supporting policy, standards, and methodologies. The ICS Policy and standards are aligned to industry best practice models including the National Institute of Standards and Technology Cyber Security Framework. ISO 27001, Payment Card Industry-Data Security Standard (PCI-DSS), Swift Customer Security Controls Framework (CSCF) and Legal, Regulatory and Mandatory (LRM) requirements. We undertake an annual ICS Effectiveness Review to evaluate ICS Risk management practices in alignment with the ERMF.

Monitoring

The Group Chief Information Security Officer (CISO) function monitors the evolving threat landscape covering cyber threats, attack vectors and threat actors that could target the Group. This includes performing a threat-led risk assessment to identify key threats, in-scope applications and key controls required to ensure the Group remains within RA.

The ICS Risk profiles of all businesses, functions and countries are consolidated to present a holistic Group-level ICS Risk profile for ongoing monitoring. During these reviews, the status of each risk is assessed against the Group's controls to identify any changes to impact and likelihood, which affects the overall risk rating.

ICS Board level responsibility and oversight is assured through the BRC. The Board education programme includes updates on the cyber security strategy, which is in place at a Group and Business level to adhere to internal standards and applicable laws and regulations.

ICS Risk Security Testing and External Reviews

The Group assesses its cyber posture through extensive control testing and by executing offensive security testing exercises, including independent vulnerability analysis and testing, code reviews, penetration tests and Red and Purple Team[1] attack simulation testing. This approach constantly tests the Group's defences and approach to cyber security. These show a wider picture of the Group's risk profile, leading to better visibility on potential 'in flight' risks.

We perform independent third-party verification regarding the state of our internal information technology and ICS controls through industry recognised certifications and attestations:

- PCI DSS controls are assessed annually, in line with market regulatory requirements.
- We are System and Organisation Controls 2 type 2 certified, the scope of which covers the digital products and services to financial markets, global banking, cross products, cash management, trade finance, securities services and client services group using the Straight2Bank application suite.
- We undergo assessment based on the requirements stipulated by Swift's Customer Security Programme (CSP) to ensure high compliance.

The Group also tracks remediation of security matters identified by external reviews, such as the BoE CBEST Threat Intelligence-Led Assessment and the Hong Kong Monetary Authority's (HKMA) Intelligence-led Cyber Attack Simulation Testing (iCAST).

The CISO and OTCR functions monitor the ICS Risk profile and ensure that breaches of RA are escalated to the appropriate governance committee or authority levels for remediation and tracking.

Financial Crime Risk[2]

Roles and responsibilities

The Group Head, CFCR is the Group's Chief Compliance and Money-Laundering Reporting Officer and performs the Financial Conduct Authority (FCA) Senior Management Control Functions SMF 16 and SMF 17 in accordance with requirements set out by the FCA, including those set out in the Systems and Controls chapter of the FCA Handbook.

Mitigation

The CFCR function is responsible for the establishment and maintenance of policies, standards, and oversight of first line of defence controls to ensure continued compliance with financial crime laws and regulations, and the mitigation of Financial Crime Risk. This includes controls covering key financial crime risks such as money laundering, terrorist financing, sanctions compliance, bribery and corruption, and fraud. We mitigate these risks through core controls such as client due-diligence, sanctions screening and other risk-based measures, supported by ongoing efforts to build awareness and capability across our people. In this, the requirements of the Operational and Technology RTF are followed to ensure a consistent approach to the management of processes and controls.

Financial Crime Risk management is built on a risk-based approach, meaning the risk management plans, processes, activities, and resource allocations are determined according to the level of risk.

Monitoring

The Group monitors enterprise-wide financial crime risks through the Financial Crime Risk Assessment. This is undertaken annually to assess the inherent financial crime risk exposures and the associated processes and controls by which these exposures are mitigated. As part of this, the Group monitors sanctions compliance risk, reflecting changes in global sanctions requirements and developments across an increasingly complex sanctions landscape.

The controls designed to mitigate Financial Crime Risk in business operations are governed in line with the Operational and Technology RTF. The Group has a monitoring and reporting process in place for Financial Crime Risk, which includes escalation and reporting to the CFCR and relevant Country, Business, Senior Management and Board committees.

1 Red Team focuses on simulating real-world attacks to identify vulnerabilities and test the effectiveness of an organization's defences, acting as adversaries to challenge the security measures. Purple Team enhances collaboration between the Red Team and the Blue Team (defenders) to improve threat detection, response, and overall security posture by sharing insights and strategies from both offensive and defensive perspectives.

2 Read more on how we manage financial crime, including sanctions on page 119.

While not a formal governance committee, the CFCR Oversight Group provides oversight of CFCR risks including the effective implementation of the Financial Crime RTF. It also provides oversight, challenge and direction to CFCR policy owners on material changes and positions taken in CFCR-owned policies, including issues relating to regulatory interpretation and the Group's Financial Crime Risk RA.

Compliance Risk

Roles and responsibilities

The Group Head, CFCR is the Group's Chief Compliance and Money-Laundering Reporting Officer and performs the FCA Senior Management Control Functions SMF 16 and SMF 17 in accordance with requirements set out by the FCA, including those set out in the Systems and Controls chapter of the FCA Handbook.

All activities that the Group engages in must comply with the relevant country/local specific and extraterritorial regulations.

Compliance Risk includes the risks associated with a failure to comply with all regulations that are applicable to the Group regardless of the issuing regulatory authority. Where Compliance Risk arises, or could arise, from failure to manage another PRT, the oversight and management processes for that specific PRT must be followed, to ensure that effective oversight and challenge of the first line of defence can be provided by the appropriate second line of defence function.

Areas of regulation can be broadly divided into two distinct categories: those issued by financial service regulatory authorities and those issued by non-financial service regulators. The Group is exposed to both categories of regulation, and roles and responsibilities differ depending on the category. For regulations issued by financial services regulatory authorities and other regulators that may issue regulations pertaining to Compliance Risk, CFCR identifies new and amended regulations as and when issued and communicates the relevant regulatory obligations to the country RFO. Where regulatory obligations do not relate to risks for which CFCR is the RFO, the respective RTF sets out second line of defence ownership.

Each of the assigned second line of defence functions have responsibilities, including monitoring relevant regulatory developments from non-financial services regulators at both Group and country levels, policy development, implementation, and validation as well as oversight and challenge of first line of defence processes and controls.

Mitigation

The CFCR function is responsible for the establishment and maintenance of policies, standards, and oversight of the first line of defence controls to ensure compliance with laws and regulations, and the mitigation of Compliance Risk. In this, the requirements of the Operational and Technology RTF are followed to ensure a consistent approach to the management of processes and controls.

Monitoring

The monitoring of controls designed to mitigate the risk of regulatory non-compliance in processes is governed in line with the Operational and Technology RTF. Compliance Risk reporting includes escalation and reporting to the CFCR and relevant Country, Business, Senior Management and BRC.

While not a formal governance committee, the CFCR Oversight Group provides oversight of CFCR risks including the effective implementation of the Compliance RTF, and oversight, challenge and direction to CFCR policy owners on material changes and positions taken in CFCR-owned policies, including issues relating to regulatory interpretation and the Group's Compliance Risk RA. The Regulatory Change Oversight Forum provides visibility and oversight of material and/or complex large-scale regulatory change impacting non-financial risks.

Environmental, Social and Governance and Reputational (ESGR) Risk

Mitigation

The ESGR RTF provides the overall risk management approach for ESGR risks.

The ESG Risk policy outlines the Group's commitment to integrating ESG considerations into its business, operations, and decision-making process. The policy sets out the requirements for identifying, assessing, escalating and managing ESG risks for the Group's operations, clients/transactions and third parties. The Reputational Risk policy outlines the requirements for identifying, assessing, escalating and managing negative shifts in stakeholder perception arising from client onboarding and due diligence, transactions, product design and product features, or strategic coverages such as entry into new markets or investments. Whenever potential for stakeholder concerns is identified, issues are subject to review and decision by both the first and second lines of defence. The policy also sets out the key considerations for mitigating greenwashing risk that can arise during product and/or deal lifecycle, sustainability reporting and disclosures, and external campaigns related to sustainability themes.

Monitoring

Exposure to Reputational Risks arising from transactions, clients, products and strategic coverage is monitored through established triggers to prompt the appropriate risk-based considerations and assessment by the first line of defence and escalations to the second line of defence. Risk acceptance decisions and thematic trends are also reviewed on a periodic basis.

Exposure to ESG Risks is monitored through triggers embedded within the first line of defence processes. The environmental and social risks are considered for clients and transactions via Client Environmental, Social and Governance Risk Assessments (C-ESGRA), Transaction Environmental and Social Risk Assessments (ESRA), Reputational Risk Materiality Assessments (RRMA) and/or Climate Risk Assessments (CRA).

Vendors that are identified as high risk which meet the high-risk category and country combinations based on responses provided by the supplier at onboarding are assessed for modern slavery risk.

Exposure to Climate Risk is monitored in conjunction with other PRTs. We have embedded qualitative and quantitative climate considerations into the Group's Credit Underwriting Principles for Oil and Gas, Mining, Shipping, Commercial Real Estate and Project Finance portfolios. Starting October 2025, we have introduced a client-level Physical Risk Grading Framework in order to identify and monitor key risk hotspots in the CIB portfolio with regard to clients' exposure to extreme weather events. This is in addition to the Transition Risk Grading already in place for CIB clients. We have also expanded coverage of Climate and Credit Risk considerations to physical collateral, as they serve as key risk mitigants, especially in default events. We use available data or proxy methodologies to assess the portfolios within WRB for transition risks particularly consumer mortgage. We assess physical risk concentrations for our WRB portfolio on a quarterly basis and assess the physical risk vulnerabilities of our sites periodically and when new sites are onboarded. We have initiated an evaluation of physical risk vulnerabilities at our primary vendors' delivery sites this year. We are also monitoring the climate risk-related vulnerabilities and readiness of our top corporate liquidity providers, including the concentration of liquidity exposures with clients with high transition and/or high physical risk.

Our Net Zero Climate Risk Working Forum meets at least quarterly to discuss account plans and risk management strategies for high climate risk and net zero divergent clients. We are also enhancing the oversight on any new materially misaligned clients through a mandatory second line review as part of the deal approval process. Stress testing and scenario analysis are used to assess the impact of ESGR-related risks. The impact on capital requirements has been included in the Group Internal Capital Adequacy Assessment Process (ICAAP). Management information is reviewed at a quarterly frequency and any breaches in RA are reported to the GRC and BRC.

Model Risk

Mitigation

The Model Risk Policy and Standards define requirements for model development, validation, implementation and use, including regular model performance monitoring and, where required, model risk mitigants.

Model deficiencies identified through the development or validation process, or model performance issues identified through ongoing monitoring, are mitigated through respective model risk mitigants. Mitigants include model overlays as either post-model adjustments (PMAs) or management adjustments, model restrictions and potentially a model recalibration or redevelopment, all of which undergo independent review, challenge, and approval. PMAs are used to address observed deficiencies caused from within the model, by adjusting the model output either directly or indirectly (e.g. adjusting parameters).

Where a PMA is applied as a mitigant for a model used in Pillar 1 or Pillar 2 calculations or models with material impact on financial accounting disclosures (e.g. IFRS 9), the independent review must be performed by Group Model Validation (GMV) with sign-off from the Model Approver prior to implementation. Management adjustments are used to address issues by applying management decisions without adjusting a direct modelling component.

As with all PRTs, operational controls are used to govern all Model Risk-related processes, with regular risk assessments performed to assess appropriateness and effectiveness of those controls, in line with the Operational and Technology RTF, with remediation plans implemented where necessary. Group Model Risk Policy and Standards also define requirements for Deterministic Quantitative Methods (DQMs) that are used as part of an end-to-end modelled process. DQMs are similar in nature to a model, however the processing component is either purely deterministic or has an element of expert judgement. Unlike a model, there is no use of statistical, economic, financial or mathematical theories.

Monitoring

The Group monitors Model Risk via a set of RA metrics. Adherence to Model RA and any threshold breaches are reported to the BRC, GRC and MRC. These metrics and thresholds are reviewed twice per year to ensure that threshold calibration remains appropriate, and the themes adequately cover the current risks.

Models undergo regular performance monitoring based on their level of perceived Model Risk, with monitoring results presented, and breaches escalated to the Model Sponsor, Model Owner, GMV and respective MRC or Individual Delegated Model Approvers. In addition, all models are subject to periodic revalidation, with frequency and intensity of the revalidation work determined by the materiality and uncertainty of the model.

Model Risk management produces Model Risk reports covering the model landscape, which include performance metrics, identified model issues and remediation plans. These are presented for discussion at the Model Risk governance committees on a regular basis.

Credit Risk (audited)

Basis of preparation

Unless otherwise stated, the balance sheet and income statement information presented within this section is based on the booking location. The accounting policy for the presentation of geographic information has been changed from being based on a management view which was principally the location from which a client relationship is managed, to being based on a view reflecting the location in which exposures are financially booked in 2025. Read more in Note 1 to the financial statements. Prior period amounts have been re-presented in line with this change with the impact presented in Note 40 to the financial statements.

Loans and advances to customers and banks held at amortised cost in this 'Risk profile' section include reverse repurchase agreement balances held at amortised cost, per Note 16 'Reverse repurchase and repurchase agreements including other similar secured lending and borrowing'.

Credit risk overview

Credit Risk is the potential for loss due to the failure of a counterparty to meet its contractual obligations to pay the Group. Credit exposures arise from both the banking and trading books.

Impairment model

IFRS 9 mandates an impairment model that requires the recognition of expected credit losses (ECL) on all financial debt instruments held at amortised cost, Fair Value through Other Comprehensive Income (FVOCI), undrawn loan commitments and financial guarantees. Read more on the accounting policy on page 342 and the IFRS 9 ECL methodology on page 264.

Staging of financial instruments

Financial instruments that are not already credit-impaired are originated into stage 1 and a 12-month ECL provision is recognised.

Instruments will remain in stage 1 until they are repaid, unless they experience significant credit deterioration (stage 2) or they become credit-impaired (stage 3).

Instruments will transfer to stage 2 and a lifetime ECL provision is recognised when there has been a significant change in the Credit Risk compared to what was expected at origination.

The framework used to determine a Significant Increase in Credit Risk (SICR) is set out below.

Stage 1
- 12-month ECL
- Performing

Stage 2
- Lifetime ECL
- Performing but has exhibited SICR

Stage 3
- Credit-impaired
- Non-performing

IFRS 9 ECL principles and approaches

The main methodology principles and approach adopted by the Group are set out in the following table.

Title	Supplementary Information	Page
Approach for determining ECL	• IFRS 9 ECL methodology	264
	• Application of lifetime ECL	264
Key assumptions and judgements in determining ECL	• Incorporation of forward-looking information	266
	• Forecast of key macroeconomic variables underlying the ECL calculation and the impact of non-linearity	266
	• Impact of multiple economic scenarios	269
	• Judgemental adjustments and management overlays	270
	• Sensitivity of ECL calculation to macroeconomic variables	271
Significant Increase in Credit Risk (SICR)	• Quantitative and Qualitative criteria	274
Credit-impaired (or defaulted) exposures (Stage 3)	• Expert credit judgement	344
Transfers between stages	• Movement in gross exposures and credit impairment	246
Modified financial assets	• Forborne and other modified loans	254
Governance of PMAs and application of expert credit judgement in respect of ECL	• IFRS 9 Impairment Committee	275

Summary of Credit Risk Performance

Maximum Exposure

The Group's on-balance sheet maximum exposure to Credit Risk increased by $43.2 billion to $866.6 billion (31 December 2024: $823.4 billion). Cash and balances at Central banks increased by $14.3 billion to $77.7 billion (31 December 2024: $63.4 billion) reflecting deposit growth in Greater China and North Asia requiring a corresponding increase in statutory reserve placements, and increased unrestricted balances driven by funding inflows and high-quality liquid asset deployment.

Debt securities (not held at fair value through profit or loss) increased by $22.2 billion to $165.8 billion (31 December 2024: $143.6 billion) due to deployment of excess surplus and liquidity buffer purposes. Loans and advances to customers increased by $5.8 billion to $286.8 billion (31 December 2024: $281.0 billion), which comprises of a $3.0 billion increase in CIB, $9.1 billion increase in WRB and Ventures, offset by $7.1 billion decrease in Central and other items. Fair value through profit and loss increased by $14.1 billion to $186.2 billion (31 December 2024: $172.0 billion), largely due to an increase in treasury bills and in loans to customers in the financing, insurance and non-banking and commercial real estate sectors.

Derivative financial instruments decreased by $15.7 billion to $65.8 billion (31 December 2024: $81.5 billion) mainly due to the weakening of the US dollar. Off-balance sheet instruments increased by $40.3 billion to $313.4 billion (31 December 2024: $273.2 billion), due to an increase in undrawn commitments, financial guarantees and other equivalents driven by client demand.

Read more on 'Maximum exposure to Credit Risk' on page 236; 'Credit quality by client segment' on page 238

Loans and Advances

The Group continues to focus on high-quality origination with 95 per cent (31 December 2024: 94 per cent) of the Group's gross loans and advances to customers classified as stage 1.

Stage 1 gross loans and advances to customers increased by $6.0 billion to $275.1 billion (31 December 2024: $269.1 billion). CIB gross stage 1 balances increased by $4.1 billion to $132.8 billion (31 December 2024: $128.7 billion) across several sectors including transport, telecom and utilities and commercial real estate. WRB and Ventures gross stage 1 balances increased by $8.9 billion to $127.3 billion (31 December 2024: $118.4 billion), mainly due to a $5.3 billion increase in the mortgage portfolio across Korea and Singapore and $5.2 billion increase in secured wealth products due to higher demand in Singapore and Hong Kong. Central and other items, gross stage 1 balances decreased by $7.0 billion to $15.0 billion (31 December 2024: $22.0 billion) primarily due to maturity of placements held with the Monetary Authority of Singapore.

Stage 2 gross loans and advances to customers decreased by $0.8 billion to $9.8 billion (31 December 2024: $10.6 billion). CIB gross stage 2 balances decreased by $0.8 billion to $7.9 billion (31 December 2024: $8.6 billion), largely due to lower balances in the financing, insurance and non-banking sector from a sovereign portfolio upgrade. WRB and Ventures gross stage 2 loans and advances to customers balances remained stable at $2.0 billion (31 December 2024: $2.0 billion).

Stage 3 gross loans and advances decreased by $0.2 billion to $6.0 billion (31 December 2024: $6.2 billion) primarily in CIB due to restructuring related write-offs in the China commercial real estate sector offset by a downgrade in the government sector. This also contributed to a reduction in the CIB stage 3 cover ratio before collateral. The total stage 3 cover ratio reduced by 11.8 per cent to 51.8 per cent (31 December 2024: 63.6 per cent) of which around 8 per cent was related to CRE restructuring and 7 per cent was related to downgrades with low levels of coverage, where strong credit mitigants are in place. This was partially offset by other portfolio movements. The total stage 3 cover ratio post tangible collateral decreased to 68.4 per cent (31 December 2024: 77.8 per cent) with some of the downgrades being covered by guarantees and insurance which are not included as tangible collateral. The WRB stage 3 cover ratio after collateral increased to 88.5 per cent (31 December 2024: 83.1 per cent) driven by an increase in credit impairment provisions and collateral values.

Read more on 'Analysis of financial instruments by stage' on page 237; 'Credit quality by client segment' on page 238; 'Credit quality by industry' on page 258

Analysis of Stage 2

The proportion of CIB exposures in stage 2 due to quantitative factors decreased mainly due to model changes and a sovereign portfolio upgrade. In Central and other items, balances reduced to $1.7 billion (31 December 2024: $2.1 billion) primarily due to a sovereign upgrade and portfolio movements.

Read more on 'Credit quality by client segment' on page 238; 'Analysis of stage 2 balances' on page 253; SICR quantitative and qualitative criteria on page 274

Credit Impairment charges

The Group's ongoing credit impairment was a net charge of $676 million (31 December 2024: $557 million).

WRB contributed a net charge of $595 million (31 December 2024: $623 million) which is mainly driven by unsecured products as per normalised flow and provisions for stressed assets. The year-on-year decrease was due to portfolio quality improvements and a reduction in unsecured exposures which is in line with our strategic pivot to affluent.

CIB contributed a net charge of $4 million (31 December 2024: $120 million release). The increase was mainly due to portfolio movements, higher judgemental overlays, and lower releases compared to 2024. Ventures had a charge of $59 million (31 December 2024: $73 million) as delinquency rates have improved following a change in credit underwriting criteria. Central and other items contributed a net charge of $18 million (31 December 2024: $19 million release), which included the impact of model updates in 2025.

Read more on 'Financial review' on page 57; 'Credit impairment charge' on page 254

Commercial Real Estate (CRE)

The Group provides loans to CRE and data centres counterparties of which $10 billion[1] is to counterparties in the CIB segment where the source of repayment is substantially derived from rental or sale of real estate and is secured by real estate collateral. The remaining CRE loans comprise working capital loans to real estate corporates, loans with non-property collateral, unsecured loans and loans to real estate entities of diversified conglomerates. The average loan-to-value (LTV) ratio of the performing book CRE portfolio remained stable at 54 per cent (31 December 2024: 54 per cent). The proportion of loans with an LTV greater than 80 per cent has increased to 6 per cent (31 December 2024: 4 per cent).

Total on and off-balance sheet exposure to China CRE decreased by $1.2 billion to $0.8 billion (31 December 2024: $2.0 billion) mainly from restructuring related write-offs and exposure reductions which also reduced stage 3 exposure to $0.4 billion (31 December 2024: $1.3 billion) and stage 3 provision coverage to 67 per cent (31 December 2024: 87 per cent). The Group continues to hold a judgemental management overlay, which decreased by $34 million to $36 million (31 December 2024: $70 million) due to repayments and utilisation during the year. The Group is further indirectly exposed to China CRE through its associate investment in China Bohai Bank.

The Group's loans and advances to Hong Kong CRE clients decreased by $1.0 billion to $1.5 billion (31 December 2024: $2.5 billion), due to repayments. 32 per cent (31 December 2024: 21 per cent) were in stage 2 and 6 per cent (31 December 2024: nil) in stage 3. Within stage 2, $0.4 billion (31 December 2024: nil) is rated as CG12. The portfolio is 86 per cent (31 December 2024: 82 per cent) secured with an average LTV of below 50 per cent (31 December 2024: below 40 per cent) and continues to be subject to proactive risk management with close monitoring of valuations and regular stress tests. The Group continues to hold a judgemental management overlay, which decreased by $11 million to $47 million (31 December 2024: $58 million) due to repayments and upgrades.

Read more on 'Judgemental management overlays' on page 271

High carbon sectors

The Group's high carbon sectors exposure has increased by $5.4 billion to $43.1 billion (31 December 2024: $37.7 billion) due to the oil and gas, CRE and power sectors. High carbon sector exposure is at 12.6 per cent of the Group's maximum exposure (31 December 2024: 11.8 per cent).

Oil and gas exposure has increased by $2.0 billion to $9.5 billion (31 December 2024: $7.4 billion) due to an increase in short-term trade products, increased lending to gas infrastructure projects, and increased Carbon Capture, Utilisation and Storage (CCUS) exposure.

CRE and power exposures have increased by $3 billion to $17 billion (31 December 2024: $14 billion) due to the growth of these sectors. Power continues to show a positive growth in lower carbon generation, through renewables financing, carbon efficient gas and the run-down of coal generation.

The increase in high carbon exposure does not directly translate into higher emissions intensity, as the exposure includes lending to both higher and lower emissions intensity counterparties, including sustainable finance and transition finance lending.

Read more on the emissions profile of all high carbon sectors on page 92; 'High carbon sectors' exposure on page 260; 2030 targets and progress against those targets on page 91

1 The Group's CRE net nominal exposure, adjusted for non-property collateral.

Maximum exposure to Credit Risk (audited)

The table below presents the Group's maximum exposure to Credit risk for its on-balance sheet and off-balance sheet financial instruments as at 31 December 2025, before and after taking into account any collateral held or other Credit risk mitigation.

Read more on 'Summary of Credit Risk performance' on page 234

	2025				2024			
	Credit risk management				Credit risk management			
	Maximum exposure $million	Collateral[8] $million	Master netting agreements $million	Net Exposure $million	Maximum exposure $million	Collateral[8] $million	Master netting agreements $million	Net exposure $million
On-balance sheet								
Cash and balances at central banks	**77,746**	–	–	**77,746**	63,447	–	–	63,447
Loans and advances to banks[1]	**43,901**	**3,724**	–	**40,177**	43,593	2,946	–	40,647
Of which – reverse repurchase agreements and other similar secured lending	**3,724**	**3,724**	–	–	2,946	2,946	–	–
Loans and advances to customers[1]	**286,788**	**134,253**	–	**152,535**	281,032	119,047	–	161,985
Of which – reverse repurchase agreements and other similar secured lending	**8,242**	**8,242**	–	–	9,660	9,660	–	–
Investment securities – Debt securities and other eligible bills[2,3]	**165,753**	–	–	**165,753**	143,562	–	–	143,562
Fair value through profit or loss[4]	**186,173**	**84,130**	–	**102,043**	172,031	86,195	–	85,836
Loans and advances to banks	**2,984**	–	–	**2,984**	2,213	–	–	2,213
Loans and advances to customers	**12,355**	–	–	**12,355**	7,084	–	–	7,084
Reverse repurchase agreements and other similar lending	**84,130**	**84,130**	–	–	86,195	86,195	–	–
Investment securities – Debt securities and other eligible bills[4]	**86,704**	–	–	**86,704**	76,539	–	–	76,539
Derivative financial instruments[5]	**65,782**	**14,168**	**44,712**	**6,902**	81,472	15,005	60,280	6,187
Accrued income	**2,631**	–	–	**2,631**	2,776	–	–	2,776
Assets held for sale[9]	**1,042**	–	–	**1,042**	889	–	–	889
Other assets[6]	**36,770**	–	–	**36,770**	34,585	–	–	34,585
Total balance sheet	**866,586**	**236,275**	**44,712**	**585,599**	823,387	223,193	60,280	539,914
Off-balance sheet[7]								
Undrawn Commitments	**199,245**	**3,513**	–	**195,732**	182,529	2,489	–	180,040
Financial Guarantees and other equivalents	**114,193**	**3,214**	–	**110,979**	90,632	1,807	–	88,825
Total off-balance sheet	**313,438**	**6,727**	–	**306,711**	273,161	4,296	–	268,865
Total	**1,180,024**	**243,002**	**44,712**	**892,310**	1,096,548	227,489	60,280	808,779

1 Amounts are net of ECL provisions. An analysis of credit quality is set out in the credit quality analysis section (page 239). Further details of collateral held by client segment and stage are set out in the collateral analysis section (page 255). The Group also has credit mitigation through Credit Default Swaps and Credit Linked Notes as set out on page 257.

2 Excludes equity and other investments of $1,203 million (31 December 2024: $994 million). Further details are set out in Note 13 financial instruments.

3 The Group has credit insurance over $4.2 billion (31 December 2024: $4.03 billion) of other eligible bills.

4 Excludes equity and other investments of $9,084 million (31 December 2024: $5,486 million). Further details are set out in Note 13 financial instruments.

5 The Group enters into master netting agreements, which in the event of default result in a single amount owed by or to the counterparty through netting the sum of the positive and negative mark-to-market values of applicable derivative transactions.

6 Other assets include Hong Kong certificates of indebtedness, cash collateral, and acceptances, in addition to unsettled trades and other financial assets.

7 Excludes ECL provisions of $224 million (31 December 2024: $255 million) which are reported under Provisions for liabilities and charges.

8 Adjusted for over-collateralisation, which has been determined with reference to the drawn and undrawn component as this best reflects the effect on the amount arising from expected credit losses.

9 The amount is after ECL provisions. Further details are set out in Note 21 Assets held for sale and associated liabilities.

Analysis of financial instruments by stage (audited)

The table below presents the gross and credit impairment balances by stage for the Group's amortised cost and FVOCI financial instruments as at 31 December 2025.

Read more on 'Summary of Credit Risk performance' on page 234

	2025											
	Stage 1			Stage 2			Stage 3			Total		
	Gross balance[1] $million	Total credit impairment $million	Net carrying value $million	Gross balance[1] $million	Total credit impairment $million	Net carrying value $million	Gross balance[1] $million	Total credit impairment $million	Net carrying value $million	Gross balance[1] $million	Total credit impairment $million	Net carrying value $million
Cash and balances at central banks	**76,520**	**–**	**76,520**	**463**	**(1)**	**462**	**773**	**(9)**	**764**	**77,756**	**(10)**	**77,746**
Loans and advances to banks (amortised cost)	**43,608**	**(6)**	**43,602**	**217**	**(1)**	**216**	**90**	**(7)**	**83**	**43,915**	**(14)**	**43,901**
Loans and advances to customers (amortised cost)	**275,062**	**(528)**	**274,534**	**9,823**	**(446)**	**9,377**	**5,964**	**(3,087)**	**2,877**	**290,849**	**(4,061)**	**286,788**
Debt securities and other eligible bills[5]	**164,283**	**(56)**		**1,198**	**(5)**		**296**	**(5)**		**165,777**	**(66)**	
Amortised cost	**57,005**	**(22)**	**56,983**	**243**	**(2)**	**241**	**26**	**–**	**26**	**57,274**	**(24)**	**57,250**
FVOCI[2]	**107,278**	**(34)**		**955**	**(3)**		**270**	**(5)**		**108,503**	**(42)**	**–**
Accrued income (amortised cost)[4]	**2,631**		**2,631**			**–**			**–**	**2,631**	**–**	**2,631**
Assets held for sale	**1,053**	**(22)**	**1,031**	**8**	**–**	**8**	**8**	**(5)**	**3**	**1,069**	**(27)**	**1,042**
Other assets[4]	**36,769**	**–**	**36,769**	**–**	**–**	**–**	**7**	**(6)**	**1**	**36,776**	**(6)**	**36,770**
Undrawn commitments[3]	**195,032**	**(49)**		**4,208**	**(33)**		**5**	**(2)**		**199,245**	**(84)**	
Financial guarantees, trade credits and irrevocable letter of credits[3]	**112,091**	**(26)**		**1,511**	**(16)**		**591**	**(98)**		**114,193**	**(140)**	
Total	**907,049**	**(687)**		**17,428**	**(502)**		**7,734**	**(3,219)**		**932,211**	**(4,408)**	

1 Gross carrying amount for off-balance sheet refers to notional values.
2 These instruments are held at fair value on the balance sheet. The ECL provision in respect of debt securities measured at FVOCI is held within the OCI reserve.
3 These are off-balance sheet instruments. Only the ECL is recorded on-balance sheet as a liability and therefore there is no 'net carrying amount'. ECL allowances on off-balance sheet instruments are held as liability provisions to the extent that the drawn and undrawn components of loan exposures can be separately identified. Otherwise they will be reported against the drawn component.
4 Stage 1 ECL is not material.
5 Stage 3 gross includes $278 million originated credit-impaired debt securities with impairment of $5 million.

	2024											
	Stage 1			Stage 2			Stage 3			Total		
	Gross balance[1] $million	Total credit impairment $million	Net carrying value $million	Gross balance[1] $million	Total credit impairment $million	Net carrying value $million	Gross balance[1] $million	Total credit impairment $million	Net carrying value $million	Gross balance[1] $million	Total credit impairment $million	Net carrying value $million
Cash and balances at central banks	62,597	–	62,597	432	(4)	428	426	(4)	422	63,455	(8)	63,447
Loans and advances to banks (amortised cost)	43,208	(10)	43,198	318	(1)	317	83	(5)	78	43,609	(16)	43,593
Loans and advances to customers (amortised cost)	269,102	(483)	268,619	10,631	(473)	10,158	6,203	(3,948)	2,255	285,936	(4,904)	281,032
Debt securities and other eligible bills[5]	141,862	(23)		1,614	(4)		103	(2)		143,579	(29)	
Amortised cost	54,637	(15)	54,622	475	(2)	473	42	–	42	55,154	(17)	55,137
FVOCI[2]	87,225	(8)		1,139	(2)		61	(2)		88,425	(12)	
Accrued income (amortised cost)[4]	2,776		2,776			–			–	2,776	–	2,776
Assets held for sale	840	(7)	833	38	–	38	58	(45)	13	936	(52)	884
Other assets[4]	34,585	–	34,585	–	–	–	3	(3)	–	34,588	(3)	34,585
Undrawn commitments[3]	178,516	(50)		4,006	(52)		7	(1)		182,529	(103)	
Financial guarantees, trade credits and irrevocable letter of credits[3]	87,991	(16)		2,038	(7)		603	(129)		90,632	(152)	
Total	821,477	(589)		19,077	(541)		7,486	(4,137)		848,040	(5,267)	

1 Gross carrying amount for off-balance sheet refers to notional values.
2 These instruments are held at fair value on the balance sheet. The ECL provision in respect of debt securities measured at FVOCI is held within the OCI reserve.
3 These are off-balance sheet instruments. Only the ECL is recorded on-balance sheet as a liability and therefore there is no 'net carrying amount'. ECL allowances on off-balance sheet instruments are held as liability provisions to the extent that the drawn and undrawn components of loan exposures can be separately identified. Otherwise they will be reported against the drawn component.
4 Stage 1 ECL is not material.
5 Stage 3 gross includes $59 million originated credit-impaired debt securities with impairment of Nil.

Credit quality analysis (audited)

Credit quality by client segment

For CIB, exposures are analysed by credit grade (CG), which plays a central role in the quality assessment and monitoring of risk. All loans are assigned a CG, which is reviewed periodically and amended in light of changes in the borrower's circumstances or behaviour. CGs 1 to 12 are assigned to stage 1 and stage 2 (performing) clients or accounts, while CGs 13 and 14 are assigned to stage 3 (credit-impaired) clients. Consumer and Business Banking portfolios are analysed by days past due and Private Banking by the type of collateral held.

Mapping of credit quality

The Group uses the following internal risk mapping to determine the credit quality for loans.

Credit quality description	Corporate & Investment Banking			Private Banking[1]	Wealth & Retail Banking[4]
	Internal grade mapping	S&P external ratings equivalent	Regulatory PD range (%)	Internal ratings	Internal grade mapping
Strong	1A to 5B	AAA/AA+ to BBB-/ BB+[2]	0 to 0.425	Class I and Class IV	Current loans (no past dues nor impaired)
Satisfactory	6A to 11C	BB to CCC+[3]	0.426 to 15.75	Class II and Class III	Loans past due till 29 days
Higher risk	Grade 12	CCC+ to C	15.751 to 99.999	Stressed Assets Group (SAG) Managed	Past due loans 30 days and over till 90 days

1 For Private Banking, classes of risk represent the type of collateral held. Class I represents facilities with liquid collateral, such as cash and marketable securities. Class II represents unsecured/partially secured facilities and those with illiquid collateral, such as equity in private enterprises. Class III represents facilities with residential or commercial real estate collateral. Class IV covers margin trading facilities.

2 Banks' rating: AAA/AA+ to BB+/BB. Sovereigns' rating: AAA to BB+.

3 Banks' rating: BB to 'CCC+ to C'. Sovereigns' rating: BB+/BB to B-/CCC+.

4 Wealth & Retail Banking excludes Private Banking. Medium enterprise clients within Business Banking are managed using the same internal credit grades as CIB.

The table below sets out the gross loans and advances held at amortised cost, ECL provisions and ECL coverage by business segment and stage. ECL coverage represents the ECL reported for each segment and stage as a proportion of the gross loan balance for each segment and stage.

Read more on 'Summary of Credit Risk performance' on page 234

Loans and advances by client segment (audited)

	2025							
		Customers						
Amortised cost	Banks $million	Corporate & Investment Banking $million	Wealth & Retail Banking $million	Ventures $million	Central & other items $million	Customer Total $million	Undrawn commitments $million	Financial Guarantees $million
Stage 1	43,608	132,772	124,657	2,649	14,984	275,062	195,032	112,091
· Strong	31,257	94,399	119,351	2,628	14,228	230,606	176,123	67,184
· Satisfactory	12,351	38,373	5,306	21	756	44,456	18,909	44,907
Stage 2	217	7,859	1,903	61	–	9,823	4,208	1,511
· Strong	42	1,767	1,414	39	–	3,220	1,340	351
· Satisfactory	172	4,984	154	8	–	5,146	2,662	1,052
· Higher risk	3	1,108	335	14	–	1,457	206	108
Of which (stage 2):								
· Less than 30 days past due	–	86	154	8	–	248	–	–
· More than 30 days past due	3	158	335	14	–	507	–	–
Stage 3, credit-impaired financial assets	90	4,201	1,723	38	2	5,964	5	591
Gross balance[1]	43,915	144,832	128,283	2,748	14,986	290,849	199,245	114,193
Stage 1	(6)	(128)	(346)	(42)	(12)	(528)	(49)	(26)
· Strong	(2)	(59)	(304)	(39)	(12)	(414)	(28)	(12)
· Satisfactory	(4)	(69)	(42)	(3)	–	(114)	(21)	(14)
Stage 2	(1)	(310)	(114)	(22)	–	(446)	(33)	(16)
· Strong	(1)	(4)	(79)	(13)	–	(96)	(4)	–
· Satisfactory	–	(217)	(12)	(3)	–	(232)	(20)	(9)
· Higher risk	–	(89)	(23)	(6)	–	(118)	(9)	(7)
Of which (stage 2):								
· Less than 30 days past due	–	(9)	(12)	(3)	–	(24)	–	–
· More than 30 days past due	–	(1)	(23)	(6)	–	(30)	–	–
Stage 3, credit-impaired financial assets	(7)	(2,214)	(846)	(25)	(2)	(3,087)	(2)	(98)
Total credit impairment	(14)	(2,652)	(1,306)	(89)	(14)	(4,061)	(84)	(140)
Net carrying value	43,901	142,180	126,977	2,659	14,972	286,788		
Stage 1	0.0%	0.1%	0.3%	1.6%	0.1%	0.2%	0.0%	0.0%
· Strong	0.0%	0.1%	0.3%	1.5%	0.1%	0.2%	0.0%	0.0%
· Satisfactory	0.0%	0.2%	0.8%	14.3%	0.0%	0.3%	0.1%	0.0%
Stage 2	0.5%	3.9%	6.0%	36.1%	0.0%	4.5%	0.8%	1.1%
· Strong	2.4%	0.2%	5.6%	33.3%	0.0%	3.0%	0.3%	0.0%
· Satisfactory	0.0%	4.4%	7.8%	37.5%	0.0%	4.5%	0.8%	0.9%
· Higher risk	0.0%	8.0%	6.9%	42.9%	0.0%	8.1%	4.4%	6.5%
Of which (stage 2):								
· Less than 30 days past due	0.0%	10.5%	7.8%	37.5%	0.0%	9.7%	0.0%	0.0%
· More than 30 days past due	0.0%	0.6%	6.9%	42.9%	0.0%	5.9%	0.0%	0.0%
Stage 3, credit-impaired financial assets (S3)	7.8%	52.7%	49.1%	65.8%	100.0%	51.8%	40.0%	16.6%
· Stage 3 Collateral	–	314	678	–	–	992	–	56
· Stage 3 Cover ratio (after collateral)	7.8%	60.2%	88.5%	65.8%	100.0%	68.4%	40.0%	26.1%
Cover ratio	0.0%	1.8%	1.0%	3.2%	0.1%	1.4%	0.0%	0.1%
Fair value through profit or loss								
Performing	36,580	62,780	2	1	–	62,783	–	–
· Strong	28,277	39,351	2	1	–	39,354	–	–
· Satisfactory	8,303	23,429	–	–	–	23,429	–	–
· Higher risk	–	–	–	–	–	–	–	–
Impaired (CG13-14)	92	14	–	–	–	14	–	–
Gross balance (FVTPL)[2]	36,672	62,794	2	1	–	62,797	–	–
Net carrying value (incl FVTPL)	80,573	204,974	126,979	2,660	14,972	349,585	–	–

1 Loans and advances includes reverse repurchase agreements and other similar secured lending of $8,242 million under Customers and of $3,724 million under Banks, held at amortised cost.

Loans and advances includes reverse repurchase agreements and other similar secured lending of $50,443 million under Customers and of $33,689 million under Banks, held at fair value through profit or loss.

Credit Risk (audited)

	2024							
		Customers						
Amortised cost	Banks $million	Corporate & Investment Banking $million	Wealth & Retail Banking $million	Ventures $million	Central & other items $million	Customer Total $million	Undrawn commitments $million	Financial Guarantees $million
Stage 1	43,208	128,746	117,015	1,383	21,958	269,102	178,516	87,991
· Strong	31,239	90,725	111,706	1,367	21,540	225,338	162,574	56,070
· Satisfactory	11,969	38,021	5,309	16	418	43,764	15,942	31,921
Stage 2	318	8,643	1,905	48	35	10,631	4,006	2,038
· Strong	8	1,229	1,413	31	–	2,673	994	471
· Satisfactory	125	6,665	155	6	–	6,826	2,862	1,403
· Higher risk	185	749	337	11	35	1,132	150	164
Of which (stage 2):								
· Less than 30 days past due	–	55	155	6	–	216	–	–
· More than 30 days past due	2	7	337	11	–	355	–	–
Stage 3, credit-impaired financial assets	83	4,476	1,617	12	98	6,203	7	603
Gross balance[1]	43,609	141,865	120,537	1,443	22,091	285,936	182,529	90,632
Stage 1	(10)	(80)	(383)	(20)	–	(483)	(50)	(16)
· Strong	(7)	(28)	(325)	(18)	–	(371)	(33)	(7)
· Satisfactory	(3)	(52)	(58)	(2)	–	(112)	(17)	(9)
Stage 2	(1)	(303)	(147)	(23)	–	(473)	(52)	(7)
· Strong	–	(41)	(70)	(14)	–	(125)	(10)	–
· Satisfactory	(1)	(218)	(32)	(3)	–	(253)	(32)	(4)
· Higher risk	–	(44)	(45)	(6)	–	(95)	(10)	(3)
Of which (stage 2):								
· Less than 30 days past due	–	(1)	(32)	(3)	–	(36)	–	–
· More than 30 days past due	–	–	(45)	(6)	–	(51)	–	–
Stage 3, credit-impaired financial assets	(5)	(3,178)	(759)	(11)	–	(3,948)	(1)	(129)
Total credit impairment	(16)	(3,561)	(1,289)	(54)	–	(4,904)	(103)	(152)
Net carrying value	43,593	138,304	119,248	1,389	22,091	281,032	–	–
Stage 1	0.0%	0.1%	0.3%	1.4%	0.0%	0.2%	0.0%	0.0%
· Strong	0.0%	0.0%	0.3%	1.3%	0.0%	0.2%	0.0%	0.0%
· Satisfactory	0.0%	0.1%	1.1%	12.5%	0.0%	0.3%	0.1%	0.0%
Stage 2	0.3%	3.6%	7.7%	47.9%	0.0%	4.4%	1.3%	0.3%
· Strong	0.0%	3.3%	5.0%	45.2%	0.0%	4.7%	1.0%	0.0%
· Satisfactory	0.8%	3.3%	20.6%	50.0%	0.0%	3.7%	1.1%	0.3%
· Higher risk	0.0%	5.9%	13.4%	54.5%	0.0%	8.4%	6.7%	1.8%
Of which (stage 2):								
· Less than 30 days past due	0.0%	1.8%	20.6%	50.0%	0.0%	16.7%	0.0%	0.0%
· More than 30 days past due	0.0%	0.0%	13.4%	54.5%	0.0%	14.4%	0.0%	0.0%
Stage 3, credit-impaired financial assets (S3)	6.0%	71.0%	46.9%	91.7%	0.0%	63.6%	14.3%	21.4%
· Stage 3 Collateral	1	297	584	–	–	881	–	46
· Stage 3 Cover ratio (after collateral)	7.2%	77.6%	83.1%	91.7%	0.0%	77.8%	14.3%	29.0%
Cover ratio	0.0%	2.5%	1.1%	3.7%	0.0%	1.7%	0.1%	0.2%
Fair value through profit or loss								
Performing	36,967	58,506	6	–	–	58,512	–	–
· Strong	30,799	38,084	3	–	–	38,087	–	–
· Satisfactory	6,158	20,314	3	–	–	20,317	–	–
· Higher risk	10	108	–	–	–	108	–	–
Impaired (CG13-14)	–	13	–	–	–	13	–	–
Gross balance (FVTPL)[2]	36,967	58,519	6	–	–	58,525	–	–
Net carrying value (incl FVTPL)	80,560	196,823	119,254	1,389	22,091	339,557	–	–

1 Loans and advances includes reverse repurchase agreements and other similar secured lending of $9,660 million under Customers and of $2,946 million under Banks, held at amortised cost.

2 Loans and advances includes reverse repurchase agreements and other similar secured lending of $51,441 million under Customers and of $34,754 million under Banks, held at fair value through profit or loss.

Loans and advance analysis by client segment, credit quality and key geography

Credit grade	Regulatory 1 year PD range (%)	S&P external ratings equivalent	2025 Corporate & Investment Banking and Central & other items Gross Stage 1 $million	Gross Stage 2 $million	Gross Stage 3 $million	Gross Total $million	Credit impairment Stage 1 $million	Credit impairment Stage 2 $million	Credit impairment Stage 3 $million	Credit impairment Total $million
Strong			**108,627**	**1,767**	**–**	**110,394**	**(71)**	**(4)**	**–**	**(75)**
1A-2B	0 – 0.045	A+ and above	**27,495**	**71**	**–**	**27,566**	**(14)**	**–**	**–**	**(14)**
3A-4A	0.046 – 0.110	A/A- to BBB+/BBB	**32,856**	**428**	**–**	**33,284**	**(3)**	**–**	**–**	**(3)**
4B-5B	0.111 – 0.425	BBB to BBB-/BB+	**48,276**	**1,268**	**–**	**49,544**	**(54)**	**(4)**	**–**	**(58)**
Satisfactory			**39,129**	**4,984**	**–**	**44,113**	**(69)**	**(217)**	**–**	**(286)**
6A-7B	0.426 – 1.350	BB+/BB to BB-	**24,871**	**1,564**	**–**	**26,435**	**(16)**	**(26)**	**–**	**(42)**
8A-9B	1.351 – 4.000	BB-/B+ to B	**9,738**	**1,758**	**–**	**11,496**	**(36)**	**(125)**	**–**	**(161)**
10A-11C	4.001 – 15.75	B/B- to B-/CCC+	**4,520**	**1,662**	**–**	**6,182**	**(17)**	**(66)**	**–**	**(83)**
Higher risk			**–**	**1,108**	**–**	**1,108**	**–**	**(89)**	**–**	**(89)**
12	15.751 – 99.999	CCC/C	**–**	**1,108**	**–**	**1,108**	**–**	**(89)**	**–**	**(89)**
Credit-impaired			**–**	**–**	**4,203**	**4,203**	**–**	**–**	**(2,216)**	**(2,216)**
13-14	100	Impaired	**–**	**–**	**4,203**	**4,203**	**–**	**–**	**(2,216)**	**(2,216)**
Total			**147,756**	**7,859**	**4,203**	**159,818**	**(140)**	**(310)**	**(2,216)**	**(2,666)**

			2024							
Strong			112,265	1,229	–	113,494	(28)	(41)	–	(69)
1A-2B	0 – 0.045	A+ and above	32,160	31	–	32,191	(2)	–	–	(2)
3A-4A	0.046 – 0.110	A/A- to BBB+/BBB	40,712	524	–	41,236	(8)	(33)	–	(41)
4B-5B	0.111 – 0.425	BBB to BBB-/BB+	39,393	674	–	40,067	(18)	(8)	–	(26)
Satisfactory			38,439	6,665	–	45,104	(52)	(218)	–	(270)
6A-7B	0.426 – 1.350	BB+/BB to BB-	24,928	2,677	–	27,605	(21)	(24)	–	(45)
8A-9B	1.351 – 4.000	BB-/B+ to B	9,514	2,618	–	12,132	(20)	(169)	–	(189)
10A-11C	4.001 – 15.75	B/B- to B-/CCC+	3,997	1,370	–	5,367	(11)	(25)	–	(36)
Higher risk			–	784	–	784	–	(44)	–	(44)
12	15.751 – 99.999	CCC/C	–	784	–	784	–	(44)	–	(44)
Credit-impaired			–	–	4,574	4,574	–	–	(3,178)	(3,178)
13-14	100	Impaired	–	–	4,574	4,574	–	–	(3,178)	(3,178)
Total			150,704	8,678	4,574	163,956	(80)	(303)	(3,178)	(3,561)

Undrawn commitment and financial guarantees by client segment and credit quality

			2025							
			Corporate & Investment Banking and Central & other items							
			Notional				Credit impairment			
Credit grade	Regulatory 1 year PD range (%)	S&P external ratings equivalent	Stage 1 $million	Stage 2 $million	Stage 3 $million	Total $million	Stage 1 $million	Stage 2 $million	Stage 3 $million	Total $million
Strong			**165,772**	**1,499**	**–**	**167,271**	**(26)**	**(1)**	**–**	**(27)**
1A-2B	0 – 0.045	A+ and above	**30,194**	**344**	**–**	**30,538**	**(2)**	**–**	**–**	**(2)**
3A-4A	0.046 – 0.110	A/A- to BBB+/BBB	**60,619**	**453**	**–**	**61,072**	**(5)**	**–**	**–**	**(5)**
4B-5B	0.111 – 0.425	BBB to BBB-/BB+	**74,959**	**702**	**–**	**75,661**	**(19)**	**(1)**	**–**	**(20)**
Satisfactory			**62,472**	**3,652**	**–**	**66,124**	**(32)**	**(28)**	**–**	**(60)**
6A-7B	0.426 – 1.350	BB+/BB to BB-	**46,842**	**1,299**	**–**	**48,141**	**(16)**	**(3)**	**–**	**(19)**
8A-9B	1.351 – 4.000	BB-/B+ to B	**11,762**	**1,388**	**–**	**13,150**	**(11)**	**(16)**	**–**	**(27)**
10A-11C	4.001 – 15.75	B/B- to B-/CCC+	**3,868**	**965**	**–**	**4,833**	**(5)**	**(9)**	**–**	**(14)**
Higher risk			**–**	**292**	**–**	**292**	**–**	**(16)**	**–**	**(16)**
12	15.751 – 99.999	CCC+/C	**–**	**292**	**–**	**292**	**–**	**(16)**	**–**	**(16)**
Credit-impaired			**–**	**–**	**583**	**583**	**–**	**–**	**(100)**	**(100)**
13-14	100	Impaired	**–**	**–**	**583**	**583**	**–**	**–**	**(100)**	**(100)**
Total			**228,244**	**5,443**	**583**	**234,270**	**(58)**	**(45)**	**(100)**	**(203)**
						2024				
Strong			140,733	1,265	–	141,998	(22)	(6)	–	(29)
1A-2B	0 – 0.045	A+ and above	29,623	280	–	29,903	(1)	–	–	(1)
3A-4A	0.046 – 0.110	A/A- to BBB+/BBB	53,568	492	–	54,060	(4)	–	–	(4)
4B-5B	0.111 – 0.425	BBB to BBB-/BB+	57,542	493	–	58,035	(17)	(6)	–	(23)
Satisfactory			46,394	4,200	–	50,594	(23)	(33)	–	(56)
6A-7B	0.426 – 1.350	BB+/BB to BB-	2,544	1,065	–	3,609	(4)	(6)	–	(10)
8A-9B	1.351 – 4.000	BB-/B+ to B	30,438	1,162	–	31,600	(11)	(16)	–	(27)
10A-11C	4.001 – 15.75	B/B- to B-/CCC+	13,412	1,973	–	15,385	(8)	(11)	–	(19)
Higher risk			–	286	–	286	–	(11)	–	(11)
12	15.751 – 99.999	CCC+/C	–	286	–	286	–	(11)	–	(11)
Credit-impaired			–	–	593	593	–	–	(129)	(129)
13-14	100	Impaired	–	–	593	593	–	–	(129)	(129)
Total			187,127	5,751	593	193,471	(45)	(50)	(129)	(224)

Loans and advances analysis by client segment, credit quality and key geography

	Corporate & Investment Banking and Central & other items																		
	2025																		
	Gross									Credit Impairment									
	Stage 1			Stage 2				Stage 3		Stage 1			Stage 2				Stage 3		
	Strong $million	Satisfactory $million	Total $million	Strong $million	Satisfactory $million	Higher Risk $million	Total $million	Defaulted $million	Total $million	Strong $million	Satisfactory $million	Total $million	Strong $million	Satisfactory $million	Higher Risk $million	Total $million	Impaired $million	Total $million	Total Coverage %
Hong Kong	**29,977**	**11,244**	**41,221**	**235**	**1,140**	**433**	**1,808**	**1,181**	**1,181**	**(19)**	**(25)**	**(44)**	**–**	**(78)**	**(78)**	**(156)**	**(424)**	**(424)**	**(1.4)%**
Corporate Lending	**15,933**	**4,481**	**20,414**	**215**	**1,127**	**382**	**1,724**	**546**	**546**	**(16)**	**(20)**	**(36)**	**–**	**(75)**	**(78)**	**(153)**	**(384)**	**(384)**	**(2.5)%**
Non Corporate Lending[1]	**5,337**	**2,255**	**7,592**	**20**	**13**	**51**	**84**	**588**	**588**	**(1)**	**(4)**	**(5)**	**–**	**(3)**	**–**	**(3)**	**(39)**	**(39)**	**(0.6)%**
Banks	**8,707**	**4,508**	**13,215**	**–**	**–**	**–**	**–**	**47**	**47**	**(2)**	**(1)**	**(3)**	**–**	**–**	**–**	**–**	**(1)**	**(1)**	**(0.0)%**
Singapore	**25,585**	**9,638**	**35,223**	**636**	**962**	**25**	**1,623**	**240**	**240**	**(4)**	**(11)**	**(15)**	**(2)**	**(16)**	**–**	**(18)**	**(170)**	**(170)**	**(0.5)%**
Corporate Lending	**9,996**	**4,552**	**14,548**	**617**	**849**	**25**	**1,491**	**162**	**162**	**(3)**	**(9)**	**(12)**	**(2)**	**(16)**	**–**	**(18)**	**(159)**	**(159)**	**(1.2)%**
Non Corporate Lending[1]	**11,217**	**1,198**	**12,415**	**–**	**71**	**–**	**71**	**39**	**39**	**(1)**	**(1)**	**(2)**	**–**	**–**	**–**	**–**	**(8)**	**(8)**	**(0.1)%**
Banks	**4,372**	**3,888**	**8,260**	**19**	**42**	**–**	**61**	**39**	**39**	**–**	**(1)**	**(1)**	**–**	**–**	**–**	**–**	**(3)**	**(3)**	**(0.0)%**
China	**12,149**	**1,718**	**13,867**	**–**	**123**	**12**	**135**	**89**	**89**	**(2)**	**(1)**	**(3)**	**–**	**–**	**–**	**–**	**(16)**	**(16)**	**(0.1)%**
Corporate Lending	**4,410**	**1,196**	**5,606**	**–**	**122**	**12**	**134**	**87**	**87**	**(1)**	**(1)**	**(2)**	**–**	**–**	**–**	**–**	**(14)**	**(14)**	**(0.3)%**
Non Corporate Lending[1]	**4,321**	**210**	**4,531**	**–**	**–**	**–**	**–**	**–**	**–**	**(1)**	**–**	**(1)**	**–**	**–**	**–**	**–**	**–**	**–**	**(0.0)%**
Banks	**3,418**	**312**	**3,730**	**–**	**1**	**–**	**1**	**2**	**2**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(2)**	**(2)**	**(0.1)%**
UK	**16,597**	**7,627**	**24,224**	**52**	**1,300**	**462**	**1,814**	**868**	**868**	**–**	**–**	**–**	**–**	**(30)**	**–**	**(30)**	**(371)**	**(371)**	**(1.5)%**
Corporate Lending	**7,136**	**3,350**	**10,486**	**52**	**1,129**	**462**	**1,643**	**538**	**538**	**–**	**–**	**–**	**–**	**(28)**	**–**	**(28)**	**(346)**	**(346)**	**(3.0)%**
Non Corporate Lending[1]	**7,028**	**2,188**	**9,216**	**–**	**87**	**–**	**87**	**329**	**329**	**–**	**–**	**–**	**–**	**(2)**	**–**	**(2)**	**(24)**	**(24)**	**(0.3)%**
Banks	**2,433**	**2,089**	**4,522**	**–**	**84**	**–**	**84**	**1**	**1**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1)**	**(1)**	**(0.0)%**
US	**20,847**	**3,737**	**24,584**	**431**	**417**	**–**	**848**	**298**	**298**	**(2)**	**(3)**	**(5)**	**–**	**(21)**	**–**	**(21)**	**(53)**	**(53)**	**(0.3)%**
Corporate Lending	**6,629**	**3,075**	**9,704**	**163**	**367**	**–**	**530**	**298**	**298**	**(1)**	**(3)**	**(4)**	**–**	**(20)**	**–**	**(20)**	**(53)**	**(53)**	**(0.7)%**
Non Corporate Lending[1]	**13,681**	**171**	**13,852**	**258**	**44**	**–**	**302**	**–**	**–**	**(1)**	**–**	**(1)**	**–**	**(1)**	**–**	**(1)**	**–**	**–**	**(0.0)%**
Banks	**537**	**491**	**1,028**	**10**	**6**	**–**	**16**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**0.0%**
Others	**34,729**	**17,516**	**52,245**	**455**	**1,214**	**179**	**1,848**	**1,617**	**1,617**	**(46)**	**(33)**	**(79)**	**(3)**	**(72)**	**(11)**	**(86)**	**(1,189)**	**(1,189)**	**(2.4)%**
Corporate Lending	**18,355**	**13,663**	**32,018**	**428**	**1,108**	**176**	**1,712**	**1,341**	**1,341**	**(30)**	**(25)**	**(55)**	**(2)**	**(65)**	**(11)**	**(78)**	**(997)**	**(997)**	**(3.2)%**
Non Corporate Lending[1]	**4,586**	**2,788**	**7,374**	**14**	**67**	**–**	**81**	**275**	**275**	**(15)**	**(7)**	**(22)**	**–**	**(7)**	**–**	**(7)**	**(192)**	**(192)**	**(2.9)%**
Banks	**11,788**	**1,065**	**12,853**	**13**	**39**	**3**	**55**	**1**	**1**	**(1)**	**(1)**	**(2)**	**(1)**	**–**	**–**	**(1)**	**–**	**–**	**(0.0)%**
Total	**139,884**	**51,480**	**191,364**	**1,809**	**5,156**	**1,111**	**8,076**	**4,293**	**4,293**	**(73)**	**(73)**	**(146)**	**(5)**	**(217)**	**(89)**	**(311)**	**(2,223)**	**(2,223)**	**(1.3)%**

1 Include financing, insurance and non-banking corporations and governments.

Credit Risk (audited)

Corporate & Investment Banking and Central & other items

	2024																		
	Gross									Credit Impairment									
	Stage 1			Stage 2			Stage 3			Stage 1			Stage 2				Stage 3		
	Strong $million	Satisfactory $million	Total $million	Strong $million	Satisfactory $million	Higher Risk $million	Total $million	Defaulted $million	Total $million	Strong $million	Satisfactory $million	Total $million	Strong $million	Satisfactory $million	Higher Risk $million	Total $million	Impaired $million	Total $million	Total Coverage %
Hong Kong	29,643	12,079	41,722	230	1,539	64	1,833	1,308	1,308	(8)	(8)	(16)	(33)	(107)	(9)	(149)	(1,157)	(1,157)	(2.9)%
Corporate Lending	13,230	6,180	19,410	225	1,329	64	1,618	1,296	1,296	(5)	(4)	(9)	(33)	(102)	(9)	(144)	(1,157)	(1,157)	(5.9)%
Non Corporate Lending[1]	4,526	2,730	7,256	4	206	–	210	12	12	(1)	(3)	(4)	–	(5)	–	(5)	–	–	(0.1)%
Banks	11,887	3,169	15,056	1	4	–	5	–	–	(2)	(1)	(3)	–	–	–	–	–	–	(0.0)%
Singapore	34,114	8,762	42,876	500	1,019	35	1,554	337	337	–	(8)	(8)	(4)	(14)	–	(18)	(196)	(196)	(0.5)%
Corporate Lending	9,545	4,457	14,002	469	658	35	1,162	265	265	–	(6)	(6)	(4)	(14)	–	(18)	(195)	(195)	(1.4)%
Non Corporate Lending[1]	20,156	1,091	21,247	29	358	–	387	–	–	–	(1)	(1)	–	–	–	–	–	–	(0.0)%
Banks	4,413	3,214	7,627	2	3	–	5	72	72	–	(1)	(1)	–	–	–	–	(1)	(1)	(0.0)%
China	10,370	2,744	13,114	49	133	14	196	171	171	(3)	(1)	(4)	–	–	–	–	(86)	(86)	(0.7)%
Corporate Lending	4,934	2,143	7,077	49	133	14	196	168	168	(1)	(1)	(2)	–	–	–	–	(83)	(83)	(1.1)%
Non Corporate Lending[1]	3,241	363	3,604	–	–	–	–	–	–	(1)	–	(1)	–	–	–	–	–	–	(0.0)%
Banks	2,195	238	2,433	–	–	–	–	3	3	(1)	–	(1)	–	–	–	–	(3)	(3)	(0.2)%
UK	21,555	5,985	27,540	48	1,940	141	2,129	756	756	(10)	(4)	(14)	–	(27)	(6)	(33)	(258)	(258)	(1.0)%
Corporate Lending	2,331	2,082	4,413	47	1,433	27	1,507	658	658	(9)	(3)	(12)	–	(27)	(6)	(33)	(237)	(237)	(4.3)%
Non Corporate Lending[1]	17,040	1,753	18,793	1	507	112	620	97	97	(1)	(1)	(2)	–	–	–	–	(21)	(21)	(0.1)%
Banks	2,184	2,150	4,334	–	–	2	2	1	1	–	–	–	–	–	–	–	–	–	0.0%
US	15,707	4,400	20,107	92	433	33	558	4	4	(4)	(1)	(5)	(1)	(1)	–	(2)	(3)	(3)	(0.0)%
Corporate Lending	5,334	2,705	8,039	77	322	–	399	1	1	(3)	(1)	(4)	(1)	(1)	–	(2)	–	–	(0.1)%
Non Corporate Lending[1]	9,688	123	9,811	15	79	–	94	3	3	(1)	–	(1)	–	–	–	–	(3)	(3)	(0.0)%
Banks	685	1,572	2,257	–	32	33	65	–	–	–	–	–	–	–	–	–	–	–	0.0%
Others	32,116	16,437	48,553	318	1,726	681	2,725	2,081	2,081	(10)	(33)	(43)	(3)	(70)	(29)	(102)	(1,483)	(1,483)	(3.1)%
Corporate Lending	21,909	12,516	34,425	291	1,030	490	1,811	1,883	1,883	(6)	(26)	(32)	(3)	(38)	(28)	(69)	(1,333)	(1,333)	(3.8)%
Non Corporate Lending[1]	332	2,296	2,628	22	610	41	673	191	191	–	(6)	(6)	–	(31)	(1)	(32)	(149)	(149)	(5.4)%
Banks	9,875	1,625	11,500	5	86	150	241	7	7	(4)	(1)	(5)	–	(1)	–	(1)	(1)	(1)	(0.1)%
Total[2]	143,505	50,407	193,912	1,237	6,790	968	8,995	4,657	4,657	(35)	(55)	(90)	(41)	(219)	(44)	(304)	(3,183)	(3,183)	(1.7)%

1 Include financing, insurance and non-banking corporations and governments.

2 Amounts have been re-presented from management view to financial booking basis in line with RNS on Re-Presentation of Financial Information issued on 2 April 2025. Refer to the bridge tables in Note 40 on page 424.

	Wealth & Retail Banking and Ventures																		
	2025																		
	Gross									Credit impairment									
	Stage 1			Stage 2				Stage 3		Stage 1			Stage 2				Stage 3		
	Strong $million	Satisfactory $million	Total $million	Strong $million	Satisfactory $million	Higher Risk $million	Total $million	Defaulted $million	Total $million	Strong $million	Satisfactory $million	Total $million	Strong $million	Satisfactory $million	Higher Risk $million	Total $million	Impaired $million	Total $million	Total Coverage %
Hong Kong	**43,564**	**220**	**43,784**	**265**	**64**	**39**	**368**	**230**	**230**	**(74)**	**(10)**	**(84)**	**(32)**	**(5)**	**(9)**	**(46)**	**(77)**	**(77)**	**(0.5)%**
Mortgages	**31,375**	**150**	**31,525**	**70**	**46**	**12**	**128**	**67**	**67**	**(1)**	**–**	**(1)**	**–**	**–**	**–**	**–**	**(3)**	**(3)**	**(0.0)%**
Credit cards	**4,332**	**33**	**4,365**	**112**	**18**	**23**	**153**	**19**	**19**	**(49)**	**(5)**	**(54)**	**(30)**	**(5)**	**(9)**	**(44)**	**(16)**	**(16)**	**(2.5)%**
Others	**7,857**	**37**	**7,894**	**83**	**–**	**4**	**87**	**144**	**144**	**(24)**	**(5)**	**(29)**	**(2)**	**–**	**–**	**(2)**	**(58)**	**(58)**	**(1.1)%**
Singapore	**33,327**	**52**	**33,379**	**448**	**25**	**32**	**505**	**347**	**347**	**(63)**	**(17)**	**(80)**	**(7)**	**(2)**	**(7)**	**(16)**	**(279)**	**(279)**	**(1.1)%**
Mortgages	**15,809**	**12**	**15,821**	**196**	**18**	**11**	**225**	**16**	**16**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(7)**	**(7)**	**(0.0)%**
Credit cards	**2,531**	**25**	**2,556**	**18**	**7**	**20**	**45**	**22**	**22**	**(47)**	**(17)**	**(64)**	**(5)**	**(2)**	**(7)**	**(14)**	**(17)**	**(17)**	**(3.6)%**
Others	**14,987**	**15**	**15,002**	**234**	**–**	**1**	**235**	**309**	**309**	**(16)**	**–**	**(16)**	**(2)**	**–**	**–**	**(2)**	**(255)**	**(255)**	**(1.8)%**
Korea	**19,829**	**190**	**20,019**	**269**	**7**	**20**	**296**	**190**	**190**	**(23)**	**(2)**	**(25)**	**(12)**	**(2)**	**(1)**	**(15)**	**(78)**	**(78)**	**(0.6)%**
Mortgages	**15,321**	**150**	**15,471**	**232**	**6**	**15**	**253**	**88**	**88**	**(1)**	**–**	**(1)**	**(1)**	**–**	**–**	**(1)**	**(3)**	**(3)**	**(0.0)%**
Credit cards	**16**	**–**	**16**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**0.0%**
Others	**4,492**	**40**	**4,532**	**37**	**1**	**5**	**43**	**102**	**102**	**(22)**	**(2)**	**(24)**	**(11)**	**(2)**	**(1)**	**(14)**	**(75)**	**(75)**	**(2.4)%**
Rest of World	**25,259**	**4,865**	**30,124**	**471**	**66**	**258**	**795**	**994**	**994**	**(183)**	**(16)**	**(199)**	**(41)**	**(6)**	**(12)**	**(59)**	**(437)**	**(437)**	**(2.2)%**
Mortgages	**15,532**	**2,321**	**17,853**	**196**	**41**	**149**	**386**	**471**	**471**	**(4)**	**(5)**	**(9)**	**(2)**	**–**	**(1)**	**(3)**	**(148)**	**(148)**	**(0.9)%**
Credit cards	**1,124**	**15**	**1,139**	**95**	**4**	**9**	**108**	**28**	**28**	**(21)**	**(3)**	**(24)**	**(20)**	**(1)**	**(2)**	**(23)**	**(21)**	**(21)**	**(5.3)%**
Others	**8,603**	**2,529**	**11,132**	**180**	**21**	**100**	**301**	**495**	**495**	**(158)**	**(8)**	**(166)**	**(19)**	**(5)**	**(9)**	**(33)**	**(268)**	**(268)**	**(3.9)%**
Total	**121,979**	**5,327**	**127,306**	**1,453**	**162**	**349**	**1,964**	**1,761**	**1,761**	**(343)**	**(45)**	**(388)**	**(92)**	**(15)**	**(29)**	**(136)**	**(871)**	**(871)**	**(1.1)%**
										2024									
Hong Kong	41,906	320	42,226	288	47	40	375	228	228	(59)	(14)	(73)	(33)	(20)	(4)	(57)	(69)	(69)	(0.5)%
Mortgages	31,080	265	31,345	55	14	24	93	75	75	–	–	–	–	–	–	–	(7)	(7)	(0.0)%
Credit cards	4,210	19	4,229	93	30	1	124	14	14	(36)	(11)	(47)	(27)	(19)	(1)	(47)	(14)	(14)	(2.5)%
Others	6,616	36	6,652	140	3	15	158	139	139	(23)	(3)	(26)	(6)	(1)	(3)	(10)	(48)	(48)	(1.2)%
Singapore	26,755	52	26,807	441	39	34	514	312	312	(29)	(26)	(55)	(6)	(6)	(6)	(18)	(265)	(265)	(1.2)%
Mortgages	13,531	12	13,543	160	32	15	207	9	9	–	–	–	–	–	–	–	(4)	(4)	(0.0)%
Credit cards	2,248	25	2,273	14	5	16	35	16	16	(9)	(26)	(35)	(5)	(5)	(4)	(14)	(19)	(19)	(2.9)%
Others	10,976	15	10,991	267	2	3	272	287	287	(20)	–	(20)	(1)	(1)	(2)	(4)	(242)	(242)	(2.3)%
Korea	18,062	220	18,282	378	9	22	409	112	112	(22)	(1)	(23)	(28)	(4)	(1)	(33)	(33)	(33)	(0.5)%
Mortgages	13,198	171	13,369	250	8	17	275	62	62	–	–	–	–	–	–	–	(2)	(2)	(0.0)%
Credit cards	36	1	37	1	–	–	1	–	–	(1)	–	(1)	–	–	–	–	–	–	(2.6)%
Others	4,828	48	4,876	127	1	5	133	50	50	(21)	(1)	(22)	(28)	(4)	(1)	(33)	(31)	(31)	(1.7)%
Rest of World	26,085	4,998	31,083	338	76	241	655	977	977	(239)	(13)	(252)	(39)	(5)	(18)	(62)	(403)	(403)	(2.2)%
Mortgages	15,079	2,007	17,086	136	43	141	320	459	459	(4)	(2)	(6)	–	–	(1)	(1)	(124)	(124)	(0.7)%
Credit cards	1,148	351	1,499	29	12	19	60	40	40	(33)	(1)	(34)	(21)	–	(1)	(22)	(27)	(27)	(5.2)%
Others	9,858	2,640	12,498	173	21	81	275	478	478	(202)	(10)	(212)	(18)	(5)	(16)	(39)	(252)	(252)	(3.8)%
Total	112,808	5,590	118,398	1,445	171	337	1,953	1,629	1,629	(349)	(54)	(403)	(106)	(35)	(29)	(170)	(770)	(770)	(1.1)%

Undrawn commitment and financial guarantees – by client segment credit quality

	Wealth & Retail Banking and Ventures							
	2025							
	Notional				ECL			
Amortised cost	Stage 1 $million	Stage 2 $million	Stage 3 $million	Total $million	Stage 1 $million	Stage 2 $million	Stage 3 $million	Total $million
Strong	**70,447**	**82**	**–**	**70,529**	**(13)**	**(4)**	**–**	**(17)**
Satisfactory	**467**	**10**	**–**	**477**	**(2)**	**(1)**	**–**	**(3)**
Higher risk	**–**	**22**	**–**	**22**	**–**	**(1)**	**–**	**(1)**
Impaired	**–**	**–**	**4**	**4**	**–**	**–**	**–**	**–**
Total	**70,914**	**114**	**4**	**71,032**	**(15)**	**(6)**	**–**	**(21)**
				2024				
Strong	70,595	100	–	70,695	(15)	(3)	–	(18)
Satisfactory	850	11	–	861	(5)	(1)	–	(6)
Higher risk	–	21	–	21	–	(3)	–	(3)
Impaired	–	–	8	8	–	–	–	–
Total	71,445	132	8	71,585	(20)	(7)	–	(27)

Movement in gross exposures and credit impairment for loans and advances, debt securities, undrawn commitments and financial guarantees (audited)

The tables overleaf set out the movement in gross exposures and credit impairment by stage in respect of amortised cost loans to banks and customers, undrawn commitments, financial guarantees and debt securities classified at amortised cost and FVOCI. The tables are presented for the Group and separately for CIB and WRB (which also includes a separate presentation for secured and unsecured exposures).

Methodology

The movement lines within the tables are an aggregation of monthly movements over the year and will therefore reflect the accumulation of multiple trades during the year. The credit impairment charge in the income statement comprises the amounts within the boxes in the table below, less recoveries of amounts previously written off. Discount unwind is reported in net interest income and related to stage 3 financial instruments only.

The approach for determining the key line items in the tables is set out below.

- **Transfers** – transfers between stages are deemed to occur at the beginning of a month based on prior month closing balances.
- **Net remeasurement from stage changes** – the remeasurement of credit impairment provisions arising from a change in stage is reported within the stage that the assets are transferred to. For example, assets transferred into stage 2 are remeasured from a 12-month to a lifetime ECL, with the effect of remeasurement reported in stage 2. For stage 3, this represents the initial remeasurement from specific provisions recognised on individual assets transferred into stage 3 in the year.
- **Net changes in exposures** – new business written less repayments in the year. Within stage 1, new business written will attract up to 12 months of ECL charges. Repayments of non-amortising loans (primarily within CIB) will have low amounts of ECL provisions attributed to them, due to the release of provisions over the term to maturity. In stages 2 and 3, the net change in exposures reflects repayments although stage 2 may include new facilities where clients are on non-purely precautionary early alert, are CG 12.
- **Changes in risk parameters** – for stages 1 and 2, this reflects changes in the probability of default (PD), loss given default (LGD) and exposure at default (EAD) of assets during the year, which includes the impact of releasing provisions over the term to maturity. It also includes the effect of changes in forecasts of macroeconomic variables during the year. In stage 3, this line represents additional specific provisions recognised on exposures held within stage 3.
- **Interest due but not paid** – change in contractual amount of interest due in stage 3 financial instruments but not paid, being the net of accruals, repayments and write-offs, together with the corresponding change in credit impairment.

Changes to ECL models, which incorporate changes to model approaches and methodologies, are not reported as a separate line item as these have an impact over a number of lines and stages.

Movements during the year

Stage 1 gross exposures increased by $69.4 billion to $790.1 billion (31 December 2024: $720.7 billion). CIB exposure increased by $45.5 billion to $412.6 billion (31 December 2024: $367.1 billion), due to an increase in exposures in financial guarantees in the financing, insurance and non-banking sector. WRB exposures increased by $6.5 billion to $186.1 billion (31 December 2024: $179.6 billion), largely driven by mortgages in Korea and Singapore, and increased demand in secured wealth products. Debt securities increased by $22.4 billion, largely in the Central and other items segment which had also seen a $7.0 billion reduction in loan balances to customers. Total stage 1 provisions increased by $83 million to $665 million (31 December 2024: $582 million). CIB provisions increased by $61 million to $194 million (31 December 2024: $133 million), due to an increase in management overlays and portfolio movements. WRB provisions reduced by $41 million to $351 million (31 December 2024: $392 million), due to a pivot to affluent clients.

Stage 2 gross exposures decreased by $1.7 billion to $17.0 billion (31 December 2024: $18.6 billion), primarily driven by a net reduction in CIB exposures primarily due to a sovereign upgrade, model changes and portfolio movements. WRB exposures were broadly stable at $2.0 billion (31 December 2024: $2.0 billion). Stage 2 provisions decreased by $36 million to $501 million (31 December 2024: $537 million). CIB provisions decreased by $8 million to $354 million (31 December 2024: $362 million), due to portfolio movements and sovereign upgrade. WRB provisions decreased by $31 million to $120 million (31 December 2024: $151 million) mainly driven by improvements from credit remediation actions. Debt securities primarily held in the Central and other items segment decreased by $416 million, due to sovereign upgrades.

Stage 3 gross exposures remained stable at $6.9 billion (31 December 2024: $7.0 billion). CIB exposures decreased by $0.3 billion to $4.9 billion (31 December 2024: $5.2 billion) due to repayments, restructuring related write-offs, which was offset by one downgrade in the government sector. Debt securities classified as purchased or originated credit-impaired instruments (POCI) increased by $0.2 billion to $0.3 billion (31 December 2024: $0.1 billion) due to higher holdings of treasury bills in one defaulted sovereign. WRB exposures remained stable at $1.7 billion (31 December 2024: $1.6 billion). CIB provisions decreased by $1 billion to $2.3 billion (31 December 2024: $3.3 billion), due to releases from repayments and restructuring related write-offs. WRB provisions remained stable at $0.8 billion (31 December 2024: $0.8 billion). The amount of stage 3 exposures written off in 2025 that remain subject to enforcement activity is $1.7 billion (31 December 2024: $1.2 billion).

All segments (audited)

Amortised cost and FVOCI	Stage 1			Stage 2			Stage 3[5]			Total		
	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[3] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million
As at 1 January 2024	723,876	(526)	723,350	22,268	(517)	21,751	8,144	(4,499)	3,645	754,288	(5,542)	748,746
Transfers to stage 1	16,433	(543)	15,890	(16,423)	543	(15,880)	(10)	–	(10)	–	–	–
Transfers to stage 2	(33,301)	128	(33,173)	33,770	(153)	33,617	(469)	25	(444)	–	–	–
Transfers to stage 3	(1,631)	63	(1,568)	(146)	168	22	1,777	(231)	1,546	–	–	–
Net change in exposures	29,928	(173)	29,755	(18,435)	80	(18,355)	(1,383)	622	(761)	10,110	529	10,639
Net remeasurement from stage changes	–	61	61	–	(185)	(185)	–	(203)	(203)	–	(327)	(327)
Changes in risk parameters	–	84	84	–	(242)	(242)	–	(873)	(873)	–	(1,031)	(1,031)
Write-offs	–	–	–	–	–	–	(1,260)	1,260	–	(1,260)	1,260	–
Interest due but unpaid	–	–	–	–	–	–	53	(53)	–	53	(53)	–
Discount unwind	–	–	–	–	–	–	–	135	135	–	135	135
Exchange translation differences and other movements[1]	(14,626)	324	(14,302)	(2,427)	(231)	(2,658)	147	(268)	(121)	(16,906)	(175)	(17,081)
As at 31 December 2024[2]	720,679	(582)	720,097	18,607	(537)	18,070	6,999	(4,085)	2,914	746,285	(5,204)	741,081
Income statement ECL (charge)/release[6]		(28)			(347)			(454)			(829)	
Recoveries of amounts previously written off		–			–			279			279	
Total credit impairment (charge)/release[4]		(28)			(347)			(175)			(550)	
As at 1 January 2025	**720,679**	**(582)**	**720,097**	**18,607**	**(537)**	**18,070**	**6,999**	**(4,085)**	**2,914**	**746,285**	**(5,204)**	**741,081**
Transfers to stage 1	**17,431**	**(630)**	**16,801**	**(17,429)**	**630**	**(16,799)**	**(2)**	**–**	**(2)**	**–**	**–**	**–**
Transfers to stage 2	**(39,710)**	**125**	**(39,585)**	**40,040**	**(144)**	**39,896**	**(330)**	**19**	**(311)**	**–**	**–**	**–**
Transfers to stage 3	**(170)**	**1**	**(169)**	**(3,038)**	**255**	**(2,783)**	**3,208**	**(256)**	**2,952**	**–**	**–**	**–**
Net change in exposures	**74,970**	**(221)**	**74,749**	**(19,400)**	**5**	**(19,395)**	**(1,558)**	**502**	**(1,056)**	**54,012**	**286**	**54,298**
Net remeasurement from stage changes	**–**	**73**	**73**	**–**	**(176)**	**(176)**	**–**	**(187)**	**(187)**	**–**	**(290)**	**(290)**
Changes in risk parameters	**–**	**168**	**168**	**–**	**(135)**	**(135)**	**–**	**(1,035)**	**(1,035)**	**–**	**(1,002)**	**(1,002)**
Write-offs	**–**	**–**	**–**	**–**	**–**	**–**	**(1,718)**	**1,718**	**–**	**(1,718)**	**1,718**	**–**
Interest due but unpaid	**–**	**–**	**–**	**–**	**–**	**–**	**(159)**	**159**	**–**	**(159)**	**159**	**–**
Discount unwind	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**102**	**102**	**–**	**102**	**102**
Exchange translation differences and other movements[1]	**16,876**	**401**	**17,277**	**(1,823)**	**(399)**	**(2,222)**	**506**	**(136)**	**370**	**15,559**	**(134)**	**15,425**
As at 31 Dec 2025[2]	**790,076**	**(665)**	**789,411**	**16,957**	**(501)**	**16,456**	**6,946**	**(3,199)**	**3,747**	**813,979**	**(4,365)**	**809,614**
Income statement ECL (charge)/release[6]		**20**			**(306)**			**(720)**			**(1,006)**	
Recoveries of amounts previously written off		**–**			**–**			**341**			**341**	
Total credit impairment (charge)/release[4]		**20**			**(306)**			**(379)**			**(665)**	

1 Includes fair value adjustments and amortisation on debt securities.

2 Excludes Cash and balances at central banks, Accrued income, Assets held for sale and Other assets gross balances of $118,232 million (31 December 2024: $101,755 million) and Total credit impairment of $43 million (31 December 2024: $63 million).

3 The gross balance includes the notional amount of off balance sheet instruments.

4 Reported basis.

5 Stage 3 gross includes $278 million (31 December 2024: $59 million) originated credit-impaired debt securities with impairment of $5 million (31 December 2024: $Nil).

6 Does not include charge relating to Other assets of $7 million (31 December 2024: release of $3 million).

Corporate & Investment Banking (audited)

Amortised cost and FVOCI	Stage 1			Stage 2			Stage 3			Total		
	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million
As at 1 January 2024	337,189	(151)	337,038	16,873	(318)	16,555	6,256	(3,651)	2,605	360,318	(4,120)	356,198
Transfers to stage 1	10,390	(245)	10,145	(10,390)	245	(10,145)	–	–	–	–	–	–
Transfers to stage 2	(25,698)	47	(25,651)	25,810	(58)	25,752	(112)	11	(101)	–	–	–
Transfers to stage 3	(186)	(4)	(190)	(186)	22	(164)	372	(18)	354	–	–	–
Net change in exposures	50,866	(50)	50,816	(16,508)	88	(16,420)	(1,063)	607	(456)	33,295	645	33,940
Net remeasurement from stage changes	–	16	16	(4)	(36)	(40)	–	(100)	(100)	(4)	(120)	(124)
Changes in risk parameters[2]	–	32	32	–	(129)	(129)	–	(324)	(324)	–	(421)	(421)
Write-offs	–	–	–	–	–	–	(321)	321	–	(321)	321	–
Interest due but unpaid	–	–	–	–	–	–	25	(25)	–	25	(25)	–
Discount unwind	–	–	–	–	–	–	–	104	104	–	104	104
Exchange translation differences and other movements[2]	(5,455)	222	(5,233)	(726)	(176)	(902)	13	(237)	(224)	(6,168)	(191)	(6,359)
As at 31 December 2024	367,106	(133)	366,973	14,869	(362)	14,507	5,170	(3,312)	1,858	387,145	(3,807)	383,338
Income statement ECL (charge)/release[2]		(2)			(77)			183			104	
Recoveries of amounts previously written off		–			–			26			26	
Total credit impairment (charge)/release		(2)			(77)			209			130	
As at 1 January 2025	**367,106**	**(133)**	**366,973**	**14,869**	**(362)**	**14,507**	**5,170**	**(3,312)**	**1,858**	**387,145**	**(3,807)**	**383,338**
Transfers to stage 1	**11,606**	**(387)**	**11,219**	**(11,606)**	**387**	**(11,219)**	–	–	–	–	–	–
Transfers to stage 2	**(30,544)**	**29**	**(30,515)**	**30,795**	**(48)**	**30,747**	**(251)**	**19**	**(232)**	–	–	–
Transfers to stage 3	**(111)**	–	**(111)**	**(1,567)**	**56**	**(1,511)**	**1,678**	**(56)**	**1,622**	–	–	–
Net change in exposures	**58,190**	**(119)**	**58,071**	**(17,214)**	**32**	**(17,182)**	**(883)**	**505**	**(378)**	**40,093**	**418**	**40,511**
Net remeasurement from stage changes	–	**4**	**4**	**(1)**	**(16)**	**(17)**	–	**(145)**	**(145)**	**(1)**	**(157)**	**(158)**
Changes in risk parameters	–	**55**	**55**	–	**(79)**	**(79)**	–	**(299)**	**(299)**	–	**(323)**	**(323)**
Write-offs	–	–	–	–	–	–	**(1,075)**	**1,075**	–	**(1,075)**	**1,075**	–
Interest due but unpaid	–	–	–	–	–	–	**(187)**	**187**	–	**(187)**	**187**	–
Discount unwind	–	–	–	–	–	–	–	**69**	**69**	–	**69**	**69**
Exchange translation differences and other movements	**6,343**	**357**	**6,700**	**(1,597)**	**(324)**	**(1,921)**	**431**	**(365)**	**66**	**5,177**	**(332)**	**4,845**
As at 31 December 2025	**412,590**	**(194)**	**412,396**	**13,679**	**(354)**	**13,325**	**4,883**	**(2,322)**	**2,561**	**431,152**	**(2,870)**	**428,282**
Income statement ECL (charge)/release		**(60)**			**(63)**			**61**			**(62)**	
Recoveries of amounts previously written off		–			–			**54**			**54**	
Total credit impairment (charge)/release		**(60)**			**(63)**			**115**			**(8)**	

1 The gross balance includes the notional amount of off balance sheet instruments.

2 Business segments have been re-presented in line with the RNS on Re-Presentation of Financial information issued on 2 April 2025.

Wealth & Retail Banking (audited)

Amortised cost and FVOCI	Stage 1			Stage 2			Stage 3			Total		
	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million
As at 1 January 2024	190,999	(325)	190,674	2,472	(140)	2,332	1,485	(759)	726	194,956	(1,224)	193,732
Transfers to stage 1	5,126	(288)	4,838	(5,116)	288	(4,828)	(10)	–	(10)	–	–	–
Transfers to stage 2	(7,393)	80	(7,313)	7,525	(80)	7,445	(132)	–	(132)	–	–	–
Transfers to stage 3	(98)	1	(97)	(1,254)	211	(1,043)	1,352	(212)	1,140	–	–	–
Net change in exposures	(3,926)	(89)	(4,015)	(1,505)	21	(1,484)	(431)	–	(431)	(5,862)	(68)	(5,930)
Net remeasurement from stage changes	–	29	29	–	(144)	(144)	–	(44)	(44)	–	(159)	(159)
Changes in risk parameters[2]	–	35	35	–	(152)	(152)	–	(531)	(531)	–	(648)	(648)
Write-offs	–	–	–	–	–	–	(808)	808	–	(808)	808	–
Interest due but unpaid	–	–	–	–	–	–	28	(28)	–	28	(28)	–
Discount unwind	–	–	–	–	–	–	–	30	30	–	30	30
Exchange translation differences and other movements[2]	(5,128)	165	(4,963)	(92)	(155)	(247)	139	(22)	117	(5,081)	(12)	(5,093)
As at 31 December 2024	179,580	(392)	179,188	2,030	(151)	1,879	1,623	(758)	865	183,233	(1,301)	181,932
Income statement ECL (charge)/release[2]		(25)			(275)			(575)			(875)	
Recoveries of amounts previously written off		–			–			253			253	
Total credit impairment (charge)/release		(25)			(275)			(322)			(622)	
As at 1 January 2025	**179,580**	**(392)**	**179,188**	**2,030**	**(151)**	**1,879**	**1,623**	**(758)**	**865**	**183,233**	**(1,301)**	**181,932**
Transfers to stage 1	**5,261**	**(234)**	**5,027**	**(5,259)**	**234**	**(5,025)**	**(2)**	–	**(2)**	–	–	–
Transfers to stage 2	**(8,822)**	**92**	**(8,730)**	**8,901**	**(92)**	**8,809**	**(79)**	–	**(79)**	–	–	–
Transfers to stage 3	**(52)**	**1**	**(51)**	**(1,437)**	**193**	**(1,244)**	**1,489**	**(194)**	**1,295**	–	–	–
Net change in exposures	**6,130**	**(47)**	**6,083**	**(2,291)**	**(5)**	**(2,296)**	**(772)**	–	**(772)**	**3,067**	**(52)**	**3,015**
Net remeasurement from stage changes	–	**40**	**40**	–	**(155)**	**(155)**	–	**(42)**	**(42)**	–	**(157)**	**(157)**
Changes in risk parameters	–	**50**	**50**	–	**(37)**	**(37)**	–	**(681)**	**(681)**	–	**(668)**	**(668)**
Write-offs	–	–	–	–	–	–	**(604)**	**604**	–	**(604)**	**604**	–
Interest due but unpaid	–	–	–	–	–	–	**28**	**(28)**	–	**28**	**(28)**	–
Discount unwind	–	–	–	–	–	–	–	**33**	**33**	–	**33**	**33**
Exchange translation differences and other movements	**3,965**	**139**	**4,104**	**65**	**(107)**	**(42)**	**43**	**220**	**263**	**4,073**	**252**	**4,325**
As at 31 December 2025	**186,062**	**(351)**	**185,711**	**2,009**	**(120)**	**1,889**	**1,726**	**(846)**	**880**	**189,797**	**(1,317)**	**188,480**
Income statement ECL (charge)/release		**43**			**(197)**			**(723)**			**(877)**	
Recoveries of amounts previously written off		–			–			**287**			**287**	
Total credit impairment (charge)/release		**43**			**(197)**			**(436)**			**(590)**	

1 The gross balance includes the notional amount of off-balance sheet instruments.

2 Business segments have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025.

Wealth & Retail Banking – Secured (audited)

Amortised cost and FVOCI	Stage 1			Stage 2			Stage 3			Total		
	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million
As at 1 January 2024	129,798	(33)	129,765	1,827	(16)	1,811	1,062	(525)	537	132,687	(574)	132,113
Transfers to stage 1	3,839	(23)	3,816	(3,836)	23	(3,813)	(3)	–	(3)	–	–	–
Transfers to stage 2	(4,952)	13	(4,939)	5,054	(13)	5,041	(102)	–	(102)	–	–	–
Transfers to stage 3	(43)	–	(43)	(566)	19	(547)	609	(19)	590	–	–	–
Net change in exposures	2,570	(11)	2,559	(917)	8	(909)	(268)	–	(268)	1,385	(3)	1,382
Net remeasurement from stage changes	–	6	6	–	(15)	(15)	–	(7)	(7)	–	(16)	(16)
Changes in risk parameters[2]	–	10	10	–	(6)	(6)	–	(123)	(123)	–	(119)	(119)
Write-offs	–	–	–	–	–	–	(114)	114	–	(114)	114	–
Interest due but unpaid	–	–	–	–	–	–	53	(53)	–	53	(53)	–
Discount unwind	–	–	–	–	–	–	–	16	16	–	16	16
Exchange translation differences and other movements[2]	(4,496)	(10)	(4,506)	(57)	(31)	(88)	(33)	41	8	(4,586)	–	(4,586)
As at 31 December 2024	126,716	(48)	126,668	1,505	(31)	1,474	1,204	(556)	648	129,425	(635)	128,790
Income statement ECL (charge)/release[2]		5			(13)			(130)			(138)	
Recoveries of amounts previously written off		–			–			80			80	
Total credit impairment (charge)/release		5			(13)			(50)			(58)	
As at 1 January 2025	**126,716**	**(48)**	**126,668**	**1,505**	**(31)**	**1,474**	**1,204**	**(556)**	**648**	**129,425**	**(635)**	**128,790**
Transfers to stage 1	**4,097**	**(17)**	**4,080**	**(4,095)**	**17**	**(4,078)**	**(2)**	**–**	**(2)**	**–**	**–**	**–**
Transfers to stage 2	**(6,064)**	**7**	**(6,057)**	**6,121**	**(7)**	**6,114**	**(57)**	**–**	**(57)**	**–**	**–**	**–**
Transfers to stage 3	**(3)**	**–**	**(3)**	**(634)**	**14**	**(620)**	**637**	**(14)**	**623**	**–**	**–**	**–**
Net change in exposures	**8,276**	**(11)**	**8,265**	**(1,687)**	**9**	**(1,678)**	**(447)**	**–**	**(447)**	**6,142**	**(2)**	**6,140**
Net remeasurement from stage changes	–	**4**	**4**	–	**(32)**	**(32)**	–	**(7)**	**(7)**	–	**(35)**	**(35)**
Changes in risk parameters	–	**(18)**	**(18)**	–	**41**	**41**	–	**(174)**	**(174)**	–	**(151)**	**(151)**
Write-offs	–	–	–	–	–	–	**(101)**	**101**	–	**(101)**	**101**	–
Interest due but unpaid	–	–	–	–	–	–	**53**	**(53)**	–	**53**	**(53)**	–
Discount unwind	–	–	–	–	–	–	–	**19**	**19**	–	**19**	**19**
Exchange translation differences and other movements	**3,767**	**18**	**3,785**	**63**	**(28)**	**35**	**10**	**64**	**74**	**3,840**	**54**	**3,894**
As at 31 December 2025	**136,789**	**(65)**	**136,724**	**1,273**	**(17)**	**1,256**	**1,297**	**(620)**	**677**	**139,359**	**(702)**	**138,657**
Income statement ECL (charge)/release		**(25)**			**18**			**(181)**			**(188)**	
Recoveries of amounts previously written off		**–**			**–**			**93**			**93**	
Total credit impairment (charge)/release		**(25)**			**18**			**(88)**			**(95)**	

1 The gross balance includes the notional amount of off balance sheet instruments.

2 Business segments have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025.

Wealth & Retail Banking – Unsecured (audited)

Amortised cost and FVOCI	Stage 1			Stage 2			Stage 3			Total		
	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million	Gross balance[1] $million	Total credit impairment $million	Net $million
As at 1 January 2024	61,201	(292)	60,909	645	(124)	521	423	(234)	189	62,269	(650)	61,619
Transfers to stage 1	1,287	(265)	1,022	(1,280)	265	(1,015)	(7)	–	(7)	–	–	–
Transfers to stage 2	(2,441)	67	(2,374)	2,471	(67)	2,404	(30)	–	(30)	–	–	–
Transfers to stage 3	(55)	1	(54)	(688)	192	(496)	743	(193)	550	–	–	–
Net change in exposures	(6,496)	(78)	(6,574)	(588)	13	(575)	(163)	–	(163)	(7,247)	(65)	(7,312)
Net remeasurement from stage changes	–	23	23	–	(129)	(129)	–	(37)	(37)	–	(143)	(143)
Changes in risk parameters	–	25	25	–	(146)	(146)	–	(408)	(408)	–	(529)	(529)
Write-offs	–	–	–	–	–	–	(694)	694	–	(694)	694	–
Interest due but unpaid	–	–	–	–	–	–	(25)	25	–	(25)	25	–
Discount unwind	–	–	–	–	–	–	–	14	14	–	14	14
Exchange translation differences and other movements	(632)	175	(457)	(35)	(124)	(159)	172	(63)	109	(495)	(12)	(507)
As at 31 December 2024	52,864	(344)	52,520	525	(120)	405	419	(202)	217	53,808	(666)	53,142
Income statement ECL (charge)/release		(30)			(262)			(445)			(737)	
Recoveries of amounts previously written off		–			–			172			172	
Total credit impairment (charge)/release		(30)			(262)			(273)			(565)	
As at 1 January 2025	**52,864**	**(344)**	**52,520**	**525**	**(120)**	**405**	**419**	**(202)**	**217**	**53,808**	**(666)**	**53,142**
Transfers to stage 1	**1,164**	**(217)**	**947**	**(1,164)**	**217**	**(947)**	**–**	**–**	**–**	**–**	**–**	**–**
Transfers to stage 2	**(2,758)**	**85**	**(2,673)**	**2,780**	**(85)**	**2,695**	**(22)**	**–**	**(22)**	**–**	**–**	**–**
Transfers to stage 3	**(49)**	**1**	**(48)**	**(803)**	**179**	**(624)**	**852**	**(180)**	**672**	**–**	**–**	**–**
Net change in exposures	**(2,146)**	**(36)**	**(2,182)**	**(604)**	**(14)**	**(618)**	**(325)**	**–**	**(325)**	**(3,075)**	**(50)**	**(3,125)**
Net remeasurement from stage changes	**–**	**36**	**36**	**–**	**(123)**	**(123)**	**–**	**(35)**	**(35)**	**–**	**(122)**	**(122)**
Changes in risk parameters	**–**	**68**	**68**	**–**	**(78)**	**(78)**	**–**	**(507)**	**(507)**	**–**	**(517)**	**(517)**
Write-offs	**–**	**–**	**–**	**–**	**–**	**–**	**(503)**	**503**	**–**	**(503)**	**503**	**–**
Interest due but unpaid	**–**	**–**	**–**	**–**	**–**	**–**	**(25)**	**25**	**–**	**(25)**	**25**	**–**
Discount unwind	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**14**	**14**	**–**	**14**	**14**
Exchange translation differences and other movements	**198**	**121**	**319**	**2**	**(79)**	**(77)**	**33**	**156**	**189**	**233**	**198**	**431**
As at 31 December 2025	**49,273**	**(286)**	**48,987**	**736**	**(103)**	**633**	**429**	**(226)**	**203**	**50,438**	**(615)**	**49,823**
Income statement ECL (charge)/release		**68**			**(215)**			**(542)**			**(689)**	
Recoveries of amounts previously written off		**–**			**–**			**194**			**194**	
Total credit impairment (charge)/release		**68**			**(215)**			**(348)**			**(495)**	

1 The gross balance includes the notional amount of off balance sheet instruments.

Analysis of stage 2 balances

The table below analyses total stage 2 gross on-and off-balance sheet exposures and associated expected credit provisions by the key SICR driver that caused the exposures to be classified as stage 2 as at 31 December 2025 and 31 December 2024 for each segment.

Read more on our criteria for Significant Increase in Credit Risk on page 274

Where multiple drivers apply, the exposure is allocated based on the table order. For example, a loan may have breached the defined IFRS 9 PD thresholds, which is a quantitative trigger, and could also be on non-purely precautionary early alert, a qualitative trigger; in this instance, the exposure is reported under 'Quantitative'. Management overlay ECL is reported separately as the impact is spread across exposures with both quantitative and qualitative drivers.

Read more on 'Summary of Credit Risk Performance' on page 234

	2025														
	Corporate & Investment Banking			Wealth & Retail Banking			Ventures			Central & other items[1]			Total		
	Gross $million	ECL $million	Coverage %	Gross $million	ECL $million	Coverage %	Gross $million	ECL $million	Coverage %	Gross $million	ECL $million	Coverage %	Gross $million	ECL $million	Coverage %
Quantitative	**6,742**	**131**	**1.9%**	**1,291**	**89**	**6.9%**	**60**	**18**	**30.0%**	**297**	**3**	**1.0%**	**8,390**	**241**	**2.9%**
Qualitative	**6,937**	**101**	**1.5%**	**571**	**10**	**1.8%**	**–**	**–**	**0.0%**	**1,373**	**3**	**0.2%**	**8,881**	**114**	**1.3%**
30 days past due	**–**	**–**	**0.0%**	**147**	**15**	**10.2%**	**10**	**4**	**40.0%**	**–**	**–**	**0.0%**	**157**	**19**	**12.1%**
Management overlay	**–**	**122**	**0.0%**	**–**	**6**	**0.0%**	**–**	**–**	**0.0%**	**–**	**–**	**0.0%**	**–**	**128**	**0.0%**
Total stage 2	**13,679**	**354**	**2.6%**	**2,009**	**120**	**6.0%**	**70**	**22**	**31.4%**	**1,670**	**6**	**0.4%**	**17,428**	**502**	**2.9%**
	2024[2]														
Quantitative	8,465	112	1.3%	1,366	104	7.6%	48	20	41.7%	154	–	0.0%	10,033	236	2.4%
Qualitative	6,404	93	1.5%	452	6	1.3%	–	–	0.0%	1,970	1	0.1%	8,826	100	1.1%
30 days past due	–	–	0.0%	212	19	9.0%	6	4	66.7%	–	–	0.0%	218	23	10.6%
Management overlay	–	157	0.0%	–	22	0.0%	–	3	0.0%	–	–	0.0%	–	182	0.0%
Total stage 2	14,869	362	2.4%	2,030	151	7.4%	54	27	50.0%	2,124	1	0.0%	19,077	541	2.8%

1 Includes Gross and ECL for Cash and balances at central banks and Assets held for sale.

2 Amounts previously reported as 'Increase in PD' have been reported as Quantitative and all other amounts have been aggregated into and reported as Qualitative.

Credit impairment charge (audited)

The table below analyses credit impairment charges or releases of the ongoing business portfolio and restructuring business portfolio for the year ended 31 December 2025.

Read more on 'Summary of Credit Risk Performance' on page 234

	2025			2024[1]		
	Stage 1 & 2 $million	Stage 3 $million	Total $million	Stage 1 & 2 $million	Stage 3 $million	Total $million
Ongoing business portfolio						
Corporate & Investment Banking	**121**	**(117)**	**4**	78	(198)	(120)
Wealth & Retail Banking	**159**	**436**	**595**	301	322	623
Ventures	**(2)**	**61**	**59**	10	63	73
Central & other items	**18**	**–**	**18**	(18)	(1)	(19)
Credit impairment charge/(release)	**296**	**380**	**676**	371	186	557
Restructuring business portfolio						
Others	**(3)**	**(1)**	**(4)**	1	(11)	(10)
Credit impairment charge/(release)	**(3)**	**(1)**	**(4)**	1	(11)	(10)
Total credit impairment charge	**293**	**379**	**672**	372	175	547

1 Business segments have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025, with no change in total credit impairment charge.

Problem credit management and provisioning (audited)

Forborne and other modified loans by client segment

A forborne loan arises when a concession has been made to the contractual terms of a loan in response to a customer's financial difficulties.

Net forborne loans increased by $238 million to $1,022 million (31 December 2024: $784 million), of which CIB accounted for $167 million largely driven by a new performing forborne loan in Hong Kong. WRB increased by $71 million to $254 million (31 December 2024: $183 million) mainly due to higher conversion in Malaysia and introduction of forbearance measures in China.

	2025			2024		
Amortised cost	Corporate & Investment Banking $million	Wealth & Retail Banking $million	Total $million	Corporate & Investment Banking $million	Wealth & Retail Banking $million	Total $million
Gross stage 1 and 2 forborne loans	**295**	**61**	**356**	17	36	53
Modification of terms and conditions[1]	**90**	**61**	**151**	17	36	53
Refinancing[2]	**205**	**–**	**205**	–	–	–
Impairment provisions	**(68)**	**–**	**(68)**	–	(1)	(1)
Modification of terms and conditions[1]	**(8)**	**–**	**(8)**	–	(1)	(1)
Refinancing[2]	**(60)**	**–**	**(60)**	–	–	–
Net stage 1 and 2 forborne loans	**227**	**61**	**288**	17	35	52
Collateral	**4**	**36**	**40**	–	27	27
Gross stage 3 forborne loans	**1,295**	**311**	**1,606**	2,065	258	2,323
Modification of terms and conditions[1]	**1,208**	**311**	**1,519**	1,824	258	2,082
Refinancing[2]	**87**	**–**	**87**	241	–	241
Impairment provisions	**(754)**	**(118)**	**(872)**	(1,481)	(110)	(1,591)
Modification of terms and conditions[1]	**(727)**	**(118)**	**(845)**	(1,242)	(110)	(1,352)
Refinancing[2]	**(27)**	**–**	**(27)**	(239)	–	(239)
Net stage 3 forborne loans	**541**	**193**	**734**	584	148	732
Collateral	**175**	**25**	**200**	172	55	227
Net carrying value of forborne loans	**768**	**254**	**1,022**	601	183	784

1 Modification of terms is any contractual change apart from refinancing, as a result of credit stress of the counterparty, i.e. interest reductions, loan covenant waivers.
2 Refinancing is a new contract to a borrower in credit stress, such that they are refinanced and can pay other debt contracts that they were unable to honour.

Forborne and other modified loans by key geography

Net forborne loans increased by $238 million to $1,022 million (31 December 2024: $784 million), mainly due to performing forborne loans in Hong Kong.

	2025								2024[1]							
Amortised cost	Hong Kong $million	Korea $million	China $million	Singapore $million	UK $million	US $million	Other $million	Total $million	Hong Kong $million	Korea $million	China $million	Singapore $million	UK $million	US $million	Other $million	Total $million
Performing forborne loans	**147**	**10**	**–**	**3**	**48**	**–**	**80**	**288**	2	8	–	3	–	–	39	52
Stage 3 forborne loans	**131**	**24**	**73**	**32**	**103**	**–**	**371**	**734**	110	25	85	25	81	1	405	732
Net forborne loans	**278**	**34**	**73**	**35**	**151**	**–**	**451**	**1,022**	112	33	85	28	81	1	444	784

1 Amounts have been re-presented from management view to financial booking basis in line with RNS on Re-Presentation of Financial Information issued on 2 April 2025. Refer to the bridge tables in Note 40 on page 424.

Credit Risk mitigation

Potential credit losses from any given account, customer or portfolio are mitigated using a range of tools such as collateral, netting arrangements, credit insurance and credit derivatives, taking into account expected volatility and guarantees.

The reliance that can be placed on these mitigants is carefully assessed in light of issues such as legal certainty and enforceability, market valuation correlation and counterparty risk of the guarantor.

Read more on Credit Risk Mitigation on page 226

Collateral (audited)

A secured loan is one where the borrower pledges an asset as collateral of which the Group is able to take possession in the event that the borrower defaults.

The collateral values in the table below (which covers loans and advances to banks and customers, excluding those held at fair value through profit or loss) are adjusted where appropriate in accordance with our risk mitigation policy and for the effect of over-collateralisation. The extent of over-collateralisation has been determined with reference to both the drawn and undrawn components of exposure as this best reflects the effect of collateral and other credit enhancements on the amounts arising from ECL. The value of collateral reflects management's best estimate and is backtested against our prior experience.

Collateral held on loans and advances

The table below details collateral held against exposures, separately disclosing stage 2 and stage 3 exposure and corresponding collateral.

	2025								
	Net amount outstanding			Collateral			Net exposure		
Amortised cost	Total $million	Stage 2 financial assets $million	Credit-impaired financial assets (S3) $million	Total[2] $million	Stage 2 financial assets $million	Credit-impaired financial assets (S3) $million	Total $million	Stage 2 financial assets $million	Credit-impaired financial assets (S3) $million
Corporate & Investment Banking[1]	**186,081**	**7,765**	**2,070**	**34,122**	**2,292**	**314**	**151,959**	**5,473**	**1,756**
Wealth & Retail Banking	**126,977**	**1,789**	**877**	**99,641**	**916**	**678**	**27,336**	**873**	**199**
Ventures	**2,659**	**39**	**13**	**–**	**–**	**–**	**2,659**	**39**	**13**
Central & other items	**14,972**	**–**	**–**	**4,214**	**–**	**–**	**10,758**	**–**	**–**
Total	**330,689**	**9,593**	**2,960**	**137,977**	**3,208**	**992**	**192,712**	**6,385**	**1,968**
	2024								
Corporate & Investment Banking[1]	181,897	8,657	1,376	36,750	3,052	298	145,147	5,605	1,078
Wealth & Retail Banking	119,248	1,758	858	85,163	891	584	34,085	867	274
Ventures	1,389	25	1	–	–	–	1,389	25	1
Central & other items	22,091	35	98	80	35	–	22,011	–	98
Total	324,625	10,475	2,333	121,993	3,978	882	202,632	6,497	1,451

1 Includes loans and advances to banks.

2 Adjusted for over-collateralisation based on the drawn and undrawn components of exposures.

Collateral – Corporate & Investment Banking (audited)

Our underwriting standards encourage taking specific charges on assets and we consistently seek high-quality, investment grade collateral.

Collateral taken for longer-term and sub-investment grade corporate loans increased to 55 per cent (31 December 2024: 49 per cent).

For CIB, the unadjusted market value of collateral across all asset types, without adjusting for over collateralisation, increased to $412 billion (31 December 2024: $383 billion) predominantly due to an increase in reverse repos.

84 per cent (31 December 2024: 88 per cent) of tangible collateral excluding reverse repurchase agreements and financial guarantees held comprises physical assets with the remainder held in cash. Overall collateral remained broadly stable at $34.1 billion (31 December 2024: $36.8 billion).

Non-tangible collateral, such as guarantees and standby letters of credit, is also held against corporate exposures, although the financial effect of this type of collateral is less significant in terms of recoveries. However, this is considered when determining the loss given default and other credit-related factors. Collateral is also held against off-balance sheet exposures, including undrawn commitments and trade-related instruments.

Corporate & Investment Banking

Amortised cost	2025 $million	2024 $million
Maximum exposure	**186,081**	181,897
Property	**9,086**	8,504
Plant, machinery and other stock	**783**	935
Cash	**3,034**	1,973
Reverse repos	**7,816**	12,568
AAA	**587**	–
AA- to AA+	**233**	938
A- to A+	**2,454**	8,324
BBB- to BBB+	**2,122**	1,437
Lower than BBB-	**–**	95
Unrated	**2,420**	1,774
Financial guarantees and insurance	**7,717**	7,075
Commodities	**11**	33
Ships and aircraft	**5,675**	5,662
Total value of collateral[1,2]	**34,122**	36,750
Net exposure	**151,959**	145,147

1 Adjusted for over-collateralisation based on the drawn and undrawn components of exposures.
2 The Group also has credit mitigation through Credit default swaps and Credit Linked Notes as set out on page 257.

Collateral – Wealth & Retail Banking (audited)

In WRB, fully secured products increased to 88 per cent of the total portfolio (31 December 2024: 85 per cent), due to an increase in the mortgage portfolio and higher demand for secured wealth products.

The following table presents an analysis of loans to individuals by product; split between fully secured, partially secured and unsecured.

	2025				2024			
Amortised cost	Fully secured[1] $million	Partially secured[1] $million	Unsecured $million	Total[2] $million	Fully secured[1] $million	Partially secured[1] $million	Unsecured $million	Total[2] $million
Maximum exposure	**111,633**	**490**	**14,854**	**126,977**	101,264	536	17,448	119,248
Loans to individuals								
Mortgages	**82,128**	**–**	**–**	**82,128**	76,696	–	–	76,696
CCPL[5]	**–**	**–**	**13,372**	**13,372**	–	–	16,343	16,343
Secured wealth products	**27,055**	**–**	**–**	**27,055**	21,928	–	–	21,928
Other[4,5]	**2,450**	**490**	**1,482**	**4,422**	2,640	536	1,105	4,281
Total collateral[2]				**99,641**				85,163
Net exposure[3]				**27,336**				34,085
Percentage of total loans	**88%**	**0%**	**12%**		85%	0%	15%	

1 Secured loans are fully secured if the fair value of the collateral is equal to or greater than the loan at the time of origination. All other secured loans are considered to be partially secure.
2 Collateral values are adjusted where appropriate in accordance with our risk mitigation policy and for the effect of over-collateralisation.
3 Amounts net of ECL.
4 Includes Auto Loans previously presented separately. Prior period has been represented.
5 Prior period has been represented between CCPL and Other for $463 million under Fully secured to align product classification.

Mortgage loan-to-value ratios by geography (audited)

Loan-to-value (LTV) ratios measure the ratio of the current mortgage outstanding to the current fair value of the properties on which they are secured.

For the majority of mortgage loans, the value of property held as security significantly exceeds the principal outstanding of the loan. The average LTV of the overall mortgage portfolio remains stable at 48.0 per cent (31 December 2024: 48.9 per cent). The decrease in Hong Kong residential mortgage LTV to 55.9 per cent (31 December 2024: 58.6 per cent) was due to an increase in property prices. However, 28.8 per cent of Hong Kong mortgage exposure is backed by credit insurance. Specifically, 94.6 per cent of Hong Kong mortgage exposure with LTV greater than 80 per cent is backed by credit insurance.

An analysis of LTV ratios by geography for the mortgage portfolio is presented in the table below.

	2025					2024				
Amortised cost	Hong Kong % Gross	Singapore % Gross	Korea % Gross	Other % Gross	Total % Gross	Hong Kong % Gross	Singapore % Gross	Korea % Gross	Other % Gross	Total % Gross
Less than 50 per cent	**42.7**	**51.8**	**62.9**	**46.7**	**51.0**	40.9	52.7	64.1	50.2	51.3
50 per cent to 59 per cent	**17.3**	**19.4**	**13.3**	**14.8**	**16.0**	17.6	21.8	13.2	15.4	16.5
60 per cent to 69 per cent	**14.5**	**15.8**	**13.7**	**17.2**	**15.1**	12.7	15.6	13.5	17.0	14.3
70 per cent to 79 per cent	**5.3**	**12.7**	**8.9**	**14.2**	**9.5**	5.5	9.6	8.3	12.7	8.5
80 per cent to 89 per cent	**8.6**	**0.2**	**0.9**	**5.9**	**4.3**	5.1	0.1	0.8	4.1	2.9
90 per cent to 99 per cent	**6.7**	**0.0**	**0.2**	**0.7**	**2.4**	8.2	0.0	0.1	0.5	3.0
100 per cent and greater	**4.9**	**0.1**	**0.1**	**0.5**	**1.7**	10.1	0.1	0.1	0.2	3.5
Average portfolio loan-to-value	**55.9**	**42.7**	**41.8**	**49.9**	**48.0**	58.6	42.5	42.1	48.0	48.9
Loans to individuals - mortgages ($million)	**31,714**	**16,054**	**15,808**	**18,552**	**82,128**	31,506	13,756	13,703	17,731	76,696

Collateral and other credit enhancements possessed or called upon (audited)

The Group obtains assets by taking possession of collateral (such as property, plant and equipment) or calling upon other credit enhancements (such as guarantees). Repossessed properties are sold in an orderly fashion. Where the proceeds are in excess of the outstanding loan balance, the excess is returned to the borrower.

Certain equity securities acquired may be held by the Group for investment purposes and are classified as fair value through profit or loss, and the related loan written off. The carrying value of collateral possessed that is held on the Group's balance sheet as of 31 December 2025 is $nil (31 December 2024: $24 million).

Other Credit Risk mitigation (audited)

Other forms of credit risk mitigation are set out below.

Credit default swaps

The Group has entered into credit default swaps for portfolio management purposes, referencing loan assets with a notional value of $3.5 billion (31 December 2024: $3.5 billion). These credit default swaps are accounted for as financial guarantees as per IFRS 9 as they will only reimburse the holder for an incurred loss on an underlying debt instrument. The Group continues to hold the underlying assets referenced in the credit default swaps and it continues to be exposed to related Credit Risk and Foreign Exchange Rate Risk on these assets.

Credit linked notes

The Group has issued credit linked notes for portfolio management purposes, referencing loan assets with a notional value of $22.4 billion (31 December 2024: $18.6 billion). The Group continues to hold the underlying assets for which the credit linked notes provide mitigation. The credit linked notes of $1.9 billion (31 December 2024: $2.0 billion) are recognised as a financial liability at amortised cost on the balance sheet and are adjusted, where appropriate, for reductions in expected future cash flows with a corresponding credit impairment in the income statement.

Off-balance sheet exposures

For certain types of exposures, such as letters of credit and guarantees, the Group obtains collateral such as cash depending on internal Credit Risk assessments, as well as in the case of letters of credit holding legal title to the underlying assets should a default take place.

Other portfolio analysis

This section provides maturity analysis by credit quality by industry, and industry and retail products analysis by key geography.

Maturity analysis of loans and advances by client segment

Shorter maturities give us the flexibility to respond promptly to events and rebalance or reduce our exposure to clients or sectors that are facing increased pressure or uncertainty.

Loans and advances in the CIB segment remain predominantly short-term, with $84.0 billion (31 December 2024: $91.1 billion) maturing in less than one year. 90 per cent (31 December 2024: 91 per cent) of loans to banks mature in less than one year, with exposures remaining stable at $43.9 billion (31 December 2024: $43.6 billion).

The WRB short-term book of one year or less, is broadly stable at 29 per cent (31 December 2024: 27 per cent). The WRB long-term book of over five years, also remained broadly stable at 62 per cent (31 December 2024: 62 per cent).

	2025				2024			
Amortised cost	One year or less $million	One to five years $million	Over five years $million	Total $million	One year or less $million	One to five years $million	Over five years $million	Total $million
Corporate & Investment Banking	**83,996**	**40,495**	**20,341**	**144,832**	91,065	33,130	17,670	141,865
Wealth & Retail Banking	**36,930**	**12,317**	**79,036**	**128,283**	32,252	13,194	75,091	120,537
Ventures	**1,917**	**819**	**12**	**2,748**	1,001	442	–	1,443
Central & other items	**14,723**	**259**	**4**	**14,986**	22,085	2	4	22,091
Gross loans and advances to customers	**137,566**	**53,890**	**99,393**	**290,849**	146,403	46,768	92,765	285,936
Impairment provisions	**(3,523)**	**(443)**	**(95)**	**(4,061)**	(4,369)	(409)	(126)	(4,904)
Net loans and advances to customers	**134,043**	**53,447**	**99,298**	**286,788**	142,034	46,359	92,639	281,032
Net loans and advances to banks	**39,360**	**3,946**	**595**	**43,901**	39,591	3,699	303	43,593

Credit quality by industry

Loans and advances

This section provides an analysis of the Group's amortised cost portfolio by industry on a gross, total credit impairment and net basis.

Read more on 'Summary of Credit Risk Performance' section on page 234

	2025											
	Stage 1			Stage 2			Stage 3			Total		
Amortised cost	Gross balance $million	Total credit impairment $million	Net carrying amount $million	Gross balance $million	Total credit impairment $million	Net carrying amount $million	Gross balance $million	Total credit impairment $million	Net carrying amount $million	Gross balance $million	Total credit impairment $million	Net carrying amount $million
Industry:												
Energy	**13,541**	**(34)**	**13,507**	**803**	**(37)**	**766**	**461**	**(412)**	**49**	**14,805**	**(483)**	**14,322**
Manufacturing	**20,599**	**(14)**	**20,585**	**744**	**(19)**	**725**	**598**	**(320)**	**278**	**21,941**	**(353)**	**21,588**
Financing, insurance and non-banking	**37,062**	**(13)**	**37,049**	**506**	**(10)**	**496**	**278**	**(181)**	**97**	**37,846**	**(204)**	**37,642**
Transport, telecom and utilities	**17,893**	**(11)**	**17,882**	**2,281**	**(43)**	**2,238**	**390**	**(108)**	**282**	**20,564**	**(162)**	**20,402**
Food and household products	**8,319**	**(9)**	**8,310**	**295**	**(17)**	**278**	**186**	**(177)**	**9**	**8,800**	**(203)**	**8,597**
Commercial real estate	**13,103**	**(12)**	**13,091**	**2,067**	**(161)**	**1,906**	**706**	**(418)**	**288**	**15,876**	**(591)**	**15,285**
Mining and quarrying	**4,881**	**(5)**	**4,876**	**244**	**(7)**	**237**	**33**	**(29)**	**4**	**5,158**	**(41)**	**5,117**
Consumer durables	**6,279**	**(7)**	**6,272**	**288**	**(15)**	**273**	**239**	**(230)**	**9**	**6,806**	**(252)**	**6,554**
Construction	**2,046**	**(9)**	**2,037**	**353**	**(1)**	**352**	**127**	**(127)**	**–**	**2,526**	**(137)**	**2,389**
Trading companies & distributors	**633**	**(1)**	**632**	**11**	**–**	**11**	**81**	**(47)**	**34**	**725**	**(48)**	**677**
Government	**17,915**	**(17)**	**17,898**	**119**	**–**	**119**	**950**	**(82)**	**868**	**18,984**	**(99)**	**18,885**
Other	**5,485**	**(8)**	**5,477**	**148**	**–**	**148**	**154**	**(85)**	**69**	**5,787**	**(93)**	**5,694**
Total[2]	**147,756**	**(140)**	**147,616**	**7,859**	**(310)**	**7,549**	**4,203**	**(2,216)**	**1,987**	**159,818**	**(2,666)**	**157,152**
Retail Products:												
Mortgage	**80,672**	**(11)**	**80,661**	**992**	**(5)**	**987**	**641**	**(161)**	**480**	**82,305**	**(177)**	**82,128**
Credit Cards	**8,077**	**(129)**	**7,948**	**289**	**(74)**	**215**	**64**	**(53)**	**11**	**8,430**	**(256)**	**8,174**
Personal Loans and other unsecured lending	**7,719**	**(186)**	**7,533**	**194**	**(44)**	**150**	**334**	**(160)**	**174**	**8,247**	**(390)**	**7,857**
Secured wealth products	**26,609**	**(43)**	**26,566**	**324**	**(6)**	**318**	**530**	**(359)**	**171**	**27,463**	**(408)**	**27,055**
Other	**4,229**	**(19)**	**4,210**	**165**	**(7)**	**158**	**192**	**(138)**	**54**	**4,586**	**(164)**	**4,422**
Total	**127,306**	**(388)**	**126,918**	**1,964**	**(136)**	**1,828**	**1,761**	**(871)**	**890**	**131,031**	**(1,395)**	**129,636**
Net carrying value (customers)[1]	**275,062**	**(528)**	**274,534**	**9,823**	**(446)**	**9,377**	**5,964**	**(3,087)**	**2,877**	**290,849**	**(4,061)**	**286,788**
Net carrying value (Banks)[1]	**43,608**	**(6)**	**43,602**	**217**	**(1)**	**216**	**90**	**(7)**	**83**	**43,915**	**(14)**	**43,901**

1 Includes reverse repurchase agreements and other similar secured lending held at amortised cost of $8,242 million for customers and $3,724 million for Banks.

2 Include Central & other items loans and advances to customers balance as set out in the Loans and advances by client segment table on page 239.

Amortised cost	2024 Stage 1 Gross balance $million	Stage 1 Total credit impairment $million	Stage 1 Net carrying amount $million	Stage 2 Gross balance $million	Stage 2 Total credit impairment $million	Stage 2 Net carrying amount $million	Stage 3 Gross balance $million	Stage 3 Total credit impairment $million	Stage 3 Net carrying amount $million	Total Gross balance $million	Total Total credit impairment $million	Total Net carrying amount $million
Industry:												
Energy	12,147	(9)	12,138	468	(57)	411	870	(559)	311	13,485	(625)	12,860
Manufacturing	19,942	(12)	19,930	840	(16)	824	418	(305)	113	21,200	(333)	20,867
Financing, insurance and non-banking	34,452	(16)	34,436	1,238	(6)	1,232	154	(142)	12	35,844	(164)	35,680
Transport, telecom and utilities	16,099	(11)	16,088	2,309	(32)	2,277	330	(85)	245	18,738	(128)	18,610
Food and household products	8,425	(8)	8,417	267	(8)	259	251	(198)	53	8,943	(214)	8,729
Commercial real estate	12,135	(10)	12,125	1,714	(126)	1,588	1,485	(1,265)	220	15,334	(1,401)	13,933
Mining and quarrying	5,542	(3)	5,539	287	(12)	275	124	(57)	67	5,953	(72)	5,881
Consumer durables	5,988	(6)	5,982	218	(26)	192	292	(259)	33	6,498	(291)	6,207
Construction	1,925	(2)	1,923	528	(5)	523	171	(160)	11	2,624	(167)	2,457
Trading companies & distributors	589	–	589	24	(1)	23	88	(48)	40	701	(49)	652
Government	28,870	–	28,870	441	(12)	429	205	(18)	187	29,516	(30)	29,486
Other	4,590	(3)	4,587	344	(2)	342	186	(82)	104	5,120	(87)	5,033
Total[4]	150,704	(80)	150,624	8,678	(303)	8,375	4,574	(3,178)	1,396	163,956	(3,561)	160,395
Retail Products:												
Mortgage	75,340	(8)	75,332	896	(2)	894	606	(136)	470	76,842	(146)	76,696
Credit Cards	8,037	(121)	7,916	222	(80)	142	71	(60)	11	8,330	(261)	8,069
Personal Loans and other unsecured lending[3]	9,563	(228)	9,335	236	(53)	183	274	(129)	145	10,073	(410)	9,663
Secured wealth products	21,404	(37)	21,367	402	(6)	396	518	(353)	165	22,324	(396)	21,928
Other[2,3]	4,054	(9)	4,045	197	(29)	168	160	(92)	68	4,411	(130)	4,281
Total	118,398	(403)	117,995	1,953	(170)	1,783	1,629	(770)	859	121,980	(1,343)	120,637
Net carrying value (customers)[1]	269,102	(483)	268,619	10,631	(473)	10,158	6,203	(3,948)	2,255	285,936	(4,904)	281,032
Net carrying value (Banks)[1]	43,208	(10)	43,198	318	(1)	317	83	(5)	78	43,609	(16)	43,593

1 Includes reverse repurchase agreements and other similar secured lending held at amortised cost of $9,660 million for customers and $2,946 million for Banks.
2 Includes Auto Loans previously presented separately. Prior period has been represented.
3 Prior period has been represented between Personal Loan and other unsecured lending and Other for $463 million to align product classification.
4 Include Central & other items loans and advances to customers balance as set out in the Loans and advances by client segment table on page 240.

Industry and Retail Products analysis of Loans and advances by key geography

This section provides an analysis of the Group's amortised cost loan portfolio, net of provisions, by industry and geography.

The geographic disclosures below are presented on a booking location basis. As the Group operates a global booking model across CIB and Central and other items, the booking location does not necessarily reflect the country of risk (which is the country that can directly or indirectly put the counterparty at risk for the highest amount of potential financial losses) of the underlying counterparties.

On a country of risk basis, the countries analysed in the table below for CIB and Central and other items would cover approximately 50 per cent (31 December 2024: 53 per cent) of net loans and advances compared to 74 per cent (31 December 2024: 75 per cent) on a reported booking location basis.

Loans and advances to customers in the United Kingdom, Hong Kong and Singapore would be approximately lower by 49 per cent (31 December 2024: 65 per cent), 70 per cent (31 December 2024: 59 per cent) and 39 per cent (31 December 2024: 26 per cent) respectively. Loans and advances to customers in China and United States would be approximately higher by 49 per cent (31 December 2024: 55 per cent) and 6 per cent (31 December 2024: 9 per cent) respectively.

The manufacturing sector group is spread across a diverse range of industries, including automobiles and components, capital goods, pharmaceuticals, biotech and life sciences, technology hardware and equipment, chemicals, paper products and packaging, with lending spread over 3,340 clients.

Corporate & Investment Banking and Central & other items

Amortised Cost	2025 Hong Kong $million	China $million	Singapore $million	UK $million	US $million	Other $million	Total $million	2024[1] Hong Kong $million	China $million	Singapore $million	UK $million	US $million	Other $million	Total $million
Industry:														
Energy	**2,254**	**103**	**4,005**	**3,685**	**1,730**	**2,545**	**14,322**	1,036	60	3,089	3,666	1,771	3,238	12,860
Manufacturing	**4,653**	**3,311**	**2,775**	**848**	**2,553**	**7,448**	**21,588**	4,077	4,200	1,655	660	2,307	7,968	20,867
Financing, insurance and non-banking	**4,225**	**4,404**	**1,959**	**8,119**	**14,150**	**4,785**	**37,642**	3,633	3,486	2,401	12,282	9,900	3,978	35,680
Transport, telecom and utilities	**6,125**	**87**	**4,337**	**1,817**	**1,552**	**6,484**	**20,402**	5,131	612	3,766	2,596	880	5,625	18,610
Food and household products	**341**	**301**	**1,489**	**1,162**	**1,081**	**4,223**	**8,597**	1,038	428	1,472	1,151	685	3,955	8,729
Commercial Real estate	**4,067**	**231**	**1,209**	**2,000**	**2,296**	**5,482**	**15,285**	4,512	334	1,421	1,107	1,575	4,984	13,933
Mining and Quarrying	**434**	**541**	**401**	**1,525**	**101**	**2,115**	**5,117**	608	606	866	1,644	214	1,943	5,881
Consumer durables	**2,416**	**503**	**359**	**308**	**414**	**2,554**	**6,554**	2,780	293	504	154	481	1,995	6,207
Construction	**179**	**119**	**354**	**198**	**247**	**1,292**	**2,389**	318	156	482	96	247	1,158	2,457
Trading Companies & Distributors	**47**	**143**	**126**	**31**	**36**	**294**	**677**	95	103	106	31	40	277	652
Government	**3,993**	**126**	**10,557**	**1,486**	**2**	**2,721**	**18,885**	3,836	117	20,266	1,671	4	3,592	29,486
Other	**1,594**	**472**	**956**	**720**	**445**	**1,507**	**5,694**	1,419	563	816	724	233	1,278	5,033
Net Loans and advances to Customers	**30,328**	**10,341**	**28,527**	**21,899**	**24,607**	**41,450**	**157,152**	28,483	10,958	36,844	25,782	18,337	39,991	160,395
Net Loans and advances to Banks	**13,258**	**3,731**	**8,356**	**4,606**	**1,044**	**12,906**	**43,901**	15,058	2,432	7,701	4,337	2,322	11,743	43,593

1 Amounts have been re-presented from management view to financial booking basis in line with RNS on Re-Presentation of Financial Information issued on 2 April 2025 and also to include Central & other items amounts. Refer to the bridge tables in Note 40 on page 424.

Wealth & Retail Banking and Ventures

Amortised Cost	2025 Hong Kong $million	Korea $million	Singapore $million	Other $million	Total $million	2024[2] Hong Kong $million	Korea $million	Singapore $million	Other $million	Total $million
Mortgages	**31,714**	**15,808**	**16,054**	**18,552**	**82,128**	31,506	13,703	13,756	17,731	76,696
Credit Cards	**4,424**	**17**	**2,529**	**1,204**	**8,174**	4,262	38	2,252	1,517	8,069
Personal Loans and other unsecured lending[3]	**996**	**2,474**	**332**	**4,055**	**7,857**	1,057	2,796	301	5,509	9,663
Secured wealth products	**6,444**	**19**	**14,812**	**5,780**	**27,055**	5,229	24	10,793	5,882	21,928
Other Retail[1,3]	**597**	**2,069**	**129**	**1,627**	**4,422**	579	2,153	194	1,355	4,281
Net Loans and advances to Customers	**44,175**	**20,387**	**33,856**	**31,218**	**129,636**	42,633	18,714	27,296	31,994	120,637

2 Includes Auto Loans previously presented separately. Prior period has been represented.
3 Prior year has been represented to include Ventures.
4 Prior period has been represented between Personal Loans and other unsecured lending and Other Retail for $463 million to align product classification.

High carbon sectors

Sectors are identified and grouped as per the International Standard Industrial Classification (ISIC) system and exposure numbers have been updated to include all in-scope ISIC codes used for target setting among the high carbon sectors. The exposure is a mixture of high carbon loans, and lending tagged as sustainable finance such as green buildings in commercial real estate, renewable plants in power, and CCUS in oil and gas.

The maximum exposures shown in the table include loans and advances at amortised cost, Fair Value through profit or loss, and committed facilities available as per IFRS 9 – Financial Instruments.

Read more on 'Summary of Credit Risk Performance' section on page 234

Maximum exposure

	2025						
	Maximum on Balance Sheet Exposure (net of credit impairment) $million	Collateral $million	Net On Balance Sheet Exposure $million	Undrawn Commitments (net of credit impairment) $million	Financial Guarantees (net of credit impairment) $million	Net Off Balance Sheet Exposure $million	Total On & Off Balance Sheet Net Exposure $million
Industry:							
Automotive manufacturers	**4,409**	**412**	**3,997**	**4,712**	**730**	**5,442**	**9,439**
Aviation	**2,010**	**1,176**	**834**	**1,206**	**820**	**2,026**	**2,860**
Steel	**1,767**	**296**	**1,471**	**834**	**237**	**1,071**	**2,542**
Coal Mining	**2**	**1**	**1**	**–**	**8**	**8**	**9**
Aluminium	**875**	**39**	**836**	**371**	**93**	**464**	**1,300**
Cement	**781**	**52**	**729**	**693**	**264**	**957**	**1,686**
Shipping	**6,861**	**4,300**	**2,561**	**2,183**	**180**	**2,363**	**4,924**
Commercial Real Estate	**9,397**	**4,406**	**4,991**	**3,050**	**188**	**3,238**	**8,229**
Oil & Gas	**9,462**	**992**	**8,470**	**12,257**	**8,314**	**20,571**	**29,041**
Power	**7,585**	**1,180**	**6,405**	**6,138**	**1,548**	**7,686**	**14,091**
Total[1,5]	**43,149**	**12,854**	**30,295**	**31,444**	**12,382**	**43,826**	**74,121**
Total Corporate & Investment Banking[2]	**204,974**	**27,925**	**177,049**	**135,410**	**105,414**	**240,824**	**417,872**
Total Group[3,4]	**430,158**	**137,977**	**292,181**	**208,841**	**114,053**	**322,894**	**615,074**

	2024						
Industry:							
Automotive manufacturers	3,881	69	3,812	3,331	605	3,936	7,748
Aviation	1,829	960	869	842	928	1,770	2,639
Steel	1,526	316	1,210	816	325	1,141	2,351
Coal Mining	25	–	25	–	–	–	25
Aluminium	1,341	32	1,309	354	53	407	1,716
Cement	709	55	654	637	267	904	1,558
Shipping	7,038	5,037	2,001	2,176	397	2,573	4,574
Commercial Real Estate	7,635	3,400	4,235	2,758	684	3,442	7,677
Oil & Gas	7,421	988	6,433	7,928	7,079	15,007	21,440
Power	6,341	1,500	4,841	4,538	1,124	5,662	10,503
Total[1,5]	37,746	12,357	25,389	23,380	11,462	34,842	60,231
Total Corporate & Investment Banking[2]	196,823	32,152	164,671	118,106	81,132	199,238	363,909
Total Group[3,4]	420,117	121,993	298,124	193,115	90,602	283,717	581,841

1 Maximum on balance sheet exposure includes FVTPL amount of High Carbon sector is $2,202 million (31 December 2024: $749 million).

2 Includes on balance sheet FVTPL amount of $62,795 million (31 December 2024: $ 58,519 million) for Corporate & Investment Banking loans to customers.

3 Total Group includes net loans and advances to banks and net loans and advances to customers held at amortised cost of $43,901 million (31 December 2024: $43,593 million) and $286,788 million (31 December 2024: $ 281,032 million) respectively and loans to banks and loans and advances to customers held at FVTPL of $36,673 million (31 December 2024: $ 36,967 million) and $62,798 million (31 December 2024: $ 58,525 million) respectively. Refer to Loans and advances by client segment table on page 239.

4 Agriculture is a further sector for which the Group set a net zero target in 2025 (see net zero section on page 90). The value chain in scope for this sector incorporates from pre-farm production (fertiliser) to post-farm processing (food traders, processors and wholesales). The total outstanding loan exposure to this sector is $11,239 million (31 December 2024: $11,531 million) with financial guarantees of $1,908 million (31 December 2024: $2,174 million) and undrawn commitments of $10,977 million (31 December 2024:$8,791 million) Whilst there is a net zero target on this sector and transition risk is a consideration, the sector is not considered a traditional high carbon sector as it is not linked to heavy industry and the consumption of energy.

5 The ratio of total high carbon sector lending to the Group's total assets is 5.9% (31 December 2024: 5.8%), which is the high carbon sector and agriculture sector balances over the total Group balance sheet.

Maturity and ECL for high-carbon sectors

Sector	2025 Loans and advances (Drawn funding) $million	2025 Maturity Buckets[1] Less than 1 year $million	2025 Maturity Buckets[1] More than 1 to 5 years $million	2025 Maturity Buckets[1] More than 5 years $million	2025 Expected Credit Loss $million	2024 Loans and advances (Drawn funding) $million	2024 Maturity Buckets[1] Less than 1 year $million	2024 Maturity Buckets[1] More than 1 to 5 years $million	2024 Maturity Buckets[1] More than 5 years $million	2024 Expected Credit Loss $million
Automotive Manufacturers	**4,411**	**3,137**	**1,041**	**233**	**1**	3,883	3,458	369	56	2
Aviation	**2,013**	**329**	**201**	**1,483**	**3**	1,833	231	404	1,198	4
Steel	**1,790**	**863**	**167**	**760**	**23**	1,598	941	133	524	72
Coal Mining	**15**	**15**	**–**	**–**	**12**	38	25	13	–	13
Aluminium	**882**	**731**	**151**	**–**	**8**	1,352	1,089	177	86	11
Cement	**820**	**579**	**241**	**–**	**39**	724	356	368	–	15
Shipping	**6,884**	**737**	**2,413**	**3,734**	**23**	7,053	1,035	2,450	3,568	15
Commercial Real Estate	**9,552**	**5,264**	**4,081**	**207**	**155**	7,773	3,880	3,680	213	138
Oil & Gas	**9,525**	**3,483**	**1,739**	**4,303**	**64**	7,580	2,601	2,407	2,572	159
Power	**7,646**	**2,079**	**1,725**	**3,842**	**61**	6,401	1,700	1,404	3,297	60
Total balance[1]	**43,538**	**17,217**	**11,759**	**14,562**	**389**	38,235	15,316	11,405	11,514	489

1 Gross of credit impairment.

Sectors of interest

Commercial real estate

	2025 Maximum on Balance Sheet Exposure (net of credit impairment)[2] $million	2025 Collateral $million	2025 Net On Balance Sheet Exposure $million	2025 Undrawn Commitments (net of credit impairment) $million	2025 Financial Guarantees (net of credit impairment) $million	2025 Net Off Balance Sheet Exposure $million	2025 Total On & Off Balance Sheet Net Exposure $million
Commercial Real Estate	**16,230**	**6,848**	**9,382**	**7,662**	**244**	**7,906**	**17,288**
				2024			
Commercial Real Estate	14,037	5,947	8,090	4,932	670	5,602	13,692

2 Includes net loans and advances of $15,286 million (31 December 2024: $13,933 million) as detailed in the table below.

Analysis of credit quality of loans and advances of Commercial Real Estate

Amortised costs	2025 Gross $million	2024 Gross $million
Strong	**9,070**	7,222
Satisfactory	**5,728**	6,515
Higher risk	**372**	112
Credit impaired (stage 3)	**706**	1,485
Total Gross Balance	**15,876**	15,334
Strong	**(4)**	(83)
Satisfactory	**(95)**	(44)
Higher risk	**(73)**	(9)
Credit impaired (stage 3)	**(418)**	(1,265)
Total Credit Impairment	**(590)**	(1,401)
Total Net of Credit Impairment	**15,286**	13,933
Strong	**0.0%**	1.1%
Satisfactory	**1.6%**	0.7%
Higher risk	**19.6%**	8.0%
Credit impaired (stage 3)	**59.2%**	85.1%
Cover Ratio	**3.7%**	9.1%

An analysis of the net CRE loans and advances by key geography, is set out on page 260.

Debt securities and other eligible bills (audited)

This section provides further detail on gross debt securities and treasury bills.

The credit quality descriptions in the table below align to those used for CIB and Central and other items, as described on page 238. Debt securities held that have a short-term external rating are reported against the long-term rating of the issuer.

For securities that are unrated, the Group applies an internal credit rating, as described under the 'Credit rating and measurement' section on page 226.

Total gross debt securities and other eligible bills increased by $22.2 billion to $165.8 billion (31 December 2024: $143.6 billion) primarily due to an increase in high quality liquidity assets held in stage 1, mainly in Hong Kong and Singapore. Stage 2 balances decreased by $0.4 billion to $1.2 billion (31 December 2024: $1.6 billion) largely due to sovereign upgrades. Stage 3 balances increased by $0.2 billion to $0.3 billion (31 December 2024: $0.1 billion) largely due to higher exposures to previously defaulted sovereigns in Africa.

	2025			2024		
Amortised cost and FVOCI	Gross $million	ECL $million	Net[2] $million	Gross $million	ECL $million	Net[2] $million
Stage 1	**164,283**	**(56)**	**164,227**	141,862	(23)	141,839
· Strong	**160,390**	**(49)**	**160,341**	138,353	(19)	138,334
· Satisfactory	**3,893**	**(7)**	**3,886**	3,509	(4)	3,505
Stage 2	**1,198**	**(5)**	**1,193**	1,614	(4)	1,610
· Strong	**68**	**–**	**68**	562	–	562
· Satisfactory	**1,130**	**(5)**	**1,125**	31	–	31
· High Risk	**–**	**–**	**–**	1,021	(4)	1,017
Stage 3	**296**	**(5)**	**291**	103	(2)	101
Gross balance[1]	**165,777**	**(66)**	**165,711**	143,579	(29)	143,550

1 Stage 3 gross includes $278 million (31 December 2024: $59 million) originated credit-impaired debt securities with $5 million impairment (31 December 2024: $Nil). The Group also has credit insurance over $4.2 billion (31 December 2024: $4.03 billion) of other eligible bills.

2 FVOCI instruments are not presented net of ECL on the balance sheet. While the presentation is on a net basis for the table, the total net on-balance sheet amount is $165,753 million (31 December 2024: $143,562 million). Refer to the Analysis of financial instrument by stage table.

IFRS 9 ECL methodology (audited)

Approach for determining ECL

Credit loss terminology

Component	Definition
Probability of default (PD)	The probability that a counterparty will default, over the next 12 months from the reporting date (stage 1) or over the lifetime of the product (stage 2), incorporating the impact of forward-looking economic assumptions that have an effect on Credit Risk, such as unemployment rates and GDP forecasts. The PD estimates will fluctuate in line with the economic cycle. The lifetime (or term structure) PDs are based on statistical models, calibrated using historical data and adjusted to incorporate forward-looking economic assumptions.
Loss given default (LGD)	The loss that is expected to arise on default, incorporating the impact of forward-looking economic assumptions where relevant, which represents the difference between the contractual cashflows due and those that the bank expects to receive. The Group estimates LGD based on the history of recovery rates and considers the recovery of any collateral that is integral to the financial asset, taking into account forward-looking economic assumptions where relevant.
Exposure at default (EAD)	The expected balance sheet exposure at the time of default, taking into account expected changes over the lifetime of the exposure. This incorporates the impact of drawdowns of facilities with limits, repayments of principal and interest, and amortisation.

To determine the ECL, these components are multiplied together: PD for the reference period (up to 12 months or lifetime) x LGD x EAD and discounted to the balance sheet date using the effective interest rate as the discount rate.

IFRS 9 ECL models have been developed for the CIB businesses on a global basis, in line with their respective portfolios. However, for some of the key countries, country-specific models have also been developed.

The calibration of forward-looking information is assessed at a country or region level to take into account local macroeconomic conditions.

Retail ECL models are country and product specific, given the local nature of the WRB business.

For less material portfolios, primarily in retail, the Group has adopted less sophisticated approaches based on historical roll rates or loss rates:

- For medium-sized portfolios, a roll rate model is applied, which uses a matrix that gives the average loan migration rate between delinquency states from period to period. A matrix multiplication is then performed to generate the final PDs by delinquency bucket over different time horizons.
- For smaller portfolios, a loss rate approach is applied. These use an adjusted gross charge-off rate, developed using monthly write-off and recoveries over an appropriate historical observation window (typically 12 months, extended to 24 months for certain portfolios where this provides a more stable and representative estimate), and total outstanding balances.
- While the loss rate approaches do not incorporate forward looking information, to the extent that there are significant changes in the macroeconomic forecasts an assessment will be completed on whether an adjustment to the modelled output is required.

For a limited number of exposures, proxy parameters or approaches are used where the data is not available to calculate the origination PDs for the purpose of applying the SICR criteria or for some retail portfolios where a full history of LGD data is not available, estimates based on the loss experience from similar portfolios are used. The use of proxies is monitored and will reduce over time.

When existing IFRS 9 PD models are redeveloped, where material and without undue cost or effort, origination PDs are recalibrated if there is a change in measurement approach to ensure credit risk is measured on a consistent basis. A change in measurement approach refers to changes in the conceptual or methodological basis of PD estimation that affect comparability of estimates with the previous model.

The following processes are in place to assess the ongoing performance of the models:

- Quarterly model monitoring that uses recent data to compare the differences between model predictions and actual outcomes against approved thresholds.
- Annual independent validation performed by Group Model Validation (GMV) with the depth of validation determined by the model materiality. Material models would go through a full annual re-validation process, while a less intensive validation process will be performed on non-material models.

Application of lifetime ECL

ECL is estimated based on the period over which the Group is exposed to Credit Risk. For the majority of exposures this equates to the maximum contractual period. For retail credit cards and corporate overdraft facilities, however, the Group does not typically enforce the contractual period, which can be as short as one day. As a result, the period over which the Group is exposed to Credit Risk for these instruments reflects their behavioural life, which incorporates expectations of customer behaviour and the extent to which Credit Risk management actions curtail the period of that exposure. The average behavioural life for retail credit cards is between 3 and 6 years across our footprint markets.

The behavioural life for corporate overdraft facilities is 36 months.

Composition of credit impairment provisions (audited)

The table below summarises the key components of the Group's credit impairment provision balances as at 31 December 2025 and 31 December 2024.

	2025					2024				
	Corporate & Investment Banking $ million	Wealth & Retail Banking $ million	Ventures $ million	Central & other items[4] $ million	Total $ million	Corporate & Investment Banking $ million	Wealth & Retail Banking $ million	Ventures $ million	Central & other items[4] $ million	Total $ million
Modelled ECL provisions (base forecast)	**375**	**527**	**96**	**63**	**1,061**	337	613	61	37	1,048
Impact of multiple economic scenarios[1]	**56**	**31**	**3**	**23**	**113**	24	19	–	–	43
Modelled ECL provisions before management judgements	**431**	**558**	**99**	**86**	**1,174**	361	632	61	37	1,091
Includes: Model performance post model adjustments	**–**	**10**	**–**	**–**	**10**	–	14	–	–	14
Judgemental post model adjustments[2]	**–**	**(10)**	**(2)**	**–**	**(12)**	–	(23)	–	–	(23)
Management overlays[3]	**167**	**24**	**–**	**11**	**202**	179	27	7	–	213
Total modelled provisions	**598**	**572**	**97**	**97**	**1,364**	540	636	68	37	1,281
Of which:										
Stage 1	**194**	**351**	**49**	**92**	**686**	133	392	30	34	589
Stage 2	**354**	**120**	**24**	**5**	**503**	362	151	27	1	541
Stage 3	**50**	**101**	**24**	**–**	**175**	45	93	11	2	151
Stage 3 non-modelled provisions	**2,272**	**745**	**–**	**27**	**3,044**	3,267	665	–	54	3,986
Total credit impairment provisions	**2,870**	**1,317**	**97**	**124**	**4,408**	3,807	1,301	68	91	5,267

1 Includes upwards judgemental post-model adjustment of $90 million (31 December 2024: $28 million).
2 Excludes $90 million upwards judgemental post-model adjustment which is included in 'Impact of multiple economic scenarios'.
3 $61 million (31 December 2024: $32 million) is in stage 1, $128 million (31 December 2024: $181 million) in stage 2 and $14 million (31 December 2024: Nil) in stage 3.
4 Includes ECL on cash and balances at central banks, accrued income, assets held for sale and other assets.

Model performance post model adjustments (PMAs)

As part of model monitoring and independent validation processes, where a model's performance breaches the approved monitoring thresholds or validation standards, an assessment is performed to determine whether a model performance PMA is required to temporarily remediate the model issue. Read more on the process for the determination of PMAs in the 'Governance of PMAs and application of expert credit judgement in respect of ECL' section on page 275.

As at 31 December 2025, model performance PMAs have been applied for 4 models out of the total of 110 models. In aggregate, these PMAs increase the Group's impairment provisions by $10 million (less than one per cent of modelled provisions) compared with a $14 million increase at 31 December 2024.

In addition to these model performance PMAs, separate judgemental post model and management adjustments have also been applied as set out on page 270.

	2025 $ million	2024 $ million
Model performance PMAs		
Corporate & Investment Banking	–	–
Wealth & Retail Banking	**10**	14
Total model performance PMAs	**10**	14

Key assumptions and judgements in determining ECL

Incorporation of forward-looking information

The evolving economic environment is a key determinant of the ability of a bank's clients to meet their obligations as they fall due. It is a fundamental principle of IFRS 9 that the provisions banks hold against potential future Credit Risk losses should not just depend on the health of the economy today, but should also take into account potential changes to the economic environment. For example, if a bank were to anticipate a sharp slowdown in the world economy over the coming year, it should hold more provisions today to absorb the credit losses likely to occur in the near future.

To capture the effect of changes to the economic environment, the PDs and LGDs used to calculate ECL incorporate forward-looking information in the form of forecasts of the values of economic variables and asset prices that are likely to have an effect on the repayment ability of the Group's clients.

The 'base forecast' of the economic variables and asset prices is based on management's view of the five-year outlook, supported by projections from the Group's in-house research team and outputs from a third-party model that project specific economic variables and asset prices. The research team takes consensus views into consideration, and senior management review projections for some core country variables against consensus when forming their view of the outlook. For the period beyond five years, management utilises the in-house research view and third-party model outputs, which allow for a reversion to long-term growth rates or norms. All projections are updated on a quarterly basis.

Forecast of key macroeconomic variables underlying the ECL calculation and the impact on non-linearity

In the Base Forecast – management's view of the most likely outcome – the pace of growth of the world economy in 2026 is expected to remain broadly unchanged from 2025 at around 3.1 per cent. This compares to the average of 3.7 per cent growth for the 10 years prior to COVID-19 (between 2010 and 2019). Growth in 2025 had been supported by exporters front-loading exports to the US and consumers in key markets remaining resilient. 2026 for many economies is likely to be a year of transition from monetary to fiscal policy, and from export-led to increasingly domestic (particularly investment-led) growth.

The US economy is expected to grow slightly faster in 2026 than the 1.5 per cent growth for last year. The outlook is supported by strong business investment and spending, which will be underpinned by corporate tax cuts and the race for AI adoption. Similarly, the outlook for the Middle East is expected to be slightly better in 2026 as OPEC+ cuts are phased out resulting in the gradual recovery in oil output. Ongoing diversification and infrastructure programmes will also support investment spending. In Asia growth is expected to remain robust though moderate on the fading effects from the strong front-loading of exports to the US in 2025. Political uncertainty in some countries may also weigh on growth. Africa is expected to remain strong, with the region less exposed than others to trade tensions. In larger economies such as Nigeria and South Africa, reform momentum will provide additional support. In contrast, growth prospects in the Euro area are expected to remain muted around 1 per cent (unchanged from 2025) given trade pressures – both from US tariffs and increasing competition from China – and the uneven picture across economies in the region.

The risks around the economic outlook remain elevated amid persistent trade policy uncertainty, heightened geopolitical tensions, including around disruptions to global international relationships, and fears of financial-market corrections – all of which point to potentially higher probability of adverse outcomes.

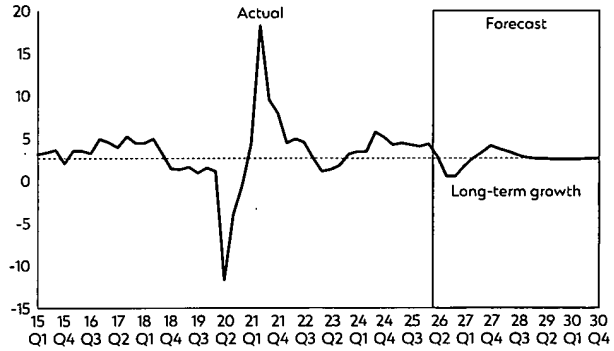
While the quarterly Base Forecasts inform the Group's strategic plan, one key requirement of IFRS 9 is that the assessment of provisions should consider multiple future economic environments. For example, the global economy may grow at a different pace than the Base Forecast, and these variations would have different implications for the provisions that the Group should hold today. As the negative impact of an economic downturn on credit losses tends to be greater than the positive impact of an economic upturn, if the Group sets provisions only on the ECL under the Base Forecast it might maintain a level of provisions that does not appropriately capture the range of potential outcomes. To address the inherent uncertainty in economic forecast, and the property of skewness (or non-linearity), IFRS 9 requires reported ECL to be a probability-weighted ECL, calculated over a range of possible outcomes.

To assess the range of possible outcomes, the Group simulates a set of 50 scenarios around the Base Forecast, calculates the ECL under each of them and assigns an equal weight of 2 per cent to each scenario outcome. These scenarios are generated by a Monte Carlo simulation, which addresses the challenges of crafting many realistic alternative scenarios in the many countries in which the Group operates. The alternative scenarios are modelled while considering the degree of historical uncertainty (or volatility) observed from Q1 1990 to Q3 2025 around economic outcomes, the trends in each macroeconomic variable modelled and the correlation in the unexplained movements around these trends. Collectively, the 50 scenarios explore a range of hypothetical alternative outcomes for the global economy, including scenarios that turn out better than expected and those that amplify anticipated stresses.

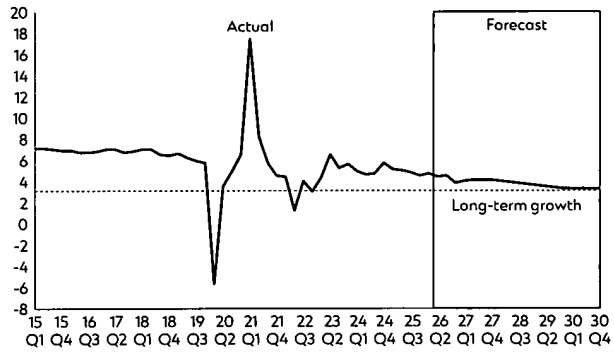
The GDP graphs below illustrate the shape of the Base Forecast for key footprint markets in relation to prior periods' actuals. The long-term growth rates are based on the pace of economic expansion expected for 2030. The tables below provide a summary of the Group's Base Forecast for these markets. The peak/trough amounts show the highest and lowest points within the Base Forecast.

China's GDP growth is expected to ease slightly to 4.3 per cent in 2026 from 4.9 per cent in 2025, reflecting the fading impact from the front-loading of activity last year and the ongoing correction in the property sector. Similarly, GDP growth is expected to moderate in Hong Kong and ease more sharply in Singapore as external demand turns less supportive in 2026. While growth in India is also expected to ease to 6.5 per cent from 6.9 per cent in 2025, it will remain amongst the fastest growing economies in the world.
The outlook will be supported by consumption supported by policies such as tax cuts, ample rainfall and low inflation. Korea's GDP growth is expected to accelerate to 2 per cent in 2026 from 1 per cent in 2025 as construction investment turns positive, facility investment stays stable and private consumption strengthens.

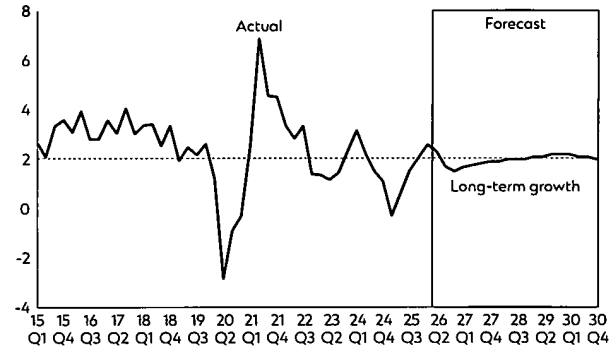
Singapore GDP YoY%



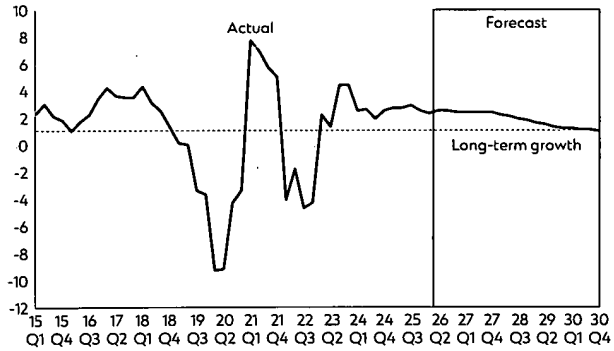
China GDP YoY%



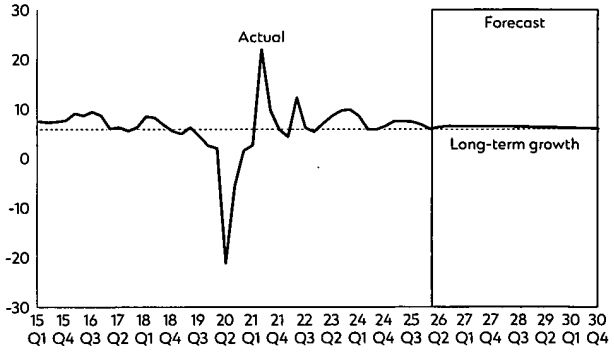
Korea GDP YoY%



Hong Kong GDP YoY%



India GDP YoY%



	2025 year-end forecasts							
	China				Hong Kong			
	GDP growth (YoY%)	Unemployment %	3-month interest rates %	House prices[5] (YoY %)	GDP growth (YoY%)	Unemployment %	3-month interest rates %	House prices[5] (YoY %)
Base forecast[1]								
2025	**4.9**	**3.5**	**1.7**	**(3.8)**	**2.8**	**3.6**	**3.2**	**(4.0)**
2026	**4.3**	**3.4**	**1.5**	**(2.0)**	**2.5**	**3.6**	**3.5**	**4.2**
2027	**4.1**	**3.3**	**1.4**	**(1.2)**	**2.5**	**3.3**	**3.5**	**5.0**
2028	**3.9**	**3.3**	**1.4**	**(0.3)**	**2.1**	**3.2**	**3.5**	**4.3**
2029	**3.5**	**3.3**	**1.4**	**0.9**	**1.5**	**3.2**	**3.5**	**3.9**
5-year average[2]	**3.8**	**3.3**	**1.4**	**(0.1)**	**2.0**	**3.3**	**3.5**	**4.2**
Quarterly peak	**4.7**	**3.4**	**1.5**	**2.3**	**2.6**	**3.7**	**3.5**	**5.7**
Quarterly trough	**3.3**	**3.3**	**1.4**	**(2.5)**	**1.1**	**3.2**	**3.5**	**2.3**
Monte Carlo								
Low[3]	**(6.9)**	**2.9**	**(0.3)**	**(8.3)**	**(4.3)**	**1.7**	**(0.8)**	**(21.0)**
High[4]	**14.3**	**3.8**	**3.6**	**15.4**	**7.5**	**5.5**	**7.4**	**33.9**

	2025 year-end forecasts							
	Singapore				Korea			
	GDP growth (YoY%)	Unemployment[6] %	3-month interest rates %	House prices (YoY %)	GDP growth (YoY%)	Unemployment %	3-month interest rates %	House prices (YoY %)
Base forecast[1]								
2025	**4.2**	**2.9**	**1.8**	**3.8**	**1.0**	**3.0**	**2.7**	**0.1**
2026	**2.0**	**3.0**	**1.1**	**3.0**	**2.0**	**3.2**	**2.4**	**0.5**
2027	**2.9**	**2.8**	**2.1**	**2.6**	**1.8**	**3.1**	**2.3**	**1.2**
2028	**3.2**	**2.8**	**3.0**	**2.7**	**2.0**	**3.0**	**2.3**	**1.7**
2029	**2.6**	**2.8**	**3.0**	**2.7**	**2.1**	**3.0**	**2.3**	**1.7**
5-year average[2]	**2.7**	**2.8**	**2.4**	**2.8**	**2.0**	**3.1**	**2.3**	**1.3**
Quarterly peak	**4.3**	**3.0**	**3.0**	**3.7**	**2.6**	**3.2**	**2.4**	**1.7**
Quarterly trough	**0.5**	**2.8**	**1.0**	**2.6**	**1.5**	**3.0**	**2.3**	**0.4**
Monte Carlo								
Low[3]	**(5.5)**	**1.7**	**(0.4)**	**(16.8)**	**(3.4)**	**1.1**	**(1.0)**	**(6.4)**
High[4]	**9.8**	**4.3**	**6.4**	**22.5**	**6.6**	**5.2**	**6.3**	**8.6**

	2025 year-end forecasts				
	India				
	GDP growth (YoY%)	Unemployment[7] %	3-month interest rates %	House prices (YoY %)	Brent Crude $ pb
Base forecast[1]					
2025	**6.9**	**NA**	**5.5**	**5.0**	**69.1**
2026	**6.5**	**NA**	**6.0**	**6.3**	**63.4**
2027	**6.5**	**NA**	**6.4**	**6.4**	**66.9**
2028	**6.4**	**NA**	**6.5**	**6.3**	**70.8**
2029	**6.2**	**NA**	**6.5**	**6.2**	**72.3**
5-year average[2]	**6.3**	**NA**	**6.3**	**6.3**	**69.5**
Quarterly peak	**6.5**	**NA**	**6.5**	**6.5**	**75.2**
Quarterly trough	**5.9**	**NA**	**5.8**	**6.1**	**62.0**
Monte Carlo					
Low[3]	**3.0**	**NA**	**1.0**	**2.0**	**30.0**
High[4]	**10.5**	**NA**	**13.7**	**10.6**	**146.5**

	2024 year-end forecasts							
	China				Hong Kong			
	GDP growth (YoY%)	Unemployment %	3-month interest rates %	House prices[5] (YoY %)	GDP growth (YoY%)	Unemployment %	3-month interest rates %	House prices[8] (YoY %)
5-year average[2]	4.1	3.3	1.7	(1.3)	2.2	3.1	2.4	3.8
Quarterly peak	5.3	3.5	1.9	2.3	3.5	3.2	2.9	6.8
Quarterly trough	3.2	3.1	1.6	(5.6)	1.5	3.0	2.1	(2.6)
Monte Carlo								
Low[3]	(1.0)	2.8	0.6	(10.1)	(1.8)	1.8	0.3	(13.1)
High[4]	9.3	3.7	3.0	7.8	5.8	5.1	5.3	22.2

	2024 year-end forecasts							
	Singapore				Korea			
	GDP growth (YoY%)	Unemployment[6] %	3-month interest rates %	House prices (YoY %)	GDP growth (YoY%)	Unemployment %	3-month interest rates %	House prices (YoY %)
5-year average[2]	2.3	2.7	2.0	2.4	2.0	2.8	2.9	2.8
Quarterly peak	3.4	2.8	2.4	3.2	2.2	2.9	3.2	4.8
Quarterly trough	0.6	2.7	1.6	(0.4)	1.5	2.8	2.9	1.9
Monte Carlo								
Low[3]	(2.7)	2.0	0.3	(10.5)	(1.3)	2.2	0.8	(4.3)
High[4]	7.0	3.6	3.9	17.5	5.2	3.5	5.7	9.8

	2024 year-end forecasts				
	India				
	GDP growth (YoY%)	Unemployment %	3-month interest rates %	House prices (YoY %)	Brent crude $ pb
5-year average[2]	6.6	NA	6.0	6.4	76.2
Quarterly peak	7.1	NA	6.2	7.3	77.8
Quarterly trough	5.9	NA	6.0	6.0	74.8
Monte Carlo					
Low[3]	3.2	NA	1.9	(0.1)	44.5
High[4]	10.0	NA	10.3	12.6	107.8

1 Data presented are those used in the calculation of ECL and presented as average growth for the year. These may differ slightly to forecasts presented elsewhere in the Annual Report as they are finalised before the period end.
2 5-year averages covering 20 quarters from Q1 2026 to Q4 2030 for the 2025 annual report. They cover Q1 2025 to Q4 2029 for the numbers reported for the 2024 Annual Report.
3 Represents the 10th percentile in the range of economic scenarios used to determine non-linearity.
4 Represents the 90th percentile in the range of economic scenarios used to determine non-linearity.
5 A judgemental management adjustment is held in respect of the China commercial real estate sector.
6 Singapore unemployment rate covers the resident unemployment rate, which refers to citizens and permanent residents.
7 India unemployment is not available due to insufficient data.
8 A judgmental management adjustment is held for risks relating to the property sector in Hong Kong.

Impact of multiple economic scenarios

The Monte Carlo approach generates many alternative scenarios that cover our global footprint and while the range of scenarios was restricted through the use of ceilings and floors applied to the underlying macroeconomic variables, these were redeveloped in the first half of 2025 to capture a broader range of outcomes.

Given continuing heightened level of geopolitical and trade uncertainty, $90 million (31 December 2024: $28 million) judgemental non-linearity PMAs have been applied, comprising $63 million (31 December 2024: $13 million) for CIB and Central and other items, and $27million (31 December 2024: $15 million) for WRB and Ventures.

The total amount of non-linearity has primarily been estimated by assigning probability weights of 59 per cent, 26 per cent and 15 per cent respectively to the Base Forecast, 'Market Correction' (MC), and 'Bank Capital Stress Test' (BCST) scenarios which are presented on page 273 and comparing this to the unweighted Base Forecast ECL.

At 31 December 2024, probability weights of 68 per cent, 22 per cent and 10 per cent respectively were assigned to the Base Forecast, 'Higher for Longer Commodities and Rates', and 'Global Trade and Geopolitical Tensions' scenarios as disclosed in the 2024 Annual Report.

The judgemental non-linearity PMA represents the difference between the probability weighted ECL calculated using the three scenarios and the probability weighted ECL calculated by the Monte Carlo model together with an adjustment of $12 million (31 December 2024: $nil million) primarily to incorporate non-linearity for portfolios under a loss rate approach.

The total amount of non-linearity including these PMAs is $113 million (31 December 2024: $43 million). The CIB and Central and other items portfolios accounted for $79 million (31 December 2024: $24 million) of the calculated non-linearity, with the remaining $34 million (31 December 2024: $19 million) attributable to WRB and Ventures portfolios.

The impact of multiple economic scenarios on total modelled ECL is set out in the table below, together with the management overlays and other judgemental adjustments.

	Base forecast $million	Multiple economic scenarios[1] $million	Management overlays and other judgemental adjustments $million	Total modelled ECL[2] $million
Total modelled expected credit loss at 31 December 2025	**1,061**	**113**	**190**	**1,364**
Total modelled expected credit loss at 31 December 2024	1,048	43	190	1,281

1 Includes upwards judgemental PMAs of $90 million (31 December 2024: $28 million).

2 Total modelled ECL comprises stage 1 and stage 2 balances of $1,189 million (31 December 2024: $1,130 million) and $175 million (31 December 2024: $151 million) of modelled ECL on stage 3 loans.

The average ECL under multiple scenarios is 11 per cent (31 December 2024: 4 per cent) higher than the ECL calculated using only the most likely scenario (the Base Forecast). Portfolios that are more sensitive to non-linearity include those with greater leverage and/or a longer tenor, such as commercial real estate, project finance and shipping finance portfolios. Sovereign exposures also contributed to increased non-linearity in 2025 as the BCST scenario included a significant decline in equity indices. Other portfolios displayed minimal non-linearity owing to limited responsiveness to macroeconomic impacts for structural reasons, such as significant collateralisation as with the WRB mortgage portfolios.

Stage 3 assets

Credit-impaired assets managed by Stressed Asset Group (SAG) incorporate forward-looking economic assumptions in respect of the recovery outcomes identified and are assigned individual probability weightings per IFRS 9. These assumptions are not based on a Monte Carlo simulation but are informed by the Base Forecast. Read more on the assessment of credit-impaired financial assets in Note 8 to the financial statements on page 344.

Judgemental management adjustments

As at 31 December 2025, the Group held judgemental adjustments for ECL as set out in the table below. All of the judgemental adjustments have been determined after taking account of the model performance PMAs reported on page 265. They are reassessed quarterly and are reviewed and approved by the IFRS 9 Impairment Committee (IIC) and will be released when no longer relevant.

	Corporate & Investment Banking	Wealth & Retail Banking and Ventures				Central & other	Total
31 December 2025	$million	Mortgages $million	Credit Cards $million	Other $million	Total $million	$million	$million
Judgemental post model adjustments[1]	**44**	**(6)**	**(3)**	**23**	**14**	**20**	**78**
Judgemental management overlays	**167**	**–**	**5**	**19**	**24**	**11**	**202**
Total judgemental adjustments	**211**	**(6)**	**2**	**42**	**38**	**31**	**280**
Judgemental adjustments by stage:							
Stage 1	**61**	**–**	**(4)**	**15**	**11**	**31**	**103**
Stage 2	**150**	**(6)**	**4**	**14**	**12**	**–**	**162**
Stage 3	**–**	**–**	**2**	**13**	**15**	**–**	**15**
31 December 2024							
Judgemental post model adjustments[1]	13	–	9	(17)	(8)		5
Judgemental management overlays	179	–	5	29	34		213
Total judgemental adjustments	192	–	14	12	26		218
Judgemental adjustments by stage:							
Stage 1	27	–	10	(7)	3		30
Stage 2	165	–	5	28	33		198
Stage 3	–	–	(1)	(9)	(10)		(10)

1 Includes upwards judgemental PMAs of $90 million (31 December 2024: $28 million) relating to non-linearity. Excluding this judgemental PMAs are $12 million release (31 December 2024: $23 million release).

Judgemental PMAs

As at 31 December 2025, judgemental PMAs have been applied to increase ECL by a net $78 million (31 December 2024: $5 million increase). $90 million (31 December 2024: $28 million) of the increase in ECL related to multiple economic scenarios (see 'Impact of multiple economic scenarios' section on page 269). This was partly offset by a reduction of ECL of $12 million (31 December 2024: $23 million) for certain WRB models, primarily to adjust for temporary factors impacting modelled outputs. These will be released when these factors normalise.

Judgemental management overlays

In CIB and Central and other items, judgemental management overlays of $178 million (31 December 2024: $179 million) includes:

Hong Kong

The Group's loans and advances to Hong Kong CRE clients were $1.5 billion as at 31 December 2025 (31 December 2024: $2.5 billion), with the decrease due to repayments.

The overlay of $47 million (31 December 2024: $58 million) in Hong Kong reflects subdued economic activity and increasing commercial property vacancy rates, which contributes to an uncertain outlook that is not yet fully reflected in the credit grades and modelled ECL. During 2025, there has been increased pressure in property prices/ valuations, interest serviceability and repayment capacity. The risk of further impairment remains as a result of subdued economic activity in the property sector and the related liquidity constraints faced by counterparties as a result. The overlay has been determined by estimating the impact of a deterioration to certain exposures. The decrease from 31 December 2024 was driven by repayments and upgrades.

China CRE

The Group's loans and advances to China CRE clients decreased by $1.1 billion to $0.8 billion (31 December 2024: $1.9 billion), due to debt restructuring related write-offs and repayments during the year. Heightened risk management continues to be carried out on this portfolio and a management overlay of $36 million (31 December 2024: $70 million) has been retained by estimating the impact of further deterioration to exposures in this sector. The $34 million overlay decrease from 31 December 2024 was primarily driven by repayments and utilisation due to movement to stage 3.

Other

In CIB and Central and other items, additional overlays of $95 million (31 December 2024: $51 million) have been taken in Bangladesh together with marginal amounts for climate risks and other items. The overlay in Bangladesh reflects the political situation that has contributed to an increasing level of uncertainty in the macroeconomic outlook as well as the impact of a recent change in the restructuring policy announced by the local regulator and has been determined by estimating the impact of a deterioration to certain exposures.

In WRB and Ventures, judgemental management overlays of $24 million (31 December 2024: $34 million) includes $12 million (31 December 2024: $21 million) in Korea to cover the risks relating to the failure of two e-commerce payment platforms in 2024, and marginal amounts for climate risks and other items.

Read more on the adjustment for Climate Risk in Note 1 of the 'Notes to the financial statements' on page 332.

Sensitivity of ECL calculation to macroeconomic variables

The ECL calculation relies on multiple variables and is inherently non-linear and portfolio-dependent, which implies that no single analysis can fully demonstrate the sensitivity of the ECL to changes in the macroeconomic variables. The Group has conducted a series of analyses with the aim of identifying the macroeconomic variables which might have the greatest impact on the overall ECL. These encompassed single variable and multi-variable exercises, using simple up/ down variation and extracts from actual calculation data, as well as bespoke scenario design assessments.

The primary conclusion of these exercises is that no individual macroeconomic variable is materially influential. The Group believes this is plausible as the number of variables used in the ECL calculation is large. This does not mean that macroeconomic variables are uninfluential; rather, that the Group believes that consideration of macroeconomics should involve whole scenarios, as this aligns with the multi-variable nature of the calculation.

The Group faces downside risks in the operating environment related to the uncertainties surrounding the macroeconomic outlook. To explore this, a sensitivity analysis of ECL was undertaken to explore the effect of slower economic recoveries across the Group's footprint markets. Two downside scenarios are considered. The first scenario explores a modest downturn driven by financial market corrections in the US and other major economies. The second is a roll forward of the 2025 BCST scenario and is characterised by a synchronised and severe downturn across all key markets, global supply side disruptions (including tariffs) and a high commodity price, inflation and interest rate environment.

	Baseline		Market Correction		Bank Capital Stress Test	
	Five year average	Peak/Trough	Five year average	Peak/Trough	Five year average	Peak/Trough
China GDP	3.8	4.7/3.3	3.4	4.1/1.9	2.8	4.4/(1.8)
China unemployment	3.3	3.4/3.3	3.5	3.7/3.3	4.4	5.0/3.6
China property prices	(0.1)	2.3/(2.5)	(2.6)	1.8/(10.0)	(4.1)	10.8/(12.4)
Hong Kong GDP	2.0	2.6/1.1	1.4	2.2/0.4	0.2	2.8/(7.0)
Hong Kong unemployment	3.3	3.7/3.2	3.8	4.2/3.2	6.7	8.2/4.3
Hong Kong property prices	4.2	5.7/2.3	3.8	5.3/1.0	(3.1)	7.9/(9.9)
US GDP	1.9	2.1/1.2	1.2	2.5/(0.8)	0.1	1.4/(3.8)
Singapore GDP	2.7	4.3/0.5	2.2	3.7/(1.2)	1.1	3.8/(7.0)
India GDP	6.3	6.5/5.9	5.9	6.3/4.9	4.8	6.2/0.0
Crude oil	69.5	75.2/62.0	67.5	75.2/55.6	109.1	139.2/81.0

Period covered from Q1 2026 to Q4 2030.

	Base (GDP, YoY%)					Market Correction					Difference from Base				
	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030
China	4.3	4.1	3.9	3.5	3.3	2.7	3.5	3.4	3.2	4.0	(1.6)	(0.6)	(0.5)	(0.2)	0.6
Hong Kong	2.5	2.5	2.1	1.5	1.2	1.0	1.8	1.5	1.2	1.4	(1.5)	(0.7)	(0.6)	(0.3)	0.2
US	1.7	1.8	1.9	2.1	2.0	(0.5)	1.0	1.4	1.8	2.4	(2.2)	(0.8)	(0.5)	(0.2)	0.4
Singapore	2.0	2.9	3.2	2.6	2.6	0.2	2.5	2.9	2.4	3.1	(1.8)	(0.5)	(0.3)	(0.2)	0.5
India	6.5	6.5	6.4	6.2	6.1	5.4	6.2	6.1	6.1	6.1	(1.1)	(0.3)	(0.3)	(0.2)	(0.0)

Each year is from Q1 to Q4. For example 2026 is from Q1 2026 to Q4 2026.

	Base (GDP, YoY%)					Bank Capital Stress Test					Difference from Base				
	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030
China	4.3	4.1	3.9	3.5	3.3	0.7	0.6	4.3	4.2	4.0	(3.6)	(3.5)	0.4	0.7	0.7
Hong Kong	2.5	2.5	2.1	1.5	1.2	(3.4)	(3.4)	2.6	2.6	2.6	(5.9)	(5.9)	0.4	1.1	1.4
US	1.7	1.8	1.9	2.1	2.0	(1.4)	(1.9)	1.2	1.3	1.3	(3.1)	(3.8)	(0.7)	(0.8)	(0.8)
Singapore	2.0	2.9	3.2	2.6	2.6	(2.4)	(3.2)	3.5	3.6	3.6	(4.4)	(6.1)	0.3	1.0	1.0
India	6.5	6.5	6.4	6.2	6.1	2.5	3.2	6.2	6.2	6.3	(4.0)	(3.3)	(0.2)	(0.1)	0.3

Each year is from Q1 to Q4. For example 2026 is from Q1 2026 to Q4 2026.

The total modelled stage 1 and 2 ECL provisions (including both on and off-balance sheet instruments) would be approximately $101 million higher under the 'MC' scenario, and $498 million higher under the 'BCST' roll-forward scenario than the baseline ECL provisions (which excluded the impact of multiple economic scenarios and management overlays which may already capture some of the risks in these scenarios). Stage 2 exposures as a proportion of stage 1 and 2 exposures would increase from 2.2 per cent in the base case to 2.3 per cent and 3.5 per cent respectively under the 'MC', and 'BCST' roll-forward scenarios. This includes the impact of exposures transferring to stage 2 from stage 1 but does not consider an increase in stage 3 defaults.

Under both scenarios, the majority of the increase in ECL in CIB came from the Corporate, commercial real estate and Sovereign portfolios. For the main corporate portfolios, ECL would increase by $44 million and $23 million for 'MC', and 'BCST' roll-forward scenarios respectively and the proportion of stage 2 exposures would increase from 3.6 per cent in the base case to 4.1 per cent and 4.7 per cent respectively.

For the WRB portfolios, most of the increase in ECL came from the unsecured retail portfolios, particularly the credit card portfolios in Hong Kong and Singapore and Private Banking, although Mortgages in Korea and Malaysia were also impacted in the BCST scenario. Under the 'MC', and 'BCST' roll-forward scenarios, credit card ECL would increase by $7 million and $51 million respectively, largely in the Singapore and Hong Kong portfolios and the proportion of stage 2 credit card exposures would increase from 2.4 per cent in the base case to 2.7 per cent and 4.6 per cent for each scenario respectively, with the Singapore portfolio most impacted. Mortgages ECL would increase by $2 million and $29 million for each scenario respectively, with portfolios in Korea and Malysia impacted in the 'BCST' scenario and the proportion of stage 2 mortgages would increase from 1.5 per cent in the base case to 1.5 per cent and 1.7 per cent respectively.

There was no material change in modelled stage 3 provisions as these primarily relate to unsecured WRB exposures for which the LGD is not sensitive to changes in the macroeconomic forecasts. There is also no material change for non-modelled stage 3 exposures as these are more sensitive to client specific factors than to alternative macroeconomic scenarios.

The actual outcome of any scenario may be materially different due to, among other factors, the effect of management actions to mitigate potential increases in risk and changes in the underlying portfolio.

	Gross as reported[1] $million	ECL as reported[2] $million	ECL Base case $million	Market Correction $million	Bank Capital Stress Test $million
Stage 1 modelled					
Corporate & Investment Banking	**412,590**	**149**	**127**	**159**	**165**
Wealth & Retail Banking and Ventures	**198,220**	**404**	**392**	**404**	**420**
· Mortgages	**82,421**	**12**	**11**	**11**	**15**
· Credit cards	**47,125**	**154**	**148**	**148**	**147**
· Other	**68,674**	**238**	**233**	**245**	**258**
Central & Other items	**179,266**	**57**	**34**	**45**	**115**
Total stage 1 excluding management judgements[4]	**790,076**	**610**	**553**	**608**	**700**
Stage 2 modelled					
Corporate & Investment Banking	**13,679**	**232**	**198**	**237**	**410**
Wealth & Retail Banking and Ventures	**2,079**	**144**	**122**	**129**	**208**
· Mortgages	**1,002**	**13**	**12**	**13**	**37**
· Credit cards	**299**	**81**	**75**	**82**	**127**
· Other	**778**	**50**	**35**	**34**	**44**
Central & Other items	**1,199**	**5**	**5**	**5**	**58**
Total stage 2 excluding management judgements[4]	**16,957**	**381**	**325**	**371**	**676**
Total Stage 1 & 2 modelled					
Corporate & Investment Banking	**426,269**	**381**	**325**	**396**	**575**
Wealth & Retail Banking and Ventures	**200,299**	**548**	**514**	**533**	**628**
· Mortgages	**83,423**	**25**	**23**	**24**	**52**
· Credit cards	**47,424**	**235**	**223**	**230**	**274**
· Other	**69,452**	**288**	**268**	**279**	**302**
Central & Other items	**180,465**	**62**	**39**	**50**	**173**
Total excluding management judgements[4]	**807,033**	**991**	**878**	**979**	**1,376**
Stage 3 exposures excluding other assets	**6,946**	**3,184**			
Other financial assets[3]	**118,232**	**43**			
ECL from management judgements[4]		**190**			
Total financial assets reported as at 31 December 2025	**932,211**	**4,408**			

1 Gross balances includes both on- and off- balance sheet instruments; allocation between stage 1 and 2 will differ by scenario.
2 Includes ECL for both on- and off-balance sheet instruments.
3 Includes cash and balances at central banks, Accrued income, Other financial assets; and Assets held for sale.
4 Management judgements are as disclosed on page 270 except for $90 million relating to non-linearity. The difference between total stage 1 and 2 ECL as reported and the total stage 1 and 2 ECL Base case reflect the total non-linearity of $113 million.

Significant increase in Credit Risk (SICR)

Quantitative criteria

SICR is assessed by comparing the risk of default at the reporting date to the risk of default at origination. Whether a change in the risk of default is significant or not is assessed using quantitative and qualitative criteria. These criteria have been separately defined for each business and where meaningful are consistently applied across business lines.

Assets are considered to have experienced SICR if they have breached both relative and absolute thresholds for the change in the average annualised IFRS 9 lifetime probability of default (IFRS 9 PD) over the residual term of the exposure.

The absolute measure of increase in credit risk is used to capture instances where the IFRS 9 PDs on exposures are relatively low at initial recognition as these may increase by several multiples without representing a significant increase in credit risk. Where IFRS 9 PDs are relatively high at initial recognition, a relative measure is more appropriate in assessing whether there is a significant increase in credit risk, as the IFRS 9 PDs increase more quickly.

The SICR thresholds have been calibrated based on the following principles:

- **Stability** – The thresholds are set to achieve a stable stage 2 population at a portfolio level, trying to minimise the number of accounts moving back and forth between stage 1 and stage 2 in a short period of time.
- **Accuracy** – The thresholds are set such that there is a materially higher propensity for stage 2 exposures to eventually default than is the case for stage 1 exposures.
- **Dependency from backstops** – The thresholds are stringent enough such that a high proportion of accounts transfer to stage 2 due to movements in forward-looking IFRS 9 PDs rather than relying on backward-looking backstops such as arrears.
- **Relationship with business and product risk profiles** – the thresholds reflect the relative risk differences between different products, and are aligned to business processes.

For CIB clients the quantitative thresholds are a relative 100 per cent increase in IFRS 9 PD and an absolute change in IFRS 9 PD of between 50 and 100 bps for investment grade and sub-investment grade assets.

For WRB (excluding Private Banking) clients, portfolio specific quantitative thresholds are across the following portfolios: Credit Cards (Hong Kong, Singapore, Malaysia, UAE), Personal Loans (Taiwan, Korea), Business Client Mortgages (India), and Mortgages (Hong Kong, UAE). In 2025, we have updated SICR for Hong Kong mortgage, UAE mortgage, Singapore Credit Cards and Malaysia Credit Cards. The impact of the threshold changes in 2025 was immaterial. These thresholds capture both relative and absolute increases in IFRS 9 PD, with average lifetime IFRS 9 PD cut-offs. They are further tailored based on customer utilisation bands for credit cards; behavioural score and months on book for personal loans; and maximum delinquency in the last 12 months for business client mortgages. The approach also differentiates between exposures that are current and those that are one to 29 days past due.

The range of thresholds applied are:

Portfolio	Relative IFRS 9 PD increase (%)	Absolute IFRS 9 PD increase (%)	Customer utilisation (%)	Months on book (months)	Average IFRS 9 PD (lifetime %)
Credit cards – Current	70–200	3.4–6.2	85–95	–	4.1–13.5
Credit cards – 1-29 days past due	20–210	2.5–6.1	25–67	–	1.6–9.5
Personal loan – Current	100–250	8.5	–	≥6	–
Personal loan – 1-29 days past due	100–300	8.5	–	≥6	–
Mortgages – Current	100–500	2.7–3.5	–	–	–
Mortgages – 1-29 days past due	100–700	3.5	–	–	–
Business Client Mortgages – Current	100	4.4	–	–	–
Business Client Mortgages – 1-29 days past due	100	7.0	–	–	–

For all other material WRB portfolios (excluding Private Banking) for which a statistical model has been built, the quantitative SICR thresholds applied are a relative threshold of 100 per cent increase in IFRS 9 PD and an absolute change in IFRS 9 PD of between 100 and 350 bps depending on the product. Certain countries have a higher absolute threshold reflecting the lower default rate within their Personal loan portfolios compared with the Group's other personal loan portfolios. The original lifetime IFRS 9 PD term structure is determined based on the original application score or risk segment of the client.

For all Private Banking classes, in line with risk management practice, an increase in credit risk is deemed to have occurred where margining or LTV covenants have been breached. For Class I assets (lending against diversified liquid collateral), if these margining requirements have not been met within 30 days of a trigger, a significant increase in credit risk is assumed to have occurred. For Class I and Class III assets (real-estate lending), a significant increase in credit risk is assumed to have occurred where the bank is unable to 'sell down' the applicable assets to meet revised collateral requirements within five days of a trigger. Class II assets are typically unsecured or partially secured, or secured against illiquid collateral such as shares in private companies. Significant credit deterioration of these assets is deemed to have occurred when any early alert trigger has been breached.

Qualitative criteria

Qualitative factors that indicate that there has been a significant increase in credit risk include processes linked to current risk management, such as placing loans on non-purely precautionary early alert or being assigned a CG12 rating. An account is placed on non-purely precautionary early alert if it exhibits risk or potential weaknesses of a material nature requiring closer monitoring, supervision or attention by management. Weaknesses in such a borrower's account, if left uncorrected, could result in deterioration of repayment prospects and the likelihood of being downgraded. Indicators could include a rapid erosion of position within the industry, concerns over management's ability to manage operations, weak/deteriorating operating results, liquidity strain and overdue balances, among other factors.

All client assets that have been assigned a CG12 rating, equivalent to 'Higher risk', are deemed to have experienced a significant increase in credit risk. Accounts rated CG12 are primarily managed by relationship managers in the CIB unit with support from SAG for certain accounts. All CIB clients are placed in CG12 when they are 30 DPD unless they are granted a waiver through a strict governance process.

In WRB, SICR is also assessed for where specific risk elevation events have occurred in a market that are not yet reflected in modelled outcomes or in other metrics. This is applied collectively either to impacted specific products/customer cohorts or across the overall consumer banking portfolio in the affected market.

For less material portfolios, which are modelled based on a roll-rate or loss-rate approach, SICR is primarily assessed through the 30 DPD trigger, supplemented where relevant by qualitative factors.

Backstop

Across all portfolios, accounts that are 30 or more DPD on contractual payments of principal and/or interest that have not been captured by the criteria above are considered to have experienced a significant increase in credit risk.

Expert credit judgement may be applied in assessing SICR to the extent that certain risks may not have been captured by the models or through the above criteria. Such instances are expected to be rare, for example due to events and material uncertainties arising close to the reporting date.

Governance of PMAs and application of expert credit judgement in respect of ECL

The Group's Credit Policy and Standards framework details the requirements for continuous monitoring to identify any changes in credit quality and resultant ratings, as well as ensuring a consistent approach to monitoring, managing and mitigating credit risks. The framework aligns with the governance of ECL estimation through the early recognition of significant deteriorations in ratings which drive stage 2 and 3 ECL.

The models used in determining ECL are reviewed and approved by the Group Credit Model Assessment Committee (CMAC) or Delegate Model Approver (DMA), which is appointed by the Model Risk Committee. CMAC has the responsibility to assess and approve the use of models and to review all IFRS 9 interpretations related to models. CMAC also provides oversight on operational matters related to model development, performance monitoring and model validation activities, including standards and regulatory matters.

Prior to submission to CMAC for approval, the models are validated by GMV, a function which is independent of the business and the model developers. GMV's analysis comprises review of model documentation, model design and methodology, data validation, review of the model development and calibration process, out-of-sample performance testing, and assessment of compliance review against IFRS 9 rules and internal standards.

Model performance PMAs

The process of PMA identification, calculation and approval are prescribed in the Credit Risk IFRS 9 ECL Model Family Standards, which are approved by the Global Head, Model Risk Management. PMA calculations are reviewed by GMV and submitted to CMAC for approval and will be removed when the estimates return to being within the monitoring thresholds or validation standards. The level of PMAs and remediation plans are regularly tracked at CMAC.

Judgemental adjustments

These comprise judgemental PMAs and judgemental management overlays, and account for events that are not captured in the Base Case Forecast or the resulting ECL calculated by the models. Judgemental adjustments must be approved by the IIC having considered the nature of the event, why the risk is not captured in the model, and the basis on which the quantum of the overlay has been calculated. Judgemental adjustments are subject to quarterly review and re-approval by the IIC, and will be released when the risks are no longer relevant.

The IFRS 9 Impairment Committee:

- Oversees the appropriateness of all Business Model Assessment and Solely Payments of Principal and Interest (SPPI) tests.
- Reviews and approves ECL for financial assets classified as stages 1, 2 and 3 for each financial reporting period.
- Reviews and approves stage allocation rules and thresholds.
- Approves material adjustments in relation to ECL for fair value through other comprehensive income (FVOCI) and amortised cost financial assets.
- Reviews, challenges and approves base macroeconomic forecasts and the multiple macroeconomic scenarios approach that are utilised in the forward-looking ECL calculations.

The IIC consists of senior representatives from Risk and Finance. It meets atleast twice every quarter – once before the models are run to approve key inputs into the calculation, and once after the models are run to approve the ECL provisions and any judgemental management overlays that may be necessary.

The IIC is supported by an expert panel which also reviews and challenges the base case projections and multiple macroeconomic scenarios. The expert panel consists of members of Enterprise Risk Management (which includes the Scenario Design team), Finance, Group Economic Research and country representatives of major jurisdictions.

Traded risk

Counterparty Credit Risk

Counterparty Credit Risk is the potential for loss in the event of the default of a derivative counterparty, after taking into account the value of eligible collaterals and risk mitigation techniques. The Group's counterparty credit exposures are included in the Credit Risk section.

Derivative financial instruments Credit Risk mitigation

The Group enters into master netting agreements, which in the event of default result in a single amount owed by or to the counterparty through netting the sum of the positive and negative mark-to-market values of applicable derivative transactions.

In addition, the Group enters into collateral agreements with counterparties when collateral is deemed a necessary or desirable mitigant to the exposure. Cash collateral includes collateral called under a variation margin process from counterparties if total uncollateralised mark-to-market exposure exceeds the threshold and minimum transfer amount specified in the CSA. With certain counterparties, the CSA is reciprocal and requires the Group to post collateral if the overall mark-to-market values of positions are in the counterparty's favour and exceed an agreed threshold. To mitigate settlement risk of FX transactions, the Group uses safe settlement processes like Delivery versus Payment (DvP) and Continuously Linked Settlement (CLS). The group also enters into risk-reducing bilateral netting agreements to net payments and receipts of the same currency on the same day.

Market Risk (audited)

Market Risk is the potential for fair value loss due to adverse moves in financial markets.

A summary of our current policies and practices regarding Market Risk management is provided in the 'Principal Risks' section on page 227.

The primary categories of Market Risk for the Group are:

- Interest Rate Risk: arising from changes in yield curves and implied volatilities
- Foreign Exchange Risk: arising from changes in currency exchange rates and implied volatilities
- Commodity Risk: arising from changes in commodity prices and implied volatilities
- Credit Spread Risk: arising from changes in the price of debt instruments and credit-linked derivatives and driven by factors other than the level of risk-free interest rates
- Equity Risk: arising from changes in the prices of equities and implied volatilities

Market Risk movements (audited)

Value at Risk (VaR) allows the Group to manage Market Risk across the trading book and most of the fair valued non-trading books.

Global financial markets generally proved resilient in 2025. The first half of the year was marked by trade concerns due to the US' raising tariffs to the highest levels in a century and causing developed market equities to record a year-to-date fall of 17 per cent in April. The second half of the year saw fiscal and monetary stimulus with all major asset classes delivering positive returns and developed market equities ending the year with a 22 per cent return from the low in April. Highlights included: President Trump's April tariff announcement triggering a two-day $5 trillion stock market retracement followed by recovery as tariffs were paused and/or negotiated; the Federal Reserve cutting rates three times in 2025, while the European Central Bank cut rates eight times and the Bank of Japan hiked; oil prices reaching $78/barrel in June after military confrontation between Israel and Iran but falling to $60/barrel by year-end on increased supply and weakening demand; Big Technology firms spending c$400 billion on AI infrastructure, raising concerns about the viability of returns; notable defaults in Q4 in the Private Credit market, including First Brands Group and Tricolor Holdings; and the price of gold increasing by 65 per cent as it is increasingly perceived as a safe haven asset.

Trading VaR

The Group's exposure to Market Risk arises predominantly from the Trading book:

- The Group provides clients with access to markets, facilitation of which entails the Group taking moderate Market Risk positions. All trading teams support client activity. There are no proprietary trading teams. Hence, income earned from Market Risk-related activities is primarily driven by the volume of client activity.

The average level of trading VaR in 2025 was $25.4 million, 20 per cent higher than 2024 ($21.1 million). The increase in average trading VaR was driven by an increase in market volatility combined with a VaR model enhancement to make the model more responsive to market volatility.

Daily Value at Risk (VaR at 97.5%, one day) (audited)

	2025				2024			
Trading	Average $million	High $million	Low $million	Year end $million	Average $million	High $million	Low $million	Year end $million
Interest Rate Risk	**12.7**	**19.8**	**7.9**	**11.5**	12.7	22.0	7.0	12.0
Credit Spread Risk	**9.7**	**13.4**	**5.4**	**8.6**	6.6	9.6	4.8	5.4
Commodity Risk	**9.9**	**21.7**	**2.9**	**6.3**	4.8	10.0	2.4	4.3
Foreign Exchange Risk	**6.3**	**12.3**	**3.1**	**3.9**	9.2	15.0	5.0	7.4
Diversification effect	**(13.2)**	**NA**	**NA**	**(12.8)**	(12.2)	NA	NA	(8.3)
Total[1]	**25.4**	**34.9**	**15.5**	**17.5**	21.1	33.1	13.0	20.8

1 The total VaR is non-additive across risk types due to diversification effects, which is measured as the difference between the sum of the VaR by individual risk type or business and the combined total VaR. As the maximum and minimum occur on different days for different risk types or businesses, it is not meaningful to calculate a portfolio diversification benefit for these measures.

The following table sets out how trading VaR is distributed across the Group's businesses:

	2025				2024			
Trading	Average $million	High $million	Low $million	Year end $million	Average $million	High $million	Low $million	Year end $million
Macro Trading[2]	**18.1**	**28.2**	**9.9**	**11.2**	17.0	29.9	10.0	17.1
Global Credit	**10.9**	**15.8**	**6.9**	**7.2**	6.8	11.1	4.3	5.8
Central Funding Desk	**9.0**	**15.6**	**2.5**	**6.8**	4.1	5.6	2.4	2.8
XVA	**3.0**	**4.9**	**2.3**	**2.7**	3.3	4.4	2.4	2.4
Diversification effect	**(15.6)**	**NA**	**NA**	**(10.4)**	(10.1)	NA	NA	(7.3)
Total[1]	**25.4**	**34.9**	**15.5**	**17.5**	21.1	33.1	13.0	20.8

1 The total VaR is non-additive across risk types due to diversification effects, which is measured as the difference between the sum of the VaR by individual risk type or business and the combined total VaR. As the maximum and minimum occur on different days for different risk types or businesses, it is not meaningful to calculate a portfolio diversification benefit for these measures.

2 Macro Trading comprises the Rates, FX and Commodities businesses.

Risks not in VaR

In 2025, the main market risks not reflected in VaR were:

- basis risks for which the historical market price data is limited and is therefore proxied, giving rise to potential proxy basis risk that is not captured in VaR
- deal contingent FX and IR derivatives where the risk of a specific condition not being met, typically the closing of a merger & acquisition transaction, and the derivative being unwound at a loss is not captured in VaR
- potential depeg risk from currencies currently pegged or managed, where the historical one-year VaR observation period may not reflect the possibility of a change in the currency regime or a sudden depegging

Additional capital is set aside to cover such 'risks not in VaR'.

Backtesting

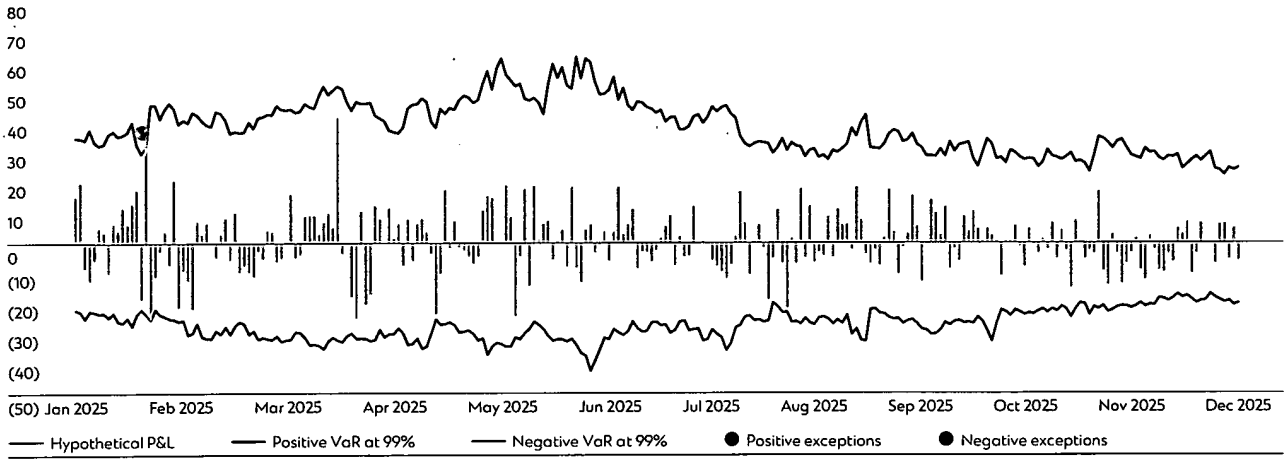
In 2025, there were no regulatory backtesting negative exceptions at Group level.

An enhancement to the VaR model was implemented from January 2025 to increase the model's responsiveness to abrupt upturns in market volatility.

The graph below illustrates the performance of the VaR model used in capital calculations. It compares the 99 percentile profit and loss confidence level given by the VaR model with the hypothetical profit and loss of each day given the actual market movement ignoring any intra-day trading activity.

2025 Backtesting chart

Internal model approach regulatory trading book at Group level
Hypothetical profit and loss (P&L) versus VaR (99 per cent, one day)



Structural foreign exchange exposures

The tables below set out the principal structural foreign exchange exposures (net of investment hedges) of the Group and the net investment hedges using derivative financial instruments to partly cover the Group's exposure to various foreign exchange currencies.

	2025		2024	
	Structural foreign exchange exposure (net of investment hedges) $million	Net investment hedges $million	Structural foreign exchange exposure (net of investment hedges) $million	Net investment hedges $million
Hong Kong dollar	**4,537**	**5,516**	4,232	5,359
Singapore dollar	**3,956**	**–**	3,306	–
Chinese Renminbi	**2,833**	**2,558**	3,593	1,640
Indian rupee	**2,160**	**3,099**	3,480	1,784
Malaysian ringgit	**1,637**	**–**	1,539	–
Euro	**1,449**	**–**	1,112	–
Taiwanese dollar	**1,221**	**1,135**	1,087	1,092
Bangladeshi taka	**1,102**	**–**	1,113	–
Korean won	**1,010**	**3,389**	1,363	3,048
Thai baht	**769**	**–**	763	–
UAE dirham	**636**	**1,852**	807	1,470
Pakistani rupee	**381**	**–**	392	–
Indonesian rupiah	**266**	**–**	230	–
Other	**3,848**	**29**	3,407	–
Total	**25,805**	**17,578**	26,424	14,393

Changes in the valuation of these positions are taken to translation reserves. For analysis of the Group's capital position and requirements, refer to the 'Capital review' section.

Non-Trading VaR

The Group's exposure to Market Risk also arises from the Non-trading book:

- Treasury is required to hold a liquid assets buffer, much of which is held in high-quality marketable debt securities
- The Group underwrites and sells down loans, and invests in select investment grade debt securities with no trading intent

The average level of non-trading VaR in 2025 was $47 million, 37 per cent higher than 2024 ($34.2 million). The increase in average non-trading VaR was driven by an increase in market volatility combined with a VaR model enhancement to make the model more responsive to market volatility and larger US agency bonds inventory in the CIB non-trading portfolio.

Daily Value at Risk (VaR at 97.5%, one day) (audited)

Non-trading[1]	2025 Average $million	2025 High $million	2025 Low $million	2025 Year end $million	2024 Average $million	2024 High $million	2024 Low $million	2024 Year end $million
Interest Rate Risk	**41.7**	**64.6**	**23.8**	**39.7**	28.0	35.5	17.4	32.5
Credit Spread Risk	**18.8**	**29.0**	**13.5**	**13.9**	17.2	24.8	10.0	15.7
Commodity Risk	**1.8**	**4.8**	**0.8**	**1.6**	1.3	1.8	0.6	0.8
Equity Risk	**–**	**–**	**–**	**–**	0.4	0.9	–	–
Diversification effect	**(15.3)**	**NA**	**NA**	**(12.0)**	(12.7)	NA	NA	(10.2)
Total[2]	**47.0**	**66.6**	**32.3**	**43.2**	34.2	44.3	28.6	38.8

The following table sets out how non-trading VaR is distributed across the Group's businesses:

Non-trading[1]	2025 Average $million	2025 High $million	2025 Low $million	2025 Year end $million	2024 Average $million	2024 High $million	2024 Low $million	2024 Year end $million
Treasury	**34.3**	**47.8**	**26.0**	**29.3**	32.9	40.8	26.9	38.6
Global Credit	**24.2**	**34.1**	**9.9**	**24.1**	5.0	13.4	2.4	8.8
Macro Trading	**1.8**	**4.8**	**0.8**	**1.6**	–	–	–	–
Listed Private Equity	**–**	**–**	**–**	**–**	0.4	0.9	–	–
Diversification effect	**(13.3)**	**NA**	**NA**	**(11.8)**	(4.1)	NA	NA	(8.6)
Total[2]	**47.0**	**66.6**	**32.3**	**43.2**	34.2	43.3	28.6	38.8

1 The non-trading book VaR generally does not include fair value loans.

2 The total VaR is non-additive across risk types due to diversification effects, which is measured as the difference between the sum of the VaR by individual risk type or business and the combined total VaR. As the maximum and minimum occur on different days for different risk types or businesses, it is not meaningful to calculate a portfolio diversification benefit for these measures.

Liquidity and Funding Risk

Liquidity and Funding Risk is the risk that the Group may not have sufficient stable or diverse sources of funding to meet its obligations as they fall due.

The Group's Liquidity and Funding Risk framework requires each country to ensure that it operates within predefined liquidity limits and remains in compliance with Group liquidity policies and practices, as well as local regulatory requirements.

The Group achieves this through a combination of setting Risk Appetite and associated limits, policy formation, risk measurement and monitoring, prudential and internal stress testing, governance and review.

Throughout 2025, the Group retained a robust liquidity position across key metrics. The Group continues to focus on improving the quality and diversification of its funding mix and remains committed to supporting its clients.

Primary sources of funding (audited)

The Group's funding strategy is largely driven by its policy to maintain adequate liquidity at all times, in all countries. This is done to ensure the Group can meet all of its obligations as they fall due. The Group's funding profile is therefore well diversified across different sources, maturities and currencies.

The Group's assets are funded predominantly by customer deposits, supplemented with wholesale funding, which is diversified by type and maturity.

The Group maintains access to wholesale funding markets in all major financial centres in which it operates. This seeks to ensure that the Group has market intelligence, maintains stable funding lines and can obtain optimal pricing when performing cash flow management activities.

In 2025, the Group issued approximately $10 billion worth of securities from its holding company, Standard Chartered PLC. The issuances included $2 billion of Additional Tier 1 securities and approximately $8 billion of senior debt securities across multiple currencies. Over this same period, there were Additional Tier 1 calls of $1 billion, Tier 2 calls of around $2.1 billion and senior debt redemptions (calls and maturities) of $4.9 billion. There is approximately $7.8 billion of the Group's Additional Tier 1, senior and subordinated debt securities that are either falling due for repayment contractually or callable by the Group before the end of Q4 2026.

Liquidity and Funding Risk metrics

The Group continually monitors key liquidity metrics, both on a country basis and consolidated across the Group.

The following liquidity and funding Board Risk Appetite metrics define the maximum amount and type of risk that the Group is willing to assume in pursuit of its strategy: liquidity coverage ratio (LCR), internal liquidity stress tests, recovery capacity and net stable funding ratio (NSFR). In addition to the Board Risk Appetite, there are further limits that apply at Group and country level to measure and monitor specific risks such as cross currency risk, concentration risk and short term funding risk.

Liquidity coverage ratio (LCR)

The LCR is a regulatory requirement set to ensure the Group has sufficient unencumbered high-quality liquid assets to meet its liquidity needs in a 30-calendar-day liquidity stress scenario.

The Group monitors and reports its liquidity positions under the Liquidity Coverage Ratio (CRR) Part of the PRA Rulebook and has maintained its LCR above the prudential requirement. The Group maintained robust liquidity ratios throughout 2025.

At the reporting date, the Group LCR was 155 per cent (31 December 2024: 138 per cent), with a surplus to both Board-approved Risk Appetite and regulatory requirements.

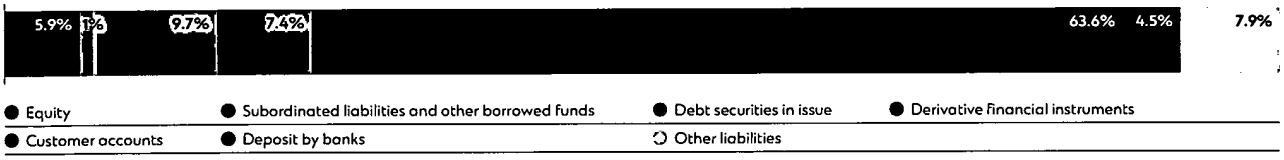
Adequate liquidity was held across our footprint to meet all local prudential LCR requirements where applicable. The Liquidity buffer reported below is after deductions made to reflect the impact of limitations in the transferability of liquidity held at an entity level across the Group. This resulted in an adjustment of $44 billion to LCR HQLA as at 31 December 2025.

	2025 $million	2024 $million
Liquidity buffer	**194,827**	170,306
Total net cash outflows	**125,383**	123,226
Liquidity coverage ratio	**155%**	138%

Stressed coverage

The Group intends to maintain a prudent and sustainable funding and liquidity position, in all countries, such that it can withstand a severe but plausible liquidity stress.

Group's composition of liabilities and equity 31 December 2025



Our approach to managing liquidity and funding is reflected in the Board-level Risk Appetite Statement which includes the following:

"The Group should have sufficient stable and diverse sources of funding to meet its contractual and contingent obligations as they fall due."

The Group's internal liquidity adequacy assessment process ('ILAAP') stress testing framework covers the following stress scenarios:

- Standard Chartered-specific – Captures the liquidity impact from an idiosyncratic event affecting Standard Chartered only with the rest of the market assumed to be operating normally.
- Market wide – Captures the liquidity impact from a market-wide crisis affecting all participants in a country, region or globally.
- Combined – Assumes both Standard Chartered-specific and Market-wide events affect the Group simultaneously and hence is the most severe scenario.

All scenarios include, but are not limited to, modelled outflows for retail and wholesale funding, off-balance sheet funding risk, cross-currency funding risk, intraday risk, franchise risk and risks associated with a deterioration of a firm's credit rating. Concentration risk approach captures single name and industry concentrations.

ILAAP stress testing results show that, as at 31 December 2025, Group and all countries were able to survive for a period of time with positive surpluses as defined under each scenario. The results take into account currency convertibility and portability constraints while calculating the liquidity surplus at Group level.

Standard Chartered Bank's credit ratings as at 31 December 2025 were A+ with stable outlook (Fitch), A+ with stable outlook (S&P) and A1 with stable outlook (Moody's). As of 31 December 2025, the estimated contractual outflow of a three-notch long-term ratings downgrade is $1.3 billion.

Advances-to-deposits ratio

This is defined as the ratio of total loans and advances to customers relative to total customer deposits. An advances-to-deposits ratio below 100 per cent demonstrates that customer deposits exceed customer loans as a result of the emphasis placed on generating a high level of funding from customers.

The Group's advances-to-deposits ratio has remained stable in 2025 at 51.4 per cent. Deposits from customers as at 31 December 2025 are $549,575 million (31 December 2024: $486,261 million).

	2025 $million	2024 $million
Total loans and advances to customers[1,2]	**282,427**	259,269
Total customer accounts[3]	**549,575**	486,261
Advances-to-deposits ratio	**51.4%**	53.3%

1 Excludes reverse repurchase agreement and other similar secured lending of $8,242 million (31 December 2024: $9,660 million) and includes loans and advances to customers held at fair value through profit and loss of $12,355 million (31 December 2024: $7,084 million).

2 Loans and advances to customers for the purpose of the advances-to-deposits ratio excludes $8,474 million of approved balances held with central banks, confirmed as repayable at the point of stress (31 December 2024: $19,187 million).

3 Includes customer accounts held at fair value through profit or loss of $19,414 million (31 December 2024: $21,772 million).

Net stable funding ratio (NSFR)

The NSFR is a PRA regulatory requirement that stipulates institutions to maintain a stable funding profile in relation to an assumed duration of their assets and off-balance sheet activities over a one-year horizon. It is the ratio between the amount of available stable funding (ASF) and the amount of required stable funding (RSF). ASF factors are applied to balance sheet liabilities and capital, based on their perceived stability and the amount of stable funding they provide. Likewise, RSF factors are applied to assets and off-balance sheet exposures according to the amount of stable funding they require. The regulatory requirements for NSFR are to maintain a ratio of at least 100 per cent. The average ratio for the past four quarters is 139 per cent.

Liquidity pool

The liquidity value of the Group's LCR eligible liquidity pool at the reporting date was $195 billion. The figures in the table below account for haircuts, currency convertibility and portability constraints per PRA rules for transfer restrictions (amounting to $44 billion as at 31 December 2025), and therefore are not directly comparable with the consolidated balance sheet. A liquidity pool is held to offset stress outflows as defined in the LCR per PRA rulebook.

	2025 $million	2024 $million
Level 1 securities		
Cash and balances at central banks	**78,290**	76,094
Central banks, governments / public sector entities	**101,122**	74,182
Multilateral development banks and international organisations	**10,623**	14,386
Other	**396**	343
Total Level 1 securities	**190,431**	165,005
Level 2 A securities	**3,643**	4,367
Level 2B securities	**753**	934
Total LCR eligible assets	**194,827**	170,306

Liquidity analysis of the Group's balance sheet (audited)

Contractual maturity of assets and liabilities

The following table presents assets and liabilities by maturity groupings based on the remaining period to the contractual maturity date as at the balance sheet date on a discounted basis. Contractual maturities do not necessarily reflect actual repayments or cash flows.

Within the tables below, cash and balances with central banks, interbank placements and investment securities that are fair valued through other comprehensive income are used by the Group principally for liquidity management purposes.

As at the reporting date, assets remain predominantly short-dated, with 58 per cent maturing in less than one year.

	2025								
	One month or less $million	Between one month and three months $million	Between three months and six months $million	Between six months and nine months $million	Between nine months and one year $million	Between one year and two years $million	Between two years and five years $million	More than five years and undated $million	Total $million
Assets									
Cash and balances at central banks	**66,116**	**–**	**–**	**–**	**–**	**–**	**–**	**11,630**	**77,746**
Derivative financial instruments	**15,827**	**11,627**	**10,412**	**5,333**	**3,983**	**5,451**	**8,309**	**4,840**	**65,782**
Loans and advances to banks[1,2]	**21,323**	**21,142**	**12,878**	**6,884**	**5,379**	**7,437**	**3,672**	**1,858**	**80,573**
Loans and advances to customers[1,2]	**78,546**	**42,487**	**20,359**	**15,298**	**14,309**	**41,579**	**34,064**	**102,943**	**349,585**
Investment securities[1]	**20,439**	**36,061**	**19,632**	**17,255**	**15,152**	**33,157**	**49,952**	**71,096**	**262,744**
Other assets[1]	**18,173**	**50,528**	**1,406**	**994**	**1,474**	**388**	**31**	**10,531**	**83,525**
Total assets	**220,424**	**161,845**	**64,687**	**45,764**	**40,297**	**88,012**	**96,028**	**202,898**	**919,955**
Liabilities									
Deposits by banks[1,3]	**32,466**	**2,001**	**1,370**	**690**	**644**	**2,105**	**2,359**	**4**	**41,639**
Customer accounts[1,4]	**415,483**	**42,912**	**29,297**	**12,974**	**13,881**	**8,931**	**58,405**	**3,291**	**585,174**
Derivative financial instruments	**16,630**	**14,829**	**9,795**	**5,701**	**3,534**	**5,145**	**8,392**	**4,178**	**68,204**
Senior debt[5]	**879**	**1,513**	**2,665**	**1,948**	**1,500**	**9,190**	**19,390**	**22,503**	**59,588**
Other debt securities in issue[1]	**2,885**	**3,412**	**9,108**	**5,880**	**3,725**	**2,188**	**1,384**	**697**	**29,279**
Other liabilities	**17,665**	**40,951**	**3,453**	**1,054**	**1,413**	**1,485**	**1,892**	**4,738**	**72,651**
Subordinated liabilities and other borrowed funds	**16**	**60**	**25**	**154**	**14**	**1,442**	**741**	**6,382**	**8,834**
Total liabilities	**486,024**	**105,678**	**55,713**	**28,401**	**24,711**	**30,486**	**92,563**	**41,793**	**865,369**
Net liquidity gap	**(265,600)**	**56,167**	**8,974**	**17,363**	**15,586**	**57,526**	**3,465**	**161,105**	**54,586**

	2024								
	One month or less $million	Between one month and three months $million	Between three months and six months $million	Between six months and nine months $million	Between nine months and one year $million	Between one year and two years $million	Between two years and five years $million	More than five years and undated $million	Total $million
Assets									
Cash and balances at central banks	55,646	–	–	–	–	–	–	7,801	63,447
Derivative financial instruments	22,939	15,556	12,217	7,265	4,328	7,067	7,448	4,652	81,472
Loans and advances to banks[1,2]	22,381	21,722	10,588	6,771	4,986	8,407	3,715	1,990	80,560
Loans and advances to customers[1,2]	65,688	58,765	25,739	15,479	16,192	31,240	31,766	94,688	339,557
Investment securities[1]	13,016	25,886	21,546	14,789	14,688	32,815	41,423	62,418	226,581
Other assets[1]	12,601	32,130	1,333	381	931	71	64	10,560	58,071
Total assets	192,271	154,059	71,423	44,685	41,125	79,600	84,416	182,109	849,688
Liabilities									
Deposits by banks[1,3]	24,293	2,345	1,621	848	571	4,342	1,939	3	35,962
Customer accounts[1,4]	379,926	37,502	25,863	10,152	10,123	9,695	47,367	2,635	523,263
Derivative financial instruments	21,680	17,115	11,773	7,018	4,353	6,660	8,144	5,321	82,064
Senior debt[5]	609	1,755	4,074	2,132	932	7,926	18,784	17,886	54,098
Other debt securities in issue[1]	2,734	2,663	6,550	4,535	5,015	851	1,206	688	24,242
Other liabilities	12,173	43,574	3,020	1,441	155	4,494	682	2,854	68,393
Subordinated liabilities and other borrowed funds	–	64	23	180	13	359	1,978	7,765	10,382
Total liabilities	441,415	105,018	52,924	26,306	21,162	34,327	80,100	37,152	798,404
Net liquidity gap	(249,144)	49,041	18,499	18,379	19,963	45,273	4,316	144,957	51,284

1 Loans and advances, investment securities, deposits by banks, customer accounts and debt securities in issue include financial instruments held at fair value through profit or loss, see Note 13 Financial instruments.

2 Loans and advances include reverse repurchase agreements and other similar secured lending of $96.1 billion (31 December 2024: $98.8 billion).

3 Deposits by banks include repurchase agreements and other similar secured borrowing of $8.5 billion (31 December 2024: $8.7 billion).

4 Customer accounts include repurchase agreements and other similar secured borrowing of $35.6 billion (31 December 2024: $37.0 billion).

5 Senior debt maturity profiles are based upon contractual maturity, which may be later than call options over the debt held by the Group.

Behavioural maturity of financial assets and liabilities

The cash flows presented in the previous section reflect the cash flows that will be contractually payable over the residual maturity of the instruments. However, contractual maturities do not necessarily reflect the timing of actual repayments or cash flow. In practice, certain assets and liabilities behave differently from their contractual terms, especially for short-term customer accounts, credit card balances and overdrafts, which extend to a longer period than their contractual maturity. On the other hand, mortgage balances tend to have a shorter repayment period than their contractual maturity date. Expected customer behaviour is assessed and managed on a country basis using qualitative and quantitative techniques, including analysis of observed customer behaviour over time.

Maturity of financial liabilities on an undiscounted basis (audited)

The following table analyses the contractual cash flows payable for the Group's financial liabilities by remaining contractual maturities on an undiscounted basis (except for trading liabilities and derivatives not treated as hedging derivatives). The financial liability balances in the table below will not agree with the balances reported in the consolidated balance sheet as the table incorporates all contractual cash flows, on an undiscounted basis, relating to both principal and interest payments. Derivatives not treated as hedging derivatives are included in the 'On demand' time bucket and not by contractual maturity.

Within the 'More than five years and undated' maturity band are undated financial liabilities, the majority of which relate to subordinated debt, on which interest payments are not included as this information would not be meaningful, given the instruments are undated. Interest payments on these instruments are included within the relevant maturities up to five years.

	2025								
	One month or less $million	Between one month and three months $million	Between three months and six months $million	Between six months and nine months $million	Between nine months and one year $million	Between one year and two years $million	Between two years and five years $million	More than five years and undated $million	Total $million
Deposits by banks	**32,536**	**2,012**	**1,381**	**704**	**658**	**2,137**	**2,395**	**4**	**41,827**
Customer accounts	**416,850**	**43,261**	**29,727**	**13,247**	**14,222**	**9,090**	**58,627**	**4,033**	**589,057**
Derivative financial instruments	**67,101**	**13**	**35**	**34**	**51**	**110**	**492**	**512**	**68,348**
Debt securities in issue	**4,081**	**5,139**	**12,176**	**8,290**	**5,590**	**13,118**	**24,492**	**26,510**	**99,396**
Subordinated liabilities and other borrowed funds	**35**	**116**	**50**	**164**	**15**	**1,529**	**978**	**11,934**	**14,821**
Other liabilities	**16,179**	**41,722**	**3,276**	**1,044**	**1,410**	**1,485**	**1,892**	**6,171**	**73,179**
Total liabilities	**536,782**	**92,263**	**46,645**	**23,483**	**21,946**	**27,469**	**88,876**	**49,164**	**886,628**

	2024								
	One month or less $million	Between one month and three months $million	Between three months and six months $million	Between six months and nine months $million	Between nine months and one year $million	Between one year and two years $million	Between two years and five years $million	More than five years and undated $million	Total $million
Deposits by banks	24,303	2,360	1,660	862	589	4,347	1,939	4	36,064
Customer accounts	380,377	37,790	26,277	10,384	10,438	9,937	47,642	3,396	526,241
Derivative financial instruments	80,055	13	12	10	3	216	592	1,163	82,064
Debt securities in issue	3,622	4,551	11,007	7,056	6,319	10,261	23,184	21,337	87,337
Subordinated liabilities and other borrowed funds	19	134	46	206	14	392	2,345	13,800	16,956
Other liabilities	10,421	44,933	2,894	1,408	152	4,433	682	4,802	69,725
Total liabilities	498,797	89,781	41,896	19,926	17,515	29,586	76,384	44,502	818,387

Interest Rate Risk in the Banking Book

The following table provides the estimated impact to a hypothetical base case projection of the Group's earnings under the following scenarios:

- A 50 basis point parallel interest rate shock (up and down) to the current market-implied path of rates, across all yield curves
- A 100 basis point parallel interest rate shock (up and down) to the current market-implied path of rates, across all yield curves

These interest rate shock scenarios assume all other economic variables remain constant. The sensitivities shown represent the estimated change to a hypothetical base case projected net interest income (NII), plus the change in interest rate implied income and expense from FX swaps used to manage banking book currency positions, under the different interest rate shock scenarios.

The base case projected NII is based on the current market-implied path of rates and forward rate expectations. The NII sensitivities below stress this base case by a further 50 or 100bps. Actual observed interest rate changes will likely differ from market expectation. Accordingly, the shocked NII sensitivity does not represent a forecast of the Group's net interest income.

The interest rate sensitivities are indicative stress tests and based on simplified scenarios, estimating the aggregate impact of an unanticipated, instantaneous parallel shock across all yield curves over a one-year horizon. The assessment assumes that the size and mix of the balance sheet remain constant and that there are no specific management actions in response to the change in rates. No assumptions are made in relation to the impact on credit spreads in a changing rate environment.

Significant modelling and behavioural assumptions are made regarding scenario simplification, market competition, pass-through rates, asset and liability re-pricing tenors, and price flooring. In particular, the assumption that interest rates of all currencies and maturities shift by the same amount concurrently, and that no actions are taken to mitigate the impacts arising from this are considered unlikely. Reported sensitivities will vary over time due to a number of factors including changes in balance sheet composition, market conditions, customer behaviour and risk management strategy. Therefore, while the NII sensitivities are a relevant measure of the Group's interest rate exposure, they should not be considered an income or profit forecast.

Net interest income sensitivity (audited)

Estimated one-year impact to earnings from a parallel shift in yield curves at the beginning of the period of:	USD bloc $million	HKD bloc $million	SGD bloc $million	GBP bloc $million	CNY bloc[2] $million	JPY bloc $million	EUR bloc $million	Other currency bloc[1] $million	Total $million
	2025								
+ 50 basis points	**50**	**60**	**20**	**20**	**–**	**10**	**20**	**80**	**260**
- 50 basis points	**(90)**	**(30)**	**(20)**	**(20)**	**(10)**	**(10)**	**(20)**	**(90)**	**(290)**
+ 100 basis points	**90**	**120**	**30**	**50**	**–**	**20**	**30**	**160**	**500**
- 100 basis points	**(170)**	**(80)**	**(30)**	**(50)**	**(30)**	**(30)**	**(40)**	**(190)**	**(620)**
	2024								
+ 50 basis points	20	30	10	10	20	10	10	100	210
- 50 basis points	(40)	(30)	(20)	(10)	(30)	(10)	(20)	(110)	(270)
+ 100 basis points	30	60	20	20	30	10	30	190	390
- 100 basis points	(90)	(50)	(40)	(30)	(50)	(20)	(40)	(230)	(550)

1 The largest exposures within the Other currency bloc are TWD and KRW.
2 The +50bps and +100bps CNY sensitivities are positive, but round to zero.

As at 31 December 2025, the Group estimates the one-year impact of an instantaneous, parallel increase across all yield curves of 50 basis points to increase projected NII by $260 million. The equivalent impact from a parallel decrease of 50 basis points would result in a reduction in projected NII of $290 million. The Group estimates the one-year impact of an instantaneous, parallel increase across all yield curves of 100 basis points to increase projected NII by $500 million. The equivalent impact from a parallel decrease of 100 basis points would result in a reduction in projected NII of $620 million.

The benefit from rising interest rates is primarily from reinvesting at higher yields and from assets re-pricing faster and to a greater extent than deposits. NII sensitivity in falling rate scenarios has increased versus 31 December 2024, due to an increase in balance sheet size, with assets repricing faster than liabilities, and due to lower HIBOR rates. This impact was partially offset by an increase in programmatic hedging.

Over the course of 2025, the notional of interest rate swaps, Hold to Collect (HTC)-accounted bond portfolios and fixed rate commercial assets used to reduce NII sensitivity through the cycle increased from $80 billion to $109 billion. As at 31 December 2025, the $87 billion interest rate swaps and HTC-accounted bond portfolios had a yield of 3.4 per cent and a weighted average maturity of 2.5 years, which reflects the behaviouralised lives of the rate-insensitive deposit and equity balances that they hedge.

Operational and Technology Risk

Operational and Technology Risk profile

Operational and Technology risks remain elevated in areas such as Operational Resilience, Third-Party Risk Management, Change Mismanagement Risk and Transaction Processing Risk, which are being addressed by ongoing processes and system enhancement programmes.

The Group continues to monitor and manage Operational and Technology risks associated with external factors such as geopolitical factors, Nth Party Risk and the risk arising from adoption and use of Artificial Intelligence. This enables the Group to keep pace with new business developments, whilst ensuring that its risk and control frameworks evolve accordingly. The Group continues to enhance its risk management capabilities to understand the full spectrum of risks in the operating environment, strengthen its defences and improve its overall resilience.

Operational and Technology risk events and losses

Operational losses are one indicator of the effectiveness and robustness of our non-financial risk and control environment.

The Group's profile of operational loss events in 2025 and 2024 is summarised in the table below, which shows the distribution of gross operational losses by Basel business line. In 2025, Payments and Settlements is higher due to high value payment related events and Retail Banking due to prior period adjustments.

Distribution of Operational Losses by Basel business line[2]	% Loss 2025	2024[1]
Agency Services	**8.9%**	0.0%
Asset Management	**0.0%**	0.0%
Commercial Banking	**5.2%**	1.3%
Corporate Finance	**0.0%**	0.1%
Corporate Items	**8.1%**	61.7%
Payment and Settlements	**30.6%**	7.6%
Retail Banking	**42.1%**	27.1%
Retail Brokerage	**0.0%**	0.0%
Trading and Sales	**5.1%**	2.2%

The Group's profile of operational loss events in 2025 and 2024 is also summarised by Basel event type in the table below. It shows the distribution of gross operational losses by Basel event type.

Distribution of Operational Losses by Basel event type[2]	% Loss 2025	2024[1]
Business disruption and system failures	**1.9%**	1.7%
Clients products and business practices	**1.5%**	22.9%
Damage to physical assets	**0.0%**	0.0%
Employment practices and workplace safety	**0.0%**	0.1%
Execution delivery and process management	**78.5%**	71.8%
External fraud	**12.5%**	3.2%
Internal fraud	**5.6%**	0.3%

Other principal risks

The losses arising from operational failures for other principal and integrated risks are reported as operational losses. Operational losses do not include operational risk-related credit impairments.

1 Losses in 2024 have been restated to include incremental events recognised in 2025.
2 Operational losses for 2024 and 2025 are based on data as of 5 January 2026.

Environmental, Social and Governance and Reputational Risk

Environmental, Social and Governance and Reputational (ESGR) Risk is defined as the risk of potential or actual adverse impact on the environment and/or society, or to the Group's financial performance, operations or the Group's name, brand or standing, arising from environmental, social or governance factors, or as a result of the Group's actual or perceived actions or inactions. ESGR Risk continues to be an area of growing importance, driving a need for strategic transformation across business activities and risk management.

Group ESGR Risk Appetite (RA) Statement and Metrics

Our ESGR RA Statement as set out on page 223 is approved annually by the Board and supported by RA metrics and Management Team Limits[1] (MTLs) across relevant risk types. The RA metrics are approved on an annual basis by the Board and the MTLs by the Group Risk Committee, and any breaches are reported to the Board Risk Committee and the Group Risk Committee.

For Climate Risk, RA and MTL metrics are set across Corporate & Investment Banking (CIB) Credit Risk, Wealth & Retail Banking (WRB) Credit Risk, Country Risk and Traded Risk.

Key metrics are cascaded to all countries that are booked in Entity Risk Appetite Allocation[2] (ERAA) locations. The country ESGR Risk profile is also reviewed at country-level risk committees for all ERAA markets.

Managing Climate Risk

An environmental (such as climate), social or governance event, or change in condition, if it occurs, could result in actual or potential financial loss or non-financial detriments to the Group.

As such, Climate Risk is identified as a material risk for the Group, which manifests through the Group's businesses and operations and impacts the relevant Principal Risk Types[3] (PRTs). The Group is exposed to Climate Risk through our clients, own operations, vendors, suppliers and from the industries and markets that we operate in. Therefore, we focus our disclosures on how climate-related risks are governed, managed and embedded in our business.

We manage Climate Risk according to the characteristics of the relevant PRTs. Risk Framework Owners for the relevant PRTs are responsible for embedding Climate Risk requirements within their respective risk types. In 2025, we have continued to embed Climate Risk into existing risk management frameworks and processes. The Climate Risk identification and assessments across the PRTs span short-, medium- and long-term horizons to enable the right level of monitoring and to inform the decision-making process. Read more on page 108 for more information on the definitions for short-, medium- and long-term horizons. Refer to the Credit Risk – CIB and WRB sections, Operational, Technology and Cyber Risk (OTCR), Country Risk, Traded Risk, Treasury Risk and Model Risk for more information on how Climate Risk impacts the relevant PRTs.

Climate Risk Taxonomy

Climate Risk	The potential for financial loss and non-financial detriments arising from climate change and society's response to it. It manifests through the Group's businesses and operations and may impact a variety of PRTs.
Physical Risk	Risks arising from increasing severity and frequency of climate and weather-related events, which can damage property and other infrastructure, disrupt supply chains and impact food production. This could lead to declining asset valuations and challenges with insurance claims, resulting in greater financial losses. Indirect effects on the macroeconomic environment, such as lower output and productivity, may exacerbate these direct impacts.
Physical Risk: Acute	Specific event-driven weather events, including increased severity of extreme weather events, such as cyclones, hurricanes, floods or wildfires.
Physical Risk: Chronic	Longer-term shifts in climate patterns, such as changing precipitation patterns, sea-level rise and longer-term drought.
Transition Risk	Risks arising from the adjustment towards a carbon-neutral economy, which will require significant structural changes to the economy. These changes will prompt a reassessment of a wide range of asset values, a change in energy prices and a fall in income and creditworthiness of some borrowers. In turn, this could lead to credit losses for lenders and market losses for investors.

1 Management Team Limits (MTLs) complement the Risk Appetite and enable the Management Team and the Risk Framework Owners (RFOs) to fine tune adherence to the RA and performance.
2 These are allocated by the Group to booking locations that are selected according to internally defined materiality criteria.
3 Refer to the Principal Risks section for more information on the relevant risk types. The strategic impact of Country Risk is considered alongside other Climate Risks.

Disclaimer
For the avoidance of doubt, this ESGR Risk section is subject to the statements included in (i) the 'Forward-looking statements' section; and (ii) the 'Basis of preparation and caution regarding data limitations' section provided under 'Important Notices' on page 467.

The Board committees consider climate-related risks and opportunities when reviewing and guiding strategic decisions. Board-level oversight is exercised through the Board Risk Committee, and regular Climate Risk updates are provided to the Board and the Board Risk Committee. At an executive level, the Group Risk Committee has appointed the Group Responsibility and Reputational Risk Committee (GRRRC), consisting of senior representatives from business, risk and other functions such as Legal, Compliance, Financial Crime and Conduct Risk (CFCR) and Corporate Affairs, Brand and Marketing (CABM), to oversee the effective management of the ESGR Risk Type Framework and ensure that the Climate Risk profile remains within RA.

Key financial regulators across our footprint have proposed or set supervisory expectations on climate and environmental risk management. Those expectations are broadly aligned with the Basel Committee principles for the management of climate-related financial risks, but local implementation varies. We actively engage with industry bodies and regulators to seek consistency in policy making across our markets. Climate Risk-related regulatory developments and obligations set by both financial and non-financial service regulators are tracked at Group and country level, with roles and responsibilities set out in the Group's ESGR Risk Policy.

Read more on the Group's governance approach for climate-related risks and opportunities on page 107

Processes for identifying, assessing, prioritising and monitoring Climate Risks

Climate-related events continue to unfold globally, accompanied by rising regulatory expectations across the various jurisdictions where the Group operates. In response, we apply a structured process to identify, assess, prioritise and monitor climate-related risks across our operations and credit portfolios. Climate Risks are identified through a mix of qualitative and quantitative information, including Climate Risk Assessments (CRAs) and climate scenario analysis. We continue to enhance our existing CRA framework to strengthen the evaluation of a client's exposure to climate-related risks. Ongoing improvements to the questionnaire used for CRAs have been made in 2025 to incorporate more granular climate data, reflecting advances in data quality and availability along with the introduction of a Physical Risk grading. These enhancements support the integration of climate considerations in credit risk analysis and portfolio management. In addition, we also measure the climate risks arising from our own properties, data centres and vendors, enabling the Group to make more informed and forward-looking decisions that are aligned with our sustainability objectives. Various toolkits are used to quantitatively measure climate-related Physical and Transition Risks. These risks can result in impacts to other PRTs.

Stress testing and scenario analysis are used to assess the impact of Climate Risk and this is described in greater detail in the Scenario Analysis section on page 298.

Internal training programmes to better identify and mitigate Climate Risk

To effectively embed climate risks across the Group, we continue to run a comprehensive eight-module role-specific Climate Risk training programme tailored to specific roles. The Climate Risk training includes a core module covering climate change science, transition scenarios, CRAs and Net Zero targets and alignment calculations, and sector-specific training, focusing on Oil and Gas, Power, Steel, Aluminium, Shipping and Automobile clients. This has augmented our existing foundational sustainability training, which covers Climate Risk at a basic level. We recognise that various countries have been stepping up their regulatory requirements and monitoring in relation to Climate Risk. In response to this trend, Climate Risks are being included as a key topic for discussion in internal knowledge sharing programmes for risk functions and training programmes for new joiners. Periodic training sessions on Climate Risk integration continue to be provided to the first and second line of defence to further strengthen the understanding of Climate Risk and its application within the Group.

Limitations with existing tools and data

We recognise that assessing Climate Risk has its limitations as quantifying approaches are still evolving:

- Data availability and client coverage continue to pose challenges, especially in emerging markets. With the limited coverage of granular client-level information at both Group and entity level, there is reliance on proxies, e.g. sector and regional averages, sovereign heatmaps, and credit grade projections and movements.
- Most tools and modelling approaches present a gross risk profile that often overlooks existing adaptation measures, as well as government policies to protect and build for changing climate. Assumptions in climate modelling also continue to rely on nascent methodologies that do not factor non-linear shifts and complex feedback loops or the social dimension of climate change.
- Over time, sovereigns and policymakers are expected to drive market trends, such as investment in adaptation plans, technological advancements, innovative risk transfer and mitigation approaches to combat the potential impacts of climate change.
- Notwithstanding the above, we continue to observe an improvement in data quality and coverage. We have also streamlined our processes and are continuing to pursue the initiative to have a centralised data store, which enables the Group to capture all sustainability-related data for our clients. This includes monitoring of data quality, which reduces the usage of proxies over time. We continue to refine our evaluations and methodologies progressively as the availability and quality of data improves.

The data that we have captured through various sources has helped us develop our client-level CRAs for existing and new clients, improve our internal climate modelling capabilities and strengthen the risk measurement and monitoring of our portfolios.

Looking ahead

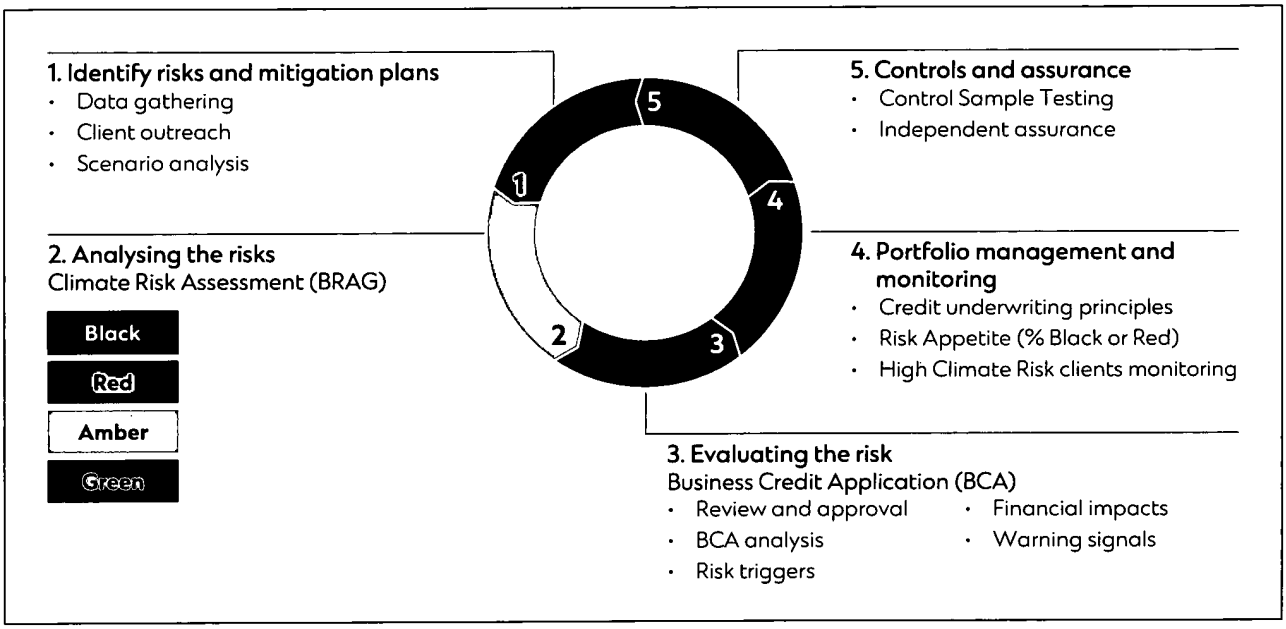
We expect a continuing trend of change in the coming years and therefore we intend to: (i) focus on our Physical Risk measurement capabilities; (ii) improve the assessment of sector-specific nuances for high-risk emitting sectors and better integration in credit decisions; (iii) improve Physical and Transition risk measurement capabilities for a portion of our SME clients portfolio; (iv) finalise the development of an in-house scenario expansion model; (v) expand Climate Risk model coverage; and (vi) continue to support countries with local ESGR-related regulations, stress testing requirements and disclosures.

Climate – Credit Risk

We have continued to enhance our Climate Risk approach, which outlines the approach for a baseline level of effective risk mitigation.

CIB Credit Risk

This section covers details of how we assess Climate Risk for our corporate clients, including insights gained from our client-level assessments and progress made to further strengthen our framework for climate and credit related portfolio and risk management. The figure below outlines our process in assessing Climate Risk.



1. Identify risks and mitigation plans

Our client-level Climate Risk Questionnaire (CRQ) helps assess the potential financial risks from climate change using quantitative and qualitative information. The assessment presents a consolidated view across five pillars of how exposed and ready for transition or adaptation our clients may be. Out of the five pillars, the first one relates to identifying relevant data sources and disclosures and is the only section that is not scored.

Data sources and disclosures	Gross Physical Risk	Physical Risk adaptation	Gross Transition Risk	Credibility of Transition Plans (CTPs)
Reporting • Sources of data • Level of disclosures, Carbon Disclosures Project rating	Exposure to acute and chronic events • Asset locations exposed to Physical Risk events (flood, storms, droughts, etc.) • Model output to assess current and future risk to client's operating locations	Mitigations to acute and chronic events • Assessment of client's adaptation plans • Insurance coverage to protect against Physical Risk	Relative emissions for sector and region • Reliance on fossil fuel/carbon products, net zero trajectory alignment • Policy – environmental impact due to sovereign decarbonisation policy in sector • Potential financial impact from various climate scenarios	Decarbonisation plan, governance and emission targets • Assess client's plans and their credibility to transition their business and supply chain backed by robust governance mechanisms • Emissions reporting targets and plan to achieve them • Capex in low-carbon technologies, internal carbon pricing scenarios

The CRQ helps us to form a view of the overall Climate Risk profile of our clients and supports the underlying themes that feed into our broader scenario analysis, and corporate planning exercises and Net Zero portfolio alignment. In October 2025, we enhanced our CRQ by introducing a client-level Physical Risk BRAG Grading in order to identify and monitor key risk hotspots in the CIB portfolio regarding clients' exposure to extreme weather events. Read more on Analysing the Climate Risk BRAG ratings on page 291.

Coverage of our analysis

As at September 2025, we have completed CRAs for 4,209 clients, representing circa 71 per cent of our corporate client limits. The levels and consistency in the availability of climate information from public disclosures has increased in the last three years. However, this is still a developing aspect in some of our footprint markets where the transition journey is in a nascent stage. The difference between our own ambitions and the nationally determined contributions in some of our markets has further highlighted the importance of engaging with our clients on this topic, so we are able to assess clients across our markets appropriately.

Read more on our Net Zero aspiration on pages 90 to 110

How different markets in our footprint compare

Clients are assessed across the four pillars relating to gross Physical and Transition Risks, as well as their respective mitigation levels, i.e. Physical Risk adaptation and credibility of transition plan, each of which are scored between 0 and 100 per cent. A lower score for risk levels and a higher score for mitigation levels indicates a better result (i.e. lower risk or higher mitigation levels). The average of these scores across all assessed clients by market is shown below.

Client-level Climate Risk Assessment scores by markets

YTD Assessment as of September 2025	Number of clients	Gross Physical score	Physical Risk adaptation	Gross Transition Risk	Credibility of Transition Plan
Asia – Greater China & North Asia (GCNA)	1,638	61%	39%	52%	61%
Asia – ASEAN & South Asia (ASA)	994	61%	33%	52%	53%
Africa & Middle East (AME)	348	67%	18%	53%	38%
Europe & Americas (E&A)	1,229	69%	52%	51%	75%
Total	**4,209**	**64%**	**40%**	**52%**	**61%**

- Transition Risk scores remained stable and improved across regions.
  - We continue to see better Credibility of Transition Plan (CTP) and Physical Risk adaptation scores for corporates domiciled in E&A, where disclosure levels are the highest, 2050 Net Zero plans have been committed to, and the plans to effectively manage Climate Risk are being put in place.
  - There has been a slight slowdown in the pace of transition planning at the corporate level given the continued focus on energy security amid increased geopolitical pressures. However, the long-term trend of gradual increase in quantifiable climate change commitments, driven by increasing CTPs numbers across markets, remains intact.
- Physical Risk adaptation continues to be an area of concern for the majority of our markets, with the lowest absolute scores in AME followed by Asia.
- Asia continues to dominate our total volume of clients, with a 63 per cent share of the global client base assessed.

2. Analysing the Climate Risk BRAG ratings

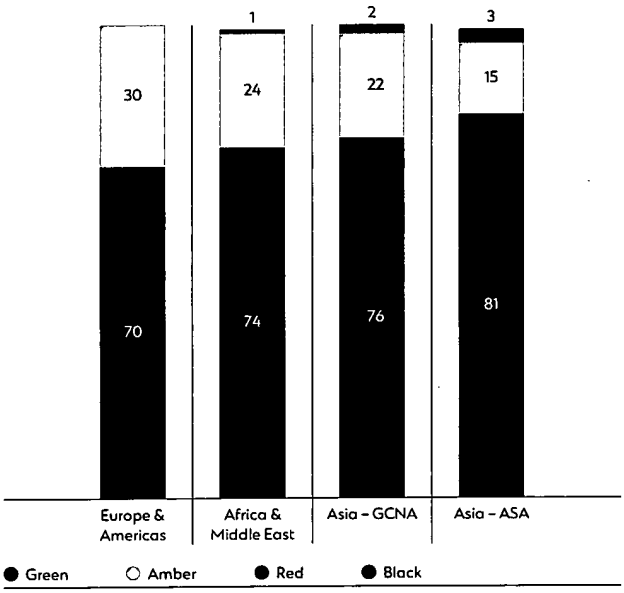
Each client is assigned a colour-coded Climate Risk rating (Black 'B', Red 'R', Amber 'A', Green 'G' BRAG) based on the gross Transition Risk and Transition Risk mitigation.

There are currently four types of BRAG ratings assigned to clients.

Black	Clients are deemed to have very high exposure to Transition Risk with little or no mitigation plans
Red	Clients are deemed to have very high exposure to Transition Risk but with acceptable or good mitigation plans
Amber	Clients are deemed to have high exposure to Transition Risk but with acceptable or good mitigation plans
Green	Clients are deemed to have low or limited exposure to Transition Risk

The chart below shows the portfolio distribution of clients from a Transition Risk BRAG perspective across our markets split by the outstanding exposure as of September 2025. There are no exposures to Black-rated clients.

Portfolio Distribution across key markets (%)



Since October 2025, the Physical Risk BRAG, which is based on the gross Physical Risk and Physical Risk adaptation has been introduced, and we expect to provide more information on the Physical Risk profile of our portfolio in our 2026 Annual Report when all in-scope clients go through a CRQ refresh over the next 12 months. The assessment aims to drive better credit risk decision-making from a Physical Risk perspective, as we embed this into our risk management approach in 2026.

3. Evaluating the risk (linkage to credit process)

Once a Climate Risk grading is assigned to a client, the impacts from climate-related risks are integrated into the existing credit approval process qualitatively and/or quantitatively through inclusion within the business risk analysis and financial modelling. If the risks are deemed material and not adequately represented via the existing credit rating of the client, subjective warning signals may be added to influence the credit rating. Additionally, risk triggers are added to monitor risks that are not adequately mitigated and to seek additional information from the client where applicable.

4. Portfolio management and monitoring

A. Origination stage

We have embedded qualitative and quantitative climate considerations into the Group's credit underwriting principles for Oil and Gas, Metals and Mining, Shipping, Commercial Real Estate (CRE) and Project Finance portfolios. This includes introducing portfolio-level caps for Black- and Red-rated clients and lower preference for emission-intensive transactions. The underlying principles vary depending on the sector and are intended to help steer the portfolio in the desired direction over the medium term, and also consider the Group's 2030 financed emission targets.

B. Exposure monitoring and RA thresholds

Concentration of Black- and Red-rated clients remains within proposed RA thresholds across our portfolio as at September 2025. Our Green-rated clients are concentrated in more developed markets, and this reflects the higher level of Climate Risk disclosures and governance established by companies in these markets. Asia has the highest proportion of exposure which is rated Red. Among the key markets, Bangladesh, Nepal, Vietnam and Indonesia drive this higher risk concentration due to a combination of clients that have fewer disclosures and high Transition Risk, particularly fossil fuel-heavy industries, and some imposition of policies to transition the broader nation. This, combined with weaker transition plans, leads corporates in these markets to be rated as higher Climate Risks.

C. Credit mitigation – collateral

We have expanded coverage of Climate Risk and Credit Risk considerations to assess corporate clients' collateral, given that they serve as key risk mitigants, especially in default events. An internal methodology was launched in November 2024 to identify and monitor Physical Risks for property collateral in CIB. As of September 2025, 351 in scope properties have been assigned a Collateral BRAG grading (199 Green, 143 Amber and 9 Red). We plan to continue analysing the underlying risks in the higher risk collaterals and their mitigants to embed them within our existing processes in 2026.

D. High risk client monitoring

A key strategic focus area is to fully embed Climate Risk and Net Zero targets into business and credit decisions. To enable this, the Net Zero Climate Risk Working Forum (Forum) meets at least quarterly to discuss account plans for high Climate Risk and Net Zero divergent clients. In 2025, 23 client groups have been reviewed across the high emitting sectors such Oil and Gas (ten), Power (four), Steel (two), Automobile

Manufacturers (two), CRE (one), Aviation (one), Metals and Mining (one), Cement (one), and Aluminium (one). The focus of these meetings is to:

- increase engagement with the selected clients to gain a deeper understanding of their transition commitments and the strategies that they have in place to achieve them
- drive proactive management of exposures primarily in high Transition Risk sectors
- identify opportunities to support clients in their decarbonisation journey through advisory and/or financing services
- request further information from clients on Physical Risk adaptation measures employed where Physical Risk is deemed to be high
- decide on relationship strategies where appropriate.

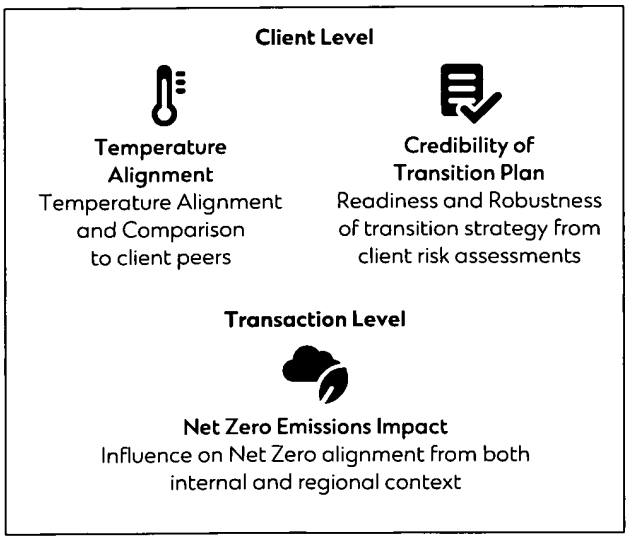
To further enhance client engagement and risk management, including considerations around refinancing risks, client selection criteria for the Forum is being updated to formally include vulnerable clients identified from climate scenario analysis.

5. Controls and assurance

Independent control checks by the first line of defence and assurance reviews by the second line of defence on integrating Climate Risk within the credit process are carried out quarterly to improve the quality and effectiveness of assessing Climate Risk. The results of the assurance testing and steps to address gaps are periodically shared with impacted stakeholders and as part of governance updates to risk committees.

Assessing ESGR Risks for CIB

We perform additional client-level due diligence for: (i) corporate clients covered by the Group's net zero targets for high-carbon sectors (Oil and Gas, Power, Steel, Aluminium, Cement, Automobiles, Shipping, Aviation, CRE and Agriculture); (ii) clients with a coal nexus; and (iii) those that have been assessed at a client-level as high Climate Risk. The assessment focuses on three pillars covering both client and transaction-level aspects:



The above-mentioned due diligence supplements our existing Environmental and Social (E&S) risk management processes as well as our oversight against our Position Statements and Prohibited Activities list. Reviews are conducted at a client-level through the use of a single ESGR assessment, the CESGRA, which consolidates Reputational and E&S assessments, including those related to our Position Statements, and the adequacy of risk mitigating actions. This includes considerations such as ringfencing of financing and actions by the client to address ESGR-related risks. In cases of non-compliance with the above-mentioned criteria and/or in the case of any elevated reputational risk, such clients are escalated to the relevant CIB Client Review Committee and/or the GRRRC, where transactions and clients can be rejected or approval conditions can be set to ensure that the risks are well managed. Transactions may also be escalated to the Board, where appropriate.

The Group has governance frameworks and standards for Sustainable Finance (SF), which set out the requirements and responsibilities for managing greenwashing risks through the ongoing monitoring of SF products, transactions and clients throughout their lifecycle, from labelling to disclosures. The Green and Sustainable Product Framework, Sustainability Bond Framework and Transition Finance Framework outline how we apply the 'Green', 'Social', 'Sustainable' or 'Transition' labels across products and transactions. In addition, the E&S Risk Management (ESRM) Framework provides an overview of our approach to identifying, assessing and managing the environmental and social risks associated with our client relationships.

SF products are approved by the Sustainable Finance Governance Committee prior to roll out. SF-labelled transactions are approved by SF-empowered approvers (including escalation to ESGR Risk team for sustainability-linked transactions in sensitive sectors or where the SF characteristics require further discussion) or the Transition Finance (TF) Labelling Sub-Committee for TF transactions on a transaction-by-transaction basis. An assessment toolkit has been rolled out to standardise the Group's assessment of SF characteristics of sustainability-linked SF transactions; this serves as the basis for identifying whether escalation to the ESGR Risk team is required. The assessment toolkit has also been digitised in the approval workflows. For post-trade monitoring of SF transactions, all approval SF conditions are required to be monitored and tracked in a timely manner. A new digitised solution has been rolled out to support the effective monitoring of these conditions by the deal teams.

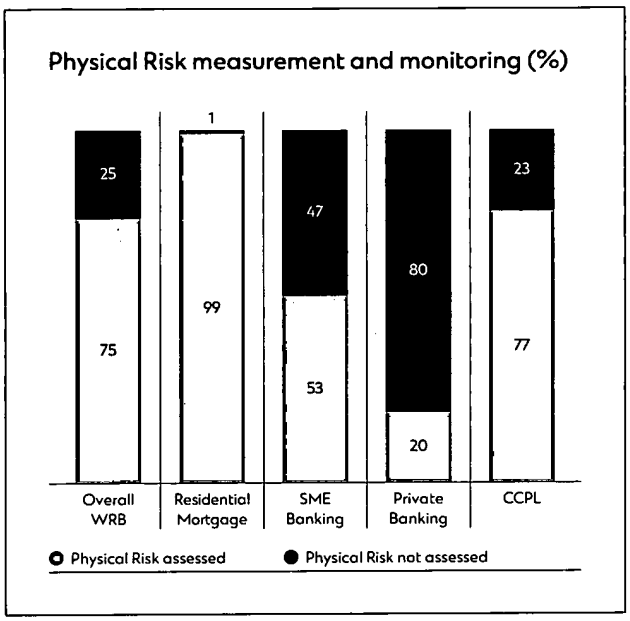
To prevent overconcentration of SF liability products, daily monitoring through an automated dashboard has also been established. We have enhanced these standards and controls to incorporate requirements from emerging regulatory obligations and to address the market integrity and greenwashing concerns from regulators around the sustainability-linked loan market.

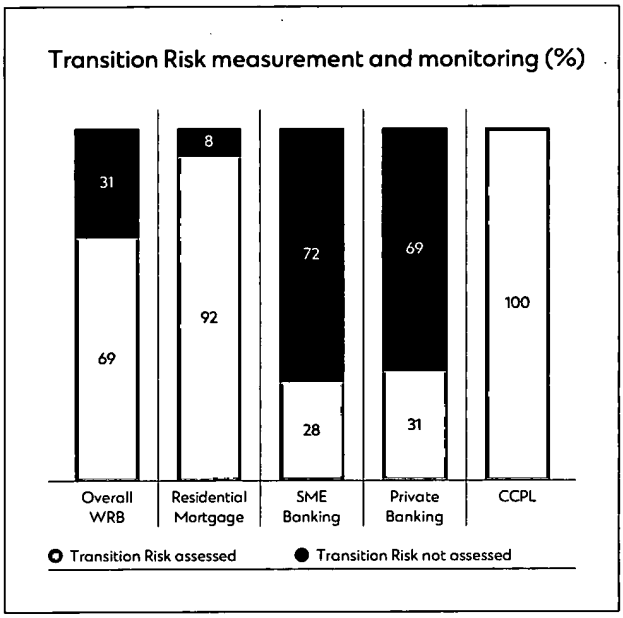
The Group manages the potential risk of greenwashing in our marketing and advertising in line with internal guidance defining the requirements for the review and approval of sustainability-related marketing campaigns and communications. These requirements have been set out in the governance standards for segment campaigns, corporate communications and brand management.

Climate – Credit Risk

WRB Credit Risk

In 2025, we continued to enhance our capabilities to embed Climate Risk into our monitoring and risk management across products and segments in the WRB portfolio. In terms of risk assessment coverage, as of September 2025, we have assessed Physical Risk for 75 per cent and Transition Risk for 69 per cent of the overall WRB portfolio.





Outstanding Exposures Assessed ($bn)

		Of which			
	Overall WRB	Residential Mortgage	SME Banking	Private Banking[1]	Credit Cards Personal Loans (CCPL)
Physical Risk	98.2	79.4	4.7	3.2	10.9
Transition Risk	90.4	68.7[2]	2.5	5.0	14.1

1. Physical Risk management approach for WRB

Secured portfolios (backed by residential, commercial or industrial property)

For our portfolios secured against property collateral, Physical Risk assessments are conducted for the underlying residential, commercial or industrial property. We continue to leverage Munich Re's Risk Suite to measure acute and chronic Physical Risks impacting each asset based on their geolocation.

Unsecured portfolios

For our unsecured portfolios, such as credit cards and personal loans, we recognise that Physical Risks have the potential to drive higher credit losses through second-order impacts that affect our clients' ability to repay, rather than impact our clients directly. To estimate this, we employ a proxy methodology to assess the level of Physical Risk inherently present at the regional and country levels.

Risk monitoring and reporting

Our risk management approach for WRB is underpinned by a robust monitoring and escalation process. We assess exposure concentrations within our portfolios that are subject to high risk across acute and chronic hazards quarterly and report these at Group and country risk management committees. We focus on flood risk and the risk of rising sea levels, due to the inherent physical characteristics of our key operating markets. Throughout 2025, physical risk levels across most products and markets have remained largely stable.

Risk management

To manage and mitigate Physical Risks in our property-collateralised portfolios, our primary strategy continues to rely on the existing credit underwriting process, through the setting of prudent loan-to-value (LTV) limits, supported by careful consideration of locations where we accept collateral, a robust and independent property valuation process, as well as mandating insurance for the life of the loan. To mitigate residual risks, which may begin to materialise especially for our residential mortgages that are subject to sustained exposure to heightened Physical Risk, some markets have established zoning policies that involve the identification of high Physical Risk zones, followed by the implementation of differentiated underwriting policy criteria for mortgages which are located in high risk regions.

In addition, where required, ad hoc analyses are conducted after the occurrence of severe weather events to determine impacts, and whether any portfolio corrective actions are necessary. To ensure Credit Risk in high Physical Risk zones is well managed, we monitor our exposures against a RA set against property collateral that are subjected to high flood risk with high LTV ratios.

1 The level of coverage of Private Banking considers the following: Physical Risk assessment is only conducted for exposures that are backed by property collaterals, while Transition Risk assessment is limited to exposures that are collateralised by stocks and bonds in industries that are deemed to be vulnerable to transition risk.

2 The proxy Transition Risk assessment for residential mortgages is carried out on an annual basis and has a one-year lag (as at December 2024) due to data dependencies. The increase in coverage (compared to last year) is mainly due to the extension of the assessment to residential mortgages in Korea.

In 2025, the Physical Risk profile across products and markets remained stable, even after the recalibration of flood risk scores in late 2024 due to an update in Munich Re's storm surge model. The table below outlines the Physical Risk concentration of our portfolio in key markets, regarding key acute and chronic Physical Risks.

Assessment of acute and chronic Physical Risk for top 10 markets' exposure backed by property collateral, indicating exposure concentration subject to high gross risk (as of September 2025)

Proportion of book	Global			Korea 21%			Hong Kong 36%			Taiwan 9%		
	Q3-24	Q3-25	Trend	Q3-24	Q3-25	Trend	Q3-24	Q3-25	Trend	Q3-24	Q3-25	Trend
Flood Risk	12.9%	12.5%	↔	10.8%	10.0%	↓	16.3%	16.6%	↔	11.2%	11.2%	↔
100-year Flood Zones[1]	5.1%	5.0%	↔	4.2%	3.7%	↓	4.7%	5.1%	↑	2.2%	2.2%	↔
Sea-level rise (Year 2100, RCP 8.5)	2.3%	2.3%	↔	0.6%	0.7%	↑	3.6%	3.6%	↔	0.0%	0.0%	↔

Proportion of book	India 5%			Singapore 18%			Malaysia 4%			UAE 2%		
	Q3-24	Q3-25	Trend	Q3-24	Q3-25	Trend	Q3-24	Q3-25	Trend	Q3-24	Q3-25	Trend
Flood Risk	17.0%	16.9%	↔	4.4%	4.4%	↔	5.2%	5.3%	↔	5.5%	5.3%	↔
100-year Flood Zones[1]	6.9%	7.0%	↔	2.5%	2.6%	↑	2.4%	2.4%	↔	5.0%	4.9%	↔
Sea-level rise (Year 2100, RCP 8.5)	0.9%	0.8%	↓	0.1%	0.0%	↓	0.3%	0.4%	↑	36.0%	35.4%	↔

Proportion of book	Jersey 2%			Vietnam 1%			China 2%		
	Q3-24	Q3-25	Trend	Q3-24	Q3-25	Trend	Q3-24	Q3-25	Trend
Flood Risk	19.4%	18.0%	↓	51.0%	53.2%	↔	47.9%	44.8%	↓
100-year Flood Zones[1]	18.4%	17.2%	↓	30.9%	32.4%	↔	34.5%	32.1%	↓
Sea-level rise (Year 2100, RCP 8.5)	0.0%	0.3%	↑	1.5%	1.5%	↔	8.6%	8.4%	↔

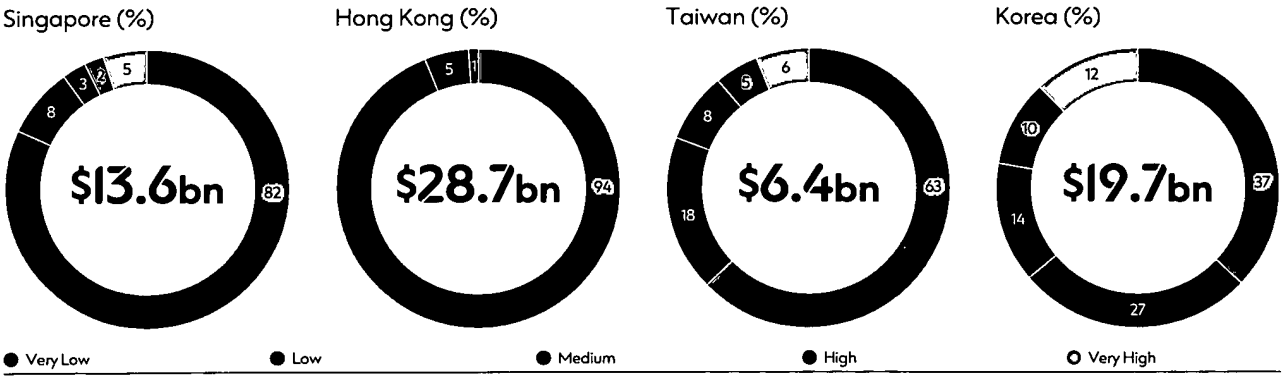
Note: Movements are called out for markets showing a change of more than 5 per cent year-on-year in exposure concentration subject to high Physical Risk.

1 100-year flood zones are defined as land areas subject to a one per cent or greater chance of flooding in any given year. Such areas also may be referenced as being subject to the one per cent annual chance flood, the one per cent annual exceedance probability flood, or the 100-year flood.

2. Transition Risk management approach for WRB

While Energy Performance Certificates (EPC) for properties are available across the UK and EU real estate markets, our key residential mortgage markets in Asia and AME continue to have no regulatory requirements around minimum building or unit energy efficiency. As a result, to measure the potential impacts of Transition Risk on our largest WRB portfolio, residential mortgages, we rely on proxy assessment approaches for our residential mortgage portfolios in Hong Kong, Korea, Singapore[2] and Taiwan. We continue to leverage our internally derived methodology that quantifies the robustness of our clients' disposable income to cope with potential increases in energy spend. Since we started measuring this in 2023, we have observed relatively low Transition Risk levels in our residential mortgage portfolio. We intend to improve upon this early-stage Transition Risk assessment approach with more mature and accurate data points as they become available.

Transition Risk ratings using Group mortgage baselining approach by exposure concentration (as of December 2024)[3]

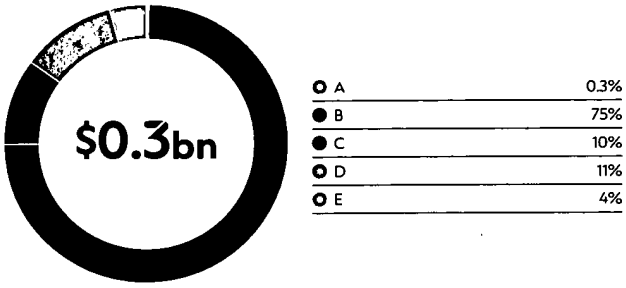


2 The previous year's figures for Singapore residential mortgage Transition Risk have been recalculated. The total exposure for Singapore in the previous year was $11.4bn, comprising Very Low (80 per cent), Low (10 per cent), Medium (3 per cent), High (2 per cent) and Very High (5 per cent).

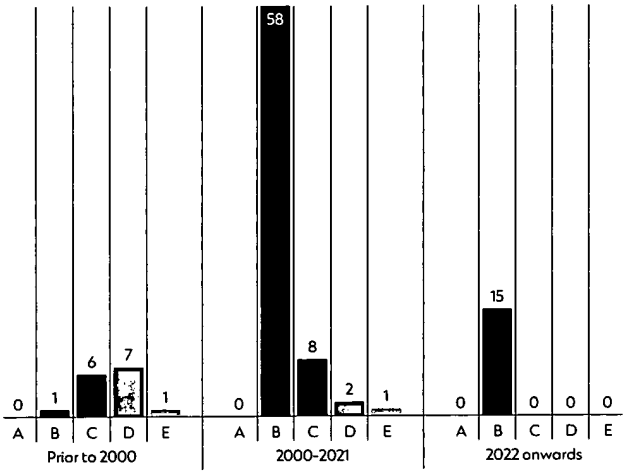
3 The exposures used for transition risk assessments are based on data that take into consideration data quality and normalisation adjustments to enhance consistency and comparability across the portfolio.

For our Jersey residential mortgage portfolio, which largely comprises buy-to-let properties located in the UK, we continue to monitor concentration across EPC ratings.

Transition Risk ratings for residential mortgages in Jersey using EPC ratings by exposure concentration (as of August 2025)



EPC ratings for residential mortgages in Jersey, by count (as of August 2025) (%)



In 2025, we started to progressively introduce CRQs for a portion of our Small and Medium Enterprise (SME) clients that are involved in manufacturing operations and/or operate in sectors which we identify as being exposed to higher Transition Risks.

We anticipate that this will help us understand the extent of our SME clients' exposure to both Physical and Transition Risks, their risk management actions and transition plans, and how we can progressively help them to cope with the impacts of transitioning towards a low-carbon global economy. Looking ahead to 2026, we aim to roll this out to more key markets and implement additional automated features to improve efficiency in the assessment process.

Assessing ESGR Risks for WRB

For WRB clients, beyond the consideration of climate-related credit impacts, the Group identifies and manages ESGR Risks throughout the client onboarding and ongoing review processes. For SME and selected Private Banking lending clients, we perform additional due diligence through E&S Risk Assessments to ensure that our clients are not engaged in certain prohibited activities as defined by the Group's Position Statements. For clients and/or prospective clients that may potentially expose the Group to heightened stakeholder perception risk, we conduct Reputational Risk Materiality Assessments and determine whether further escalation to the WRB Client Committee and/or GRRRC is necessary, to seek approval for onboarding or retention.

In 2025, we enhanced the ESGR risk identification and management processes for Private Banking clients to ensure that our risk management approach remains robust amid the Group's growth strategy focusing on affluent and high-net-worth banking. In 2026 and beyond, we aim to extend enhanced ESGR risk identification and management approaches to other WRB segments, taking a risk-based approach to focus on sub-segments exhibiting higher risks.

For wealth solutions and products offered to WRB clients, a robust governance framework ensures ESGR and greenwashing risks are identified and managed. More information can be found in the Sustainable Finance Frameworks and the ESRM Framework.

Country Risk

The Group uses a set of Physical and Transition Risk rankings to identify the markets that are most vulnerable and least ready to adapt and mitigate climate-related Physical and Transition Risks.

Based on the aggregated Physical and Transition Risk scores, sovereigns are split into decile-based buckets ranging from 1 (low risk) to 10 (high risk). These rankings are used as qualitative and quantitative inputs to our internal Country Risk management process spanning annual sovereign credit grades and limits reviews, inputs to climate-related scenario analysis and RA.

Gross Country Risk (GCR) exposure distribution across the Physical Risk categories (as at 30 September 2025)

Bucket	(Low) 1	2	3	4	5	6	7	8	9	(High) 10
Exposures %	2.16%	19.21%	35.90%	11.55%	19.55%	2.20%	1.53%	6.07%	0.48%	1.36%

GCR exposure distribution across the Transition Risk categories (as at 30 September 2025)

Bucket	(Low) 1	2	3	4	5	6	7	8	9	(High) 10
Exposures %	1.84%	4.39%	22.03%	25.84%	13.59%	7.35%	21.37%	3.03%	0.56%	0.00%

Insights

- For both Physical and Transition Risk, our exposure to high-risk countries (buckets 9 and 10) remains well below RA thresholds.
- The rankings are largely driven by the level of financial risk that countries are exposed to and their ability to absorb these losses. As such, the rankings are largely dependent on countries' development stage, economy-wide diversification, in-country inequalities and gross exposure to Transition and Physical Risk shocks.
- Additionally, we keep close track of Transition Risk events, such as the establishment of the EU's and UK's Carbon Border Adjustment Mechanism (CBAM) and its potential impact on our key portfolios. Other markets with carbon pricing mechanisms (such as Singapore, South Korea and South Africa) are also being monitored as part of Country Risk annual reviews. From a Physical Risk standpoint, the Group continues to monitor extreme weather events in key footprint markets as part of our annual Country Risk reviews.

Limitations

- The computation inputs are based on the latest available data which may be dated. Proxies have been used where data for the sovereign is not available.
- The ranking uses equally spaced decile scores and provides the results in an ordinal manner. While the simplicity helps in adoption and provides the relative position of the sovereigns, other systems may provide more information.

Operational, Technology and Cyber Risk

Climate Risk primarily manifests as an Operational, Technology and Cyber Risk when Physical Risk disrupts our properties, data centres and vendor arrangements.

We evaluate the Physical Risk vulnerabilities of all our sites, both existing and new, on a periodic basis. Across 2025, we focused on sites hosting Important Business Services, especially those vulnerable to extreme Physical Risks, to strengthen resilience. As extreme weather events increase in frequency and severity, we are committed to enhancing our response and recovery strategies through comprehensive response plans.

We have initiated an evaluation of Physical Risk vulnerabilities at our primary suppliers' delivery sites to proactively address potential business disruptions. Across 2026, we aim to develop comprehensive solutions to ensure robust and resilient operations.

Our Transition Risk approach remains in line with our achieved target of Net Zero in our own operations by end-2025 and we intend to maintain this going forward via Power Purchase Agreements and Energy Attribute Certificates in key markets such as Singapore and Taiwan.

As part of the operational risk scenario analysis process, we continue to assess the impact across key countries exposed to extreme flood risk and/or extreme heat stress based on the Representative Concentration Pathway (RCP) 8.5 scenario. We also continue assessing suppliers that are identified as presenting higher risks of Modern Slavery using a risk-based approach. The Group continued to conduct on-site Modern Slavery-related audits for select suppliers, with the number of audits increasing in 2025.

Insights

- From an acute risk perspective, 14 per cent of the Group's locations globally are subject to extreme flood risk, 15 per cent with extreme storm risk and none with extreme risk from wildfire. Given our footprint, a higher proportion of the Group's locations in GCNA (18 per cent for flood; 28 per cent for storm) and ASA (15 per cent for flood; 8 per cent for storm) are subject to extreme acute risks, and 6 per cent of locations in E&A to flood risks.
- In the locations where weather events such as storms or cyclones are frequent, the buildings are built in consideration of these risks to local building standards.
- From a chronic risk perspective, under RCP 8.5, our operating locations' (globally) exposure to heat stress is at 26 per cent (41 per cent for AME; 55 per cent for ASA). Exposure to sea-level rise remains below 5 per cent.
- A broad range of mitigation options are considered, such as property insurance and operating a diversified location strategy to reduce concentration risk.

Assessment of gross Physical Risk at our own operating locations (as of September 2025)

Physical Risk event	Time horizon	Scenario	Asia - GCNA	Asia - ASA	AME	E&A	Global
Flood (Acute)	2025	N/A	18%	15%	6%	6%	14%
Wildfire (Acute)			0%	0%	0%	0%	0%
Storm (Acute)			28%	8%	1%	6%	15%
Sea-level rise (Chronic)	2100	RCP 8.5	1%	1%	4%	0%	2%
Heat Stress (Chronic)	2050	RCP 8.5	0%	55%	41%	3%	26%
Number of operating locations			398	287	195	32	912

Traded Risk

We manage the Climate Risk of Traded Risk exposures through the stress-testing framework. Climate Risks are incorporated in the scenarios monitored against the Traded Risk stress RA, covering all fair value exposures in the trading and banking books.

Climate-related stress scenarios are designed to include Transition Risk effects from climate change policies and shocks to markets due to supply and demand disruption from physical climate events. Three scenarios are currently in place: two physical and one transitional. The assumptions and results are subject to internal governance. In 2024, a new transition scenario, where the US unexpectedly participates in the CBAM, was approved and we aim to replace the current transition scenario in 2026. We continue to address gaps related to market risk factors and shorter-term shocks.

Our Climate Risk management for Traded Risk exposures is evolving and we are working closely with industry bodies and academics to better assess and monitor climate-related risks and opportunities.

Treasury Risk

From a capital perspective, Climate Risk considerations are part of our Internal Capital Adequacy Assessment Process (ICAAP) submissions. Our approach for assessing Climate Risk impact on capital adequacy has improved from qualitative judgements to quantitative simulations across a range of scenarios with the availability of tools and greater understanding of our portfolio. We consider Climate Risk in our ICAAP across Credit Risk, OTCR and Traded Risk.

From a liquidity risk perspective, we continue to monitor Climate Risk-related vulnerabilities and readiness of our top corporate liquidity providers, leveraging the client outreach and data-gathering exercise undertaken on the asset side. The most recent exposure concentration in the Red Climate Risk rating is broadly comparable with what we see for our top corporate client exposures on the asset side. The results of the analysis have been considered as part of our Internal Liquidity Adequacy Assessment Process.

We periodically monitor the concentration of our High-Quality Liquid Assets (HQLA) in countries with high Climate Risk from both transition and physical risk perspectives. Countries classified in Buckets 1 to 5 are deemed low risk, while those in Buckets 9 to 10 are considered high risk. Less than 2 per cent of HQLA are held in a high Climate Risk country as at September 2025.

Model Risk

Since 2022 we have been building our internal Climate Risk modelling capabilities to assess impacts from Climate Risk to gradually reduce our reliance on vendor models. We have developed six sector-specific Transition Risk Probability of Default (PD) models for Corporates, including Oil and Gas, Mining, Steel, Power, Shipping and Automotive. In 2025, we enhanced the granularity for the Power model by considering different energy types to better capture sub-sector risk drivers and expanded the Climate Risk model scope to assess Transition Risk for Specialised Lending (including Project Finance and Shipping Finance) scorecards. We also developed Physical Risk Loss Given Default (LGD) models for Retail Mortgages to improve Physical Risk assessments in IFRS 9 ECL and for Climate Risk stress testing purposes. The Sovereign climate PD model has been further enhanced to align with the redeveloped underlying IFRS 9 model. The development of internal Climate Risk models has reduced our reliance on external vendor models, and we plan to continue enhancing our internal capabilities by extending model coverage (e.g. to develop models to cover more portfolios, or to develop more granular sector-specific models) and incorporating model enhancements recommended by internal and external stakeholders.

All the Climate Risk models are independently validated by the second line of defence and approved by the Credit Model Assessment Committee. The models were used to estimate climate impact on ECL for IFRS 9 and for stress testing purposes. The Climate Risk models are governed by the Group Model Risk Policy, Group Model Risk Standard and Climate Risk Model Family Standard, which have been enhanced to align with the more stringent model governance as outlined by the Prudential Regulation Authority (PRA) supervisory statement (SS) 1/23.

Key priorities for 2026 include our aim to expand model coverage to capture Physical Risk LGD for Corporates and to incorporate client transition plans into existing Transition Risk PD models.

Assessing the resilience of our strategy using scenario analysis

We use scenario analysis to assess climate-related risks and opportunities in the short, medium and long term and to evaluate how risks and opportunities may evolve under different situations. Our approach considers the Group's global nature of operations combined with the emerging markets footprint and covers both the CIB business, with a focus on corporates, and the WRB business, with a focus on residential mortgages.

Our Climate Risk stress testing and scenario analysis capabilities are supported by a dedicated team with expertise in scenario planning, climate and financial data analytics, and regulatory compliance. The team, spread across geographies, is responsible for conducting scenario analysis for both the Group and country-specific exercises. Continuous training, participation in climate forums, vendor engagement and partnerships with key organisations help us benchmark our capabilities, build further on our capabilities and make informed strategic decisions for effective risk mitigation.

In 2025, we have continued to further strengthen our scenario analysis capabilities, by adopting phase 4 of the Network for Greening the Financial System (NGFS) scenarios, expanding the coverage of internal models, progressing in the implementation of climate models within the strategic stress testing platforms, and developing our infrastructure further to incorporate Climate Risk into data, modelling and analysis. The scenario analysis is executed as part of our annual Climate Risk Management Stress Test (MST) exercise, based on our exposures as of December 2024.

The results from scenario analysis serve multiple use cases, including as one of the inputs to CIB clients' Climate Risk grading (BRAG) assessment, which is integrated into the existing credit approval process. This integration is key to informing the overall Climate Risk management process. Quarterly refresh of the scenario analysis for CIB monitors expected stressed losses from Climate Risks against predefined thresholds over a five-year horizon. High-risk clients identified through scenario analysis are disseminated for further consideration and discussion in key forums. The results are used for assessment of Pillar 2A capital add-on as part of ICAAP for CIB and WRB segments, and for assessing credit impairment due to Climate Risk with a focus on CIB sectors with interim 2030 targets, as part of corporate planning.

In addition to executing the annual internal Climate Risk MST and scenario analysis, we have also participated in several regulatory Climate Risk stress tests in 2025, including those conducted by the Monetary Authority of Singapore, Bank of Mauritius, Bank Negara Malaysia, Otoritas Jasa Keuangan (OJK) and Central Bank of the UAE.

The Scenario Analysis Process

Executing scenario analysis requires a coordinated effort across multiple workstreams with data gathered from various sources – both internal and external. Publicly available climate scenarios covering a broad range of risks are leveraged and, where required, these scenarios are expanded further for key climate and macroeconomic variables using vendor models. These scenario variables are used by the Climate Risk models to assess the impact on the credit portfolio, focusing on potential changes in asset quality, non-performing assets and loan losses across different business lines and geographic regions.

In line with growing expectations from stakeholders and for prudential risk management purposes, the Group has developed internal models for CIB business, to assess the changes to counterparties' credit profiles due to climate related risks, for high priority sectors. These models, focused on Transition Risks, apply microeconomic elasticity theory of supply and demand as a core quantitative approach. The approach is an industry standard for climate stress testing and is based on climate transition costs including the impact of rising carbon prices, technology investment costs and changes in carbon intensities (covering Scope 1, 2 and 3 emissions). The client financials used in these models are based on internal data, but the emissions profile is sourced from vendors and external sources. Key attributes related to transition plans and Physical Risk scores sourced from CRAs and Physical and Transition Risk rankings defined as part of Country Risk are used as inputs to the scenario analysis process.

For Physical Risk assessment of properties in the WRB business, we rely on Munich Re's Risk Suite to understand the exposure of properties to different hazards. This is combined with internal data capturing property details that help to estimate mitigant capabilities of the properties to Physical Risks. We also gather data from internal sources on current insurance practices in our key markets to improve our estimation of stress losses.

These results are subject to internal governance, including review and challenge by an expert panel, and are also tabled at the Group Risk Committee and the Board Risk Committee. The results are also shared with the first and the second line of defence for portfolio monitoring and to guide risk management strategies.

Scenarios used by the Group

The table below summarises the Climate Risk scenarios used internally by the Group across risk types for scenario analysis and ICAAP assessments. These scenarios have been selected as they cover a broad range of Physical and Transition Risks covering different plausible futures. The scenarios are not forecasts but rather serve as tools to explore risks and understand impacts in a range of climate future states of the world.

Risk types	Scenario family	Number of scenarios	Risk measure	Refer page no
Credit Risk – CIB	NGFS Phase 4	4	Stressed ECL	300
Credit Risk – WRB	Intergovernmental Panel on Climate Change's (IPCC) RCP[1] scenario	1	Stranded Assets Loss Estimate	301
OTCR	IPCC RCP scenario	1	Physical Risk concentration	296
Traded Risk	Bespoke (two Physical scenarios and one Transition scenario)	3	Stressed Loss	297

Key Scenario Features

The table below details key features of different scenarios used. While certain scenarios focus on Transition (T) risks, others focus on Physical (P) risk. Current Policies and Fragmented World scenarios are hybrid scenarios with a focus on both Transition (T) and Physical (P) risks.

Scenario family	Scenario name	Key features
NGFS (Phase 4)	Net Zero 2050 (T)	Global warming limited to 1.5°C through stringent climate policies and innovation. Global net zero CO_2 emissions around 2050 in alignment with the Paris Agreement.
	Delayed Transition (T)	Strong policies will be needed to limit warming to below 2°C. Annual emissions do not decrease until 2030.
	Current Policies (P+T)	No additional policies beyond those currently implemented, along with slow technology change. Global temperature rises close to 3°C by 2100.
	Fragmented World (P+T)	The Fragmented World scenario assumes delayed and divergent climate policy ambition globally, leading to high Physical and Transition Risks.
IPCC (2050, 2100)	RCP 2.6 (P) RCP 4.5 (P) RCP 8.5 (P)	Pathways of Greenhouse Gas (GHG) emissions and atmospheric concentrations, air pollutant emissions and land use to project their consequences for the climate system. Current and projected hazard scores across a range of hazards such as tropical cyclones, river flood, sea level rise, heat stress, precipitation stress, wildfire and drought stress from Munich Re's Risk Suite are used.

Scenarios used for CIB Corporates

The scenarios used for CIB clients, as listed below, are characterised by different levels of Transition and Physical Risk, driven by various features in each scenario.

Key Scenario Variables		Net Zero 2050	Delayed Transition	Current Policies	Fragmented World
Temperature rise	2100	1.4°C	1.7°C	2.9°C	2.3°C
Carbon price ($2010/tCO$_2$)	2030	187	9	9	9
	2050	590	350	8	132
Oil price ($2010/GJ)	2030	13	14	14	14
	2050	15	17	19	19
Gas price change (vs 2020, %)	2030	39	17	17	17
	2050	11	6	45	42
GDP baseline change (vs 2020, %)	2030	34	37	37	37
	2050	108	110	117	114
GDP change with high chronic Physical Risk damage (vs 2020, %)	2030	31	34	34	34
	2050	96	95	101	95

Scenarios Assumptions

The NGFS scenarios highlight a fundamental trade-off between managing Transition Risk and mitigating Physical Risk. The scenarios themselves depict **policy implementation**, with the (shadow) carbon prices in different scenarios reflective of the stringency of policies and regulations and how technology costs might evolve. The Net Zero 2050 scenario is an orderly scenario with coordinated and ambitious climate policies introduced early on, with a secular increase in carbon prices. The Delayed Transition scenario shows a delayed policy response with disproportionately higher transition costs. Carbon prices in disorderly scenarios (Delayed Transition), which become dominant from 2030, are typically higher for a given temperature outcome, compared to orderly transition scenarios. The Fragmented World scenario is reflective of delayed and uncoordinated policy action with both higher transition costs and Physical Risks. The Current Policies scenario assumes a Hot House world with insufficient global efforts, reflecting lower carbon prices, to halt significant global warming.

1 RCPs are scenarios that describe future concentrations of GHGs and aerosols in the atmosphere.

The scenarios recognise that policy responses will be unevenly distributed, with significant regional variation. Moreover, prices are generally lower in emerging economies due to lower policy stringency and a greater availability of low-cost abatement options. The Net Zero 2050 scenario largely shows coordinated global policy action with moderate regional variation. In contrast, the Delayed Transition and Fragmented World scenarios exhibit greater regional disparity. In the Delayed Transition scenario, by 2050, carbon prices reach more than $500 per ton of CO_2 for EU and US, but are lower than $300 per ton of CO_2 for Asia and Africa; whereas in the Fragmented World scenario, carbon prices reach more than $300 per ton of CO_2 in the EU and US but are lower than $100 per ton of CO_2 in Asia and practically non-existent in Africa. This is directly relevant to the Group given our footprint across these regions.

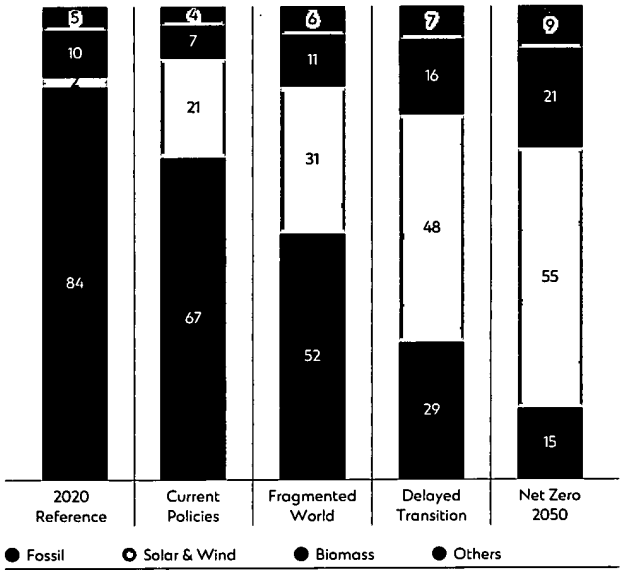
The NGFS scenarios include a wide range of macroeconomic variables, capturing structural relationships between key aggregates such as the GDP growth, unemployment and inflation that differ across regions. The macroeconomic implications vary dramatically across these pathways; while strong early action requires significant upfront investment and shifts in sectoral activity, the economic gains (likely to materialise beyond 2050) from avoided climate damages ultimately make it the least costly path. Across scenarios, GDP baseline is projected to rise in the range of 108 per cent to 117 per cent by 2050 compared to 2020, when chronic Physical Risk damages are not considered. However, when such damages are factored in, the GDP rise is significantly impacted and projected to increase in the range of 95 per cent to 101 per cent.

In addition to the publicly available macroeconomic variables for the NGFS scenarios, a more thorough impact on the macroeconomy is captured through the expansion of macroeconomic variables, which are provided by an external vendor. The model combines emissions, abatement, and climate damages with an economic module to represent the implications of the latest climate science and climate policy on economic activity and produces the macroeconomic variables at the industry and regional level, among others.

The scenarios also provide nuanced insights into energy systems and incorporate the latest trends in renewable energy technologies such as solar and wind, as well as key mitigation technologies. For instance, the capital costs for solar photovoltaic energy are projected to decrease rapidly, resulting in higher adoption of these technologies. This is reflected in the Net Zero 2050 scenario variables where the use of solar and wind energy, which was 4EJ/year and 6EJ/year in 2020, is projected to reach 170EJ/year and 94EJ/year by 2050, respectively. Orderly scenarios assume a rapid and significant shift in the energy mix away from fossil fuels toward renewables, biomass and increased electrification, coupled with substantial improvements in energy efficiency. This reduced demand of fossil fuels,[1] as captured in the chart below, is projected to decline by 85 per cent by 2050 in the Net Zero 2050 scenario. Additionally, based on recent industry experience, the scenarios also account for the limited availability of Carbon Dioxide Removal and Carbon Capture and Storage technologies. Ultimately, the scenarios serve as a tool for exploring these complex interdependencies rather than as a predictive forecast.

Scenario Assumptions

Energy Mix by 2050, across scenarios (%)



Scenario analysis results for CIB

In 2025, we assessed the impact of climate-related risks on our corporate, sovereign and financial institution clients, covering 98 per cent of CIB exposures as at December 2024. This assessment, across the four NGFS scenarios, is primarily reflective of the gross Transition Risks, and limited impact from Physical Risks. While client-level transition plans were not factored into the modelling, they were referenced to draw additional insights for climate sensitive sectors. We have used enhanced Transition Risk models, which are internally developed and better capture the climate scenario narratives when compared to the first-generation models used in 2024.

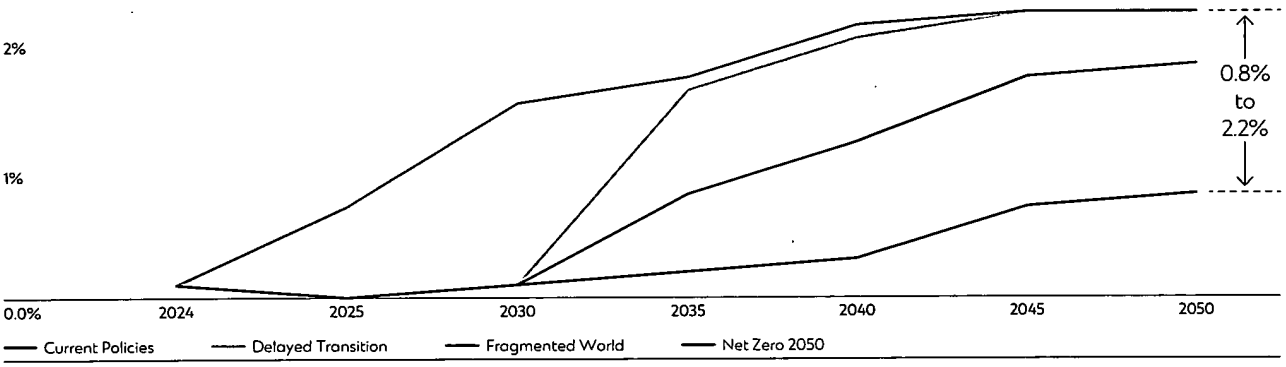
The cumulative Loan Impairment (LI) intensity measures the level of incremental ECL against the Exposure At Default (EAD). We expect this metric to enable us to assess the relative size of our exposure subject to potential losses from Climate Risks. As the graph below illustrates, cumulative LI intensities do not go beyond 3 per cent during the forecast horizon for the climate scenarios considered in our scenario analysis. We expect the cumulative LI intensity to rise the most in the Net Zero 2050 and Delayed Transition scenarios, followed by Fragmented World scenario, primarily driven by corporates.

The high LI intensity in the Net Zero 2050 scenario is reflective of the high Transition Risks noted by higher carbon prices, coupled with the need for greater investment to move to a low-carbon economy. The high LI intensity in the Delayed Transition scenario illustrates that delayed transition will be equally disruptive due to a lower level of innovation that limits the ability to decarbonise effectively, and rising carbon prices that squeeze profit margins.

1 Fossil fuels include Coal, Oil and Gas. Others include Hydro, Nuclear and Geothermal.

The moderately high LI intensity observed for the Fragmented World scenario is driven by sharp regional divergence, with cumulative LI intensity in 2050 observed to be the highest for AME, followed by Asia and E&A. These results are driven by differences in the capacity to execute transition plans, exposure to Physical Risks, combined with uncoordinated carbon policies across regions. Relatively lower LI intensity observed in the NGFS Current Policies scenario reflects the nascent modelling capabilities to incorporate second-order impacts on supply chain and for assessing the Physical Risk impact to client asset locations.

Cumulative LI Intensity Trajectory for CIB – Corporates



Cumulative LI Intensity is calculated as gross ECL over EAD

For corporate clients, we focused on the sectors in the table below that have been identified as more vulnerable to potential climate impacts. Sectors such as Oil and Gas, Utilities, and Automobiles and Components are most impacted, primarily due to the rise in carbon prices in the scenarios and to some extent by the consequent macroeconomic changes. It is assumed that clients with credible transition plans in climate sensitive sectors are less affected as they are better able to identify opportunities arising from climate change. The change in LI intensities compared with previous disclosures is largely due to heightened severity of NGFS Phase 4 scenarios and the enhancement in internal models.

Cumulative LI intensities for key corporate sectors

Long Term – 2050	EAD Y0 (%)	Net Zero 2050	Delayed Transition	Current Policies	Fragmented World
Automobiles & Components	3	High	High	Medium	High
Building Products, Construction & Engineering	5	Medium	Medium	Medium	Medium
Consumer Durables & Apparel	5	Low	Low	Medium	Medium
CRE	8	Low	Low	Low	Medium
Metal & Mining	3	Medium	Medium	Low	Medium
Oil & Gas	8	High	High	Low	High
Telecommunication Services	1	Low	Low	Low	Low
Transportation & Storage	8	Medium	Medium	Low	Medium
Utilities	5	High	High	High	High
Others	54	Low	Low	Low	Low
Total portfolio	100	Medium	Medium	Low	Medium

EAD data is as of December 2024.

Scenario analysis results for WRB

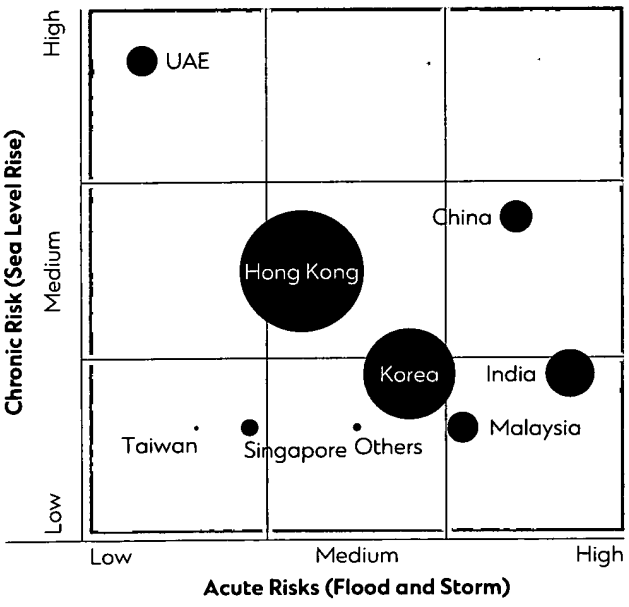
Stranded assets analysis is conducted to evaluate the residential mortgages portfolio, to account for extreme Physical Risk. Due to the higher materiality of residential mortgages portfolio, and the greater relevance and impact of Physical Risk on this portfolio, it has been selected for scenario analysis. We define stranded assets as properties that are expected to become uninhabitable and/or unusable due to increased frequency and intensity of Physical Risk events from acute and chronic risks. These stranded assets are expected to see a complete erosion to the value of the property.

The stranded assets analysis is both data and expert-judgement driven. The following chart illustrates the stranded asset losses for 2050 across key residential mortgage markets under the RCP8.5 scenario, based on Munich Re's Risk Suite. We examined exposure concentration in key markets subject to the extreme risk of floods and storms to assess the acute Physical Risk, and sea-level rise to assess the chronic Physical Risk. This analysis also considered additional details, such as age and type of the property and inbuilt flood defence mechanism for the acute risk and distance to coast for the chronic risk, subject to data availability.

Markets such as Hong Kong, Korea, India, Malaysia and China exhibit a higher level of potential losses as more properties in these markets will be exposed to flood and storm risks while properties in UAE exhibit a higher level of sea-level rise risk by the year 2050. We have considered insurance benefits in markets such as Hong Kong, China, UAE and Korea, where there is mandatory coverage against flood and storm risks. However, given the potential issues around affordability and availability of insurance in the longer term, these benefits are considered only in the short term until 2030 with an appropriate level of haircut. For markets where data limitations exist, we were not able to consider the application of mitigating factors against stranded assets, such as property age and property type, in our analysis this year. We aim to address these limitations in future iterations where feasible. We have established zoning policies to ringfence against properties subject to high Physical Risk in Korea where the homeowners' insurance coverage does not fully mitigate residual Physical Risk. These measures will help to ensure that the Group remains resilient to the adverse climate conditions. Additionally, it is also worth noting that the analysis does not consider the level of adaptation measures enforced by government policies.

Our peak ECL intensities for 2050 across the range of climate scenarios, after incorporating stranded asset overlay, are minimal relative to the counterfactual base scenario without climate impacts. We plan to continue to refine our approach to ensure its effectiveness. Overall, the results indicate that the risks are manageable as we continue to actively manage the portfolio to mitigate Physical Risk build-up.

Expected Losses due to Stranded Assets for Residential Mortgages by 2050



The size of the bubble is indicative of the stranded asset losses assessed for residential mortgages portfolio.
'Others' includes Vietnam, Jersey, Bangladesh, Brunei, Kenya, Pakistan and Sri Lanka.

Group's resilience demonstrated

While further enhancements to our modelling and risk assessment capabilities are ongoing, the results of scenario analysis for both CIB and WRB have provided further validation to the actions the Group is taking in terms of our Net Zero ambitions and strategy. Additionally, it aligns with our management initiatives aimed at improving the data quality and building in-house modelling expertise. Overall, we believe that the level of potential credit losses can be mitigated by continuing to take actions across sectors as part of our Net Zero roadmap, engaging with our clients on this topic and supporting clients on their transition journey.

Recent events in countries like India, Pakistan and the South China Sea region have highlighted the increasing frequency, intensity and unexpected nature of natural disasters. In India, extreme rainfall in states like Punjab and Himachal Pradesh caused widespread flooding and significant damage to infrastructure and agriculture. Uttarakhand also experienced landslides, cloud bursts and flash floods. In Pakistan, intense monsoon rainfall in Punjab and Khyber Pakhtunkhwa resulted in severe urban flooding, affecting vulnerable communities. Typhoon Ragasa severely affected areas of Philippines and Taiwan, and impacted South China, Hong Kong and Macau. These events underscore the vulnerabilities due to climate change. Despite recent challenges, the Group has exhibited significant resilience, attributable to its robust balance sheet and risk management practices.

Limitations and next steps

Reliance on emerging methodologies, dependencies on nascent models undergoing continuous refinements, and varying data limitations across markets, such as the availability of uniform and consistent data points for Physical Risk assessment, further impacting expected loss calculation, are some challenges that underpin the scenario analysis. Many of these limitations are shared across the industry. Given the complexities of climate modelling, it should also be noted that the results do not include the real-world aspects, such as the non-linear shifts and complex feedback loops. As more climate science literature and solution providers become available and banks start to use them extensively to build internal understanding and capabilities, the transparency and sophistication of modelling methodologies and assumptions will increase. The continuous refinements in models and methodologies is expected to be an ongoing process.

Nonetheless, the current results provide a strategic direction of the sense of portfolio concentrations subject to potential climate losses. These results are used to inform portfolio oversight and opportunity identification with clients on their transition and adaptation pathways.

Additionally, considerable developments have been made in building capability from a people, process and technology perspective to support stress tests and scenario analysis at both Group and country level. As we look ahead, we plan to expand the scope of internal models used for scenario analysis, leverage the enhanced internal climate adjusted sovereign models, and use the newly built climate aware LGD stress models among others. We also plan to conclude integrating internal Climate Risk models within the Group's infrastructure.

Capital review

The Capital review provides an analysis of the Group's capital and leverage position, and requirements.

Capital summary

The Group's capital, leverage and minimum requirements for own funds and eligible liabilities (MREL) position is managed within the Board-approved risk appetite. The Group is well capitalised with low leverage and high levels of loss-absorbing capacity.

Capital ratios

	2025	2024
CET1 capital	**14.1%**	14.2%
Tier 1 capital	**17.0%**	16.9%
Total capital	**20.6%**	21.5%
Leverage ratio	**4.7%**	4.8%
MREL ratio	**33.5%**	34.2%
Risk-weighted assets (RWA) $million	**258,031**	247,065

The Group's capital, leverage and MREL positions were all above current requirements and Board-approved risk appetite. For further detail see the Capital section in the Standard Chartered PLC Pillar 3 Disclosures for FY 2025. The Group's CET1 capital was 12 basis points lower than 2024. Profits, movements in other comprehensive income and FX translation reserves were offset by RWA growth, increase in regulatory deductions and distributions (including ordinary share buybacks of $2.8 billion during the year).

The PRA updated the Group's Pillar 2A requirement during Q3 2025. As at 31 December 2025, the Group's Pillar 2A was 3.3 per cent of RWA, of which at least 1.9 per cent must be held in CET1 capital. The Group's minimum CET1 capital requirement was 10.3 per cent at 31 December 2025.

The Group CET1 capital ratio as at 31 December 2025 reflects the share buyback of $2.8 billion during the year. The CET1 capital ratio also includes an accrual for the FY 2025 dividend. The Board has recommended a final dividend for FY 2025 of $1,092 million or 49 cents per share resulting in a full year 2025 dividend of 61 cents per share, a 65 per cent increase on the 2024 dividend per share. In addition, the Board has announced a further share buyback of $1.5 billion, the impact of which will reduce the Group's CET1 capital by around 58 basis points in the first quarter of 2026.

The Group expects to manage CET1 capital dynamically within our 13-14 per cent target range, in support of our aim of delivering future sustainable shareholder distributions.

The Group's MREL leverage requirement as at 31 December 2025 was 28.4 per cent of RWA. This is composed of a minimum requirement of 24.5 per cent of RWA and the Group's combined buffer (comprising the capital conservation buffer, the G-SII buffer and the countercyclical buffer). The Group's MREL ratio was 33.5 per cent of RWA and 9.2 per cent of leverage exposure at 31 December 2025.

During 2025, the Group successfully raised $9.9 billion of MREL eligible securities from its holding company, Standard Chartered PLC. Issuance includes $2.0 billion of Additional Tier 1 and $7.9 billion of callable senior debt.

The Group raised an additional $0.6 billion of Additional Tier 1 and $3.7 billion in senior securities post the balance sheet date, i.e. not included in the FY 2025 MREL position.

The Group is a G-SII, with a 1.0 per cent G-SII CET1 capital buffer.

The Standard Chartered PLC G-SII disclosure is published at sc.com/financial-results

Capital base[1] (audited)

	2025 $million	2024 $million
CET1 capital instruments and reserves		
Capital instruments and the related share premium accounts	**5,120**	5,201
Of which: share premium accounts	**3,989**	3,989
Retained earnings	**24,528**	24,950
Accumulated other comprehensive income (and other reserves)	**10,406**	8,724
Non-controlling interests (amount allowed in consolidated CET1)	**262**	235
Independently audited year-end profits	**5,100**	4,072
Foreseeable dividends	**(1,377)**	(923)
CET1 capital before regulatory adjustments	**44,039**	42,259
CET1 regulatory adjustments		
Additional value adjustments (prudential valuation adjustments)	**(693)**	(624)
Intangible assets (net of related tax liability)	**(6,145)**	(5,696)
Deferred tax assets that rely on future profitability (excludes those arising from temporary differences)	**(15)**	(31)
Fair value reserves related to net losses on cash flow hedges	**(315)**	(4)
Deduction of amounts resulting from the calculation of excess expected loss	**(599)**	(702)
Net gains on liabilities at fair value resulting from changes in own credit risk	**412**	278
Defined-benefit pension fund assets	**(149)**	(149)
Fair value gains arising from the institution's own credit risk related to derivative liabilities	**(70)**	(97)
Exposure amounts which could qualify for risk weighting of 1250%	**(25)**	(44)
Total regulatory adjustments to CET1	**(7,599)**	(7,069)
CET1 capital	**36,440**	35,190
Additional Tier 1 capital (AT1) instruments	**7,529**	6,502
AT1 regulatory adjustments	**(20)**	(20)
Tier 1 capital	**43,949**	41,672
Tier 2 capital instruments	**9,308**	11,449
Tier 2 regulatory adjustments	**(30)**	(30)
Tier 2 capital	**9,278**	11,419
Total capital	**53,227**	53,091
Total risk-weighted assets (unaudited)	**258,031**	247,065

1 Capital base is prepared on the regulatory scope of consolidation.

Movement in total capital (audited)

	2025 $million	2024 $million
CET1 at 1 January	**35,190**	34,314
Ordinary shares issued in the period and share premium	**–**	–
Share buyback	**(2,800)**	(2,500)
Profit for the period	**5,100**	4,072
Foreseeable dividends deducted from CET1	**(1,377)**	(923)
Difference between dividends paid and foreseeable dividends	**(557)**	(469)
Movement in goodwill and other intangible assets	**(449)**	432
Foreign currency translation differences	**931**	(525)
Non-controlling interests	**26**	18
Movement in eligible other comprehensive income	**283**	636
Deferred tax assets that rely on future profitability	**16**	10
Decrease/(increase) in excess expected loss	**101**	52
Additional value adjustments (prudential valuation adjustment)	**(69)**	106
IFRS 9 transitional impact on regulatory reserves including day one	**–**	2
Exposure amounts which could qualify for risk weighting	**18**	–
Fair value gains arising from the institution's own Credit Risk related to derivative liabilities	**27**	19
Others	**–**	(54)
CET1 at 31 December	**36,440**	35,190
AT1 at 1 January	**6,482**	5,492
Net issuances (redemptions)	**1,026**	1,015
Foreign currency translation difference and others	**1**	(25)
AT1 at 31 December	**7,509**	6,482
Tier 2 capital at 1 January	**11,419**	11,935
Regulatory amortisation	**(227)**	1,189
Net issuances (redemptions)	**(2,175)**	(1,517)
Foreign currency translation and fair value differences	**251**	(191)
Tier 2 ineligible minority interest	**10**	(3)
Others	**–**	6
Tier 2 capital at 31 December	**9,278**	11,419
Total capital at 31 December	**53,227**	53,091

The main movements in capital in the period were:

- CET1 capital increased by $1.2 billion as retained profits of $5.1 billion, movement in other comprehensive income of $0.5 billion and foreign currency translation impact of $0.9 billion were partly offset by share buyback of $2.8 billion, distributions paid and foreseeable of $1.9 billion, and an increase in regulatory deductions and other movements of $0.5 billion.
- AT1 capital increased by $1.0 billion following the issuance of $1.0 billion of 7.63 per cent securities and $1.0 billion of 7.00 per cent securities partly offset by the redemption of $1.0 billion of 6.00 per cent securities.
- Tier 2 capital decreased by $2.1 billion due to the redemption of $2.2 billion of Tier 2 during the year partly offset by the reversal of regulatory amortisation and foreign currency translation impact.

Risk-weighted assets by business

	2025			
	Credit risk $million	Operational risk $million	Market risk $million	Total risk $million
Corporate & Investment Banking	**125,366**	**23,842**	**26,713**	**175,921**
Wealth & Retail Banking	**45,075**	**11,707**	**–**	**56,782**
Ventures	**4,352**	**475**	**76**	**4,903**
Central & other items	**17,352**	**(801)**	**3,874**	**20,425**
Total risk-weighted assets	**192,145**	**35,223**	**30,663**	**258,031**

	2024[1]			
	Credit risk $million	Operational risk $million	Market risk $million	Total risk $million
Corporate & Investment Banking	124,635	19,987	24,781	169,403
Wealth & Retail Banking	47,764	9,523	–	57,287
Ventures	2,243	142	21	2,406
Central & other items	14,661	(173)	3,481	17,969
Total risk-weighted assets	189,303	29,479	28,283	247,065

Movement in risk-weighted assets

	Credit risk							
	Corporate & Investment Banking $million	Wealth & Retail Banking $million	Ventures $million	Central & other items $million	Total $million	Operational risk $million	Market risk $million	Total risk $million
At 1 January 2024	116,621	50,771	1,885	22,146	191,423	27,861	24,867	244,151
Assets growth & mix	11,616	(491)	358	(5,176)	6,307	–	–	6,307
Asset quality	(2,472)	(316)	–	(384)	(3,172)	–	–	(3,172)
Model updates	1,620	(1)	–	–	1,619	–	(400)	1,219
Methodology and policy changes	38	39	–	–	77	–	(1,300)	(1,223)
Acquisitions and disposals	–	–	–	–	–	–	–	–
Foreign currency translation	(2,788)	(1,397)	–	(691)	(4,876)	–	–	(4,876)
Other, including non-credit risk movements	–	(841)	–	(1,234)	(2,075)	1,618	5,116	4,659
At 31 December 2024[1]	**124,635**	**47,764**	**2,243**	**14,661**	**189,303**	**29,479**	**28,283**	**247,065**
Assets growth & mix	**(1,712)**	**(3,361)**	**2,109**	**1,919**	**(1,045)**	**–**	**–**	**(1,045)**
Asset quality	**1,343**	**(483)**	**–**	**567**	**1,427**	**–**	**–**	**1,427**
Model updates	**(1,265)**	**198**	**–**	**–**	**(1,067)**	**–**	**63**	**(1,004)**
Methodology and policy changes	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Acquisitions and disposals	**(293)**	**(92)**	**–**	**(19)**	**(404)**	**–**	**–**	**(404)**
Foreign currency translation	**2,658**	**1,049**	**–**	**224**	**3,931**	**–**	**–**	**3,931**
Other, including non-credit risk movements	**–**	**–**	**–**	**–**	**–**	**5,744**	**2,317**	**8,061**
At 31 December 2025	**125,366**	**45,075**	**4,352**	**17,352**	**192,145**	**35,223**	**30,663**	**258,031**

1 RWA balances are now presented to reflect the RNS on Presentation of Financial Information issued on 2 April 2025. Prior periods have been re-presented and there is no change in total RWA.

Movements in risk-weighted assets

RWA increased by $11.0 billion, or 4.4 per cent, from 31 December 2024 to $258.0 billion. This was due to the increase in Credit Risk RWA of $2.8 billion, Market Risk RWA of $2.4 billion and Operational Risk RWA of $5.7 billion.

Corporate & Investment Banking

Credit Risk RWA increased by $0.7 billion, or 0.6 per cent, from 31 December 2024 to $125.4 billion due to:

- $2.7 billion increase from foreign currency translation
- $1.3 billion increase mainly due to deterioration in asset quality from sovereign downgrades and other client grade moves
- $1.7 billion decrease from changes in asset growth and mix
  - $5.0 billion decrease from optimisation actions
  - $3.3 billion increase from asset growth
- $1.3 billion decrease from industry-wide regulatory changes to align IRB model performance
- $0.3 billion decrease from exit of business in Cameroon.

Wealth & Retail Banking

Credit Risk RWA decreased by $2.7 billion, or 5.6 per cent, from 31 December 2024 to $45.1 billion mainly due to:

- $3.4 billion decrease from changes in asset growth and mix
- $0.5 billion decrease mainly due to improvement in asset quality
- $0.1 billion decrease from exit of business in Gambia
- $1.0 billion increase from foreign currency translation
- $0.2 billion increase from industry-wide regulatory changes to align IRB model performance

Ventures

Ventures is comprised of Mox Bank Limited, Trust Bank and SC Ventures. Credit Risk RWA increased by $2.1 billion, or 94.0 per cent from 31 December 2024 to $4.4 billion from asset balance growth from Mox Bank Limited and SC Ventures.

Central & other items

Central & other items RWA mainly relate to the Treasury Market's liquidity portfolio, equity investments and current and deferred tax assets.

Credit Risk RWA increased by $2.7 billion, or 18.4 per cent, from 31 December 2024 to $17.4 billion mainly due to:

- $1.9 billion increase from changes in asset growth and mix
- $0.6 billion increase due to deterioration in asset quality mainly from sovereign downgrades and other client grade moves
- $0.2 billion increase from foreign currency translation.

Market Risk

Total Market Risk RWA increased by $2.4 billion, or 8.4 per cent, from 31 December 2024 to $30.7 billion mainly due to a $2.1 billion increase in Standardised Approach (SA) Specific Interest Rate Risk RWA due primarily to increases in the Credit Trading Portfolio.

Operational Risk

Operational Risk RWA increased by $5.7 billion, or 19.5 per cent, from 31 December 2024 to $35.2 billion, primarily driven by an increase in average income measured over a rolling three-year time horizon. The Group has brought forward the annual refresh of Operational Risk RWA with RWA increase recognised in Q4'25 rather than Q1'26, as earlier guided, resulting in two operational risk RWA increases in 2025.

Leverage ratio

The Group's leverage ratio, which excludes qualifying claims on central banks, was 4.7 per cent at FY 2025, which was above the current minimum requirement of 3.7 per cent. The leverage ratio was 11 basis points lower than FY 2024. Leverage exposure increased by $69.8 billion from the increase in Loans and advances and other assets of $85.2 billion, an increase in Derivatives of $3.7 billion partly offset by decrease in claims on central banks of $16.9 billion, decrease in Off-balance sheet items of $1.3 billion, and decrease in asset amounts deducted in determining Tier 1 capital (Leverage) of $0.8 billion. Tier 1 capital increased by $2.3 billion as CET1 capital increased by $1.2 billion and AT1 capital increased by $1.0 billion following the issuance of $2.0 billion partly offset by the redemption of $1.0 billion AT1 securities.

Leverage ratio

	2025 $million	2024 $million
Tier 1 capital (end point)	**43,949**	41,672
Derivative financial instruments	**65,782**	81,472
Derivative cash collateral	**12,868**	11,046
Securities financing transactions (SFTs)	**96,096**	98,801
Loans and advances and other assets	**745,209**	658,369
Total on-balance sheet assets	**919,955**	849,688
Regulatory consolidation adjustments[1]	**(96,565)**	(76,197)
Derivatives adjustments		
Derivatives netting	**(51,827)**	(63,934)
Adjustments to cash collateral	**(10,011)**	(10,169)
Net written credit protection	**2,604**	2,075
Potential future exposure on derivatives	**58,062**	51,323
Total derivatives adjustments	**(1,172)**	(20,705)
Counterparty risk leverage exposure measure for SFTs	**6,715**	4,198
Off-balance sheet items	**117,341**	118,607
Regulatory deductions from Tier 1 capital	**(8,084)**	(7,247)
Total exposure measure excluding claims on central banks	**938,190**	868,344
Leverage ratio excluding claims on central banks (%)	**4.7%**	4.8%
Average leverage exposure measure excluding claims on central banks	**949,214**	894,296
Average leverage ratio excluding claims on central banks (%)	**4.6%**	4.7%
Countercyclical leverage ratio buffer	**0.1%**	0.1%
G-SII additional leverage ratio buffer	**0.4%**	0.4%

1 Includes adjustment for qualifying central bank claims and unsettled regular way trades.

Financial statements

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Image removed

Case study

Streamlining FX transactions for our clients

In January 2025, we launched SC PrismFX, a new platform providing clients with transactional FX solutions for cross-border payments.

The platform is available across more than 130 currencies and 40 markets and is designed to simplify transactional FX by offering greater transparency, control and efficiency across pricing, execution and workflow.

SC PrismFX is available for financial institutions, non-banking financial institutions, PayTech and corporate clients globally.

Read more: sc.com/prismfx

Independent Auditor's Report to the members of Standard Chartered PLC

Opinion

In our opinion:

- Standard Chartered PLC's Group financial statements and Parent Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards (UK IAS) and International Financial Reporting Standards (IFRS) as adopted by the European Union (EU IFRS);
- the Parent Company financial statements have been properly prepared in accordance with UK IAS as applied in accordance with section 408 of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Standard Chartered PLC (the 'Company' or the 'Parent Company') and its subsidiaries, interests in associates, and jointly controlled entities (together with the Company—the 'Group') for the year ended 31 December 2025 which comprise:

Group	Company
Consolidated income statement for the year ended 31 December 2025;	Balance sheet as at 31 December 2025;
Consolidated statement of comprehensive income for the year then ended;	Cash flow statement for the year then ended;
Consolidated balance sheet as at 31 December 2025;	Statement of changes in equity for the year then ended; and
Consolidated statement of changes in equity for the year then ended;	Related notes 1 to 41 to the financial statements, including: material accounting policy information.
Consolidated cash flow statement for the year then ended;	
Related notes 1 to 41 to the financial statements, including: material accounting policy information;	
Information marked as 'audited' within the Directors' remuneration report from page 180 to page 206; and	
Risk Review and Capital Review disclosures marked as 'audited' from page 218 to page 308.	

The financial reporting framework that has been applied in their preparation is applicable law and UK IAS and EU IFRS; and as regards the Parent Company financial statements, UK IAS as applied in accordance with section 408 of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Company and we remain independent of the Group and the Company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- performing a risk assessment to identify factors that could impact the going concern basis of accounting, including consideration of principal and emerging risks;
- assessing management's going concern assessment, including the Group's forecast capital, liquidity and leverage ratios over the period of twelve months from 24 February 2026, to evaluate the headroom against minimum regulatory requirements and the risk appetite set by the directors;
- engaging EY economic specialists to assess and challenge the reasonableness of assumptions used to develop the forecasts in the Corporate Plan (5-year forward looking plan of the business) and evaluating the accuracy of historical forecasting;
- assessing the Group's funding plan and repayment plan for funding instruments maturing over the period of twelve months from 24 February 2026;
- understanding and evaluating credit rating agency ratings;

- engaging EY prudential regulatory specialists to evaluate the results of management's stress testing on funding, liquidity, and regulatory capital;
- reviewing correspondence with prudential regulators and authorities for matters that may impact the going concern assessment; and
- evaluating the going concern disclosure included in note 1 to the financial statements to assess that the disclosure was appropriate and in conformity with the reporting standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern for a period of twelve months from 24 February 2026.

In relation to the Group's and the Parent Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's and the Parent Company's ability to continue as a going concern.

Overview of our audit approach

Audit scope	• We performed an audit of the complete financial information of 10 components in 8 countries and audit procedures on specific balances for a further 6 components in 5 countries. • We performed central procedures for certain audit areas and balances as outlined in Tailoring the scope section of our report.
Key audit matters	• Credit impairment • Basis of accounting and impairment assessment of China Bohai Bank (interest in associate) • Valuation of financial instruments held at fair value with higher risk characteristics.
Materiality	• Overall Group materiality of $390m which represents 5% of adjusted profit before tax.

An overview of the scope of the Parent Company and Group audits

Tailoring the scope

In the current year, our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, the applicable financial framework, the Group's system of internal control at the entity level, the existence of centralised processes, the IT application environment, and any relevant internal audit results.

We took a centralised approach to auditing certain processes and controls, as well as the substantive testing of specific balances. This included audit work over the Group's Global Business Services shared services centre (SSC), Corporate and Investment Banking SSC, Credit Impairment SSC and Global Technology.

We determined that centralised audit procedures can be performed across certain components for the key audit matters outlined later in this report, and for other audit areas, including: Revenue recognition; Management override of controls; Technology costs; Impairment of goodwill; Going concern and long-term viability; Hedge accounting; Climate risk; Share based payments; Taxation; Legal and regulatory matters; Centralised reconciliations; Onerous contracts, including impairment of leased properties; IT matters; and certain transformation programmes.

In addition to the above areas, for select components in Germany, Japan, Hong Kong, Côte d'Ivoire and Saudi Arabia, we, the primary audit engagement team ("the Primary Audit Team") performed certain procedures centrally over the cash balances as at 31 December 2025. These components are separate to those described below.

We identified 16 components in 13 countries as individually relevant to the Group due a significant risk or an area of higher assessed risk of material misstatement of the Group financial statements being associated with the components, or due to financial size of the component relative to the Group.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the Group's significant accounts on which centralised procedures are performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the Group significant financial statement account balance.

We then considered whether the remaining Group significant account balances that are not subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the Group financial statements. We did not identify additional scope required as we assessed the residual risk to not be material.

Having identified the components for which work will be performed, we determined the scope to assign to each component.

Of the 16 components selected, we designed and performed audit procedures on the entire financial information of 10 components ("full scope components"). For 6 components, we designed and performed audit procedures on specific significant financial statement account balances or disclosures of the financial information of the component ("specific scope components").

	Group's Absolute PBT		Group's Total assets		Group's Absolute Operating Income	
	2025	2024	**2025**	2024	**2025**	2024
Full Scope	**66%**	64%	**87%**	87%	**68%**	72%
Specific Scope	**10%**	10%	**5%**	5%	**10%**	9%
Specified Procedures	**0%**	2%	**0%**	0.30%	**0%**	2%
Total	**76%**	**76%**	**92%**	**92%**	**78%**	**83%**

Of the remaining components that together represent 24% of the Group's absolute PBT, none are individually greater than 2.3%. For certain of these components, we performed other procedures at the Group level which included: performing analytical reviews at the Group financial statement level, evaluating entity level controls, performing audit procedures on the centralised shared service centres, testing of consolidation journals and intercompany eliminations, inquiring with certain overseas EY teams on the outcome of prior year local statutory audits (where audited by EY) to identify any potential risks of material misstatement to the Group financial statements. We also had regard for the extent of centralised procedures in respect of key audit matters.

Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, the Primary Audit Team, or by component auditors from other firms operating under our instruction. All of the direct components of the Group (full or specific scope) were audited by EY global network firms. There was one non-EY component team auditing a single component in a single location, which was instructed by a direct component of the Group.

Audit procedures were performed on 3 full scope components (including the audit of the Company) directly by the Primary Audit Team (EY London) in the United Kingdom. Where components were audited by the Primary Audit Team, this was under the direction and supervision of the Senior Statutory Auditor. For the remaining 13 components, where the work was performed by component auditors, we determined the appropriate level of involvement to enable us to determine that sufficient and appropriate audit evidence had been obtained as a basis for our opinion on the Group as a whole.

In addition to the above, the Primary Audit Team also performed full-scope audit procedures on components related to the Group consolidation process.

In addition, the Group has centralised processes and controls over key areas in its shared service centres. Members of the Primary Audit Team undertook direct oversight, review and coordination of our shared service centre audits. The Primary Audit Team continued to follow a programme of planned visits to component teams and shared service centres. During the current year's audit cycle, visits were undertaken by the Primary Audit Team to the component teams in the following locations:

- Hong Kong
- India (including the shared services centre)
- Mainland China (including the shared services centre)
- Malaysia (including the shared services centre)
- Republic of Korea
- Singapore (including the shared services centre)
- United Arab Emirates
- United States of America
- Kenya

These visits involved discussing the audit approach with the component team and any issues arising from their work, meeting with local management, attending planning and closing meetings, and reviewing relevant audit working papers on risk areas. In addition to the site visits, the Primary Audit Team interacted regularly with the component and SSC audit teams, where appropriate, during various stages of the audit, reviewed relevant working papers and deliverables to the Primary Audit Team, and was responsible for the scope and direction of the audit process.

The Primary Audit Team also undertook video conference meetings with component and SSC audit teams and management. These virtual meetings involved discussing the audit approach and any issues arising from their work, as well as performing remote reviews of key audit workpapers.

This, together with the procedures performed at the Group level, gave us sufficient and appropriate evidence for our opinion on the Group and Company financial statements.

Climate change

Stakeholders are increasingly interested in how climate change will impact the economy, including the banking sector, and further how this may consequently impact the valuation of assets and liabilities held on bank balance sheets. The Group manages climate Risk according to the characteristics of the impacted principal risk types. The assessment of that risk by the Group is explained on pages 287 to 302 in the 'Risk Review and Capital Review' section, and on pages 66 to 128 in the 'Sustainability review' section as well as on pages 450 to 465 in the 'Supplementary sustainability information' section of the Annual Report, where management has also explained their climate commitments.

All of these disclosures form part of the 'Other information', rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on 'Other information'.

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

The Group has explained in the 'Sustainability review' section of the Annual Report how they have reflected the impact of climate change in their financial statements, including how this aligns with their commitment to the aspirations of the Paris Agreement to achieve net zero emissions by 2050. Significant judgements and estimates relating to climate change are included in the section 'Climate change impact on the Group's balance sheet' of note 1 to the financial statements. As stated in these disclosures, the Group has considered Climate change to be an area which can impact accounting estimates and judgements through the uncertainty of future events and the impact of that uncertainty on the Group's assets and liabilities.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating whether management's assessment of the impact of climate risk has been appropriately reflected in the valuation of assets and liabilities, where material and where it can be reliably measured, following the currently effective requirements of UK IAS and EU IFRS. This was in the context of the Group's process being limited, given that this is a highly evolving area, as a result of limitations in the data available and the nascent modelling capabilities, and as the Group considers how it further embeds its climate ambitions into the planning process.

As part of this evaluation, we performed our own risk assessment, supported by our climate change specialists, to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the Directors' considerations of climate change risks in their assessment of going concern and viability, and the associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work, we have considered the impact of climate change on the financial statements to impact certain key audit matters. Details of our procedures and findings are included in our explanation of key audit matters below.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk
Credit Impairment Refer to the Audit Committee Report (page 163); Note 8 of the financial statements; and relevant credit risk disclosures (including pages 233 to 276). At 31 December 2025, the Group reported a credit impairment balance sheet provision of $4,408 million (2024: $5,267 million), and an income statement charge of $672 million (2024: $547 million). Determining expected credit losses is highly judgemental and subjective as a result of the significant uncertainty associated with the estimation of expected future credit losses. Assumptions with increased complexity in respect of the timing and measurement of expected credit losses (ECL) include:	We evaluated the adequacy of the design of the Group's controls over material ECL balances. Operating effectiveness was tested for those controls upon which we placed reliance. We performed an overall stand-back assessment of the ECL allowance in total and by stage. We considered the overall level of geopolitical risk and consequent economic uncertainty, credit quality of the Group's portfolios, the impact of sovereign risk, challenges facing the Commercial Real Estate sector, and the uncertainty owing to the US trade and tariff policy. We performed peer benchmarking to the extent that this was considered relevant and investigated and sought explanations for any areas identified as being outliers. Our assessment also included the evaluation of the macroeconomic environment by considering trends in the economies and countries to which the Group is exposed.

Risk	Our response to the risk
Staging – The determination of what constitutes a significant increase in credit risk and default and consequent complete and timely allocation of qualifying assets to the appropriate stage in accordance with IFRS 9.	**Staging** – We evaluated the criteria used to allocate financial assets within the scope of IFRS 9 to stage 1, 2 or 3. We reperformed the staging distribution for all relevant financial assets. We performed sensitivity analysis to assess the impact of changes to the quantitative thresholds on the EAD and ECL. We reperformed the Group's staging effectiveness and investigated any differences or anomalies. To test the completeness of the identification of significant increase in credit risk, we challenged the credit risk ratings (including appropriate operation of quantitative backstops) for a sample of performing accounts and other accounts exhibiting risk characteristics such as financial difficulty, deferment of payment, late payment and heightened risk accounts appearing on the watchlist.
Modelled output – Appropriateness of accounting interpretations, modelling assumptions, modelling techniques and the data used to determine the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) used to calculate the ECL.	**Modelled output** – With the support of EY credit risk modelling specialists, we performed a risk assessment over the models used in the ECL calculation using independently determined quantitative and qualitative criteria, and applied this risk rating to select a sample of models to test. For the selected models, we assessed the reasonableness of underlying assumptions, methodology and model build. This included evaluating model design and formulae, model implementation and validation, model monitoring, sensitivity testing and independently recalculating the Probability of Default, Loss Given Default and Exposure at Default parameters for a sample of higher risk models. To evaluate data quality, we performed sample testing over the completeness and accuracy of key data elements assessed to be material to the modelled ECL output, back to source evidence. We sample tested material data adjustments to the modelled output.
Multiple economic scenarios – The determination of the appropriateness of economic variables, the future forecasting of these variables and the approach to determine both the base case forecast and the Monte Carlo Simulation. The assessment of non-linearity produced by the Monte Carlo simulation, the benchmarking of the output to the discrete scenarios and the evaluation of the need for any overlays.	**Economic scenarios** – In collaboration with our economic specialists, we challenged the completeness and appropriateness of the macroeconomic variables used as inputs to the ECL models. Our economic specialists assisted in evaluating the reasonableness of the base forecast for a sample of macroeconomic variables most pertinent to the Group's ECL calculation. Procedures performed included benchmarking the forecast for a sample of macroeconomic variables to peers, historical data analysis and examination of a variety of global external sources.
Management overlays and post-model adjustments – Appropriateness, completeness and valuation of risk event overlays to capture risks not identified by the credit impairment models, including the consideration of the risk of management override.	
Individually assessed ECL allowances – Measurement of individual provisions including the assessment of probability weighted recovery scenarios, existence and valuation of collateral, and expected future cashflows.	
In 2025, the most material factors impacting the ECL were geopolitical uncertainty, the impact of the US tariffs, and the idiosyncratic risks at a sovereign and sector level. In addition, we considered the impact of climate as part of impairment provisioning.	
Overall, economic uncertainty remains elevated with a consequent increased risk to the downside and therefore in line with the prior year there continues to be an elevated risk of a material misstatement.	

Risk	Our response to the risk
	We assessed the appropriateness of the output of the Monte Carlo simulation by performing a sensitivity test across a sample of economic variables, spanning multiple markets, using an independent challenger model. We assessed the reasonableness of the non-linearity produced by the Monte Carlo simulation and the appropriateness of management's overlay. Our economists assessed and challenged the Group's choice of discrete scenarios to benchmark the output from the Monte Carlo model and determine the sensitivity analysis as set out on pages 266 to 270 in the annual report. This challenge included the choice of discrete scenarios, the weights applied to each scenario and the quantum of the non-linearity overlay. We also performed a stand-back assessment by benchmarking the non-linearity and overall ECL charge and provision coverage to peers. **Management overlays and post model adjustments** – We challenged the completeness and appropriateness of overlays used for risks not captured by the models and evaluated the outcome of model monitoring procedures that highlighted model deficiencies including the need for post model adjustments. We focused our challenge on idiosyncratic risks at a sector and sovereign level, including the impact of climate, and the results of model monitoring procedures. Our procedures included assessing the need for management overlays and post model adjustments, evaluating the assumptions and judgments used to determine these taking current market conditions into account, and computing independent ranges where appropriate. **Individually assessed ECL allowances** – We selected a sample of individually assessed provisions and challenged management's level of provisioning by performing recalculation procedures. These procedures included challenging management's forward looking economic assumptions, the appropriateness of the recovery outcomes, cashflow profiles and timings, and the individual probability weightings used for each scenario. We also engaged our valuation specialists to independently assess the value of collateral used in management's calculations on a sample basis. In conjunction with our technical accounting experts, we considered the appropriateness of the accounting treatment applied for material loan restructurings.

Key observations communicated to the Audit Committee

We communicated that the Group's ECL provisions were reasonably estimated and materially in compliance with IFRS 9. We highlighted the following matters to the Audit Committee that contributed to our overall conclusion:

- Our evaluation of the appropriateness of the significant increase in credit risk triggers, and the results of our staging reperformance.
- Our assessment of the appropriateness of the Group's models to generate the ECL including the appropriateness and validity of the data used in the models.
- Our evaluation of the completeness and appropriateness of economic variables, the choice of discrete scenarios, the weightings applied to these scenarios, and the outcome of our challenger model.
- Our assessment of the appropriateness of post model adjustments and overlays, including idiosyncratic overlays relating to sectors, sovereigns, climate and non-linearity.
- For individually assessed ECL allowances, the overall reasonableness of the provisions, including assumptions applied, and collateral valuations.

We continued to highlight to the Committee that there remains increased uncertainty and volatility in determining expected credit losses due to the elevated risks in the macroeconomic and geopolitical landscape.

How we scoped our audit to respond to the risk and involvement with component teams

For the purposes of determining the scope of work to be conducted centrally and by component teams, we considered the following:

- The Group's gross exposure and ECL by market
- The Group's and EY's independent sovereign risk assessment
- Market of origin for individual defaulted exposures
- The Group's material IFRS 9 systems and processes, including modelled ECL, and where those systems and process were located

Based on this assessment, we determined that specific credit related procedures were required to be performed centrally, and by 8 full scope and 5 specific scope locations.

The Group Audit Team`s involvement with the component teams and procedures performed are detailed in the "Involvement with component teams" section of our report.

Risk

Basis of accounting and impairment assessment of China Bohai Bank (Interest in Associate)

Refer to the Audit Committee Report (page 163) and Note 32 of the financial statements.

- Interest in Associate – China Bohai Bank $883 million (2024: $738 million).
- Cumulative impairment: $1,485 million (2024: $1,459 million).

At 31 December 2025, the Group's share of China Bohai Bank's market capitalisation was $523m lower than the carrying value of $883m.

We focused on judgements and estimates, including the appropriateness of the equity accounting treatment under IAS 28 and the assessment of whether the investment was impaired.

Basis of accounting

The Group holds a 16.26% stake in China Bohai Bank and equity accounts for the investment as an associate, on the grounds that the Group is able to exercise significant influence over China Bohai Bank.

IAS 28 states that if the entity holds, directly or indirectly, less than 20% of the voting power of the investee, it is presumed that the entity does not have significant influence, unless such influence can be clearly demonstrated.

There is a risk that the equity accounting treatment may not be appropriate, if the Group cannot demonstrate that it exerts significant influence over China Bohai Bank.

Our response to the risk

We obtained an understanding of management's process and evaluated the design of controls for the accounting and impairment assessment of China Bohai Bank. Our audit strategy was fully substantive.

Basis of accounting

We evaluated the evidence that the Group presented to demonstrate that it exercises significant influence over China Bohai Bank, through Board representation, membership of Board Committees and sharing of technical expertise.

We observed certain meetings alongside Group management and China Bohai Bank management to identify facts and circumstances impacting the assessment of significant influence exercised by the Group.

Impairment testing

We assessed the appropriateness of the Group's VIU methodology for compliance with accounting standards. We tested the mathematical accuracy of the VIU model and engaged our valuation and modelling specialists to support the audit team in calculating an independent range for the VIU.

We performed audit procedures to assess the reasonableness of the Group's forecast of the future cashflows relating to Bohai, and other key assumptions with regard to the relevance and reliability of data inputs.

Risk	Our response to the risk
Our assessment of the risk in respect of significant influence has not changed compared to the prior year. Impairment testing At 31 December 2025, China Bohai Bank's market capitalisation was significantly lower than the carrying value of the investment. Financial performance in 2025 reflected ongoing market pressures, resulting in muted results. In addition, China Bohai Bank did not pay a dividend for a third year. These matters are indicators of impairment. Impairment of the investment in China Bohai Bank is determined by comparing the carrying value to the higher of value in use (VIU) and fair value less costs to sell. The VIU is modelled by reference to future cashflow forecasts (forecast profit, including a haircut for regulatory capital), exit multiples, discount rate and macroeconomic assumptions such as forward market interest rate curves. The assumptions underpinning management's assessment of the VIU are subject to estimation uncertainty and consequently, there is a risk that if the judgements and assumptions are inappropriate, the investment in China Bohai Bank may be misstated. Our assessment of the risk in respect of impairment has not changed compared to the prior year.	We performed a stand-back assessment to determine whether the carrying value of the Group's investment in China Bohai Bank was reasonable. We considered the macroeconomic environment in China, ratings agency reports and public disclosures by Bohai. We benchmarked the forecasts to broker reports published for comparable companies. We assessed the appropriateness of disclosures in the annual report in relation to China Bohai Bank, including the impact of reasonably possible changes in key assumptions on the carrying value of the investment.

Key observations communicated to the Audit Committee	How we scoped our audit to respond to the risk and involvement with component teams
On the basis of the evidence, we concluded that the Group continues to maintain significant influence over China Bohai Bank as at 31 December 2025. We highlighted our assessment of the impairment methodology and our view on significant assumptions to the VIU. We concluded that the Interest in Associate – China Bohai Bank balance and the associated financial statement disclosures were not materially misstated as at 31 December 2025.	We performed centralised audit procedures over the risk, with the support of EY Hong Kong and a non-EY Component audit team in performing certain procedures to address the risk. The Group Audit Team's involvement with the component teams and procedures performed are detailed in the Involvement with component audit teams' section of our report.

Risk	Our response to the risk
Valuation of financial instruments held at fair value with higher risk characteristics (Level 3 and certain Level 2 portfolios) Refer to the Audit Committee Report (page 163) and Note 13 to the financial statements. At 31 December 2025, the Group reported financial assets measured at fair value of $370,745 million (2024: $348,408 million), and financial liabilities at fair value of $157,801 million (2024: $167,526 million), of which financial assets of $12,338 million (2024: $8,053 million) and financial liabilities of $5,133 million (2024: $4,937 million) are classified as Level 3 in the fair value hierarchy. The fair value of financial instruments with higher risk characteristics involves the use of management judgement in the selection of valuation models and techniques, pricing inputs and assumptions and fair value adjustments.	We evaluated the design and operating effectiveness of controls relating to the valuation of financial instruments, including Independent Price Verification (IPV), model validation, fair value adjustments, and significant deal review. Among other procedures, we engaged our valuation specialists to assist the audit team in performing the following testing on a risk-assessed sample basis: • Test valuations dependent on complex models by independently revaluing Level 3 and certain Level 2 derivative financial instruments (including those embedded within customer accounts, debt securities in issue, and deposits by banks) to assess the appropriateness of models and the adequacy of assumptions and inputs used by the Group;

Risk	Our response to the risk
A higher level of estimation uncertainty is involved for financial instruments valued using complex models; pricing inputs that have limited observability; and fair value adjustments, including Credit Valuation Adjustments for illiquid counterparties. We considered the following portfolios presented a higher level of estimation uncertainty: • Derivatives: Level 3 and certain Level 2 derivatives (including those embedded within customer accounts, debt securities in issue, and deposits by banks) whose valuation involves the use of complex models; and • Other Level 3 financial instruments: equity shares, loans and advances to customers, reverse repurchase agreements and other similar secured lending, and debt securities and other eligible bills with unobservable pricing inputs. The level of risk remains consistent with the prior year.	• Test valuations of other Level 3 financial instruments with higher estimation uncertainty, such as equity shares, loans and advances to customers, reverse repurchase agreements and other similar secured lending, and debt securities and other eligible bills. Where appropriate, we compared management's valuation to our own independently developed range; • Assessed the appropriateness and observability of pricing inputs as part of the IPV process and recognition of day 1 P&L; and • Compared the methodology used for fair value adjustments to current market practice. We revalued a sample of valuation adjustments, compared market inputs to third party data, and challenged the basis for determining illiquid credit spreads. Where differences between our independent valuation and management's valuation were outside our thresholds, we performed additional testing to assess the impact on the valuation of financial instruments. Throughout our audit procedures we considered the continuing uncertainty arising from the current macroeconomic environment. In addition, we assessed whether there were any indicators of aggregate bias in financial instrument marking and methodology assumptions. We also assessed management's disclosures regarding fair value measurement.

Key observations communicated to the Audit Committee	How we scoped our audit to respond to the risk and involvement with component teams
We concluded that assumptions used by management to estimate the fair value of financial instruments with higher risk characteristics, and the recognition of related income, were reasonable. We highlighted the following matters to the Audit Committee: • We did not identify material differences arising from our independent testing of valuations dependent on complex models; • The fair values of other Level 3 financial instruments, valued using pricing inputs with limited observability, were not materially misstated as at 31 December 2025 based on our independent calculations; and • Valuation adjustments, including Credit Valuation Adjustments for illiquid counterparties, were appropriate, based on our analysis of market data and benchmarking of pricing information.	We performed centralised audit procedures over this risk. These procedures were performed by the Primary Team and CIB SSC team, covering over 99% of the risk amount.

In the prior year, our auditor's report included a key audit matter in relation to the impairment of investments in subsidiaries. Following a re-assessment, in the current year, we no longer consider it a key audit matter.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be $390 million (2024: $340 million), which is 5% (2024: 5%) of adjusted profit before tax. This reflects statutory profit before tax adjusted for certain non-recurring items. We believe that adjusted profit before tax provides us with the most appropriate and relevant measure for the users of the financial statements, given the Group is profit-making, it is consistent with the wider industry, and it is the standard for listed and regulated entities. This increase from prior year is driven by an increase in our materiality basis of adjusted profit before tax and is reflected in all materiality thresholds discussed below.

We determined materiality for the Parent Company to be $351 million (2024: $306 million), which represents 90% of Group materiality (2024:90%) and equates to 0.6% (2024: 0.6%) of the equity of the Parent company. We believe that equity provides us with the most appropriate measure for the users of the Parent Company's financial statements, given that the Parent Company is primarily a holding company.

Starting basis	• Reported profit before tax – $6,963m
Adjustments	• Non-recurring items: $842m
Materiality	• Adjusted profit before tax – $7,805m • Materiality of $390m (5% of adjusted profit before tax)

During the course of our audit, we reassessed initial materiality. This assessment resulted in a higher final materiality calculated based on the actual financial performance of the Group for the year. There were no changes to the basis for materiality from the planning stage.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 50% (2024: 50%) of our planning materiality, namely $195m (2024: $170m). We have set performance materiality at this percentage due to a variety of risk factors, such as the expectation of misstatements, internal control environment considerations, and other factors such as the global complexity of the Group.

Audit work was undertaken at component locations for the purpose of responding to the assessed risks of material misstatement of the Group financial statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was $19m to $46m (2024: $16m to $46m).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of $20m (2024: $17m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the Annual Report set out on pages 1 to 478, including the Strategic report (pages 1 to 52), the Financial Review (pages 53 to 65), the Sustainability Review (pages 66 to 128), the Directors' report (pages 129 to 216), including the information not marked as 'audited' in the Directors' remuneration report (pages 180 to 206) and Other statutory and regulatory disclosures (pages 207 to 216), the Statement of directors' responsibilities (page 217), the information not marked as 'audited' in the Risk review and Capital review section (pages 218 to 308), and the Supplementary information (pages 435 to 478), other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate Governance Statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 334;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on pages 51 to 52;
- Director's statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 52;
- Directors' statement on fair, balanced and understandable set out on page 217;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 212;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 212 to 213; and
- The section describing the work of the audit committee set out on pages 161 to 169.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 217, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (UK-adopted IAS and EU IFRS, the Companies Act 2006 and the UK Corporate

Governance Code, the Financial Conduct Authority (FCA) Listing Rules, the Main Board Listing Rules of the Hong Kong Stock Exchange), regulations and supervisory requirements of the Prudential Regulation Authority (PRA), FRC, FCA and other overseas regulatory requirements, including but not limited to regulations in its major markets such as Mainland China, Hong Kong, India, Republic of Korea, Singapore, the United Arab Emirates, the United States of America, and the relevant tax compliance regulations in the jurisdictions in which the Group operates. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations relating to regulatory capital and liquidity, conduct, financial crime including anti-money laundering, sanctions and market abuse recognising the financial and regulated nature of the Group's activities.

- We understood how the Group is complying with those frameworks by performing a combination of inquiries of senior management and those charged with governance as required by auditing standards, review of board and certain committee meeting minutes, gaining an understanding of the Group's approach to governance, inspection of regulatory correspondence in the year and engaging with internal and external legal counsel. We also engaged EY financial crime and forensics specialists to perform procedures on areas relating to anti-money laundering, whistleblowing, and sanctions compliance. Through these procedures, we became aware of actual or suspected non-compliance. The identified actual or suspected non-compliance was not sufficiently significant to our audit that would have resulted in it being identified as a key audit matter.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by considering the controls that the Group has established to address risks identified by the entity, or that otherwise seek to prevent, deter or detect fraud. Our procedures to address the risks identified also included incorporation of unpredictability into the nature, timing and/or extent of our testing, challenging assumptions and judgements made by management in their significant accounting estimates and journal entry testing.
- Based on this understanding, we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved inquiries of the Group's internal and external legal counsel, money laundering reporting officer, internal audit, certain senior management executives, and focused testing on a sample basis, including journal entry testing. We also performed inspection of key correspondence from the relevant regulatory authorities as well as review of board and committee minutes.
- For instances of actual or suspected non-compliance with laws and regulations, which have a material impact on the financial statements, these were communicated by management to the Group audit engagement team and component teams (where applicable) who performed audit procedures such as inquiries with management, sending confirmations to external legal counsel, substantive testing and meeting with regulators. Where appropriate, we involved specialists from our firm to support the audit team.
- The Group is authorised to provide banking, insurance, mortgages and home finance, consumer credit, pensions, investments and other activities. The Group operates in the banking industry which is a highly regulated environment. As such, the Senior Statutory Auditor considered the experience and expertise of the Group audit engagement team, the component teams and the shared service centre teams to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at **https://www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the audit committee, we were re-appointed by the Company on 8 May 2025 to audit the financial statements for the year ending 31 December 2025 and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is six years, covering the years ending 31 December 2020 to 31 December 2025.
- The audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. 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.

Ernst & Young LLP

Micha Missakian

Senior statutory auditor
for and on behalf of Ernst & Young LLP, Statutory Auditor

London

24 February 2026

Consolidated income statement

For the year ended 31 December 2025

	Notes	2025 $million	2024 $million
Interest income		**24,547**	27,862
Interest expense		**(18,592)**	(21,496)
Net interest income	3	**5,955**	6,366
Fees and commission income		**5,349**	4,623
Fees and commission expense		**(1,100)**	(889)
Net fee and commission income	4	**4,249**	3,734
Net trading income	5	**10,294**	9,615
Other operating income	6	**444**	(172)
Operating income		**20,942**	19,543
Staff costs		**(9,109)**	(8,510)
Premises costs		**(434)**	(401)
General administrative expenses		**(2,591)**	(2,465)
Depreciation and amortisation		**(1,170)**	(1,126)
Operating expenses	7	**(13,304)**	(12,502)
Operating profit before impairment losses and taxation		**7,638**	7,041
Credit impairment	8	**(672)**	(547)
Goodwill, property, plant and equipment and other impairment	9	**(65)**	(588)
Profit from associates and joint ventures	32	**62**	108
Profit before taxation		**6,963**	6,014
Taxation	10	**(1,866)**	(1,972)
Profit for the year		**5,097**	4,042
Profit attributable to:			
Non-controlling interests	29	**12**	(8)
Parent company shareholders		**5,085**	4,050
Profit for the year		**5,097**	4,042
		cents	cents
Earnings per share:			
Basic earnings per ordinary share	12	**195.4**	141.3
Diluted earnings per ordinary share	12	**189.6**	137.7

The notes on pages 330 to 434 form an integral part of these financial statements.

Consolidated statement of comprehensive income

For the year ended 31 December 2025

	Notes	2025 $million	2024 $million
Profit for the year		**5,097**	4,042
Other comprehensive income/(loss):			
Items that will not be reclassified to income statement:		**198**	(181)
Own credit losses on financial liabilities designated at fair value through profit or loss		**(154)**	(426)
Equity instruments at fair value through other comprehensive income		**371**	71
Actuarial (loss)/gain on retirement benefit obligations	30	**(11)**	52
Revaluation surplus		**5**	25
Taxation relating to components of other comprehensive income	10	**(13)**	97
Items that may be reclassified subsequently to income statement:		**1,520**	(389)
Exchange differences on translation of foreign operations:			
Net gains/(losses) taken to equity		**788**	(1,423)
Net gains on net investment hedges	14	**129**	678
Share of other comprehensive (loss)/income from associates and joint ventures	32	**(28)**	9
Debt instruments at fair value through other comprehensive income			
Net valuation gains taken to equity		**296**	283
Reclassified to income statement	6	**10**	237
Net impact of expected credit losses		**22**	(35)
Cash flow hedges:			
Net movements in cash flow hedge reserve	14	**368**	(101)
Taxation relating to components of other comprehensive income	10	**(65)**	(37)
Other comprehensive income/(loss) for the year, net of taxation		**1,718**	(570)
Total comprehensive income for the year		**6,815**	3,472
Total comprehensive income attributable to:			
Non-controlling interests	29	**45**	(22)
Parent company shareholders		**6,770**	3,494
Total comprehensive income for the year		**6,815**	3,472

Consolidated balance sheet

As at 31 December 2025

	Notes	2025 $million	2024 $million
Assets			
Cash and balances at central banks	13,35	**77,746**	63,447
Financial assets held at fair value through profit or loss	13	**195,257**	177,517
Derivative financial instruments	13,14	**65,782**	81,472
Loans and advances to banks	13,15	**43,901**	43,593
Loans and advances to customers	13,15	**286,788**	281,032
Investment securities	13	**166,956**	144,556
Other assets	20	**67,931**	43,468
Current tax assets	10	**574**	663
Prepayments and accrued income		**3,058**	3,207
Interests in associates and joint ventures	32	**1,426**	1,020
Goodwill and intangible assets	17	**6,231**	5,791
Property, plant and equipment	18	**2,559**	2,425
Deferred tax assets	10	**493**	414
Retirement benefit schemes in surplus		**154**	151
Assets classified as held for sale	21	**1,099**	932
Total assets		**919,955**	849,688
Liabilities			
Deposits by banks	13	**30,846**	25,400
Customer accounts	13	**530,161**	464,489
Repurchase agreements and other similar secured borrowing	13,16	**7,757**	12,132
Financial liabilities held at fair value through profit or loss	13	**89,597**	85,462
Derivative financial instruments	13,14	**68,204**	82,064
Debt securities in issue	13,22	**72,858**	64,609
Other liabilities	23	**46,655**	44,681
Current tax liabilities	10	**709**	726
Accruals and deferred income		**7,358**	6,896
Subordinated liabilities and other borrowed funds	13,27	**8,834**	10,382
Deferred tax liabilities	10	**752**	567
Provisions for liabilities and charges	24	**401**	349
Retirement benefit schemes in deficit		**323**	266
Liabilities included in disposal groups held for sale	21	**914**	381
Total liabilities		**865,369**	798,404
Equity			
Share capital and share premium account	28	**6,614**	6,695
Other reserves		**10,406**	8,724
Retained earnings		**29,573**	28,969
Total parent company shareholders' equity		**46,593**	44,388
Other equity instruments	28	**7,528**	6,502
Total equity excluding non-controlling interests		**54,121**	50,890
Non-controlling interests	29	**465**	394
Total equity		**54,586**	51,284
Total equity and liabilities		**919,955**	849,688

The notes on pages 330 to 434 form an integral part of these financial statements.

These financial statements were approved by the Board of directors and authorised for issue on 24 February 2026 and signed on its behalf by:

Maria Ramos
Group Chair

Bill Winters
Group Chief Executive

Consolidated statement of changes in equity

For the year ended 31 December 2025

	Ordinary share capital and share premium account $million	Preference share capital and share premium account $million	Capital and merger reserves[1] $million	Own credit adjustment reserve $million	Fair value through other comprehensive income reserve – debt $million	Fair value through other comprehensive income reserve – equity $million	Cash-flow hedge reserve $million	Translation reserve $million	Retained earnings $million	Parent company shareholders' equity $million	Other equity instruments $million	Non-controlling interests $million	Total $million
As at 01 January 2024	5,321	1,494	17,453	100	(690)	330	91	(8,113)	28,459	44,445	5,512	396	50,353
Profit for the year	–	–	–	–	–	–	–	–	4,050	4,050	–	(8)	4,042
Other comprehensive (loss)/ income[10]	–	–	–	(377)	442	(26)[8]	(87)	(735)	227[2,9]	(556)	–	(14)	(570)
Distributions	–	–	–	–	–	–	–	–	–	–	–	(43)	(43)
Other equity instruments issued, net of expenses	–	–	–	–	–	–	–	–	–	–	1,568	–	1,568
Redemption of other equity instruments	–	–	–	–	–	–	–	–	–	–	(553)	–	(553)
Treasury shares net movement	–	–	–	–	–	–	–	–	(168)	(168)	–	–	(168)
Share option expense, net of taxation	–	–	–	–	–	–	–	–	269	269	–	–	269
Dividends on ordinary shares	–	–	–	–	–	–	–	–	(780)	(780)	–	–	(780)
Dividends on preference shares and AT1 securities	–	–	–	–	–	–	–	–	(457)	(457)	–	–	(457)
Share buyback[6]	(120)	–	120	–	–	–	–	–	(2,500)	(2,500)	–	–	(2,500)
Other movements	–	–	–	(1)	7	–	–	210[3]	(131)[4]	85	(25)	63[5]	123
As at 31 December 2024	**5,201**	**1,494**	**17,573**	**(278)**	**(241)**	**304**	**4**	**(8,638)**	**28,969**	**44,388**	**6,502**	**394**	**51,284**
Profit for the year	–	–	–	–	–	–	–	–	**5,085**	**5,085**	–	**12**	**5,097**
Other comprehensive (loss)/income[10]	–	–	–	**(134)**	**284**	**236**[8]	**311**	**885**	**103**[2,9]	**1,685**	–	**33**	**1,718**
Distributions	–	–	–	–	–	–	–	–	–	–	–	**(50)**	**(50)**
Other equity instruments issued, net of expenses	–	–	–	–	–	–	–	–	–	–	**1,989**	–	**1,989**
Redemption of other equity instruments	–	–	–	–	–	–	–	–	–	–	**(1,000)**	–	**(1,000)**
Treasury shares net movement	–	–	–	–	–	–	–	–	**(452)**	**(452)**	–	–	**(452)**
Share option expense, net of taxation	–	–	–	–	–	–	–	–	**220**	**220**	–	–	**220**
Dividends on ordinary shares	–	–	–	–	–	–	–	–	**(954)**	**(954)**	–	–	**(954)**
Dividends on preference shares and AT1 securities	–	–	–	–	–	–	–	–	**(527)**	**(527)**	–	–	**(527)**
Share buyback[7]	**(81)**	–	**81**	–	–	–	–	–	**(2,800)**	**(2,800)**	–	–	**(2,800)**
Other movements	–	–	–	–	**(27)**	–	–	**46**	**(71)**	**(52)**	**37**	**76**[5]	**61**
As at 31 December 2025	**5,120**	**1,494**	**17,654**	**(412)**	**16**	**540**	**315**	**(7,707)**	**29,573**	**46,593**	**7,528**	**465**	**54,586**

1 Includes capital reserve of $5 million (31 December 2024: $5 million), capital redemption reserve of $538 million (31 December 2024: $457 million) and merger reserve of $17,111 million (31 December 2024: $17,111 million).

2 Includes actuarial (loss)/gain, net of taxation on Group defined benefit schemes.

3 December 2024 movement includes realisation of translation adjustment loss from sale of SCB Zimbabwe Limited ($190 million), SCB Angola S.A. ($31 million), SCB Sierra Leone Limited ($25 million) transferred to other operating income.

4 Mainly includes movements related to Ghana hyperinflation.

5 Movements are primarily from non-controlling interest (refer note 29).

6 During 2024, the Group announced the following share buybacks: a share buyback of up to $1,000 million in February 2024, which was completed in June 2024; and a share buyback of up to $1,500 million in July 2024, which was completed in January 2025 (refer note 28 for share buyback announced in July 2024).

7 During 2025, the Group announced the following share buybacks: a share buyback of up to $1,500.million in February 2025, which was completed in July 2025; and a share buyback of up to $1,300 million in July 2025, which was completed in January 2026 (refer note 28).

8 Includes $348 million (31 December 2024: $72 million) mark-to-market gain on equity instruments (net of tax), $103 million (31 December 2024: $174 million) relating to transfer of gain on sale of equity investment to retained earnings and reversal of deferred tax liability $9 million (31 December 2024: $76 million reversal of deferred tax asset). For movement in deferred tax refer Note 10.

9 Includes $103 million (31 December 2024: $174 million) gain on sale of equity investment in other comprehensive income reserve transferred to retained earnings partly offset by $9 million (31 December 2024: $13 million) capital gain tax.

10 All the amounts are net of tax.

Note 28 includes a description of each reserve.

The notes on pages 330 to 434 form an integral part of these financial statements.

Cash flow statement

For the year ended 31 December 2025

	Notes	Group 2025 $million	Group 2024 $million	Company 2025 $million	Company 2024 (Restated)[2] $million
Cash flows from operating activities:					
Profit before taxation		**6,963**	6,014	**4,544**	3,424
Adjustments for non-cash items and other adjustments included within income statement	34	**1,985**	2,668	**(3,083)**	(1,670)
Change in operating assets	34	**(28,128)**	(66,431)	**(1,234)**	682
Change in operating liabilities	34	**57,919**	39,373	**1,954**	(137)
Contributions to defined benefit schemes	30	**(94)**	(68)	**–**	–
UK and overseas taxes paid	10	**(1,804)**	(2,045)	**–**	–
Net cash from/(used in) operating activities		**36,841**	(20,489)	**2,181**	2,299
Cash flows from investing activities:					
Internally generated capitalised software	17	**(1,037)**	(953)	**–**	–
Disposal of Internally generated capitalised software	17	**7**	5	**–**	–
Purchase of property, plant and equipment	18	**(320)**	(456)	**–**	–
Disposal of property, plant and equipment	18	**30**	56	**–**	–
Disposal of held for sale property, plant and equipment	21	**128**	53	**–**	–
Acquisition of investment associates, and joint ventures	32	**(104)**	(12)	**–**	–
Dividends received from subsidiaries, associates and joint ventures	32,34	**47**	36	**5,160**	4,101
Disposal of investment in subsidiaries, associates, and joint ventures[1]		**48**	74	**–**	–
Purchase of investment securities		**(208,814)**	(217,448)	**(223)**	(1,287)
Disposal and maturity of investment securities		**191,697**	230,098	**1,127**	1,273
Net cash (used in)/from investing activities		**(18,318)**	11,453	**6,064**	4,087
Cash flows from financing activities:					
Exercise of share options		**56**	33	**56**	33
Purchase of own shares		**(508)**	(201)	**(508)**	(201)
Cancellation of shares including share buyback		**(2,719)**	(2,500)	**(2,719)**	(2,500)
Premises and equipment lease liability principal payment		**(205)**	(205)	**–**	–
Issue of Additional Tier 1 Capital net of expenses	28	**1,989**	1,568	**1,989**	1,568
Redemption of Tier 1 Capital	28	**(1,000)**	(553)	**(1000)**	(553)
Interest paid on subordinated liabilities	34	**(421)**	(519)	**(410)**	(505)
Repayment of subordinated liabilities	34	**(2,174)**	(1,517)	**(2,174)**	(1,517)
Proceeds from issue of senior debts	34	**11,583**	11,044	**7,955**	7,422
Repayment of senior debts	34	**(9,364)**	(11,185)	**(4,752)**	(6,222)
Interest paid on senior debts	34	**(1,892)**	(1,366)	**(1,576)**	(1,367)
Net cash inflow from non-controlling interest	29	**40**	55	**–**	–
Distributions and dividends paid to non-controlling interests, preference shareholders and AT1 securities		**(577)**	(500)	**(527)**	(457)
Dividends paid to ordinary shareholders		**(954)**	(780)	**(954)**	(780)
Net cash used in financing activities		**(6,146)**	(6,626)	**(4,620)**	(5,079)
Net increase/(decrease) in cash and cash equivalents		**12,377**	(15,662)	**3,625**	1,307
Cash and cash equivalents at beginning of the year		**89,928**	107,635	**11,601**	10,294
Effect of exchange rate movements on cash and cash equivalents		**2,617**	(2,045)	**–**	–
Cash and cash equivalents at end of the year	35	**104,922**	89,928	**15,226**	11,601

1 2025 includes disposal of Standard Chartered Bank Cameroon S.A. ($29 million), Standard Chartered Tanzania Nominees Limited – WRB business ($13 million), Standard Chartered Bank Gambia Limited ($6 million). 2024 balance includes disposal of SCB Zimbabwe Limited ($24 million), SCB Angola S.A. ($10 million), SCB Sierra Leone Limited ($17 million), Shoal limited ($17 million) and Autumn life Pte. Ltd ($6 million).

2 Refer to note 34 for details of the restatement.

Interest received was $24,303 million (31 December 2024: $28,224 million), interest paid was $18,573 million (31 December 2024: $21,776 million).

Company balance sheet

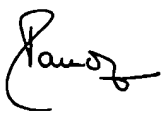
As at 31 December 2025

	Notes	2025 $million	2024 $million
Non-current assets			
Investments in subsidiary undertakings	32	**63,442**	61,593
Current assets			
Derivative financial instruments	39	**239**	112
Financial assets held at fair value through profit or loss	39	**18,475**	19,049
Investment securities	39	**4,904**	5,808
Amounts owed by subsidiary undertakings	39	**15,226**	11,601
Total current assets		**38,844**	36,570
Current liabilities			
Derivative financial instruments	39	**777**	1,065
Amounts owed to subsidiary undertakings	39	**225**	35
Financial liabilities held at fair value through profit or loss	39	**17,498**	16,852
Other creditors		**1,278**	959
Total current liabilities		**19,778**	18,911
Net current assets		**19,066**	17,659
Total assets less current liabilities		**82,508**	79,252
Non-current liabilities			
Debt securities in issue	39	**21,231**	18,167
Subordinated liabilities and other borrowed funds	39	**6,831**	7,661
Total non-current liabilities		**28,062**	25,828
Total assets less liabilities		**54,446**	53,424
Equity			
Share capital and share premium account	28	**6,614**	6,695
Other reserves		**17,623**	17,538
Retained earnings		**22,685**	22,691
Total shareholders' equity		**46,922**	46,924
Other equity instruments		**7,524**	6,500
Total equity		**54,446**	53,424

The Company has taken advantage of the exemption in section 408 of the Companies Act 2006 not to present its individual statement of comprehensive income and related notes that form a part of these financial statements. The Company profit for the period after tax is $4,534 million (31 December 2024: $3,408 million).

The notes on pages 330 to 434 form an integral part of these financial statements.

These financial statements were approved by the Board of directors and authorised for issue on 24 February 2026 and signed on its behalf by:



Maria Ramos
Group Chair

Bill Winters
Group Chief Executive

Company statement of changes in equity

For the year ended 31 December 2025

	Share capital and share premium account $million	Capital and merger reserve[1] $million	Own credit adjustment $million	Cash flow hedge reserve $million	Retained earnings $million	Other equity instruments $million	Total $million
As at 1 January 2024	6,815	17,453	(8)	(36)	22,952	5,510	52,686
Profit for the year[2]	–	–	–	–	3,408	–	3,408
Other comprehensive (loss)/income[5]	–	–	(11)	20	–	–	9
Other equity instruments issued, net of expenses	–	–	–	–	–	1,568	1,568
Treasury shares net movement	–	–	–	–	(168)	–	(168)
share option expenses	–	–	–	–	250	–	250
Dividends on ordinary shares	–	–	–	–	(780)	–	(780)
Dividends on preference share and AT1 securities	–	–	–	–	(457)	–	(457)
Redemption of other equity instruments	–	–	–	–	–	(553)	(553)
Share buyback[3]	(120)	120	–	–	(2,500)	–	(2,500)
Other movements	–	–	–	–	(14)	(25)	(39)
As at 31 December 2024	**6,695**	**17,573**	**(19)**	**(16)**	**22,691**	**6,500**	**53,424**
Profit for the year[2]	–	–	–	–	**4,534**	–	**4,534**
Other comprehensive (loss)/income[5]	–	–	**(10)**	**14**	–	–	**4**
Other equity instruments issued, net of expenses	–	–	–	–	–	**1,989**	**1,989**
Treasury shares net movement	–	–	–	–	**(452)**	–	**(452)**
Share option expenses	–	–	–	–	**219**	–	**219**
Dividends on ordinary shares	–	–	–	–	**(954)**	–	**(954)**
Dividends on preference share and AT1 securities	–	–	–	–	**(527)**	–	**(527)**
Redemption of other equity instruments				–	–	**(1,000)**	**(1,000)**
Share buyback[4]	**(81)**	**81**	–	–	**(2,800)**	–	**(2,800)**
Other movements	–	–	–	–	**(26)**	**35**	**9**
As at 31 December 2025	**6,614**	**17,654**	**(29)**	**(2)**	**22,685**	**7,524**	**54,446**

1 Includes capital reserve of $5 million (31 December 2024: $5 million), capital redemption reserve of $538 million (31 December 2024: $457 million) and merger reserve of $17,111 million (31 December 2024: $17,111 million).

2 Includes dividend received of $2,299 million (2024: $2,395 million) from Standard Chartered Holdings Limited.

3 During 2024, the Group announced the following share buybacks: a share buyback of up to $1,000 million in February 2024, which was completed in June 2024; and a share buyback of up to $1,500 million in July 2024, which was completed in January 2025 (refer to note 28 for share buyback announced in July 2024).

4 During 2025, the Group announced the following share buybacks: a share buyback of up to $1,500 million in February 2025, which was completed in July 2025; and a share buyback of up to $1,300 million in July 2025, which was completed in January 2026 (refer note 28).

5 All the amounts are net of tax.

Note 28 includes a description of each reserve.

The notes on pages 330 to 434 form an integral part of these financial statements.

Notes to the financial statements

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Notes to the financial statements

1. Accounting policies

Statement of compliance

The Group financial statements consolidate Standard Chartered PLC (the Company) and its subsidiaries (together referred to as the Group) and equity account the Group's interests in associates and jointly controlled entities. The parent company financial statements present information about the Company as a separate entity.

The Group financial statements have been prepared in accordance with UK-adopted international accounting standards and International Financial Reporting Standards (IFRS) (Accounting Standards) as adopted by the European Union (EU IFRS), as there are no applicable differences for the periods presented. The Company financial statements have been prepared in accordance with UK-adopted international accounting standards as applied in conformity with section 408 of the Companies Act 2006. The financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

The following parts of the Risk review and Capital review form part of these financial statements:

a) Risk review: Disclosures marked as 'audited' from the start of the Credit Risk section to the end of Other principal risks in the same section.

b) Capital review: Tables marked as 'audited' from the start of 'CRD Capital base' to the end of 'Movement in total capital', excluding 'Total risk-weighted assets'.

Basis of preparation

The consolidated and Company financial statements have been prepared on a going concern basis and under the historical cost convention, as modified by the revaluation of cash-settled share-based payments, fair value through other comprehensive income, and financial assets and liabilities (including derivatives) at fair value through profit or loss.

The consolidated financial statements are presented in United States dollars ($), being the presentation currency of the Group and functional currency of the Company, and all values are rounded to the nearest million dollars, except when otherwise indicated.

Re-presentation of segmental information

During the period there has been a change with respect to the classification of income attributable to geographic markets which has been re-presented to ensure recognition is in line with transfer pricing principles for services performed including origination, structuring, booking, and risk management. This is necessary to align the presentation of the disclosure of geographic markets' operating income with client segments in line with the Regulatory News Service (RNS) filing on Re-Presentation of Financial Information issued on 2 April 2025. Prior period amounts have been re-presented in line with the current year basis of preparation to align with the information reviewed by the Chief Operating Decision Maker (CODM). Where the re-presentation has impacted disclosure, it is included within the footnotes in the following sections and tables:

- Statement of results table
- Group Chief Financial Officer's review, Summary of financial performance table
- Financial review tables including the following: Operating income by product, profit before tax by client segment, Adjusted net interest income and margin, and Restructuring, DVA, FFG and other items
- Supplementary financial information tables including the following: Underlying performance by client segment, Corporate & Investment Banking, Wealth & Retail Banking, Ventures, Central & other items, Underlying performance by key market, and Quarterly underlying operating income by product
- Underlying versus reported results reconciliations, Net interest income and Non NII table
- Movement in risk-weighted assets
- Risk review: Movement tables for Corporate & Investment Banking (audited), Wealth & Retail Banking (audited), and Wealth & Retail Banking – Secured (audited)
- Risk review: Credit impairment charge (audited)
- Notes to the financial statements: Note 2 Segmental information and Note 4 Net fees and commission

Comparatives

Certain comparatives on the Company Cash flow Statement have been restated to align with the current year presentation. This restatement has no impact to the Company's Income Statement, Statement of Comprehensive Income, Balance Sheet and Statement of Changes in Equity. Details of these changes are set out in the relevant sections and notes below:

- Cash flow statement
- Note 34 Cash flow statement

Change in accounting policy

Prior year amounts for certain Credit risk tables (required by IFRS 7 – Financial Instruments: Disclosures) within the Risk review on pages 218 to 308 were also represented for a change in accounting policy for the presentation of the Group's geo-graphic disclosures to align to information reported to key management personnel. These disclosures changed from being based on a management view, which was principally the location from which a client relationship is managed, to being based on a view reflecting the location in which exposures are financially booked. This change provides more relevant information because it more closely reflects the Group's exposure to risk presented to key management personnel. The change impacted the following tables: Loans and advances analysis by client segment, credit quality and key geography, Forborne and other modified loans by key geography, and Industry and Retail Products analysis of loans and advances by key geography – Corporate & Investment Banking and Central & other items. The most significant impact of this change was in net loans and advances to customers in the UK, which increased by $14.6 billion. This amount was re-classified from a number of geographic locations. There has been no impact to Earnings Per Share or Diluted Earnings per Share from this change. Refer to the bridge tables in Note 40 on page 428 for a reconciliation between the tables previously disclosed at 31 December 2024 and the re-presented tables in these financial statements.

Significant and other accounting estimates and judgements

In determining the carrying amounts of certain assets and liabilities, the Group makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The Group's estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically. Further information about key assumptions concerning the future, and other key sources of estimation uncertainty and judgement, are set out in the relevant disclosure notes for the areas set out under the relevant headings below:

Significant accounting estimates and critical judgements

Significant accounting estimates and judgements represent those items that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year. Significant accounting estimates and judgements are:

- Expected credit loss calculations (Note 8)
- Financial instruments measured at fair value (Note 13)
- Investments in subsidiary undertakings, joint ventures and associates – China Bohai associate accounting and impairment analysis (Note 32)

Macroeconomic and geopolitical uncertainty is already embedded in the estimate of forward-looking cash flows that affect the estimate of Expected credit loss calculations and impact the recoverability of certain assets, including of goodwill, deferred tax assets and investments in subsidiary undertakings.

Other areas of accounting estimate and judgement

Other areas of accounting estimate and judgement do not meet the definition under IAS 1 of significant accounting estimates or critical accounting judgements, but the recognition of certain material assets and liabilities are based on assumptions and/or are subject to long-term uncertainties. The other areas of accounting estimate and judgement are:

- Taxation (Note 10)
- Goodwill and intangible assets – Goodwill impairment and Capitalisation of internally generated software intangibles (Note 9 and Note 17)
- Provisions for liabilities and charges – Other provisions (Note 24)
- Legal and regulatory matters (Note 26)
- Retirement benefit obligations (Note 30)
- Share-based payments (Note 31)

Notes to the financial statements

1. Accounting policies continued

Climate change impact on the Group's balance sheet

Climate, and the impact of climate on the Group's balance sheet is considered as an area which can impact accounting estimates and judgments through the uncertainty of future events and the impact of that uncertainty on the Group's assets and liabilities, performance, or cash flows.

The Group has assessed the impact of climate risk on the financial report. This is set out within the non-financial and sustainability information statement on page 50 and the Sustainability Review, which incorporate the Group's climate-related disclosures which align with the recommendations from the Task Force for Climate related Financial Disclosures (TCFD) and Hong Kong Listing Requirements. Further risk disclosures have been provided in the Principal Risks and Uncertainties section of the Annual Report where the Group has described how it manages climate risk, which manifests through the Group's business and operations and impact the relevant Principal Risk Types (PRTs). This is managed via the ESGR Risk Type framework.

The areas of impact where judgements and the use of estimates have been applied were credit risk and the impact on lending portfolios; ESG features within issued loans and bonds; physical risk on our mortgage lending portfolio; and the corporate plan, in respect of which forward looking cash flows impact the recoverability of certain assets, including of goodwill, deferred tax assets and investments in subsidiary undertakings. However, these did not result in any material change to this year's balance sheet or income statement.

Transition risk, as our clients move to lower carbon emitting revenues, (either by virtue of legislation, technological advancement, or changing end customer preference) is considered with reference to client transition pathways and manifests over a longer term than the maturity of the loan book (up to 2050). The setting of net zero targets, which covers our 12 highest emitting sectors, manages transition risk. Net zero targets, climate risk questionnaires which are used to assess clients for transition risks and the credibility of their transition plan (CTP) enable the portfolio managers to work with our clients on their transition and deploy capital to those clients which are engaged and have adequate transition pathways. All of these actions manage the Group's transition risk and engage clients before transition risk manifests itself into credit losses. We have also evaluated transition risk to achieve net zero in our own operations. We use scenario analysis to evaluate how various Transition Risk scenarios impact Loan Impairment intensities. These scenarios consider climate transition costs including the impact of rising carbon prices, technology investment costs and changes in carbon intensities.

While physical risk is included within the majority of our mortgage lending decisions, we have also applied scenario analysis against the pathways of different temperature outcomes to examine exposure concentration risk in key markets subject to the extreme risk of floods and storms to assess the acute physical risk, and sea level rise to assess the chronic physical risk. Stranded assets analysis was conducted for residential mortgages to identify properties that are expected to become uninhabitable and/or unusable due to increased frequency and intensity of physical risk events from acute and chronic risks. We evaluate the physical risk vulnerabilities of our existing sites, both existing and new on a periodic basis. Across 2025 we focused on sites hosting important business services, especially those vulnerable to extreme Physical Risks, to strengthen resilience, and have initiated an evaluation of Physical Risk vulnerabilities at our primary supplier's delivery sites to proactively address potential business disruptions. Additionally, we assess the impact of climate risk on the classification of financial instruments under IFRS 9, when Environmental, Social or Governance (ESG) triggers may affect the cash flows received by the Group under the contractual terms of the instrument.

The ESGR Risk team has performed a quantitative assessment of the impact of climate risk on the IFRS 9 ECL provision. This assessment was performed across both the CIB and WRB portfolios. The climate risk impact assessment on IFRS 9 business as usual ECL has been conducted based on internal climate risk models for six Corporate priority sectors (Oil and Gas, Power, Steel, Mining, Shipping, and Automotive), one Generic Carbon Elasticity Model (CEM) for the remaining Corporate sectors, an enhanced Sovereign Climate Probability of Default (PD) model, newly developed Project Finance (PF) and Shipping Finance (SF) PD models, and Retail Mortgages Loss Given Default (LGD) models (for top four countries). The top-down approach is used for the remaining portfolios without internal climate risk models. The impact assessment resulted in only an immaterial ECL increase across CIB and WRB, which has been recorded as a management overlay for the 2025 year end.

The Group's corporate plan has a five-year outlook and considers the highest emitting sectors the Group finances. The majority of the Group sector targets are production/physical intensities which allow continued levels of lending as long as the products the client produce have a decreasing carbon cost. For coal mining and oil and gas, these sectors have absolute targets which represent a decreasing carbon budget. Coal mining is an immaterial book, while for oil and gas lending is being actively monitored on a portfolio basis towards lower carbon counterparties and technologies. The corporate plan is shorter term than many of the climate scenario outlooks but seeks to capture the nearer term performance as required by recoverability models. The Group has for the fourth time in the 2026 corporate plan included anticipated credit impairment charges, now across eleven NZ sectors (Aviation, Auto, Power, Oil and Gas, Commercial Real Estate, Cement, Agriculture, Shipping, Aluminium, Steel and Coal). This addition of credit impairment has not in itself, materially impacted the recoverability of assets supported by discounted cash flow models (such as Value in Use) which utilise the corporate plan.

The Group has progressively strengthened its scenario analysis capabilities with the modelling of Climate Risk impact over a 30-year period across multiple dimensions including scenario data and pathways across CIB and WRB portfolios. While we have taken the first step in our journey to transition from our reliance on vendor models to in-house capabilities, challenges underpin the scenario analysis, such as reliance on nascent methodologies, dependencies on first generation models and data limitations. Notwithstanding these challenges, our work to date, using certain assumptions and proxies, indicates that our business is resilient to all Network of Central Banks and Supervisors for Greening the Financial System (NGFS) scenarios that were explored.

The Group, although acknowledging the limitations of current data available, increasing sophistication of models evolving and nascent nature of climate impacts on internal and client assets, considers Climate Risk to have limited quantitative impact in the immediate term, and as a longer-term risk is expected to be addressed through its business strategy and financial planning as the Group implements its net zero journey. Accordingly, the Group does not currently anticipate any significant residual impact on its financial position, performance or cashflows over the short, medium or long term.

While providing more detail would be market sensitive, the Group current and anticipated future performance of opportunities can be seen in the progression of our Sustainable Finance mobilisation, assets and liabilities, and revenue, as described within the Sustainability Review.

IFRS and Hong Kong accounting requirements

As required by the Hong Kong Listing Rules, an explanation of the differences in accounting practices between UK-adopted international accounting standards and EU IFRS, and Hong Kong Financial Reporting Standards is required to be disclosed. There would be no significant differences had these accounts been prepared in accordance with Hong Kong Financial Reporting Standards.

New accounting standards adopted by the Group

There were no new accounting standards or interpretations adopted by the Group that had a material effect on the Group's Financial Statements in 2025.

IFRS 18 Presentation and Disclosure in Financial Statements

The new standard IFRS 18 was issued in April 2024 and is effective for annual reporting periods beginning on or after 1 January 2027 but earlier application is permitted. This new standard replaces IAS 1 Presentation of Financial Statements and amends IAS 7 Statement of Cash Flows. IFRS 18 introduces three defined categories for income and expenses – operating, investing and financing – to improve the structure of the income statement, and requires all companies to provide new defined subtotals, including operating profit. IFRS 18 will require disclosure of explanations of company-specific measures that are related to the income statement, referred to as management-defined performance measures. IFRS 18 sets out enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes. The Group will apply IFRS 18 for annual reporting periods beginning on 1 January 2027 and while the Group assessment remains ongoing, it is currently not expected to have a material impact on the Group's financial statements other than changes in the presentation of the primary statements.

Notes to the financial statements

1. Accounting policies continued

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments which amended requirements related to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with environmental, social and governance (ESG)-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs. The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. The amendments are not expected to have a material impact on the Group's financial statements.

Going concern

These financial statements were approved by the Board of directors on 24 February 2026. The directors have made an assessment of the Group's ability to continue as a going concern. This assessment has been made having considered the current macroeconomic and geopolitical headwinds, including:

- Review of the Group Strategy and Corporate Plan, including the annual budget.
- An assessment of the actual performance to date, loan book quality, credit impairment, legal and regulatory matters, compliance matters, recent regulatory developments.
- Consideration of stress testing performed, including the Group Recovery Plan (RP) which include the application of stressed scenarios. Under the tests and through the range of scenarios, the results of these exercises and the RP demonstrate that the Group has sufficient capital and liquidity to continue as a going concern and meet minimum regulatory capital and liquidity requirements.
- Analysis of the capital position of the Group, including the capital and leverage ratios, and Internal Capital Adequacy Assessment Process (ICAAP), which summarises the Group's capital and risk assessment processes, assesses its capital requirements and the adequacy of resources to meet them.
- Analysis of the funding and liquidity position of the Group, including the Internal Liquidity Adequacy Assessment Process (ILAAP), which considers the Group's liquidity position, its framework and whether sufficient liquidity resources are being maintained to meet liabilities as they fall due, was also reviewed. Further, funding and liquidity was considered in the context of the risk appetite metrics, including the LCR ratio.
- The level of debt in issue, including redemptions and issuances during the year, debt falling due for repayment in the next 12 months and further planned debt issuances, including the appetite in the market for the Group's debt
- The Group's portfolio of debt securities held at amortised cost.
- A detailed review of all principal risks as well as topical and emerging risks.

Based on the analysis performed, the directors confirm they are satisfied that the Group has adequate resources to continue in business for a period of at least 12 months from 24 February 2026.

For this reason, the Group continues to adopt the going concern basis of accounting for preparing the financial statements.

2. Segmental information

Basis of preparation

Underlying segment and market performance is based on arms-length transfer pricing and reflects the underlying profitability including related capital and infrastructure costs. Income attribution to segment and markets is based on their contribution to the revenue generated across the network, considering factors such as booking location, trader and sales effort. Treasury outcomes such as MREL, FTP, Structural Hedges and Liquidity Pool which segments can directly benefit, influence, and optimise are allocated to individual business segments. The analysis reflects how the client segments and markets are managed internally to drive better decision-making, resource allocation and return outcomes.

Disclosures have been re-presented as explained in Note 1 'Re-presentation of segmental information'. The effect of the change has impacted the classification of cost and income across client segments.

Client segments

The Group's segmental reporting is in accordance with IFRS 8 Operating Segments and is reported consistently with the internal performance framework and as presented to the Group's Management Team.

Restructuring and other items excluded from underlying results

The Group's reported IFRS performance is adjusted for certain items to arrive at alternative performance measures. These items include profits or losses of a capital nature, amounts consequent to investment transactions driven by strategic intent, other infrequent and/or exceptional transactions that are significant or material in the context of the Group's normal business earnings for the period and items which management and investors would ordinarily identify separately when assessing consistent performance period by period. The alternative performance measures are not within the scope of IFRS and not a substitute for IFRS measures. These adjustments are set out below.

Restructuring and other items loss of $937 million primarily relate to the exits in AME, Debit Valuation Adjustment (DVA), and reflect the impact of actions to transform the organisation to improve productivity, primarily additional redundancy charges, simplifying technology platforms and optimising the Group's office space and property footprint, Fit For Growth costs that are primarily severance costs, costs of staff working on FFG initiatives, legal and professional fees and an additional provision with respect to a proposed penalty amount with regards to the Korea equity-linked securities (ELS) matter and the settlement of a litigation matter.

Reconciliations between underlying and reported results are set out in the tables below:

	2025						
	Underlying $million	Restructuring[1] $million	FFG[1] $million	DVA $million	Net loss on businesses disposed of/ held for sale[2] $million	Other items[3,4,5] $million	Reported $million
Operating income[4]	**20,894**	**(24)**	**–**	**(31)**	**(10)**	**113**	**20,942**
Operating expenses[5]	**(12,347)**	**(289)**	**(510)**	**–**	**–**	**(158)**	**(13,304)**
Operating profit/(loss) before impairment losses and taxation	**8,547**	**(313)**	**(510)**	**(31)**	**(10)**	**(45)**	**7,638**
Credit impairment	**(676)**	**4**	**–**	**–**	**–**	**–**	**(672)**
Other impairment	**(42)**	**(2)**	**(21)**	**–**	**–**	**–**	**(65)**
Profit from associates and joint ventures	**71**	**(9)**	**–**	**–**	**–**	**–**	**62**
Profit/(loss) before taxation	**7,900**	**(320)**	**(531)**	**(31)**	**(10)**	**(45)**	**6,963**
	2024						
Operating income	19,696	103	–	(24)	(232)	–	19,543
Operating expenses	(11,790)	(456)	(156)	–	–	(100)[3]	(12,502)
Operating profit/(loss) before impairment losses and taxation	7,906	(353)	(156)	(24)	(232)	(100)	7,041
Credit impairment	(557)	10	–	–	–	–	(547)
Other impairment	(588)	–	–	–	–	–	(588)
Profit from associates and joint ventures	50	58	–	–	–	–	108
Profit/(loss) before taxation	6,811	(285)	(156)	(24)	(232)	(100)	6,014

1 FFG (Fit for Growth) charge previously reported within Restructuring has been re-presented as a separate item.

2 Net loss on businesses disposed of/held for sale 2025 include Cameroon and Gambia loss on business disposal $5 million each, 2024 include $172 million primarily relating to recycling of FX translation losses from reserves into P&L on the sale of Zimbabwe, $26 million loss on sale of Angola, $19 million loss on Sierra Leone and $15 million loss on the Aviation business disposal.

3 Other items 2024 include $100 million charge relating to Korea equity-linked securities (ELS) portfolio.

4 Other items 2025 operating income include gain on sale of office space.

5 Other items 2025 operating expenses include a provision relating to the Korea equity-linked securities and the settlement of a litigation matter.

Notes to the financial statements

2. Segmental information continued

Underlying performance by client segment

	2025					2024[1]				
	Corporate & Investment Banking $million	Wealth & Retail Banking $million	Ventures $million	Central & other items $million	Total $million	Corporate & Investment Banking $million	Wealth & Retail Banking $million	Ventures $million	Central & other items $million	Total $million
Operating income	**12,394**	**8,464**	**415**	**(379)**	**20,894**	11,935	8,021	183	(443)	19,696
External	**11,718**	**3,619**	**416**	**5,141**	**20,894**	10,480	3,533	184	5,499	19,696
Inter-segment	**676**	**4,845**	**(1)**	**(5,520)**	**–**	1,455	4,488	(1)	(5,942)	–
Operating expenses	**(6,509)**	**(4,982)**	**(461)**	**(395)**	**(12,347)**	(6,334)	(4,749)	(460)	(247)	(11,790)
Operating profit/(loss) before impairment losses and taxation	**5,885**	**3,482**	**(46)**	**(774)**	**8,547**	5,601	3,272	(277)	(690)	7,906
Credit impairment	**(4)**	**(595)**	**(59)**	**(18)**	**(676)**	120	(623)	(73)	19	(557)
Other impairment	**(6)**	**(4)**	**(23)**	**(9)**	**(42)**	(290)	(112)	(18)	(168)	(588)
Profit from associates and joint ventures	**–**	**–**	**(39)**	**110**	**71**	–	–	(17)	67	50
Underlying profit/(loss) before taxation	**5,875**	**2,883**	**(167)**	**(691)**	**7,900**	5,431	2,537	(385)	(772)	6,811
Restructuring & Other items[2,5]	**(525)**	**(456)**	**(4)**	**48**	**(937)**	(234)	(315)	(3)	(245)	(797)
Reported profit/(loss) before taxation	**5,350**	**2,427**	**(171)**	**(643)**	**6,963**	5,197	2,222	(388)	(1,017)	6,014
Total assets	**516,923**	**130,489**	**8,335**	**264,208**	**919,955**	485,680	122,357	6,259	235,392	849,688
Of which: loans and advances to customers	**205,493**	**126,980**	**2,660**	**14,453**	**349,586**	197,582	119,263	1,388	21,324	339,557
Loans and advances to customers	**142,698**	**126,978**	**2,659**	**14,453**	**286,788**	139,063	119,257	1,388	21,324	281,032
Loans held at fair value through profit or loss (FVTPL)[3]	**62,795**	**2**	**1**	**–**	**62,798**	58,519	6	–	–	58,525
Total liabilities	**491,976**	**256,332**	**6,276**	**110,785**	**865,369**	477,385	220,416	5,277	95,326	798,404
Of which: customer accounts[4]	**319,670**	**252,033**	**5,773**	**7,698**	**585,174**	297,690	216,662	5,028	3,883	523,263

1 Segment results have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025.

2 Other items 2025 include gains on sale of office space and include a provision relating to the Korea equity-linked securities and the settlement of a litigation matter. Other items 2024 include $100 million charge relating to Korea equity-linked securities (ELS) portfolio, $172 million primarily relating to recycling of FX translation losses from reserves into P&L on the sale of Zimbabwe, $26 million loss on sale of Angola, $19 million loss on Sierra Leone and $15 million loss on the Aviation business disposal. Refer to the Restructuring, FFG (Fit for Growth), DVA and Other items table on page 58.

3 Loans held at FVTPL includes $50,443 million (2024: $51,441 million) of reverse repurchase agreements.

4 Customer accounts includes $19,414 million (2024: $21,772 million) of FVTPL and $35,599 million (2024: $37,002 million) of repurchase agreements.

5 Restructuring, FFG (Fit for Growth), DVA, Other items have been combined and are now disclosed as one line item i.e. 'Restructuring and Other items'.

Operating income by client segment

	2025					2024				
	Corporate & Investment Banking $million	Wealth & Retail Banking $million	Ventures $million	Central & other items $million	Total $million	Corporate & Investment Banking[1] $million	Wealth & Retail Banking[1] $million	Ventures $million	Central & other items[1] $million	Total $million
Underlying versus reported:										
Underlying operating income	**12,394**	**8,464**	**415**	**(379)**	**20,894**	11,935	8,021	183	(443)	19,696
Restructuring	**(14)**	**1**	**–**	**(11)**	**(24)**	69	23	–	11	103
DVA	**(31)**	**–**	**–**	**–**	**(31)**	(24)	–	–	–	(24)
Other items[2,3]	**–**	**–**	**–**	**103**	**103**	–	–	–	(232)	(232)
Reported operating income	**12,349**	**8,465**	**415**	**(287)**	**20,942**	11,980	8,044	183	(664)	19,543
Additional segmental income:										
Net interest income	**1,397**	**5,126**	**115**	**(683)**	**5,955**	2,090	5,175	100	(999)	6,366
Net fees and commission income	**2,091**	**2,192**	**61**	**(95)**	**4,249**	1,938	1,855	52	(111)	3,734
Net trading and other income	**8,861**	**1,147**	**239**	**491**	**10,738**	7,952	1,014	31	446	9,443
Reported operating income	**12,349**	**8,465**	**415**	**(287)**	**20,942**	11,980	8,044	183	(664)	19,543

1 Segment results have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025.

2 Other items 2024 include $172 million primarily relating to recycling of FX translation losses from reserves into P&L on the sale of Zimbabwe, $26 million loss on sale of Angola, $19 million loss on Sierra Leone and $15 million loss on the Aviation business disposal.

3 Other items 2025 include $113 million gains on sale of office space and $10 million loss on business disposal.

Reported operating income by geography

	Hong Kong $million	Korea $million	China $million	Taiwan $million	Singapore $million	India $million	UAE $million	UK $million	US $million	Other $million	Group $million
2025	**5,547**	**1,135**	**1,159**	**563**	**3,311**	**1,643**	**1,191**	**912**	**1,254**	**4,227**	**20,942**
2024	4,797	1,085	1,327	577	2,573	1,323	837	278	1,288	5,458	19,543

Reported operating income by geography is based on the revenues attributed to all foreign countries in total from which the Group derives revenues.

3. Net interest income

Accounting policy

Interest income for financial assets held at either fair value through other comprehensive income or amortised cost, and interest expense on all financial liabilities held at amortised cost is recognised in profit or loss using the effective interest method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. For floating-rate financial instruments, periodic re-estimation of cash flows that reflect the movements in the market rates of interest alters the effective interest rate. Where the estimates of cash flows have been revised, the carrying amount of the financial asset or liability is adjusted to reflect the actual and revised cash flows, discounted at the instruments original effective interest rate. The adjustment is recognised as interest income or expense in the period in which the revision is made as long as the change in estimates is not due to credit issues.

Interest income for financial assets that are either held at fair value through other comprehensive income or amortised cost that have become credit-impaired subsequent to initial recognition (stage 3) and have had amounts written off, is recognised using the credit adjusted effective interest rate. This rate is calculated in the same manner as the effective interest rate except that expected credit losses are included in the expected cash flows. Interest income is therefore recognised on the amortised cost of the financial asset including expected credit losses. Should the credit risk on a stage 3 financial asset improve such that the financial asset is no longer considered credit-impaired, interest income recognition reverts to a computation based on the rehabilitated gross carrying value of the financial asset.

	2025 $million	2024 $million
Balances at central banks	**2,126**	2,520
Loans and advances to banks	**2,209**	2,368
Loans and advances to customers	**14,045**	16,179
Debt securities	**4,855**	5,165
Other eligible bills	**1,210**	1,495
Accrued on impaired assets (discount unwind)	**102**	135
Interest income	**24,547**	27,862
Of which: financial instruments held at fair value through other comprehensive income	**3,745**	3,773
Deposits by banks	**664**	806
Customer accounts	**13,878**	16,276
Debt securities in issue	**3,432**	3,610
Subordinated liabilities and other borrowed funds	**552**	744
Interest expense on IFRS 16 lease liabilities	**66**	60
Interest expense	**18,592**	21,496
Net interest income	**5,955**	6,366

Notes to the financial statements

4. Net fees and commission

Accounting policy
The Group can act as trustee or in other Fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. The assets and income arising thereon are excluded from these financial statements, as they are not assets and income of the Group.

The Group applies the following practical expedients:

- information on amounts of transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations at the end of the reporting period is not disclosed as almost all fee-earning contracts have an expected duration of less than one year
- promised consideration is not adjusted for the effects of a significant financing component as the period between the Group providing a service and the customer paying for it is expected to be less than one year
- incremental costs of obtaining a fee-earning contract are recognised upfront in 'Fees and commission expense' rather than amortised, if the expected term of the contract is less than one year.

The determination of the services performed for the customer, the transaction price, and when the services are completed depends on the nature of the product with the customer. The main considerations on income recognition by product are as follows:

Transaction Banking

The Group recognises fee income associated with transactional trade and cash management at the point in time the service is provided. The Group recognises income associated with trade contingent risk exposures (such as letters of credit and guarantees) over the period in which the service is provided.

Payment of fees is usually received at the same time the service is provided. In some cases, letters of credit and guarantees issued by the Group have annual upfront premiums, which are amortised on a straight-line basis to fee income over the year.

Global Markets

The Group recognises fee income at the point in time the service is provided. Fee income is recognised for a significant non-lending service when the transaction has been completed and the terms of the contract with the customer entitle the Group to the fee. This includes fees such as structuring and advisory fees. Fees are usually received shortly after the service is provided.

Syndication fees are recognised when the syndication is complete, defined as achieving the final approved hold position. Fees are generally received before completion of the syndication, or within 12 months of the transaction date.

Securities services include custody services, fund accounting and administration, and broker clearing. Fees are recognised over the period the custody or fund management services are provided, or as and when broker services are requested.

Wealth Management

Upfront consideration on bancassurance agreements is amortised straight-line over the contractual term. Commissions for bancassurance activities are recorded as they are earned through sales of third-party insurance products to customers. These commissions are received within a short time frame of the commission being earned. Target-linked fees are accrued based on percentage of the target achieved, provided it is assessed as highly probable that the target will be met. Cash payment is received at a contractually specified date after achievement of a target has been confirmed.

Upfront and trailing commissions for managed investment placements are recorded as they are confirmed. Income from these activities is relatively even throughout the period, and cash is usually received within a short time frame after the commission is earned.

Retail Products

The Group recognises most income at the point in time the Group is entitled to the fee, since most services are provided at the time of the customer's request.

In most of our retail markets there are circumstances under which fees are waived, income recognition is adjusted to reflect customer's intent to pay the annual fee. The Group defers the fair value of reward points on its credit card reward programmes, and recognises income and costs associated with fulfilling the reward at the time of redemption.

	2025 $million	2024 $million
Fees and commissions income	**5,349**	4,623
Of which:		
Financial instruments that are not fair valued through profit or loss	**1,566**	1,436
Trust and other fiduciary activities	**793**	632
Fees and commissions expense	**(1,100)**	(889)
Of which:		
Financial instruments that are not fair valued through profit or loss	**(376)**	(245)
Trust and other fiduciary activities	**(68)**	(50)
Net fees and commission	**4,249**	3,734

	2025					2024				
	Corporate & Investment Banking $million	Wealth & Retail Banking $million	Ventures $million	Central & Other Items $million	Total $million	Corporate & Investment Banking $million	Wealth & Retail Banking[1] $million	Ventures[1] $million	Central & Other Items[1] $million	Total $million
Transaction Services	**1,591**	**–**	**–**	**–**	**1,591**	1,456	–	–	–	1,456
Payments & Liquidity	**642**	**–**	**–**	**–**	**642**	634	–	–	–	634
Securities & Prime Services	**346**	**–**	**–**	**–**	**346**	254	–	–	–	254
Trade & Working Capital	**603**	**–**	**–**	**–**	**603**	568	–	–	–	568
Global Banking	**1,091**	**–**	**–**	**–**	**1,091**	937	–	–	–	937
Lending & Financial Solutions	**673**	**–**	**–**	**–**	**673**	633	–	–	–	633
Capital Markets & Advisory	**418**	**–**	**–**	**–**	**418**	304	–	–	–	304
Global Markets	**51**	**–**	**–**	**–**	**51**	36	–	–	–	36
Macro Trading	**1**	**–**	**–**	**–**	**1**	(3)	–	–	–	(3)
Credit Trading	**50**	**–**	**–**	**–**	**50**	40	–	–	–	40
Valuation & Other Adj	**–**	**–**	**–**	**–**	**–**	(1)	–	–	–	(1)
Wealth solutions	**–**	**2,006**	**–**	**–**	**2,006**	–	1,598	–	–	1,598
Investment Products	**–**	**1,252**	**–**	**–**	**1,252**	–	929	–	–	929
Bancassurance	**–**	**754**	**–**	**–**	**754**	–	669	–	–	669
Deposits & Mortgages	**–**	**211**	**–**	**–**	**211**	–	222	–	–	222
CCPL & Other Unsecured Lending	**–**	**282**	**–**	**–**	**282**	–	321	–	–	321
Ventures	**–**	**–**	**89**	**–**	**89**	–	–	78	–	78
Digital Banks	**–**	**–**	**54**	**–**	**54**	–	–	43	–	43
SCV	**–**	**–**	**35**	**–**	**35**	–	–	35	–	35
Treasury & Other	**–**	**28**	**–**	**–**	**28**	–	27	–	(52)	(25)
Fees and commission income	**2,733**	**2,527**	**89**	**–**	**5,349**	2,429	2,168	78	(52)	4,623
Fees and commission expense	**(642)**	**(335)**	**(28)**	**(95)**	**(1,100)**	(491)	(313)	(26)	(59)	(889)
Net fees and commission	**2,091**	**2,192**	**61**	**(95)**	**4,249**	1,938	1,855	52	(111)	3,734

1 Products have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 with no change in total income.

Upfront bancassurance consideration amounts are amortised on a straight-line basis over the contractual period to which the consideration relates. Deferred income on the balance sheet in respect of these activities is $363 million (31 December 2024: $419 million), which will be earned evenly over the remaining life of the contract until June 2032. For the twelve months ended 31 December 2025, $56 million of fee income was released from deferred income (31 December 2024: $56 million).

Notes to the financial statements

5. Net trading income

Accounting policy

Gains and losses arising from changes in the fair value of financial instruments held at fair value through profit or loss are recorded in net trading income in the period in which they arise. This includes contractual interest receivable or payable.

When the initial fair value of a financial instrument held at fair value through profit or loss relies on unobservable inputs, the difference between the initial valuation and the transaction price is amortised to net trading income as the inputs become observable or over the life of the instrument, whichever is shorter. Any unamortised 'day one' gain is released to net trading income if the transaction is terminated.

Income is recognised from the sale and purchase of trading positions, margins on market making and customer business and fair value changes.

	2025 $million	2024 $million
Net trading income	**10,294**	9,615
Significant items within net trading income include:		
Gains on instruments held for trading[1]	**8,267**	7,418
Gains on financial assets mandatorily at fair value through profit or loss	**5,468**	5,392
(Losses)/gains on financial assets designated at fair value through profit or loss	**(10)**	8
Losses on financial liabilities designated at fair value through profit or loss	**(3,476)**	(3,252)

1 Includes $87 million gain (31 December 2024: $583 million gain) from the translation of foreign currency monetary assets and liabilities.

6. Other operating income

	2025 $million	2024 $million
Other operating income/(loss) includes:		
Rental income from operating lease assets	**33**	40
Net loss on disposal of fair value through other comprehensive income debt instruments	**(10)**	(237)
Net loss on amortised cost financial assets	**(43)**	(27)
Net gain/(loss) on sale of businesses	**242**[1]	(210)[2]
Dividend income	**10**	5
Other[3]	**212**	257
Other operating income/(loss)	**444**	(172)

1 Includes $241 million gain from disposal of businesses ($238 million gain from Standard Chartered Research and Technology India Private Limited; and $13 million gain from WRB business in SCB Tanzania, partly offset by $5 million loss from Standard Chartered Bank Gambia Limited and $5 million loss from Standard Chartered Bank Cameroon S.A.) of which $20 million relates to realisation of translation adjustment loss. Total cash consideration received from the disposal was $48 million ($13 million: SCB Tanzania, $6 million: Standard Chartered Bank Gambia Limited, $29 million: Standard Chartered Bank Cameroon S.A.

2 2024 balance mainly includes loss on disposal of Africa subsidiaries $217 million ($172 million: SCB Zimbabwe Limited, $26 million: SCB Angola S.A. and $19 million: SCB Sierra Leone Limited) of which $246 million relates to realisation of translation adjustment loss, partly offset by gain of $17 million from disposal of Venture entities (Shoal limited and Autumn life Pte. Ltd). Total cash consideration received was $74 million ($24 million: SCB Zimbabwe Limited, $10 million: SCB Angola S.A., $17 million: SCB Sierra Leone Limited, $17 million: Shoal Limited and $6 million: Autumn life Pte. Ltd).

3 2025 balance includes $133 million gain on disposal of property, plant and equipment, IAS 29 adjustment Ghana hyperinflationary impact ($8 million) and immaterial balances across other geographies. 2024 balance includes IAS 29 adjustment Ghana hyperinflationary impact ($139 million), Research and development expenditure credit ($32 million), Rebates/incentives received from VISA card ($25 million), Gain on disposal of property, plant and equipment ($23 million), Mark-to-market gains from deferred compensation income ($17 million), and immaterial balances across other geographies.

On 26 June 2025, the Group disposed of its entire interest in Standard Chartered Research and Technology India Private Limited (SCRTIPL), a subsidiary, as part of a combined share swap and primary investment transaction (the Solv India transaction or the transaction). The transaction has resulted in the Group recognising Jumbotail Technologies Private Limited as an associate.

The carrying amount of the net assets of SCRTIPL at the date of the Solv India transaction was $16 million. The Group recognised a gain on the transaction of $238 million. The consideration received in the combined share swap was $344 million, including a primary cash investment of $80 million. Disposal costs were approximately $9 million.

The gain on disposal arose because the carrying value of the subsidiary's net assets was exceeded by the consideration received. No impairment of OCI balances was required. The disposal has resulted in the recycling of $3 million of Currency Translation Adjustments to profit and loss.

The Group elected to apply the 12-month measurement exemption to finalise the purchase price allocation. The allocation is incomplete at 31 December 2025 as additional analysis is required to finalise the nature and value of intangible assets.

7. Operating expenses

	2025 $million	2024 $million
Staff costs:		
Wages and salaries	**6,962**	6,567
Social security costs	**286**	246
Other pension costs (Note 30)	**518**	451
Share-based payment costs (Note 31)	**399**	334
Other staff costs	**944**	912
	9,109	8,510
Premises and equipment expenses:	**434**	401
General administrative expenses:		
UK bank levy	**52**	90
Other general administrative expenses	**2,539**	2,375
	2,591	2,465
Depreciation and amortisation:		
Property, plant and equipment:		
Premises	**315**	299
Equipment	**166**	128
Intangibles:		
Software	**687**	695
Acquired on business combinations	**2**	4
	1,170	1,126
Total operating expenses	**13,304**	12,502

Other staff costs include redundancy expenses of $193 million (31 December 2024: $186 million). Further costs in this category include training, travel costs and other staff-related costs. The Group has recognised $15 million of accelerated share based payment expense relating to the amendment of vesting schedules as allowed for by the PRA Policy Statement on Remuneration Reform (dated 15 October 2025).

Details of directors' pay, benefits, pensions and interests in shares are disclosed in the Directors' remuneration report on page 180.

Transactions with directors, officers and other related parties are disclosed in Note 36.

Operating expenses include research expenditures of $1,210 million (31 December 2024: $1,187 million), which was recognised as an expense in the year. In addition to this, there was a provision relating to the Korea equity-linked securities and the settlement of a litigation matter.

The UK bank levy is applied to chargeable equity and liabilities on the balance sheet of UK operations. Key exclusions from chargeable equity and liabilities include Tier 1 capital, insured or guaranteed retail deposits, repos secured on certain sovereign debt and liabilities subject to netting. The rates are 0.10 per cent for short-term liabilities and 0.05 per cent for long-term liabilities.

Notes to the financial statements

8. Credit impairment

Accounting policy

Significant accounting estimates and judgements

The Group's expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions. The significant judgements in determining expected credit loss include:

- The Group's criteria for assessing if there has been a significant increase in credit risk;
- Development of expected credit loss models, including the choice of inputs relating to macroeconomic variables;
- Determining estimates of forward looking macroeconomic forecasts;
- Evaluation of management overlays and post-model adjustments;
- Determination of recovery scenarios and probability weightings for Stage 3 individually assessed provisions.

The calculation of credit impairment provisions also involves expert credit judgement to be applied by the credit risk management team based upon counterparty information they receive from various sources including relationship managers and on external market information. Details on the approach for determining expected credit loss can be found in the credit risk section, under IFRS 9 Methodology (see page 264).

Estimates of forecasts of key macroeconomic variables underlying the expected credit loss calculation can be found within the Risk review, Key assumptions and judgements in determining expected credit loss.

Expected credit losses

An ECL represents the present value of expected cash shortfalls over the residual term of a financial asset, undrawn commitment or financial guarantee.

A cash shortfall is the difference between the cash flows that are due in accordance with the contractual terms of the instrument and the cash flows that the Group expects to receive over the contractual life of the instrument.

Measurement

ECL are computed as unbiased, probability-weighted amounts which are determined by evaluating a range of reasonably possible outcomes, the time value of money, and considering all reasonable and supportable information including that which is forward-looking.

For material portfolios, the estimate of expected cash shortfalls is determined by multiplying the probability of default (PD) with the loss given default (LGD) with the expected exposure at the time of default (EAD). There may be multiple default events over the lifetime of an instrument. Further details on the components of PD, LGD and EAD are disclosed in the Credit risk section. For less material loan portfolios, the Group has adopted less sophisticated approaches based on historical roll rates or loss rates.

Forward-looking economic assumptions are incorporated into the PD, LGD and EAD where relevant and where they influence credit risk, such as GDP growth rates, interest rates, house price indices and commodity prices among others. These assumptions are incorporated using the Group's most likely forecast for a range of macroeconomic assumptions. These forecasts are determined using all reasonable and supportable information, which includes both internally developed forecasts and those available externally, and are consistent with those used for budgeting, forecasting and capital planning.

To account for the potential non-linearity in credit losses, multiple forward-looking scenarios are incorporated into the range of reasonably possible outcomes for all material portfolios. For example, where there is a greater risk of downside credit losses than upside gains, multiple forward-looking economic scenarios are incorporated into the range of reasonably possible outcomes, both in respect of determining the PD (and where relevant, the LGD and EAD) and in determining the overall ECL amounts. These scenarios are determined using a Monte Carlo approach centred around the Group's most likely forecast of macroeconomic assumptions.

The period over which cash shortfalls are determined is generally limited to the maximum contractual period for which the Group is exposed to credit risk. However, for certain revolving credit facilities, which include credit cards or overdrafts, the Group's exposure to credit risk is not limited to the contractual period. For these instruments, the Group estimates an appropriate life based on the period that the Group is exposed to credit risk, which includes the effect of credit risk management actions such as the withdrawal of undrawn facilities.

Accounting policy continued

For credit-impaired financial instruments, the estimate of cash shortfalls may require the use of expert credit judgement.

The estimate of expected cash shortfalls on a collateralised financial instrument reflects the amount and timing of cash flows that are expected from foreclosure on the collateral less the costs of obtaining and selling the collateral, regardless of whether foreclosure is deemed probable.

Cash flows from unfunded credit enhancements held are included within the measurement of expected credit losses if they are part of, or integral to, the contractual terms of the instrument (this includes financial guarantees, unfunded risk participations and other non-derivative credit insurance). Although non-integral credit enhancements do not impact the measurement of expected credit losses, a reimbursement asset is recognised to the extent of the ECL recorded if this is virtually certain to be received.

Cash shortfalls are discounted using the effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired instruments (POCI)) on the financial instrument as calculated at initial recognition or if the instrument has a variable interest rate, the current effective interest rate determined under the contract.

Instruments	Location of expected credit loss provisions
Financial assets held at amortised cost	Loss provisions: netted against gross carrying value[1]
Financial assets held FVOCI – Debt instruments	Other comprehensive income (FVOCI expected credit loss reserve)[2]
Loan commitments	Provisions for liabilities and charges[3]
Financial guarantees	Provisions for liabilities and charges[3]

1 Purchased or originated credit-impaired assets do not attract an expected credit loss provision on initial recognition. An expected credit loss provision will be recognised only if there is an increase in expected credit losses from that considered at initial recognition.

2 Debt and treasury securities classified as fair value through other comprehensive income (FVOCI) are held at fair value on the face of the balance sheet. The expected credit loss attributed to these instruments is held as a separate reserve within other comprehensive income (OCI) and is recycled to the profit and loss account along with any fair value measurement gains or losses held within FVOCI when the applicable instruments are derecognised.

3 Expected credit loss on loan commitments and financial guarantees is recognised as a liability provision. Where a financial instrument includes both a loan (i.e. financial asset component) and an undrawn commitment (i.e. loan commitment component), and it is not possible to separately identify the expected credit loss on these components, expected credit loss amounts on the loan commitment are recognised together with expected credit loss amounts on the financial asset. To the extent the combined expected credit loss exceeds the gross carrying amount of the financial asset, the expected credit loss is recognised as a liability provision.

Recognition

12 months expected credit losses (Stage 1)

Expected credit losses are recognised at the time of initial recognition of a financial instrument and represent the lifetime cash shortfalls arising from possible default events up to 12 months into the future from the balance sheet date. Expected credit losses continue to be determined on this basis until there is either a significant increase in the credit risk of an instrument or the instrument becomes credit-impaired. If an instrument is no longer considered to exhibit a significant increase in credit risk, expected credit losses will revert to being determined on a 12-month basis.

Significant increase in credit risk (Stage 2)

Significant increase in credit risk is assessed by comparing the risk of default of an exposure at the reporting date to the risk of default at origination (after taking into account the passage of time). Significant does not mean statistically significant nor is it assessed in the context of changes in expected credit loss. Whether a change in the risk of default is significant or not is assessed using a number of quantitative and qualitative factors, the weight of which depends on the type of product and counterparty. Financial assets that are 30 or more days past due and not credit-impaired will always be considered to have experienced a significant increase in credit risk. For less material portfolios where a loss rate or roll rate approach is applied to compute expected credit loss, significant increase in credit risk is primarily based on 30 days past due.

Quantitative factors include an assessment of whether there has been significant increase in the forward-looking probability of default (PD) since origination. A forward-looking PD is one that is adjusted for future economic conditions to the extent these are correlated to changes in credit risk. We compare the residual lifetime PD at the balance sheet date to the residual lifetime PD that was expected at the time of origination for the same point in the term structure and determine whether both the absolute and relative change between the two exceeds predetermined thresholds. To the extent that the differences between the measures of default outlined exceed the defined thresholds, the instrument is considered to have experienced a significant increase in credit risk.

8. Credit impairment continued

Accounting policy continued

Qualitative factors assessed include those linked to current credit risk management processes, such as lending placed on non-purely precautionary early alert (and subject to closer monitoring).

A non-purely precautionary early alert account is one which exhibits material credit concerns which may result in a default by the client if left unaddressed, requiring closer monitoring, supervision, or attention by management. Indicators could include a rapid erosion of position within the industry, concerns over management's ability to manage operations, weak/deteriorating operating results, liquidity strain and overdue balances among other factors.

Credit-impaired (or defaulted) exposures (Stage 3)

Financial assets that are credit-impaired (or in default) represent those that are at least 90 days past due in respect of principal and/or interest. Financial assets are also considered to be credit-impaired where the obligors are unlikely to pay on the occurrence of one or more observable events that have a detrimental impact on the estimated future cash flows of the financial asset. It may not be possible to identify a single discrete event but instead the combined effect of several events may cause financial assets to become credit-impaired.

Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or borrower;
- Breach of contract such as default or a past due event;
- For economic or contractual reasons relating to the borrower's financial difficulty, the lenders of the borrower have granted the borrower concession(s) that lenders would not otherwise consider. This would include forbearance actions;
- Pending or actual bankruptcy or other financial reorganisation to avoid or delay discharge of the borrower's obligation(s);
- The disappearance of an active market for the applicable financial asset due to financial difficulties of the borrower;
- Purchase or origination of a financial asset at a deep discount that reflects incurred credit losses.

Lending commitments to a credit-impaired obligor that have not yet been drawn down are included to the extent that the commitment cannot be withdrawn. Loss provisions against credit-impaired financial assets are determined based on an assessment of the present value of expected cash shortfalls (discounted at the instrument's original effective interest rate) under a range of scenarios, including the realisation of any collateral held where appropriate. The Group's definition of default is aligned with the regulatory definition of default as set out in the UK's onshored capital requirements regulations (Art 178).

Expert credit judgement

For Corporate & Investment banking and Private banking, borrowers are graded by credit risk management on a credit grading (CG) scale from CG1 to CG14. Once a borrower starts to exhibit credit deterioration, it will move along the credit grading scale in the performing book. When a borrower is classified as CG12 (which is the lowest performing book and credit grade and is a qualitative trigger for significant increase in credit risk (see page 275) it will continue to be primarily managed by relationship managers in the CIB unit with support from Stressed Asset Group (SAG) for certain accounts. SAG is the Group's specialist recovery unit, which is independent of the Client Coverage/Relationship Managers.

Borrowers graded CG12 exhibit well-defined weaknesses in areas such as management and/or performance but there is no current expectation of a loss of principal or interest at this stage and there is no indication of unlikeliness to repay (it is still a performing asset). Where the impairment assessment indicates that there will be a loss of principal on a loan in the likely scenario, the borrower is graded a CG14 while borrowers of other credit-impaired loans are graded CG13. Instruments graded CG13 or CG14 are regarded as stage 3.

Credit-impaired accounts are managed by SAG. Where a portion of exposure is considered not recoverable, a stage 3 credit impairment provision is raised. This stage 3 provision is the difference between the loan-carrying amount and the probability-weighted present value of estimated future cash flows, reflecting a range of scenarios (typically the 'upside', 'downside' and 'likely' recovery outcomes). Where the exposure is secured by collateral, the values used will incorporate the impact of forward-looking economic information on the value recoverable collateral and time to realise the same.

Accounting policy continued

The individual circumstances of each client are considered when SAG estimates future cashflows and the timing of future recoveries which involves significant judgement. All available sources, such as cash flow arising from operations, selling assets or subsidiaries, realising collateral or payments under guarantees, are considered. In any decision relating to the raising of provisions, the Group attempts to balance economic conditions, local knowledge and experience, and the results of independent asset reviews. The individual impairment provisions (viz. those not directly from a model) are approved by Stressed Assets Risk (SAR) who are in the Second Line of Defence.

For financial assets which are not individually significant, such as the Retail Banking portfolio or small business loans, which comprise a large number of homogeneous loans that share similar characteristics, statistical estimates and techniques are used, as well as credit scoring analysis.

Wealth, Retail and Business Banking clients are considered credit-impaired where they are more 90 days past due, or if the borrower files for bankruptcy or other forbearance programme, the borrower is deceased or the business is closed in the case of a small business, or if the borrower surrenders the collateral, or there is an identified fraud on the account. Additionally, if the account is unsecured and the borrower has other credit accounts with the Group that are considered credit-impaired, the account may also be credit-impaired.

Techniques used to compute impairment amounts use models which analyse historical repayment and default rates over a time horizon. Where various models are used, judgement is required to analyse the available information provided and select the appropriate model or combination of models to use.

The core components in determining credit-impaired expected credit loss provisions are the value of gross charge-off and recoveries. Gross charge-off and/or loss provisions are recognised when it is established that the account is unlikely to pay through the normal process. Recovery of unsecured debt post credit impairment is recognised based on actual cash collected, either directly from clients or through the sale of defaulted loans to third-party institutions. Release of credit impairment provisions for secured loans is recognised if the loan outstanding is paid in full (release of full provision), or the provision is higher than the loan outstanding (release of the excess provision).

Expert credit judgement is also applied to determine whether any post-model adjustments are required for credit risk elements which are not captured by the models.

Modified financial instruments

Where the original contractual terms of a financial asset have been modified for credit reasons and the instrument has not been derecognised (an instrument is derecognised when a modification results in a change in cash flows that the Group would consider substantial), the resulting modification loss is recognised within credit impairment in the income statement with a corresponding decrease in the gross carrying value of the asset. If the modification involved a concession that the bank would not otherwise consider, the instrument is considered to be credit-impaired and is considered forborne.

Expected credit loss for modified financial assets that have not been derecognised and are not considered to be credit-impaired will be recognised on a 12-month basis, or a lifetime basis, if there is a significant increase in credit risk. These assets are assessed (by comparison to the origination date) to determine whether there has been a significant increase in credit risk subsequent to the modification. Although loans may be modified for non-credit reasons, a significant increase in credit risk may occur. In addition to the recognition of modification gains and losses, the revised carrying value of modified financial assets will impact the calculation of expected credit losses, with any increase or decrease in expected credit loss recognised within impairment.

Forborne loans

Forborne loans are those loans that have been modified in response to a customer's financial difficulties. Forbearance strategies assist clients who are temporarily in financial distress and are unable to meet their original contractual repayment terms. Forbearance can be initiated by the client, the Group or a third-party including government sponsored programmes or a conglomerate of credit institutions. Forbearance may include debt restructuring such as new repayment schedules, payment deferrals, tenor extensions, interest only payments, lower interest rates, forgiveness of principal, interest or fees, or relaxation of loan covenants.

8. Credit impairment continued

Accounting policy continued

Forborne loans that have been modified (and not derecognised) on terms that are not consistent with those readily available in the market and/or where we have granted a concession compared to the original terms of the loans are considered credit-impaired if there is a detrimental impact on cash flows. The modification loss (see Classification and measurement – Modifications) is recognised in the profit or loss within credit impairment and the gross carrying value of the loan reduced by the same amount. The modified loan is disclosed as 'Loans subject to forbearance – credit-impaired'.

Loans that have been subject to a forbearance modification, but which are not considered credit-impaired (not classified as CG13 or CG14), are disclosed as 'Forborne – not credit-impaired'. This may include amendments to covenants within the contractual terms.

Write-offs of credit-impaired instruments and reversal of impairment

To the extent a financial debt instrument is considered irrecoverable, the applicable portion of the gross carrying value is written off against the related loan provision. Such loans are written off after all the necessary procedures have been completed, it is decided that there is no realistic probability of recovery and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the provision for credit impairment in the income statement.

Loss provisions on purchased or originated credit-impaired instruments (POCI)

The Group measures expected credit loss on a lifetime basis for POCI instruments throughout the life of the instrument. However, expected credit loss is not recognised in a separate loss provision on initial recognition for POCI instruments as the lifetime expected credit loss is inherent within the gross carrying amount of the instruments. The Group recognises the change in lifetime expected credit losses arising subsequent to initial recognition in the income statement and the cumulative change as a loss provision. Where lifetime expected credit losses on POCI instruments are less than those at initial recognition, then the favourable differences are recognised as impairment gains in the income statement (and as impairment loss where the expected credit losses are greater).

Improvement in credit risk/curing

For financial assets that are credit-impaired (stage 3), a transfer to stage 2 or stage 1 is only permitted where the instrument is no longer considered to be credit-impaired. An instrument will no longer be considered credit-impaired when there is no shortfall of cash flows compared to the original contractual terms.

For financial assets within stage 2, these can only be transferred to stage 1 when they are no longer considered to have experienced a significant increase in credit risk.

Where a significant increase in credit risk was determined using quantitative measures, the instruments will automatically transfer back to stage 1 when the original PD based transfer criteria are no longer met. Where instruments were transferred to stage 2 due to an assessment of qualitative factors, the issues that led to the reclassification must be cured before the instruments can be reclassified to stage 1. This includes instances where management actions led to instruments being classified as stage 2, requiring that action to be resolved before loans are reclassified to stage 1.

A forborne loan can only be removed from being disclosed as forborne if the loan is performing (stage 1 or 2) and a further two-year probation period is met.

In order for a forborne loan to become performing, the following criteria have to be satisfied:

- At least a year has passed with no default based upon the forborne contract terms
- The customer is likely to repay its obligations in full without realising security
- The customer has no accumulated impairment against amount outstanding (except for ECL)

Subsequent to the criteria above, a further two-year probation period has to be fulfilled, whereby regular payments are made by the customer and none of the exposures to the customer are more than 30 days past due.

	2025 $million	2024 $million
Net credit impairment on loans and advances to banks and customers	**652**	590
Net credit impairment on debt securities[1]	**37**	(58)
Net credit impairment relating to financial guarantees and loan commitments	**(24)**	18
Net credit impairment relating to other financial assets	**7**	(3)
Credit impairment[1]	**672**	547

1 Includes impairment charge of $5 million (2024: $14 million release) on originated credit-impaired debt securities.

9. Goodwill, property, plant and equipment and other impairment

Accounting policy
Refer to the below referenced notes for the relevant accounting policy.

	2025 $million	2024 $million
Impairment of property, plant and equipment (Note 18)	–	11
Impairment of other intangible assets (Note 17)	**45**	561
Other	**20**	16
Goodwill, property, plant and equipment and other impairment	**65**	588

10. Taxation

Accounting policy
Income tax payable on profits is based on the applicable tax law in each jurisdiction and is recognised as an expense in the period in which profits arise.

Deferred tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted as at the balance sheet date, and that are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised. Where permitted, deferred tax assets and liabilities are offset on an entity basis and not by component of deferred taxation.

Current and deferred tax relating to items which are charged or credited directly to equity, is credited or charged directly to equity and is subsequently recognised in the income statement together with the current or deferred gain or loss.

Other accounting estimates and judgements

- Determining the Group's tax charge for the year involves estimation and judgement, which includes an interpretation of local tax laws and an assessment of whether the tax authorities will accept the position taken. These judgements take account of external advice where appropriate, and the Group's view on settling with the relevant tax authorities
- The Group provides for current tax liabilities at the best estimate of the amount that is expected to be paid to the tax authorities where an outflow is probable. In making its estimates the Group assumes that the tax authorities will examine all the amounts reported to them and have full knowledge of all relevant information
- The recoverability of the Group's deferred tax assets is based on management's judgement of the availability of future taxable profits against which the deferred tax assets will be utilised. In preparing management forecasts the effect of applicable laws and regulations relevant to the utilisation of future taxable profits have been considered.

The following table provides analysis of taxation charge in the year:

	2025 $million	2024 $million
The charge for taxation based upon the profit for the year comprises:		
Current tax:		
United Kingdom corporation tax at 25 per cent (2024: 25 per cent):		
Current tax charge on income for the year	–	16
Adjustments in respect of prior years (including double tax relief)	**7**	1
Foreign tax:		
Current tax charge on income for the year	**1,873**	1,752
Adjustments in respect of prior years	**(45)**	(8)
	1,835	1,761
Deferred tax:		
Origination/reversal of temporary differences	**112**	198
Adjustments in respect of prior years	**(81)**	13
	31	211
Tax on profits on ordinary activities	**1,866**	1,972
Effective tax rate	**26.8%**	32.8%

10. Taxation continued

The tax charge for the year of $1,866 million (31 December 2024: $1,972 million) on a profit before tax of $6,963 million (31 December 2024: $6,014 million) reflects the impact of non-creditable withholding taxes and other taxes, non-deductible expenses and tax losses for which no deferred tax assets are recognised. These are partly offset by countries with tax rates lower than the UK, the most significant of which are Hong Kong and Singapore, and tax-exempt income.

Foreign tax includes current tax of $359 million (31 December 2024: $272 million) on the profits assessable in Hong Kong. Deferred tax includes origination or reversal of temporary differences of $17 million (31 December 2024: $8 million) provided at a rate of 16.5 per cent (31 December 2024: 16.5 per cent) on the profits assessable in Hong Kong.

The Group falls within the Pillar Two global minimum tax rules which apply in the UK from 1 January 2024. The IAS 12 exception to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes has been applied. The current tax charge for the period ended 31 December 2025 includes $14m in respect of current period Pillar Two income taxes (31 December 2024: $17m) and $10m in respect of the prior period (31 December 2024: $nil).

Tax rate: The tax charge for the year is higher than the charge at the rate of corporation tax in the UK, 25 per cent. The differences are explained below:

	2025		2024	
	$million	%	$million	%
Profit on ordinary activities before tax	**6,963**		6,014	
Tax at 25 per cent (2024: 25 per cent)	**1,741**	**25.0**	1,504	25.0
Lower tax rates on overseas earnings	**(482)**	**(6.9)**	(425)	(7.1)
Higher tax rates on overseas earnings	**219**	**3.1**	269	4.5
Tax at domestic rates applicable where profits earned	**1,478**	**21.2**	1,348	22.4
Non-creditable withholding taxes and other taxes	**319**	**4.6**	260	4.3
Tax exempt income	**(160)**	**(2.3)**	(133)	(2.2)
Share of associates and joint ventures	**(10)**	**(0.2)**	(6)	(0.1)
Non-deductible expenses	**256**	**3.7**	243	4.0
Bank levy	**13**	**0.2**	23	0.4
Non-taxable losses on investments[1]	**(25)**	**(0.4)**	35	0.6
Payments on financial instruments in reserves	**(80)**	**(1.2)**	(72)	(1.2)
Deferred tax not recognised	**220**	**3.2**	298	5.0
Deferred tax rate changes	**3**	**0.1**	(3)	-
Adjustments to tax charge in respect of prior years	**(119)**	**(1.7)**	6	0.1
Other items	**(29)**	**(0.4)**	(27)	(0.5)
Tax on profit on ordinary activities	**1,866**	**26.8**	1,972	32.8

1 2025 Includes tax impact of $3m (2024:$55m) relating to loss on sale of subsidiaries in Africa.

Factors affecting the tax charge in future years: the Group's tax charge, and effective tax rate in future years could be affected by several factors including acquisitions, disposals and restructuring of our businesses, the mix of profits across jurisdictions with different statutory tax rates, changes in tax legislation and tax rates and resolution of uncertain tax positions.

The evaluation of uncertain tax positions involves an interpretation of local tax laws which could be subject to challenge by a tax authority, and an assessment of whether the tax authorities will accept the position taken. The Group does not currently consider that assumptions or judgements made in assessing tax liabilities have a significant risk of resulting in a material adjustment within the next financial year.

	2025			2024		
Tax recognised in other comprehensive income	Current tax $million	Deferred tax $million	Total $million	Current tax $million	Deferred tax $million	Total $million
Items that will not be reclassified to income statement	**(11)**	**(2)**	**(13)**	(16)	113	97
Own credit adjustment	**(1)**	**20**	**19**	1	49	50
Equity instruments at fair value through other comprehensive income	**(9)**	**(26)**	**(35)**	(17)	76	59
Retirement benefit obligations	**(1)**	**4**	**3**	–	(12)	(12)
Items that may be reclassed subsequently to income statement	**(3)**	**(62)**	**(65)**	(7)	(30)	(37)
Debt instruments at fair value through other comprehensive income	**(3)**	**(5)**	**(8)**	(7)	(44)	(51)
Cash flow hedges	**–**	**(57)**	**(57)**	–	14	14
Total tax credit/(charge) recognised in equity	**(14)**	**(64)**	**(78)**	(23)	83	60

Current tax: The following are the movements in current tax during the year:

Current tax comprises:	2025 $million	2024 $million
Current tax assets	**663**	484
Current tax liabilities	**(726)**	(811)
Net current tax opening balance	**(63)**	(327)
Movements in income statement	**(1,835)**	(1,761)
Movements in other comprehensive income	**(14)**	(23)
Taxes paid	**1,804**	2,045
Other movements	**(27)**	3
Net current tax balance as at 31 December	**(135)**	(63)
Current tax assets	**574**	663
Current tax liabilities	**(709)**	(726)
Total	**(135)**	(63)

10. Taxation continued

Deferred tax: The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the year:

	At 1 January 2025 $million	Exchange & other adjustments $million	(Charge)/ credit to profit $million	(Charge)/ credit to equity $million	At 31 December 2025 $million
Deferred tax comprises:					
Accelerated tax depreciation	**(380)**	**(16)**	**4**	**–**	**(392)**
Impairment provisions on loans and advances	**190**	**(6)**	**(7)**	**–**	**177**
Tax losses carried forward	**74**	**15**	**(34)**	**–**	**55**
Equity Instruments at Fair value through other comprehensive income	**(62)**	**(13)**	**(2)**	**(26)**	**(103)**
Debt Instruments at Fair value through other comprehensive income	**(30)**	**7**	**1**	**(5)**	**(27)**
Cash flow hedges	**(9)**	**(4)**	**–**	**(57)**	**(70)**
Own credit adjustment	**4**	**–**	**–**	**20**	**24**
Retirement benefit obligations	**(7)**	**1**	**11**	**4**	**9**
Share-based payments	**54**	**2**	**15**	**–**	**71**
Other temporary differences	**13**	**1**	**(19)**	**2**	**(3)**
Net deferred tax	**(153)**	**(13)**	**(31)**	**(62)**	**(259)**

	At 1 January 2024 $million	Exchange & other adjustments $million	(Charge)/ credit to profit $million	(Charge)/ credit to equity $million	At 31 December 2024 $million
Deferred tax comprises:					
Accelerated tax depreciation	(424)	7	40	(3)	(380)
Impairment provisions on loans and advances	286	(2)	(94)	–	190
Tax losses carried forward	97	(24)	1	–	74
Equity Instruments at Fair value through other comprehensive income	(144)	6	–	76	(62)
Debt Instruments at Fair value through other comprehensive income	27	3	(16)	(44)	(30)
Cash flow hedges	(25)	2	–	14	(9)
Own credit adjustment	(71)	26	–	49	4
Retirement benefit obligations	4	(5)	6	(12)	(7)
Share-based payments	43	(1)	12	–	54
Other temporary differences	139	(1)	(160)	35	13
Net deferred tax	(68)	11	(211)	115	(153)

Deferred tax comprises assets and liabilities as follows:

	31.12.25			31.12.24		
	Total $million	Asset $million	Liability $million	Total $million	Asset $million	Liability $million
Deferred tax comprises:						
Accelerated tax depreciation	**(392)**	**44**	**(436)**	(380)	19	(399)
Impairment provisions on loans and advances	**177**	**207**	**(30)**	190	139	51
Tax losses carried forward	**55**	**14**	**41**	74	51	23
Equity Instruments at Fair value through other comprehensive income	**(103)**	**(3)**	**(100)**	(62)	(12)	(50)
Debt Instruments at Fair value through other comprehensive income	**(27)**	**(7)**	**(20)**	(30)	(14)	(16)
Cash flow hedges	**(70)**	**(11)**	**(59)**	(9)	–	(9)
Own credit adjustment	**24**	**1**	**23**	4	4	–
Retirement benefit obligations	**9**	**33**	**(24)**	(7)	16	(23)
Share-based payments	**71**	**21**	**50**	54	12	42
Other temporary differences	**(3)**	**194**	**(197)**	13	199	(186)
	(259)	**493**	**(752)**	(153)	414	(567)

The recoverability of the Group's deferred tax assets is based on management's judgement of the availability of future taxable profits against which the deferred tax assets will be utilised. The Group's total deferred tax assets include $55 million relating to tax losses carried forward, of which $41 million arises in legal entities with offsetting deferred tax liabilities. The remaining deferred tax assets on losses of $14 million are forecast to be recovered before expiry and within five years.

Unrecognised deferred tax

	Net 2025 $million	Gross 2025 $million	Net 2024 $million	Gross 2024 $million
No account has been taken of the following potential deferred tax assets/(liabilities):				
Withholding tax on unremitted earnings from overseas subsidiaries and associates	**(610)**	**(6,527)**	(611)	(6,827)
Tax losses	**2,562**	**10,644**	2,494	10,414
Held over gains on incorporation of overseas branches	**(387)**	**(1,468)**	(360)	(1,366)
Other temporary differences	**327**	**1,273**	356	1,363

11. Dividends

The Board considers a number of factors prior to dividend declaration which includes the rate of recovery in the Group's financial performance, the macroeconomic environment, and opportunities to further invest in our business and grow profitably in our markets.

Dividends on equity instruments are recognized as a liability once they have been declared and no longer at the discretion of the directors, and in certain situations, approved by shareholders.

Ordinary equity shares

	2025		2024	
	Cents per share	$million	Cents per share	$million
2024/2023 final dividend declared and paid during the year	**28**	**670**	21	551
2025/2024 interim dividend declared and paid during the year	**12**	**284**	9	229

Dividends on ordinary equity shares are recorded in the period in which they are declared and, in respect of the final dividend, have been approved by the shareholders. Accordingly, the final ordinary equity share dividends set out above relate to the respective prior years.

2025 recommended final ordinary equity share dividend

The 2025 final ordinary equity share dividend recommended by the Board is 49 cents per share. The financial statements for the year ended 31 December 2025 do not reflect this dividend as this will be accounted for in shareholders' equity as an appropriation of retained profits in the year ending 31 December 2026.

The dividend will be paid in either pounds sterling, Hong Kong dollars or US dollars on 14 May 2026 to shareholders on the UK and HK register of members at the close of business in the UK on 20 March 2026.

Preference shares and Additional Tier 1 securities

Dividends on these preference shares and securities classified as equity are recorded in the period in which they are declared.

	2025 $million	2024 $million
Non-cumulative redeemable preference shares:		
7.014 per cent preference shares of $5 each	**26**	53
Floating rate preference shares of $5 each[1]	**73**	54
	99	107
Additional Tier 1 securities: fixed rate resetting perpetual subordinated contingent convertible securities	**428**	350
	527	457

1 Floating rate is based on Secured Overnight Financing Rate (SOFR), average rate paid for floating preference shares is 9.73% (2024: 7.21%).

Notes to the financial statements

12. Earnings per ordinary share

Accounting policy
The Group also measures earnings per share on an underlying basis. This differs from earnings defined in IAS 33 Earnings per share. Underlying earnings is profit/(loss) attributable to ordinary shareholders adjusted for profits or losses of a capital nature; amounts consequent to investment transactions driven by strategic intent; and other infrequent and/or exceptional transactions that are significant or material in the context of the Group's normal business earnings for the year.

The table below provides the basis of underlying earnings.

	2025 $million	2024 $million
Profit for the year attributable to equity holders	**5,097**	4,042
Non-controlling interest	**(12)**	8
Dividend payable on preference shares and AT1 classified as equity	**(527)**	(457)
Profit for the year attributable to ordinary shareholders	**4,558**	3,593
Items normalised[1]:		
Restructuring	**320**	285
FFG	**531**	156
DVA	**31**	24
Net loss on sale of businesses	**10**	232
Other items	**45**	100
Tax on normalised items	**(135)**	(114)
Underlying profit attributable to ordinary shareholders	**5,360**	4,276
Basic – weighted average number of shares (millions)	**2,333**	2,543
Diluted – weighted average number of shares (millions)	**2,404**	2,610
Basic earnings per ordinary share (cents)	**195.4**	141.3
Diluted earnings per ordinary share (cents)	**189.6**	137.7
Underlying basic earnings per ordinary share (cents)	**229.7**	168.1
Underlying diluted earnings per ordinary share (cents)	**223.0**	163.8

1 Refer note 2 segmental information for normalised items.

The calculation of basic earnings per share is based on the profit attributable to equity holders of the parent and the basic weighted average number of shares excluding treasury shares held in employees benefit trust. When calculating diluted earnings per share, the weighted average number of shares in issue is adjusted for the effects of all expected dilutive potential ordinary shares held in respect of Standard Chartered PLC totalling 58 million (2024: 59 million). The total number of share options outstanding, under schemes considered to be potentially dilutive, was 13 million (2024: 7 million). These options have strike prices ranging from $4.94 to $14.93. Of the total number of employee share options and share awards at 31 December 2025 there were nil share options and share awards which were anti-dilutive.

The 210 million decrease (2024: 235 million decrease) in the basic weighted average number of shares is primarily due to the impact of the share buyback programmes completed in the year.

13. Financial instruments

Classification and measurement

Accounting policy

Financial assets held at amortised cost and fair value through other comprehensive income

Debt instruments held at amortised cost or held at FVOCI have contractual terms that give rise to cash flows that are solely payments of principal and interest (SPPI) characteristics.

In assessing whether the contractual cash flows have SPPI characteristics, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- Contingent events that would change the amount and timing of cash flows
- Leverage features
- Prepayment and extension terms
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements)
- Features that modify consideration of the time value of money – e.g. periodical reset of interest rates

Whether financial assets are held at amortised cost or at FVOCI depends on the objectives of the business models under which the assets are held. A business model refers to how the Group manages financial assets to generate cash flows.

The Group makes an assessment of the objective of a business model in which an asset is held at the individual product business line, and where applicable within business lines depending on the way the business is managed and information is provided to management. Factors considered include:

- How the performance of the product business line is evaluated and reported to the Group's management
- How managers of the business model are compensated, including whether management is compensated based on the fair value of assets or the contractual cash flows collected
- The risks that affect the performance of the business model and how those risks are managed
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity

Notes to the financial statements

13. Financial instruments continued

Accounting policy continued

The Group's business model assessment is as follows:

Business model	Business objective	Characteristics	Businesses	Products
Hold to collect	Intent is to originate financial assets and hold them to maturity, collecting the contractual cash flows over the term of the instrument	• Providing financing and originating assets to earn interest income as primary income stream • Performing credit risk management activities • Costs include funding costs, transaction costs and impairment losses	• Global Banking • Transaction Banking • Retail Lending • Treasury Markets (Loans and Borrowings) • Global Markets	• Loans and advances • Debt securities
Hold to collect and sell	Business objective met through both hold to collect and by selling financial assets	• Portfolios held for liquidity needs; or where a certain interest yield profile is maintained; or that are normally rebalanced to achieve matching of duration of assets and liabilities • Income streams come from interest income, fair value changes, and impairment losses	• Treasury Markets • Central Credit Unit	• Debt securities
Fair value through profit or loss	All other business objectives, including trading and managing financial assets on a fair value basis	• Assets held for trading • Assets that are originated, purchased, and sold for profit taking or underwriting activity • Performance of the portfolio is evaluated on a fair value basis • Income streams are from fair value changes or trading gains or losses	• Treasury Markets • Global Markets • All other business lines	• Derivatives • Equity shares • Trading portfolios • Reverse repos • Bond and Loan Syndication

Financial assets which have SPPI characteristics and that are held within a business model whose objective is to hold financial assets to collect contractual cashflows (hold to collect) are recorded at amortised cost. Conversely, financial assets which have SPPI characteristics but are held within a business model whose objective is achieved by both collecting contractual cashflows and selling financial assets (Hold to collect and sell) are classified as held at FVOCI. Both hold to collect and hold to collect and sell business models involve holding financial assets to collect the contractual cashflows. However, the business models are distinct by reference to the frequency and significance that asset sales play in meeting the objective under which a particular group of financial assets is managed. Hold to collect business models are characterised by asset sales that are incidental to meeting the objectives under which a group of assets is managed. Sales of assets under a hold to collect business model can be made to manage increases in the credit risk of financial assets but sales for other reasons should be infrequent or insignificant. Cashflows from the sale of financial assets under a hold to collect and sell business model by contrast are integral to achieving the objectives under which a particular group of financial assets are managed. This may be the case where frequent sales of financial assets are required to manage the Group's daily liquidity requirements or to meet regulatory requirements to demonstrate liquidity of financial instruments. Sales of assets under hold to collect and sell business models are therefore both more frequent and more significant in value than those under the hold to collect model.

Equity instruments designated as held at FVOCI

Non-trading equity instruments acquired for strategic purposes rather than capital gain may be irrevocably designated at initial recognition as held at FVOCI on an instrument-by-instrument basis. Dividends received are recognised in profit or loss. Gains and losses arising from changes in the fair value of these instruments, including foreign exchange gains and losses, are recognised directly in equity and are never reclassified to profit or loss even on derecognition.

Accounting policy continued

Mandatorily classified at fair value through profit or loss

Financial assets and liabilities which are mandatorily held at fair value through profit or loss are split between two subcategories as follows:

Trading, including:

- Financial assets and liabilities held for trading, which are those acquired principally for the purpose of selling in the short-term
- Derivatives.

Non-trading mandatorily at fair value through profit or loss, including:

- Instruments in a business which has a fair value business model (see the Group's business model assessment) which are not trading or derivatives
- Hybrid financial assets that contain one or more embedded derivatives
- Financial assets that would otherwise be measured at amortised cost or FVOCI but which do not have SPPI characteristics
- Equity instruments that have not been designated as held at FVOCI
- Financial liabilities that constitute contingent consideration in a business combination.

Designated at fair value through profit or loss

Financial assets and liabilities may be designated at fair value through profit or loss when the designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities on a different basis ('accounting mismatch').

Financial liabilities may also be designated at fair value through profit or loss where they are managed on a fair value basis or have an embedded derivative where the Group is not able to separately value, and thus bifurcate, the embedded derivative component.

Financial liabilities held at amortised cost

Financial liabilities that are not financial guarantees or loan commitments and that are not classified as financial liabilities held at fair value through profit or loss are classified as financial liabilities held at amortised cost.

Preference shares which carry a mandatory coupon that represents a market rate of interest at the issue date, or which are redeemable on a specific date or at the option of the shareholder are classified as financial liabilities and are presented in other borrowed funds. The dividends on these preference shares are recognised in the income statement as interest expense on an amortised cost basis using the effective interest method.

Financial guarantee contracts and loan commitments

The Group issues financial guarantee contracts and loan commitments in return for fees. Financial guarantee contracts and any loan commitments issued at below-market interest rates are initially recognised at their fair value as a financial liability and subsequently measured at the higher of the initial value less the cumulative amount of income recognised in accordance with the principles of IFRS 15 Revenue from Contracts with Customers and their expected credit loss provision. Loan commitments may be designated at fair value through profit or loss where that is the business model under which such contracts are held.

Fair value of financial assets and liabilities

The fair value of financial instruments is generally measured on the basis of the individual financial instrument. However, when a group of financial assets and financial liabilities is managed on the basis of its net exposure to either market risk or credit risk, the fair value of the group of financial instruments is measured on a net basis.

The fair values of quoted financial assets and liabilities in active markets are based on current prices. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If the market for a financial instrument, and for unlisted securities, is not active, the Group establishes fair value by using valuation techniques.

Notes to the financial statements

13. Financial instruments continued

Accounting policy continued

Initial recognition

Regular way purchases and sales of financial assets held at fair value through profit or loss, and held at fair value through other comprehensive income, are initially recognised on the trade date (the date on which the Group commits to purchase or sell the asset). Loans and advances and other financial assets held at amortised cost are recognised on the settlement date (the date on which cash is advanced to the borrowers).

All financial instruments are initially recognised at fair value, which is normally the transaction price, plus directly attributable transaction costs for financial assets and liabilities which are not subsequently measured at fair value through profit or loss.

In certain circumstances, the initial fair value may be based on a valuation technique which may lead to the recognition of profits or losses at the time of initial recognition. However, these profits or losses can only be recognised when the valuation technique used is based solely on observable market data. In those cases where the initially recognised fair value is based on a valuation model that uses unobservable inputs, the difference between the transaction price and the valuation model is not recognised immediately in the income statement, it will be recognised in profit or loss following the passage of time, or as the inputs become observable, or the transaction matures or is terminated.

Subsequent measurement

Financial assets and financial liabilities held at amortised cost

Financial assets and financial liabilities held at amortised cost are subsequently carried at amortised cost using the effective interest method (see 'Interest income and expense'). Foreign exchange gains and losses are recognised in the income statement.

Where a financial instrument carried at amortised cost is the hedged item in a qualifying fair value hedge relationship, its carrying value is adjusted by the fair value gain or loss attributable to the hedged risk.

Financial assets held at FVOCI

Debt instruments held at FVOCI are subsequently carried at fair value, with all unrealised gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in a separate component of equity. Foreign exchange gains and losses on the amortised cost are recognised in income. Changes in expected credit losses are recognised in the profit or loss and are accumulated in equity. On derecognition, the cumulative fair value gains or losses, net of the cumulative expected credit loss reserve, are transferred to the profit or loss.

Equity investments designated at FVOCI are subsequently carried at fair value with all unrealised gains and losses arising from changes in fair value (including any related foreign exchange gains or losses) recognised in other comprehensive income and accumulated in a separate component of equity. On derecognition, the cumulative reserve is transferred to retained earnings and is not recycled to profit or loss.

Financial assets and liabilities held at fair value through profit or loss

Gains and losses arising from changes in fair value, including contractual interest income or expense, recorded in the net trading income line in the profit or loss.

Derecognition of financial instruments

Financial assets which are subject to commercial refinancing where the loan is priced to the market with no payment related concessions regardless of form of legal documentation or nature of lending will be derecognised. Where the Group's rights to the cash flows under the original contract have expired, the old loan is derecognised, and the new loan is recognised at fair value. For all other modifications for example forborne loans or restructuring, whether or not a change in the cash flows is 'substantially different' is judgemental and will be considered on a case-by-case basis, taking into account all the relevant facts and circumstances.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss except for equity instruments elected FVOCI (see above) and cumulative fair value adjustments attributable to the credit risk of a liability that are held in other comprehensive income.

Accounting policy continued

Financial liabilities are derecognised when they are extinguished. A financial liability is extinguished when the obligation is discharged, cancelled or expires and this is evaluated both qualitatively and quantitatively.

However, where a financial liability has been modified, it is derecognised if the difference between the modified cash flows and the original cash flows is more than 10 per cent, or if less than 10 per cent, the Group will perform a qualitative assessment to determine whether the terms of the two instruments are substantially different. If the Group purchases its own debt, it is derecognised and the difference between the carrying amount of the liability and the consideration paid is included in 'Other income' except for the cumulative fair value adjustments attributable to the credit risk of a liability that are held in Other comprehensive income, which are never recycled to the profit or loss.

Modified financial instruments

Financial assets and financial liabilities whose original contractual terms have been modified, including those loans subject to forbearance strategies, are considered to be modified instruments. Modifications may include changes to the tenor, cash flows and or interest rates among other factors.

Where derecognition of financial assets is appropriate (see Derecognition), the newly recognised residual loans are assessed to determine whether the assets should be classified as purchased or originated credit-impaired assets (POCI). Where derecognition is not appropriate, the gross carrying amount of the applicable instruments is recalculated as the present value of the renegotiated or modified contractual cash flows discounted at the original effective interest rate (or credit adjusted effective interest rate for POCI financial assets).

The difference between the recalculated values and the pre-modified gross carrying values of the instruments are recorded as a modification gain or loss in the profit or loss. Gains and losses arising from modifications for credit reasons are recorded as part of 'Credit Impairment' (see Credit Impairment policy).

Modification gains and losses arising from non-credit reasons are recognised either as part of 'Credit Impairment' or within income depending on whether there has been a change in the credit risk on the financial asset subsequent to the modification. Modification gains and losses arising on financial liabilities are recognised within income. The movements in the applicable expected credit loss loan positions are disclosed in further detail in Risk Review.

Notes to the financial statements

13. Financial instruments continued

The Group's classification of its financial assets and liabilities is summarised in the following tables.

Assets	Notes	Assets at fair value: Trading $million	Derivatives held for hedging $million	Non-trading mandatorily at fair value through profit or loss $million	Designated at fair value through profit or loss $million	Fair value through other comprehensive income $million	Total financial assets at fair value $million	Assets held at amortised cost $million	Total $million
Cash and balances at central banks[1]		–	–	–	–	–	–	**77,746**	**77,746**
Financial assets held at fair value through profit or loss									
Loans and advances to banks[2]		**2,984**	–	–	–	–	**2,984**	–	**2,984**
Loans and advances to customers[2]		**12,152**	–	**203**	–	–	**12,355**	–	**12,355**
Reverse repurchase agreements and other similar secured lending	**16**	–	–	**84,130**	–	–	**84,130**	–	**84,130**
Debt securities, alternative tier one and other eligible bills		**86,531**	–	**130**	**43**	–	**86,704**	–	**86,704**
Equity shares		**8,946**	–	**138**	–	–	**9,084**	–	**9,084**
		110,613	–	**84,601**	**43**	–	**195,257**	–	**195,257**
Derivative financial instruments	**14**	**64,023**	**1,759**	–	–	–	**65,782**	–	**65,782**
Loans and advances to banks[2,3]	**15**	–	–	–	–	–	–	**43,901**	**43,901**
Of which – reverse repurchase agreements and other similar secured lending	**16**	–	–	–	–	–	–	**3,724**	**3,724**
Loans and advances to customers[2]	**15**	–	–	–	–	–	–	**286,788**	**286,788**
Of which – reverse repurchase agreements and other similar secured lending	**16**	–	–	–	–	–	–	**8,242**	**8,242**
Investment securities									
Debt securities, alternative tier one and other eligible bills		–	–	–	–	**108,503**	**108,503**	**57,250**	**165,753**
Equity shares		–	–	–	–	**1,203**	**1,203**	–	**1,203**
		–	–	–	–	**109,706**	**109,706**	**57,250**	**166,956**
Other assets	**20**					–	–	**36,770**	**36,770**
Assets held for sale	**21**	–	–	–	–	–	–	**1,042**	**1,042**
Total at 31 December 2025		**174,636**	**1,759**	**84,601**	**43**	**109,706**	**370,745**	**503,497**	**874,242**
Cash and balances at central banks[1]							–	63,447	63,447
Financial assets held at fair value through profit or loss									
Loans and advances to banks[2]		2,213	–	–	–	–	2,213	–	2,213
Loans and advances to customers[2]		6,912	–	172	–	–	7,084	–	7,084
Reverse repurchase agreements and other similar secured lending	16	336	–	85,859	–	–	86,195	–	86,195
Debt securities, alternative tier one and other eligible bills		76,329	–	140	70	–	76,539	–	76,539
Equity shares		5,285	–	201	–	–	5,486	–	5,486
		91,075	–	86,372	70	–	177,517	–	177,517
Derivative financial instruments	14	78,906	2,566	–	–	–	81,472	–	81,472
Loans and advances to banks[2,3]	15	–	–	–	–	–	–	43,593	43,593
Of which – reverse repurchase agreements and other similar secured lending	16	–	–	–	–	–	–	2,946	2,946
Loans and advances to customers[2]	15	–	–	–	–	–	–	281,032	281,032
Of which – reverse repurchase agreements and other similar secured lending		–	–	–	–	–	–	9,660	9,660
Investment securities									
Debt securities, alternative tier one and other eligible bills		–	–	–	–	88,425	88,425	55,137	143,562
Equity shares		–	–	–	–	994	994	–	994
		–	–	–	–	89,419	89,419	55,137	144,556
Other assets	20					–	–	34,585	34,585
Assets held for sale	21	–	–	–	5	–	5	884	889
Total at 31 December 2024		169,981	2,566	86,372	75	89,419	348,413	478,678	827,091

1 Comprises cash held at central banks in restricted accounts of $11,630 million (31 December 2024: $7,799 million), or on demand, or placements which are contractually due to mature over-night only. Other placements with central banks are reported as part of Loans and advances to customers.

2 Further analysed in Risk review and Capital review (pages 218 to 308).

3 Loans and advances to banks includes amounts due on demand from banks and other central banks.

Liabilities	Notes	Liabilities at fair value					
		Trading $million	Derivatives held for hedging $million	Designated at fair value through profit or loss $million	Total financial liabilities at fair value $million	Amortised cost $million	Total $million
Financial liabilities held at fair value through profit or loss							
Deposits by banks		–	–	**2,328**	**2,328**	–	**2,328**
Customer accounts		–	–	**19,414**	**19,414**	–	**19,414**
Repurchase agreements and other similar secured borrowing	**16**	–	–	**36,307**	**36,307**	–	**36,307**
Debt securities in issue	**22**	–	–	**16,009**	**16,009**	–	**16,009**
Short positions		**15,539**	–	–	**15,539**	–	**15,539**
		15,539	–	**74,058**	**89,597**	–	**89,597**
Derivative financial instruments	**14**	**67,046**	**1,158**	–	**68,204**	–	**68,204**
Deposits by banks		–	–	–	–	**30,846**	**30,846**
Customer accounts		–	–	–	–	**530,161**	**530,161**
Repurchase agreements and other similar secured borrowing	**16**	–	–	–	–	**7,757**	**7,757**
Debt securities in issue	**22**	–	–	–	–	**72,858**	**72,858**
Other liabilities	**23**	–	–	–	–	**45,788**	**45,788**
Subordinated liabilities and other borrowed funds	**27**	–	–	–	–	**8,834**	**8,834**
Liabilities included in disposal groups held for sale	**21**	–	–	–	–	**908**	**908**
Total at 31 December 2025		**82,585**	**1,158**	**74,058**	**157,801**	**697,152**	**854,953**
Financial liabilities held at fair value through profit or loss							
Deposits by banks		–	–	1,893	1,893	–	1,893
Customer accounts		–	–	21,772	21,772	–	21,772
Repurchase agreements and other similar secured borrowing	16	925	–	32,614	33,539	–	33,539
Debt securities in issue	22	1	–	13,730	13,731	–	13,731
Short positions		14,527	–	–	14,527	–	14,527
		15,453	–	70,009	85,462	–	85,462
Derivative financial instruments	14	80,037	2,027	–	82,064	–	82,064
Deposits by banks		–	–	–	–	25,400	25,400
Customer accounts		–	–	–	–	464,489	464,489
Repurchase agreements and other similar secured borrowing	16	–	–	–	–	12,132	12,132
Debt securities in issue	22	–	–	–	–	64,609	64,609
Other liabilities	23	–	–	–	–	44,047	44,047
Subordinated liabilities and other borrowed funds	27	–	–	–	–	10,382	10,382
Liabilities included in disposal groups held for sale	21	–	–	–	–	360	360
Total at 31 December 2024		95,490	2,027	70,009	167,526	621,419	788,945

13. Financial instruments continued

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In practice, for credit mitigation, the Group is able to offset assets and liabilities which do not meet the IAS 32 netting criteria set out below. Such arrangements include master netting arrangements for derivatives and global master repurchase agreements for repurchase and reverse repurchase transactions. These agreements generally allow that all outstanding transactions with a particular counterparty can be offset but only in the event of default or other predetermined events.

In addition, the Group also receives and pledges readily realisable collateral for derivative transactions to cover net exposure in the event of a default. Under repurchase and reverse repurchase agreements the Group pledges (legally sells) and obtains (legally purchases) respectively, highly liquid assets which can be sold in the event of a default.

The following tables set out the impact of netting on the balance sheet. This comprises derivative transactions settled through an enforceable netting agreement where we have the intent and ability to settle net and which are offset on the balance sheet.

	Gross amounts of recognised financial instruments $million	Impact of offset in the balance sheet $million	Net amounts of financial instruments presented in the balance sheet $million	Related amount not offset in the balance sheet		Net amount $million
				Financial instruments $million	Financial collateral $million	
At 31 December 2025						
Derivative financial instruments	**78,518**	**(12,736)**	**65,782**	**(44,712)**	**(14,168)**	**6,902**
Reverse repurchase agreements and other similar secured lending	**160,964**	**(64,868)**	**96,096**	**–**	**(96,096)**	**–**
Total Assets	**239,482**	**(77,604)**	**161,878**	**(44,712)**	**(110,264)**	**6,902**
Derivative financial instruments	**80,923**	**(12,719)**	**68,204**	**(44,712)**	**(12,868)**	**10,624**
Repurchase agreements and other similar secured borrowing	**108,932**	**(64,868)**	**44,064**	**–**	**(44,064)**	**–**
Total Liabilities	**189,855**	**(77,587)**	**112,268**	**(44,712)**	**(56,932)**	**10,624**
At 31 December 2024						
Derivative financial instruments	97,902	(16,430)	81,472	(60,280)	(15,005)	6,187
Reverse repurchase agreements and other similar secured lending	137,115	(38,314)	98,801	–	(98,801)	–
Total Assets	235,017	(54,744)	180,273	(60,280)	(113,806)	6,187
Derivative financial instruments	98,494	(16,430)	82,064	(60,280)	(11,046)	10,738
Repurchase agreements and other similar secured borrowing	83,985	(38,314)	45,671	–	(45,671)	–
Total Liabilities	182,479	(54,744)	127,735	(60,280)	(56,717)	10,738

Related amounts not offset in the balance sheet comprises:

- Financial instruments not offset in the balance sheet but covered by an enforceable netting arrangement. This comprises master netting arrangements held against derivative financial instruments and excludes the effect of over-collateralisation
- Financial instruments where a legal opinion evidencing enforceability of the right of offset may not have been sought, or may have been unable to such opinion
- Financial collateral comprises cash collateral pledged and received for derivative financial instruments and collateral bought and sold for reverse repurchase and repurchase agreements respectively and excludes the effect of over-collateralisation

Financial liabilities designated at fair value through profit or loss

	2025 $million	2024 $million
Carrying Balance aggregate fair value	**74,058**	70,009
Amount Contractually obliged to repay at maturity	**73,843**	70,166
Difference between aggregate fair value and contractually obliged to repay at maturity	**215**	(157)
Cumulative change in Fair Value accredited to Credit Risk Difference	**(433)**	(276)

The net fair value loss on financial liabilities designated at fair value through profit or loss was $3,476 million for the year (31 December 2024: net loss of $3,252 million).

Further details of the Group's own credit adjustment (OCA) valuation technique is described later in this Note.

Valuation of financial instruments

The Valuation Methodology function is responsible for independent price verification, oversight of fair value and appropriate value adjustments and escalation of valuation issues. Independent price verification is the process of determining that the valuations incorporated into the financial statements are validated independent of the business area responsible for the product. The Valuation Methodology function has oversight of the fair value adjustments to ensure the financial instruments are priced to exit. These are key controls in ensuring the material accuracy of the valuations incorporated in the financial statements. The market data used for price verification (PV) may include data sourced from recent trade data involving external counterparties or third parties such as Bloomberg, Reuters, brokers and consensus pricing providers. The Valuation Methodology function performs an ongoing review of the market data sources that are used as part of the PV and fair value processes which are formally documented on a semi-annual basis detailing the suitability of the market data used for price testing. Price verification uses independently sourced data that is deemed most representative of the market the instruments trade in. To determine the quality of the market data inputs, factors such as independence, relevance, reliability, availability of multiple data sources and methodology employed by the pricing provider are taken into consideration.

The Valuation and Benchmarks Committee (VBC) is the valuation governance forum consisting of representatives from Traded Risk Management, Product Control, Valuation Methodology and the business, which meets monthly to discuss and approve the independent valuations of the inventory. For Strategic Investments and Principal Finance, the respective Valuation Forums and Investment Committee meetings are held on a quarterly basis to review investments and valuations.

The Group evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgement and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date.

Significant accounting estimates

The significant accounting estimates include:

- Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use non-market observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments
- When establishing the exit price of a financial instrument using a valuation technique, the Group estimates valuation adjustments in determining the fair value.

Significant accounting judgements

The significant accounting judgements include:

- In determining the valuation of financial instruments, the Group makes judgements on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 assets, and the significant valuation judgements in respect of Level 3 instruments
- Where the estimated measurement of fair value is more judgemental in respect of Level 3 assets, these are valued based on models that use a significant degree of non-market-based unobservable inputs.

13. Financial instruments continued

Valuation techniques

Refer to the fair value hierarchy explanation – Level 1, 2 and 3 (page 364)

- **Financial instruments held at fair value**
  - **Debt securities – asset-backed securities:** Asset-backed securities are valued based on external prices obtained from consensus pricing providers, broker quotes, recent trades, arrangers' quotes, etc. Where an observable price is available for a given security, it is classified as Level 2. In instances where third-party prices are not available or reliable, the security is classified as Level 3. The fair value of Level 3 securities is estimated using market standard cash flow models with input parameter assumptions which include prepayment speeds, default rates, discount margins derived from comparable securities with similar vintage, collateral type, and credit ratings.
  - **Debt securities in issue:** These debt securities relate to structured notes issued by the Group. Where independent market data is available through pricing vendors and broker sources these positions are classified as Level 2. Where such liquid external prices are not available, valuations of these debt securities are implied using input parameters such as bond spreads and credit spreads and are classified as Level 3. These input parameters are determined with reference to the same issuer (if available) or proxies from comparable issuers or assets.
  - **Derivatives:** Derivative products are classified as Level 2 if the valuation of the product is based upon input parameters which are observable from independent and reliable market data sources. Derivative products are classified as Level 3 if there are significant valuation input parameters which are unobservable in the market, such as products where the performance is linked to more than one underlying variable. Examples are commodity crack swaption, equity options based on the performance of two or more underlying indices and interest rate products with quanto payouts. In most cases these unobservable correlation parameters cannot be implied from the market, and methods such as historical analysis and comparison with historical levels or other benchmark data must be employed.
  - **Equity shares – unlisted equity investments:** Valuation of unlisted equity instruments is determined using commonly accepted valuation techniques considered most appropriate to the investment, which may include the market approach, income approach or asset-based approach, depending on the underlying fact patterns and circumstances. All unlisted equity instruments are classified as Level 3, except for those where observable inputs are available (e.g. over-the-counter prices), as the valuation techniques applied generally involve unobservable inputs that requirement significant judgment, which include valuation multiples, discount rates, forecasted cash flows, etc.
  - **Loans and advances:** These primarily include loans in the FM Bond and Loan Syndication business which were not fully syndicated as at the balance sheet date and other financing transactions within Financial Markets, and loans and advances including reverse repurchase agreements that do not have SPPI cashflows or are managed on a fair value basis. Where available, its loan valuation is based on observable clean sales transactions prices or market observable spreads. If observable credit spreads are not available, proxy spreads based on comparables with similar credit grade, sector and region, are used. Where observable transaction prices, credit spreads and market standard proxy methods are available, these loans are classified as Level 2. Where there are no recent transactions or comparables, these loans are classified as Level 3.
  - **Other debt securities:** These debt securities include convertible bonds, corporate bonds, credit and structured notes. Where quoted prices are available through pricing vendors, brokers or observable trading activities from liquid markets, these are classified as Level 2 and valued using such quotes. Where there are significant valuation inputs which are unobservable in the market, due to illiquid trading or the complexity of the product, these are classified as Level 3. The valuations of these debt securities are implied using input parameters such as bond spreads and credit spreads. These input parameters are determined with reference to the same issuer (if available) or proxied from comparable issuers or assets.
- **Financial instruments held at amortised cost**

  The following sets out the Group's basis for establishing fair values of amortised cost financial instruments and their classification between Levels 1, 2 and 3. As certain categories of financial instruments are not actively traded, there is a significant level of management judgement involved in calculating the fair values:
  - **Cash and balances at central banks:** The fair value of cash and balances at central banks is their carrying amounts
  - **Debt securities in issue, subordinated liabilities and other borrowed funds:** The aggregate fair values are calculated based on quoted market prices. For those notes where quoted market prices are not available, a discounted cash flow model is used based on a current market related yield curve appropriate for the remaining term to maturity
  - **Deposits and borrowings:** The estimated fair value of deposits with no stated maturity is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits and other borrowings without quoted market prices is based on discounted cash flows using the prevailing market rates for debts with a similar Credit Risk and remaining maturity

- **Investment securities:** For investment securities that do not have directly observable market values, the Group utilises a number of valuation techniques to determine fair value. Where available, securities are valued using input proxies from the same or closely related underlying (for example, bond spreads from the same or closely related issuer) or input proxies from a different underlying (for example, a similar bond but using spreads for a particular sector and rating). Certain instruments cannot be proxies as set out above, and in such cases the positions are valued using non-market observable inputs. This includes those instruments held at amortised cost and predominantly relates to asset-backed securities. The fair value for such instruments is usually proxies from internal assessments of the underlying cash flows
- **Loans and advances to banks and customers:** For loans and advances to banks, the fair value of floating rate placements and overnight deposits is their carrying amounts. The estimated fair value of fixed interest-bearing deposits is based on discounted cash flows using the prevailing money market rates for debts with a similar Credit Risk and remaining maturity. The Group's loans and advances to customers portfolio is well diversified by geography and industry. Approximately a quarter of the portfolio re-prices within one month, and approximately half re-prices within 12 months. Loans and advances are presented net of provisions for impairment. The fair value of loans and advances to customers with a residual maturity of less than one year generally approximates the carrying value. The estimated fair value of loans and advances with a residual maturity of more than one year represents the discounted amount of future cash flows expected to be received, including assumptions relating to prepayment rates and Credit Risk. Expected cash flows are discounted at current market rates to determine fair value. The Group has a wide range of individual instruments within its loans and advances portfolio and as a result providing quantification of the key assumptions used to value such instruments is impractical
- **Other assets:** Other assets comprise primarily cash collateral and trades pending settlement. The carrying amount of these financial instruments is considered to be a reasonable approximation of fair value as they are either short-term in nature or re-price to current market rates frequently.

Fair value adjustments

When establishing the exit price of a financial instrument using a valuation technique, the Group considers adjustments to the modelled price which market participants would make when pricing that instrument. The main valuation adjustments (described further below) in determining fair value for financial assets and financial liabilities are as follows:

	01.01.25 $million	Movement during the year $million	31.12.25 $million	01.01.24 $million	Movement during the year $million	31.12.24 $million
Bid-offer valuation adjustment	**117**	**6**	**123**	115	2	117
Credit valuation adjustment	**134**	**(20)**	**114**	119	15	134
Debit valuation adjustment	**(105)**	**30**	**(75)**	(129)	24	(105)
Model valuation adjustment	**5**	**(2)**	**3**	4	1	5
Funding valuation adjustment	**41**	**(9)**	**32**	33	8	41
Other fair value adjustments	**26**	**22**	**48**	25	1	26
Total	**218**	**27**	**245**	167	51	218
Income deferrals						
Day 1 and other deferrals	**138**	**9**	**147**	109	29	138
Total	**138**	**9**	**147**	109	29	138

Note: Bracket represents an asset and credit to the income statement.

- **Bid-offer valuation adjustment:** Generally, market parameters are marked on a mid-market basis in the revaluation systems, and a bid-offer valuation adjustment is required to quantify the expected cost of neutralising the business' positions through dealing away in the market, thereby bringing long positions to bid and short positions to offer. The methodology to calculate the bid-offer adjustment for a derivative portfolio involves netting between long and short positions and the grouping of risk by strike and tenor based on the hedging strategy where long positions are marked to bid and short positions marked to offer in the systems.
- **Credit valuation adjustment (CVA):** The Group accounts for CVA against the fair value of derivative products. CVA is an adjustment to the fair value of the transactions to reflect the possibility that our counterparties may default and we may not receive the full market value of the outstanding transactions. It represents an estimate of the adjustment a market participant would include when deriving a purchase price to acquire our exposures. CVA is calculated for each subsidiary, and within each entity for each counterparty to which the entity has exposure and takes account of any collateral we may hold. The Group calculates the CVA by using estimates of future positive exposure, market-implied probability of default (PD) and recovery rates. Where market-implied data is not readily available, we use market-based proxies to estimate the PD. Wrong-way risk occurs when the exposure to a counterparty is adversely correlated with the credit quality of that counterparty, and the Group has implemented a model to capture this impact for key wrong-way exposures. The Group also captures the uncertainties associated with wrong-way risk in the Group's Prudential Valuation Adjustments framework.

13. Financial instruments continued

- **Debit valuation adjustment (DVA):** The Group calculates DVA adjustments on its derivative liabilities to reflect changes in its own credit standing. The Group's DVA adjustments will increase if its credit standing worsens and, conversely, decrease if its credit standing improves. For derivative liabilities, a DVA adjustment is determined by applying the Group's probability of default to the Group's negative expected exposure against the counterparty. The Group's probability of default and loss expected in the event of default is derived based on bond and CDS spreads associated with the Group's issuances and market standard recovery levels. The expected exposure is modelled based on the simulation of the underlying risk factors over the expected life of the deal. This simulation methodology incorporates the collateral posted by the Group and the effects of master netting agreements.
- **Model valuation adjustment:** Valuation models may have pricing deficiencies or limitations that require a valuation adjustment. These pricing deficiencies or limitations arise due to the choice, implementation and calibration of the pricing model.
- **Funding valuation adjustment (FVA):** The Group makes FVA adjustments against derivative products, including embedded derivatives. FVA reflects an estimate of the adjustment to its fair value that a market participant would make to incorporate funding costs or benefits that could arise in relation to the exposure. FVA is calculated by determining the net expected exposure at a counterparty level and then applying a funding rate to those exposures that reflect the market cost of funding. The FVA for uncollateralised (including partially collateralised) derivatives incorporates the estimated present value of the market funding cost or benefit associated with funding these transactions.
- **Other fair value adjustments:** For certain products, the prices cannot be replicated by usual models or the choice of model inputs can be more subjective. In these circumstances, an adjustment may be necessary to reflect the prices available in the market. In general, where there is a high degree of uncertainty in the valuation (e.g. due to the nature of the trade, model inputs, model selection etc.), an adjustment can be taken to adopt a more conservative value to better reflect the expected exit price.
- **Day one and other deferrals:** In certain circumstances the initial fair value is based on a valuation technique which differs to the transaction price at the time of initial recognition. However, these gains can only be recognised when the valuation technique used is based primarily on observable market data. In those cases where the initially recognised fair value is based on a valuation model that uses inputs which are not observable in the market, the difference between the transaction price and the valuation model is not recognised immediately in the income statement. The difference is amortised to the income statement until the inputs become observable, or the transaction matures or is terminated. Other deferrals primarily represent adjustments taken to reflect the specific terms and conditions of certain derivative contracts which affect the termination value at the measurement date.

In addition, the Group calculates own credit adjustment (OCA) on its issued debt designated at fair value, including structured notes, in order to reflect changes in its own credit standing. Issued debt is discounted utilising the spread at which similar instruments would be issued or bought back at the measurement date as this reflects the value from the perspective of a market participant who holds the identical item as an asset. OCA measures the difference between the fair value of issued debt as of reporting date and theoretical fair values of issued debt adjusted up or down for changes in own credit spreads from inception date to the measurement date. Under IFRS 9 the change in the OCA component is reported under other comprehensive income. The Group's OCA reserve will increase if its credit standing worsens in comparison to the inception of the trade and, conversely, decrease if its credit standing improves. The Group's OCA reserve will reverse over time as its liabilities mature.

Fair value hierarchy – financial instruments held at fair value

The fair values of quoted financial assets and liabilities in active markets are based on current prices. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Wherever possible, fair values have been calculated using unadjusted quoted market prices in active markets for identical instruments held by the Group. Where quoted market prices are not available, or are unreliable because of poor liquidity, fair values have been determined using valuation techniques which, to the extent possible, use market observable inputs, but in some cases use unobservable inputs. Valuation techniques used include discounted cash flow analysis and pricing models and, where appropriate, comparison with instruments that have characteristics similar to those of the instruments held by the Group.

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Group recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

- **Level 1:** Fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities.
- **Level 2:** Fair value measurements are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- **Level 3:** Fair value measurements are those where inputs which could have a significant effect on the instrument's valuation are not based on observable market data.

The following tables show the classification of financial instruments held at fair value into the valuation hierarchy:

	2025				2024			
Assets	Level 1 $million	Level 2 $million	Level 3 $million	Total $million	Level 1 $million	Level 2 $million	Level 3 $million	Total $million
Financial instruments held at fair value through profit or loss								
Loans and advances to banks	**–**	**2,685**	**299**	**2,984**	–	2,213	–	2,213
Loans and advances to customers	**–**	**8,891**	**3,464**	**12,355**	–	5,147	1,937	7,084
Reverse repurchase agreements and other similar secured lending	**–**	**80,446**	**3,684**	**84,130**	19	82,937	3,239	86,195
Debt securities and other eligible bills	**38,015**	**45,365**	**3,324**	**86,704**	32,331	42,615	1,593	76,539
Of which:								
Issued by central banks & governments	**35,078**	**21,875**	**–**	**56,953**	30,278	13,355	9	43,642
Issued by corporates other than financial institutions[1]	**71**	**5,531**	**232**	**5,834**	7	4,860	399	5,266
Issued by financial institutions[1]	**2,866**	**17,959**	**3,092**	**23,917**	2,046	24,400	1,185	27,631
Equity shares	**6,319**	**2,455**	**310**	**9,084**	5,287	8	191	5,486
Derivative financial instruments	**766**	**64,926**	**90**	**65,782**	386	80,958	128	81,472
Of which:								
Foreign exchange	**132**	**55,776**	**35**	**55,943**	140	72,870	37	73,047
Interest rate	**39**	**6,143**	**46**	**6,228**	27	6,296	80	6,403
Credit	**–**	**488**	**5**	**493**	–	388	9	397
Equity and stock index options	**–**	**332**	**4**	**336**	–	349	2	351
Commodity	**595**	**2,187**	**–**	**2,782**	219	1,055	–	1,274
Investment securities								
Debt securities and other eligible bills	**67,058**	**41,445**	**–**	**108,503**	50,249	38,176	–	88,425
Of which:								
Issued by central banks & governments	**53,830**	**22,336**	**–**	**76,166**	41,395	16,916	–	58,311
Issued by corporates other than financial institutions[1]	**–**	**438**	**–**	**438**	–	490	–	490
Issued by financial institutions[1]	**13,228**	**18,671**	**–**	**31,899**	8,854	20,770	–	29,624
Equity shares	**34**	**2**	**1,167**	**1,203**	27	2	965	994
Total assets at 31 December[2]	**112,192**	**246,215**	**12,338**	**370,745**	88,299	252,056	8,053	348,408
Liabilities								
Financial instruments held at fair value through profit or loss								
Deposits by banks	**–**	**2,059**	**269**	**2,328**	–	1,522	371	1,893
Customer accounts	**–**	**15,936**	**3,478**	**19,414**	–	19,058	2,714	21,772
Repurchase agreements and other similar secured borrowing	**–**	**36,307**	**–**	**36,307**	–	33,539	–	33,539
Debt securities in issue	**–**	**14,925**	**1,084**	**16,009**	–	12,317	1,414	13,731
Short positions	**8,674**	**6,789**	**76**	**15,539**	8,789	5,558	180	14,527
Derivative financial instruments	**380**	**67,598**	**226**	**68,204**	419	81,387	258	82,064
Of which:								
Foreign exchange	**155**	**56,427**	**21**	**56,603**	183	69,684	8	69,875
Interest rate	**83**	**6,464**	**22**	**6,569**	14	8,586	23	8,623
Credit	**–**	**1,958**	**128**	**2,086**	–	2,131	189	2,320
Equity and stock index options	**–**	**428**	**54**	**482**	–	157	37	194
Commodity	**142**	**2,321**	**1**	**2,464**	222	829	1	1,052
Total liabilities at 31 December	**9,054**	**143,614**	**5,133**	**157,801**	9,208	153,381	4,937	167,526

1 Includes covered bonds of $3,045 million (2024: $3,727 million), securities issued by Multilateral Development Banks/International Organisations of $16,039 million (2024: $10,679 million), and State-owned agencies and development banks of $27,449 million(2024: $16,759 million).

2 The table above does not include held for sale assets of nil million (2024: $5 million) .These are reported in Note 21 together with their fair value hierarchy.

The fair value of financial assets and financial liabilities classified as Level 2 in the fair value hierarchy that are subject to complex modelling techniques is $327 million (2024: $739 million) and $314 million (2024: $320 million) respectively.

There were no significant changes to valuation or levelling approaches in 2025.

There were no significant transfers of financial assets and liabilities measured at fair value between Level 1 and Level 2 during the year.

Notes to the financial statements

13. Financial instruments continued

Fair value hierarchy – financial instruments measured at amortised cost

The following table shows the carrying amounts and incorporates the Group's estimate of fair values of those financial assets and liabilities not presented on the Group's balance sheet at fair value. These fair values may be different from the actual amount that will be received or paid on the settlement or maturity of the financial instrument. For certain instruments, the fair value may be determined using assumptions for which no observable prices are available.

	2025					2024				
		Fair value					Fair value			
	Carrying value $million	Level 1 $million	Level 2 $million	Level 3 $million	Total $million	Carrying value $million	Level 1 $million	Level 2 $million	Level 3 $million	Total $million
Assets										
Cash and balances at central banks[1]	**77,746**	**–**	**77,746**	**–**	**77,746**	63,447	–	63,447	–	63,447
Loans and advances to banks	**43,901**	**–**	**43,834**	**83**	**43,917**	43,593	–	43,430	165	43,595
of which – reverse repurchase agreements and other similar secured lending	**3,724**	**–**	**3,733**	**–**	**3,733**	2,946	–	2,948	–	2,948
Loans and advances to customers	**286,788**	**–**	**28,759**	**257,093**	**285,852**	281,032	–	40,582	238,986	279,568
of which – reverse repurchase agreements and other similar secured lending	**8,242**	**–**	**8,242**	**–**	**8,242**	9,660	–	9,618	42	9,660
Investment securities[2]	**57,250**	**–**	**56,427**	**–**	**56,427**	55,137	–	53,050	24	53,074
Other assets[1]	**36,770**	**–**	**36,770**	**–**	**36,770**	34,585	–	34,585	–	34,585
Assets held for sale	**1,042**	**74**	**178**	**790**	**1,042**	884	58	353	473	884
Total as at 31 December	**503,497**	**74**	**243,714**	**257,966**	**501,754**	478,678	58	235,447	239,648	475,153
Liabilities										
Deposits by banks	**30,846**	**–**	**30,846**	**–**	**30,846**	25,400	–	25,238	–	25,238
Customer accounts	**530,161**	**–**	**526,569**	**–**	**526,569**	464,489	–	461,549	–	461,549
Repurchase agreements and other similar secured borrowing	**7,757**	**–**	**7,757**	**–**	**7,757**	12,132	–	12,133	–	12,133
Debt securities in issue	**72,858**	**36,578**	**36,392**	**–**	**72,970**	64,609	32,209	32,181	–	64,390
Subordinated liabilities and other borrowed funds	**8,834**	**8,045**	**607**	**–**	**8,652**	10,382	9,599	429	–	10,028
Other liabilities[1]	**45,788**	**–**	**45,788**	**–**	**45,788**	44,047	–	44,047	–	44,047
Liabilities held for sale	**908**	**147**	**761**	**–**	**908**	360	89	271	–	360
Total as at 31 December	**697,152**	**44,770**	**648,720**	**–**	**693,490**	621,419	41,897	575,848	–	617,745

1 The carrying amount of these financial instruments is considered to be a reasonable approximation of fair value as they are short-term in nature or reprice to current market rates frequently.

2 Includes Government bonds and Treasury bills of $27,813 million at 31 December 2025 (31 December 2024: $23,150 million).

Loans and advances to customers by client segment[1]

	2025						2024					
	Carrying value			Fair value			Carrying value			Fair value		
	Stage 3 $million	Stage 1 and stage 2 $million	Total $million	Stage 3 $million	Stage 1 and stage 2 $million	Total	Stage 3 $million	Stage 1 and stage 2 $million	Total $million	Stage 3 $million	Stage 1 and stage 2 $million	Total
Corporate & Investment Banking	**1,987**	**140,193**	**142,180**	**1,974**	**140,463**	**142,437**	1,298	137,006	138,304	1,174	137,234	138,408
Wealth & Retail Banking	**877**	**126,100**	**126,977**	**875**	**125,023**	**125,898**	858	118,390	119,248	858	116,823	117,681
Ventures	**13**	**2,646**	**2,659**	**13**	**2,646**	**2,659**	1	1,388	1,389	–	1,388	1,388
Central & other items	**–**	**14,972**	**14,972**	**–**	**14,858**	**14,858**	98	21,993	22,091	98	21,993	22,091
Total as at 31 December	**2,877**	**283,911**	**286,788**	**2,862**	**282,990**	**285,852**	2,255	278,777	281,032	2,130	277,438	279,568

1 Loans and advances includes reverse repurchase agreements and other similar secured lending: carrying value $8,242 million and fair value $8,243 million (31 December 2024: $9,660 million and $9,660 million respectively).

Fair value of financial instruments

Level 3 Summary and significant unobservable inputs

The following table presents the Group's primary Level 3 financial instruments which are held at fair value. The table also presents the valuation techniques used to measure the fair value of those financial instruments, the significant unobservable inputs, the range of values for those inputs and the weighted average of those inputs:

Instrument	Value as at 31 December 2025 Assets $million	Liabilities $million	Principal valuation technique	Significant unobservable inputs	Range[1]	Weighted average[2]
Loans and advances to banks	**299**	**–**	Discounted cash flows	Price/yield	4.4% – 4.9%	4.6%
Loans and advances to customers[3]	**3,464**	**–**	Discounted cash flows	Price/yield	2.1% – 61.3%	8.9%
				Recovery rate	99.98% – 99.99%	99.99%
			Comparable pricing/yield	Price	29.4% – 100%	93.2%
Reverse repurchase agreements and other similar secured lending	**3,684**	**–**	Discounted cash flows	Repo curve	0.7% – 8.1%	5.4%
				Price/yield	4.1% – 25.1%	9.6%
Debt securities, alternative tier one and other eligible securities	**3,324**	**–**	Discounted cash flows	Price/yield	2.6% – 53.8%	7.7%
Equity shares (includes private equity investments)	**1,477**	**–**	Comparable pricing/yield[4]	Price	N/A	N/A
			Discounted cash flows	Discount rates	8.2% – 25.9%	10.5%
			Option pricing model	Equity value based on EV/Revenue multiples	5.4x – 23.0x	11.54x
				Equity value based on EV/EBITDA multiples	3.2x – 3.2x	3.2x
				Equity value based on volatility	40.0% – 40.0%	40.0%
Derivative financial instruments of which:						
Foreign exchange	**35**	**21**	Option pricing model	Foreign exchange option implied volatility	0.4% – 44.6%	33.0%
			Discounted cash flows	Interest rate curves	0.3% – 36.0%	14.3%
				Foreign exchange curves	1.3% – 3.9%	1.7%
Commodity	**–**	**1**	Discounted cash flows	Commodity prices	$0.2 – $341.2	$62.4
			Internal pricing model	CM-CM correlation	59.7% – 97.4%	78.6%
Interest rate	**46**	**22**	Discounted cash flows	Interest rate curves	3.5% – 36.0%	9.8%
Credit	**5**	**128**	Discounted cash flows	Credit spreads	0.9% – 1.0%	0.9%
				Price/yield	2.7% – 25.1%	7.3%
			Internal pricing model	Bond option implied volatility	5.0% – 13.0%	10.8%
Equity and stock index	**4**	**54**	Internal pricing model	Equity-Equity correlation	50.8% – 100%	77.6%
				Equity-FX correlation	(26.9)% – 46.8%	6.7%
Deposits by banks	**–**	**269**	Discounted cash flows	Price/Yield	4.3% – 6.1%	5.7%
Customer accounts	**–**	**3,478**	Internal pricing model	Equity-Equity correlation	50.8% – 100%	77.6%
				Equity-FX correlation	(26.9)% – 46.8%	6.7%
				Price/yield	2.6% – 20.8%	8.7%
Debt securities in issue	**–**	**1,084**	Discounted cash flows	Price/yield	7.4% – 19.0%	17.1%
				Interest rate curves	3.6% – 36.0%	15.1%
			Internal pricing model	Equity-Equity correlation	50.8% – 100%	77.6%
				Equity-FX correlation	(26.9)% – 46.8%	6.7%
			Option pricing model	Bond option implied volatility	5.0% – 13.0%	10.8%
Short positions	**–**	**76**	Discounted cash flows	Price/yield	7.13% – 7.13%	7.1%
Total	**12,338**	**5,133**				

1 The ranges of values shown in the above table represent the highest and lowest levels used in the valuation of the Group's Level 3 financial instruments as at 31 December 2025. The ranges of values used are reflective of the underlying characteristics of these Level 3 financial instruments based on the market conditions at the balance sheet date. However, these ranges of values may not represent the uncertainty in fair value measurements of the Group's Level 3 financial instruments.

2 Weighted average for non-derivative financial instruments has been calculated by weighting inputs by the relative fair value. Weighted average for derivatives has been provided by weighting inputs by the risk relevant to that variable. N/A has been entered for the cases where weighted average is not a meaningful indicator.

3 The inputs for Loans and advances to customers under Discounted Cash flow technique have been split to show as a separate line under Comparable pricing/yield for better representation of material inputs.

4 The inputs for equity shares under Comparable pricing/yield technique have been consolidated under 'Price' as they are not individually material.

Notes to the financial statements

13. Financial instruments continued

Instrument	Value as at 31 December 2024 Assets $million	Liabilities $million	Principal valuation technique	Significant unobservable inputs	Range[1]	Weighted average[2]
Loans and advances to customers[3]	1,937	–	Discounted cash flows	Price/yield	1.0% – 26.1%	7.7%
				Recovery rate	93.2% – 95.6%	95.1%
			Comparable pricing/yield	Price	1.2% – 100%	89.9%
Reverse repurchase agreements and other similar secured lending	3,239	–	Discounted cash flows	Repo curve	2.0% – 7.6%	6.2%
				Price/yield	2.3% – 10.5%	6.4%
Debt securities, alternative tier one and other eligible securities	1,584	–	Discounted cash flows	Price/yield	0.7% – 15.3%	6.9%
				Recovery rate	0.01% – 16.3%	9.2%
Government bonds and treasury bills	9	–	Discounted cash flows	Price/yield	23.5% – 23.5%	23.5%
Equity shares (includes private equity investments)	1,156	–	Comparable pricing/yield[4]	Price	N/A	N/A
			Discounted cash flows	Discount rates	8.3% – 20.4%	10.1%
			Option pricing model	Equity value based on EV/Revenue multiples	5.7x – 23.6x	16.2x
				Equity value based on EV/EBITDA multiples	10.1x – 10.1x	10.1x
				Equity value based on volatility	30.2% – 50.0%	30.5%
Derivative financial instruments of which:						
Foreign exchange	37	8	Option pricing model	Foreign exchange option implied volatility	10.2% – 46.2%	42.0%
				Interest rate curves	3.5% – 9.0%	4.2%
				Foreign exchange curves	(0.03)% – 34.3%	6.1%
Commodity	–	1	Discounted cash flows	Commodity prices	$383.0 – $391.0	$387.0
				CM-CM correlation	73.7% – 97.9%	86.0%
Interest rate	80	23	Discounted cash flows	Interest rate curves	3.5% – 43.9%	5.1%
			Option pricing model	Bond option implied volatility	2.3% – 4.7%	3.5%
Credit	9	189	Discounted cash flows	Credit spreads	0.1% – 1.9%	0.9%
				Price/yield	4.8% – 6.6%	5.5%
Equity and stock index	2	37	Internal pricing model	Equity-Equity correlation	44.9% – 100%	80.0%
				Equity-FX correlation	(36.4)% – 48.9%	5.0%
Deposits by banks	–	371	Discounted cash flows	Credit spreads	0.2% – 3.5%	1.5%
Customer accounts	–	2,714	Internal pricing model	Equity-Equity correlation	44.9% – 100%	80.0%
				Equity-FX correlation	(36.4)% – 48.9%	5.0%
			Discounted cash flows	Interest rate curves	1.4% – 4.4%	4.0%
				Price/yield	0.7% – 13.0%	8.5%
Debt securities in issue	–	1,414	Discounted cash flows	Credit spreads	0.05% – 2.0%	0.8%
				Price/yield	6.2% – 14.8%	12.7%
				Interest rate curves	3.5% – 4.4%	4.1%
			Internal pricing model	Equity-Equity correlation	44.9% – 100%	80.0%
				Equity-FX correlation	(36.4)% – 48.9%	5.0%
			Option pricing model	Bond option implied volatility	4.0% – 15%	12.5%
Short position	–	180	Discounted cash flows	Price/yield	5.9% – 12.7%	6.3%
Total	8,053	4,937				

1 The ranges of values shown in the above table represent the highest and lowest levels used in the valuation of the Group's Level 3 financial instruments as at 31 December 2024. The ranges of values used are reflective of the underlying characteristics of these Level 3 financial instruments based on the market conditions at the balance sheet date. However, these ranges of values may not represent the uncertainty in fair value measurements of the Group's Level 3 financial instruments.

2 Weighted average for non-derivative financial instruments has been calculated by weighting inputs by the relative fair value. Weighted average for derivatives has been provided by weighting inputs by the risk relevant to that variable. N/A has been entered for the cases where weighted average is not a meaningful indicator.

3 The inputs for Loans and advances to customers under Discounted Cash flow technique have been split to show as a separate line under Comparable pricing/yield for better representation of material inputs.

4 The inputs for equity shares under Comparable pricing/yield technique have been consolidated under 'Price' as they are not individually material.

The following section describes the significant unobservable inputs identified in the valuation technique table:

- **Comparable price/yield** is a valuation methodology in which the price of a comparable instrument is used to estimate the fair value where there are no direct observable prices. Yield is the interest rate that is used to discount the future cash flows in a discounted cash flow model. Valuation using comparable instruments can be done by calculating an implied yield (or spread over a liquid benchmark) from the price of a comparable instrument, then adjusting that yield (or spread) to derive a value for the instrument. The adjustment should account for relevant differences in the financial instruments such as maturity and/or credit quality. Alternatively, a price-to-price basis can be assumed between the comparable instrument and the instrument being valued in order to establish the value of the instrument (for example, deriving a fair value for a junior unsecured bond from the price of a senior secured bond). An increase in price, in isolation, would result in a favourable movement in the fair value of the asset. An increase in yield, in isolation, would result in an unfavourable movement in the fair value of the asset
- **Correlation** is the measure of how movement in one variable influences the movement in another variable. An equity correlation is the correlation between two equity instruments, an interest rate correlation refers to the correlation between two swap rates, while commodity correlation is correlation between two commodity underlying prices
- **Commodity price** curves is the term structure for forward rates over a specified period
- **Credit spread** represents the additional yield that a market participant would demand for taking exposure to the Credit Risk of an instrument
- **Discount rate** refers to the rate of return used to convert expected cash flows into present value
- **Equity-FX correlation** is the correlation between equity instrument and foreign exchange instrument
- **EV/EBITDA multiple** is the ratio of Enterprise Value (EV) to Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA). EV is the aggregate market capitalisation and debt minus the cash and cash equivalents. An increase in EV/EBITDA multiple will result in a favourable movement in the fair value of the unlisted firm
- **EV/Revenue multiple** is the ratio of Enterprise Value (EV) to Revenue. An increase in EV/Revenue multiple will result in a favourable movement in the fair value of the unlisted firm
- **Foreign exchange curves** is the term structure for forward rates and swap rates between currency pairs over a specified period
- **Interest rate curves** is the term structure of interest rates and measures of future interest rates at a particular point in time
- **Recovery rates** is the expectation of the rate of return resulting from the liquidation of a particular loan. As the probability of default increases for a given instrument, the valuation of that instrument will increasingly reflect its expected recovery level assuming default. An increase in the recovery rate, in isolation, would result in a favourable movement in the fair value of the loan
- **Repo curve** is the term structure of repo rates on repos and reverse repos at a particular point in time
- **Volatility** represents an estimate of how much a particular instrument, parameter or index will change in value over time. Generally, the higher the volatility, the more expensive the option will be.

Notes to the financial statements

13. Financial instruments continued

Level 3 movement tables – financial assets

The table below analyses movements in Level 3 financial assets carried at fair value.

	Held at fair value through profit or loss							Investment securities		
Assets	Loans and advances to banks $million	Loans and advances to customers $million	Reverse repurchase agreements and other similar secured lending $million	Debt securities, alternative tier one and other eligible bills $million	Equity shares $million	Other Assets $million	Derivative financial instruments $million	Debt securities, alternative tier one and other eligible bills $million	Equity shares $million	Total $million
At 1 January 2025	–	1,937	3,239	1,593	191	–	128	–	965	8,053
Total gains/(losses) recognised in income statement	–	70	(35)	123	(12)	–	(14)	–	–	132
Net trading income	–	70	(35)	123	(12)	–	(14)	–	–	132
Other operating income	–	–	–	–	–	–	–	–	–	–
Total gains recognised in other comprehensive income (OCI)	–	–	–	–	–	–	–	–	321	321
Fair value through OCI reserve	–	–	–	–	–	–	–	–	316	316
Exchange difference	–	–	–	–	–	–	–	–	5	5
Purchases	299	3,002	10,555	1,980	169	–	162	–	31	16,198
Sales	–	(1,156)	(9,021)	(1,007)	(31)	–	(128)	–	(150)	(11,493)
Settlements	–	(184)	(1,054)	(6)	–	–	(36)	–	–	(1,280)
Transfers out[1]	–	(803)	–	(280)	(7)	–	(23)	–	–	(1,113)
Transfers in[2]	–	598	–	921	–	–	1	–	–	1,520
At 31 December 2025	299	3,464	3,684	3,324	310	–	90	–	1,167	12,338
Recognised in the income statement[3]	–	(9)	(3)	5	(29)	–	–	–	–	(36)
At 1 January 2024	–	1,960	2,363	1,262	184	6	80	72	787	6,714
Total (losses)/gains recognised in income statement	(1)	8	73	(114)	(15)	–	(57)	–	–	(106)
Net trading income	(1)	8	73	(56)	(15)	–	(57)	–	–	(48)
Other operating income	–	–	–	(58)	–	–	–	–	–	(58)
Total (losses)/gains recognised in other comprehensive income (OCI)	–	–	–	–	–	–	–	(11)	50	39
Fair value through OCI reserve	–	–	–	–	–	–	–	–	74	74
Exchange difference	–	–	–	–	–	–	–	(11)	(24)	(35)
Purchases	–	1,853	6,161	1,337	24	–	227	–	145	9,747
Sales	–	(2,062)	(4,716)	(907)	(2)	–	(160)	–	(19)	(7,866)
Settlements	(7)	(42)	(782)	–	–	–	–	–	–	(831)
Transfers out[1]	(13)	(263)	–	(1)	–	(6)	(1)	(61)	(2)	(347)
Transfers in[2]	21	483	140	16	–	–	39	–	4	703
At 31 December 2024	–	1,937	3,239	1,593	191	–	128	–	965	8,053
Recognised in the income statement[3]	–	7	1	7	(13)	–	(9)	–	–	(7)

1 Transfers out includes loans and advances, debt securities, alternative tier one and other eligible bills, equity shares, other assets and derivative financial instruments where the valuation parameters became observable during the period and were transferred to Level 1 and Level 2.

2 Transfers in primarily relate to loans and advances, repurchase agreements, debt securities, alternative tier one and other eligible bills, equity shares and derivative financial instruments where the valuation parameters become unobservable during the year.

3 Represents Total unrealised (losses)/gains recognised in the income statement, within net trading income, relating to change in fair value of assets.

Level 3 movement tables – financial liabilities

	Deposits by banks $million	Customer accounts $million	Debt securities in issue $million	Derivative financial instruments $million	Short positions $million	Other liabilities $million	Total $million
At 1 January 2025	**371**	**2,714**	**1,414**	**258**	**180**	**–**	**4,937**
Total losses/(gains) recognised in income statement – net trading income	**98**	**(269)**	**60**	**8**	**3**	**–**	**(100)**
Issues	**298**	**5,410**	**2,114**	**538**	**–**	**–**	**8,360**
Settlements	**(538)**	**(3,790)**	**(2,462)**	**(566)**	**(107)**	**–**	**(7,463)**
Transfers out[1]	**–**	**(650)**	**(58)**	**(30)**	**–**	**–**	**(738)**
Transfers in[2]	**40**	**63**	**16**	**18**	**–**	**–**	**137**
At 31 December 2025	**269**	**3,478**	**1,084**	**226**	**76**	**–**	**5,133**
Recognised in the income statement[3]	**3**	**2**	**2**	**(9)**	**–**	**–**	**(2)**
At 1 January 2024	334	1,278	1,041	196	103	8	2,960
Total losses/(gains) recognised in income statement – net trading income	49	(27)	48	(6)	3	(8)	59
Issues	388	3,068	4,244	507	177	–	8,384
Settlements	(400)	(1,627)	(2,795)	(438)	(103)	–	(5,363)
Transfers out[1]	–	(26)	(1,194)	(7)	–	–	(1,227)
Transfers in[2]	–	48	70	6	–	–	124
At 31 December 2024	371	2,714	1,414	258	180	–	4,937
Recognised in the income statement[3]	29	5	2	(13)	–	–	23

1 Transfers out during the year primarily relate to customer accounts, debt securities in issue and derivative financial instruments where the valuation parameters became observable during the year and were transferred to Level 2 financial liabilities.

2 Transfers in during the year primarily relate to customer accounts, debt securities in issue and derivative financial instruments where the valuation parameters become unobservable during the year.

3 Represents Total unrealised losses/(gains) recognised in the income statement, within net trading income, relating to change in fair value of liabilities.

Sensitivities in respect of the fair values of Level 3 assets and liabilities

Sensitivity analysis is performed on products with significant unobservable inputs. The Group applies a 10 per cent increase or decrease on the values of these unobservable inputs, to generate a range of reasonably possible alternative valuations. The percentage shift is determined by statistical analysis performed on a set of reference prices based on the composition of the Group's Level 3 inventory as the measurement date. Favourable and unfavourable changes (which show the balance adjusted for input change) are determined on the basis of changes in the value of the instrument as a result of varying the levels of the unobservable parameters. The Level 3 sensitivity analysis assumes a one-way market move and does not consider offsets for hedges.

	Held at fair value through profit or loss			Fair value through other comprehensive income		
	Net exposure $million	Favourable changes $million	Unfavourable changes $million	Net exposure $million	Favourable changes $million	Unfavourable changes $million
Financial instruments held at fair value						
Loans and advances	**3,763**	**3,854**	**3,650**	**–**	**–**	**–**
Reverse Repurchase agreements and other similar secured lending	**3,684**	**3,782**	**3,598**	**–**	**–**	**–**
Debt securities, alternative tier one and other eligible bills	**3,324**	**3,384**	**3,267**	**–**	**–**	**–**
Equity shares	**310**	**343**	**277**	**1,167**	**1,284**	**1,050**
Derivative financial instruments	**(136)**	**(111)**	**(161)**	**–**	**–**	**–**
Customer accounts	**(3,478)**	**(3,395)**	**(3,566)**	**–**	**–**	**–**
Deposits by banks	**(269)**	**(257)**	**(282)**	**–**	**–**	**–**
Short positions	**(76)**	**(75)**	**(77)**	**–**	**–**	**–**
Debt securities in issue	**(1,084)**	**(1,007)**	**(1,161)**	**–**	**–**	**–**
At 31 December 2025	**6,038**	**6,518**	**5,545**	**1,167**	**1,284**	**1,050**
Financial instruments held at fair value						
Loans and advances	1,937	1,985	1,862	–	–	–
Reverse Repurchase agreements and other similar secured lending	3,239	3,339	3,138	–	–	–
Debt securities, alternative tier one and other eligible bills	1,593	1,643	1,542	–	–	–
Equity shares	191	210	172	965	1,032	888
Derivative financial instruments	(130)	(115)	(147)	–	–	–
Customer accounts	(2,714)	(2,540)	(2,883)	–	–	–
Deposits by banks	(371)	(371)	(371)	–	–	–
Short positions	(180)	(178)	(182)	–	–	–
Debt securities in issue	(1,414)	(1,352)	(1,476)	–	–	–
At 31 December 2024	2,151	2,621	1,655	965	1,032	888

The reasonably possible alternatives could have increased or decreased the fair values of financial instruments held at fair value through profit or loss and those classified as fair value through other comprehensive income by the amounts disclosed below.

	Fair value changes			
	Possible increase		Possible decrease	
Financial instruments	2025 $million	2024 $million	2025 $million	2024 $million
Held at fair value through profit or loss	**480**	470	**(493)**	(496)
Fair value through other comprehensive income	**117**	67	**(117)**	(77)

14. Derivative financial instruments

Accounting policy

Fair values may be obtained from quoted market prices in active markets, recent market transactions, and valuation techniques, including discounted cash flow models and option pricing models, as appropriate. Where the initially recognised fair value of a derivative contract is based on a valuation model that uses inputs which are not observable in the market, it follows the same initial recognition accounting policy as for other financial assets and liabilities. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Hedge accounting

Under certain conditions, the Group may designate a recognised asset or liability, a firm commitment, highly probable forecast transaction or net investment of a foreign operation into a formal hedge accounting relationship with a derivative that has been entered to manage interest rate and/or foreign exchange risks present in the hedged item. The Group has elected to continue applying IAS 39 for hedge accounting.

There are three categories of hedge relationships:

- Fair value hedge: to manage the fair value of interest rate and/or foreign currency risks of recognised assets or liabilities or firm commitments
- Cash flow hedge: to manage interest rate or foreign exchange risk of highly probable future cash flows attributable to a recognised asset or liability, or a forecasted transaction
- Net investment hedge: to manage the structural foreign exchange risk of an investment in a foreign operation

The Group assesses, both at hedge inception and on a quarterly basis, whether the derivatives designated in hedge relationships are highly effective in offsetting changes in fair values or cash flows of hedged items. Hedges are considered to be highly effective if all the following criteria are met:

- At inception of the hedge and throughout its life, the hedge is prospectively expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk
- Prospective and retrospective effectiveness of the hedge should be within a range of 80–125%. This is tested using regression analysis
- This is tested using regression analysis where the slope of the regression line must be between -0.80 and -1.25 and the data pairs between the hedged item and the hedging instrument are regressed to a 95% confidence interval. The regression co-efficient (R squared), which measures the correlation between the variables in the regression, is at least 80%.

In the case of the hedge of a forecast transaction, the transaction must have a high probability of occurring and must present an exposure to variations in cash flows that are expected to affect reported profit or loss.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedging instruments are recorded in net trading income, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the income statement over the remaining term to maturity of the hedged item. If the hedged item is sold or repaid, the unamortised fair value adjustment is recognised immediately in the income statement. For financial assets classified as fair value through other comprehensive income, the hedge accounting adjustment attributable to the hedged risk is included in net trading income to match the hedging derivative.

Notes to the financial statements

14. Derivative financial instruments continued

Accounting policy continued

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedging instruments are initially recognised in other comprehensive income, accumulating in the cash flow hedge reserve within equity. These amounts are subsequently recycled to the income statement in the periods when the hedged item affects profit or loss. Both the derivative fair value movement and any recycled amount are recorded in the 'Cashflow hedges' line item in other comprehensive income.

The Group assesses hedge effectiveness using the hypothetical derivative method, which creates a derivative instrument to serve as a proxy for the hedged transaction. The terms of the hypothetical derivative match the critical terms of the hedged item and it has a fair value of zero at inception. The hypothetical derivative and the actual derivative are regressed to establish the statistical significance of the hedge relationship. Any ineffective portion of the gain or loss on the hedging instrument is recognised in the net trading income immediately.

If a cash flow hedge is discontinued, the amount accumulated in the cash flow hedge reserve is released to the income statement as and when the hedged item affects the income statement.

Should the Group consider the hedged future cash flows are no longer expected to occur due to reasons, the cumulative gain or loss will be immediately reclassified to profit or loss.

Net investment hedge

Hedges of net investments are accounted for in a similar manner to cash flow hedges, with gains and losses arising on the effective portion of the hedges recorded in the line 'Exchange differences on translation of foreign operations' in other comprehensive income, accumulating in the translation reserve within equity. These amounts remain in equity until the net investment is disposed of. The ineffective portion of the hedges is recognised in the net trading income immediately.

The tables below analyse the notional principal amounts and the positive and negative fair values of derivative financial instruments. Notional principal amounts are the amounts of principal underlying the contract at the reporting date.

	2025			2024		
Derivatives	Notional principal amounts $million	Assets $million	Liabilities $million	Notional principal amounts $million	Assets $million	Liabilities $million
Foreign exchange derivative contracts[1]:						
Forward foreign exchange contracts	**5,793,024**	**42,581**	**42,554**	4,923,991	54,913	51,128
Currency swaps and options	**1,592,764**	**13,323**	**13,965**	1,377,308	18,104	18,720
	7,385,788	**55,904**	**56,519**	6,301,299	73,017	69,848
Interest rate derivative contracts:						
Swaps	**9,371,325**	**17,290**	**18,294**	6,267,261	20,600	22,282
Forward rate agreements and options	**325,419**	**1,674**	**994**	294,705	2,233	2,771
	9,696,744	**18,964**	**19,288**	6,561,966	22,833	25,053
Exchange traded futures and options	**640,718**	**39**	**84**	383,528	30	27
Credit derivative contracts	**81,800**	**493**	**2,086**	227,675	397	2,320
Equity and stock index options	**22,078**	**336**	**482**	10,678	351	194
Commodity derivative contracts	**185,432**	**2,782**	**2,464**	142,393	1,274	1,052
Gross total derivatives	**18,012,560**	**78,518**	**80,923**	13,627,539	97,902	98,494
Offset	**–**	**(12,736)**	**(12,719)**	–	(16,430)	(16,430)
Total derivatives	**18,012,560**	**65,782**	**68,204**	13,627,539	81,472	82,064

1 Foreign exchange derivative contracts include precious metals derivatives.

The Group limits exposure to credit losses in the event of default by entering into master netting agreements with certain market counterparties. As required by IAS 32, exposures are only presented net in these accounts where they are subject to legal right of offset and intended to be settled net in the ordinary course of business.

The Group applies balance sheet offsetting only in the instance where we are able to demonstrate legal enforceability of the right to offset (e.g. via legal opinion) and the ability and intention to settle on a net basis (e.g. via operational practice).

The Group may enter into economic hedges that do not qualify for IAS 39 hedge accounting treatment, including derivative such as interest rate swaps, interest rate futures and cross currency swaps to manage interest rate and currency risks of the Group. These derivatives are measured at fair value, with fair value changes recognised in net trading income: refer to Market Risk (page 277).

Derivatives held for hedging

The Group enters into derivative contracts for the purpose of hedging interest rate, currency and structural foreign exchange risks inherent in assets, liabilities and forecast transactions. The table below summarises the notional principal amounts and carrying values of derivatives designated in hedge accounting relationships at the reporting date.

Included in the table below are derivatives held for hedging purposes as follows:

	2025			2024		
	Notional principal amounts $million	Assets $million	Liabilities $million	Notional principal amounts $million	Assets $million	Liabilities $million
Derivatives designated as fair value hedges:						
Interest rate swaps	**62,630**	**717**	**1,001**	63,840	763	1,679
Currency swaps	**1,954**	**92**	**–**	1,035	–	56
	64,584	**809**	**1,001**	64,875	763	1,735
Derivatives designated as cash flow hedges:						
Interest rate swaps	**63,247**	**300**	**78**	49,309	165	282
Forward foreign exchange contracts	**10,268**	**124**	**34**	9,193	609	1
Currency swaps	**3,904**	**86**	**22**	14,305	729	2
	77,419	**510**	**134**	72,807	1,503	285
Derivatives designated as net investment hedges:						
Forward foreign exchange contracts	**17,155**	**440**	**23**	14,137	300	7
Total derivatives held for hedging	**159,158**	**1,759**	**1,158**	151,819	2,566	2,027

Fair value hedges

The Group issues various long-term fixed-rate debt issuances that are measured at amortised cost, including some denominated in foreign currency, such as unsecured senior and subordinated debt (see Notes 22 and 27). The Group also holds various fixed rate debt securities such as government and corporate bonds, including some denominated in foreign currency (see Note 13). These assets and liabilities held are exposed to changes in fair value due to movements in market interest and foreign currency rates.

The Group uses interest rate swaps to exchange fixed rates for floating rates on funding to match floating rates received on assets or exchange fixed rates on assets to match floating rates paid on funding. The Group further uses cross- currency swaps to match the currency of the issued debt or held asset with that of the entity's functional currency.

Hedge ineffectiveness from fair value hedges is driven by cross-currency basis risk and interest cashflows mismatch between the hedging instruments and underlying hedged items. The amortisation of fair value hedge adjustments for hedged items no longer designated is recognised in net interest income.

As at 31 December 2025, the Group held the following interest rate and cross currency swaps as hedging instruments in fair value hedges of interest and currency risk.

14. Derivative financial instruments continued

Hedging instruments and ineffectiveness

Interest rate[1]	Carrying Amount			Change in fair value used to calculate hedge ineffectiveness[2]	Ineffectiveness recognised in profit or loss
	Notional $million	Asset $million	Liability $million	$million	$million
Interest rate swaps – debt securities/subordinated notes issued	**42,219**	**557**	**939**	**839**	**2**
Interest rate swaps – loans and advances to customers	**531**	**–**	**5**	**(8)**	**–**
Interest rate swaps – debt securities and other eligible bills	**19,880**	**160**	**57**	**(333)**	**(9)**
Interest and currency risk[1]					
Cross currency swaps – debt securities/subordinated notes issued	**1,954**	**92**	**–**	**141**	**–**
Cross currency swaps – debt securities and other eligible bills	**–**	**–**	**–**	**–**	**–**
Total as at 31 December 2025	**64,584**	**809**	**1,001**	**639**	**(7)**
Interest rate swaps – debt securities/subordinated notes issued	46,832	283	1,643	46	2
Interest rate swaps – loans and advances to customers	1,334	10	12	(5)	–
Interest rate swaps – debt securities and other eligible bills	15,674	470	24	142	2
Interest and currency risk[1]					
Cross currency swaps – debt securities/subordinated notes issued	1,035	–	56	(52)	(1)
Cross currency swaps – debt securities and other eligible bills	–	–	–	(10)	–
Total as at 31 December 2024	64,875	763	1,735	121	3

1 Interest rate swaps are designated in hedges of the fair value of interest rate risk attributable to the hedged item. Cross currency swaps are used to hedge both interest rate and currency risks. All the hedging instruments are derivatives, with changes in fair value including hedge ineffectiveness recorded within net trading income.

2 This represents a (loss)/gains change in fair value used for calculating hedge ineffectiveness.

Hedged items in fair value hedges

	Carrying Amount		Accumulated amount of fair value hedge adjustments included in the carrying amount		Change in fair value used to calculate hedge ineffectiveness[1]	Cumulative balance of fair value adjustments from de-designated hedge relationships[2]
	Asset $million	Liability $million	Asset $million	Liability $million	$million	$million
Debt securities /subordinated notes issued	**–**	**43,968**	**–**	**546**	**(978)**	**252**
Debt securities and other eligible bills	**19,834**	**–**	**(57)**	**–**	**324**	**82**
Loans and advances to customers	**536**	**–**	**5**	**–**	**8**	**–**
Total as at 31 December 2025	**20,370**	**43,968**	**(52)**	**546**	**(646)**	**334**
Debt securities /subordinated notes issued	–	49,616	–	1,485	7	178
Debt securities and other eligible bills	15,183	–	(353)	–	(130)	235
Loans and advances to customers	1,330	–	(4)	–	5	4
Total as at 31 December 2024	16,513	49,616	(357)	1,485	(118)	417

1 This represents a gain/(loss) change in fair value used for calculating hedge ineffectiveness.

2 This represents a credit/(debit) to the balance sheet value.

Income statement impact of fair value hedges

	2025 $million	2024 $million
Change in fair value of hedging instruments	**639**	121
Change in fair value of hedged risks attributable to hedged items	**(646)**	(118)
Net ineffectiveness (loss)/gain to net trading income	**(7)**	3
Amortisation gain to net interest income	**27**	153

Cash flow hedges

The Group has exposure to market movements in future interest cash flows on portfolios of customer accounts, debt securities and loans and advances to customers. The amounts and timing of future cash flows, representing both principal and interest flows, are projected on the basis of contractual terms and other relevant factors, including estimates of prepayments and defaults.

The hedging strategy of the Group involves using interest rate swaps to manage the variability in future cash flows on assets and liabilities that have floating rates of interest by exchanging the floating rates for fixed rates. It also uses foreign exchange contracts and currency swaps to manage the variability in future exchange rates on its assets and liabilities and costs in foreign currencies. This is done on both a micro basis whereby a single interest rate or cross-currency swap is designated in a separate relationship with a single hedged item (such as a floating-rate loan to a customer), and on a portfolio basis whereby each hedging instrument is designated against a group of hedged items that share the same risk (such as a group of customer accounts). Hedge ineffectiveness for cash flow hedges is mainly driven by reset frequency and payment mismatch between the hedging instrument and the underlying hedged item.

The hedged risk is determined as the variability of future cash flows arising from changes in the designated benchmark interest and/or foreign exchange rates.

Hedging instruments and ineffectiveness

	Carrying Amount					
	Notional $million	Asset $million	Liability $million	Change in fair value used to calculate hedge ineffectiveness[1] $million	Gain recognised in OCI $million	Ineffectiveness gain/(loss) recognised in net trading income $million
Interest rate risk						
Interest rate swaps	**63,247**	**300**	**78**	**412**	**404**	**8**
Currency risk						
Forward foreign exchange contract	**10,268**	**124**	**34**	**(5)**	**(4)**	**(1)**
Cross currency swaps	**3,904**	**86**	**22**	**(377)**	**(379)**	**2**
Total as at 31 December 2025	**77,419**	**510**	**134**	**30**	**21**	**9**
Interest rate risk						
Interest rate swaps	49,309	165	282	(131)	(125)	(6)
Currency risk						
Forward foreign exchange contract	9,193	609	1	45	45	–
Cross currency swaps	14,305	729	2	650	648	2
Total as at 31 December 2024	72,807	1,503	285	564	568	(4)

1 This represents a gain/(loss) change in fair value used for calculating hedge ineffectiveness.

Hedged items in cash flow hedges

	2025			2024		
	Change in fair value used for calculating hedge ineffectiveness[1] $million	Cash flow hedge reserve $million	Cumulative balance in the cash flow hedge reserve from de-designated hedge relationships $million	Change in fair value used for calculating hedge ineffectiveness[1] $million	Cash flow hedge reserve $million	Cumulative balance in the cash flow hedge reserve from de-designated hedge relationships $million
Customer accounts	**122**	**(1)**	**78**	(199)	(38)	104
Debt securities and other eligible bills	**122**	**4**	**–**	(354)	(10)	(5)
Loans and advances to customers	**(379)**	**243**	**61**	124	(27)	(7)
Intragroup lending currency hedge	**38**	**2**	**–**	(55)	(2)	–
Intragroup borrowing currency hedge	**76**	**–**	**–**	(84)	4	–
Total as at 31 December	**(21)**	**248**	**139**	(568)	(73)	92

1 This represents a gain/(loss) change in fair value used for calculating hedge ineffectiveness.

14. Derivative financial instruments continued

Impact of cash flow hedges on profit and loss and other comprehensive income

	2025 $million	2024 $million
Cash flow hedge reserve balance as at 1 January	**4**	91
Gain recognised in other comprehensive income on effective portion of changes in fair value of hedging instruments	**21**	568
Loss/(Gain) reclassified to income statement when hedged item affected net profit	**347**	(669)
Taxation charge relating to cash flow hedges	**(57)**	14
Cash flow hedge reserve balance as at 31 December	**315**	4

Net investment hedges

Foreign currency exposures arise from investments in subsidiaries that have a different functional currency from that of the presentation currency of the parent. This risk arises from the fluctuation in spot exchange rates between the functional currency of the subsidiaries and the parent's functional currency, which causes the value of the investment to vary.

The Group's policy is to hedge these exposures only when not doing so would be expected to have a significant impact on the regulatory ratios of the Group and its banking subsidiaries. The Group uses foreign exchange forwards to manage the effect of exchange rates on its net investments in foreign subsidiaries.

	Carrying Amount						
Derivative forward currency contracts[1]	Notional $million	Asset $million	Liability $million	Change in fair value used to calculate hedge ineffectiveness[2] $million	Changes in the value of the hedging instrument recognised in OCI $million	Ineffectiveness recognised in profit or loss $million	Amount reclassified from reserves to income $million
As at 31 December 2025	**17,155**	**440**	**23**	**129**	**129**	**–**	**–**
As at 31 December 2024	14,137	300	7	678	678	–	–

1 These derivative forward currency contracts have a maturity of less than one year. The hedges are rolled on a periodic basis.
2 This represents a gain/(loss) change in fair value used for calculating hedge ineffectiveness.

Hedged items in net investment hedges

	2025			2024		
	Change in fair value used for calculating hedge ineffectiveness[1] $million	Translation reserve[2] $million	Balances remaining in the translation reserve from hedging relationships for which hedge accounting is no longer applied $million	Change in the value used for calculating hedge ineffectiveness[1] $million	Translation reserve[2] $million	Balances remaining in the translation reserve from hedging relationships for which hedge accounting is no longer applied $million
Net investments	**(129)**	**417**	**–**	(678)	293	–

1 This represents a gain/(loss) change in fair value used for calculating hedge ineffectiveness.
2 This represents the mark-to-market including accrued interest on live hedges at 31 December.

Impact of net investment hedges on other comprehensive income

	2025 $million	2024 $million
Gains recognised in other comprehensive income	**129**	678

Maturity of hedging instruments

Fair value hedges		2025 Less than one month	2025 More than one month and less than one year	2025 One to five years	2025 More than five years	2024 Less than one month	2024 More than one month and less than one year	2024 One to five years	2024 More than five years
Interest rate swap									
Notional	$million	**1,820**	**9,387**	**35,179**	**16,244**	2,763	11,260	32,030	17,787
Cross currency swap									
Notional	$million	–	–	**1,954**	–	–	–	1,035	–
Average fixed interest rate (to USD) (%)	EUR	–	–	**2.26**	–	–	–	2.40	–
Average exchange rate	EUR/USD	–	–	**0.89**	–	–	–	0.91	–
Cash flow hedges									
Interest rate swap									
Notional	$million	**1,544**	**17,021**	**41,054**	**3,628**	2,428	15,589	25,943	5,349
Average fixed interest rate (%)	USD	**4.09**	**4.09**	**3.61**	**3.69**	5.09	4.62	4.05	3.74
Cross currency swap									
Notional	$million	**622**	**2,568**	**714**	–	880	12,232	1,193	–
Average fixed interest rate (%)	HKD	**4.11**	**3.14**	**0.21**	–	–	4.07	0.21	–
	KRO	**2.62**	**2.44**	–	–	–	2.85	–	–
	JPY/HKD	–	–	–	–	–	(0.05)	–	–
	TWO	**1.07**	**1.35**	**1.38**	–	0.53	1.04	–	–
	CNO	–	–	–	–	2.45	1.54	–	–
	JPY	–	–	–	–	0.01	0.08	–	–
Average exchange rate	HKD/USD	**7.77**	**7.78**	**7.85**	–	–	7.78	7.85	–
	KRO/USD	**1,454.00**	**1,446.78**	**1,300.90**	–	–	1,386.94	1,300.90	–
	TWO/USD	**31.91**	**29.97**	**29.42**	–	31.83	32.22	–	–
	CNO/USD	–	–	–	–	7.18	7.20	–	–
	JPY/HKD	–	–	–	–	–	18.12	–	–
Forward foreign exchange contracts									
Notional	$million	**1,736**	**8,236**	**296**	–	2,044	7,149	–	–
Average exchange rate	BRL/USD	–	–	–	–	–	6.54	–	–
	HKD/USD	**7.77**	**7.77**	**7.85**		–	–	–	–
	JPY/USD	**153.02**	**148.53**	–	–	147.38	145.65	–	–
Net investment hedges									
Foreign exchange derivatives									
Notional	$million	**17,126**	**29**	–	–	14,137	–	–	–
Average exchange rate	CNY/USD	**7.07**	–	–	–	7.13	–	–	–
	KRW/USD	**1,358.41**	–	–	–	1,364.97	–	–	–
	HKD/USD	**7.77**	–	–	–	7.77	–	–	–
	INR/USD	**86.63**	–	–	–	84.07	–	–	–

Notes to the financial statements

15. Loans and advances to banks and customers

Accounting policy
Refer to Note 13 Financial instruments for the relevant accounting policy.

	2025 $million	2024 $million
Loans and advances to banks	**43,915**	43,609
Expected credit loss	**(14)**	(16)
	43,901	43,593
Loans and advances to customers	**290,849**	285,936
Expected credit loss	**(4,061)**	(4,904)
	286,788	281,032
Total loans and advances to banks and customers[1]	**330,689**	324,625

1 Includes $2.9 billion (31 December 2024: $2.5 billion) of assets pledged as collateral. For more information, please refer to Pillar 3 disclosures.

Analysis of loans and advances to customers by geographies and client segment together with their related impairment provisions are set out within the Risk review and Capital review (pages 218 to 308).

16. Reverse repurchase and repurchase agreements including other similar lending and borrowing

Accounting policy
The Group purchases securities (a reverse repurchase agreement – 'reverse repo') typically with financial institutions subject to a commitment to resell or return the securities at a predetermined price. These securities are not included in the balance sheet as the Group does not acquire the risks and rewards of ownership, however they are recorded off-balance sheet as collateral received. Consideration paid (or cash collateral provided) is accounted for as a loan asset at amortised cost unless it is managed on a fair value basis or designated at fair value through profit or loss. In the majority of cases through the contractual terms of a reverse repo arrangement, the Group as the transferee of the security collateral has the right to sell or repledge the asset concerned.

The Group also sells securities (a repurchase agreement – 'repo') subject to a commitment to repurchase or redeem the securities at a predetermined price. The securities are retained on the balance sheet as the Group retains substantially all the risks and rewards of ownership and these securities are disclosed as pledged collateral. Consideration received (or cash collateral received) is accounted for as a financial liability at amortised cost unless it is either mandatorily classified as fair value through profit or loss or irrevocably designated at fair value through profit or loss at initial recognition.

Repo and reverse repo transactions typically entitle the Group and its counterparties to have recourse to assets similar to those provided as collateral in the event of a default. Securities sold subject to repos, either by way of a Global Master Repurchase Agreement (GMRA), or through a securities sale and Total Return Swap (TRS) continue to be recognised on the balance sheet as the Group retains substantially the associated risks and rewards of the securities (the TRS is not recognised). Assets sold under repurchase agreements are considered encumbered as the Group cannot pledge these to obtain funding

Reverse repurchase agreements and other similar secured lending

	2025 $million	2024 $million
Banks	**37,412**	37,700
Customers	**58,684**	61,101
	96,096	98,801
Of which:		
Fair value through profit or loss	**84,130**	86,195
Banks	**33,688**	34,754
Customers	**50,442**	51,441
Held at amortised cost	**11,966**	12,606
Banks	**3,724**	2,946
Customers	**8,242**	9,660

Under reverse repurchase and securities borrowing arrangements, the Group obtains securities under usual and customary terms which permit it to repledge or resell the securities to others. Amounts on such terms are:

	2025 $million	2024 $million
Securities and collateral received (at fair value)	**101,260**	103,007
Securities and collateral which can be repledged or sold (at fair value)	**98,384**	102,741
Amounts repledged/transferred to others for financing activities, to satisfy liabilities under sale and repurchase agreements (at fair value)	**18,173**	27,708

Repurchase agreements and other similar secured borrowing

	2025 $million	2024 $million
Banks	**8,465**	8,669
Customers	**35,599**	37,002
	44,064	45,671
Of which:		
Fair value through profit or loss	**36,307**	33,539
Banks	**6,560**	7,759
Customers	**29,747**	25,780
Held at amortised cost	**7,757**	12,132
Banks	**1,905**	910
Customers	**5,852**	11,222

The tables below set out the financial assets provided as collateral for repurchase and other secured borrowing transactions:

	Fair value through profit or loss $million	Fair value through other comprehensive income $million	Amortised cost $million	Off-balance sheet $million	Total $million
On-balance sheet					
Debt securities and other eligible bills	**6,345**	**11,272**	**10,046**	–	**27,663**
Off-balance sheet					
Repledged collateral received	–	–	–	**18,173**	**18,173**
At 31 December 2025	**6,345**	**11,272**	**10,046**	**18,173**	**45,836**
On-balance sheet					
Debt securities and other eligible bills	4,698	6,366	7,592	–	18,656
Off-balance sheet					
Repledged collateral received	–		–	27,708	27,708
At 31 December 2024	4,698	6,366	7,592	27,708	46,364

Notes to the financial statements

17. Goodwill and intangible assets

Accounting policy

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in Investments in associates and joint ventures. Goodwill included in intangible assets is assessed at each balance sheet date for impairment and carried at cost less any accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Detailed calculations are performed based on forecasting expected cash flows of the relevant cash generating units (CGUs) and discounting these at an appropriate discount rate, the determination of which requires the exercise of judgement. Goodwill is allocated to CGUs for the purpose of impairment testing. CGUs represent the lowest level within the Group which generate separate cash inflows and at which the goodwill is monitored for internal management purposes. These are equal to or smaller than the Group's reportable segments (as set out in Note 2) as the Group views its reportable segments on a global basis. The major CGUs to which goodwill has been allocated are set out in the CGU table.

Other accounting estimates and judgements

The carrying amount of goodwill is based on the application of judgements including the basis of goodwill impairment calculation assumptions. Judgement is also applied in determination of CGUs.

Estimates include forecasts used for determining cash flows for CGUs, the appropriate long-term growth rates to use and discount rates which factor in country risk-free rates and applicable risk premiums. The Group undertakes an annual assessment to evaluate whether the carrying value of goodwill is impaired. The estimation of future cash flows and the level to which they are discounted is inherently uncertain and requires significant judgement and is subject to potential change over time.

Acquired intangibles

At the date of acquisition of a subsidiary or associate, intangible assets which are deemed separable and that arise from contractual or other legal rights are capitalised and included within the net identifiable assets acquired. These intangible assets are initially measured at fair value, which reflects market expectations of the probability that the future economic benefits embodied in the asset will flow to the entity and are amortised on the basis of their expected useful lives (4 to 16 years). At each balance sheet date, these assets are assessed for indicators of impairment. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down immediately to the recoverable amount.

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Internally generated software represents substantially all of the total software capitalised. Direct costs of the development of separately identifiable internally generated software are capitalised where it is probable that future economic benefits attributable to the software will flow from its use. These costs include staff remuneration costs such as salaries, statutory payments and share-based payments, materials, service providers and contractors provided their time is directly attributable to the software build. Costs incurred in the ongoing maintenance of software are expensed immediately when incurred. Internally generated software is amortised over each asset's useful life to a maximum of 10 years. On an annual basis residual values and useful lives of software assets, including software under development, are reviewed, including assessing for indicators of impairment. Indicators of impairment include loss of business relevance, obsolescence, exit of the business to which the software relates, technological changes, change in use of the asset, reduction in useful life, plans to reduce usage or scope.

For capitalised software that is internally generated, judgement is required to determine which costs relate to research (expensed) and which costs relate to development (capitalised). Further judgement is required to determine the technical feasibility of completing the software such that it will be available for use. Estimates are used to determine how the software will generate probable future economic benefits: these estimates include cost savings, income increases, balance sheet improvements, improved functionality or improved asset safeguarding.

Software as a Service (SaaS) and similar cloud service models is a contractual arrangement that conveys the right to receive access to the supplier's software application over the contract term. As such, the Group does not have control and as a result recognises an operating expense for these costs over the contract term.

Certain costs, including customisation costs related to implementation of the SaaS may meet the definition of an intangible asset in their own right if it is separately identifiable and control is established. These costs are capitalised if it is expected to provide the Group with future economic benefits flowing from the underlying resource and the Group can restrict others from accessing those benefits.

	2025				2024			
	Goodwill $million	Acquired intangibles $million	Computer software $million	Total $million	Goodwill $million	Acquired intangibles $million	Computer software $million	Total $million
Cost								
At 1 January	**2,387**	**252**	**6,301**	**8,940**	2,429	278	6,168	8,875
Exchange translation differences	**32**	**6**	**225**	**263**	(42)	(18)	(109)	(169)
Additions	**4**	**1**	**1,032**	**1,037**	–	1	952	953
Disposals	**–**	**–**	**(13)**	**(13)**	–	–	(5)	(5)
Impairment	**–**	**–**	**(121)**[1]	**(121)**	–	–	(663)[1,2]	(663)
Amounts written off	**–**	**–**	**(21)**	**(21)**	–	(9)	(42)	(51)
At 31 December	**2,423**	**259**	**7,403**	**10,085**	2,387	252	6,301	8,940
Provision for amortisation								
At 1 January	**–**	**249**	**2,900**	**3,149**	–	265	2,396	2,661
Exchange translation differences	**–**	**4**	**115**	**119**	–	(20)	(48)	(68)
Amortisation	**–**	**2**	**687**	**689**	–	4	695	699
Impairment charge	**–**	**–**	**(76)**[1]	**(76)**	–	–	(102)[1,2]	(102)
Disposals	**–**	**–**	**(6)**	**(6)**	–	–	–	–
Amounts written off	**–**	**–**	**(21)**	**(21)**	–	–	(41)	(41)
At 31 December	**–**	**255**	**3,599**	**3,854**	–	249	2,900	3,149
Net book value	**2,423**	**4**	**3,804**	**6,231**	2,387	3	3,401	5,791

1 The Group has performed its annual review of computer software intangibles to determine instances when carrying value is greater than its recoverable amount and impaired $45 million (31 December 2024: $78 million).

2 During 2024, the Group performed a review of its computer software intangibles which were capitalised as at 31 December 2023, and impaired $483 million of the 2024 net book value due to limitations in the available evidence to support the continued capitalisation of the assets.

At 31 December 2025, accumulated goodwill impairment losses incurred from 1 January 2005 amounted to $3,331 million (31 December 2024: $3,331 million), of which $nil was recognised in 2025 (31 December 2024: $nil).

CGU structure

When considering the generation of independent cash inflows and appropriate level of management, Corporate & Investment Banking and Wealth Management are managed on a global basis, while Retail Banking and others including Treasury Market activities are managed on a country basis.

Outcome of impairment assessment

An annual assessment is made as to whether the current carrying value of goodwill is impaired. For the purposes of impairment testing, goodwill is allocated at the date of acquisition to a CGU. Goodwill is considered to be impaired if the carrying amount of the relevant CGU exceeds its recoverable amount. Indicators of impairment include changes in the economic performance and outlook of the region including geopolitical changes, changes in market value of regional investments, large credit defaults and strategic decisions to exit certain regions.

The recoverable amounts for all the CGUs were measured based on value in use (VIU). The calculation of VIU for each CGU is calculated using five-year cashflow projections and an estimated terminal value based on a perpetuity value after year five. The cashflow projections are based on forecasts approved by management up to 2030.

The perpetuity terminal value amount is calculated using year five cashflows using long-term GDP growth rates. All cashflows are discounted using discount rates which reflect market rates appropriate to the CGU.

The goodwill allocated to material CGUs and key assumptions used in determining the recoverable amounts are set out below and are solely estimates for the purposes of assessing impairment of acquired goodwill.

Notes to the financial statements

17. Goodwill and intangible assets continued

Cash generating unit[1]	2025 Goodwill $million	2025 Pre Tax Discount rates per cent	2025 Long-term forecast GDP growth rates per cent	2024 Goodwill $million	2024 Pre Tax Discount rates per cent	2024 Long-term forecast GDP growth rates per cent
Country CGUs						
Asia	**1,036**			1,014		
Hong Kong	**358**	**13.0**	**1.0**	359	13.0	1.1
Taiwan	**327**	**12.2**	**1.3**	316	12.2	1.5
Singapore	**351**	**13.1**	**2.0**	339	13.0	2.3
Africa & Middle East	**80**			81		
Pakistan	**31**	**33.9**	**2.5**	32	35.9	3.3
Bahrain	**49**	**16.1**	**1.0**	49	12.4	0.8
Global CGUs	**1,303**			1,292		
Wealth Management	**83**	**15.1**	**1.6**	83	15.0	1.8
Corporate & Investment Banking	**1,220**	**15.9**	**2.1**	1,209	15.5	2.3
	2,419			2,387		

1 Excludes other goodwill balances of $4 million.

In the current year, there are no CGUs for which reasonably possible changes on key estimates (cashflow, discount rate and GDP growth) would cause an impairment.

18. Property, plant and equipment

Accounting policy

All property, plant and equipment is stated at cost less accumulated depreciation and impairment losses.

Land and buildings comprise mainly branches and offices. Freehold land is not depreciated although it is subject to impairment testing.

Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- Owned premises – up to 50 years
- Leasehold premises – up to 50 years
- Leasehold improvements – Shorter of remaining lease term and 10 years
- Equipment and motor vehicles – three to 15 years

Where the Group is a lessee of a right-of-use asset, the leased assets are capitalised and included in Property, plant and equipment with a corresponding liability to the lessor recognised in other liabilities. The accounting policy for lease assets is set out in Note 19.

	2025					2024				
	Premises $million	Equipment $million	Leased premises assets $million	Leased equipment assets $million	Total $million	Premises $million	Equipment $million	Leased premises assets $million	Leased equipment assets $million	Total $million
Cost or valuation										
At 1 January	**1,726**	**936**	**2,026**	**163**	**4,851**	1,741	810	1,864	18	4,433
Exchange translation differences	**26**	**33**	**39**	**(1)**	**97**	(41)	(31)	(38)	(4)	(114)
Additions	**133**[1]	**187**[1]	**253**	**56**	**629**	112[1]	194[1]	213	150	669
Disposals and fully depreciated assets written off	**(29)**[2]	**(54)**[2]	**(54)**	**(1)**	**(138)**	(61)[2]	(37)[2]	(13)	(1)	(112)
Transfers to assets held for sale	**(43)**	**–**	**–**	**–**	**(43)**	–	–	–	–	–
Other movements[3]	**(9)**	**–**	**–**	**–**	**(9)**	(25)	–	–	–	(25)
As at 31 December	**1,804**	**1,102**	**2,264**	**217**	**5,387**	1,726	936	2,026	163	4,851
Depreciation										
Accumulated at 1 January	**716**	**575**	**1,096**	**39**	**2,426**	692	535	914	18	2,159
Exchange translation differences	**13**	**30**	**3**	**(3)**	**43**	(28)	(15)	(40)	(14)	(97)
Charge for the year	**87**	**114**	**228**	**52**	**481**	79	92	220	36	427
Impairment charge	**(1)**	**–**	**1**	**–**	**–**	2	–	9	–	11
Attributable to assets sold, transferred or written off	**(19)**[2]	**(53)**[2]	**(34)**	**(1)**	**(107)**	(29)[2]	(37)[2]	(7)	(1)	(74)
Transfers to assets held for sale	**(15)**	**–**	**–**	**–**	**(15)**	–	–	–	–	–
Accumulated at 31 December	**781**	**666**	**1,294**	**87**	**2,828**	716	575	1,096	39	2,426
Net book amount at 31 December	**1,023**	**436**	**970**	**130**	**2,559**	1,010	361	930	124	2,425

1 Refer to the cash flow statement under cash flows from investing activities section for the purchase of property, plant and equipment during the year of $320 million (31 December 2024: $456 million).

2 In the cash flow statement, disposals of property, plant and equipment of $30 million (31 December 2024: $56 million) would include the gains/(losses) incurred as part of other operating income (note 6) on disposal of assets during the year and the net book value disposed.

3 Includes revaluation surplus on initial measurement $5 million (31 December 2024: $25 million) recognised in statement of other comprehensive income and subsequent re-measurement $14 million (31 December 2024: nil) taken to income statement.

19. Leased assets

Accounting policy

Where the Group is a lessee and the lease is deemed in scope of IFRS 16, it recognises a liability equal to the present value of lease payments over the lease term, discounted using the incremental borrowing rate applicable in the economic environment of the lease. The liability is recognised in 'Other liabilities'. A corresponding right-of-use asset equal to the liability, adjusted for any lease payments made at or before the commencement date, is recognised in 'Property, plant and equipment'. The lease term includes any extension options contained in the contract that the Group is reasonably certain it will exercise.

The Group subsequently depreciates the right-of-use asset using the straight-line method over the lease term and measures the lease liability using the effective interest method. Depreciation on the asset is recognised in 'Depreciation and amortisation', and interest on the lease liability is recognised in 'Interest expense'.

If a leased premise, or a physically distinct portion of a premise such as an individual floor, is deemed by management to be surplus to the Group's needs and action has been taken to abandon the space before the lease expires, this is considered an indicator of impairment. An impairment loss is recognised if the right-of-use asset, or portion thereof, has a carrying value in excess of its value-in-use when taking into account factors such as the ability and likelihood of obtaining a subtenant.

The key judgement in determining lease balances is the determination of the lease term, in particular whether the Group is reasonably certain that it will exercise extension options present in lease contracts. On initial recognition, the Group considers a range of characteristics such as premises function, regional trends and the term remaining on the lease to determine whether it is reasonably certain that a contractual right to extend a lease will be exercised. When there are changes to assumptions the lease balances are remeasured.

The estimates involved are the determination of incremental borrowing rates in the respective economic environments. The Group uses third-party broker quotes to estimate its USD cost of senior unsecured borrowing, then uses cross currency swap pricing information to determine the equivalent cost of borrowing in other currencies. If it is not possible to estimate an incremental borrowing rate through this process, other proxies such as local government bond yields are used.

Notes to the financial statements

19. Leased assets continued

Accounting policy continued

The Group primarily enters lease contracts that grant it the right to use premises such as office buildings and retail branches.

Existing lease liabilities may change in future periods due to changes in assumptions or decisions to exercise lease renewal or termination options, changes in payments due to renegotiations of market rental rates as permitted by those contracts and changes to payments due to rent being contractually linked to an inflation index. In general the re-measurement of a lease liability under these circumstances leads to an equal change to the right-of-use asset balance, with no immediate effect on the income statement.

The total cash outflow during the year for premises and equipment leases was $268 million (2024: $265 million).

The right-of-use asset balances and depreciation charges are disclosed in Note 18. The lease liability balances are disclosed in Note 23 and the interest expense on lease liabilities is disclosed in Note 3.

Maturity analysis

The maturity profile for lease liabilities associated with leased premises and equipment assets is as follows:

	2025					2024				
	One year or less $million	Between one year and two years $million	Between two years and five years $million	More than five years $million	Total $million	One year or less $million	Between one year and two years $million	Between two years and five years $million	More than five years $million	Total $million
Other liabilities – lease liabilities	**292**	**245**	**483**	**450**	**1,470**	279	223	443	414	1,359

20. Other assets

Other assets include:	2025 $million	2024 $million
Financial assets held at amortised cost (Note 13):		
Hong Kong SAR Government certificates of indebtedness (Note 23)[1]	**6,448**	6,369
Cash collateral[3]	**12,868**	11,046
Acceptances and endorsements	**6,561**	5,476
Unsettled trades and other financial assets	**10,893**	11,694
	36,770	34,585
Non-financial assets:		
Commodities and emissions certificates[2]	**30,619**	8,358
Other assets	**542**	525
	67,931	43,468

1 The Hong Kong SAR Government certificates of indebtedness are subordinated to the claims of other parties in respect of bank notes issued.

2 Comprises precious metals and emission certificates, being inventory that is carried at fair value less costs to sell. $25.1 billion is precious metals which are classified as Level 1, the fair value of which being derived from observable spot or short-term futures prices from relevant exchanges (31 December 2024: $5.6 billion). $5.5 billion is emissions certificates and other commodity related balances classified as Level 2 (31 December 2024: $2.7 billion).

3 Cash collateral are margins placed to collateralise net derivative mark-to-market (MTM) positions.

21. Assets held for sale and associated liabilities

Accounting Policy

Upon reclassification property, plant and equipment are measured at the lower of their carrying amount and fair value less costs to sell. Financial instruments continue to be measured per the accounting policies in Note 13 Financial instruments.

The assets below have been presented as held for sale following the approval of Group management and the transactions are expected to complete in 2026.

Assets held for sale

The financial assets reported below are classified under Level 1: $74 million (2024: $58 million), Level 2: $178 million (2024: $353 million) and Level 3: $790 million (2024: $473 million).

	2025 $million	2024 $million
Financial assets held at fair value through profit or loss	**–**	5
Loans and advances to banks	**–**	5
Financial assets held at amortised cost	**1,042**	884
Cash and balances at central banks	**–**	109
Loans and advances to banks	**–**	18
Loans and advances to customers	**1,042**	656
Debt securities held at amortised cost	**–**	101
Property, plant and equipment[1]	**32**	15
Others	**25**	28
	1,099	932

1 Consideration on disposal of Property, plant and equipment classified under assets held for sale was $128 million (31 December 2024: $53 million).

Liabilities held for sale

The financial liabilities reported below are classified under Level 1: $147 million (2024: $89 million) and Level 2: $761 million (2024: $271 million).

	2025 $million	2024 $million
Financial liabilities held at amortised cost	**908**	360
Customer accounts	**908**	360
Other liabilities	**6**	16
Provisions for liabilities and charges	**–**	5
	914	381

The amounts included in the tables above include $741 million of assets and $914 million of liabilities forming part of the Botswana, Uganda, Zambia and Sri Lanka WRB businesses transferred to held for sale during the year.

Notes to the financial statements

22. Debt securities in issue

Accounting policy
Refer to Note 13 Financial instruments for the relevant accounting policy.

	2025			2024		
	Certificates of deposit of $100,000 or more $million	Other debt securities in issue $million	Total $million	Certificates of deposit of $100,000 or more $million	Other debt securities in issue $million	Total $million
Debt securities in issue	**21,876**	**50,982**	**72,858**	18,113	46,496	64,609
Debt securities in issue included within:						
Financial liabilities held at fair value through profit or loss (Note13)	–	**16,009**	**16,009**	–	13,731	13,731
Total debt securities in issue	**21,876**	**66,991**	**88,867**	18,113	60,227	78,340

In 2025, the Company issued a total of $7.9 billion senior notes for general business purposes of the Group as shown below:

Securities	$million
$1,000 million fixed rate senior notes due 2029 (callable 2028)	**1,000**
$1,000 million fixed rate senior notes due 2036 (callable 2035)	**1,000**
$500 million floating rate senior notes due 2029 (callable 2028)	**500**
HKD 1,250 million fixed rate senior notes due 2029 (callable 2028)	**161**
EUR 1,000 million fixed rate senior notes due 2033 (callable 2032)	**1,174**
$1,000 million fixed rate senior notes due 2031 (callable 2030)	**1,000**
$750 million floating rate senior notes due 2031 (callable 2030)	**750**
$2,000 million fixed rate senior notes due 2036 (callable 2035)	**2,000**
HKD 1,500 million fixed rate senior notes due 2029 (callable 2028)	**193**
$50 million fixed rate senior notes due 2029 (callable 2028)	**50**
CNY 500 million fixed rate senior notes due 2030 (callable 2029)	**70**
CNY 400 million fixed rate senior notes due 2030 (callable 2029)	**56**
Total Senior Notes issued	**7,954**

In 2024, the Company issued a total of $7.4 billion senior notes for general business purposes of the Group as shown below:

Securities	$million
$1,500 million fixed-rate senior notes due 2035 (callable 2034)	1,500
SGD 335 million fixed-rate senior notes due 2030 (callable 2029)	246
EUR 1,000 million fixed-rate senior notes due 2032 (callable 2031)	1,035
HKD 1,100 million fixed-rate senior notes due 2027 (callable 2026)	142
$500 million floating-rate senior notes due 2028 (callable 2027)	500
$1,000 million fixed-rate senior notes due 2028 (callable 2027)	1,000
$1,500 million fixed-rate senior notes due 2035 (callable 2034)	1,500
$1,500 million fixed-rate senior notes due 2030 (callable 2029)	1,500
Total Senior Notes issued	7,423

23. Other liabilities

Accounting policy

Refer to Note 13 Financial instruments for the relevant accounting policy for financial liabilities, Note 19 Leased assets for the accounting policy for leases, and Note 31 Share-based payments for the accounting policy for cash-settled share-based payments.

	2025 $million	2024 $million
Financial liabilities held at amortised cost (Note 13)		
Notes in circulation[1]	**6,448**	6,369
Acceptances and endorsements	**6,567**	5,476
Cash collateral[2]	**14,168**	15,005
Property leases	**1,097**	1,041
Equipment leases	**121**	115
Unsettled trades and other financial liabilities	**17,387**	16,041
	45,788	44,047
Non-financial liabilities		
Cash-settled share-based payments	**247**	131
Other liabilities	**620**	503
	46,655	44,681

1 Hong Kong currency notes in circulation of $6,448 million (31 December 2024: $6,369 million) that are secured by the Government of Hong Kong SAR certificates of indebtedness of the same amount included in other assets (Note 20).

2 Cash collateral are margins received against collateralise net derivative mark-to-market positions.

24. Provisions for liabilities and charges

Accounting policy

The recognition and measurement of provisions for liabilities and charges requires significant judgement and the use of estimates about uncertain future conditions or events.

Estimates include the best estimate of the probability of outflow of economic resources, cost of settling a provision and timing of settlement. Judgement is required to assess inherently uncertain areas such as the anticipated outcome and financial impact of legal claims and regulatory and enforcement investigations and proceedings.

	2025			2024		
	Provision for credit commitments[1] $million	Other provisions[2] $million	Total $million	Provision for credit commitments[1] $million	Other provisions[2] $million	Total $million
At 1 January	**255**	**94**	**349**	227	72	299
Exchange translation differences	**(7)**	**–**	**(7)**	10	(5)	5
(Release)/charge against profit	**(24)**	**130**	**106**	18	136	154
Provisions utilised	**–**	**(47)**	**(47)**	–	(121)	(121)
Other movements[3]	**–**	**–**	**–**	–	12	12
At 31 December	**224**	**177**	**401**	255	94	349

1 Expected credit loss for credit commitment comprises those undrawn contractually committed facilities where there is doubt as to the borrowers' ability to meet their repayment obligations.

2 Other provisions consist mainly of provisions for legal claims and regulatory and enforcement investigations and proceedings; including provision for Korea equity-linked securities (ELS) portfolio. While a provision has been made in relation to the Korea ELS matter, a description of the matter is contained in note 26.

3 Includes the provisions transferred to held for sale.

Notes to the financial statements

25. Contingent liabilities and commitments

Accounting policy

Financial guarantee contracts and loan commitments

Financial guarantee contracts and any loan commitments issued at below-market interest rates are initially recognised at their fair value as a financial liability, and subsequently measured at the higher of the initial value less the cumulative amount of income recognised and their expected credit loss provision. Loan commitments may be designated at fair value through profit or loss where that is the business model under which such contracts are held. Notional values of financial guarantee contracts and loan commitments are disclosed in the table below.

Financial guarantees, trade credits and irrevocable letters of credit are the notional values of contracts issued by the Group's Transaction Banking business for which an obligation to make a payment has not arisen at the reporting date. Transaction Banking will issue contracts to clients and counterparties of clients, whereby in the event the holder of the contract is not paid, the Group will reimburse the holder of the contract for the actual financial loss suffered. These contracts have various legal forms such as letters of credit, guarantee contracts and performance bonds. The contracts are issued to facilitate trade through export and import business and provide guarantees to financial institutions where the Group has a local presence, as well as guaranteeing project financing involving large construction projects undertaken by sovereigns and corporates. The contracts may contain performance clauses which require the counterparty performing services or providing goods to meet certain conditions before a right to payment is achieved, however the Group does not guarantee this performance. The Group will only guarantee the credit of the counterparty paying for the services or goods.

Commitments are where the Group has confirmed its intention to provide funds to a customer or on behalf of a customer under pre-specified terms and conditions in the form of loans, overdrafts or future guarantees whether cancellable or not and the Group has not made payments at the balance sheet date; those instruments are included in these financial statements as commitments. Some of these commitments are considered on demand as the Group may have to honour them, or the client may draw down at any time.

Capital commitments are contractual commitments the Group has entered into to purchase non-financial assets.

The table below shows the contract or underlying principal amounts of unmatured off-balance sheet transactions at the balance sheet date. The contract or underlying principal amounts indicate the volume of business outstanding and do not represent amounts at risk.

	2025 $million	2024 $million
Financial guarantees and other contingent liabilities		
Financial guarantees, trade and irrevocable letters of credit	**114,193**	90,632
	114,193	90,632
Commitments		
Undrawn formal standby facilities, credit lines and other commitments to lend		
One year and over	**89,147**	76,915
Less than one year	**31,922**	29,249
Unconditionally cancellable	**78,176**	76,365
	199,245	182,529
Capital Commitments		
Contracted capital expenditure approved by the directors but not provided for in these accounts	**62**	123

As set out in Note 26, the Group has contingent liabilities in respect of certain legal and regulatory matters. Note 26 also describes a matter relating to equity linked securities sold by Standard Chartered Bank Korea, for which the Group has recognised a provision.

26. Legal and regulatory matters

Accounting policy

Where appropriate, the Group recognises a provision for liabilities when it is probable that an outflow of economic resources embodying economic benefits will be required, and for which a reliable estimate can be made of the obligation. The uncertainties inherent in legal and regulatory matters affect the amount and timing of any potential outflows with respect to which provisions have been established. These uncertainties also mean that it is not possible to give an aggregate estimate of contingent liabilities arising from such legal and regulatory matters.

The Group receives legal claims against it in a number of jurisdictions and is subject to regulatory and enforcement investigations and proceedings from time to time. Apart from the matters described below, the Group currently considers none of the ongoing claims, investigations or proceedings to be individually material. However, in light of the uncertainties involved in such matters there can be no assurance that the outcome of a particular matter or matters currently not considered to be material may not ultimately be material to the Group's results in a particular reporting period depending on, among other things, the amount of the loss resulting from the matter(s) and the results otherwise reported for such period.

Since 2014, the Group has been named as a defendant in a series of lawsuits filed in the United States District Courts for the Southern and Eastern Districts of New York against a number of banks on behalf of plaintiffs who are, or are relatives of, victims of attacks in Iraq, Afghanistan and Israel. The plaintiffs in each of these lawsuits allege that the defendant banks aided and abetted the unlawful conduct of parties with connections to terrorist organisations in breach of the United States Anti-Terrorism Act. None of the lawsuits specify the amount of damages claimed. The Group continues to defend these lawsuits.

In January 2020, a shareholder derivative complaint was filed by the City of Philadelphia in New York State Court against 45 current and former directors and senior officers of the Group. It is alleged that the individuals breached their duties to the Group and caused a waste of corporate assets by permitting the conduct that gave rise to the costs and losses to the Group related to legacy conduct and control issues. In February 2022, the New York State Court ruled in favour of Standard Chartered PLC's motion to dismiss the complaint. The plaintiffs are pursuing an appeal against the February 2022 ruling. A ruling on the plaintiffs' appeal is awaited.

Bernard Madoff's 2008 confession to running a Ponzi scheme through Bernard L. Madoff Investment Securities LLC (BMIS) gave rise to a number of lawsuits against the Group. BMIS and the Fairfield funds (which invested in BMIS) are in bankruptcy and liquidation, respectively. Between 2010 and 2012, five lawsuits were brought against the Group by the BMIS bankruptcy trustee and the Fairfield funds' liquidators, in each case seeking to recover funds paid to the Group's clients pursuant to redemption requests made prior to BMIS' bankruptcy filing. The total amount sought in these cases exceeds U.S.$300 million, excluding any pre-judgment interest that may be awarded. Three of the four lawsuits commenced by the Fairfield funds' liquidators have been dismissed and those dismissals were upheld by the appeal court. The fourth lawsuit has been dismissed and is not the subject of any further appeal. The Group continues to defend the lawsuit brought by the BMIS bankruptcy trustee.

In June 2025, a lawsuit was filed in the Singapore High Court against Standard Chartered Bank (Singapore) Limited ('Standard Chartered Singapore'), by three companies now in liquidation that had misappropriated funds from 1Malaysia Development Berhad (1MDB), seeking U.S.$2.7 billion. The companies allege, among other things, that Standard Chartered Singapore knew or ought to have known that these companies were engaged in the fraud on 1MDB at the time that Standard Chartered Singapore effected transfers instructed by these companies. The companies allege that in doing so, Standard Chartered Singapore breached its mandate and applicable duties. Standard Chartered Singapore had reported the transaction activities of these companies before it closed their accounts in early 2013. Standard Chartered Singapore denies any and all liability and will defend this lawsuit.

The Group is defending a lawsuit filed in the courts of Victoria, Australia, against a number of financial institutions by two companies in liquidation, Jabiru Satellite Limited and NewSat Limited. The claimants allege that the defendants breached implied obligations under 2013 loan agreements and acted unconscionably by declining to waive breaches and events of default and by refusing to continue funding their satellite project, ultimately resulting in the claimants entering receivership. The claimants have asserted loss and damage of up to U.S.$4.81 billion from the defendants. In addition to having denied any and all liability, the defendants will contest the claimants' alleged losses, which the Group considers to be baseless. The trial of this claim is due to start in Q2 2026.

The Group has concluded that the threshold for recording provisions pursuant to IAS 37 Provisions, Contingent Liabilities and Contingent Assets is not met with respect to the above matters; however, the outcomes of these matters are inherently uncertain and difficult to predict.

By way of update on other legal and regulatory matters which have previously been included in this Note on account of being treated as contingent liabilities but are no longer treated as such, either because the matter has concluded (in the case of (a)) or a provision has been recognised (in the case of (b)):

Notes to the financial statements

26. Legal and regulatory matters continued

(a) Since October 2020, four lawsuits had been filed in the English High Court against Standard Chartered PLC on behalf of more than 200 shareholders in relation to alleged untrue and/or misleading statements and/or omissions in information published by Standard Chartered PLC in its rights issue prospectuses of 2008, 2010 and 2015 and/or public statements regarding the Group's historic sanctions, money laundering and financial crime compliance issues. These lawsuits were brought under sections 90 and 90A of the Financial Services and Markets Act 2000. The trial of these lawsuits was due to start in late 2026; however, in December 2025, a settlement was reached with the claimants, and this matter is now concluded.

(b) A number of Korean banks sold equity linked securities (ELS) to customers, the redemption values of which are determined by the performance of various stock indices. From January 2021 to May 2023, Standard Chartered Bank Korea sold relevant ELS to its customers. Due to the performance of the Hang Seng China Enterprise Index, many customers of Korean banks experienced loss on their ELS investments. Standard Chartered Bank Korea has paid or offered compensation to its impacted customers. In November 2025, the Financial Supervisory Service issued a notice of a proposed regulatory penalty relating to the ELS matter, which Standard Chartered Bank Korea is contesting. Appropriate provisions have been recognised with respect to the proposed penalty amount and outstanding compensation claims (see Note 24).

27. Subordinated liabilities and other borrowed funds

Accounting policy
Refer to Note 13 Financial instruments for the relevant accounting policy.

	2025 $million	2024 $million
Subordinated loan capital – issued by subsidiary undertakings		
$700 million 8.0 per cent subordinated notes due 2031[1]	**330**	326
NPR2.4 billion 10.3 per cent fixed rate subordinated notes due 2028[2]	**17**	18
	347	344
Subordinated loan capital – issued by the Company[3]		
£900 million 5.125 per cent subordinated notes due 2034	**657**	601
$2 billion 5.7 per cent subordinated notes due 2044	**2,222**	2,179
$750 million 5.3 per cent subordinated notes due 2043	**716**	691
$1.25 billion 4.3 per cent subordinated notes due 2027	**1,218**	1,174
$1 billion 3.516 per cent fixed rate reset subordinated notes due 2030 (callable 2025)	**–**	996
$500 million 4.866 per cent fixed rate reset subordinated notes due 2033 (callable 2028)	**493**	478
£96.035 million 7.375 per cent Non-Cum Pref Shares (reclassed as Debt) – Other borrowings	**129**	121
£99.250 million 8.25 per cent Non-Cum Pref Shares (reclassed as Debt) – Other borrowings	**134**	124
$750 million 3.603 per cent fixed rate reset subordinated notes due 2033 (callable 2032)	**671**	634
€1 billion 2.5 per cent fixed rate reset subordinated notes due 2030 (callable 2025)	**–**	1,015
$1.25 billion 3.265 per cent fixed rate reset subordinated notes due 2036 (callable 2030)	**1,094**	1,032
€1 billion 1.200 per cent fixed rate reset subordinated notes due 2031 (callable 2026)	**1,153**	993
	8,487	10,038
Total for Group	**8,834**	10,382

1 Issued by Standard Chartered Bank.
2 Issued by Standard Chartered Bank Nepal Limited. NPR refers to Nepalese Rupee.
3 In the balance sheet of the Company the amount recognised is $8,684 million (2024: $10,338 million), with the difference on account of hedge accounting achieved on a Group basis.

	2025					2024				
	USD $million	EUR $million	GBP $million	NPR $million	Total $million	USD $million	EUR $million	GBP $million	NPR $million	Total $million
Fixed rate subordinated debt	**6,744**	**1,153**	**920**	**17**	**8,834**	7,510	2,008	846	18	10,382

Redemptions and repurchases during the year.

Standard Chartered PLC exercised its right to redeem $1 billion 3.516 per cent subordinated notes 2025 and €1 billion 2.5 per cent subordinated notes 2025.

Issuance during the year

There was no issuance during the period.

28. Share capital, other equity instruments and reserves

Accounting policy

Securities which carry a discretionary coupon and have no fixed maturity or redemption date are classified as other equity instruments. Interest payments on these securities are recognised, net of tax, as distributions from equity in the period in which they are paid.

Where the Company or other members of the consolidated Group purchase the Company's equity share capital, the consideration paid is deducted from the total shareholders' equity of the Group and/or of the Company as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity of the Group and/or the Company.

	Number of ordinary shares million	Ordinary share capital[1] $million	Ordinary Share premium $million	Preference share capital and share premium[2] $million	Total share capital and share premium $million	Other equity instruments $million
At 1 January 2024	2,665	1,332	3,989	1,494	6,815	5,512
Cancellation of shares including share buyback	(240)	(120)	–	–	(120)	–
Additional Tier 1 equity issuance[4]	–	–	–	–	–	1,568
Additional Tier 1 Redemption[5]	–	–	–	–	–	(553)
Other movements[5]	–	–	–	–	–	(25)
At 31 December 2024	**2,425**	**1,212**	**3,989**	**1,494**	**6,695**	**6,502**
Cancellation of shares including share buyback	**(162)**	**(81)**	–	–	**(81)**	–
Additional Tier 1 equity issuance[4]	–	–	–	–	–	**1,989**
Additional Tier 1 Redemption[5]	–	–	–	–	–	**(1,000)**
Other movements[3]	–	–	–	–	–	**37**
At 31 December 2025	**2,263**	**1,131**	**3,989**	**1,494**	**6,614**	**7,528**

1 Issued and fully paid ordinary shares of 50 cents each.

2 Includes preference share capital of $75,000.

3 2025 include transfer of $25 million realised translation loss on redemption of AT1 securities of SGD 750 million to retained earnings.

4 Movement in 2025 relates to $994 million and $995 million fixed rate resetting perpetual subordinated contingent convertible AT1 securities issued by Standard Chartered PLC. Movement in 2024 includes $993 million and $575 million (SGD 750 million) fixed rate resetting perpetual subordinated contingent convertible AT1 securities issued by Standard Chartered PLC.

5 Movement in 2025 relates to redemption of $1,000 million Fixed Rate Resetting Perpetual Contingent Convertible Securities on its first optional redemption date of 26 July 2025. Movement in 2024 relates to redemption of AT1 securities of SGD 750 million ($553 million) and realised translation loss ($25 million) reported in other movements.

Share buyback

On 30 July 2024, the Group announced the buyback programme for a share buyback of its ordinary shares of $0.50 each. Nominal value of share purchases was $69 million, the total consideration paid was $1,500 million, and the buyback completed on 30 January 2025. The total number of shares purchased of 137,562,542 representing 5.39 per cent of the ordinary shares in issue at the beginning of the programme. The nominal value of the shares was transferred from the share capital to the capital redemption reserve account.

On 21 February 2025, the Group announced the buyback programme for a share buyback of its ordinary shares of $0.50 each. Nominal value of share purchases was $49 million, the total consideration paid was $1,500 million, and the buyback completed on 30 July 2025. The total number of shares purchased of 98,162,451 representing 4.07 per cent of the ordinary shares in issue at the beginning of the programme. The nominal value of the shares was transferred from the share capital to the capital redemption reserve account.

On 31 July 2025, the Group announced the buyback programme for a share buyback of its ordinary shares of $0.50 each. As at 31 December 2025, nominal value of share purchases was $27 million, the total consideration paid was $1,073 million and the total number of shares purchased was 53,061,718, representing 2.29 per cent of the ordinary shares in issue at the beginning of the programme. The buyback was completed on 26 January 2026 with a further $227million consideration paid and recognised as irrevocable obligation to buyback shares. The nominal value of the shares was transferred from the share capital to the capital redemption reserve account.

Notes to the financial statements

28. Share capital, other equity instruments and reserves continued

The shares were purchased by Standard Chartered PLC on various exchanges not including the Hong Kong Stock Exchange.

	Number of ordinary shares	Highest price Paid £	Lowest price paid £	Average price paid per share £	Aggregate price paid £	Aggregate price paid $
January 2025	11,300,128	10.87	9.704	10.4136	117,671,362	145,286,293
February 2025	3,395,890	12.725	11.79	12.33	41,849,427	52,884,831
March 2025	24,636,534	12.81	11.175	11.8839	292,546,496	377,784,647
April 2025	19,971,649	11.545	8.728	10.201	201,750,555	264,351,775
May 2025	18,340,963	11.755	10.385	11.2748	205,669,905	274,781,456
June 2025	15,903,416	12.2	11.16	11.7	186,026,636	252,365,331
July 2025	15,913,999	13.78	11.675	12.9343	205,721,926	277,831,848
August 2025	10,425,043	14.31	12.855	13.7655	143,350,111	192,812,669
September 2025	11,517,686	14.65	13.545	14.1412	162,803,283	219,854,779
October 2025	10,604,541	15.645	13.515	14.5063	153,001,512	204,574,723
November 2025	9,494,913	16.83	15.255	16.0656	152,484,758	200,451,254
December 2025	11,019,535	18.345	16.235	17.4014	191,126,325	255,662,097

Ordinary share capital

In accordance with the Companies Act 2006 the Company does not have authorised share capital. The nominal value of each ordinary share is 50 cents.

During the period nil shares were issued under employee share plans.

Preference share capital

At 31 December 2025, the Company has 15,000 $5 non-cumulative redeemable preference shares in issue, with a premium of $99,995 making a paid up amount per preference share of $100,000. The preference shares are redeemable at the option of the Company and are classified in equity.

The available profits of the Company are distributed to the holders of the issued preference shares in priority to payments made to holders of the ordinary shares and in priority to, or pari passu with, any payments to the holders of any other class of shares in issue. On a winding up, the assets of the Company are applied to the holders of the preference shares in priority to any payment to the ordinary shareholders and in priority to, or pari passu with, the holders of any other shares in issue, for an amount equal to any dividends payable (on approval of the Board) and the nominal value of the shares together with any premium as determined by the Board. The redeemable preference shares are redeemable at the paid up amount (which includes premium) at the option of the Company in accordance with the terms of the shares. The holders of the preference shares are not entitled to attend or vote at any general meeting except where any relevant dividend due is not paid in full or where a resolution is proposed varying the rights of the preference shares.

Other equity instruments

The table provides details of outstanding Fixed Rate Resetting Perpetual Subordinated Contingent Convertible AT1 securities issued by Standard Chartered PLC. All issuances are made for general business purposes and to increase the regulatory capital base of the Group.

Issuance date	Nominal value million	Proceeds net of issue costs $ million	Interest rate[1]	Coupon payment dates each year[2]	First reset dates[3]	Conversion price per ordinary share[4]
14 January 2021	$1,250	1,239	4.75%	14 January, 14 July	14 July 2031	$6.353
19 August 2021	$1,500	1,489	4.30%	19 February, 19 August	19 August 2028	$6.382
15 August 2022	$1,250	1,239	7.75%	15 February, 15 August	15 February 2028	$7.333
08 March 2024	$1,000	993	7.875%	8 March, 8 September	8 September 2030	$8.216
19 September 2024	SGD750	579	5.300%	19 March, 19 September	19 March 2030	SGD12.929
16 January 2025	$1,000	994	7.625%	16 January, 16 July	16 July 2032	$12.330
14 November 2025	$1,000	995	7.00%	14 May, 14 November	14 May 2036	$20.760
	Total	7,528				

1 Interest rates for the period from (and including) the issue date to (but excluding) the first reset date.
2 Interest payable semi-annually in arrears.
3 Securities are resettable each date falling five years, or an integral multiple of five years, after the first reset date.
4 Conversion price set at the time of pricing with reference to closing share price and any applicable discount.

The AT1 issuances above are primarily purchased by institutional investors.

The principal terms of the AT1 securities are described below:

- The securities are perpetual and redeemable, at the option of Standard Chartered PLC in whole but not in part, on the first interest reset date and each date falling five years after the first reset date
- The securities are also redeemable for certain regulatory or tax reasons on any date at 100 per cent of their principal amount together with any accrued but unpaid interest up to (but excluding) the date fixed for redemption. Any redemption is subject to Standard Chartered PLC giving notice to the relevant regulator and the regulator granting permission to redeem
- Interest payments on these securities will be accounted for as a dividend
- Interest on the securities is due and payable only at the sole and absolute discretion of Standard Chartered PLC, subject to certain additional restrictions set out in the terms and conditions. Accordingly, Standard Chartered PLC may at any time elect to cancel any interest payment (or part thereof) which would otherwise be payable on any interest payment date
- The securities convert into ordinary shares of Standard Chartered PLC, at a pre-determined price detailed in the table above, should the fully loaded Common Equity Tier 1 ratio of the Group fall below 7.0 per cent. Approximately 911 million ordinary shares would be required to satisfy the conversion of all the securities mentioned above.

The securities rank behind the claims against Standard Chartered PLC of (a) unsubordinated creditors, (b) which are expressed to be subordinated to the claims of unsubordinated creditors of Standard Chartered PLC but not further or otherwise; or (c) which are, or are expressed to be, junior to the claims of other creditors of Standard Chartered PLC, whether subordinated or unsubordinated, other than claims which rank, or are expressed to rank, pari passu with, or junior to, the claims of holders of the AT1 securities in a winding-up occurring prior to the conversion trigger.

Reserves

The constituents of the reserves are summarised as follows:

- The capital reserve represents the exchange difference on redenomination of share capital and share premium from sterling to US dollars in 2001. The capital redemption reserve represents the nominal value of preference shares redeemed
- The amounts in the 'Capital and Merger Reserve' represents the premium arising on shares issued using a cash box financing structure, which required the Company to create a merger reserve under section 612 of the Companies Act 2006. Shares were issued using this structure in 2005 and 2006 to assist in the funding of Korea ($1.9 billion) and Taiwan ($1.2 billion) acquisitions, in 2008, 2010 and 2015 for the shares issued by way of a rights issue, primarily for capital maintenance requirements and for the shares issued in 2009 by way of an accelerated book build, the proceeds of which were used in the ordinary course of business of the Group. The funding raised by the 2008, 2010 and 2015 rights issues and 2009 share issue was fully retained within the Company. Of the 2015 funding, $1.5 billion was used to subscribe to additional equity in Standard Chartered Bank, a wholly owned subsidiary of the Company. Apart from the Korea, Taiwan and Standard Chartered Bank funding, the merger reserve is considered realised and distributable
- Own credit adjustment reserve represents the cumulative gains and losses on financial liabilities designated at fair value through profit or loss relating to own credit. Gains and losses on financial liabilities designated at fair value through profit or loss relating to own credit in the year have been taken through other comprehensive income into this reserve. On derecognition of applicable instruments the balance of any OCA will not be recycled to the income statement, but will be transferred within equity to retained earning
- Fair value through other comprehensive income (FVOCI) debt reserve represents the unrealised fair value gains and losses in respect of financial assets classified as FVOCI, net of expected credit losses and taxation. Gains and losses are deferred in this reserve and are reclassified to the income statement when the underlying asset is sold, matures or becomes impaired
- FVOCI equity reserve represents unrealised fair value gains and losses in respect of financial assets classified as FVOCI, net of taxation. Gains and losses are recorded in this reserve and never recycled to the income statement
- Cash flow hedge reserve represents the effective portion of the gains and losses on derivatives that meet the criteria for these types of hedges. Gains and losses are deferred in this reserve and are reclassified to the income statement when the underlying hedged item affects profit and loss or when a forecast transaction is no longer expected to occur
- Translation reserve represents the cumulative foreign exchange gains and losses on translation of the net investment of the Group in foreign operations. Since 1 January 2004, gains and losses are deferred to this reserve and are reclassified to the income statement when the underlying foreign operation is disposed. Gains and losses arising from derivatives used as hedges of net investments are netted against the foreign exchange gains and losses on translation of the net investment of the foreign operations
- Retained earnings represents profits and other comprehensive income earned by the Group and Company in the current and prior periods, together with the after tax increase relating to equity-settled share options, less dividend distributions, own shares held (treasury shares) and share buybacks.

28. Share capital, other equity instruments and reserves continued

A substantial part of the Group's reserves is held in overseas subsidiary undertakings and branches, principally to support local operations or to comply with local regulations. The maintenance of local regulatory capital ratios could potentially restrict the amount of reserves which can be remitted. In addition, if these overseas reserves were to be remitted, further unprovided taxation liabilities might arise.

As at 31 December 2025, the distributable reserves of Standard Chartered PLC (the Company) were $14.1 billion (31 December 2024: $14.1 billion). Distributable reserves of the Company were $14.1 billion, which include the distributable portions of retained earnings. Distributable reserves are derived from the Merger reserve and Retained earnings, reduced by ordinary dividend payments, distributions on AT1 instruments, share buybacks, impairments in investments in subsidiaries, restricted items in line with section 830 and 831 of the Companies Act 2006. They are increased by profits and the realisation of retained earnings.

Own shares

The 2004 Employee Benefit Trust (2004 Trust) is used in conjunction with the Group's employee share schemes and other employee share-based payments (such as upfront shares and salary shares). Computershare Trustees (Jersey) Limited is the trustee of the 2004 Trust. Group companies fund the 2004 Trust from time to time to enable the trustees to acquire shares in Standard Chartered PLC to satisfy these arrangements.

Details of the shares purchased and held by the 2004 Trust are set out below.

	2004 Trust	
	2025	2024
Shares purchased during the period	**24,477,541**	19,604,557
Market price of shares purchased ($million)	**508**	223
Shares held at the end of the period	**16,474,859**	17,589,987
Maximum number of shares held during the period	**25,082,882**	28,085,688

Except as disclosed, neither the Company nor any of its subsidiaries has bought, sold or redeemed any securities of the Company listed on The Stock Exchange of Hong Kong Limited during the period.

Computershare Trustees (Jersey) Limited abstains from voting on the Standard Chartered PLC shares held in the 2004 Trust.

Dividend waivers

The trustees of the 2004 Trust, which holds ordinary shares in Standard Chartered PLC in connection with the operation of its employee share plans, waive any dividend on the balance of ordinary shares that have not been allocated to employees, except for 0.01p per share.

Changes in share capital and other equity instruments of Standard Chartered PLC subsidiaries

The table below details the transactions in equity instruments (including convertible and hybrid instruments) of the Group's subsidiaries, including issuances, conversions, redemptions, purchase or cancellation during the financial year. This is required under the Hong Kong Listing requirements, appendix D2 paragraph 10.

Name	Description of Shares	Issued/(redeemed) Shares	Issued/(redeemed) capital
Anchorpoint Financial Limited	HKD Ordinary	9,360,000	HKD93,600,000
Appro Onboarding Solutions FZ-LLC	AED1,000.00 Ordinary	55,609	AED55,609,000
Audax Financial Technology Pte. Ltd	US$1.00 Ordinary	8,600,000	USD8,600,000
CashEnable Pte. Ltd.	US$ Ordinary	4,200,000	USD4,200,000
Financial Inclusion Technologies Ltd	US$ Ordinary	17,513,444	USD17,513,444
Fourtwothree Pte. Ltd	US$ Ordinary	2,300,000	USD2,300,000
Furaha Holding Ltd	US$1.00 Ordinary	8,500,000	USD8,500,000
Letsbloom India Private Limited	INR10.00 Equity	3,815,713	INR38,157,130
Letsbloom Pte. Ltd.	US$ Ordinary-A	1,470,000	USD1,470,000
Libeara (Singapore) Pte. Ltd.	US$ Ordinary	4,300,000	USD4,300,000
Libeara Pte. Ltd.	US$ Ordinary	3,500,000	USD3,500,000
Mox Bank Limited	HKD Ordinary	93,840,000	HKD938,400,000
myZoi Financial Inclusion Technologies LLC	AED1.00 Ordinary	40,000,000	AED40,000,000
Power2SME Pte. Ltd.	US$ Ordinary	9,175,676	USD9,175,676
PT Labamu Sejahtera Indonesia	IDR10,000.00 Ordinary	6,090,299	IDR60,902,990,000
Qatalyst Pte. Ltd.	US$1.00 Ordinary	1,100,000	USD1,100,000
SC Ventures Holdings Limited	US$1.00 Ordinary	44,190,000	USD44,190,000
SCV Master Holding Company Pte. Ltd.	US$ Ordinary	66,200,000	USD66,200,000

Name	Description of Shares	Issued/(redeemed) Shares	Issued/(redeemed) capital
SCV Research and Development Pte. Ltd.	US$ Ordinary-A	18,526,896	USD18,526,896
Sky Harmony Holdings Limited	USD1.00 Ordinary	1	USD1
Solv Vietnam Company Limited	VND Charter Capital	12,845,000,000	VND12,845,000,000
Solvezy Technology Ghana Ltd	GHS Ordinary	40,957,952	GHS40,957,952
Solvezy Technology Kenya Limited	KES1,000.00 Ordinary	289,482	KES289,482,000
Solv-India Pte. Ltd.	US$ Ordinary	54,900,000	USD54,900,000
Standard Chartered Bank Côte d'Ivoire SA	XOF100,000.00	52,566	XOF5,256,600,000
Standard Chartered Bank Nigeria Limited	NGN1.00 Ordinary	9,151,152,653	NGN9,151,152,653
Standard Chartered Holdings Limited	US$2.00 Ordinary	11,624,204	USD23,248,408
Standard Chartered I H Limited	US$1.00 Ordinary	23,248,408	USD23,248,408
Standard Chartered Luxembourg S.A.	€1.00 Ordinary	1,500,000	EUR1,500,000
Standard Chartered Private Equity (Mauritius) Limited	US$1.00 Ordinary	500,000	USD500,000
Standard Chartered Private Equity (Mauritius) III Limited	US$1.00 Ordinary	38,813,419	USD38,813,419
Standard Chartered Research and Technology India Private Limited	INR10.00 Equity	34,617,793	INR346,177,930
Standard Chartered Strategic Investments Limited	US$1.00 Ordinary	5,949,826	USD5,949,826
TASConnect (Malaysia) Sdn. Bhd.	RM5.00 Ordinary	687,900	MYR3,439,500
Trust Bank Singapore Limited	SGD Ordinary	25,000,000	SGD25,000,000
Zodia Custody (Europe) S.A.	€100.00 Ordinary	300	EUR30,000
Zodia Holdings Limited	US$1.00 Ordinary	41,401,604	USD41,401,604
Zodia Markets (AME) Limited	US$ Ordinary	1,200,000	USD1,200,000
Zodia Markets (Jersey) Limited	US$ Ordinary	10,000	USD10,000
Zodia Markets Holdings Limited	US$1.00 Series A	4,560	USD4,560

Please see Note 22 Debt securities in issue for issuances and redemptions of senior notes.

Please see Note 27 Subordinated liabilities and other borrowed funds for issuance and redemptions of subordinated liabilities.

Please see Note 41 Related undertakings of the Group for subsidiaries liquidated, dissolved or sold during the year.

29. Non-controlling interests

	2025 $million	2024 $million
As at 1 January	**394**	396
Comprehensive income/(loss) for the year	**45**	(22)
Income/(loss) in equity attributable to non-controlling interests	**33**	(14)
Other profits/(loss) attributable to non-controlling interests	**12**	(8)
Distributions	**(50)**	(43)
Other increases[1]	**76**	63
As at 31 December	**465**	394

1 Movements in 2025 are primarily from Mox Bank Limited ($26 million), Standard Chartered Research and Technology India Private Limited ($12 million), Zodia Markets Holdings Limited ($15 million), Trust Bank Singapore Limited ($8 million), Anchorpoint Financial Limited ($6 million), Financial Inclusion Tech ($6 million) and Furaha Holding Ltd ($3million). Movements in 2024 are primarily from non-controlling interests pertaining to Trust Bank Singapore Limited ($55 million) and Mox Bank Limited ($14 million) partly offset by disposal of SCB Angola S.A. ($6 million). Cash received from additional investment was $40 million (31 December 2024: $55 million).

Notes to the financial statements

30. Retirement benefit obligations

Accounting policy

The Group operates pension and other post-retirement benefit plans around the world, which are categorised into defined contribution plans and defined benefit plans.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension plans on a statutory or contractual basis, and such amounts are charged to operating expenses. The Group has no further payment obligations once the contributions have been paid.

For defined benefit plans, which promise levels of payments where the future cost is not known with certainty:

- The accounting obligation is calculated annually by independent actuaries using the projected unit method.
- Actuarial gains and losses that arise are recognised in shareholders' equity and presented in the statement of other comprehensive income in the period they arise.
- The Group determines the net interest expense on the net defined benefit liability for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability, taking into account any changes in the net defined benefit liability during the year as a result of contributions and benefit payments. Net interest expense, the cost of the accrual of new benefits, benefit enhancements (or reductions) and administration expenses met directly from plan assets are recognised in the income statement in the period in which they were incurred.

Other accounting estimates and judgements

There are many factors that affect the measurement of the retirement benefit obligations. This measurement requires the use of estimates, such as discount rates, inflation, pension increases, salary increases, and life expectancies which are inherently uncertain. The table below summarises how these assumptions are set:

Assumption	Detail
Discount rate	Determined by reference to market yields at the end of the reporting period on high-quality corporate bonds (or, in countries where there is no deep market in such bonds, government bonds) of a currency and term consistent with the currency and term of the post-employment benefit obligations. This is the approach adopted across all our geographies.
Inflation	Where there are inflation-linked bonds available (e.g. United Kingdom and the eurozone), the Group derives inflation based on the market on those bonds, with the market yield adjusted in respect of the United Kingdom to take account of the fact that liabilities are linked to Consumer Price Index inflation, whereas the reference bonds are linked to Retail Price Index inflation. Where no inflation-linked bonds exist, we determine inflation assumptions based on a combination of long-term forecasts and short-term inflation data.
Salary growth	Salary growth assumptions reflect the Group's long-term expectations, taking into account future business plans and macroeconomic data (primarily expected future long-term inflation).
Demographic assumptions	Demographic assumptions, including mortality and turnover rates, are typically set based on the assumptions used in the most recent actuarial funding valuation, and will generally use industry standard tables, adjusted where appropriate to reflect recent historic experience and/or future expectations.

The sensitivity of the liabilities to changes in these assumptions is shown in the Note below.

Retirement benefit obligations and charge comprises:

	Obligation		Charge	
	2025 $million	2024 $million	2025 $million	2024 $million
Defined benefit plans	**146**	101	**125**	62
Defined contribution plans	**23**	14	**393**[1]	389
Total	**169**	115	**518**[2]	451[2]

1 The Group during the year utilised against defined contribution payments, $1 million forfeited pension contributions in respect of employees who left before their interests vested fully. The residual balance of forfeited contributions is $21 million.

2 Refer to note 7 – Operating expenses.

The Group operates over 60 defined benefit plans across its geographies, many of which are closed to new entrants who now join defined contribution arrangements. The aim of all these plans is, as part of the Group's commitment to financial wellbeing, to give employees the opportunity to save appropriately for retirement in a way that is consistent with local regulations, taxation requirements and market conditions. The defined benefit plans expose the Group to currency risk, interest rate risk, investment risk and actuarial risks such as longevity risk.

The disclosures required under IAS 19 have been calculated by independent qualified actuaries based on the most recent full actuarial valuations updated, where necessary, to 31 December 2025.

Financial and demographic assumptions have remained largely consistent with those used in the prior year. And the impact on the liabilities of any movements in interest and inflation rates has been partially hedged by the government and corporate bonds held.

The increase in the pension deficit during the year was primarily driven by regulatory and legal developments in India (causing a past service cost of $48 million) and Kenya ($19 million). In India, a past service cost has been recognised in relation to statutory lump sum plans, based on the current interpretation of new regulations that expand the definition of pay on which they are calculated. The new regulations were substantively enacted on 21 November and applied both immediately and retrospectively; further clarification from the local authorities is expected in 2026. In Kenya, the Retirement Benefits Appeals Tribunal (RBAT) ruled broadly in favour of a longstanding legal case brought by 629 former employees. A past service cost reflects the financial impact of this judgment, which included a mandate to fund the plan. Where legacy colleagues have yet to be traced, the temporary surplus arising from the mandated funding has been disregarded under IFRIC 14.

UK Fund

The Standard Chartered Pension Fund (the 'UK Fund') is the Group's largest pension plan, representing 46 per cent (31 December 2024: 46 per cent) of total pension liabilities. The UK Fund is set up under a trust that is legally separate from the Bank (its formal sponsor) and, as required by UK legislation, at least one third of the trustee directors are nominated by members; the remainder are appointed by the Bank. The trustee directors have a fiduciary duty to members and are responsible for governing the UK Fund in accordance with its Trust Deed and Rules.

The UK Fund was closed to new entrants from 1 July 1998 and closed to the accrual of new benefits from 1 April 2018: all UK employees are now offered membership of a defined contribution plan.

The financial position of the UK Fund is regularly assessed by an independent qualified actuary. The funding valuation as at 31 December 2023 was completed in December 2024 by the Scheme Actuary, T Kripps of Willis Towers Watson, using assumptions different from those used for IAS 19, and agreed with the UK Fund trustee. It showed that the UK Fund was 96% funded at that date, revealing a past service deficit of $48 million (£38 million).

To repair the deficit, three annual cash payments each of $13 million (£10 million) were agreed, with the first of these paid in December 2024, and two further instalments to be paid in December 2025 and December 2026. However, the agreement allowed that the payments due in 2025 and 2026 may be varied depending on the funding position at the preceding 30 June provided that total payments over the three year recovery plan period do not exceed $38 million (£30 million). Based on financial conditions at 30 June 2025, the Scheme Actuary determined that the 2025 payment should be $7million (£5 million), and this was remitted to the Fund in December. As part of the 2023 valuation agreement, it was agreed that gilts with a nominal value of $200 million (£160 million) would remain in escrow to provide additional security the Trustee.

The Group has not recognised any additional liability under IFRIC 14, as the Bank has control of any pension surplus under the Trust Deed and Rules.

Overseas plans

The principal overseas defined benefit arrangements operated by the Group are in Hong Kong, India, Jersey, Korea, Taiwan, Thailand, United Arab Emirates (UAE) and the United States of America (US). Plans in Hong Kong, India, Korea, Taiwan, Thailand, and UAE remain open for accrual of future benefits.

Notes to the financial statements

30. Retirement benefit obligations continued

Key assumptions

The principal financial assumptions used at 31 December 2025 were:

	2025			2024		
	UK Funded %	Overseas Plans[1] %	Unfunded Plans[2] %	UK Funded %	Overseas Plans[1] %	Unfunded Plans[2] %
Discount rate	**5.5**	**1.3 – 6.7**	**1.4 – 6.7**	5.5	1.6 – 6.9	2.5 – 6.9
Price inflation	**2.4**	**2.0 – 5.0**	**2.0 – 5.0**	2.5	2.0 – 5.0	2.0 – 5.0
Salary increases	**n/a**	**3.5 – 7.5**	**2.4 – 7.5**	n/a	3.5 – 8.5	4.0 – 8.5
Pension increases	**2.4**	**0 – 2.8**	**0 – 2.4**	2.3	0 – 2.9	0 – 2.3
Post-retirement medical rate	**n/a**	**n/a**	**8% in 2025 reducing by 0.5% per annum to 5% in 2031**	n/a		8% in 2024 reducing by 0.5% per annum to 5% in 2030

1 The range of assumptions shown is for the funded defined benefit overseas plans in Hong Kong, India, Jersey, Korea, Taiwan, and the US. These comprise around 80 per cent of the total liabilities of overseas funded plans.

2 The range of assumptions shown is for the main unfunded defined benefit plans in India, Korea, Thailand, Hong Kong, UAE, UK and the US. They comprise over 90 per cent of the total liabilities of unfunded plans.

The principal non-financial assumptions are those made for UK life expectancy. The UK mortality tables are S4PMA for males and S4PFA for females, projected by year of birth with the CMI 2023 improvement model with a 1.25 per cent annual trend and initial addition parameter of 0.25 per cent. Scaling factors of 81 per cent for male pensioners, 93 per cent for female pensioners, 81 per cent for male dependants and 81 per cent for female dependants have been applied.

The resulting assumptions for life expectancy for the UK Fund are that a male member currently aged 60 will live for 28 years (2024: 28 years) and a female member for 29 years (2024: 29 years) and a male member currently aged 40 will live for 29 years (2024: 29 years) and a female member for 31 years (2024: 31 years) after their 60th birthdays.

Both financial and non-financial assumptions can be expected to change in the future, which would affect the value placed on the liabilities. For example, changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

- If the discount rate increased by 25 basis points the liability would reduce by approximately $25 million for the UK Fund (2024: $25 million) and $20 million for the other plans (2024: $20 million)
- If the rate of inflation increased by 25 basis points the liability, allowing for the consequent impact on pension and salary increases, would increase by approximately $15 million for the UK Fund (2024: $15 million) and $10 million for the other plans (2024: $15 million)
- If the rate of salary growth relative to inflation increased by 25 basis points the liability would increase by nil for the UK Fund (2024: nil) and approximately $10 million for the other plans (2024: $10 million)
- If longevity expectations increased by one year the liability would increase by approximately $40 million for the UK Fund (2024: $35 million) and $10 million for the other plans (2024: $10 million)

Although this analysis does not take account of the full distribution of cash flows expected, it does provide an approximation of the sensitivity to the main assumptions. While changes in other assumptions would also have an impact, the effect would not be as significant.

Profile of plan obligations

	Funded plans		Unfunded plans
	UK Fund	Overseas	
Duration of the defined benefit obligation (in years)	**10**	**8**	**8**
Duration of the defined benefit obligation – 2024	**10**	**8**	**8**
Benefits expected to be paid from plans			
Benefits expected to be paid during 2026	**89**	**102**	**21**
Benefits expected to be paid during 2027	**92**	**138**	**19**
Benefits expected to be paid during 2028	**94**	**117**	**17**
Benefits expected to be paid during 2029	**96**	**127**	**17**
Benefits expected to be paid during 2030	**99**	**122**	**19**
Benefits expected to be paid during 2031 to 2035	**529**	**595**	**91**

Fund values:

	2025						2024					
	UK Fund			Overseas plans			UK Fund			Overseas plans		
	Quoted assets $million	Unquoted assets $million	Total assets $million	Quoted assets $million	Unquoted assets $million	Total assets $million	Quoted assets $million	Unquoted assets $million	Total assets $million	Quoted assets $million	Unquoted assets $million	Total assets $million
At 31 December												
Equities	**2**	**–**	**2**	**108**	**–**	**108**	2	–	2	132	–	132
Government bonds	**332**	**–**	**332**	**323**	**–**	**323**	342	–	342	269	–	269
Corporate bonds	**411**	**134**	**545**	**266**	**–**	**266**	357	126	483	291	–	291
Hedge funds	**–**	**4**	**4**	**94**	**–**	**94**	–	5	5	–	–	–
Infrastructure	**–**	**191**	**191**	**–**	**–**	**–**	–	170	170	–	–	–
Property	**–**	**80**	**80**		**18**	**18**	–	81	81	–	15	15
Derivatives	**2**	**(2)**	**–**	**–**	**–**	**–**	22	(1)	21	–	–	–
Cash and equivalents	**38**	**–**	**38**	**151**	**165[2]**	**316**	35	–	35	60	153[2]	213
Others	**9**	**–**	**9**	**20**	**–**	**20**	7	2	9	–	156	156
Total fair value of assets[1]	**794**	**407**	**1,201**	**962**	**183**	**1,145**	765	383	1,148	752	324	1,076

1 Self-investment is monitored closely and is less than $1 million of Standard Chartered equities and bonds for 2025 (31 December 2024: <$1 million). Self-investment is only allowed where it is not practical to exclude it – for example through investment in index-tracking funds where the Group is a constituent of the relevant index.

2 Cash and equivalents includes the value of insurance contracts held in Korea which invest only in short term money market instruments.

	At 31 December 2025			At 31 December 2024		
	Funded plans		Unfunded Plans	Funded plans		Unfunded Plans
	UK Fund $million	Overseas Plans $million	$million	UK Fund $million	Overseas Plans $million	$million
Total fair value of assets	**1,201**	**1,141[1]**	**n/a**	1,148	1,076	n/a
Present value of liabilities	**(1,133)**	**(1,170)**	**(185)**	(1,070)	(1,075)	(180)
Net pension plan asset/(obligation)	**68**	**(29)**	**(185)**	78	1	(180)
Of which: Total pension assets in respect of plans in surplus	**68**	**86**	**–**	78	73	–
Of which: Total pension obligations in respect of plans in deficit	**–**	**(115)**	**(185)**	–	(72)	(180)

1 Overseas plan assets include an asset ceiling in Kenya and legacy Zimbabwe arrangement, resulting from a restriction on the recognition of surplus.

The pension cost for defined benefit plans was:

	2025				2024			
	Funded plans				Funded plans			
	UK Fund $million	Overseas plans $million	Unfunded plans $million	Total $million	UK Fund $million	Overseas plans $million	Unfunded plans $million	Total $million
Current service cost[1]	**–**	**50**	**6**	**56**	–	44	8	52
Past service cost and curtailments[2]	**–**	**67**	**–**	**67**	–	2	(1)	1
Settlement cost[3]	**–**	**1**	**–**	**1**	–	3	–	3
Interest income on pension plan assets	**(65)**	**(61)**	**–**	**(126)**	(56)	(41)	–	(97)
Interest on pension plan liabilities	**60**	**59**	**8**	**127**	54	41	8	103
Total charge to profit before deduction of tax	**(5)**	**116**	**14**	**125**	(2)	49	15	62
Losses/(gains) on plan assets[4]	**18**	**(36)**	**–**	**(18)**	78	(32)	–	46
Losses/(gains) on liabilities	**10**	**18**	**1**	**29**	(103)	6	(1)	(98)
Total losses/(gains) recognised directly in statement of comprehensive income before tax	**28**	**(18)**	**1**	**11**	(25)	(26)	(1)	(52)
Deferred taxation	**(2)**	**(2)**	**–**	**(4)**	5	7	–	12
Total losses/(gains) after tax	**26**	**(20)**	**1**	**7**	(20)	(19)	(1)	(40)

1 Includes administrative expenses paid out of plan assets of $1 million (31 December 2024: $1 million) and actuarial losses of $1 million (31 December 2024: $1 million) that are immediately recognised through P&L in line with the requirements of IAS 19.

2 Relates to provisional impact of regulatory change in India and RBAT court ruling in Kenya.

3 Impact of settlements relates to termination benefits in Indonesia.

4 The actual return on the UK Fund assets was a gain of $47 million (31 December 2024: $22 million loss) and on overseas plan assets was a gain of $97 million (31 December 2024: $73 million loss).

Notes to the financial statements

30. Retirement benefit obligations continued

Movement in the deficit during the year comprises:

	2025				2024			
	Funded plans				Funded plans			
	UK Fund $million	Overseas plans $million	Unfunded plans $million	Total $million	UK Fund $million	Overseas plans $million	Unfunded plans $million	Total $million
Surplus/(Deficit)	**78**	**1**	**(180)**	**(101)**	40	(17)	(189)	(166)
Contributions	**7**	**71**	**16**	**94**	13	39	16	68
Current service cost[1]	**–**	**(50)**	**(6)**	**(56)**	–	(44)	(8)	(52)
Past service cost and curtailments[2]	**–**	**(67)**	**–**	**(67)**	–	(2)	1	(1)
Settlement costs and transfers impact	**–**	**(1)**	**–**	**(1)**	–	(3)	–	(3)
Net interest on the net defined benefit asset/liability	**5**	**2**	**(8)**	**(1)**	2	–	(8)	(6)
Actuarial (losses)/gains	**(28)**	**18**	**(1)**	**(11)**	25	26	1	52
Asset held for Sale	**–**	**–**	**–**	**–**	–	–	–	–
Other movement	**–**	**–**	**–**	**–**	–	(1)	–	(1)
Asset ceiling[3]	**–**	**(4)**	**–**	**(4)**	–	–	–	–
Exchange rate adjustment	**6**	**1**	**(6)**	**1**	(2)	3	7	8
Surplus/(Deficit)	**68**	**(29)**	**(185)**	**(146)**	78	1	(180)	(101)

1 Includes administrative expenses paid out of plan assets of $1 million (31 December 2024: $1 million).
2 Relates to provisional impact of regulatory change in India and RBAT court ruling in Kenya.
3 Overseas plans include an asset ceiling in Kenya and a legacy Zimbabwe arrangement, resulting from a restriction on the recognition of surplus.

The Group's expected contribution to its defined benefit pension plans in 2026 is $83 million.

	2025			2024		
	Assets $million	Obligations $million	Total $million	Assets $million	Obligations $million	Total $million
At 1 January	**2,224**	**(2,325)**	**(101)**	2,119	(2,285)	(166)
Contributions[1]	**104**	**(10)**	**94**	69	(1)	68
Current service cost[2]	**–**	**(56)**	**(56)**	–	(52)	(52)
Past service cost and curtailments	**–**	**(67)**	**(67)**	–	(1)	(1)
Settlement costs[3]	**–**	**(1)**	**(1)**	–	(3)	(3)
Interest cost on pension plan liabilities	**–**	**(127)**	**(127)**	–	(103)	(103)
Interest income on pension plan assets	**126**	**–**	**126**	97	–	97
Benefits paid out[2]	**(210)**	**210**	**–**	(169)	169	–
Actuarial gains/(losses)[4]	**18**	**(29)**	**(11)**	(46)	98	52
Asset held for sale	**–**	**–**	**–**	–	–	–
Other movement	**–**	**–**	**–**	212	(213)	(1)
Asset ceiling[5]	**(4)**	**–**	**(4)**	–	–	–
Exchange rate adjustment	**84**	**(83)**	**1**	(58)	66	8
At 31 December	**2,342**	**(2,488)**	**(146)**	2,224	(2,325)	(101)

1 Includes employee contributions of $11 million (31 December 2024: $1 million).
2 Includes administrative expenses paid out of plan assets of $1 million (31 December 2024: $1 million).
3 Impact of settlements relates to termination benefits in Indonesia.
4 Actuarial loss on obligation comprises $11 million loss (31 December 2024: $127 million gain) from financial assumption changes, $1 million gain (31 December 2024: $1 million gain) from demographic assumption changes and $19 million loss (31 December 2024: $30 million loss) from experience.
5 Assets include a ceiling in Kenya and a legacy Zimbabwe arrangement, resulting from a restriction on the recognition of surplus.

31. Share-based payments

Accounting policy

The Group operates equity-settled and cash-settled share-based compensation plans. The fair value of the employee services (measured by the fair value of the awards granted) received in exchange for the grant of the shares and awards is recognised as an expense. For deferred share awards granted as part of an annual performance award, the expense is recognised over the period from the start of the performance period to the vesting date. For example, the expense for three-year awards granted in 2025 in respect of 2024 performance, which vest in 2026-2028, is recognised as an expense over the period from 1 January 2024 to the vesting dates in 2026-2028. For all other awards, the expense is recognised over the period from the date of grant to the vesting date.

For equity-settled awards, the total amount to be expensed over the vesting period is determined by reference to the fair value of the shares and awards at the date of grant, which excludes the impact of any non-market vesting conditions (for example, profitability and growth targets). The fair value of equity instruments granted is based on market prices, if available, at the date of grant. In the absence of market prices, the fair value of the instruments is estimated using an appropriate valuation technique, such as a binomial option pricing model. Non-market vesting conditions are included in assumptions for the number of shares and awards that are expected to vest.

At each balance sheet date, the Group revises its estimates of the number of shares and awards that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the income statement and a corresponding adjustment to equity over the remaining vesting period. Forfeitures prior to vesting attributable to factors other than the failure to satisfy service conditions and non-market vesting conditions are treated as a cancellation and the remaining unamortised charge is debited to the income statement at the time of cancellation. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when awards in the form of options are exercised.

Cash-settled awards are revalued at each balance sheet date and a liability recognised on the balance sheet for all unpaid amounts, with any changes in fair value charged or credited to staff costs in the income statement until the awards are exercised. Where forfeitures occur prior to vesting that are attributable to factors other than a failure to satisfy service conditions or market-based performance conditions, the cumulative charge incurred up to the date of forfeiture is credited to the income statement.

Other accounting estimates and judgements

Share-based payments involve judgement and estimation uncertainty exists when determining the expenses and carrying values of share awards at the balance sheet date.

- LTIP awards are determined using an estimation of the probability of meeting certain metrics over a three-year performance period using the Monte Carlo simulation model.
- Deferred shares are determined using an estimation of expected dividends.
- Sharesave Plan valuations are determined using a binomial option-pricing model.

The Group operates a number of share-based arrangements for its executive directors and employees. Details of the share-based payment charge are set out below.

	2025[1]			2024[1]		
	Cash $million	Equity $million	Total $million	Cash $million	Equity $million	Total $million
Deferred share awards	**81**	**206**	**287**	31	160	191
Other share awards	**80**	**32**	**112**	34	109	143
Total share-based payments[2]	**161**	**238**	**399**	65	269	334

1 No forfeiture assumed.

2 The total share-based payments charge during the year includes costs relating to Business ventures. Business ventures are established as separate legal entities with their own employee share ownership plans (ESOP) to attract and incentivise talent. ESOPs have been set up with share-based payment charges recorded in 2025 with $2 million (2024: $2 million) in cash settled and $11 million (2024: $14 million) equity settled deferred awards spread across 18 entities.

The Group determines both the grant and settlement date for all schemes, and no option to determine grant or settlement date is available to employees.

No other principal subsidiaries have separate share schemes.

31. Share-based payments continued

Discretionary share plans

The 2021 Standard Chartered Share Plan (the '2021 Plan') was approved by shareholders in May 2021 and is the Group's main share plan, replacing the 2011 Standard Chartered Share Plan (the '2011 Plan') for new awards from June 2021. It is used to deliver various types of share awards to employees and former employees of the Group, including directors and former executive directors:

Award type	Description and performance measures	Valuation
Long Term Incentive Plan (LTIP) awards	The vesting of awards granted in 2025, 2024 and 2023 are subject to the following performance measures: • relative total shareholder return (TSR); • return on tangible equity (RoTE) (with a Common Equity Tier 1 (CET1) underpin); and • strategic measures (including targets set for sustainability linked to business strategy). Each measure is assessed independently over a three-year period. LTIP awards have an individual conduct gateway requirement that results in the award lapsing if not met. Vested awards are delivered in ordinary Standard Chartered PLC shares.	The fair value of the relative TSR component is calculated using the probability of meeting the measures over a three-year performance period, using a Monte Carlo simulation model. The value of the remaining components is based on the expected performance against the RoTE and strategic measures in the scorecard and the resulting estimated number of shares expected to vest at each reporting date. These combined values are used to determine the accounting charge. No dividend equivalents accrue for the LTIP awards made in 2025, 2024, 2023 or 2022 and the fair value takes this into account, calculated by reference to market consensus dividend yield.
Deferred shares	Used to deliver: • the deferred portion of year-end variable remuneration, in line with both market practice and regulatory requirements. These awards vest in instalments on anniversaries of the award date specified at the time of grant. This enables the Group to meet regulatory requirements relating to deferral levels, and is in line with market practice. • replacement buy-out awards to new joiners who forfeit awards on leaving their previous employers. These vest in the quarter most closely following the date when the award would have vested at the previous employer. This enables the Group to meet regulatory requirements relating to buy-outs, and is in line with market practice. Deferred share awards are not subject to any performance measures. Vested awards are delivered in ordinary Standard Chartered PLC shares.	The fair value for deferred shares, which are granted to employees who are not categorised as material risk takers, is based on 100 per cent of the face value of the shares at the date of grant as the share price will reflect expectations of all future dividends. For awards granted to material risk takers in 2025, the fair value of awards takes into account the lack of dividend equivalents, calculated by reference to market consensus dividend yield.

The remaining life of the 2021 Standard Chartered Share Plan during which new awards can be made is six years.

LTIP awards

	2025	2024
Grant date	**12-May**	12-March
Share price at grant date (£)	**11.70**	6.60
Vesting period (years)	**3-7**	3–7
Expected dividend yield (%)	**3.5**	4.2
Fair value (RoTE) (£)	**2.86, 2.96, 3.06**	1.55, 1.61, 1.68
Fair value (TSR) (£)	**1.97, 2.04, 2.10**	0.95, 1.01, 1.06
Fair value (Strategic) (£)	**3.81, 3.94, 4.08**	2.06, 2.15, 2.24

Deferred shares – year-end

	2025							
Grant date	17-Nov		24-Sep		12-May		14-Mar	
Share price at grant date (£)	**16.13**		**14.55**		**11.7**		**11.77**	
Vesting period (years)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)
1-3 years	**N/A**	**20.49**	**N/A**	**18.48**	**N/A**	**14.86**	**N/A**	**14.95**
1-5 years	**–**	**–**	**2.5, 2.5, 2.5**	**16.95, 17.16, 17.37**	**3.5, 3.5, 3.5**	**13.18, 13.41, 13.64**	**3.3, 3.3, 3.3**	**13.34, 13.56, 13.78**
3-7 years	**–**	**–**	**–**	**–**	**–**	**–**	**3.3, 3.3**	**12.30, 12.71**

	2024			
Grant Date	17 June		11 March	
Share price at grant date (£)	7.24		6.56	
Vesting Period (Years)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)
1-3 years	N/A	9.17	4.2, 4.2	7.65, 8.30
1-5 years	3.8, 3.8, 3.8	8.05, 8.20, 8.35	4.2, 4.2, N/A	7.19, 7.49, 8.30
3-7 years			4.2, 4.2	6.49, 6.76

Deferred shares – buy-outs

	2025							
Grant date	17-Nov		24-Sep		12-May		14-Mar	
Share price at grant date (£)	**16.13**		**14.55**		**11.7**		**11.77**	
Vesting Period (years)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)
3 months			**2.5**	**19.44**			**3.3**	**15.07**
4 months	**3.3**	**21.14**			**3.5**	**15.87**		
6 months			**2.5**	**18.85, 19.09, 19.32**				
7 months	**3.3**	**20.97**						
9 months			**2.5**	**19.2**				
10 months					**3.5**	**15.58**		
1 year	**3.3**	**20.30, 20.46, 20.63**	**2.5**	**18.39, 18.62, 18.74, 18.85, 18.97, 19.09**	**3.5**	**15.06, 15.33, 15.44**	**3.3**	**14.59, 14.71**
2 years	**3.3**	**19.65, 19.81, 19.97**	**2.5**	**17.94, 18.17, 18.28, 18.39, 18.51, 18.62**	**3.5**	**14.92**	**3.3**	**14.12, 14.24**
3 years	**3.3**	**19.18, 19.33**	**2.5**	**17.72, 17.94, 18.17**	**3.5**	**14.41**	**3.3**	**13.78**
4 years			**2.5**	**17.51**				
5 years								

Notes to the financial statements

31. Share-based payments continued

	2024							
Grant date	**18-Nov**		**23-Sep**		**17-Jun**		**11-Mar**	
Share price at grant date (£)	9.43		7.59		7.24		6.56	
Vesting Period (years)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)
3 months			4.2	9.59	3.8	9.07	4.2	8.22
4 months	4.2	11.83						
6 months			4.2	9.49	3.8	8.99	4.2	8.14
7 months	4.2	11.69						
9 months			4.2	9.4	3.8	8.90	4.2	8.06
10 months								
1 year	4.2	11.22, 11.36	4.2	9.02, 9.11, 9.21, 9.30	3.8	8.58, 8.66, 8.74	4.2	7.73, 7.81, 7.89, 7.97
1.4 years								
2 years	4.2	10.77, 10.90	4.2	8.65, 8.74, 8.83, 8.93	3.8	8.26, 8.34	4.2	7.42, 7.50, 7.57, 7.65
2.4 years								
3 years	4.2	10.46,	4.2	8.39			4.2	7.20, 7.34
4 years	4.2	10.04					4.2	7.05
5 years								

All Employee Sharesave Plans

Under the 2023 Sharesave Plan, employees may open a savings contract and save up to £500 (increased from £250 since 2024) per month over three years to purchase ordinary shares in the Company at a discount of up to 20 per cent (the 'option exercise price'). The discount applies to the higher of: the 5-day average share price prior to the invitation or the closing share price on the last trading day prior to the invitation. At the end of the savings contract they have a period of six months to exercise the option. There are no performance measures attached to Sharesave options, and no exercise price is payable to receive an option. In some countries in which the Group operates, it is not possible to operate equity-settled Sharesave, typically due to securities law and regulatory restrictions. In these countries, where possible, the Group offers an equivalent cash-based alternative to its employees.

The remaining life of the 2023 Sharesave Plan during which new awards can be made is eight years.

Valuation – Sharesave:

Options under the Sharesave plans are valued using a binomial option-pricing model. The same fair value is applied to all employees including executive directors. The fair value per option granted and the assumptions used in the calculation are as follows:

All Employee Sharesave Plan (Sharesave)

	2025	2024
Grant date	24 September	23 September
Share price at grant date (£)	**14.55**	7.59
Exercise price (£)	**11.10**	6.10
Vesting period (years)	**3**	3
Expected volatility (%)	**31.2**	32.9
Expected option life (years)	**3.5**	3.5
Risk-free rate (%)	**3.98**	3.88
Expected dividend yield (%)	**2.5**	4.2
Fair value (£)	**6.49**	2.73

The expected volatility is based on historical volatility over the last three years, or the three years prior to grant. The expected life is the average expected period to exercise. The risk-free rate of return is the yield on zero-coupon UK Government bonds of a term consistent with the assumed option life. The expected dividend yield is calculated by reference to market consensus dividend yield.

Limits

An award shall not be granted under the 2021 Plan in any calendar year if, at the time of its proposed grant, it would cause the number of Standard Chartered PLC ordinary shares allocated in the period of 10 calendar years, ending with that calendar year, under the 2021 Plan and under any other discretionary share plan operated by Standard Chartered PLC to exceed 5 per cent of the ordinary share capital of Standard Chartered PLC in issue at that time.

An award shall not be granted under the 2021 Plan or 2023 Sharesave Plan in any calendar year if, at the time of its proposed grant, it would cause the number of Standard Chartered PLC ordinary shares allocated in the period of 10 calendar years ending with that calendar year, under the 2021 Plan or 2023 Sharesave Plan and under any other employee share plan operated by Standard Chartered PLC to exceed 10 per cent of the ordinary share capital of Standard Chartered PLC in issue at that time.

An award shall not be granted under the 2021 Plan or 2023 Sharesave Plan in any calendar year if, at the time of its proposed grant, it would cause the number of Standard Chartered PLC ordinary shares which may be issued or transferred pursuant to awards then outstanding under the 2021 Plan or 2023 Sharesave Plan as relevant to exceed such number as represents 10 per cent of the ordinary share capital of Standard Chartered PLC in issue at that time.

The number of Standard Chartered PLC ordinary shares which may be issued pursuant to awards granted to an individual under the 2021 or 2023 Plan in any 12-month period must not exceed 1 per cent of the ordinary share capital of Standard Chartered PLC in issue at that time. There are no participants with options and awards granted and to be granted in excess of the 1% individual limit, and there are no related entity participants or service providers with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the relevant class of shares in issue (excluding treasury shares).

As at 1 January 2025 and 31 December 2025, the shareholder dilution under our discretionary and Sharesave plans adopted by Standard Chartered PLC and its subsidiaries represented 5.1 per cent and 5.1 per cent of the issued ordinary share capital of Standard Chartered PLC respectively. Accordingly, the number of Standard Chartered PLC shares available to be granted under all discretionary and Sharesave plans at the beginning and the end of the year ended 31 December 2025 were 123,504,051 and 115,091,962 respectively. As at 31 December 2025, the number of Standard Chartered PLC shares available to be granted under the discretionary plan was 27,524,527 (1.2% of issued shares) and 115,091,962 available to be granted under the Sharesave plan (5.1% of issued shares).

The maximum number of Standard Chartered PLC shares that may be issued in respect of share options and awards granted under the discretionary and Sharesave plans during the year ended 31 December 2025 divided by the weighted average number of Standard Chartered PLC shares in issue for the year ended 31 December 2025 is 1 per cent.

Standard Chartered PLC has been granted a waiver from strict compliance with Rules 17.03A, 17.03B(1), 17.03E and 17.03(18) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong. Details are set out in the market announcement made on 30 March 2023. In relation to the waiver of strict compliance with Note 1 to 17.03(18), in 2025 no changes to the plan rules have been proposed that fall within scope of disclosure requirements under the terms of the waiver.

Reconciliation of share award movements for the year to 31 December 2025

	Discretionary[1]			Weighted average Sharesave exercise price (£)
	LTIP	Deferred shares	Sharesave[6,7]	
Outstanding at 1 January 2025	**9,640,693**	**51,693,726**	**20,565,111**	**5.48**
Granted[2,3,4]	**2,159,737**	**16,143,146**	**4,926,740**	**–**
Lapsed[8]	**(324,419)**	**(713,633)**	**(1,175,886)**	**6.20**
Vested/Exercised[5]	**(1,272,072)**	**(20,517,080)**	**(1,227,776)**	**3.87**
Outstanding at 31 December 2025	**10,203,939**	**46,606,159**	**23,088,189**	**6.72**
Total number of securities available for issue under the plan	**10,203,939**	**46,606,159**	**23,088,189**	**6.72**
Percentage of the issued shares this represents as at 31 December 2025	**0.45**	**2.06**	**1.02**	**5.42**
Exercisable as at 31 December 2025	**–**	**90,903**	**82,613**	**5.42**
Range of exercise prices (£)	**–**	**–**	**4.23 – 11.10**	
Intrinsic value of vested but not exercised options ($ million)	**0.00**	**2.23**	**1.42**	
Weighted average contractual remaining life (years)	**7.14**	**8.00**	**2.06**	
Weighted average share price for awards exercised during the period (£)	**11.78**	**11.75**	**11.50**	

1 Granted under the 2021 Plan and 2011 Plan. Employees do not contribute to the cost of these awards.

2 2,159,737 (LTIP) granted on 12 May 2025. The closing price of the shares immediately before the date on which the options or awards were granted was £ 10.675.

3 14,537,101 (Deferred shares) granted on 14 March 2025. The closing price of the shares immediately before the date on which the options or awards were granted was £ 11.58. 141,397 (Deferred shares) granted as a notional dividend on 27 March 2025; 333,619 (Deferred shares) granted on 12 May 2025; The closing price of the shares immediately before the date on which the options or awards were granted was £ 10.675. 48,376 (Deferred shares) granted as a notional dividend on 28 August 2025. 921,595 (Deferred shares) granted on 24 September 2025. The closing price of the shares immediately before the date on which the options or awards were granted was £ 14.545. 161,058 (Deferred shares) granted on 17 November 2025. The closing price of the shares immediately before the date on which the options or awards were granted was £ 16.130.

4 No discretionary awards (LTIP or deferred/buy-out awards) have been granted in the form of options since June 2015. For historic awards granted as options and exercised in the period to 31 December 2025, the exercise price of deferred/buy-out shares options was nil.

5 The weighted average closing price of the shares immediately before the dates on which the options or awards were exercised or vested is £11.87.

6 The exercise price of Sharesave grants are determined with a 20% discount on the higher of the average closing price of the 5 days prior to invitation date or the closing share price of the last day prior to invitation date. For Sharesave options granted in 2025, the exercise price is £11.10 per share calculated based on a 20% discount on £13.88 which was the average closing price of the 5 days prior to invitation date of 18 August 2025.

7 All Sharesave awards are in the form of options. The exercise price of Sharesave options exercised was £11.10 for options granted in 2025, £6.10 for options granted in 2024, £5.88 for options granted in 2023, £4.23 for options granted in 2022.

8 No options or share awards were cancelled in the period.

See pages 202 and 203 of the Standard Chartered PLC Annual Report 2025 for information specific to Directors.

Notes to the financial statements

31. Share-based payments continued

Reconciliation of share award movements for the year to 31 December 2024

	Discretionary[1]			Weighted average Sharesave exercise price (£)
	LTIP	Deferred shares	Sharesave[5,6]	
Outstanding at 1 January 2024	10,947,382	47,068,204	16,902,217	4.49
Granted[2,3]	2,320,695	25,712,216	9,707,454	–
Lapsed[7]	(2,703,518)	(1,431,969)	(1,289,780)	4.88
Vested/Exercised[4]	(923,866)	(19,654,725)	(4,754,780)	3.42
Outstanding at 31 December 2024	9,640,693	51,693,726	20,565,111	5.48
Total number of securities available for issue under the plan	9,640,693	51,693,726	20,565,111	5.48
Percentage of the issued shares this represents as at 31 December 2024	0.40	2.13	0.85	
Exercisable as at 31 December 2024	–	250,094	1,121,867	3.78
Range of exercise prices (£)[3]	–	–	3.67 – 6.10	
Intrinsic value of vested but not exercised options ($ million)	0.00	3.10	8.57	
Weighted average contractual remaining life (years)	7.32	8.22	2.58	
Weighted average share price for awards exercised during the period (£)	6.60	6.68	8.20	

1 Granted under the 2021 Plan and 2011 Plan. Employees do not contribute to the cost of these awards.

2 2,315,422 (LTIP) granted on 12 March 2024; 5,059 (LTIP) granted as a notional dividend on 1 March 2024; 214 (LTIP) granted as a notional dividend on 8 August 2024. 24,381,791 (Deferred shares) granted on 11 March 2024; 229,896 (Deferred shares) granted as a notional dividend on 1 March 2024; 463,694 (Deferred shares) granted on 17 June 2024; 86,702 (Deferred shares) granted as a notional dividend on 8 August 2024; 287,533 (Deferred shares) granted on 23 September 2024; 262,600 (Deferred shares) granted on 18 November 2024; 9,707,454 (Sharesave) granted on 23 September 2024.

3 No discretionary awards (LTIP or deferred/buy-out awards) have been granted in the form of options since June 2015. For historic awards granted as options and exercised in the period to 31 December 2024, the exercise price of deferred/ buy-out shares options was nil.

4 Share awards vested on 34 different dates in 2024 and the closing share prices on the working days prior to the vesting dates ranged from £6.46 to £9.91.

5 The exercise price of Sharesave grants are determined with a 20% discount on the higher of the average closing price of the 5 days prior to invitation date or the closing share price of the last day prior to invitation date. For Sharesave options granted in 2024, the exercise price is £6.10 per share calculated based on a 20% discount on £7.62 which was the closing price on the day prior to invitation date of 19 August 2024.

6 All Sharesave awards are in the form of options. The exercise price of Sharesave options is £6.10 for options granted in 2024 £5.88 for options granted in 2023, £4.23 for options granted in 2022, £3.67 for options granted in 2021 and £3.14 for options granted in 2020.

7 No options or share awards were cancelled in the period.

See pages 176 and 177 of the Standard Chartered PLC Annual Report 2024 for information specific to Directors.

32. Investments in subsidiary undertakings, joint ventures and associates

Accounting policy

Associates and joint arrangements

The Group did not have any contractual interest in joint operations.

Investments in associates and joint ventures are accounted for by the equity method of accounting and are initially recognised at cost. The Group's investment in associates and joint ventures includes goodwill identified on acquisition (net of any accumulated impairment loss).

The Group's share of its associates' and joint ventures' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate or a joint venture equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

Unrealised gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. At each balance sheet date, the Group assesses whether there is any objective evidence of impairment in the investment in associates and joint ventures. Such evidence includes a significant or prolonged decline in the fair value of the Group's investment in an associate or joint venture below its cost, among other factors.

Significant accounting estimates and judgements

The Group applies judgement in determining if it has control, joint control or significant influence over subsidiaries, joint ventures and associates respectively. These judgements are based upon identifying the relevant activities of counterparties, being those activities that significantly affect the entities' returns, and further making a decision of if the Group has control over those entities, joint control, or has significant influence (being the power to participate in the financial and operating policy decisions but not control them).

These judgements are at times determined by equity holdings, and the voting rights associated with those holdings. However, further considerations including but not limited to board seats, advisory committee members and specialist knowledge of some decision-makers are also taken into account. Further judgement is required when determining if the Group has de-facto control over an entity even though it may hold less than 50% of the voting shares of that entity. Judgement is required to determine the relative size of the Group's shareholding when compared to the size and dispersion of other shareholders.

Impairment testing of investments in associates and joint ventures, and on a Company level investments in subsidiaries is performed if there is a possible indicator of impairment. Judgement is used to determine if there is objective evidence of impairment. Objective evidence may be observable data such as losses incurred on the investment when applying the equity method, the granting of concessions as a result of financial difficulty, or breaches of contracts/regulatory fines of the associate or joint venture. Further judgement is required when considering broader indicators of impairment such as losses of active markets or ratings downgrades across key markets in which the associate or joint venture operate in.

Impairment testing is based on estimates including forecasting the expected cash flows from the investments, growth rates, terminal values and the discount rate used in calculation of the present values of those cash flows. The estimation of future cash flows and the level to which they are discounted is inherently uncertain and requires significant judgement.

Business combinations

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

In the Company's financial statements, investment in subsidiaries, associates and joint ventures are held at cost less impairment and dividends from pre-acquisition profits received prior to 1 January 2009, if any. Inter-company transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated in the Group accounts.

Standard Chartered PLC (Company) investments in subsidiary undertakings	2025 $million	2024 $million
As at 1 January	**61,593**	60,791
Additions[1]	**2,823**	1,631
Disposal[2]	**(1,000)**	(803)
Other Movements[3]	**26**	(26)
As at 31 December	**63,442**	61,593

1 Includes internal AT1 issuances of $2,800 million by Standard Chartered Bank (Hong Kong) and $23 million by Standard Chartered Holdings Ltd Limited (31 December 2024: Includes internal AT1 issuances of $980 million by Standard Chartered Bank, $600 million additional investment in Standard Chartered Holdings Limited).

2 Includes redemption of AT1 capital of $1,000 million by Standard Chartered Bank (Hong Kong) Limited (31 December 2024: redemption of preference share capital of $553 million by Standard Chartered Bank Singapore Limited and additional Tier 1 capital of $250 million by Standard Chartered Bank).

3 2025 movement related to reversal of realised translation gain $26 million on redemption of AT1 securities of SGD 750 million ($553 million) upon disposal. 2024 relates to realised translation gain ($26 million) on redemption of AT1 securities of SGD 750 million ($553 million).

A complete list of subsidiary undertakings is included in Note 41.

32. Investments in subsidiary undertakings, joint ventures and associates continued

During 2025 the Group disposed of its indirectly held investments in subsidiaries and the gain/loss on disposal were Standard Chartered Research and Technology India Private Limited (gain: $238 million including translation adjustment loss: $3 million), Fourtwothree Pte. Ltd (gain: $1.8 million), Standard Chartered Bank Gambia Limited (loss: $5.4 million including translation adjustment loss: $8 million), Standard Chartered Bank Cameroon S.A. (loss: $5.3 million including translation adjustment loss: $9 million) and Tawi Fresh Kenya Limited (loss: $0.5 million).

While the Group's subsidiaries are subject to local statutory capital and liquidity requirements in relation to foreign exchange remittance, these restrictions arise in the normal course of business and do not significantly restrict the Group's ability to access or use assets and settle liabilities of the Group.

The Group does not have significant restrictions on its ability to access or use its assets and settle its liabilities other than those resulting from the regulatory framework within which the banking subsidiaries operate. These frameworks require banking operations to keep certain levels of regulatory capital, liquid assets, exposure limits and comply with other required ratios. These restrictions are summarised below:

Regulatory and liquidity requirements

The Group's subsidiaries are required to maintain minimum capital, leverage ratios, liquidity and exposure ratios which therefore restrict the ability of these subsidiaries to distribute cash or other assets to the parent company.

The subsidiaries are also required to maintain balances with central banks and other regulatory authorities in the countries in which they operate. At 31 December 2025, the total cash and balances with central banks was $78 billion (31 December 2024: $63 billion) of which $12 billion (31 December 2024: $8 billion) is restricted.

Statutory requirements

The Group's subsidiaries are subject to statutory requirements not to make distributions of capital and unrealised profits to the parent company, generally to maintain solvency. These requirements restrict the ability of subsidiaries to remit dividends to the Group. Certain subsidiaries are also subject to local exchange control regulations which provide for restrictions on exporting capital from the country other than through normal dividends.

Contractual requirements

The encumbered assets in the balance sheet of the Group's subsidiaries are not available for transfer around the Group.

Share of profit from investment in associates and joint ventures comprises:

	2025 $million	2024 $million
Loss from Investment in Joint Ventures	**(13)**	(10)
Profit from Investment in Associates	**75**	118
Total	**62**	108

Interests in associates and joint ventures	2025 $million	2024 $million
As at 1 January	**1,020**	966
Exchange translation difference	**64**	(40)
Additions[1]	**370**	22
Share of profits	**88**	108
Dividend received[2]	**(47)**	(36)
Impairment[3]	**(41)**	-
Share of FVOCI and Other reserves	**(28)**	9
Other movements	**-**	(9)
As at 31 December	**1,426**	1,020

1 Includes investment in Jumbotail Technologies Private Limited for $344 million.
2 Includes $45 million capital distribution from Ascenta IV.
3 Includes $15 million impairment of SBI Zodia Custody Company Limited, $26 million relating to Group's share of Profits from Bohai recognised in Q4 2025.

Material Associates

A complete list of the Group's interest in associates is included in note 41. Summarised below are those considered material:

Jumbotail Technologies Private Ltd (JTPL)

On acquisition through the SCRTIPL transaction (refer to Note 6), the Group acquired a 46.55 per cent shareholding in JTPL, a company incorporated in India. The carrying value as of 31 December 2025 was $344 million. JTPL is engaged in business-to-business e-commerce. As a result of the acquisition, the Group has significant influence over the investee through its shareholding and accounts for its interest based on the application of the equity method. The Group's share of the associate's results since acquisition are immaterial.

China Bohai Bank

The Group's ownership percentage in China Bohai Bank is 16.26%.

Although the Group's investment in China Bohai Bank is less than 20 per cent, it is an associate because of the significant influence the Group can exercise over its management and financial and operating policies. This influence is exercised through Board representation and the provision of technical expertise to Bohai. The Group applies the equity method of accounting for investments in associates.

If the Group did not have significant influence over Bohai, the investment would be measured at fair value rather than the current carrying value, which is based on the application of the equity method as described in the accounting policy note.

Bohai publishes their results after the Group. As it is impracticable for Bohai to prepare financial statements sooner, the Group recognises its share of Bohai's earnings on a three-month lag basis. Therefore, the Group recognised its share of Bohai's profits and movements in other comprehensive income from 1 October 2024 through 30 September 2025 (one year of earnings) in the Group's consolidated statement of income and consolidated statement of comprehensive income for the year ended 31 December 2025, also considering any known changes or events in the subsequent period from 1 October 2025 to 31 December 2025 that would have materially affected Bohai's results.

Impairment testing

On 31 December 2025, the listed equity value of Bohai is below the carrying amount of the Group's investment in associate. The Group has assessed that the investment in Bohai remains impaired until there is greater clarity around the macroeconomic outlook in China and the resumption of dividends by Bohai. The Group also assessed the carrying value of its investment in Bohai for impairment and, considering that the investment cannot be recognised at a carrying amount higher than its recoverable amount at the reporting date, has not recognised the Group's share of Bohai's profit for the final quarter of 2025 ($26 million). Accumulated impairment is $1,485 million as at 31 December 2025 ($Nil impairment charge for the year ended 31 December 2024; $1,459 million of accumulated impairment as at 31 December 2024). The financial forecasts used to estimate the recoverable amount, a VIU calculation, reflects Group management's best estimate of Bohai's future earnings, in line with current economic conditions and Bohai's latest reported results.

The carrying value of the Group's investment in Bohai of $883 million (2024: $738 million) represents the higher of the value in use and fair value less costs of disposal. The $145 million increase to the carrying amount during 2025 reflects the Group's share of profits of $113 million (which is net of AT1 dividends of $6 million and $26 million of impairment); other comprehensive loss of $35 million and net of foreign exchange profits of $67 million.

The Group's share of profits and the 2025 impairment are included in 'Profit from associates and joint ventures' on the Consolidated Income Statement.

Bohai	31.12.25 $million	31.12.24 $million
VIU	**883**	738
Carrying amount[1]	**883**	738
Market capitalisation[2]	**360**	338

1 The Group's 16.26% share in the net assets less other equity instruments which the Group does not hold.

2 Number of shares held by the Group multiplied by the quoted share price at period end.

32. Investments in subsidiary undertakings, joint ventures and associates continued

Basis of recoverable amount

The impairment test was performed by comparing the recoverable amount of Bohai, determined as the higher of VIU and fair value less costs to dispose, with its carrying amount.

The VIU is calculated using a dividend discount model (DDM), which estimates the distributable future cashflows to the equity holders, after adjusting for regulatory capital requirements, for a 5 year period, after which a terminal value (TV) is calculated based on the Price to Earnings (P/E) exit multiple. The key assumptions in the VIU are as follows:

- Short to medium term projections are based on Group management's best estimates of future profits available to ordinary shareholders and have been determined with reference to the latest published financial results, the historical performance of Bohai and forward looking macro-economic variables for China.
- The projections use available information and include normalised performance over the forecast period, inclusive of: (i) balance sheet growth assumptions based on the short to medium term GDP growth rates for China; (ii) Net Interest Income (NII) projecting interest income (primarily the 1-year Loan Prime Rate, 1-year LPR, as basis) and interest expense (Shanghai Interbank Offered Rate, 3m SHIBOR, as basis) which reference forecasted third-party market interest rates, adjusted for the observed historic spread against the benchmark rate; (iii) Non-interest income estimated according to the latest available performance of Bohai, with consideration of the contribution of the constituent parts of the non-interest income; (iv) Operating expense based on historical performance of Bohai and growth consistent with the short to medium term GDP growth rates applied to balance sheet projections; (v) ECL assumptions using Bohai's historical reported ECL, based on the proportion of ECL from loans and advances to customers and financial investments measured at amortised cost and FVOCI; and (vi) Statutory tax rate of 25% was applied to the taxable profit of Bohai, after consideration of taxable and non-taxable elements, consistent with historical reported results;
- The distributable reserves under the DDM are calculated as the difference between the capital resources and the capital requirements in each of the forecast periods. The calculation assumes a target CET1 capital ratio and risk weighted asset (RWA) growth consistent with total assets.
- The discount rate applied to these cash flows was estimated with reference to a capital asset pricing model (CAPM), which includes a long-term risk-free rate, beta, and company risk premium assumptions for Bohai; and
- A long-term average P/E multiple of comparable companies is used to derive a TV after the five year forecast period.

The VIU model was refined during 2025 to include more granular forecasting assumptions for each period. While it is impracticable for the Group to estimate the impact on future periods, the key changes to the 2025 model are summarised as follows:

- The Group continues to calculate non-interest income with reference to the five components, i.e., net gains on financial investments through P/L, net gains on financial investments through OCI, net fee and commission income, net trading income and other income. All components of non-interest income continue to be grown by the relevant GDP rate for China over the forecasted period. However, the Group changed the returns forecasted for the financial investments through P/L over the forecast period, by using the most recent reported returns as the starting point, normalising such returns to a long-term average over the forecast period. Previously, the return of this component of non-interest income was normalised to the long-term average from the start of the forecast period (year 1), and then grown according to relevant GDP rate of China. As a result of this change, the year 1 total forecasted non-interest income is more aligned to the recently reported results, but due to the normalisation affect, the implied growth is negligible.

The key assumptions used for the VIU calculation:

	31.12.25	31.12.24
Post-tax discount rate[1]	**10.0%**	10.5%
Total balance-sheet (and risk weighted assets) growth rate	**3.33% – 4.59%**	3.77% – 4.52%
P/E multiple used to calculate TV	**5.7x**	5.6x
Interest income[2]	**3.12% – 3.20%**	3.00% – 3.56%
Interest expense[2]	**1.78% – 1.85%**	1.77% – 2.01%
Non-interest income – financial investments return	**2.24% – 3.55%**	1.91%
Other non-interest income growth rate	**3.33% – 4.59%**	3.77% – 4.52%
Operating expense[3]	**3.33% – 4.59%**	3.77% – 4.52%
Expected credit losses as a percentage of customer loans[4]	**0.77%**	0.84% – 1.36%
Expected credit losses as a percentage of financial investments measured at amortised cost and FVOCI[4]	**0.57%**	0.48% – 1.26%
Effective tax rate[5]	**12.77% – 12.96%**	5.4% – 14.1%
Capital maintenance ratio	**8.00%**	8.00%

1 Pre-tax discount rate of 15.87 per cent was used in 2025 (2024: 15.31 per cent). The difference in pre-tax discount rates relates to changes in effective tax rate.

2 One-year LPR and three-month SHIBOR rate forecasts were sourced from an external third-party provider, and with a spread derived from long-term historical averages, are used to produce the interest income and interest expense forecasts.

3 As at 31 December 2025, a growth rate of 4.86 per cent was applied to the FY 2024 operating expense base, the rate being derived from the projected GDP growth rate for China in 2025. In the prior year the operating expense base was the annualised H1 2024 balance, applying apportioned growth rate assumptions. The current year approach results in higher forecasted operating expenses.

4 As 31 December 2024 the low end of the range was based on historical loss rates, and the high end of the range, applied in one of the forecast years, included adjustments for incremental judgemental management overlays. As at 31 December 2025 the ECL assumption is based on historical loss rates with an adjustment for incremental judgemental management overlays, applied over the five-year forecast period.

5 The tax rates disclosed are the implied effective tax rates (per cent) over the five-year forecast period. The 31 December 2025 tax expense forecasts, calculated from the taxable profit, considered the long-term historical average of non-taxable income of 17.18 per cent (2024: 16.09 per cent) and non-deductible expenses of 14.56 per cent (2024: 12.53 per cent). A statutory tax rate of 25 per cent was applied to the taxable profit of Bohai, after consideration of taxable and non-taxable elements.

The table below discloses sensitivities to the key assumptions of Bohai, according to management's judgement of reasonably possible changes. Changes were applied to every cash flow year on an individual basis. The percentage change to the assumptions reflects the level at which management assess the reasonableness of the assumptions used and their impact on the Value in Use.

		Key assumption increase	Key assumption decrease
Sensitivities[1]	basis points	Increase/ (decrease) in VIU $ million	Increase/ (decrease) in VIU $ million
Discount Rate	**100**	**(31)**	**33**
Total balance sheet (and risk weighted asset) growth rate[2]	**100**	**(40)**	**38**
P/E multiple used to calculate TV	**1.0x**	**112**	**(112)**
Net interest income – Scenario 1[3]	**10**	**(19)**	**19**
Net interest income – Scenario 2[4]	**Various[4]**	**375**	**(234)**
Non-interest income – financial investments return	**100**	**295**	**(295)**
Other non-interest income growth rate	**100**	**54**	**(52)**
Operating expense	**100**	**(70)**	**68**
Expected credit losses as a percentage of customer loans	**10**	**(147)**	**147**
Expected credit losses as a percentage of financial investments measured at amortised cost and FVOCI	**10**	**(86)**	**85**
Tax expense[5]	**300**	**27**	**(28)**
Capital maintenance ratio	**50**	**(25)**	**25**

1 For comparative information as at 31 December 2024, refer to page 365 of the Group's Annual Report 2024.

2 The sensitivity reflects the net impact of changing this assumption in the VIU, which links to various elements in forecast profit and regulatory capital adjustment.

3 This scenario assumes that one-year LPR and three-month SHIBOR increase or decrease by the same amount, to demonstrate the impact on the carrying amount of a similar scenario.

4 An alternative scenario is that Bohai's asset yield and liability cost move in the same direction, albeit by different amounts, through the five-year forecast period including the terminal value. The key assumption increase sensitivity assumes that asset yields increase by 25 basis points and liability costs increase by 10 basis points in each period. The key assumption decrease sensitivity assumes that asset yields decrease by 25 basis points and liability costs decrease by 15 basis points in each period.

5 Changes in tax expense applied only to both average percentages of non-taxable income (17.18 per cent) and non-deductible expenses (14.56 per cent). Refer to footnote 5 of the key assumptions table for more details.

Notes to the financial statements

32. Investments in subsidiary undertakings, joint ventures and associates continued

The following table sets out the summarised financial statements of China Bohai Bank prior to the Group's share of the associate's profit being applied:

	30.09.25 $million	30.09.24 $million
Total assets	**272,513**	244,510
Total liabilities	**256,337**	229,259
Operating income[1]	**3,472**	3,583
Net profit[1]	**762**	681
Other comprehensive income[1]	**(219)**	69

1 This represents twelve months of earnings (1 October to 30 September).

33. Structured entities

Accounting policy

Structured entities are consolidated when the substance of the relationship between the Group and the structured entity indicates the Group has power over the contractual relevant activities of the structured entity, is exposed to variable returns, and can use that power to affect the variable return exposure.

In determining whether to consolidate a structured entity to which assets have been transferred, the Group takes into account its ability to direct the relevant activities of the structured entity. These relevant activities are generally evidenced through a unilateral right to liquidate the structured entity, investment in a substantial proportion of the securities issued by the structured entity or where the Group holds specific subordinate securities that embody certain controlling rights. The Group may further consider relevant activities embedded within contractual arrangements such as call options which give the practical ability to direct the entity, special relationships between the structured entity and investors, and if a single investor has a large exposure to variable returns of the structured entity.

Judgement is required in determining control over structured entities. The purpose and design of the entity is considered, along with a determination of what the relevant activities are of the entity and who directs these. Further judgements are made around which investor is exposed to and absorbs the variable returns of the structured entity. The Group will have to weigh up all of these facts to consider whether the Group, or another involved party is acting as a principal in its own right or as an agent on behalf of others. Judgement is further required in the ongoing assessment of control over structured entities, specifically if market conditions have an effect on the variable return exposure of different investors.

Interests in consolidated structured entities: A structured entity is consolidated into the Group's financial statements where the Group controls the structured entity, as per the determination in the accounting policy above.

The following table presents the Group's interests in consolidated structured entities.

	2025 $million	2024 $million
Shipping lease	**17**	14
Principal and other structured finance	**592**	474
Total	**609**	488

Interests in unconsolidated structured entities: Unconsolidated structured entities are all structured entities that are not controlled by the Group. The Group enters transactions with unconsolidated structured entities in the normal course of business to facilitate customer transactions and for specific investment opportunities. An interest in a structured entity is contractual or non-contractual involvement which creates variability of the returns of the Group arising from the performance of the structured entity.

33. Structured entities continued

The table below presents the carrying amount of the assets recognised in the financial statements relating to variable interests held in unconsolidated structured entities, the maximum exposure to loss relating to those interests and the total assets of the structured entities. Maximum exposure to loss is primarily limited to the carrying amount of the Group's on-balance sheet exposure to the structured entity. For derivatives, the maximum exposure to loss represents the on-balance sheet valuation and not the notional amount. For commitments and guarantees, the maximum exposure to loss is the notional amount of potential future losses.

	2025						2024					
	Asset-backed securities $million	Lending $million	Structured Finance $million	Principal Finance funds $million	Other activities $million	Total $million	Asset-backed securities $million	Lending $million	Structured Finance $million	Principal Finance funds $million	Other activities $million	Total $million
Group's interest – assets												
Financial assets held at fair value through profit or loss	**2,143**	**457**	**200**	**91**	**–**	**2,891**	1,222	255	178	124	–	1,779
Loans and advances/ Investment securities at amortised cost	**15,312**	**22,462**	**14,201**	**–**	**107**	**52,082**	16,305	16,735	12,656	–	97	45,793
Investment securities (fair value through other comprehensive income)	**1,227**	**–**	**–**	**–**	**–**	**1,227**	2,371	–	–	–	–	2,371
Other assets	**–**	**8**	**12**	**–**	**–**	**20**	–	–	1	–	–	1
Total assets	**18,682**	**22,927**	**14,413**	**91**	**107**	**56,220**	19,898	16,990	12,835	124	97	49,944
Off-balance sheet	**151**	**17,128**	**7,471**	**24**	**32**	**24,806**	–	11,075	6,901	63	73	18,112
Group's maximum exposure to loss	**18,833**	**40,055**	**21,884**	**115**	**139**	**81,026**	19,898	28,065	19,736	187	170	68,056
Total assets of structured entities	**183,418**	**24,153**	**17,802**	**186**	**–**	**225,559**	129,864	17,579	14,758	226	–	162,427

The main types of activities for which the Group utilises unconsolidated structured entities cover synthetic credit default swaps for managed investment funds (including specialised Principal Finance funds), portfolio management purposes, structured finance and asset-backed securities. These are detailed as follows:

- **Asset-backed securities (ABS):** The Group also has investments in asset-backed securities issued by third-party sponsored and managed structured entities. For the purpose of market making and at the discretion of ABS trading desk, the Group may hold an immaterial amount of debt securities from structured entities originated by credit portfolio management. This is disclosed in the ABS column above.
- **Portfolio management (Group sponsored entities):** For the purposes of portfolio management, the Group purchased credit protection via synthetic credit default swaps from note-issuing structured entities. This credit protection creates credit risk which the structured entity and subsequently the end investor absorbs. The referenced assets remain on the Group's balance sheet as they are not assigned to these structured entities. The Group continues to own or hold all of the risks and returns relating to these assets. The credit protection obtained from the regulatory-compliant securitisation only serves to protect the Group against losses upon the occurrence of eligible credit events and the underlying assets are not derecognised from the Group's balance sheet. The Group does not hold any equity interests in the structured entities, but may hold an insignificant amount of the issued notes for market making purposes. This is disclosed in the ABS section above. The proceeds of the notes' issuance are typically held as cash collateral in the issuer's account operated by a trustee or invested in AAA-rated government-backed securities to collateralise the structured entities swap obligations to the Group, and to repay the principal to investors at maturity. The structured entities reimburse the Group on actual losses incurred, through the use of the cash collateral or realisation of the collateral security. Correspondingly, the structured entities write down the notes issued by an equal amount of the losses incurred, in reverse order of seniority. All funding is committed for the life of these vehicles and the Group has no indirect exposure in respect of the vehicles' liquidity position. The Group has reputational risk in respect of certain portfolio management vehicles and investment funds either because the Group is the arranger and lead manager or because the structured entities have Standard Chartered branding.
- **Lending:** Lending comprises secured lending in the normal course of business to third parties through structured entities.
- **Structured finance:** Structured finance comprises interests in transactions that the Group or, more usually, a customer has structured, using one or more structured entities, which provide beneficial arrangements for customers. The Group's exposure primarily represents the provision of funding to these structures as a financial intermediary, for which it receives a lender's return. The transactions largely relate to real estate financing and the provision of aircraft leasing and ship finance.

- **Principal Finance Fund:** The Group's exposure to Principal Finance Funds represents committed or invested capital in unleveraged investment funds, primarily investing in pan-Asian infrastructure, real estate and private equity.
- **Other activities:** Other activities include structured entities created to support margin financing transactions, the refinancing of existing credit and debt facilities, as well as setting up of bankruptcy remote structured entities.

In the above table, the Group determined the total assets of the structured entities using following bases:

- Asset Backed Securities, Principal Finance, and other activities are based on the published total assets of the structured entities.
- Lending and Structured Finance are estimated based on the Group's loan values to the structured entities.

34. Cash flow statement

Adjustment for non-cash items and other adjustments included within income statement

	Group		Company	
	2025 $million	2024 $million	2025 $million	2024 $million
Amortisation of discounts and premiums of investment securities	**(740)**	(815)	**-**	-
Interest expense on subordinated liabilities	**552**	744	**471**	578
Interest expense on senior debt securities in issue	**2,392**	2,584	**1,777**	1,855
Other non-cash items	**(152)**	(122)	**(3)**	(12)
Net (gain)/loss on sale of business	**(242)**	210	**-**	-
Pension costs for defined benefit schemes	**125**	62	**-**	-
Share-based payment costs	**399**	334	**-**	-
Impairment losses on loans and advances and other credit risk provisions	**672**	547	**-**	-
Dividend income from subsidiaries	**-**	-	**(5,160)**	(4,101)
Other impairment	**65**	588	**-**	-
Gain on disposal of property, plant and equipment	**(133)**	(23)	**-**	-
Loss on disposal of FVOCI and AMCST financial assets	**53**	264	**-**	-
Depreciation and amortisation	**1,170**	1,126	**-**	-
Fair value changes taken to income statement	**(2,027)**	(2,140)	**(53)**	9
Foreign Currency revaluation	**(87)**	(583)	**(115)**	1
Profit from associates and joint ventures	**(62)**	(108)	**-**	-
Total	**1,985**	2,668	**(3,083)**	(1,670)

Change in operating assets

	2025 $million	2024 $million	2025 $million	2024 $million
Decrease/(increase) in derivative financial instruments	**16,161**	(31,939)	**(127)**	(32)
(Increase)/decrease in debt securities, treasury bills and equity shares held at fair value through profit or loss	**(3,900)**	(25,823)	**4,198**	376
Increase in loans and advances to banks and customers	**(11,949)**	(13,776)	**-**	-
Net decrease/(increase) in prepayments and accrued income	**189**	(224)	**-**	-
Net (increase)/decrease in other assets	**(28,629)**	5,331	**(5,305)**	338
Total	**(28,128)**	(66,431)	**(1,234)**	682

Change in operating liabilities

	2025 $million	2024 $million	2025 $million	2024 (Restated)[1] $million
(Decrease)/ increase in derivative financial instruments	**(14,304)**	26,951	**(288)**	(39)
Net increase in deposits from banks, customer accounts, debt securities in issue, Hong Kong notes in circulation and short positions	**71,370**	7,253	**2,083**	1,340
Increase in accruals and deferred income	**340**	79	**98**	101
Net increase/ (decrease) in other liabilities	**513**	5,090	**(129)**	(1,574)
Increase in amount due to parents/subsidiaries/other related parties	**-**	-	**190**	35
Total	**57,919**	39,373	**1,954**	(137)

1 Prior Period has been restated to exclude Debt Securities in Issue designated at fair value through P&L. Net increase in deposits from banks, customer accounts, debt securities in issue, Hong Kong notes in circulation and short positions for 2024 has been restated by $727 million.

Notes to the financial statements

34. Cash flow statement continued

Changes in liabilities arising from financing activities

	Group		Company	
	2025 $million	2024 $million	2025 $million	2024 $million
Subordinated debt (including accrued interest):				
Opening balance	**10,536**	12,216	**10,491**	12,123
Interest paid	**(421)**	(519)	**(410)**	(505)
Repayment	**(2,174)**	(1,517)	**(2,174)**	(1,517)
Foreign exchange movements	**345**	(191)	**346**	(190)
Fair value changes from hedge accounting	**275**	48	**174**	97
Accrued interest and Others	**410**	499	**391**	483
Closing balance	**8,971**	10,536	**8,818**	10,491
				(Restated)[1]
Senior debt (including accrued interest):				
Opening balance	**40,576**	41,350	**32,835**	31,525
Proceeds from the issue	**11,583**	11,044	**7,955**	7,422
Interest paid	**(1,892)**	(1,366)	**(1,576)**	(1,367)
Repayment	**(9,364)**	(11,185)	**(4,752)**	(6,222)
Foreign exchange movements	**692**	(454)	**664**	(343)
Fair value changes from hedge accounting	**403**	42	**663**	321
Accrued interest and Others	**2,001**	1,145	**1,700**	1,499
Closing balance	**43,999**	40,576	**37,489**	32,835

1 Prior Year has been restated to include Debt Securities in Issue designated at fair value through P&L. Opening balance and Closing balance has increased by $14,007 million and $14,175 million respectively. Other related changes include increases in proceeds from issue of $3,535 million, interest paid of $659 million, repayment of $3,603 million, fair value changes from hedge accounting of $315 million and accrued interest and others of $675 million.

Senior debt is presented as part of debt securities in issue in the Group and Company balance sheets. Of the $11.6 billion proceeds from issue of senior debt issued by the Group, $7.9 billion relates to senior debt issued by the Company and $3.7 billion relates to senior debt issued by the Company's subsidiaries.

35. Cash and cash equivalents

Accounting policy

Cash and cash equivalents includes:

- Cash on hand and balances at central banks that are on demand or placements which are contractually due to mature overnight only, except for restricted balances; and
- Other balances listed in the table below, when they have less than three months' maturity from the date of acquisition, are not subject to contractual restrictions, are subject to insignificant changes in value, are highly liquid and are held for the purpose of meeting short-term cash commitments. This includes products such as treasury bills and other eligible bills, short-term government securities, loans and advances to banks (including reverse repos), and loans and advances to customers (only non demand or non overnight placements at central banks), which are held for appropriate business purposes. On demand accounts with non central banks are reported as part of 'Loans & Advances to banks'.

	Group		Company	
	2025 $million	2024 $million	2025 $million	2024 $million
Cash and balances at central banks	**77,746**	63,447	**–**	–
Less: restricted balances	**(11,630)**	(7,799)	**–**	–
Treasury bills and other eligible bills	**15,294**	5,472	**–**	–
Loans and advances to banks	**8,973**	9,654	**–**	–
Loans and advances to Customers	**13,335**	18,120	**–**	–
Investments	**1,204**	1,034	**–**	–
Amounts owed by and due to subsidiary undertakings	**–**	–	**15,226**	11,601
Total	**104,922**	89,928	**15,226**	11,601

36. Related party transactions

Directors and officers

Details of directors' remuneration and interests in shares are disclosed in the Directors' remuneration report.

IAS 24 Related party disclosures requires the following additional information for key management compensation. Key management comprises non-executive directors, executive directors of Standard Chartered PLC, the Court directors of Standard Chartered Bank and the persons discharging managerial responsibilities (PDMR) of Standard Chartered PLC.

	2025[1] $million	2024 $million
Salaries, allowances and benefits in kind	**47**	41
Share-based payments	**40**	38
Bonuses paid or receivable	**–**	7
Termination benefits	**–**	2
Total	**87**	88

1 Following the Prudential Regulation Authority (PRA) publication of revised remuneration regulations on 15 October 2025, we have changed the structure of variable remuneration from 2025 onwards. This is reflected in the table above, with the value split between salaries, allowances and benefit in kind and share based payments in line with IAS 24.

Transactions with directors and others

At 31 December 2025, the total amounts to be disclosed under the Companies Act 2006 (the Act) and the Listing Rules of the Hong Kong Stock Exchange Limited (Hong Kong Listing Rules) about loans to directors were as follows:

	2025 $million	2024 $million
Advances and credits	**4**	–
Deposits	**32**	–

Directors and officers have banking relationships with Group companies which are entered into in the normal course of business and on substantially the same terms as for comparable transactions with other persons of a similar standing or, where applicable, with other employees within limits acceptable to the PRA. These transactions did not involve more than the normal risk of repayment or present other unfavourable features. The loan transactions provided to the directors of Standard Chartered PLC were a connected transaction under Chapter 14A of the Hong Kong Listing Rules. It was fully exempt as financial assistance under Rule 14A.87(1), as it was provided in our ordinary and usual course of business and on normal commercial terms.

As at 31 December 2025, Standard Chartered Bank had in place a charge over $69 million (31 December 2024: $68 million) of cash assets in favour of the independent trustee of its employer financed retirement benefit scheme.

Other than as disclosed in the Annual Report and Accounts, there were no other transactions, arrangements or agreements outstanding for any director, connected person or officer of the Company which have to be disclosed under the Act, the rules of the UK Listing Authority or the Hong Kong Listing Rules.

Details of non-revenue transactions with Temasek Holdings (Private) Limited are set out on page 212.

Company

The Company has received $1,724 million (31 December 2024: $1,838 million) of net interest income from its subsidiaries. The Company issues debt externally and lends proceeds to Group companies.

The Company has an agreement with Standard Chartered Bank that in the event of Standard Chartered Bank defaulting on its debt coupon interest payments, where the terms of such debt requires it, the Company shall issue shares as settlement for non-payment of the coupon interest.

	2025			2024		
	Standard Chartered Bank $million	Standard Chartered Bank (Hong Kong) Limited $million	Others[1] $million	Standard Chartered Bank $million	Standard Chartered Bank (Hong Kong) Limited $million	Others[1] $million
Assets						
Due from subsidiaries	**14,816**	**141**	**270**	11,318	135	147
Derivative financial instruments	**228**	**–**	**–**	98	–	–
Debt securities	**16,605**	**5,875**	**904**	18,124	5,512	1,221
Total assets	**31,649**	**6,016**	**1,174**	29,540	5,647	1,368
Liabilities						
Due to subsidiaries	**225**	**–**	**–**	–	–	–
Derivative financial instruments	**777**	**26**	**–**	1,042	23	–
Total liabilities	**1,002**	**26**	**–**	1,042	23	–

1 Others include Standard Chartered Bank (Singapore) Limited, Standard Chartered Holdings Limited and Standard Chartered I H Limited.

36. Related party transactions continued

Associate and joint ventures

	2025 $million	2024 $million
Assets		
Financial Assets held at FVTPL	**10**	–
Derivative assets	**5**	5
Total assets	**15**	5
Liabilities		
Deposits	**416**	209
Derivative liabilities	**3**	4
Total liabilities	**419**	213
Loan commitments and other guarantees[1]	**107**	14

1 The maximum loan commitments and other guarantees during the period were $107 million (31 December 2024: $14 million).

37. Post balance sheet events

A share buyback for up to a maximum consideration of $1.5 billion has been declared by the directors after 31 December 2025. This will reduce the number of ordinary shares in issue by cancelling the repurchased shares.

A final dividend for 2025 of 49 cents per ordinary share was declared by the directors after 31 December 2025.

38. Auditor's remuneration

Auditor's remuneration is included within other general administration expenses. The amounts paid by the Group to their principal auditor, Ernst & Young LLP and its associates (together Ernst & Young LLP), are set out below. All services are approved by the Group Audit Committee and are subject to controls to ensure the external auditor's independence is unaffected by the provision of other services.

	2025 $million	2024 $million
Audit fees for the Group statutory audit	**36.9**	31.3
Of which fees for the audit of Standard Chartered Bank Group	**27.3**	23.2
Fees payable to EY for other services provided to the SC PLC Group:		
Audit of Standard Chartered PLC subsidiaries	**14.5**	13.5
Total audit fees	**51.4**	44.8
Audit-related assurance services	**7.7**	6.6
Other assurance services	**5.8**	5.4
Other non-audit services	**1.3**	0.4
Transaction related services	**0.6**	0.6
Total non-audit fees	**15.4**	13.0
Total fees payable	**66.8**	57.8

The following is a description of the type of services included within the categories listed above:

- Audit fees for the Group statutory audit are in respect of fees payable to Ernst & Young LLP for the statutory audit of the consolidated financial statements of the Group and the separate financial statements of Standard Chartered PLC
- Audit-related fees consist of fees such as those for services required by law or regulation to be provided by the auditor, reviews of interim financial information, reporting on regulatory returns, reporting to a regulator on client assets and extended work performed over financial information and controls authorised by those charged with governance
- Other assurance services include agreed-upon-procedures in relation to statutory and regulatory filings
- Transaction related services are fees payable to Ernst & Young LLP for issuing comfort letters

Expenses incurred in respect of their role as auditor, were reimbursed to EY LLP $1 million (2024: $1 million).

39. Standard Chartered PLC (Company)

Classification and measurement of financial instruments

Financial assets	2025 Derivatives held for hedging $million	2025 Amortised cost $million	2025 Non-trading mandatorily at fair value through profit or loss $million	2025 Total $million	2024 Derivatives held for hedging $million	2024 Amortised cost $million	2024 Non-trading mandatorily at fair value through profit or loss $million	2024 Total $million
Financial assets held at fair value through profit or loss								
Investment securities	–	–	**18,475**[1]	**18,475**	–	–	19,049[1]	19,049
Derivatives	**239**	–	–	**239**	112	–	–	112
Investment securities	–	**4,904**	–	**4,904**	–	5,808	–	5,808
Amounts owed by subsidiary undertakings	–	**15,226**	–	**15,226**	–	11,601	–	11,601
Total	**239**	**20,130**	**18,475**	**38,844**	112	17,409	19,049	36,570

1 Standard Chartered Bank, Standard Chartered Bank (Hong Kong) Limited, Standard Chartered Bank (China) Limited and Standard Chartered Bank (Singapore) Limited issued Loss Absorbing Capacity (LAC) eligible debt securities.

Instruments classified as amortised cost, which include investment securities and amounts owed by subsidiary undertakings, are recorded in stage 1 for the recognition of expected credit losses.

Derivatives held for hedging are held at fair value and are classified as Level 2 and Level 3 while the counterparty is Standard Chartered Bank and external counterparties.

Investment securities comprise debt securities held at amortised cost issued by Standard Chartered Bank and SC Ventures Holdings Limited and have a fair value that approximates to carrying value of $4,904 million (31 December 2024: $5,808 million).

In 2025 and 2024, amounts owed by subsidiary undertakings have a fair value that approximates to carrying value.

Financial liabilities	2025 Derivatives held for hedging $million	2025 Amortised cost $million	2025 Designated at fair value through profit or loss $million	2025 Total $million	2024 Derivatives held for hedging $million	2024 Amortised cost $million	2024 Designated at fair value through profit or loss $million	2024 Total $million
Financial liabilities held at fair value through profit or loss								
Debt securities in issue	–	–	**15,645**	**15,645**	–	–	14,175	14,175
Subordinated liabilities and other borrowed funds	–	–	**1,853**	**1,853**	–	–	2,677	2,677
Derivatives	**777**	–	–	**777**	1,065	–	–	1,065
Debt securities in issue	–	**21,231**	–	**21,231**	–	18,167	–	18,167
Subordinated liabilities and other borrowed funds	–	**6,831**	–	**6,831**	–	7,661	–	7,661
Amounts owed to subsidiary undertakings	–	**225**	–	**225**	–	35	–	35
Total	**777**	**28,287**	**17,498**	**46,562**	1,065	25,863	16,852	43,780

Derivatives held for hedging are held at fair value and are classified as Level 2 while the counterparty is Standard Chartered Bank and Standard Chartered Bank (Hong Kong) Limited.

The fair value of debt securities in issue held at amortised cost is $21,801 million (2024: $18,313 million).

The fair value of subordinated liabilities and other borrowed funds held at amortised cost is $6,668 million (2024: $7,336 million).

Derivative financial instruments

Derivatives	2025 Notional principal amounts $million	2025 Assets $million	2025 Liabilities $million	2024 Notional principal amounts $million	2024 Assets $million	2024 Liabilities $million
Foreign exchange derivative contracts:						
Forward foreign exchange	**8,819**	**46**	**23**	9,077	46	30
Currency swaps	**72**	–	–	545	20	–
Interest rate derivative contracts:						
Swaps	**13,949**	**182**	**754**	14,863	32	1,035
Credit derivative contracts	**3,690**	**11**	–	4,030	14	–
Total	**26,530**	**239**	**777**	28,515	112	1,065

39. Standard Chartered PLC (Company) continued

Credit risk

	2025 $million	2024 $million
Derivative financial instruments	**239**	112
Debt securities	**23,379**	24,857
Amounts owed by subsidiary undertakings	**15,226**	11,601
Total	**38,844**	36,570

In 2025 and 2024, amounts owed by subsidiary undertakings were neither past due nor impaired; the Company had no individually impaired loans.

In 2025 and 2024, the Company had no impaired debt securities. The debt securities held by the Company are issued by Standard Chartered Bank, Standard Chartered Bank (Hong Kong) Limited, Standard Chartered Bank (China) Limited and Standard Chartered Bank (Singapore) Limited, subsidiary undertakings with credit ratings of A+.

There is no material expected credit loss on these instruments as they are Stage 1 assets, and of a high quality.

Liquidity risk

The following table analyses the residual contractual maturity of the assets and liabilities of the Company on a discounted basis:

	2025								
	One month or less $million	Between one month and three months $million	Between three months and six months $million	Between six months and nine months $million	Between nine months and one year $million	Between one year and two years $million	Between two years and five years $million	More than five years and undated $million	Total $million
Assets									
Derivative financial instruments	**133**	**–**	**11**	**19**	**1**	**–**	**37**	**38**	**239**
Investment securities	**1,498**	**–**	**36**	**1**	**–**	**–**	**8,633**	**13,211**	**23,379**
Amount owed by subsidiary undertakings	**2,569**	**679**	**867**	**1,506**	**591**	**596**	**4,847**	**3,571**	**15,226**
Investments in subsidiary undertakings	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**63,442**	**63,442**
Total assets	**4,200**	**679**	**914**	**1,526**	**592**	**596**	**13,517**	**80,262**	**102,286**
Liabilities									
Derivative financial instruments	**17**	**–**	**16**	**–**	**–**	**21**	**191**	**532**	**777**
Senior debt	**–**	**–**	**1,269**	**–**	**–**	**5,315**	**13,600**	**16,692**	**36,876**
Amount owed to subsidiary undertakings	**225**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**225**
Other liabilities	**370**	**741**	**155**	**9**	**3**	**–**	**–**	**–**	**1,278**
Subordinated liabilities and other borrowed funds	**2**	**43**	**15**	**154**	**–**	**1,457**	**753**	**6,260**	**8,684**
Total liabilities	**614**	**784**	**1,455**	**163**	**3**	**6,793**	**14,544**	**23,484**	**47,840**
Net liquidity gap	**3,586**	**(105)**	**(541)**	**1,363**	**589**	**(6,197)**	**(1,027)**	**56,778**	**54,446**

	2024								
	One month or less $million	Between one month and three months $million	Between three months and six months $million	Between six months and nine months $million	Between nine months and one year $million	Between one year and two years $million	Between two years and five years $million	More than five years and undated $million	Total $million
Assets									
Derivative financial instruments	45	23	–	20	–	24	–	–	112
Investment securities	–	–	–	–	–	1,725	7,205	15,927	24,857
Amount owed by subsidiary undertakings	1,763	1,536	1,931	110	53	2,355	2,695	1,158	11,601
Investments in subsidiary undertakings	–	–	–	–	–	–	–	61,593	61,593
Other assets	–	–	–	–	–	–	–	–	–
Total assets	1,808	1,559	1,931	130	53	4,104	9,900	78,678	98,163
Liabilities									
Derivative financial instruments	30	–	22	–	–	53	147	813	1,065
Senior debt	–	–	992	–	–	4,979	12,887	13,484	32,342
Amount owed to subsidiary undertakings	35	–	–	–	–	–	–	–	35
Other liabilities	304	512	126	14	3	–	–	–	959
Subordinated liabilities and other borrowed funds	2	46	14	187	–	376	1,995	7,718	10,338
Total liabilities	371	558	1,154	201	3	5,408	15,029	22,015	44,739
Net liquidity gap	1,437	1,001	777	(71)	50	(1,304)	(5,129)	56,663	53,424

Financial liabilities on an undiscounted basis

	2025								
	One month or less $million	Between one month and three months $million	Between three months and six months $million	Between six months and nine months $million	Between nine months and one year $million	Between one year and two years $million	Between two years and five years $million	More than five years and undated $million	Total $million
Derivative financial instruments	**265**	**–**	**16**	**–**	**–**	**22**	**206**	**325**	**834**
Debt securities in issue	**314**	**237**	**1,654**	**449**	**315**	**6,939**	**17,037**	**19,424**	**46,369**
Subordinated liabilities and other borrowed funds	**33**	**116**	**36**	**164**	**–**	**1,541**	**889**	**11,538**	**14,317**
Other liabilities	**33**	**1,245**	**–**	**–**	**–**	**–**	**–**	**–**	**1,278**
Total liabilities	**645**	**1,598**	**1,706**	**613**	**315**	**8,502**	**18,132**	**31,287**	**62,798**

	2024								
	One month or less $million	Between one month and three months $million	Between three months and six months $million	Between six months and nine months $million	Between nine months and one year $million	Between one year and two years $million	Between two years and five years $million	More than five years and undated $million	Total $million
Derivative financial instruments	30	–	22	–	–	53	147	813	1,065
Debt securities in issue	276	151	1,355	368	308	6,333	15,780	15,635	40,206
Subordinated liabilities and other borrowed funds	33	134	34	206	–	407	2,261	13,473	16,548
Other liabilities	–	959	–	–	–	–	–	–	959
Total liabilities	339	1,244	1,411	574	308	6,793	18,188	29,921	58,778

Notes to the financial statements

40. Re-presentation tables of Credit risk disclosures by key geography

As set out in note 1 to the financial statements, prior period amounts for certain Credit risk tables (required by IFRS 7 – Financial Instruments: Disclosures) within the Risk review on pages 233 to 276 were also re-presented for a change in accounting policy for the presentation of the Group's geographic disclosures to align to information reported to key management personnel and to incorporate loans reported in Central & other items into the tables on pages 238 and 244. The following tables provide a reconciliation between the tables previously disclosed at 31 December 2024 and the re-presented tables in these financial statements.

Loans and advances analysis by client segment, credit quality and key geography – Corporate & Investment Banking and Central & other items (page 244)

Published table as of 31 December 2024

	Corporate & Investment Banking and Central & other items																		
	2024																		
	Gross									Credit impairment									
	Stage 1			Stage 2				Stage 3		Stage 1			Stage 2				Stage 3		
	Strong $million	Satisfactory $million	Total $million	Strong $million	Satisfactory $million	Higher Risk $million	Total $million	Defaulted $million	Total $million	Strong $million	Satisfactory $million	Total $million	Strong $million	Satisfactory $million	Higher Risk $million	Total $million	Impaired $million	Total $million	Total Coverage %
Hong Kong	32,552	12,079	44,631	230	1,539	64	1,833	1,272	1,272	(8)	(8)	(16)	(33)	(107)	(9)	(149)	(1,157)	(1,157)	(2.8)%
Corporate Lending	14,429	6,180	20,609	225	1,329	64	1,618	1,260	1,260	(5)	(4)	(9)	(33)	(102)	(9)	(144)	(1,157)	(1,157)	(5.6)%
Non Corporate Lending[1]	4,567	2,730	7,297	4	206	–	210	12	12	(1)	(3)	(4)	–	(5)	–	(5)	–	–	(0.1)%
Banks	13,556	3,169	16,725	1	4	–	5	–	–	(2)	(1)	(3)	–	–	–	–	–	–	(0.0)%
Singapore	31,129	7,769	38,898	500	955	35	1,490	407	407	–	(8)	(8)	(4)	(14)	–	(18)	(196)	(196)	(0.5)%
Corporate Lending	7,333	4,003	11,336	469	594	35	1,098	335	335	–	(6)	(6)	(4)	(14)	–	(18)	(195)	(195)	(1.7)%
Non Corporate Lending[1]	19,348	567	19,915	29	358	–	387	–	–	–	(1)	(1)	–	–	–	–	–	–	(0.0)%
Banks	4,448	3,199	7,647	2	3	–	5	72	72	–	(1)	(1)	–	–	–	–	(1)	(1)	(0.0)%
China	10,380	2,794	13,174	49	133	14	196	171	171	(3)	(1)	(4)	–	–	–	–	(86)	(86)	(0.7)%
Corporate Lending	4,933	2,193	7,126	49	133	14	196	168	168	(1)	(1)	(2)	–	–	–	–	(83)	(83)	(1.1)%
Non Corporate Lending[1]	3,241	363	3,604	–	–	–	–	–	–	(1)	–	(1)	–	–	–	–	–	–	(0.0)%
Banks	2,206	238	2,444	–	–	–	–	3	3	(1)	–	(1)	–	–	–	–	(3)	(3)	(0.2)%
UK	11,029	3,939	14,968	48	479	3	530	316	316	(10)	(4)	(14)	–	(27)	(6)	(33)	(258)	(258)	(1.9)%
Corporate Lending	325	871	1,196	47	479	1	527	258	258	(9)	(3)	(12)	–	(27)	(6)	(33)	(237)	(237)	(14.2)%
Non Corporate Lending[1]	8,690	982	9,672	1	–	–	1	57	57	(1)	(1)	(2)	–	–	–	–	(21)	(21)	(0.2)%
Banks	2,014	2,086	4,100	–	–	2	2	1	1	–	–	–	–	–	–	–	–	–	(0.0)%
US	16,244	4,456	20,700	92	433	33	558	31	31	(4)	(1)	(5)	(1)	(1)	–	(2)	(3)	(3)	(0.0)%
Corporate Lending	5,426	2,761	8,187	77	322	–	399	28	28	(3)	(1)	(4)	(1)	(1)	–	(2)	–	–	(0.1)%
Non Corporate Lending[1]	9,688	123	9,811	15	79	–	94	3	3	(1)	–	(1)	–	–	–	–	(3)	(3)	(0.0)%
Banks	1,130	1,572	2,702	–	32	33	65	–	–	–	–	–	–	–	–	–	–	–	(0.0)%
Others	42,171	19,370	61,541	318	3,251	819	4,389	2,460	2,460	(10)	(33)	(43)	(3)	(70)	(29)	(102)	(1,483)	(1,483)	(2.4)%
Corporate Lending	24,835	14,075	38,910	291	2,048	516	2,855	2,221	2,221	(6)	(26)	(32)	(3)	(38)	(28)	(69)	(1,333)	(1,333)	(3.3)%
Non Corporate Lending[1]	9,451	3,590	13,041	22	1,117	153	1,292	232	232	–	(6)	(6)	–	(31)	(1)	(32)	(149)	(149)	(1.3)%
Banks	7,885	1,705	9,590	5	86	150	241	7	7	(4)	(1)	(5)	–	(1)	–	(1)	(1)	(1)	(0.1)%
Total	143,505	50,407	193,912	1,237	6,790	968	8,996	4,657	4,657	(35)	(55)	(90)	(41)	(219)	(44)	(304)	(3,183)	(3,183)	(1.7)%

1 Refer to the equivalent table on page 244 of the Risk Review section.

Adjustment table

	Corporate & Investment Banking and Central & other items																		
	2024																		
	Gross									Credit impairment									
	Stage 1			Stage 2				Stage 3		Stage 1			Stage 2				Stage 3		
	Strong $million	Satisfactory $million	Total $million	Strong $million	Satisfactory $million	Higher Risk $million	Total $million	Defaulted $million	Total $million	Strong $million	Satisfactory $million	Total $million	Strong $million	Satisfactory $million	Higher Risk $million	Total $million	Impaired $million	Total $million	Total Coverage %
Hong Kong	2,909	–	2,909	–	–	–	–	(36)	(36)	–	–	–	–	–	–	–	–	–	–
Corporate Lending	1,199	–	1,199	–	–	–	–	(36)	(36)	–	–	–	–	–	–	–	–	–	–
Non Corporate Lending[1]	41	–	41	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Banks	1,669	–	1,669	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Singapore	(2,985)	(993)	(3,978)	–	(64)	–	(64)	70	70	–	–	–	–	–	–	–	–	–	–
Corporate Lending	(2,212)	(454)	(2,666)	–	(64)	–	(64)	70	70	–	–	–	–	–	–	–	–	–	–
Non Corporate Lending[1]	(808)	(524)	(1,332)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Banks	35	(15)	20	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
China	10	50	60	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Corporate Lending	(1)	50	49	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Non Corporate Lending[1]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Banks	11	–	11	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
UK	(10,526)	(2,046)	(12,572)	–	(1,461)	(138)	(1,599)	(440)	(440)	–	–	–	–	–	–	–	–	–	–
Corporate Lending	(2,006)	(1,211)	(3,217)	–	(954)	(26)	(980)	(400)	(400)	–	–	–	–	–	–	–	–	–	–
Non Corporate Lending[1]	(8,350)	(771)	(9,121)	–	(507)	(112)	(619)	(40)	(40)	–	–	–	–	–	–	–	–	–	–
Banks	(170)	(64)	(234)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
US	537	56	593	–	–	–	–	27	27	–	–	–	–	–	–	–	–	–	–
Corporate Lending	92	56	148	–	–	–	–	27	27	–	–	–	–	–	–	–	–	–	–
Non Corporate Lending[1]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Banks	445	–	445	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Others	10,055	2,933	12,988	–	1,525	138	1,663	379	379	–	–	–	–	–	–	–	–	–	–
Corporate Lending	2,926	1,559	4,485	–	1,018	26	1,044	338	338	–	–	–	–	–	–	–	–	–	–
Non Corporate Lending[1]	9,119	1,294	10,413	–	507	112	619	41	41	–	–	–	–	–	–	–	–	–	–
Banks	(1,990)	80	(1,910)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

1 Refer to the equivalent table on page 244 of the Risk Review section.

Notes to the financial statements

40. Re-presentation tables of Credit risk disclosures by key geography continued

Re-presented table as of 31 December 2024

Corporate & Investment Banking and Central & other items[1]

	2024																		
	Gross									Credit Impairment									
	Stage 1			Stage 2				Stage 3		Stage 1			Stage 2				Stage 3		
	Strong $million	Satisfactory $million	Total $million	Strong $million	Satisfactory $million	Higher Risk $million	Total $million	Defaulted $million	Total $million	Strong $million	Satisfactory $million	Total $million	Strong $million	Satisfactory $million	Higher Risk $million	Total $million	Impaired $million	Total $million	Total Coverage %
Hong Kong	29,643	12,079	41,722	230	1,539	64	1,833	1,308	1,308	(8)	(8)	(16)	(33)	(107)	(9)	(149)	(1,157)	(1,157)	(2.9)%
Corporate Lending	13,230	6,180	19,410	225	1,329	64	1,618	1,296	1,296	(5)	(4)	(9)	(33)	(102)	(9)	(144)	(1,157)	(1,157)	(5.9)%
Non Corporate Lending	4,526	2,730	7,256	4	206	–	210	12	12	(1)	(3)	(4)	–	(5)	–	(5)	–	–	(0.1)%
Banks	11,887	3,169	15,056	1	4	–	5	–	–	(2)	(1)	(3)	–	–	–	–	–	–	(0.0)%
Singapore	34,114	8,762	42,876	500	1,019	35	1,554	337	337	–	(8)	(8)	(4)	(14)	–	(18)	(196)	(196)	(0.5)%
Corporate Lending	9,545	4,457	14,002	469	658	35	1,162	265	265	–	(6)	(6)	(4)	(14)	–	(18)	(195)	(195)	(1.4)%
Non Corporate Lending	20,156	1,091	21,247	29	358	–	387	–	–	–	(1)	(1)	–	–	–	–	–	–	(0.0)%
Banks	4,413	3,214	7,627	2	3	–	5	72	72	–	(1)	(1)	–	–	–	–	(1)	(1)	(0.0)%
China	10,370	2,744	13,114	49	133	14	196	171	171	(3)	(1)	(4)	–	–	–	–	(86)	(86)	(0.7)%
Corporate Lending	4,934	2,143	7,077	49	133	14	196	168	168	(1)	(1)	(2)	–	–	–	–	(83)	(83)	(1.1)%
Non Corporate Lending	3,241	363	3,604	–	–	–	–	–	–	(1)	–	(1)	–	–	–	–	–	–	(0.0)%
Banks	2,195	238	2,433	–	–	–	–	3	3	(1)	–	(1)	–	–	–	–	(3)	(3)	(0.2)%
UK	21,555	5,985	27,540	48	1,940	141	2,129	756	756	(10)	(4)	(14)	–	(27)	(6)	(33)	(258)	(258)	(1.0)%
Corporate Lending	2,331	2,082	4,413	47	1,433	27	1,507	658	658	(9)	(3)	(12)	–	(27)	(6)	(33)	(237)	(237)	(4.3)%
Non Corporate Lending	17,040	1,753	18,793	1	507	112	620	97	97	(1)	(1)	(2)	–	–	–	–	(21)	(21)	(0.1)%
Banks	2,184	2,150	4,334	–	–	2	2	1	1	–	–	–	–	–	–	–	–	–	(0.0)%
US	15,707	4,400	20,107	92	433	33	558	4	4	(4)	(1)	(5)	(1)	(1)	–	(2)	(3)	(3)	(0.0)%
Corporate Lending	5,334	2,705	8,039	77	322	–	399	1	1	(3)	(1)	(4)	(1)	(1)	–	(2)	–	–	(0.1)%
Non Corporate Lending	9,688	123	9,811	15	79	–	94	3	3	(1)	–	(1)	–	–	–	–	(3)	(3)	(0.0)%
Banks	685	1,572	2,257	–	32	33	65	–	–	–	–	–	–	–	–	–	–	–	(0.0)%
Others	32,116	16,437	48,553	318	1,726	681	2,725	2,081	2,081	(10)	(33)	(43)	(3)	(70)	(29)	(102)	(1,483)	(1,483)	(3.1)%
Corporate Lending	21,909	12,516	34,425	291	1,030	490	1,811	1,883	1,883	(6)	(26)	(32)	(3)	(38)	(28)	(69)	(1,333)	(1,333)	(3.8)%
Non Corporate Lending	332	2,296	2,628	22	610	41	673	191	191	–	(6)	(6)	–	(31)	(1)	(32)	(149)	(149)	(5.4)%
Banks	9,875	1,625	11,500	5	86	150	241	7	7	(4)	(1)	(5)	–	(1)	–	(1)	(1)	(1)	(0.1)%
Total	143,505	50,407	193,912	1,237	6,790	968	8,995	4,657	4,657	(35)	(55)	(90)	(41)	(219)	(44)	(304)	(3,183)	(3,183)	(1.7)%

1 Refer to the equivalent table on page 244 of the Risk Review section.

Industry analysis of loans and advances by key geography – Corporate & Investment Banking and Central & other items (page 260)

Published table as of 31 December 2024 (Corporate & Investment Banking)

	2024						
Amortised Cost	Hong Kong $million	China $million	Singapore $million	UK $million	US $million	Other $million	Total $million
Industry:							
Energy	2,200	59	1,552	1,744	1,750	5,551	12,856
Manufacturing	4,077	4,200	1,463	389	2,307	8,431	20,867
Financing, insurance and non-banking	3,674	3,486	1,893	4,005	9,900	12,696	35,654
Transport, telecom and utilities	5,131	662	3,106	1,084	936	7,685	18,604
Food and household products	1,038	428	1,414	962	685	4,202	8,729
Commercial Real estate	4,512	334	1,404	1,039	1,650	4,994	13,933
Mining and Quarrying	608	606	847	1,426	224	2,170	5,881
Consumer durables	2,780	293	466	84	537	2,046	6,206
Construction	318	156	372	96	247	1,268	2,457
Trading Companies & Distributors	95	103	106	31	40	277	652
Government	2,576	117	219	169	4	4,352	7,437
Other	1,419	563	786	377	233	1,650	5,028
Net Loans and advances to Customers	28,428	11,007	13,628	11,406	18,513	55,322	138,304
Net Loans and advances to Banks	16,727	2,443	7,721	4,103	2,766	9,833	43,593

Adjustment table (Corporate & Investment Banking and Central & other items)

	2024						
Amortised Cost	Hong Kong $million	China $million	Singapore $million	UK $million	US $million	Other $million	Total $million
Industry:							
Energy	1,164	(1)	(1,537)	(1,922)	(21)	2,313	(4)
Manufacturing	–	–	(192)	(271)	–	463	–
Financing, insurance and non-banking	41	–	(508)	(8,277)	–	8,718	(26)
Transport, telecom and utilities	–	50	(660)	(1,512)	56	2,060	(6)
Food and household products	–	–	(58)	(189)	–	247	–
Commercial Real estate	–	–	(17)	(68)	75	10	–
Mining and Quarrying	–	–	(19)	(218)	10	227	–
Consumer durables	–	–	(38)	(70)	56	51	(1)
Construction	–	–	(110)	–	–	110	–
Trading Companies & Distributors	–	–	–	–	–	–	–
Government	(1,260)	–	(20,047)	(1,502)	–	760	(22,049)
Other	–	–	(30)	(347)	–	372	(5)
Net Loans and advances to Customers	(55)	49	(23,216)	(14,376)	176	15,331	(22,091)
Net Loans and advances to Banks	1,669	11	20	(234)	444	(1,910)	–

Notes to the financial statements

40. Re-presentation tables of Credit risk disclosures by key geography continued

Re-presented table as of 31 December 2024 (Corporate & Investment Banking and Central & other items)

	2024[1]						
Amortised Cost	Hong Kong $million	China $million	Singapore $million	UK $million	US $million	Other $million	Total $million
Industry:							
Energy	1,036	60	3,089	3,666	1,771	3,238	12,860
Manufacturing	4,077	4,200	1,655	660	2,307	7,968	20,867
Financing, insurance and non-banking	3,633	3,486	2,401	12,282	9,900	3,978	35,680
Transport, telecom and utilities	5,131	612	3,766	2,596	880	5,625	18,610
Food and household products	1,038	428	1,472	1,151	685	3,955	8,729
Commercial Real estate	4,512	334	1,421	1,107	1,575	4,984	13,933
Mining and Quarrying	608	606	866	1,644	214	1,943	5,881
Consumer durables	2,780	293	504	154	481	1,995	6,207
Construction	318	156	482	96	247	1,158	2,457
Trading Companies & Distributors	95	103	106	31	40	277	652
Government	3,836	117	20,266	1,671	4	3,592	29,486
Other	1,419	563	816	724	233	1,278	5,033
Net Loans and advances to Customers	28,483	10,958	36,844	25,782	18,337	39,991	160,395
Net Loans and advances to Banks	15,058	2,432	7,701	4,337	2,322	11,743	43,593

1 Refer to the equivalent table on the page 260 of the Risk Review section.

Forborne and other modified loans by key geography (page 255)

Published table as of 31 December 2024

	2024							
Amortised cost	Hong Kong $million	Korea $million	China $million	Singapore $million	UK $million	US $million	Other $million	Total $million
Performing forborne loans	2	8	–	3	–	–	39	52
Stage 3 forborne loans	118	18	77	25	78	1	415	732
Net forborne loans	120	26	77	28	78	1	454	784

Adjustment table

	2024							
Amortised cost	Hong Kong $million	Korea $million	China $million	Singapore $million	UK $million	US $million	Other $million	Total $million
Performing forborne loans	–	–	–	–	–	–	–	–
Stage 3 forborne loans	8	(7)	(8)	–	(3)	–	10	–
Net forborne loans	8	(7)	(8)	–	(3)	–	10	–

Re-presented table as of 31 December 2024

	2024[1]							
Amortised cost	Hong Kong $million	Korea $million	China $million	Singapore $million	UK $million	US $million	Other $million	Total $million
Performing forborne loans	2	8	–	3	–	–	39	52
Stage 3 forborne loans	110	25	85	25	81	1	405	732
Net forborne loans	112	33	85	28	81	1	444	784

1 Refer to the equivalent table on the page 255 of the Risk Review section.

41. Related undertakings of the Group

As at 31 December 2025, the Group's interests in related undertakings are disclosed below. Unless otherwise stated, the share capital disclosed comprises ordinary or common shares which are held by subsidiaries of the Group. Standard Chartered Bank (Hong Kong) Limited, Standard Chartered Funding (Jersey) Limited, Stanchart Nominees Limited, Standard Chartered Holdings Limited and Standard Chartered Nominees Limited are directly held subsidiaries, all other related undertakings are held indirectly. Unless otherwise stated, the principal country of operation of each subsidiary is the same as its country of incorporation Note 32 details undertakings that have a significant contribution to the Group's net profit or net assets.

Subsidiary Undertakings

Name	Proportion of shares held (%)	Footnotes
FinVentures UK Limited[v]	100	1, 163
SC (Secretaries) Limited[ix]	100	1
SC Ventures G.P. Limited[v]	100	1
SC Ventures Innovation Investment L.P.[v]	100[Y]	1
SCMB Overseas Limited[v]	100	1, 163
Standard Chartered Africa Limited[v]	100	1, 163
Standard Chartered Bank[i]	100; 100[Q,T]	1
Standard Chartered Foundation[ix]	100	1, 158
Standard Chartered Health Trustee (UK) Limited[ix]	100	1
Standard Chartered I H Limited[v]	100	1, 163
Standard Chartered Nominees (Private Clients UK) Limited[i]	100	1
Standard Chartered Securities (Africa) Holdings Limited[v]	100	1, 163
Standard Chartered Strategic Investments Limited[v]	100	1, 163
Standard Chartered Trustees (UK) Limited[ix]	100	1
SC Ventures Holdings Limited[v]	100; 100[M]	1
Zodia Markets (UK) Limited[i]	100	1
Zodia Markets Holdings Limited[v]	83.96	1
Bricks (C&K) LP[ix]	100[Y]	2, 158
Bricks (C) LP[ix]	100[Y]	2, 158
Bricks (T) LP[ix]	100[Y]	2, 158
Corrasi Covered Bonds LLP[ix]	75[AA]	3
Zodia Custody Limited[iv]	95.1; 15.132[K]	107
Zodia Holdings Limited[v]	100[A]	107
Assembly Payments UK Ltd[iv]	100	4, 158
CurrencyFair (UK) Limited[i]	100	4, 158
Zai Technologies Limited[iv]	100	4, 158
Standard Chartered Grindlays Pty Limited[v]	100	5
Assembly Payments Australia Pty Ltd[iv]	100	131, 158
Zai Australia Pty Ltd[iv]	100	11
CurrencyFair Australia Pty Ltd[iv]	100	6, 158
Standard Chartered Bank Insurance Agency (Proprietary) Limited[i]	100	7
Standard Chartered Investment Services (Proprietary) Limited[i]	100	7
Standard Chartered Bank Botswana Limited[i]	75.827	7
Standard Chartered Botswana Nominees (Proprietary) Limited[i]	100	7
Standard Chartered Botswana Education Trust[ix]	100[AB]	7
Standard Chartered Representação e Participações Ltda[i]	100	8
Standard Chartered Securities (B) Sdn Bhd[i]	100	108
CurrencyFair (Canada) Ltd[iv]	100	10, 158
SCB Investment Holding Company Limited[v]	100[A]	114
Standard Chartered Global Business Services Co., Ltd[vii]	100	12, 160
Standard Chartered Global Business Services (Guangzhou) Co., Ltd.[vii]	100	121, 160
Guangzhou CurrencyFair Information Technology Limited[iv]	100	13, 159
Standard Chartered Bank Cote d'Ivoire SA[ix]	100	14
Standard Chartered Bank AG[i]	100	16
Solvezy Technology Ghana Ltd[iv]	100	17
Standard Chartered Bank Ghana PLC[i]	69.416; 87.043[T]	18
Standard Chartered Ghana Nominees Limited[i]	100	18
Standard Chartered Wealth Management Limited Company[i]	100	19
Standard Chartered PF Real Estate (Hong Kong) Limited[v]	100	81
Standard Chartered Private Equity Limited[v]	100	20
Standard Chartered Asia Limited[v]	100; 100[AD]	20
CurrencyFair Asia Limited[iv]	100	9, 158
Zodia Custody (Hong Kong) Limited[iv]	100	132
Assembly Payments India Private Limited[iv]	100	92
Standard Chartered Global Business Services Private Limited[viii]	100	22
Standard Chartered Finance Private Limited[viii]	98.895	23
Standard Chartered Capital Limited[i]	100	153
Standard Chartered Securities (India) Limited[i]	100	93
Standard Chartered (India) Modeling and Analytics Centre Private Limited[viii]	100	26
SCV Research and Development Pvt. Ltd.[iv]	100	117
PT Labamu Sejahtera Indonesia[iv]	100	27
Currencyfair Limited[iv]	100[A]	150, 158, 165
CurrencyFair Nominees Limited[iv]	100	148, 158
Zodia Markets (Ireland) Limited[i]	100	133
Zodia Custody (Ireland) Limited[iv]	100	134
Standard Chartered Assurance Limited[i]	100; 100[M]	29
Standard Chartered Isle of Man Limited[i]	100	29
Standard Chartered Securities (Japan) Limited[i]	100	30
SCB Nominees (CI) Limited[i]	100	31
Solvezy Technology Kenya Limited[iv]	100	32
Standard Chartered Bancassurance Intermediary Limited[i]	100	32
Standard Chartered Investment Services Limited[v]	100	32
Standard Chartered Bank Kenya Limited[i]	74.318; 100[J]	32
Standard Chartered Securities (Kenya) Limited[i]	100	32
Standard Chartered Financial Services Limited[i]	100	32
Standard Chartered Kenya Nominees Limited[i]	100	32
Standard Chartered Metropolitan Holdings SAL[v]	100[A]	33
Cartaban (Malaya) Nominees Sdn Berhad[i]	100	34
Cartaban Nominees (Asing) Sdn Bhd[i]	100	34
Cartaban Nominees (Tempatan) Sdn Bhd[i]	100	34
Golden Maestro Sdn Bhd[v]	100	34
Price Solutions Sdn Bhd[i]	100	34
SCBMB Trustee Berhad[ix]	100	34
Standard Chartered Bank Malaysia Berhad[i]	100; 100[S]	34
Standard Chartered Saadiq Berhad[i]	100	34
Resolution Alliance Sdn Bhd[v]	91	35, 158
Standard Chartered Global Business Services Sdn Bhd[viii]	100	115
Assembly Payments Malaysia Sdn. Bhd.[iv]	100	37, 158

Notes to the financial statements

41. Related undertakings of the Group continued

Name	Proportion of shares held (%)	Footnotes
Standard Chartered Bank (Mauritius) Limited[i]	100	38
Standard Chartered Private Equity (Mauritius) Limited[i]	100	113
Standard Chartered Private Equity (Mauritius) II Limited[i]	100	113
Standard Chartered Private Equity (Mauritius) III Limited[i]	100	113
Subcontinental Equities Limited[v]	100	39
Standard Chartered Bank Nepal Limited[i]	70.21	40
Standard Chartered Holdings (Africa) B.V.[v]	100	1, 161
Standard Chartered Holdings (Asia Pacific) B.V.[v]	100	1, 161
Standard Chartered Holdings (International) B.V.[v]	100	1, 161
Standard Chartered MB Holdings B.V.[v]	100	1, 161
PromisePay Limited[iv]	100	41, 158
Standard Chartered Bank Nigeria Limited[i]	100; 100[M,T]	42
Standard Chartered Capital & Advisory Nigeria Limited[i]	100	42
Standard Chartered Nominees (Nigeria) Limited[i]	100	42
Standard Chartered Bank (Pakistan) Limited[i]	98.986	43
Standard Chartered Group Services, Manila Incorporated[viii]	100	44
Standard Chartered Global Business Services spółka z ograniczoną odpowiedzialnością[viii]	100	45
Standard Chartered Capital (Saudi Arabia)[i]	100	116
Standard Chartered Private Equity (Singapore) Pte. Ltd[v]	100	46
Standard Chartered Real Estate Investment Holdings (Singapore) Private Limited[v]	100	46
Raffles Nominees (Pte.) Limited[i]	100	47
SCTS Capital Pte. Ltd[i]	100	48
SCTS Management Pte. Ltd.[i]	100	48
Standard Chartered Bank (Singapore) Limited[i]	100[A,B,C,U,V,W]	48
Standard Chartered Trust (Singapore) Limited[ix]	100	48
Standard Chartered Holdings (Singapore) Private Limited[v]	100	48
Standard Chartered Nominees (Singapore) Pte Ltd[i]	100	48
Audax Financial Technology Pte. Ltd[iv]	100[A]	147
CashEnable Pte. Ltd.[iv]	100[A]	146
Letsbloom Pte. Ltd.[iv]	100[A]	90
Libeara (Singapore) Pte. Ltd.[iv]	100	90
Libeara Pte. Ltd.[v]	100	90
SCV Research and Development Pte. Ltd.[iv]	100[A]	145
Zodia Custody (Singapore) Pte. Ltd.[iv]	100	145
Power2SME Pte. Ltd.[v]	91.577	146
SCV Master Holding Company Pte. Ltd.[v]	100; 100[M]	146
Solv-India Pte. Ltd.[v]	100	146
Trust Bank Singapore Limited[i]	60	130
CurrencyFair (Singapore) Pte.Ltd[iv]	100	49, 158
Assembly Payments SGP Pte. Ltd.[iv]	100	50, 158
Assembly Payments Pte. Ltd.[iv]	100; 100[J]	50, 158
Standard Chartered Nominees South Africa Proprietary Limited (RF)[i]	100	52
Standard Chartered Bank Tanzania Limited[i]	100; 100[J]	53
Standard Chartered Tanzania Nominees Limited[i]	100	53
Standard Chartered Bank (Thai) Public Company Limited[i]	99.87	54
Standard Chartered Yatirim Bankasi Turk Anonim Sirket[ii]	100	55
Standard Chartered Bank Uganda Limited[i]	100	56
Furaha Finserve Uganda Limited[i]	100.001	57
Appro Onboarding Solutions FZ-LLC[iv]	100	58
Financial Inclusion Technologies Ltd[v]	100[A]	94

Name	Proportion of shares held (%)	Footnotes
Furaha Holding Ltd[v]	100; 100[B]	59
myZoi Financial Inclusion Technologies LLC[iv]	100	61
Standard Chartered Bank International (Americas) Limited[i]	100	111
Standard Chartered Holdings Inc.[v]	100	62
Standard Chartered Securities (North America) LLC[i]	100[AA]	62
CurrencyFair (USA) Inc[iv]	100[AC]	64, 158
Standard Chartered Trade Services Corporation[i]	100	89
Standard Chartered Bank (Vietnam) Limited[i]	100[X]	65
Sky Harmony Holdings Limited[v]	100	118
Standard Chartered Bank Zambia Plc[i]	90	119
Standard Chartered Zambia Securities Services Nominees Limited[i]	100	138
Stanchart Nominees Limited[i]	100	1, 164
Standard Chartered Holdings Limited[v]	100	1, 163, 164, 159
Standard Chartered NEA Limited[v]	100	1, 163
Standard Chartered Nominees Limited[i]	100	1, 164
Standard Chartered (Guangzhou) Business Management Co., Ltd.[ii]	100	120, 159, 160
Standard Chartered Bank (China) Limited[i]	100	75, 159, 160
Standard Chartered Securities (China) Limited[i]	100	76, 159, 160
Horsford Nominees Limited[i]	100	77
Marina Acacia Shipping Limited[vi]	100	78
Marina Amethyst Shipping Limited[vi]	100	78
Marina Angelite Shipping Limited[vi]	100	78
Marina Beryl Shipping Limited[vi]	100	78
Marina Emerald Shipping Limited[vi]	100	78
Marina Flax Shipping Limited[vi]	100	78
Marina Gloxinia Shipping Limited[vi]	100	78
Marina Hazel Shipping Limited[vi]	100	78
Marina Ilex Shipping Limited[vi]	100	78
Marina Iridot Shipping Limited[vi]	100	78
Marina Mimosa Shipping Limited[vi]	100	78
Marina Moonstone Shipping Limited[vi]	100	78
Marina Peridot Shipping Limited[vi]	100	78
Marina Sapphire Shipping Limited[vi]	100	78
Marina Tourmaline Shipping Limited[vi]	100	78
Standard Chartered Securities (Hong Kong) Limited[i]	100	78
Marina Leasing Limited[vi]	100	78
Standard Chartered Leasing Group Limited[v]	100	78
Standard Chartered Trade Support (HK) Limited[i]	100	78
Mox Bank Limited[i]	74.36	79
Standard Chartered Bank (Hong Kong) Limited[i]	100[A,B,C,D]	80
Standard Chartered Trustee (Hong Kong) Limited[ix]	100	82
Standard Chartered Funding (Jersey) Limited[v]	100	83
Standard Chartered Bank Korea Limited[i]	100	84
Standard Chartered Securities Korea Co., Ltd[i]	100	85
Marina Morganite Shipping Limited[vi]	100	125, 162
Marina Moss Shipping Limited[vi]	100	125, 162
Marina Tanzanite Shipping Limited[vi]	100	125, 162
Marina Angelica Shipping Limited[vi]	100	86, 162
Marina Aventurine Shipping Limited[vi]	100	86, 162
Marina Citrine Shipping Limited[vi]	100	86, 162
Marina Dahlia Shipping Limited[vi]	100	86, 162
Marina Dittany Shipping Limited[vi]	100	86, 162
Marina Lilac Shipping Limited[vi]	100	86, 162
Marina Lolite Shipping Limited[vi]	100	86, 162
Marina Obsidian Shipping Limited[vi]	100	86, 162

Name	Proportion of shares held (%)	Footnotes
Marina Quartz Shipping Limited[vi]	100	86, 162
Marina Remora Shipping Limited[vi]	100	86, 162
Marina Turquoise Shipping Limited[vi]	100	86, 162
Marina Zircon Shipping Limited[vi]	100	86, 162
Price Solution Pakistan (Private) Limited[i]	100	87
Standard Chartered Bank (Taiwan) Limited[i]	100	88
CMB Nominees (RF) Proprietary Limited[ix]	100	52
Letsbloom India Private Limited[iv]	100	97
Qatalyst Pte. Ltd.[iv]	72.727	146
Solv Vietnam Company Limited[iv]	100[X]	98
Standard Chartered Funds VCC[ix]	100	48
TASConnect (Hong Kong) Private Limited[iv]	100	99
TASConnect (Malaysia) Sdn. Bhd.[iv]	100	36
TASConnect (Shanghai) Financial Technology Pte. Ltd[iv]	100	151, 160
Zodia Custody Australia Pty. Ltd.[iv]	100	126
Zodia Markets (AME) Limited[iv]	100	127
Zodia Markets (Jersey) Limited[iv]	100	129
Standard Chartered Luxembourg S.A.[i]	100	106
Fourtwothree Pte. Ltd[iv]	100	90
HAL Holding Ltd[iv]	100	155
Zodia Custody (Europe) S.A.[iv]	100	128
Actis Treit Holdings (Mauritius) Limited[v]	62.001[A,B]	149, 158
Actis Treit Holdings No.1 (Singapore) Private Limited[v]	100	156, 158
Actis Treit Holdings No.2 (Singapore) Private Limited[v]	100	156, 158
Anchorpoint Financial Limited[iv]	50.5	20
Appro Marketing Solutions L.L.C[iv]	100	139
Berkeley Square Finance 1 Designated Activity Company[i]	100	124
CFZ Holding Limited[iv]	29.96;100[A]	150
Currencyfair Group Limited[iv]	100	150, 158
Nusavest Pte. Ltd.[iv]	100	146
Regwise Ltd[iv]	100	102
Slate One LLC[i]	100	101
Standard Chartered Services Holdings Limited[v]	100	1
Standard Chartered Services Limited[viii]	100	1
Tungsten Custody Solutions FZE[iv]	100	100
Tungsten Custody Solutions Ltd[iv]	100	63
Tungsten Holding Limited[iv]	100	63
Zodia Markets Technology Services FZCO[iv]	0.1	25

Joint ventures

Name	Proportion of shares held (%)	Footnotes
Olea Global Pte. Ltd.[iv]	46.655; 100[J]	145
Global Digital Asset Holdings Limited[v]	100	60
Akashaverse Pte. Ltd.[iv]	50	143
K423 Limited[vi]	25.011	104
Lexarius Limited[iv]	50	103
Qlarion Ltd[iv]	100[A]	102

Associates

Name	Proportion of shares held (%)	Footnotes
Clifford Capital Holdings Pte. Ltd.[v]	9.9	109
Verified Impact Exchange Holdings Pte. Ltd[i]	13.421	110
Seychelles International Mercantile Banking Corporation Limited.[i]	22	66
SWIAT GmbH[iv]	30.498	67
Partior Holdings Pte. Ltd.[i]	25; 25[H]; 7.2461	69
China Bohai Bank Co., Ltd.[i]	16.263	95, 159
Vault22 Solutions Holdings Ltd[iv]	100[E]	135
Jumbotail Technologies Private Limited[iv]	94.117[AF]; 100[AG,AH]	105

Significant investment holdings and other related undertakings

Name	Proportion of shares held (%)	Footnotes
Corrasi Covered Bonds (LM) Limited[i]	20	3, 158
SCIAIGF Liquidating Trust[v]	43.96[AB]	112, 158
ATSC Cayman Holdco Limited[v]	5.272[A];100[B]	140
Actis Temple Stay Holdings (HK) Limited[v]	39.689[A]; 39.689[B]	141, 158
Mikado Realtors Private Limited[ix]	26	142
Industrial Minerals and Chemical Co. Pvt. Ltd[ix]	26	157
Ascenta III[v]	31[G]	70
Paxata, Inc.[iii]	40.740[O]; 8.908[P]	64

In liquidation

Name	Proportion of shares held (%)	Footnotes
Subsidiary Undertakings		
Standard Chartered Masterbrand Licensing Limited[ix]	100	122
Birdsong Limited[ix]	100	71
Nominees One Limited[ix]	100	71
Nominees Two Limited[ix]	100	71
Songbird Limited[ix]	100	71
Standard Chartered Secretaries (Guernsey) Limited[ix]	100	71
Standard Chartered Trust (Guernsey) Limited[ix]	100	71
Standard Chartered Financial Services (Luxembourg) S.A.[ix]	100	72
Banco Standard Chartered en Liquidacion[ix]	100	123
Standard Chartered Uruguay Representacion S.A.[ix]	100	73
SC Transport Leasing 1 LTD[ix]	100	144
SC Transport Leasing 2 Limited[ix]	100	144
Standard Chartered Leasing (UK) Limited[ix]	100	144
Standard Chartered Trust (Hong Kong) Limited[i]	100	82
Associates		
Ascenta IV[ix]	39.1[Z]	74

Subsidiary/Associate undertakings and Significant investment holdings – Liquidated/ dissolved/sold

Name	Proportion of shares held (%)	Footnotes
The SC Transport Leasing Partnership 1[vi]	100[Y]	1
The SC Transport Leasing Partnership 2[vi]	100[Y]	1
The SC Transport Leasing Partnership 3[vi]	100[Y]	1
The SC Transport Leasing Partnership 4[vi]	100[Y]	1
Standard Chartered Bank Cameroon S.A.[i]	100	9
Standard Chartered Bank Gambia Limited[i]	74.852	15
Assembly Payments HK Limited[iv]	100	21, 158
Standard Chartered Research and Technology India Private Limited[iv]	100[A,R]	136
CurrencyFair (Canada) Limited[iv]	100	28, 158
Tawi Fresh Kenya Limited[iv]	100	32
Pegasus Dealmaking Pte. Ltd.[iv]	100	145
Promisepay (PTY) Ltd[iv]	100	137, 158
Marina Partawati Shipping Pte. Ltd.[vi]	100	152
SC Ventures Management Consulting (Shenzhen) Limited[ix]	100	154, 159
Standard Chartered Leasing (UK) 3 Limited[vi]	100	68

Notes to the financial statements

41. Related undertakings of the Group continued

Name	Proportion of shares held (%)	Footnotes
Marina Opah Shipping Pte. Ltd.[vi]	100	68
Marina Cobia Shipping Pte. Ltd.[vi]	100	68
Marina Aquata Shipping Pte. Ltd.[vi]	100	68
Marina Aruana Shipping Pte. Ltd.[vi]	100	68
Cerulean Investments LP[ix]	100[Y]	68
Standard Chartered IL&FS Management (Singapore) Pte. Limited[ix]	50	51
St Helen's Nominees India Private Limited[i]	100	24
Standard Chartered Private Equity Advisory (India) Private Limited[viii]	100	24
SBI Zodia Custody Co. Ltd[iv]	100	68
Fintech for International Development Ltd[ix]	58.901[A]	96

Footnotes

Registered address

	Address
1	1 Basinghall Avenue, London, EC2V 5DD, United Kingdom
2	2 More London Riverside, London, SE1 2JT, United Kingdom
3	5 Churchill Place, 10th floor, London, E14 5HU, United Kingdom
4	Robert Denholm House, Bletchingly Road, Nutfield, Redhill, RH1 4HW, United Kingdom
5	Level 5, 345 George St, Sydney NSW 2000, Australia
6	Milsons Landing, Level 5, 6A Glen Street, Milsons Point NSW 2061, Australia
7	5th Floor Standard House Bldg, The Mall, Queens Road, PO Box 496, Gaborone, Botswana
8	Avenida Brigadeiro Faria Lima, no 3.477, 6° andar, conjunto 62 - Torre Norte, Condominio Patio Victor Malzoni, CEP 04538-133, Sao Paulo, Brazil
9	1155, Boulevard de la Liberté, Douala, B.P. 1784, Cameroon
10	66 Wellington Street, West, Suite 4100, Toronto Dominion Centre, Toronto ON M5K 1B7, Canada
11	Level 1, 55 Collins Street, Melbourne VIC 3000, Australia
12	No. 35, Xinhuanbei Road, TEDA, Tianjin, 300457, China
13	Room 2619, No 9, Linhe West Road, Tianhe District, Guangzhou, China
14	Standard Chartered Bank Cote d'Ivoire, 23 Boulevard de la République, Abidjan 17, 17 B.P. 1141, Cote d'Ivoire
15	8 Ecowas Avenue, Banjul, Gambia
16	TaunusTurm, Taunustor 1, 60310, Frankfurt am Main, Germany
17	Standard Chartered Bank Building, 87 Independance Avenue, Ridge, ACCRA, Greater ACCRA, GA-016-4621, Ghana
18	Standard Chartered Bank Building, No. 87, Independence Avenue, P.O. Box 768, Accra, Ghana
19	Standard Chartered Bank Ghana Limited, 87, Independence Avenue, Post Office Box 678, Accra, Ghana
20	13/F Standard Chartered Bank Building, 4-4A Des Voeux Road Central, Hong Kong
21	31/F, Tower 2 Times Square, 1 Matheson St, Causeway Bay, Hong Kong
22	6th Floor, Tower 3, DLF Downtown, 100 Feet Road, Tharamani, Chennai, Tamil Nadu, 600113, India
23	90 M.G.Road, II Floor, Fort, Mumbai, Maharashtra, 400001, India
24	Ground Floor, Crescenzo Building, G Block, C 38/39, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra, 400051, India
25	Unit RET-R5-186, Detached Retail R5, Plot No: JLT-PH$_2$-RET-R5, Jumeirah, United Arab Emirates
26	Vaishnavi Serenity, First Floor, No. 112, Koramangala Industrial Area, 5th Block, Koramangala, Bangalore, Karnataka, 560095, India
27	The Icon Business Park Blok F No. 5, Desa/Kelurahan, Sampora Kec, Cisauk, Kab Tangerang Provinsi, Banten, 15345, Indonesia
28	91 Pembroke Road, Dublin 4, Ballsbridge, Dublin, DO4 EC42, Ireland
29	Third Floor, St. George's Court, Upper Church Street, Douglas, IM1 1EE, Isle of Man
30	21/F, Sanno Park Tower, 2-11-1 Nagatacho, Chiyoda-ku, Tokyo, 100-6155, Japan
31	15 Castle Street, St Helier, JE4 8PT, Jersey
32	Standard Chartered@Chiromo, 48 Westlands Road, P. O. Box 30003 - 00100, Nairobi, Kenya
33	Atrium Building, Maarad Street, 3rd Floor, P.O. Box 11-4081 Raid El Solh, Beirut Central District, Lebanon
34	Level 25, Equatorial Plaza, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia
35	Suite 18-1, Level 18, Vertical Corporate Tower B, Avenue 10, The Vertical, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia
36	Level 7, Mercu 3. No. 3, Jalan Bangsar, KL ECO City, 59200 Kuala Lumpur, Malaysia
37	Level 13, Menara 1 Sentrum 201, Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur, Malaysia
38	6th Floor, Standard Chartered Tower, 19, Bank Street, Cybercity, Ebene, 72201, Mauritius
39	Mondial Management Services Ltd, Unit 2L, 2nd Floor Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius
40	Standard Chartered Bank Nepal Limited, Madan Bhandari Marg. Ward No.31, Kathmandu Metropolitan City, Kathmandu District, Bagmati Province, Kathmandu, 44600, Nepal
41	PromisePay, 4 All good Place, Rototuna North, Hamilton, 3210, New Zealand
42	142, Ahmadu Bello Way, Victoria Island, Lagos, 101241, Nigeria
43	P.O. Box No. 5556, I.I. Chundrigar Road, Karachi, 74000, Pakistan
44	8th Floor, Makati Sky Plaza Building 6788, Ayala Avenue San Lorenzo, City of Makati, Fourth District, National Capi, 1223, Philippines
45	Rondo Ignacego Daszyńskiego 2B, 00-843, Warsaw, Poland
46	8 Marina Boulevard, #25-01 Marina Bay Financial Centre, 018981, Singapore
47	7 Changi Business Park Crescent, #03-00 Standard Chartered @ Changi, 486028, Singapore
48	8 Marina Boulevard, #27-01 Marina Bay Financial Centre Tower 1, 018981, Singapore
49	1 Robinson Road, #17-00, AIA Tower, 048542, Singapore
50	38 Beach Road, #29-11 South Beach Tower, 189767, Singapore
51	Abogado Pte Ltd, No. 8 Marina Boulevard, #05-02 MBFC Tower 1, 018981, Singapore
52	2nd Floor, 115 West Street, Sandton, Johannesburg, 2196, South Africa
53	1 Floor, International House, Shaaban Robert Street / Garden Avenue, PO Box 9011, Dar Es Salaam, Tanzania, United Republic of
54	No. 140, 11th, 12th and 14th Floor, Wireless Road, Lumpini, Patumwan, Bangkok, 10330, Thailand
55	Buyukdere Cad. Yapi Kredi Plaza C Blok, Kat 15, Levent, Istanbul, 34330, Turkey
56	Standard Chartered Bank Bldg, 5 Speke Road, PO Box 7111, Kampala, Uganda
57	14 Mackinnon Road, Nakasero, Kampala, 141769, Uganda
58	Arjaan Office Towers, Office 105, Dubai Media City, United Arab Emirates
59	Unit IH-00-01-07-OF-05, Level 7, IH-00-01-CP-05, Dubai International Financial Centre, Dubai, United Arab Emirates
60	Standard Chartered Bank, 7th Floor, Building One, Gate Precinct, DIFC, PO Box 999, Dubai, United Arab Emirates
61	Part of Level 15, Standard Chartered Bank Building, Plot 8, Burj Downtown, Dubai, United Arab Emirates
62	Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801, United States
63	Office 1809, 18 Floor Sky Tower, Shams Abu Dhabi, Al Reem Island, Abu Dhabi, United Arab Emirates
64	251 Little Falls Drive, Wilmington DE 19808, United States
65	Level 3, #CP1.L01 and CP2.L01, Capital Place, 29 Lieu Giai, Ngoc Ha Ward, Hanoi, 10000, Vietnam
66	Victoria House, State House Avenue, Victoria, MAHE, Seychelles
67	Gervinusstrasse 17, 60322, Frankfurt am Main, Hesse, Germany

	Address
68	Ground Floor, Two Dockland Central, Guild Street, North Dock, Dublin, D01 K2C5, Ireland
69	60B, Orchard Road, #06-18, Tower 2, The Atrium @ Orchard, 238891, Singapore
70	17F, 47, Jong-ro, Jongno-gu, (17F, 100, Gongpyeong-dong, Jongno-gu), Seoul, Korea, Republic of
71	Bucktrout House, Glategny Esplanade, St Peter Port, GY1 3HQ, Guernsey
72	30 Rue Schrobilgen, 2526, Luxembourg
73	Luis Alberto de Herrera 1248, Torre II, Piso 11, Esc. 1111, Uruguay
74	5-4, Bongeunsa-ro 29-gil, Gangnam-gu, Seoul, 06109, Korea
75	Standard Chartered Tower, 201 Century Avenue, Pudong, Shanghai, 200120, China
76	1201 1-2, 15-16, 12/F, Unit No.1, Building No.1, No. 1 Dongsanhuan Zhong Road, Chaoyang District, Beijing, China
77	18/F., Standard Chartered Tower, 388 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong
78	15/F., Two International Finance Centre, No. 8 Finance Street, Central, Hong Kong
79	39/F., Oxford House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
80	32/F., 4-4A Des Voeux Road, Central, Hong Kong
81	14th Floor, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
82	14/F, Standard Chartered Bank Building, 4-4A Des Voeux Road, Central, Hong Kong
83	IFC 5, St Helier, JE1 1ST, Jersey
84	47, Jong-ro, Jongno-gu, Seoul, 110-702, Korea, Republic of
85	2F, 47, Jong-ro, Jongno-gu, Seoul, Korea, Republic of
86	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, MH96960, Marshall Islands
87	3rd Floor Main SCB Building, I.I Chundrigar Road, Karachi, Sindh, 74000, Pakistan
88	1F, No.177 & 3F-6F, 18F, No.179, Liaoning Street, Zhongshan Dist., Taipei, 104, Taiwan (Province of China)
89	C/O Corporation Service Company, 251 Little Falls Drive, Wilmington DE 19808, United States
90	16 Raffles Quay, #16-02, Hong Leong Building, 048581, Singapore
91	Suite 12100, 12/F., YF Life Tower, 33 Lockhart Road, Wan Chai, Hong Kong
92	1st Floor, UB Plaza, No. 1 & 2, Vittal Mallya Road, Bengalur, India
93	12th Floor, Crescenzo Business District, Plot no. C-38/39, G-Block, Bandra - Kurla Complex, Bandra East, Mumbai, Maharashtra, 400051, India
94	16th Floor, WeWork Hub 71, Al Khatem Tower, ADGM Square, Al Maryah Island, Abu Dhabi, United Arab Emirates
95	218 Haihe East Road, Hedong District, Tianjin, 300012, China
96	Parker Andrews Ltd, 5th Floor. The Union Building, 51-59 Rose Lane, Norwich, NR1 1BY
97	Unit 1 - 127A, WeWork Futura, Magarpatta Road, Kirtane Baug, Hadpsar I.E., Pune - 411013, Maharashtra, India
98	L17-11, Floor 17, Vincom Center, 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
99	30th floor, One Taikoo Place, 979 King's Road, Hong Kong, Hong Kong
100	5.01 and 5.02 Convention Tower, DWTC, Dubai, United Arab Emirates
101	Al Tamimi & Company International Limited, Tornado Tower, No. 17, 19th Floor, Doha, Qatar
102	100 Longwater Avenue, Reading, Berkshire, RG2 6GP, United Kingdom
103	DD-14-116-033, 15, Al Khatem Tower, WeWork Hub 71, Abu Dhabi Global Market Square, Abu Dhabi, Al Maryah Island, United Arab Emirates
104	Office 7, 35-37 Ludgate Hill, London, EC4M 7JN
105	Eastland Citadel, 6th Floor, No.102, Hosur Road, Madiwala Check post, Bangalore, 560 029, India
106	53 Boulevard Royal, Grand Duchy of Luxembourg, 2449, Luxembourg
107	1st Floor, 6-8 Eastcheap, London, EC3M 1AE
108	G01-02, Wisma Haji Mohd Taha Building, Jalan Gadong, BE4119, Brunei Darussalam
109	38 Beach Road, #19-11 South Beach Tower, 189767, Singapore
110	10 Marina Boulevard #08-08, Marina Bay Financial Centre, 018983, Singapore
111	1095 Avenue of Americas, New York City NY 10036, United States
112	3 Jalan Pisang, c/o Watiga Trust Ltd, 199070, Singapore
113	c/o Ocorian Corporate Services (Mauritius) Ltd, 6th Floor, Tower A, 1, Exchange Square, Wall Street, Ebene, Mauritius - 72201, Mauritius
114	c/o Maples Finance Limited, PO Box 1093 GT, Queensgate House, Georgetown, Grand Cayman, Cayman Islands
115	Level 1, Wisma Standard Chartered, Jalan Teknologi 8, Taman Teknologi Malaysia, Bukit Jalil, 57000 Kuala Lumpur, Wilayah Persekutuan, Malaysia
116	Al Faisaliah Office Tower Floor No 7 (T07D), King Fahad Highway, Olaya District, P.O box 295522, Riyadh, 11351, Saudi Arabia
117	No. 2734, 3rd Floor, Sector - I, HSR Layout, Bangalore, 560102, India
118	The Company's Registered Office, Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, Virgin Islands, British
119	Standard Chartered House, Stand No. 4642, Corner of Mwaimwene Road and Addis Ababa Drive, Lusaka, Lusaka, 10101, Zambia
120	Units 1101B (Office use only), No. 235 Tianhebei Rd., Tianhe District, Guangzhou City, Guangdong Province, China
121	Unit 802B, 803, 1001A,1002B,1003-1005,1101-1105, 201-1205,1302C,1303, No. 235 Tianhe North Road, Tianhe District, Guangzhou City, Guangdong Province, China
122	C/O Teneo Financial Advisory Limited, The Colmore Building, 20 Colmore Circus, Queensway, Birmingham, B4 6AT, United Kingdom
123	Jiron Huascar 2055, Jesus Maria, Lima, 15072, Peru
124	10 Earlsfort Terrace, Dublin 2, Dublin, D02 T380, Ireland
125	TMF Trust Labuan Limited, Brumby Centre, Lot 42, Jalan Muhibbah, 87000 Labuan F.T., Malaysia
126	c/o King & Wood Mallesons, Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000, Australia
127	2402B, 24th Floor, Tamouh Tower, Tamouh, Abu Dhabi, Al Reem Island, United Arab Emirates
128	2 Place de Paris, 2314, Luxembourg
129	No 1 Grenville Street, St Helier, JE2 4UF, Jersey
130	77 Robinson Road, #25-00 Robinson 77, 068896, Singapore
131	Level 22, 120 Spencer Street, Melbourne VIC 3000, Australia
132	Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong
133	One Central Plaza, Temple Bar, Dublin 2, Dublin, D02 EF64, Ireland
134	27 Fitzwilliam Street, Dublin, D02 TP23, Ireland
135	Unit 705, Innovation One, Dubai International Financial Centre, Dubai, United Arab Emirates
136	No. 2734, Sector-I, HSR Layout, HSR Layout, Bangalore, Bangalore South, Karnataka, 560102, India
137	1st Floor Building 33, Waterford Office Park, Waterford Drive, Fourways, Gauteng, 2191, South Africa
138	Stand No. 4642, Corner of Mwaimwene Road and Addis Ababa Drive, Lusaka, 10101, Zambia
139	BurDubai First Business Center Office number B2007-258, Dubai, United Arab Emirates
140	Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue,George Town, Grand Cayman, KY1-9005, Cayman Islands
141	Unit 605-07, 6/F Wing OnCentre, 111 Connaught Road, Central, Sheung Wan, Hong Kong
142	1221 A, Devika Tower, 12th Floor, 6 Nehru Place, New Delhi 110019
143	16 Raffles Quay, #18-02, Hong Leong Building, 048581, Singapore
144	The Colmore Building, 20 Colmore Circus, Queensway, Birmingham, B4 6AT, United Kingdom
145	9 Raffles Place, #26-01 Republic Plaza, 048619, Singapore
146	9 Raffles Place, #18-21 Republic Plaza, 048619, Singapore
147	Acclime Singapore Pte. Ltd, 9 Raffles Place #18-21, Republic Plaza, 048619, Singapore
148	WeWork, One Central Plaza, Dame Street, Dublin 2, Dublin, D02 K7K5, Ireland
149	IQEQ Corporate Services (Mauritius) Ltd, 33, Edith Cavell Street, Port Louis, 11324, Mauritius
150	One, Central Plaza, Dame Street, Dublin 2, Dublin, D02 K7K5, Ireland
151	Level C, No. 888 2nd Huanhu West Road, Nanhui New Town, Pudong New Area, Shanghai
152	8 Marina Boulevard, Level 26, Marina Bay Financial Centre, Tower 1, 018981, Singapore

Notes to the financial statements

41. Related undertakings of the Group continued

	Address
153	12th Floor, Parinee Crescenzo Building, Plot C-38 & 39, G Block Bandra (E) Opp. MCA Ground, Mumbai, 400051, India
154	Unit 8C-17B, Xinlikang Building, 3044 Xinghai Blvd, Nanshan District, Shenzhen, China
155	Dedicated desk # 14-123-039, 15th Floor, Al Khatem Tower, ADGM Square, Abu Dhabi, United Arab Emirates
156	6 Battery Road #13-01, 049909, Singapore
157	4th Floor, 274, Chitalia House, Dr. Cawasji Hormusji Road, Dhobi Talao, Mumbai City, Maharashtra, India 400 002, Mumbai, 400 002, India

Other notes

	Other notes
158	The Group has determined that these undertakings are excluded from being consolidated into the Groups accounts, and do not meet the definition of a Subsidiary under IFRS. See note 32 for the consolidation policy and disclosure of the undertaking.
159	Registered as a Limited company under the Law of China
160	Limited liability company
161	The Group has determined the principal place of operation to be United Kingdom
162	The Group has determined the principal place of operation to be Hong Kong
163	Company is exempt from the requirements of the companies Act relating to the audit of individual accounts by virtue of S479A of the Companies Act 2006 Company names and associated numbers of the subsidiaries taking an audit exemption for the year ended 31 December 2025 are Standard Chartered Holdings Limited 02426156, Standard Chartered I H Limited 08414408, Finventures UK Limited 04275894, Standard Chartered Strategic Investments Limited 01388304, Standard Chartered NEA Limited 05345091, SCMB Overseas Limited 01764223, Standard Chartered Africa Limited 00002877and Standard Chartered Securities (Africa) Holdings Limited 05843604. In line with section 479C of the Companies Act 2006, the Parent undertaking (Standard Chartered PLC Company) guarantees all outstanding liabilities to which the subsidiary company is subject at the end of the financial year including external liabilities of Finventures UK Limited ($2.3million), Standard Chartered NEA Limited ($22.0million) and SCMB Overseas Limited ($6.3million)
164	Directly held related undertaking
165	Group's ultimate ownership for CurrencyFair entities is 43.422%

Description of shares

	Description
A	Class A Ordinary shares
B	Class B Ordinary shares
C	Class C Ordinary shares
D	Class D Ordinary shares
E	Class A2 shares
F	Class B Shares
G	Class B Equity interest
H	Series A Preferred
I	Series B Preferred
J	Preference shares
K	Series A preference shares
L	Series B preference shares
M	Redeemable preference shares
N	Series B Redeemable preference shares
O	Series C2 preference shares
P	Series C3 preference shares
Q	Redeemable non-cumulative preference shares
R	Compulsory convertible cumulative preference shares
S	Irredeemable convertible preference shares
T	Irredeemable non-cumulative preference shares
U	Class B Non-cumulative preference shares
V	Class C Non-cumulative preference shares
W	Class D Non-cumulative preference shares
X	Charter capital
Y	Limited Partnership
Z	Partnership Interest
AA	Membership interest
AB	Trust
AC	Uncertificated
AD	Deferred shares
AE	Guarantee
AF	D1 Preference
AG	S1 Preference
AH	S2 Preference

Business activity

	Activity
i	Banking & Financial Services
ii	Commercial real estate
iii	Data Analytics
iv	Digital Venture
v	Investment holding company
vi	Leasing and Finance
vii	Research & development
viii	Support Services
ix	Others

Save for those disclosed in this Annual Report, there were no other significant investments held, nor were there material acquisitions or disposals of subsidiaries during the year under review. Apart from those disclosed in this Annual Report, there were no material investments or additions of capital assets authorised by the Board at the date of this Annual Report.

Supplementary information

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Image removed

Case study

Helping clients with health, wealth and wellness

In November 2025, we launched a new health and wellness proposition for affluent clients, partnering with medical insurer Bupa Global and WHOOP, a fitness and health wearables specialist.

The proposition, available in Hong Kong, Singapore and India, brings together international private medical insurance, digital healthcare access and data-driven wellness insights for a holistic and proactive approach to health and wellness.

The launch follows growing demand for solutions that integrate health, prevention and long-term wellbeing.

Read more: sc.com/bupawhoop

Supplementary financial information

The supplementary financial information is unaudited unless otherwise stated

Five-year summary

	2025 $million	2024 $million	2023 $million	2022 $million	2021 $million
Operating profit before impairment losses and taxation	**7,638**	7,041	6,468	5,405	3,777
Impairment losses on loans and advances and other credit risk provisions	**(672)**	(547)	(508)	(836)	(254)
Other impairment	**(65)**	(588)	(1,008)	(425)	(372)
Profit before taxation	**6,963**	6,014	5,093	4,286	3,347
Profit attributable to shareholders	**5,085**	4,050	3,469	2,948	2,315
Loans and advances to banks[1]	**43,901**	43,593	44,977	39,519	44,383
Loans and advances to customers[1]	**286,788**	281,032	286,975	310,647	298,468
Total assets	**919,955**	849,688	822,844	819,922	827,818
Deposits by banks[1]	**30,846**	25,400	28,030	28,789	30,041
Customer accounts[1]	**530,161**	464,489	469,418	461,677	474,570
Shareholders' equity	**46,593**	44,388	44,445	43,162	46,011
Total capital resources[2]	**63,420**	61,666	62,389	63,731	69,282
Information per ordinary share	Cents	Cents	Cents	Cents	Cents
Basic earnings per share	**195.4**	141.3	108.6	85.9	61.3
Underlying earnings per share	**229.7**	168.1	128.9	97.9	85.8
Dividends per share[3]	**61.0**	37.0	27.0	18.0	12.0
Net asset value per share	**2,007.0**	1,781.3	1,629.0	1,453.3	1,456.4
Net tangible asset value per share	**1,730.0**	1,541.1	1,393.0	1,249.0	1,277.0
Return on assets(%)[4]	**0.6**	0.5	0.4	0.4	0.3
Ratios	%	%	%	%	%
Reported return on ordinary shareholders' tangible equity	**11.9**	9.7	8.4	6.8	4.8
Underlying return on ordinary shareholders' tangible equity	**14.7**	11.7	10.1	7.7	6.8
Reported cost-to-income ratio	**63.5**	64.0	64.1	66.9	74.3
Underlying cost-to-income ratio	**59.1**	59.9	64.1	66.2	70.5
Capital ratios:					
CET1[5]	**14.1**	14.2	14.1	14.0	14.1
Total capital[5]	**20.6**	21.5	21.2	21.7	21.3

1 Excludes amounts held at fair value through profit or loss.
2 Shareholders' funds, non-controlling interests, and subordinated loan capital.
3 Dividend paid during the year per share.
4 Represents profit attributable to shareholders divided by the total assets of the Group.
5 Unaudited.

Analysis of underlying performance by key market

The following tables provide information for key markets in which the Group operates. The numbers are prepared on a management view. Refer to Note 2 for details.

	2025										
	Hong Kong $million	Korea $million	China $million	Taiwan $million	Singapore $million	India $million	UAE $million	UK $million	US $million	Other $million	Group $million
Operating income	**5,347**	**1,088**	**1,149**	**590**	**3,059**	**1,499**	**1,173**	**1,665**	**1,201**	**4,123**	**20,894**
Operating expenses	**(2,429)**	**(789)**	**(804)**	**(345)**	**(1,784)**	**(912)**	**(650)**	**(1,464)**	**(628)**	**(2,542)**	**(12,347)**
Operating profit before impairment losses and taxation	**2,918**	**299**	**345**	**245**	**1,275**	**587**	**523**	**201**	**573**	**1,581**	**8,547**
Credit impairment	**(253)**	**(66)**	**(78)**	**(22)**	**(116)**	**(42)**	**39**	**45**	**(71)**	**(112)**	**(676)**
Other impairment	**(2)**	**1**	**(5)**	**–**	**(12)**	**(3)**	**–**	**4**	**(1)**	**(24)**	**(42)**
Profit from associates and joint ventures	**–**	**–**	**114**	**–**	**(5)**	**–**	**–**	**(6)**	**–**	**(32)**	**71**
Underlying profit before taxation	**2,663**	**234**	**376**	**223**	**1,142**	**542**	**562**	**244**	**501**	**1,413**	**7,900**
Total assets employed	**217,291**	**51,350**	**50,188**	**21,875**	**123,610**	**32,750**	**22,065**	**243,016**	**63,350**	**94,460**	**919,955**
Of which: loans and advances to customers[3]	**89,641**	**29,089**	**14,358**	**11,905**	**65,083**	**12,286**	**8,715**	**60,519**	**24,938**	**33,052**	**349,586**
Total liabilities employed	**218,190**	**44,055**	**43,435**	**19,203**	**113,762**	**24,736**	**20,467**	**244,932**	**52,605**	**83,984**	**865,369**
Of which: customer accounts[3]	**187,753**	**34,177**	**36,692**	**17,722**	**100,598**	**16,333**	**17,873**	**86,852**	**22,541**	**64,633**	**585,174**
						2024[1]					
Operating income	4,581	1,125	1,402	588	2,564	1,538	1,161	1,445	939	4,353	19,696
Operating expenses	(2,296)	(763)	(796)	(341)	(1,557)	(957)	(553)	(1,538)	(532)	(2,457)	(11,790)
Operating profit before impairment losses and taxation	2,285	362	606	247	1,007	581	608	(93)	407	1,896	7,906
Credit impairment	(266)	(54)	(152)	(38)	(53)	(37)	139	36	(1)	(131)	(557)
Other impairment	(117)	(1)	(28)	–	(135)	(72)	(28)	(130)	(26)	(51)	(588)
Profit from associates and joint ventures	–	–	67	–	5	–	–	(4)	–	(18)	50
Underlying profit before taxation[1]	1,902	307	493	209	824	472	719	(191)	380	1,696	6,811
Total assets employed[2]	193,212	47,578	42,064	22,042	104,850	32,407	23,194	249,988	54,263	80,090	849,688
Of which: loans and advances to customers[3]	86,034	26,745	15,763	11,860	65,166	12,981	8,699	64,714	18,551	29,044	339,557
Total liabilities employed[2]	193,498	39,237	32,768	18,628	96,925	24,856	17,782	260,633	40,922	73,155	798,404
Of which: customer accounts[3]	166,420	28,703	27,853	17,252	86,250	18,601	14,872	90,473	16,066	56,773	523,263

1 Underlying profit before taxation has been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025.

2 Balance sheet numbers have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 reflecting change from management basis to financial basis.

3 Loans and advances to customers includes FVTPL and customer accounts includes FVTPL and repurchase agreements.

Analysis of operating income by product and segment

The following tables provide a breakdown of the Group's underlying operating income by product and client segment.

	2025					2024				
	Corporate & Investment Banking $million	Wealth & Retail Banking $million	Ventures $million	Central & other items $million	Total $million	Corporate & Investment Banking[1] $million	Wealth & Retail Banking[1] $million	Ventures $million	Central & other items[1] $million	Total $million
Transaction Services	**6,005**	**–**	**–**	**–**	**6,005**	6,434	–	–	–	6,434
Payments and Liquidity	**4,155**	**–**	**–**	**–**	**4,155**	4,605	–	–	–	4,605
Securities & Prime Services	**648**	**–**	**–**	**–**	**648**	611	–	–	–	611
Trade & Working Capital	**1,202**	**–**	**–**	**–**	**1,202**	1,218	–	–	–	1,218
Global Banking	**2,229**	**–**	**–**	**–**	**2,229**	1,935	–	–	–	1,935
Lending & Financial Solutions	**1,905**	**–**	**–**	**–**	**1,905**	1,677	–	–	–	1,677
Capital Market & Advisory	**324**	**–**	**–**	**–**	**324**	258	–	–	–	258
Global Markets	**3,863**	**–**	**–**	**–**	**3,863**	3,450	–	–	–	3,450
Macro Trading	**3,116**	**–**	**–**	**–**	**3,116**	2,852	–	–	–	2,852
Credit Trading	**753**	**–**	**–**	**–**	**753**	644	–	–	–	644
Valuation & Other Adj	**(6)**	**–**	**–**	**–**	**(6)**	(46)	–	–	–	(46)
Wealth Solutions	**–**	**3,086**	**–**	**–**	**3,086**	–	2,490	–	–	2,490
Investment Products	**–**	**2,347**	**–**	**–**	**2,347**	–	1,827	–	–	1,827
Bancassurance	**–**	**739**	**–**	**–**	**739**	–	663	–	–	663
Deposits & Mortgages	**–**	**4,080**	**–**	**–**	**4,080**	–	4,170	–	–	4,170
CCPL & Other Unsecured Lending	**–**	**1,080**	**–**	**–**	**1,080**	–	1,081	–	–	1,081
Ventures	**–**	**–**	**415**	**–**	**415**	–	–	183	–	183
Digital Banks	**–**	**–**	**195**	**–**	**195**	–	–	142	–	142
SCV	**–**	**–**	**220**	**–**	**220**	–	–	41	–	41
Treasury & Other	**297**	**218**	**–**	**(379)**	**136**	116	280	–	(443)	(47)
Total underlying operating income	**12,394**	**8,464**	**415**	**(379)**	**20,894**	11,935	8,021	183	(443)	19,696

1 Segment results have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025.

Insured and uninsured deposits

SCB operates and provides services to customers across many countries and insured deposits is determined on the basis of limits enacted within local regulations.

	2025					2024				
	Insured deposits		Uninsured deposits			Insured deposits		Uninsured deposits		
	Bank deposits $million	Customer accounts $million	Bank deposits $million	Customer accounts $million	Total $million	Bank deposits $million	Customer accounts $million	Bank deposits $million	Customer accounts $million	Total $million
Current accounts	**10**	**18,704**	**25,144**	**167,530**	**211,388**	8	15,596	19,844	152,101	187,549
Savings deposits	**–**	**34,046**	**–**	**94,855**	**128,901**	–	31,977	–	86,579	118,556
Time deposits	**28**	**32,740**	**7,513**	**200,463**	**240,744**	–	28,417	6,717	170,752	205,886
Other deposits	**–**	**51**	**8,944**	**36,785**	**45,780**	–	104	9,393	37,737	47,234
Total	**38**	**85,541**	**41,601**	**499,633**	**626,813**	8	76,094	35,954	447,169	559,225

UK and non-UK deposits

The following table summarises the split of Bank and Customer deposits into UK and non-UK deposits for respective account lines based on the domicile or residence of the clients.

	2025					2024				
	UK deposits		Non-UK deposits			UK deposits		Non-UK deposits		
	Bank deposits $million	Customer accounts $million	Bank deposits $million	Customer accounts $million	Total $million	Bank deposits $million	Customer accounts $million	Bank deposits $million	Customer accounts $million	Total $million
Current accounts	**448**	**8,001**	**24,706**	**178,233**	**211,388**	544	7,734	19,308	159,963	187,549
Savings deposits	**–**	**318**	**–**	**128,583**	**128,901**	–	145	–	118,411	118,556
Time deposits	**566**	**7,554**	**6,975**	**225,649**	**240,744**	315	7,731	6,402	191,438	205,886
Other deposits	**950**	**11,994**	**7,994**	**24,842**	**45,780**	2,342	12,744	7,051	25,097	47,234
Total	**1,964**	**27,867**	**39,675**	**557,307**	**626,813**	3,201	28,354	32,761	494,909	559,225

Contractual maturity of Loans, Investment securities and Deposits

	2025						
	Loans and advances to banks $million	Loans and advances to customers $million	Investment securities – Treasury and other eligible Bills $million	Investment securities – Debt securities $million	Investment securities – Equity shares $million	Bank deposits $million	Customer accounts $million
One year or less	**67,606**	**170,999**	**69,082**	**39,457**	**–**	**37,171**	**514,547**
Between one and five years	**11,109**	**75,643**	**85**	**83,024**	**–**	**4,464**	**67,336**
Between five and ten years	**1,572**	**23,308**	**–**	**22,287**	**–**	**4**	**1,211**
Between ten years and fifteen years	**164**	**13,841**	**–**	**5,659**	**–**	**–**	**1,528**
More than fifteen years and undated	**122**	**65,794**	**–**	**32,863**	**10,287**	**–**	**552**
Total	**80,573**	**349,585**	**69,167**	**183,290**	**10,287**	**41,639**	**585,174**
Total amortised cost and FVOCI exposures	**43,901**	**286,788**					
Of which: Fixed interest rate exposures	**36,651**	**150,052**					
Of which: Floating interest rate exposures	**7,250**	**136,736**					

	2024						
	Loans and advances to banks $million	Loans and advances to customers $million	Investment securities – Treasury and other eligible Bills $million	Investment securities – Debt securities $million	Investment securities – Equity shares $million	Bank deposits $million	Customer accounts $million
One year or less	66,448	181,863	41,966	47,959	–	29,678	463,566
Between one and five years	12,122	63,006	41	74,197	–	6,281	57,062
Between five and ten years	1,680	21,139	–	23,319	–	3	849
Between ten years and fifteen years	71	13,236	–	5,876	–	–	1,217
More than fifteen years and undated	239	60,313	–	26,743	6,480	–	569
	80,560	339,557	42,007	178,094	6,480	35,962	523,263
Amortised cost and FVOCI exposures	43,593	281,032					
Of which: Fixed interest rate exposures	35,383	153,575					
Of which: Floating interest rate exposures	8,210	127,457					

Maturity and yield of Debt securities, alternative tier one and other eligible bills held at amortised cost

	One year or less		Between one and five years		Between five and ten years		More than ten years		Total	
	$million	Yield %	$million	Yield %	$million	Yield %	$million	Yield %	$million	Yield %
Central and other government agencies										
· US	**3,234**	**1.06**	**10,495**	**1.35**	**4,038**	**0.94**	**4,197**	**2.59**	**21,964**	**1.47**
· UK	**129**	**0.80**	**331**	**2.51**	**49**	**0.88**	**–**	**–**	**509**	**1.92**
· Other	**4,916**	**2.36**	**9,243**	**2.59**	**3,799**	**2.90**	**19**	**6.90**	**17,977**	**2.60**
Other debt securities	**1,770**	**6.42**	**3,403**	**5.51**	**5,514**	**4.67**	**6,113**	**4.69**	**16,800**	**5.03**
As at 31 December 2025	**10,049**	**2.64**	**23,472**	**2.46**	**13,400**	**3.03**	**10,329**	**3.84**	**57,250**	**2.87**

	One year or less		Between one and five years		Between five and ten years		More than ten years		Total	
	$million	Yield %	$million	Yield %	$million	Yield %	$million	Yield %	$million	Yield %
Central and other government agencies										
· US	1,864	1.53	9,607	1.98	5,187	1.88	4,353	2.76	21,011	2.08
· UK	192	1.70	684	2.07	44	0.88	–	–	920	1.93
· Other	3,081	3.20	11,454	3.39	2,932	3.93	25	7.55	17,492	3.46
Other debt securities	1,687	6.21	2,676	6.30	4,620	4.86	6,731	5.41	15,714	5.49
As at 31 December 2024	6,824	3.45	24,421	3.12	12,783	3.42	11,109	4.38	55,137	3.48

The maturity distributions are presented in the above table on the basis of contractual maturity dates. The weighted average yield for each range of maturities is calculated by dividing the annualised interest income for the year by the book amount of debt securities at that date.

Average balance sheets and yields and volume and price variances

Average balance sheets

For the purposes of calculating net interest margin the following adjustments are made:

- Reported net interest income is adjusted to remove interest expense on amortised cost liabilities used to provide funding to the financial markets business.
- Financial instruments measured at fair value through profit or loss are classified as non-interest earning.
- Premiums on financial guarantees purchased to manage interest earning assets are treated as interest expense In the Group's view this results in a net interest margin that is more reflective of banking book performance.

The following tables set out the average balances for the Group's assets and liabilities for the periods ended 31 December 2025 and 31 December 2024 under the revised definition of net interest margin. For the purpose of these tables, average balances have been determined on the basis of daily balances, except for certain categories, for which balances have been determined less frequently. The Group does not believe that the information presented in these tables would be significantly different had such balances been determined on a daily basis.

	2025				
Average assets	Average non-interest-earning balance $million	Average interest-earning balance $million	Interest income $million	Gross yield interest-earning balance %	Gross yield total balance %
Cash and balances at central banks	**10,160**	**61,692**	**2,126**	**3.45**	**2.96**
Gross loans and advances to banks	**42,579**	**47,298**	**2,209**	**4.67**	**2.46**
Gross loans and advances to customers	**69,057**	**289,758**	**14,147**	**4.88**	**3.94**
Impairment provisions against loans and advances to banks and customers	**–**	**(5,151)**	**–**	**–**	**–**
Investment securities – Treasury and Other Eligible Bills	**24,397**	**31,037**	**1,210**	**3.90**	**2.18**
Investment securities – Debt Securities	**66,974**	**126,296**	**4,855**	**3.84**	**2.51**
Investment securities – Equity Shares	**7,790**	**–**	**–**	**–**	**–**
Property, plant and equipment and intangible assets	**6,378**	**–**	**–**	**–**	**–**
Prepayments, accrued income and other assets	**145,005**	**–**	**–**	**–**	**–**
Investment associates and joint ventures	**1,264**	**–**	**–**	**–**	**–**
Total average assets	**373,604**	**550,930**	**24,547**	**4.46**	**2.66**
Adjustment for trading book funding cost and others			**783**		
Total average assets	**373,604**	**550,930**	**25,330**	**4.60**	**2.74**

	2024				
Average assets	Average non-interest-earning balance $million	Average interest-earning balance $million	Interest income $million	Gross yield interest-earning balance %	Gross yield total balance %
Cash and balances at central banks	9,815	57,294	2,520	4.40	3.76
Gross loans and advances to banks	43,184	44,394	2,368	5.33	2.70
Gross loans and advances to customers	57,614	286,588	16,314	5.69	4.74
Impairment provisions against loans and advances to banks and customers	–	(5,463)	–	–	–
Investment securities – Treasury and Other Eligible Bills	16,101	26,594	1,495	5.62	3.50
Investment securities – Debt Securities	58,362	129,931	5,165	3.98	2.74
Investment securities – Equity Shares	5,278	–	–	–	–
Property, plant and equipment and intangible assets	6,299	–	–	–	–
Prepayments, accrued income and other assets	123,832	–	–	–	–
Investment associates and joint ventures	1,105	–	–	–	–
Total average assets	321,590	539,338	27,862	5.17	3.24
Adjustment for trading book funding cost and others			650		
Total average assets	321,590	539,338	28,512	5.29	3.31

Supplementary financial information

Average liabilities	2025 Average non-interest-bearing balance $million	Average interest-bearing balance $million	Interest expense $million	Rate paid interest-bearing balance %	Rate paid total balance %
Deposits by banks	**17,545**	**23,599**	**664**	**2.81**	**1.61**
Customer accounts:					
Current accounts	**41,812**	**142,460**	**3,869**	**2.72**	**2.10**
Savings deposits	**–**	**128,464**	**1,659**	**1.29**	**1.29**
Time deposits	**25,589**	**198,558**	**8,128**	**4.09**	**3.63**
Other deposits	**37,551**	**5,836**	**222**	**3.80**	**0.51**
Debt securities in issue	**12,702**	**72,254**	**3,432**	**4.75**	**4.04**
Accruals, deferred income and other liabilities	**156,522**	**1,292**	**66**	**5.11**	**0.04**
Subordinated liabilities and other borrowed funds	**–**	**9,448**	**552**	**5.84**	**5.84**
Non-controlling interests	**392**	**–**	**–**	**–**	**–**
Shareholders' funds	**50,510**	**–**	**–**	**–**	**–**
	342,623	**581,911**	**18,592**	**3.19**	**2.01**
Adjustment for trading book funding cost and others			**(4,446)**		
Total average liabilities and shareholders' funds	**342,623**	**581,911**	**14,146**	**2.43**	**1.53**

Average liabilities	2024 Average non-interest-bearing balance $million	Average interest-bearing balance $million	Interest expense $million	Rate paid interest-bearing balance %	Rate paid total balance %
Deposits by banks	16,834	21,686	806	3.72	2.09
Customer accounts:					
Current accounts	41,870	127,624	5,134	4.02	3.03
Savings deposits	–	114,641	2,292	2.00	2.00
Time deposits	20,937	187,694	8,340	4.44	4.00
Other deposits	34,954	10,291	510	4.96	1.13
Debt securities in issue	11,958	65,521	3,610	5.51	4.66
Accruals, deferred income and other liabilities	143,771	1,024	60	5.86	0.04
Subordinated liabilities and other borrowed funds	–	11,306	744	6.58	6.58
Non-controlling interests	395	–	–	–	–
Shareholders' funds	50,425	–	–	–	–
	321,144	539,787	21,496	3.98	2.50
Adjustment for trading book funding cost and others			(4,096)		
Total average liabilities and shareholders' funds	321,144	539,787	17,400	3.22	2.02

Net interest margin

	2025 $million	2024 $million
Interest income (reported)	**24,547**	27,862
Adjustment for trading book funding cost and others[1]	**783**	650
Interest income adjusted for trading book funding cost and others	**25,330**	28,512
Average interest-earning assets	**550,930**	539,338
Gross yield (%)	**4.60**	5.29
Interest expense (reported)	**18,592**	21,496
Adjustment for trading book funding cost and others	**(4,446)**	(4,096)
Interest expense adjusted for trading book funding cost and others	**14,146**	17,400
Average interest-bearing liabilities	**581,911**	539,787
Rate paid (%)	**2.43**	3.22
Net yield (%)	**2.17**	2.07
Net interest income adjusted for trading book funding cost and others	**11,184**	11,112
Net interest margin (%)	**2.03**	2.06

1 Adjusted net interest income has been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 to reflect the reclassification of funding cost mismatches and treasury currency management activities to non-net interest income (non NII). Adjusted NII is reported NII less trading book funding cost, treasury currency management activities, cash collateral and prime service.

Volume and price variances

The following table analyses the estimated change in the Group's net interest income attributable to changes in the average volume of interest-earning assets and interest-bearing liabilities, and changes in their respective interest rates for the years presented. Volume and rate variances have been determined based on movements in average balances and average exchange rates over the year and changes in interest rates on average interest-earning assets and average interest-bearing liabilities.

	2025 versus 2024			2024 versus 2023		
	(Decrease)/increase in interest due to:		Net increase/ (decrease) in interest $million	(Decrease)/increase in interest due to:		Net increase/ (decrease) in interest $million
	Volume $million	Rate $million		Volume $million	Rate $million	
Interest earning assets						
Cash and unrestricted balances at central banks	**152**	**(546)**	**(394)**	(455)	142	(313)
Loans and advances to banks	**136**	**(295)**	**(159)**	12	261	273
Loans and advances to customers	**172**	**(2,339)**	**(2,167)**	(845)	1,463	618
Investment securities	**31**	**(626)**	**(595)**	(362)	420	58
Total interest-earning assets	**491**	**(3,806)**	**(3,315)**	(1,650)	2,286	636
Interest bearing liabilities						
Subordinated liabilities and other borrowed funds	**(109)**	**(83)**	**(192)**	(65)	(144)	(209)
Deposits by banks	**54**	**(196)**	**(142)**	(88)	100	12
Customer accounts:						
Current accounts and savings deposits	**595**	**(2,488)**	**(1,893)**	(69)	1,343	1,274
Time and other deposits	**314**	**(813)**	**(499)**	242	483	725
Debt securities in issue	**320**	**(498)**	**(178)**	(3)	239	236
Total interest-bearing liabilities	**1,174**	**(4,078)**	**(2,904)**	17	2,021	2,038

Supplementary people information

Global[1]	2025	2024	2023	2022	% change
Full-time equivalent (FTE)	**81,832**	81,097	84,958	83,195	0.9
Headcount (year end)	**81,892**	81,145	85,007	83,266	0.9
Employed workers (permanent)	**81,047**	80,459	84,073	82,319	0.7
Of which: women	**36,498**	36,217	37,598	37,259	0.8
Fixed-term workers (temporary)	**845**	686	934	947	23.2
Of which: women	**423**	336	453	429	25.9
Non-employed workers (NEW)	**17,010**	13,667	12,537	13,962	24.5
Non-outsourced (NEW)[2]	**7,991**	5,149	4,925	5,873	55.2
Outsourced (NEW)[3]	**9,019**	8,518	7,612	8,089	5.9
Headcount (12-month average)	**81,204**	83,292	85,353	82,987	(2.5)
Men					
FTE	**44,097**	43,653	45,993	44,709	1.0
Headcount	**44,116**	43,665	46,004	44,734	1.0
Full time	**43,958**	43,615	45,975	44,683	0.8
Part time	**158**	50	29	51	216.0
Women					
FTE	**36,882**	36,518	38,014	37,642	1.0
Headcount	**36,921**	36,553	38,051	37,688	1.0
Full time	**36,711**	36,410	37,926	37,551	0.8
Part time	**210**	143	125	137	46.9
Undisclosed[4]					
FTE	**853**	926	950	844	(7.9)
Headcount	**855**	927	952	844	(7.8)
Full time	**845**	921	944	843	(8.3)
Part time	**10**	6	8	1	66.7
Nationalities	**138**	133	129	131	3.8

Position type	2025	2024	2023	2022	% change
Management team	**10**	14	13	13	(28.6)
Of which: women	**5**	6	7	6	(16.7)
Of which: women (%)	**50**	42.9	53.8	46.2	16.7
Management team and their direct reports[5]	**97**	123	133	131	(21.1)
Of which: women	**32**	42	48	43	(23.8)
Of which: women (%)	**33.0**	34.1	36.1	32.8	(3.4)
Senior leadership[6]	**4,532**	4,385	4,541	4,422	3.4
Of which: women	**1,497**	1,453	1,474	1,420	3.0
Of which: women (%)	**33.0**	33.1	32.5	32.1	(0.3)
Rest of employees	**77,360**	76,760	80,466	78,844	0.8
Of which: women	**35,424**	35,100	36,577	36,268	0.9
Of which: women (%)	**45.8**	45.7	45.5	46.0	0.1
Of which: who have supervisory responsibilities	**9,863**	9,912	11,009	11,067	(0.5)
Of which: women	**3,589**	3,593	3,905	3,995	(0.1)
Of which: women (%)	**36.4**	36.2	35.5	36.1	0.4
Business FTE	**29,594**	29,544	29,909	30,589	0.2
Business headcount	**29,621**	29,563	29,929	30,619	0.2
Of which: women	**15,309**	15,331	15,335	15,794	(0.1)
Support services FTE	**52,238**	51,554	55,049	52,607	1.3
Support services headcount	**52,271**	51,582	55,078	52,647	1.3
Of which: women	**21,612**	21,222	22,716	21,894	1.8

Region[7]	2025	2024	2023	2022	% change
Asia FTE	**68,888**	67,911	71,097	69,329	1.4
Asia headcount	**68,920**	67,936	71,123	69,364	1.4
Asia women headcount	**31,719**	31,264	32,452	32,033	1.5
Asia employed workers headcount	**68,276**	67,452	70,394	68,585	1.2
Asia fixed-term workers headcount	**644**	484	729	779	33.1
Asia full-time headcount	**68,649**	67,819	71,051	69,257	1.2
Asia part-time headcount	**271**	117	72	107	131.6
Africa FTE	**3,561**	3,984	4,452	4,777	(10.6)
Africa headcount	**3,562**	3,985	4,453	4,777	(10.6)
Africa women headcount	**1,881**	2,085	2,333	2,497	(9.8)
Africa employed workers headcount	**3,494**	3,904	4,366	4,729	(10.5)
Africa fixed-term workers headcount	**68**	81	87	48	(16.0)
Africa full-time headcount	**3,558**	3,981	4,452	4,775	(10.6)
Africa part-time headcount	**4**	4	1	2	–
Middle East FTE	**4,054**	4,035	4,123	4,128	0.5
Middle East headcount	**4,060**	4,036	4,124	4,144	0.6
Middle East women headcount	**1,442**	1,430	1,433	1,421	0.8
Middle East employed workers headcount	**3,981**	3,978	4,066	4,084	0.1
Middle East fixed-term workers headcount	**79**	58	58	60	36.2
Middle East full-time headcount	**4,058**	4,036	4,122	4,142	0.5
Middle East part-time headcount	**2**	–	2	2	–
Americas FTE	**1,129**	1,077	1,154	1,090	4.8
Americas headcount	**1,129**	1,077	1,154	1,091	4.8
Americas employed workers headcount	**1,129**	1,077	1,154	1,091	4.8
Americas fixed-term workers headcount	**–**	–	–	–	–
Americas full-time headcount	**1,120**	1,076	1,153	1,088	4.1
Americas part-time headcount	**9**	1	1	3	800.0
Europe FTE	**4,200**	4,090	4,132	3,871	2.7
Europe headcount	**4,221**	4,111	4,153	3,890	2.7
Europe women headcount	**1,387**	1,301	1,322	1,249	6.6
Europe employed workers headcount	**4,167**	4,048	4,093	3,830	2.9
Europe fixed-term workers headcount	**54**	63	60	60	(14.3)
Europe full-time headcount	**4,129**	4,034	4,067	3,815	2.4
Europe part-time headcount	**92**	77	86	75	19.5

Age	2025	2024	2023	2022	% change
<30 years FTE	**10,794**	10,968	13,168	13,826	(1.6)
<30 years headcount	**10,807**	10,973	13,176	13,836	(1.5)
<30 years women headcount	**5,558**	5,775	6,848	7,397	(3.8)
30–50 years FTE	**63,088**	62,663	63,309	61,651	0.7
30–50 years headcount	**63,122**	62,689	63,334	61,691	0.7
30–50 years women headcount	**27,795**	27,433	27,432	26,870	1.3
>50 years FTE	**7,950**	7,467	8,480	7,718	6.5
>50 years headcount	**7,963**	7,483	8,497	7,739	6.4
>50 years women headcount	**3,568**	3,345	3,771	3,421	6.7

Supplementary people information

Talent management[8]	2025	2024	2023	2022	% change
Global voluntary turnover – FTE	**7,182**	7,491	8,200	12,645	(4.1)
Global turnover – FTE	**9,507**	10,505	9,712	14,388	(9.5)
Global voluntary turnover rate (%)	**8.9**	9.1	9.7	15.5	(1.7)
Global turnover rate (%)	**11.8**	12.7	11.5	17.6	(7.2)
Men turnover FTE	**5,295**	5,854	5,214	8,021	(9.6)
Men (%)	**12.2**	13.1	11.4	18.2	(6.9)
Women turnover FTE	**4,143**	4,546	4,394	6,230	(8.9)
Women (%)	**11.4**	12.3	11.6	16.8	(7.1)
Women as a % of global turnover FTE	**43.6**	43.3	45.2	43.3	0.7
Asia turnover FTE	**7,970**	8,780	8,293	12,501	(9.2)
Asia (%)	**11.8**	12.7	11.8	18.4	(7.2)
Africa turnover FTE	**498**	609	387	523	(18.3)
Africa (%)	**13.5**	14.7	8.6	10.8	(8.7)
Middle East turnover FTE	**493**	460	475	523	7.2
Middle East (%)	**12.5**	11.4	11.4	12.7	9.2
Americas turnover FTE	**129**	171	120	188	(24.6)
Americas (%)	**11.7**	15.1	10.5	17.8	(22.7)
Europe turnover FTE	**417**	485	438	653	(13.9)
Europe (%)	**10.2**	11.9	11.0	17.7	(14.3)
<30 years turnover FTE	**2,094**	2,302	2,593	4,137	(9.0)
<30 years (%)	**20.1**	19.6	19.2	30.5	2.5
30–50 years turnover FTE	**6,286**	7,067	6,242	9,303	(11.0)
30–50 years (%)	**10.3**	11.4	9.9	15.2	(9.3)
>50 years turnover FTE	**1,127**	1,137	878	947	(0.8)
>50 years (%)	**12.5**	13.3	11.0	13.1	(6.2)
Average tenure (years) – men	**7.9**	7.8	7.3	7.1	1.3
Average tenure (years) – women	**8.6**	8.4	7.9	7.6	2.4
Global new hires – FTE[9]	**10,581**	7,176	12,145	17,432	47.4
Global new hire rate (%)	**13.0**	8.6	14.2	21.0	51.3
Men new hire FTE	**5,915**	3,777	6,875	9,683	56.6
Men (%)	**13.5**	8.4	14.9	21.7	61.3
Women new hire FTE	**4,666**	3,314	5,044	7,384	40.8
Women (%)	**12.8**	8.9	13.2	19.6	43.6
Women as a % of global new hires FTE	**44.1**	46.2	41.5	42.4	(4.5)
Asia new hire FTE	**9,226**	6,077	10,653	15,441	51.8
Asia (%)	**13.5**	8.7	14.9	22.4	55.4
Africa new hire FTE	**152**	202	236	463	(24.8)
Africa (%)	**4.0**	4.8	5.2	9.3	(16.0)
Middle East new hire FTE	**482**	381	379	471	26.5
Middle East (%)	**12.0**	9.3	9.0	11.3	28.1
Americas new hire FTE	**163**	77	156	180	111.7
Americas (%)	**14.7**	6.8	13.7	17.0	116.8
Europe new hire FTE	**558**	439	721	876	27.0
Europe (%)	**13.5**	10.7	17.8	23.3	26.6
<30 years new hire FTE	**4,371**	3,109	4,963	7,673	40.6
<30 years (%)	**40.8**	25.8	35.5	54.7	58.1
30–50 years new hire FTE	**5,915**	3,856	6,841	9,357	53.4

Talent management[8]	2025	2024	2023	2022	% change
30–50 years (%)	**9.7**	6.2	10.8	15.2	56.5
>50 years new hire FTE	**295**	211	341	401	40.1
>50 years (%)	**3.2**	2.4	4.2	5.4	32.5
Roles filled internally (%)[9]	**47.4**	45.7	32.3	37.3	3.8
Of which: filled by women (%)	**40.9**	40.7	41.6	41.0	0.6
Absenteeism rate (%)[10]	**1.3**	1.3	1.3	1.4	(5.3)
Job fit with interest (%)[11]	**75.0**	79.0	80.0	77.0	(5.1)
Learning[12]	**2025**	2024	2023	2022	% change
Employees receiving training (%)	**99.2**	99.1	99.5	99.5	0.1
Women (%)	**99.2**	99.2	–	–	–
Men (%)	**99.1**	99.1	–	–	–
Undisclosed (%)[4]	**98.4**	99.0	–	–	(0.6)
Senior leadership (%)[6]	**99.7**	99.8	–	–	(0.1)
Non Senior Role[13]	**99.1**	99.1	–	–	–
Employees receiving training for personal development (%)	**89.8**	92.7	96.2	91.6	(3.1)
Women (%)	**87.5**	92.5	95.8	90.0	(5.4)
Men (%)	**91.7**	92.7	96.5	92.9	(1.1)
Senior leadership (%)[6]	**95.0**	88.8	93.4	94.9	7.0
Average number of training hours per employee	**36.8**	34.8	38.0	36.9	5.6
Women	**35.7**	33.8	37.0	35.4	5.6
Men	**37.6**	35.5	38.8	38.1	5.9
Undisclosed[4]	**37.6**	40.6	–	–	(7.4)
Employed workers	**36.7**	34.9	38.1	37.1	5.2
Fixed-term workers	**41.4**	25.0	33.3	21.9	65.7
Senior leadership[6]	**34.5**	27.4	–	–	25.9
Non senior role[13]	**36.9**	35.2	–	–	4.8
Average cost of training per employee ($)[14]	**706**	702	730	743	0.5
Diversity	**2025**	2024	2023	2022	% change
% of women remained employed 12 months after their return from parental leave	**80.3**	79.5	75.2	72.4	1.0
% of employees that remained employed by the company 12 months after their return from parental leave	**82.2**	82.1	79.1	72.6	0.2
% of Information Technology (IT) and/or Engineering roles filled by women[15]	**24.6**	24.4	24.2	24.0	1.2
% of senior leadership and managerial roles filled by women[6,16]	**35.3**	35.3	34.6	35.0	0.1
% of middle management roles filled by women[16]	**36.4**	36.2	35.5	36.1	0.4
% of non-managerial positions filled by women[16]	**47.0**	47.2	47.0	47.6	(0.4)
% of women total promotions	**46.8**	47.6	46.0	46.1	(1.7)
Executive and non-executive directors[17]					
Men	**6**	7	8	8	(14.3)
Women	**5**	5	5	6	–
Men (%)	**54.5**	58.3	61.5	57.1	(6.5)
Women (%)	**45.5**	41.7	38.5	42.9	9.1
White British or other White (including minority-White groups)	**7**	8	9	11	(12.5)
Asian/Asian British	**4**	4	4	3	–
Black/African/Caribbean/Black British	**–**	–	–	–	–

Supplementary people information

Diversity	2025	2024	2023	2022	% change
Mixed/Multiple Ethnic groups	–	–	–	–	–
Other Ethnic group[20]	–	–	–	–	–
White British or other White (including minority-White groups) (%)	**63.6**	66.7	69.2	78.6	(4.5)
Asian/Asian British (%)	**36.4**	33.3	30.8	21.4	9.1
Black/African/Caribbean/ Black British (%)	–	–	–	–	–
Mixed/Multiple Ethnic groups (%)	–	–	–	–	–
Other Ethnic group (%)	–	–	–	–	–
Number of senior positions (CEO, CFO, SID and Chair)[18]					
Men	**3**	3	3	3	–
Women	**1**	1	1	1	–
White British or other White (including minority-White groups)	**4**	4	4	4	–
Asian/Asian British	–	–	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Mixed/Multiple Ethnic groups	–	–	–	–	–
Other Ethnic group[20]	–	–	–	–	–
Executive management[19]	**11**	15	14	14	(26.7)
Men	**6**	9	7	8	(33.3)
Women	**5**	6	7	6	(16.7)
Men (%)	**54.5**	60.0	50.0	57.1	(9.1)
Women (%)	**45.5**	40.0	50.0	42.9	13.6
White British or other White (including minority-White groups)	**7**	6	5	6	16.7
Asian/Asian British	**4**	6	6	6	(33.3)
Black/African/Caribbean/Black British	–	1	1	1	(100.0)
Mixed/Multiple Ethnic groups	–	–	–	–	–
Not specified/prefer not to say	–	1	2	1	(100.0)
Other Ethnic group[20]	–	1	–	–	(100.0)
White British or other White (including minority-White groups) (%)	**63.6**	40.0	35.7	42.9	59.1
Asian/Asian British (%)	**36.4**	40.0	42.9	42.9	(9.1)
Black/African/Caribbean/Black British (%)	–	6.7	7.1	7.1	(100.0)
Mixed/Multiple Ethnic Groups (%)	–	–	–	0.0	–
Not specified/prefer not to say (%)	–	6.7	14.3	7.1	(100.0)
Other Ethnic group (%)	–	6.7	–	–	(100.0)
UK senior leadership (% declared)[6,21]					
UK Black Ethnicity	**1.5**	2.5	2.5	2.5	(38.0)
UK Ethnic Minority	**19.3**	28.4	27.8	26.4	(32.1)

Work-related Health & Safety	2025	2024	2023	2022	% change
Fatalities	–	–	3	1	–
Fatalities (rate per million hours worked)	–	–	0.03	0.01	–
Major injuries[22,23,24,25]	**16**	15	21	20	6.7
Major injuries (rate per million hours worked)[26]	**0.1**	0.08	0.11	0.11	25.0
Recordable work-related injuries[27,28]	**142**	125	115	83	13.6
Recordable work-related injuries (rate per million hours worked)[26,27]	**0.9**	0.7	0.59	0.44	28.6
Work-related ill-health (fatalities)	–	–	–	–	–
Lost Time Injuries (rate per million hours worked)[26]	**0.1**	0.13	Not reported	Not reported	–

1 Excludes 500 employees (headcount) from Digital Ventures entities (Appro, Audax, Cashenable, Furaha, Labamu, Letsbloom, Libeara, MyZoi, Solv Kenya, TASConnect, Qatalyst, Zodia Custody, Zodia Markets). Excludes 456 Person of Interest (headcount) following a recategorisation of worker types from 2022, i.e. independent non-executive directors, advisors, external auditors and regulators.
Includes employees operating in discontinued/restructured businesses.
Percentage change refers to the percentage change from 2024 to 2025.
All figures above are presented to one decimal place and the corresponding percentage changes are derived from actual data without rounding to one decimal place to remain as accurate as possible.

2 Non-outsourced NEWs are resources engaged on a time and materials basis where task selection and supervision is the responsibility of the Bank, such as agency workers.

3 Outsourced NEWs are arrangements with a third-party vendor where the delivery is based on a specific service or outcome at an agreed price, irrespective of the number of resources required to perform the service. These resources are not considered as the Group's headcount.

4 The disclosure of gender information is not mandatory in some markets.

5 Management Team and colleagues who report to them, excluding administrative or executive support roles (personal assistant, business planning managers).

6 Senior leadership is defined as Managing Directors and Band 4 (including Management Team).

7 Region metrics are now aligned with the geographical regions and all prior periods' data has been aligned with these geographical regions.

8 Turnover metrics are based on permanent employed workers only. New hire metrics are based on external new hires. Turnover and new hire metrics are based on average 12 month FTE. These metrics are not shown for the undisclosed gender population due to a small population size.

9 Approximately 50 per cent increase in hiring volumes from 2024 to 2025 represents a deliberate and aggressive re-acceleration. This step change reflects not only renewed growth momentum, but also pent-up demand resulting from prior year hiring constraints. The scale of the increase for both FTE and NEW is driven by a combination of factors, including (a) Growth hiring in priority areas like CIB tech, WRB Tech, CIB Ops, WRB Ops (b)Capability building in areas like AI, Data aligned with strategic initiatives (c) Targeted hiring for specific programs, such as FFG, Keystone, Catalyst. This expansion has been supported through a balanced mix of full-time hires and NEW hiring channels/models, ensuring functions but especially T&O maintains both speed and quality while scaling.

10 Represents health and disability related absence.

11 'Employee job satisfaction' question has been retired and replaced with 'Job fit with interest' which is part of the Employee Value Proposition (EVP) questions.

12 Learning metrics exclude non-employed workers (NEWs). Training for personal development is defined as all training excluding mandatory or role specific training. The strength of our learning agenda is reflected with 99.2 per cent of our employees receiving training in 2025. Across the year, we have consolidated learning programmes to more effectively and efficiently deliver skills and knowledge-building to colleagues. The biggest campaigns (as driven by business / function heads) were in spaces like AI and New programmes have been designed to focus on 'in the flow of work' which has been a driver of digital consumption. These actions have resulted in an increase of the number of overall training hours per employee.

13 All colleagues excluding Senior leadership as defined in 6.

14 Average cost of training per employee includes cost of learning management system.

15 Represents the percentage of Information Technology (IT) and/or Engineering roles filled by women. IT and/or engineering roles is defined as employees who work in the IT job function, including engineering roles (excluding Innovation, Transformation and Ventures) and/or certain job families in the Data and Analytics job function.

16 Represents the percentage of women that are in the respective population groups. For the purpose of this metric, managerial/middle management roles are considered as roles that have people leader responsibilities excluding senior leadership. Non-managerial roles do not have people leader responsibilities.

17 Executive and non-executive directors refer to the UK PLC Board. Data has been collected by way of the directors' annual self-declarations.

18 For the purpose of this metric, senior positions in the Board include the Group Chair, Group Chief Executive, Group Chief Financial Officer and Senior Independent Director.

19 For the purpose of this metric, executive management refers to Management team plus Group Company Secretary.

20 Other Ethnic Group: 'All other ethnic groups excluding White, Asian, Black and Mixed'.

21 Ethnicity percentage has been derived based on colleagues who have declared their ethnicity against the overall UK population (including colleagues who have not made a declaration).

22 Out of 16 major injuries, 10 are commuting related.

23 Per UK HSE definition, and local reporting requirements.

24 Most common type of major injury is fractures (56%).

25 2025 includes five contractor/visitor. 2024 includes three contractor/visitor. 2023 includes five contractor/visitor. 2022 includes one contractor/visitor.

26 2025 hours worked 158,361,339. 2024 hours worked 179,485,255. 2023 hours worked 192,870,120. 2022 hours worked 188,758,285.

27 2025 includes 37 contractor/visitor. 2024 includes 21 contractor/visitor. 2023 includes 31 contractor/visitor. 2022 includes 18 contractor /visitor.

28 These figures were updated with 4 injuries recorded in 2025 but occurred in 2024.

Supplementary sustainability information

Environmental and Social Risk Management (ESRM)

	2025	2024	2023
Number of participants in ESRM training sessions[1]	**12,864[2]**	3,029[3]	2,609[4]
Number of transactions reviewed	**685**	747	708
Number of clients reviewed	**1,204**	1,449	1,341
Client exits due to non-compliance with Position Statements	**6**	10	41

Equator Principles reporting

	Project finance mandates			Project-related corporate loans			Project-related refinance & project-related acquisition finance[8]			Project finance advisory services[9]
	Cat A[5]	Cat B[6,10]	Cat C[7]	Cat A	Cat B	Cat C	Cat A	Cat B	Cat C	
Total 2023	13	23	3	1	4	2	–	–	1	1
Total 2024[11]	11	32	8	7	6	2	1	2	1	1
Total 2025	**13**	**41**	**16**	**5**	**5**	**4**	**1**	**1**	–	**4**

2025	Project finance mandates			Project-related corporate loans			Project-related refinance & project-related acquisition finance[8]			Project finance advisory services[9]
	A	B	C	A	B	C	A	B	C	
Sector										
Mining	–	–	–	–	–	–	–	–	–	–
Infrastructure	**1**	**17**	**15**	**3**	**3**	**3**	–	–	–	**1**
Oil and Gas	**4**	–	–	**1**	–	–	–	–	–	**3**
Power	**8**	**23**	**1**	–	**1**	–	**1**	**1**	–	–
Others[12]	–	**1**	–	**1**	**1**	**1**	–	–	–	–
Region										
Americas	**3**	**9**	**9**	–	**1**	–	–	–	–	–
Asia-Pacific	**3**	**20**	**6**	**2**	–	**4**	–	–	–	–
Europe, Middle East and Africa	**7**	**12**	**1**	**3**	**4**	–	**1**	**1**	–	**4**
Designation[13]										
Designated Country	**4**	**13**	**12**	–	**1**	**1**	–	–	–	–
Non-Designated Country	**9**	**28**	**4**	**5**	**4**	**3**	**1**	**1**	–	–
Independent review										
Yes	**13**	**30**	**6**	**5**	**4**	–	**1**	**1**	–	–
No	–	**11**	**10**	–	**1**	**4**	–	–	–	–

1 The metric was updated in 2023 as all participants are counted for each live training or e-learning session. An employee may attend either or both types of training during the year.

2 Includes 3,103 participants in live training sessions and 9,761 participants who completed e-learning sessions. The increase in the number of e-learning attendees is due to the rise in WRB completion numbers for the Sustainability Foundation Programme. Additionally, the number of live trainings conducted, along with the number of participants, increased due to a process improvement in the client ESGRA process in 2025. Consequently, ESRM has conducted additional upskilling sessions and Position Statements briefing trainings.

3 Includes 2,261 participants in live training sessions and 768 participants who completed e-learning sessions.

4 Includes 1,338 participants in live training sessions and 1,271 participants who completed e-learning sessions.

5 Cat A or Category A are projects with potential significant adverse environmental and social risks and/or impacts that are diverse, irreversible or unprecedented.

6 Cat B or Category B are projects with potential limited adverse environmental and social risks and/or impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.

7 Cat C or Category C are projects with minimal or no adverse environmental and social risks and/or impacts.

8 In line with Equator Principles (EP4), Standard Chartered now reports those transactions that trigger project-related refinance and project-related acquisition finance.

9 In line with Equator Principles (EP4), Standard Chartered only requires to report the sector and region for Project Finance Advisory Services, and may exclude the Category and Independent Review, as the projects are often at an early stage of development and not all information is available.

10 The Group's 2023 number of Cat B Project Finance mandates was erroneously reported at 29 cases in the 2024 Annual Report and Accounts and we have restated this to 23 projects to correct this error.

11 2024 numbers are restated as additional transactions have been identified in 2025 reporting cycle.

12 Sectors covered under 'others' include agro-industries, transport, chemicals and manufacturing.

13 Designation is split into Designated and Non-Designated Countries. Designated Countries are deemed by the Equator Principles to have robust environmental and social governance, legislation systems and institutional capacity designed to protect their people and the natural environment. Non-Designated Countries are countries that are not found on the list of Designated Countries. The list of countries can be found at **www.equator-principles.com**.

Environment

	Units	2025	2024	2023	2024 - 2025 % change
Reporting coverage of data					
Offices reporting	No. of offices	**796**	824	762	-3%
Net internal area of occupied property	m^2	**864,961**	850,817	880,515	2%
Annual operating income from 1 October to 30 September	$million	**20,818**	19,110	17,414	9%
Scope 1 and 2 GHG emissions[1]					
Scope 1 emissions[2]	tCO_2e	**5,792**	7,696	8,488	-25%
Scope 2 emissions (location-based)	tCO_2e	**74,591**	82,837	85,741	-10%
Scope 2 emissions (market-based)	tCO_2e	**0**	17,272	26,246	-100%
Total Scope 1 and 2 emissions (market-based)	tCO_2e	**5,792**	24,968	34,734	-77%
Scope 1 and 2 emissions (UK and offshore area only)	tCO_2e	**0**	0	248	0%
Scope 3 GHG emissions[3]					
Category 1: Purchased goods and services[4]	tCO_2e	**251,761**	319,078	346,819	-21%
Category 2: Capital goods	tCO_2e	**41,799**	43,716	42,707	-4%
Category 4: Upstream transportation and distribution[5]	tCO_2e	**16,904**	27,268	24,125	-38%
Category 5: Waste generated in operations	tCO_2e	**349**	379	520	-8%
Category 6: Business travel (air travel)	tCO_2e	**52,375**	53,326	48,046	-2%
Category 6: Business travel (miscellaneous other than air travel)	tCO_2e	**8,446**	16,420	8,918	-49%
Category 7: Employee commuting[6]	tCO_2e	**60,348**	81,065	71,228	-26%
Category 8: Upstream leased assets[7]	tCO_2e	**4,397**	4,186	4,431	5%
Category 13: Downstream leased assets (real estate)[8]	tCO_2e	**4,799**	7,119	7,898	-33%
Category 15: Investments[9,10]	tCO_2e	**50,880,000**	47,661,000	45,337,000	7%
Total Scope 3	tCO_2e	**51,321,178**	48,213,557	45,891,692	6%
Total Scope 1, 2 and 3	tCO_2e	**51,326,970**	48,238,525	45,926,426	6%

1 Our Scope 1 and 2 emissions and Scope 3 Category 8: Upstream leased assets (data centres) emissions calculations for the most recent reporting year were independently assured by Global Documentation Ltd. The assurance scope includes the owned vehicle fleet and fugitive emissions.

2 As we aim to improve our emissions measurement and reporting year-on-year, we have included owned vehicle fleet emissions in our Scope 1 data since 2024 (733 tCO_2e in 2025 and 1,340 tCO_2e in 2024) and fugitive emissions since 2023 (3,035 tCO_2e in 2025, 3,877 tCO_2e in 2024 and 5,266 tCO_2e in 2023).

3 Scope 3 Category 3, Category 9, Category 10, Category 11, Category 12 and Category 14 are not relevant for the Group due to the nature of our business, products and services and operations, such that their emissions are not deemed material. Emissions from Scope 3 Category 2, Category 4, Category 5, Category 7, Category 8 and Category 13 are also not deemed material.

4 We have restated our Scope 3 Category 1: Purchased goods and services emissions data for the 2024 reporting year from 345,193 tCO_2e to 319,078 tCO_2e due to one of our largest suppliers (by spend) restating their publicly reported emissions. The supplier restatement is a result of improved data accuracy within its calculations.

5 We recognise the role of sustainable aviation fuel (SAF) as a lever in lifecycle greenhouse gas (GHG) emissions of logistics emissions. In line with emerging international standards and guidance, we account for the use of SAF in our emissions calculations by applying its verified lifecycle carbon intensity compared to conventional jet fuel for our logistics emissions. Our emissions reductions from SAF (through The Book and Claim Model) are only recognised when supported by robust certification, traceability, and sustainability criteria to avoid double counting and ensure genuine climate benefit. We will continue to monitor evolving standards to align with best practice as frameworks mature. Category 4 emissions for 2025 were 17,467 t CO_2e when excluding the purchase of SAF.

6 Category 7: Employee commuting includes both emissions from commuting (28,864 tCO_2e) and emissions associated with home office working (31,484 tCO_2e).

7 Emissions from third-party collocated data centres have been reclassified to Scope 3 Category 8 from Scope 3 Category 1. We reevaluated the nature of our lessee relationship with these assets and, in line with the GHG Protocol, believe this data aligns more closely to Scope 3 Category 8. We have reclassified these emissions in our 2023 and 2024 comparatives, which were already reported separately from other Category 1 emissions.

8 Category 13: Downstream leased assets are leased spaces within locations where the Group is either the owner or main tenant of the building.

9 Category 15: Investments includes financed and facilitated emissions and are measured on a one- to two-year lag based on the availability of third-party and client data. Facilitated emissions are calculated on a three-year rolling average. Category 15 emissions are rounded to the nearest 1,000 tCO_2e.

10 Prior year total financed emissions have been restated following a restatement in the oil and gas sector absolute emissions. The prior period has been restated to apply the Group's methodology of only counting Scope 3 emissions on upstream production activities (including diversified and integrated counterparties). There was no impact on the baseline year.

	Units	2025	2024	2023	2024 - 2025 % change
Scope 1 and 2 GHG emissions (market-based) intensity	tCO_2e/$ million	**0**	1	2	-100%
Environmental resource efficiency					
Energy					
Indirect non-renewable energy consumption	GWh	**126**	125	142	1%
Indirect renewable energy consumption	GWh	**13**	14	16	-7%
Direct non-renewable energy consumption	GWh	**8**	12	13	-33%
Direct renewable energy consumption	GWh	**2**	2	2	0%
Energy consumption	GWh	**150**	154	173	-3%
Energy consumption intensity	GWh/$ million	**0.0072**	0.0081	0.0099	-11%
Energy consumption (UK and offshore area only)	GWh	**5**	7	6	-29%
Water					
Water consumption	million litres	**413**	446	393	-7%
Water intensity	kL/m^2	**0.4775**	0.5242	0.4463	-9%
Waste[1]					
Waste generated	kg	**670,935**	725,230	998,407	-7%
Waste intensity	kg/m^2	**0.7757**	0.8524	1.1339	-9%
Waste reused or recycled	%	**74**	61	52	21%

1 Does not include any hazardous waste.

Hong Kong Stock Exchange ESG Reporting Code Scopes 1 and 2 emissions disclosure

Part D of the ESG Reporting Code (Appendix C2 to The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited), paragraph 17(1), requires issuers to disclose their Scope 1 and Scope 2 greenhouse gas emissions pursuant to paragraphs 28(a), 28(b) and 29 on a mandatory basis for the same reporting period as the annual report. Therefore, we have provided our estimated Scope 1 and 2 emissions for the 1 January 2025 to 31 December 2025 reporting period in the following table.

This differs from the Scope 1 and 2 emissions disclosed elsewhere in this Annual Report, which are reported for the period 1 October 2024 to 30 September 2025 to align our reporting with the reporting period used in previous years and for target setting. This allows comparability over time and with our 2025 Scope 1 and 2 net zero emissions target. Reporting year to 30 September 2025 allows sufficient time for independent third-party assurance to be completed and for obtaining external third-party data where needed prior to the publication of the Group's Annual Report.

1 January 2025 to 31 December 2025 emissions

	2025 $t\ CO_2e$
Scope 1 and 2 GHG emissions	
Scope 1 emissions	**5,751**
Scope 2 emissions	**75,162**
Total Scope 1 and 2 emissions	**80,913**

These emissions have been measured in accordance with the location-based measurement approach under the Greenhouse Gas Protocol for 1 January 2025 to 31 December 2025, using all reasonable and supportable information that was available to the Group at the reporting date without undue cost or effort. The totals include an estimate of the emissions for 1 October 2025 to 31 December 2025, as only partial data is available for this quarter. This has not been assured and has been calculated using the fourth quarter of 2024 as a proxy to avoid seasonal variations, updated where possible for reviewed data available.

All other inputs and assumptions (e.g. emissions factors and boundaries) are the same as those described on page 93 and in our Environmental Reporting Criteria available at **sc.com/sustainabilitylibrary**.

Supplier spend

	% of total third-party spend	Number of supplier organisations with spend in 2025	Number of local suppliers (by payment market[1,2])	Number of global suppliers[4] (by payment market)
Top 10 sourcing locations by % overall spend				
Singapore	**37.34%**	**1,341**	**902**	**439**
United Kingdom	**17.47%**	**803**	**507**	**296**
Hong Kong	**14.40%**	**738**	**458**	**280**
India	**7.00%**	**1,816**	**1,644**	**172**
China[3]	**4.01%**	**821**	**723**	**98**
Korea	**3.66%**	**532**	**505**	**27**
United Arab Emirates	**2.04%**	**370**	**208**	**162**
Malaysia	**1.57%**	**444**	**333**	**111**
United States	**2.75%**	**283**	**152**	**131**
Taiwan	**1.72%**	**456**	**382**	**74**
Regional spend				
Asia	**72.32%**	**6,934**	**6,333**	**601**
Europe and Americas	**21.56%**	**1,247**	**901**	**346**
Africa and the Middle East	**6.12%**	**2,442**	**2,155**	**287**
Category spend				
Technology	**42.54%**	**1,501**	**1,276**	**225**
Professional Services	**16.23%**	**1,804**	**1,625**	**179**
Property	**13.76%**	**2,190**	**2,133**	**57**
Marketing	**13.42%**	**1,622**	**1,538**	**84**
Human Resources	**7.89%**	**1,259**	**1,150**	**109**
Banking Operations	**3.41%**	**342**	**315**	**27**
Travel	**1.71%**	**376**	**344**	**32**
Office Supplies	**0.68%**	**656**	**633**	**23**
Others	**0.35%**	**377**	**375**	**2**

1 Suppliers are counted by generic name (e.g. all DHL legal entities are counted as one DHL).

2 The same supplier may be used in more than one market.

3 'China' refers to the People's Republic of China and, for the purposes of this document only, excludes Hong Kong Special Administrative Region (Hong Kong), Macau Special Administrative Region (Macau) and Taiwan, Korea or South Korea.

4 Suppliers with payments in more than one market.

Sustainability Aspirations

1. Mobilise sustainable finance

Pillar	Key performance indicators	Period	Status	2025 progress update
Sustainable finance	Mobilise $300 billion in sustainable finance (SF)[1]	2021–2030	○	Mobilised $157 billion between January 2021 and September 2025. Strong progress was made in 2025 despite contrasting regional sentiment. We remain on track for our overall target in 2030.

2. Operationalise interim 2030 financed emissions targets to meet our 2050 net zero ambition

Pillar	Key performance indicators	Period	Status	2025 progress update
Operations	Net zero in our operations (Scope 1 and 2 GHG)	2019–2025	✓	In 2025, we achieved our net zero target across Scope 1 and 2 emissions, marking a significant milestone. We reduced our carbon footprint by 96 per cent from a 2018 baseline of 148 $ktCO_2e$ to just 6 $ktCO_2e$. This achievement underscores our commitment to decarbonise our real estate portfolio and aligns with the overall Group's net zero agenda. Residual emissions that persist despite our rigorous efforts to minimise them are counterbalanced by purchasing and retiring carbon credits as described in the carbon credits section on page 94.
	Increase renewable energy sourcing to 100% by 2025 (RE100 compliant)	2022–2025	⚠	Our RE100 performance for 2025 is 95 per cent. While we strived to achieve 100 per cent, market maturity varies significantly by geography, which constrains full coverage, particularly within Africa and the Middle East (for example, Bahrain, Qatar, Botswana, Cameroon, Côte d'Ivoire, Tanzania and Zambia). In these markets we continue to actively monitor developments and aim to transition to RE100 certified mechanisms as they become available.
	Divert 90% of waste from the landfill by 2030	2020–2030	○	We continue to push for 90 per cent waste avoidance from landfill by 2030. Overall, this commitment translates to better waste segregation and management through awareness programmes. As of 2025, we have reduced our overall waste generated by 49 per cent from our 2018 baseline and achieved 74 per cent avoidance from landfill.
Suppliers	Direct at least 50% of our total spend[2] with suppliers who have set science-based emissions reduction targets	2023–2027	○	In 2025, we allocated 54 per cent of our total supplier expenditure to partners who have science-based emissions reduction targets. This achievement highlights our commitment to the decarbonisation of our supply chain in support of the Group's net zero agenda.

1 We define mobilisation of sustainable finance as our share of any investment or financial service provided to clients that supports: (1) the preservation and/or improvement of biodiversity, nature or the environment; (2) the long-term avoidance/decrease of GHG emissions, including the alignment of a client's business and operations with a 1.5°C trajectory or national net zero pathway (known as transition finance); (3) a social purpose; or (4) incentivising our clients to meet their own sustainability objectives (known as sustainability-linked finance). It is a measure of total capital mobilised and considers the total value committed on facilities provided to clients. Mobilisation is the provision of capital that, as per the legal contractual documents, meet the sustainable finance verification criteria, or SLL eligibility, as of the date of execution of the trade.

2 Spend includes Scope 3, Category 1: Purchased Goods and Services and Capital Goods suppliers excluding non-addressable spend. Addressable spend is defined as external costs incurred by Standard Chartered in the normal course of business where Supply Chain Management has influence over where the spend is placed. It excludes costs such as government and brokerage fees, rates and taxes and employee expenses. It also excludes any Category 1 co-location data centres, which are calculated on energy use and reported separately under Scope 3.

2. Operationalise interim 2030 financed emissions targets to meet our 2050 net zero ambition

Pillar	Key performance indicators	Period	Status	2025 progress update
Financed emissions	Achieve 2030 interim financed emissions reduction in our highest emitting sectors[1]: • -29% in Oil and Gas (absolute) from a 2020 baseline • -46–67% in Power (production intensity) from a 2021 baseline • -22–32% in Steel (production intensity) from a 2021 baseline • -85% emissions reduction in Thermal Coal Mining (absolute) from a 2020 baseline • Maintain a 1.5°C compliant production-intensity in Aluminum from a 2021 baseline • Reduce our alignment delta in Shipping to 0% from a 2021 baseline • -44–63% in Automotive Manufacturers (physical intensity) from a 2021 baseline • -22% in Cement (production intensity) from a 2021 baseline • -47–74% in Commercial Real Estate (production intensity) from a 2021 baseline • 33% reduction in aviation sector physical intensity from a 2021 baseline • -15–23% in Residential Mortgages (production intensity) from a 2021 baseline • Agriculture target of 2.4-2.6°C Implied Temperature Rise against a 2023 (2.96°C) baseline	2020/ 2021/ 2023–2030	○	Progress on our net zero sector targets remains on track for most high emitting sectors. An increase in emissions was observed in the aluminum sector; however, the sector remains below the 2030 target. Portfolio progress slowed slightly in the automotive manufacturing sector. The sector is however still trending down towards the 2030 target. **Read more on our progress towards our interim net zero targets on pages 97 to 107**
Facilitated emissions	Achieve 2030 interim facilitated emissions reduction in our highest emitting sector: • -27% in oil and gas (absolute) from a 2021 baseline	2021–2030	○	In 2024, facilitated emissions increased from prior years. Facilitations are highly cyclical, due to interest rates and the global price of oil. During 2024, this cyclicality has continued with a return to market of many Oil and Gas counterparties, which has seen the facilitated emissions increase. **Read more on our progress towards our interim net zero targets on page 97 to 107**

1 Refer to the Group's 'Net Zero Methodological White Paper – The journey continues' via **sc.com/sustainabilitylibrary** and our Position Statements available at **sc.com/positionstatements**.

Sustainability Aspirations

3. Enhance and deepen leadership within the sustainability ecosystem

Pillar	Key performance indicators	Period	Status	2025 progress update
Market integrity, trust, conduct and compliance	Partnering to lead the fight against financial crime: • Demonstrate leadership in the fight against financial crime. Contribute to improving confidence in the financial system through our engagement with international, regional and local industry bodies and standard setters • Engage in outreach programmes and public-private partnerships to raise awareness on financial crime risks to protect our clients and communities, develop and share intelligence relating to financial crime	Ongoing	◯	During 2025, the Group's continuous commitment to leading the fight against financial crime was demonstrated through strong industry and regulatory collaboration. The Group continued positive engagement with international and regional standard-setters, such as the Financial Action Task Force and Wolfsberg Group. Across our geographical footprint, we work in partnership with regulators and industry associations to inform and reform financial crime legislation and regulation. The Group promotes effective financial crime compliance and risk identification through participation at financial crime conferences as speakers, panelists and subject matter experts. We engage with our clients and our communities, ensuring they are educated on key financial crime risks that impact lives and undermine governance and security. Additionally, public-private partnerships remain a key focus of the Group by evolving existing partnerships and providing support to countries and bodies seeking to establish new information-sharing arrangements.
Innovation Hubs	Execution of at least 12 transactions by 2027 that are aligned with Standard Chartered's sustainability themed Innovation Hubs	2025–2027	◯	Our five thematic Innovation Hubs – Adaptation Finance, Blended Finance Programmes, Carbon Markets & Finance, Nature Finance and Circular Economy – focus on emerging sustainability themes that are nascent but ripe for scale. The Hubs drive innovation in the market across sustainability. We executed on seven novel transactions aligned to the themes of the Hubs in 2025. **Read more about the work conducted by the Hubs on pages 78 to 82**

4. Drive social impact with our clients and communities

Pillar	Key performance indicators	Period	Status	2025 progress update
People	We aspire to have 35% representation[1] of women at a global senior level[2] by end of 2025	2016–2025	⚠	Women leadership representation at the end of 2025 was 33.0 per cent. We continue to take steps towards advancing gender equality. The current gap will be addressed as we continue to strengthen the senior leadership talent pipeline through our people processes and development initiatives – including targeted deployment and recruitment campaigns (where permitted by local law).
Communities	Invest 0.75% of prior year operating profit (PYOP) in our communities	Ongoing	○	Achieved 1.3 per cent PYOP, refer to pages 114 to 115 for additional details.
	Enable and support a total of 250,000 jobs by 2030[3] through the following breakdown: • 125,000 decent jobs[4] accessed by youth participants • 125,000 direct jobs[5] enabled by supported microbusinesses	2019–2030	○	In 2025, Standard Chartered Foundation completed a review of its headline sustainability aspiration targets. The target has now been adjusted to 250,000 jobs enabled and supported between 2019 and 2030. Standard Chartered Foundation programmes[6] enabled and supported 16,310 jobs in 2025, bringing the total jobs enabled so far to 106,570 since 2019. We remain on track for overall target in 2030.

1 Subject to local legal requirements.

2 Senior level refers to roles that are at least at the level of Executive Director (Band 4) and Managing Director (Band 3) as of 31 December of each reporting year.

3 This target has been revised upwards from 140,000 to 250,000 jobs enabled by 2030, due to (1) a revision of the employability KPI to account for under-served male participants and (2) moving the baseline from 2024 to 2019 to show progress since the start of programming.

4 Decent jobs comprises formal employment and self-employment. 'Decent' aligns with the International Labour Organization (ILO) definition, but in recognition of the challenges in many markets to satisfy every criteria for 'decent', our programmes count those participants who have met minimum wage plus at least two additional ILO criteria.

5 Direct jobs comprise paid employment opportunities (direct employees, active associates, contractors, support/gig workers, and the entrepreneurs themselves) directly created by the supported microbusinesses. These may be part-time or full-time, with each job accounted for as a single unit. This KPI is based on actual data collated from project alumni, estimates based on empirical research, and ex-post project evaluations.

6 The Standard Chartered Foundation portfolio comprises directly funded programmes and associated programmes that are aligned with the Foundation's strategy but, for regulatory reasons, are funded locally by Standard Chartered entities.

Concluded in the year

✓ Achieved ⚠ Not achieved

Ongoing aspirations

○ On track △ Not on track

Climate reporting index

In line with our 'comply or explain' obligation under the UK Financial Conduct Authority's (FCA) UK Listing Rule 6.6.6R (8), we can confirm that we have made disclosures consistent with the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations and recommended disclosures. The following table references these disclosures, along with the climate-related information required under Part D of the Environmental, Social and Governance Reporting Code (Appendix C2 to The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited) and sections 414CA and 414CB of the UK Companies Act 2006.

TCFD pillar	TCFD recommended disclosure[1]	Hong Kong Listing Rules Appendix C2 Part D requirement		Page
Governance	a The Board's oversight of climate-related risks and opportunities	19(a)(i)	how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities	153-154, 288
		19(a)(ii)	how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities	122-127
	Companies Act 2006 Section 414CB(2A)(a)	19(a)(iii)	how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities	122-127
		19(a)(iv)	how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies	122-128 178, 187
	b Management's role in assessing and managing climate-related risks and opportunities	19(a)(i)	how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities	153-154, 288
		19(a)(ii)	how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities	122-127
	Companies Act 2006 Section 414CB(2A)(a)	19(b)(i)	whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee	122-127
		19(b)(ii)	whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions	122-127, 292
Strategy	a Climate-related risks and opportunities the Group has identified over the short, medium and long term	20(a)	describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term	107-110 287-302
		20(b)	explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk	109-110
	Companies Act 2006 Section 414CB(2A)(d)	20(c)	specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur	109-110

1 Climate-related financial disclosure regulations requirements under the UK Companies Act 2026, paragraph 414CB(2A), are mapped under the equivalent TCFD recommended disclosures.

TCFD pillar	TCFD recommended disclosure[1]	Hong Kong Listing Rules Appendix C2 Part D requirement		Page
Strategy		20(d)	explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making	108
		24(a)	how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period	109-110 332-333
		24(b)	the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements	109-110 332-333
		25(a)	how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration	109-110 300-304 332-333
		25(a)(i)	its investment and disposal plans	109-110 300-304 332-333
		25(a)(ii)	its planned sources of funding to implement its strategy	109-110 300-304 332-333
		25(b)	how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities	109-110 300-304 332-333
	b Impact of climate-related risks and opportunities on the Group's businesses, strategy and financial planning	20(a)	describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term	107-110 287-302
		21(a)	a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain	83-88 90-91 110 298-302
	Companies Act 2006 Section 414CB(2A)(e)	21(b)	a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets)	83-88 90-110 287-302
		22	An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making	83-88 109-110 298-302
		22(a)	information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation	83-88 90-107, 110
		22(a)(i)	current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities	83-88 90-107, 110
		22(a)(ii)	current and anticipated adaptation and mitigation efforts (whether direct or indirect)	83-88 90-107, 110

Climate reporting index

TCFD pillar	TCFD recommended disclosure[1]	Hong Kong Listing Rules Appendix C2 Part D requirement		Page
Strategy		22(a)(iii)	any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan	90-91
		22(b)	information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a)	77, 83-88 90-95, 98-106
		23	an issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a)	83-88 90-107
		24(a)	how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period	109-110 332-333
		24(b)	the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements	109-110 332-333
		25(a)	how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration	109-110 298-302 332-333
		25(a)(i)	its investment and disposal plans	109-110 298-302 332-333
		25(a)(ii)	its planned sources of funding to implement its strategy	109-110 298-302 332-333
		25(b)	how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities	109-110 298-302 332-333
	c Resilience of the Group's strategy, taking into consideration different climate-related scenarios including a two degrees Celsius or lower scenario Companies Act 2006 Section 414CB(2A) (f)	24(a)	how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period	109-110 332-333
		24(b)	the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements	109-110 332-333
		25(a)	how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration	109-110 298-302 332-333
		25(a)(i)	its investment and disposal plans	109-110 298-302 332-333
		25(a)(ii)	its planned sources of funding to implement its strategy	109-110 298-302 332-333

TCFD pillar	TCFD recommended disclosure[1]	Hong Kong Listing Rules Appendix C2 Part D requirement		Page
Strategy		25(b)	how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities	109-110 298-302 332-333
		26(a)	the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of	298-302
		26(a)(i)	the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis	90 109-110 298-302
		26(a)(ii)	the significant areas of uncertainty considered in the issuer's assessment of its climate resilience	298-302
		26(a)(iii)	the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term	83-88 90-110 298-302
		26(b)(i)(1)	which climate-related scenarios the issuer used for the analysis and the sources of such scenarios	298-302
		26(b)(i)(2)	whether the analysis included a diverse range of climate-related scenarios	298-302
		26(b)(i)(3)	whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks	298-302
		26(b)(i)(4)	whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change	298-302
		26(b)(i)(5)	why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties	298-302
		26(b)(i)(6)	time horizons the issuer used in the analysis	298-302
		26(b)(i)(7)	what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis)	298-302
		26(b)(ii)	the key assumptions the issuer made in the analysis	298-302
		26(b)(iii)	the reporting period in which the climate-related scenario analysis was carried out	298-302
		27(a)(ii)	whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks	298-302
Risk management	a Our processes for identifying and assessing climate-related risks	27(a)(i)	the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes)	287-302
		27(a)(iii)	how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria)	109-110 287-302
	Companies Act 2006 Section 414CB(2A) (b)	27(b)	the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities)	109-110 287-302

Climate reporting index

TCFD pillar	TCFD recommended disclosure[1]	Hong Kong Listing Rules Appendix C2 Part D requirement		Page
Risk management	b Our processes for managing climate-related risks	27(a)(iv)	whether and how the issuer prioritises climate-related risks relative to other types of risks	287-302
		27(a)(v)	how the issuer monitors climate-related risks	116 287-302
		27(a)(vi)	whether and how the issuer has changed the processes it uses compared with the previous reporting period	287-302
	Companies Act 2006 Section 414CB(2A) (b)	27(b)	the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities)	109-110 287-302
	c How the Group's processes for identifying, assessing and managing climate-related risks are integrated into the Group's overall risk management	27(c)	the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process	116 287-302
	Companies Act 2006 Section 414CB(2A) (c)			
Metrics and targets	a The metrics used by the Group to assess climate-related risks and opportunities in line with our strategy and risk management processes	30	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks	235 260-262
		31	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks	Explained – refer to page 71 for rationale
		32	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities	85-88
	Companies Act 2006 Section 414CB(2A) (h)	33	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	85-88 93-99
		34	An issuer shall disclose: a an explanation of whether and how the issuer is applying a carbon price in decision making (for example, investment decisions, transfer pricing, and scenario analysis); and b the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making	72 298-302
		35	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv)	128, 178, 187

TCFD pillar	TCFD recommended disclosure[1]	Hong Kong Listing Rules Appendix C2 Part D requirement		Page
Metrics and targets		36	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks	83-88 92-106 289-302 451-452
	b Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions, and the related risks Companies Act 2006 Section 414CB(2A)(h)	28	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period[1], expressed as metric tons of CO_2 equivalent, classified as: a Scope 1 greenhouse gas emissions; b Scope 2 greenhouse gas emissions; and c Scope 3 greenhouse gas emission[2,3] Explain: 1 We are not able to present all disclosures for the same period as the financial statements, which we have explained – refer to pages 71 and 74 for rationale. 2 Scope 3 financed emissions data does not yet include emissions related to undrawn loan commitments – refer to page 71 for rationale. 3 Scope 3 financed emissions are inclusive of emission scopes that we deem to be material to each sector. We do not include all Scope 3 emissions for each reported sector.	92 452 99-106
		29(a)	measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions	92, 97
		29(b)	disclose the approach it uses to measure its greenhouse gas emissions including	92-97, 99
		29(b)(i)	the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions	92, 93, 96 97, 99
		29(b)(ii)	the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emission	92, 93, 96 97, 99
		29(b)(iii)	any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes	92, 93, 96 97, 99
		29(c)	for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions	93-94 209 451-452
		29(d)	for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)	92 Some categories are immaterial – refer to page 72 for rationale

Climate reporting index

TCFD pillar	TCFD recommended disclosure[1]	Hong Kong Listing Rules Appendix C2 Part D requirement		Page
Metrics and targets	c The targets used by the Group to manage climate-related risks and opportunities and our performance against targets Companies Act Section 414b(2A) (g)	22(a)(iv)	how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40	83-88 90-107
		37	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose	75-77 83-85 92-94 97-99, 106 454-457
		37(a)	the metric used to set the target	83-85 92-99, 106 454-457
		37(b)	the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives)	83-85 92 97, 106
		37(c)	the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region)	83-85 92-99, 106 454-457
		37(d)	the period over which the target applies	83-85 92-99, 106 454-457
		37(e)	the base period from which progress is measured	83-85 92-99, 106 454-457
		37(f)	milestones or interim targets (if any)	98-107
		37(g)	if the target is quantitative, whether the target is an absolute target or an intensity target	83-85, 93, 99, 106
		37(h)	how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target	97, 106
		38(a)	whether the target and the methodology for setting the target has been validated by a third party	97
		38(b)	the issuer's processes for reviewing the target	90-107 122-127
		38(c)	the metrics used to monitor progress towards reaching the target; and	83-85 92-107
		38(d)	any revisions to the target and an explanation for those revisions	98
		39	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance	83-85 92-107
		40(a)	which greenhouse gases are covered by the target	Immaterial – refer to page 72 for rationale
		40(b)	whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target	76-77 90-106

TCFD pillar	TCFD recommended disclosure[1]	Hong Kong Listing Rules Appendix C2 Part D requirement		Page
Metrics and targets		40(c)	whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions targe	93-95 97
		40(d)	whether the target was derived using a sectoral decarbonisation approach	100-105
		40(e)	the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose	94-95 97
		40(e)(i)	the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits	94-95 97
		40(e)(ii)	which third-party scheme(s) will verify or certify the carbon credits	94-95
		40(e)(iii)	the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal	94-95
		40(e)(iv)	any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset)	94-95
		41	In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36)	289-302

Shareholder information

Dividend and interest payment dates

Ordinary shares	Final dividend
Results and dividend announced	24 February 2026
Ex-dividend date	18 (HK) 19 (UK) March 2026
Record date for dividend	20 March 2026
Last date to amend currency election instructions for cash dividend*	16 April 2026
Dividend payment date	14 May 2026

* In either US dollars, pound sterling or Hong Kong dollars.

Preference shares	1st half yearly dividend	2nd half yearly dividend
73/8 per cent non-cumulative irredeemable preference shares of £1	1 April 2026	1 October 2026
81/4 per cent non-cumulative irredeemable preference shares of £1 each	1 April 2026	1 October 2026
6.409 per cent non-cumulative redeemable preference shares of $5 each	30 January and 30 April 2026	30 July and 30 October 2026
7.014 per cent non-cumulative redeemable preference shares of $5 each	30 January 2026	30 July 2026

Annual General Meeting (AGM)

The AGM will be held on Thursday, 7 May 2026 at 11.00am UK time (6.00pm Hong Kong time). Further details regarding the format, location and business to be transacted at the meeting will be disclosed within the 2026 Notice of AGM.

Details of voting at the Company's AGM and of proxy votes cast can be found on the Company's website at sc.com/agm

Interim results

The interim results will be announced to the London Stock Exchange and the Stock Exchange of Hong Kong Limited and put on the Company's website.

Country-by-country reporting

In accordance with the requirements of the Capital Requirements (country-by-country reporting) Regulations 2013, the Group will publish additional country-by-country information in respect of the year ended 31 December 2025, on or before 31 December 2026. We have also published our UK tax strategy.

Read our latest country-by-country report sc.com/country-by-country-disclosure

Pillar 3 reporting

In accordance with the Pillar 3 disclosure requirements, the Group has published the Pillar 3 disclosures in respect of the year ended 31 December 2025.

Read our Pillar 3 disclosures sc.com/financial-results

ShareCare

ShareCare is available to shareholders on the Company's UK register who have a UK address and bank account. It allows you to hold your Standard Chartered PLC shares in a nominee account. Your shares will be held in electronic form, so you will no longer have to worry about keeping your share certificates safe. If you join ShareCare, you will still be invited to attend the Company's AGM and you will receive any dividend at the same time as everyone else. ShareCare is free to join and there are no annual fees to pay.

If you would like to receive more information, please visit sc.com/sharecare or contact the shareholder helpline on 0370 702 0138

Donating shares to ShareGift

Shareholders who have a small number of shares often find it uneconomical to sell them. An alternative is to consider donating them to the charity ShareGift (registered charity 1052686), which collects donations of unwanted shares until there are enough to sell and uses the proceeds to support UK charities. There is no implication for capital gains tax (no gain or loss) when you donate shares to charity, and UK taxpayers may be able to claim income tax relief on the value of their donation.

Further information can be obtained from the Company's registrars or from ShareGift on 020 7930 3737 or from www.sharegift.org

Bankers' Automated Clearing System

Dividends can be paid straight into your bank or building society account.

Please register online at investorcentre.co.uk or contact our registrars for a dividend mandate form

Registrars and shareholder enquiries

If you have any enquiries relating to your shareholding and you hold your shares on the UK register, please contact our registrar at investorcentre.co.uk. Alternatively, please contact Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZZ or call the shareholder helpline number on 0370 702 0138. If you hold your shares on the Hong Kong branch register and you have enquiries, please contact Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

You can check your shareholding at www.computershare.com/hk/investors

Substantial shareholders

The Company and its shareholders have been granted partial exemption from the disclosure requirements under Part XV of the Securities and Futures Ordinance (SFO). As a result of this exemption, shareholders, directors and chief executives no longer have an obligation under Part XV of the SFO (other than Divisions 5, 11 and 12 thereof) to notify the Company of substantial shareholding interests, and the Company is no longer required to maintain a register of interests of substantial shareholders under section 336 of the SFO, nor a register of directors' and chief executives' interests under section 352 of the SFO. The Company is, however, required to file with The Stock Exchange of Hong Kong Limited any disclosure of interests made in the UK.

Taxation

The Company has a Group-wide policy on tax strategy and governance, which details that we seek to apply our approach to tax in all jurisdictions in which we operate and are committed to paying all taxes legally due. This policy is approved by the Board annually and is available on our website **sc.com/regulatory-disclosures**.

No tax is currently withheld from payments of dividends by Standard Chartered PLC. Shareholders and prospective purchasers should consult an appropriate independent professional adviser regarding the tax consequences of an investment in shares in light of their particular circumstances, including the effect of any national, state or local laws.

Chinese translation

If you would like a Chinese language version of the 2025 Annual Report, please contact Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

二〇二五年年報之中文譯本可向香港中央證券登記有限公司索取，地址：香港灣仔皇后大道東183號合和中心17M樓。

Shareholders on the Hong Kong branch register who have asked to receive corporate communications in either Chinese or English can change this election by contacting Computershare. If there is any inconsistency between the English version of this document and any translation of the English version, the English version shall prevail.

Electronic communications

If you hold your shares on the UK register and in future you would like to receive the Annual Report electronically rather than by post, please register online at: **www.investorcentre.co.uk.** Click on 'register now' and follow the instructions. You will need to have your Shareholder or ShareCare reference number to hand. You can find this on your share certificate or ShareCare statement. Once you have registered and confirmed your email communication preference, you will receive future notifications via email enabling you to submit your proxy vote online. In addition, as a member of Investor Centre, you will be able to manage your shareholding online and change your bank mandate or address information.

Important notices

Forward-looking statements

The information included in this document may contain 'forward-looking statements' based upon current expectations or beliefs as well as statements formulated with assumptions about future events. Forward-looking statements include, without limitation, projections, estimates, commitments, plans, approaches, ambitions and targets (including, without limitation, ESG commitments, ambitions and targets). Forward-looking statements often use words such as 'may', 'could', 'will', 'expect', 'intend', 'estimate', 'anticipate', 'believe', 'plan', 'seek', 'aim', 'continue' or other words of similar meaning to any of the foregoing. Forward-looking statements may also (or additionally) be identified by the fact that they do not relate only to historical or current facts.

By their very nature, forward-looking statements are subject to known and unknown risks and uncertainties and other factors that could cause actual results, and the Group's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements. Readers should not place reliance on, and are cautioned about relying on, any forward-looking statements.

There are several factors which could cause the Group's actual results and its plans and objectives to differ materially from those expressed or implied in forward-looking statements.

The factors include (but are not limited to): changes in global, political, economic, business, competitive and market forces or conditions, or in future exchange and interest rates; changes in environmental, geopolitical, social or physical risks; legal, regulatory and policy developments, including regulatory measures addressing climate change and broader sustainability-related issues; the development of standards and interpretations, including evolving requirements and practices in ESG reporting; the ability of the Group, together with governments and other stakeholders to measure, manage and mitigate the impacts of climate change and broader sustainability-related issues effectively; risks arising out of health crises and pandemics; risks of cyber attacks, data, information or security breaches or technology failures involving the Group; changes in tax rates or policy; future business combinations or dispositions; and other factors specific to the Group, including those identified in this Annual Report and financial statements of the Group. To the extent that any forward-looking statements contained in this document are based on past or current trends and/or activities of the Group, they should not be taken as a representation that such trends or activities will continue in the future.

No statement in this document is intended to be, nor should be interpreted as, a profit forecast or to imply that the earnings of the Group for the current year or future years will necessarily match or exceed the historical or published earnings of the Group. Each forward-looking statement speaks only as of the date that it is made. Except as required by any applicable laws or regulations, the Group expressly disclaims any obligation to revise or update any forward-looking statement contained within this document, regardless of whether those statements are affected as a result of new information, future events or otherwise.

Please refer to this Annual Report and the financial statements of the Group for a discussion of certain of the risks and factors that could adversely impact the Group's actual results, and cause its plans and objectives, to differ materially from those expressed or implied in any forward-looking statements.

Non-IFRS performance measures and alternative performance measures

The Group financial statements have been prepared in accordance with UK-adopted international accounting standards and International Financial Reporting Standards (IFRS) as adopted by the European Union. Standard Chartered PLC's financial statements have been prepared in accordance with UK-adopted international accounting standards (IAS) as applied in conformity with section 408 of the Companies Act 2006. This document may contain financial measures and ratios not specifically defined under IFRS or IAS and/or alternative performance measures as defined in the European Securities and Market Authority guidelines. Such measures may exclude certain items that management believes are not representative of the underlying performance of the business and which distort period-on-period comparison. These measures are not a substitute for IAS or IFRS measures and are based on a number of assumptions that are subject to uncertainties and change. Please refer to this Annual Report and the financial statements of the Group for further information, including reconciliations between the underlying and reported measures.

Financial instruments

Nothing in this document shall constitute, in any jurisdiction, an offer or solicitation to sell or purchase any securities or other financial instruments, nor shall it constitute a recommendation or advice in respect of any securities or other financial instruments or any other matter.

Basis of preparation and caution regarding data limitations

This section is specifically relevant to, among others, the sustainability and climate models, calculations and disclosures throughout this report. The information contained in this document has been prepared on the following basis:

i disclosures in the Strategic report, Financial review, Sustainability review, Directors' report, Risk review and Capital review and Supplementary information are unaudited unless otherwise stated;

ii all information, positions and statements set out in this document are subject to change without notice;

iii the information included in this document does not constitute any investment, accounting, legal, regulatory or tax advice or an invitation or recommendation to enter into any transaction;

iv the information included in this document may have been prepared using models, methodologies and data that are subject to certain limitations. These limitations include: the limited availability of reliable data, data gaps and the nascent nature of the methodologies and technologies underpinning this data; the limited standardisation of data (given, among other things, limited international coordination on data and methodology standards); and future uncertainty (due, among other things, to changing projections relating to technological development and global and regional laws, regulations and policies, and the current inability to make use of strong historical data);

v models, external data and methodologies used in information included in this document are or could be subject to adjustment which is beyond our control;

vi any opinions and estimates should be regarded as indicative, preliminary and for illustrative purposes only. Expected and actual outcomes may differ from those set out in this document (as explained in the 'Forward-looking statements' section above);

vii some of the related information appearing in this document may have been obtained from public and other sources and, while the Group believes such information to be reliable, it has not been independently verified by the Group and no representation or warranty is made by the Group as to its quality, completeness, accuracy, fitness for a particular purpose or noninfringement of such information;

viii for the purposes of the information included in this document, a number of key judgements and assumptions have been made. It is possible that the assumptions drawn, and the judgement exercised may subsequently turn out to be inaccurate. The judgements and data presented in this document are not a substitute for judgements and analysis made independently by the reader;

ix any opinions or views of third parties expressed in this document are those of the third parties identified, and not of the Group, its affiliates, directors, officers, employees or agents. By incorporating or referring to opinions and views of third parties, the Group is not, in any way, endorsing or supporting such opinions or views;

x while the Group bears primary responsibility for the information included in this document, it does not accept responsibility for the external input provided by any third parties for the purposes of developing the information included in this document;

xi the data contained in this document reflects available information and estimates at the relevant time;

xii where the Group has used any methodology or tools developed by a third party, the application of the methodology or tools (or consequences of its application) shall not be interpreted as conflicting with any legal or contractual obligations and such legal or contractual obligations shall take precedence over the application of the methodology or tools;

xiii where the Group has used any underlying data provided or sourced by a third party, the use of the data shall not be interpreted as conflicting with any legal or contractual obligations and such legal or contractual obligations shall take precedence over the use of the data;

xiv this Important Notice is not limited in applicability to those sections of the document where limitations to data, metrics and methodologies are identified and where this Important Notice is referenced. This Important Notice applies to the whole document;

xv further development of reporting, standards or other principles could impact the information included in this document or any metrics, data and targets included in this document (it being noted that ESG reporting and standards are subject to rapid change and development); and

xvi while all reasonable care has been taken in preparing the information included in this document, neither the Group nor any of its affiliates, directors, officers, employees or agents make any representation or warranty as to its quality, accuracy or completeness, and they accept no responsibility or liability for the contents of this information, including any errors of fact, omission or opinion expressed.

You are advised to exercise your own independent judgement (with the advice of your professional advisers as necessary) with respect to the risks and consequences of any matter contained in this document.

The Group, its affiliates, directors, officers, employees or agents expressly disclaim any liability and responsibility for any decisions or actions that you may take and for any damage or losses you may suffer from your use of or reliance on the information contained in this document.

Copyright in all materials, text, articles and information contained in this document (other than third-party materials, text, articles and information) is the property of, and may only be reproduced with permission of an authorised signatory of, the Group.

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Glossary

Additional Tier 1 capital (AT1)
Instruments other than Common Equity Tier 1 that meet the Capital Requirements Regulation (as it forms part of UK domestic law) criteria for inclusion in Tier 1 capital.

Additional value adjustment (AVA)
See Prudent valuation adjustment.

Advanced Internal Rating Based (AIRB) approach
The approach is used under the Basel framework to calculate credit risk capital based on the Group's own estimates of prudential parameters.

Alternative performance measures (APM)
A financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

Assets under management (AUM)
Total market value of assets such as deposits, securities and funds held by the Group on behalf of the clients.

Association of Southeast Asian Nations (ASEAN)
A political and economic union of 10 Southeast Asian Countries. Includes the Group's operations in Brunei, Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam.

Basel III
The global regulatory standards on capital adequacy and liquidity developed by the Basel Committee on Banking Supervision (BCBS) in response to the financial crisis of 2007 to 2009. It was originally issued in December 2010 and finalised in December 2017. The standards have been in the process of being phased into UK policy since 2022.

Basel Committee on Banking Supervision (BCBS)
A forum on banking supervisory matters which develops global supervisory standards for the banking industry. Its members are officials from 45 central banks or prudential supervisors from 28 countries and territories.

Basic earnings per share (EPS)
Represents earnings divided by the basic weighted average number of shares.

Basis point (bps)
One hundredth of a per cent (0.01 per cent).

Capital-lite income
Income derived from products with low risk-weighted asset consumption or products which are non-funding in nature.

Capital Requirements Directive (CRD)
A capital adequacy legislative package adopted by the Prudential Regulation Authority. CRD comprises the Capital Requirements Directive and the UK onshored Capital Requirements Regulation (CRR). The package implements the Basel III framework together with transitional arrangements for some of its requirements. CRD IV came into force on 1 January 2014. The EU CRR II and CRD V amending the existing package came into force in June 2019 with most changes starting to apply from 28 June 2021. Only those parts of the EU CRR II that applied on or before 31 December 2020, when the UK was a member of the EU, have been implemented. The PRA finalised the UK's version of the CRR II for implementation on 1 January 2022.

Capital resources
Sum of Tier 1 and Tier 2 capital after regulatory adjustments.

Cash-generating unit (CGU)
The smallest identifiable group of assets that generates cash inflows largely independent of the cash inflows from other assets or groups of assets.

Cash shortfall
The difference between the cash flows due in accordance with the contractual terms of the instrument and the cash flows that the Group expects to receive over the contractual life of the instrument.

Clawback
An amount an individual is required to pay back to the Group, which must be returned to the Group under certain circumstances.

Commercial real estate
Includes office buildings, industrial property, medical centres, hotels, malls, retail stores, shopping centres, farmland, multi-family housing buildings, warehouses, garages, and industrial properties. Commercial real estate loans are those backed by a package of commercial real estate assets.

Common Equity Tier 1 capital (CET1)
Consists of the common shares issued by the Group and related share premium, retained earnings, accumulated other comprehensive income and other disclosed reserves, eligible non-controlling interests and regulatory adjustments required in the calculation of CET 1.

CET1 ratio/CET1 capital ratio
A measure of the Group's CET1 capital as a percentage of risk-weighted assets.

Contractual maturity
The final payment date of a loan or other financial instrument, at which point all the remaining outstanding principal and interest is due to be paid.

Countercyclical capital buffer (CCyB)
Part of a set of macroprudential instruments, designed to help counter procyclicality in the financial system. CCyB as defined in the Basel III standard provides for an additional capital requirement of up to 2.5 per cent of risk-weighted assets in a given jurisdiction. The Bank of England's Financial Policy Committee has the power to set the CCyB rate for the UK. Each bank must calculate its institution-specific CCyB rate, defined as the weighted average of the CCyB rates in effect across the jurisdictions in which it has credit exposures. The institution-specific CCyB rate is then applied to a bank's total risk-weighted assets.

Climate Risk Assessment (CRA)
An internal assessment conducted on in-scope corporate clients to assess our client's exposure to climate risks, across Physical and Transition risks and their ability to manage and mitigate these risks. These climate considerations are integrated into credit risk analysis and portfolio management.

Counterparty credit risk
The risk that a counterparty defaults before satisfying its obligations under a derivative, a securities financing transaction or a similar contract.

Court
The Court is the decision-making body of Standard Chartered Bank Group. It is collectively responsible for leading the Group within a framework of prudent and effective controls, the long-term success of the Group and the delivery of sustainable value to all stakeholders. The membership of the Court is comprised of all but two independent non-executive directors from the PLC Board, executive directors from the PLC Board and directors who are appointed solely to the Court.

Credit conversion factor (CCF)
An estimate of the amount the Group expects a customer to have drawn further on a facility limit at the point of default. This is either prescribed by the Capital Requirements Regulation or modelled by the Group.

Credit default swaps (CDS)
A credit derivative is an arrangement where the credit risk of an asset (the reference asset) is transferred from the buyer to the seller of protection. A credit default swap is a contract where the protection seller receives premium or interest-related payments in return for contracting to make payments to the protection buyer upon a defined credit event. Credit events normally include bankruptcy, payment default on a reference asset or assets, or downgrades by a rating agency.

Capital Requirements Regulation (CRR)
A regulation that aims to decrease the likelihood that banks become insolvent.

Credit institutions
An institution whose business is to receive deposits or other repayable funds from the public and to grant credits for its own account.

Credit risk mitigation
A process to mitigate potential credit losses from any given account, customer or portfolio by using a range of tools such as collateral, netting agreements, credit insurance, credit derivatives and guarantees.

Credible Transition Plan (CTP)
A credible climate transition plan is a time-bound, action plan that clearly outlines how a company will invest in or pivot existing assets, operations, and entire business model towards a trajectory that aligns with the most ambitious climate science.

Credit grade 12 (CG12)
An account which exhibits well defined major weaknesses in areas such as management, cash flow, financial position, market conditions and/or performance of the client that would likely affect repayment on existing terms. The client is experiencing financial difficulties but there is no current expectation of a loss of principal or interest at this stage and there is no indication of unlikeliness to repay (it is still a performing asset)

Credit grade 13 (CG13)
Any account which exhibits one or more of the symptoms of unlikeliness to pay and/or instances when an obligor is more than 90 days past due is classified as CG13.

Credit grade 14 (CG14)
Any account where the expected gross cash flows are less than the net outstanding exposure in the Likely scenario is classified as CG14.

Credit valuation adjustments (CVA)
An adjustment to the fair value of derivative contracts that reflects the possibility that the counterparty may default, such that the Group would not receive the full market value of the contracts.

Customer accounts
Money deposited by all individuals and companies which are not credit institutions including securities sold under repurchase agreement (see repo/reverse repo). Such funds are recorded as liabilities in the Group's balance sheet under customer accounts.

Days past due
One or more days that interest and/or principal payments are overdue based on the contractual terms of the transaction.

Debit valuation adjustment (DVA)
An adjustment to the fair value of derivative contracts that reflect the possibility that the Group may default and not pay the full market value of contracts.

Debt securities
Assets on the Group's balance sheet that represent certificates of indebtedness of credit institutions, public bodies or other undertakings, excluding those issued by central banks.

Debt securities in issue
Transferable certificates of indebtedness of the Group to the bearer of the certificate. These are liabilities of the Group and include certificates of deposits.

Default
Financial assets in default, which includes CG13 and CG14, are at least 90 days past due in respect of principal or interest and/or where the assets are otherwise considered to be unlikely to pay, including those that are credit impaired.

Deferred tax asset (DTA)
Income taxes recoverable in future periods in respect of deductible temporary differences between the accounting and tax base of an asset or liability that will result in tax deductible amounts in future periods, the carry forward of tax losses or the carry forward of unused tax credits.

Deferred tax liability (DTL)
Income taxes payable in future periods in respect of taxable temporary differences between the accounting and tax base of an asset or liability that will result in taxable amounts in future periods.

Defined benefit obligation
The present value of expected future payments required to settle the obligations of a defined benefit scheme resulting from employee service.

Defined benefit scheme
Retirement benefit plans under which amounts to be paid as retirement benefits are determined by reference to a formula usually based on employees' earnings and/or years of service.

Defined contribution scheme
A pension or other post-retirement benefit scheme where the employer's obligation is limited to its contributions to the fund.

Delinquency
A debt or other financial obligation is in a state of delinquency when payments are overdue. Loans and advances are delinquent when consecutive payments are missed. Also known as arrears.

Deposits by banks
Deposits by banks comprise amounts owed to other domestic or foreign credit institutions by the Group including securities sold under repo. Refer to 'Repurchase agreement (repo) / reverse repurchase agreement (reverse repo)'.

Diluted earnings per share
Represents earnings divided by the weighted average number of shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Dividend per share
Represents the entitlement of each shareholder of the profits of the Company. Calculated in the lowest unit of currency in which the shares are quoted.

Early alert, purely (EA-PP)
An account that exhibits characteristics which present credit concerns over customer's capacity to repay its debt obligations, but where the problem is expected to be short-term, and the default risk remains low.

Early alert non-purely precautionary (EA-NPP)
Accounts that present material credit concerns which may result in a default by the client if left unaddressed. EA-PP accounts should be reviewed on an ongoing basis and can be re-categorised to NPP, where the situation has further deteriorated and cause material credit concerns over customer's debt servicing capability. Account can be placed on EA-NPP directly, without being placed as PP, if the deterioration is rapid and material and causes imminent credit concerns.

Effective tax rate
The tax on profit or losses on ordinary activities as a percentage of profit or loss on ordinary activities before taxation.

Encumbered assets
On balance sheet assets pledged or used as collateral in respect of certain of the Group's liabilities.

Eurozone
Represents the 19 EU countries that have adopted the euro as their common currency.

Expected credit loss (ECL)
Represents the present value of expected cash shortfalls over the residual term of a financial asset, undrawn commitment or financial guarantee. This comprises ECL generated by the models, management judgements and individually assessed credit impairment provisions.

Expected loss (EL)
The Group measure of anticipated loss for exposures captured under an internal ratings-based credit risk approach for capital adequacy calculations. It is measured as the Group-modelled view of anticipated loss based on probability of default, loss given default and exposure at default, with a one-year time horizon.

Exposures
Credit exposures represent the amount lent to a customer including any undrawn commitments.

Exposure at default (EAD)
The estimation of the extent to which the Group may be exposed to a customer or counterparty in the event of, and at the time of, that counterparty's default. At default, the customer may not have drawn the loan fully or may already have repaid some of the principal, so that exposure is typically less than the approved loan limit.

External Credit Assessment Institution (ECAI)
External credit ratings are used to assign risk-weights under the standardised approach for sovereigns, corporates and institutions. The external ratings are from credit rating agencies registered or certified in accordance with the credit rating agencies regulation or from a central bank issuing credit ratings, which is exempt from the application of this regulation.

Facilitated Emissions
Refers to the greenhouse gas emissions that result from the facilitation of financial transactions by financial institutions.

Financed Emissions
Emissions attributed to a financial institution when financing a client.

Financial Conduct Authority (FCA)
The governing body that regulates the conduct of financial firms and, for certain firms, prudential standards in the UK. It has a strategic objective to ensure that the relevant markets function well.

Forbearance
Takes place when a concession is made to the contractual terms of a loan in response to an obligor's financial difficulties. The Group classifies such modified loans as either 'Forborne – not impaired loans' or 'Loans subject to forbearance – impaired'. Once a loan is categorised as either of these, it will remain in one of these two categories until the loan matures or satisfies the 'curing' conditions described in Note 8 to the financial statements.

Forborne – not impaired loans
Loans where the contractual terms have been modified due to financial difficulties of the borrower, but the loan is not considered to be impaired. See Forbearance.

Funded/unfunded exposures
Exposures where the notional amount of the transaction is funded or unfunded. Represents exposures where a commitment to provide future funding is made but funds have been released/not released.

Funding valuation adjustment (FVA)

An adjustment to fair value in respect of derivative contracts that reflects the funding costs that the market participant would incorporate when determining an exit price.

Funds Transfer Pricing (FTP)

FTP sets the funding rate for internal pricing, representing the internal marginal cost of funding of the Group and is used to determine the transfer pricing of the interest rate and liquidity risks between businesses and Treasury.

G-SIB buffer/G-SII buffer

A CET1 capital buffer which results from designation as a G-SIB. The G-SIB buffer is between 1 per cent and 3.5 per cent, depending on the allocation to one of five buckets based on the annual scoring. In the UK, the G-SIB buffer is implemented via the CRD as Global Systemically Important Institutions (G-SII) buffer requirement.

Global Systemically Important Banks (G-SIBs)/Globally Systemically Important Institutions (G-SIIs)

Global banking financial institutions whose size, complexity and systemic interconnectedness mean that their distress or failure would cause significant disruption to the wider financial system and economic activity. The list of G-SIBs is assessed under a framework established by the Financial Stability Board and the Basel Committee on Banking Supervision. In the UK, the G-SIB framework is implemented via the CRD and G-SIBs are referred to as Global Systemically Important Institutions (G-SIIs).

Green and Sustainable Product Framework

Sets out qualifying themes and activities that may be considered eligible as 'green', 'social' or 'sustainable'. This has been externally reviewed by Morningstar Sustainalytics and has been informed by industry and supervisory principles and standards such as the ICMA Green Bond Principles and EU Taxonomy for sustainable activities.

Gulf Cooperation Council (GCC)

The Gulf Cooperation Council is a regional organisation consisting of Bahrain, Kuwait, Oman, Qatar, Saudia Arabia, and the United Arab Emirates.

Interest rate risk

The risk of an adverse impact on the Group's income statement due to changes in interest rates.

Internal model approach (IMA)

The approach used to calculate market risk capital and risk-weighted assets with an internal market risk model approved by the Prudential Regulation Authority under the terms of CRD/CRR.

Internal ratings-based approach (IRB)

Risk-weighting methodology in accordance with the Basel Capital Accord where capital requirements are based on a firm's own estimates of prudential parameters.

International Accounting Standard (IAS)

A standard that forms part of the International Financial Reporting Standards framework.

International Accounting Standards Board (IASB)

An independent standard-setting body responsible for the development and publication of IFRS and approving interpretations of standards recommended by the IFRS Interpretations Committee (IFRIC).

International Financial Reporting Standards (IFRS)

A set of international accounting standards developed and issued by the International Accounting Standards Board, consisting of principles-based guidance contained within IFRS and IAS. All companies that have issued publicly traded securities in the EU are required to prepare annual and interim reports under IFRS and IAS endorsed by the EU.

IFRS Interpretations Committee (IFRIC)

Supports the IASB in providing authoritative guidance on the accounting treatment of issues not specifically dealt with by existing IFRS and IAS.

Investment grade

A debt security, treasury bill or similar instrument with a credit rating measured by external agencies of AAA to BBB.

Leverage ratio

A ratio introduced under CRD IV that compares Tier 1 capital to total exposures, including certain exposures held off-balance sheet as adjusted by stipulated credit conversion factors. Intended to be a simple, non-risk-based backstop measure.

Liquidation portfolio

A portfolio of assets beyond our current risk appetite metrics held for liquidation.

Liquidity coverage ratio (LCR)

The ratio of the stock of high-quality liquid assets to expected net cash outflows over the following 30 days. High-quality liquid assets should be unencumbered, liquid in markets during a time of stress and, ideally, be central bank eligible.

Loan exposure

Loans and advances to customers reported on the balance sheet held at amortised cost or Fair Value through Other Comprehensive Income, non-cancellable credit commitments and cancellable credit commitments for credit cards and overdraft facilities.

Loans and advances to banks

Drawn amounts loaned to credit institutions including securities bought under reverse repo.

Loans and advances to customers

This represents drawn lending made under bilateral agreements with customers entered in the normal course of business and is based on the legal form of the instrument.

Loans past due

Loans on which payments have been due for up to a maximum of 90 days including those on which partial payments are being made.

Loans subject to forbearance – impaired

Loans where the terms have been renegotiated on terms not consistent with current market levels due to financial difficulties of the borrower. Loans in this category are necessarily impaired. See 'forbearance.

Loan-to-value ratio (LTV)
A calculation which expresses the amount of a first mortgage lien as a percentage of the total appraised value of real property. The loan-to-value ratio is used in determining the appropriate level of risk for the loan and therefore the correct price of the loan to the borrower.

Loss given default (LGD)
The percentage of an exposure that a lender expects to lose in the event of obligor default.

Loss rate
Uses an adjusted gross charge-off rate, developed using monthly write-off and recoveries over the preceding 12 months and total outstanding balances.

Malus
An arrangement that permits the Group to prevent vesting of all or part of the amount of an unvested variable remuneration award, due to a specific crystallised risk, behaviour, conduct or adverse performance outcome.

Master netting agreement
An agreement between two counterparties that have multiple derivative contracts with each other that provide for the net settlement of all contracts through a single payment, in a single currency, in the event of default on, or termination of, any one contract.

Mezzanine capital
Financing that combines debt and equity characteristics. For example, a loan that also confers some profit participation to the lender.

Minimum requirement for own funds and eligible liabilities (MREL)
A requirement under the Bank Recovery and Resolution Directive for EU resolution authorities to set a minimum requirement for own funds and eligible liabilities for banks, implementing the Financial Stability Board's Total Loss Absorbing Capacity (TLAC) standard. MREL is intended to ensure that there is sufficient equity and specific types of liabilities to facilitate an orderly resolution that minimises any impact on financial stability and ensures the continuity of critical functions and avoids exposing taxpayers to loss.

Net asset value (NAV) per share
Ratio of net assets (total assets less total liabilities) to the number of ordinary shares outstanding at the end of a reporting period.

Net exposure
The aggregate of loans and advances to customers/loans and advances to banks after impairment provisions, restricted balances with central banks, derivatives (net of master netting agreements), investment debt and equity securities, and letters of credit and guarantees.

Net interest income (NII)
The difference between interest received on assets and interest paid on liabilities.

Net stable funding ratio (NSFR)
The ratio of available stable funding to required stable funding over a one-year time horizon, assuming a stressed scenario. It is a longer-term liquidity measure designed to restrain the amount of wholesale borrowing and encourage stable funding over a year.

Net-zero
Net-zero refers to a condition in which human-caused residual greenhouse gas emissions are balanced by human-led removals over a specified period and within specified boundaries.

Net-zero roadmap
Our Net-zero Roadmap refers to the short and medium-term objectives and quantifiable targets the Group has set to achieve net zero carbon emissions in our operations by 2025 and in our financed emissions by 2050.

Non-linearity
Non-linearity of expected credit loss occurs when the average of expected credit loss for a portfolio is higher than the base case (median) because a bad economic environment could have a larger impact on ECL calculation than a good economic environment.

Non-performing loans (NPLs)
Any loan that is more than 90 days past due or is otherwise individually impaired. All NPLs are reported as part of Stage 3 classification of loans (see 'Stage 3').

Normalised
Refer to Underlying/normalised in the Alternative performance measures section.

Operating expenses
Employee and premises costs, general and administrative expenses, depreciation and amortisation. Underlying operating expenses exclude expenses as described in the Underlying/normalised in the Alternative Performance Measures section. A reconciliation between underlying and reported earnings is contained in Note 2 to the financial statements.

Operating income or operating profit
Net interest, net fee and net trading income, as well as other operating income. Underlying operating income represents the income line items above, on an underlying basis. See Underlying/normalised in the Alternative Performance Measures section.

Over-the-counter (OTC) derivatives
A bilateral transaction (e.g. derivatives) not exchange traded and valued using valuation models.

Own credit adjustment (OCA)
An adjustment to the Group's issued debt designated at fair value through profit or loss that reflects the possibility that the Group may default and not pay the full market value of the contracts.

Physical risks
Risks arising from increasing severity and frequency of climate and weather-related events, which can damage property and other infrastructure, disrupt supply chains, and impact food production. This could lead to declining asset valuations and challenges with insurance claims, resulting in greater financial losses. Indirect effects on the macroeconomic environment, such as lower output and productivity, may exacerbate these direct impacts.

Pillar 1

The first pillar of the Basel framework which provides the approach to calculation of the minimum capital requirements for credit, market and operational risk. Minimum capital requirements are 8 per cent of the Group's risk-weighted assets.

Pillar 2

The second pillar of the Basel framework which requires banks to undertake a comprehensive assessment of their risks and to determine the appropriate amounts of capital to be held against these risks where other suitable mitigants are not available.

Pillar 3

The third pillar of the Basel framework which aims to provide a consistent and comprehensive disclosure framework that enhances comparability between banks and further promotes improvements in risk practices.

Priority Banking

Priority Banking customers are individuals who have met certain criteria for deposits, Assets under management, mortgage loans or monthly payroll. Criteria varies by country.

Private equity investments

Equity securities in operating companies generally not quoted on a public exchange. Investment in private equity often involves the investment of capital in private companies. Capital for private equity investment is raised by retail or institutional investors and used to fund investment strategies such as leveraged buyouts, venture capital, growth capital, distressed investments and mezzanine capital.

Probability of default (PD)

An internal estimate for each borrower grade of the likelihood that an obligor will default on an obligation over a given time horizon.

Probability weighted

Obtained by considering the values the metric can assume, weighted by the probability of each value occurring.

Profit/(loss) attributable to ordinary shareholders

Profit (loss) for the year after non-controlling interests and dividends declared in respect of preference shares classified as equity.

Prudent valuation adjustment (PVA)

An adjustment to CET1 capital to reflect the difference between fair value and prudent value positions, where the application of prudence results in a lower absolute carrying value than recognised in the financial statements.

Prudential Regulation Authority (PRA)

The statutory body responsible for the prudential supervision of banks, building societies, credit unions, insurers and a small number of significant investment firms in the UK. The PRA is a part of the Bank of England.

Regulatory consolidation

The regulatory consolidation of Standard Chartered PLC are consolidated results that differs from the statutory consolidation in that it includes certain subsidiaries on a proportionate consolidation basis. These entities are equity consolidated for statutory accounting purposes.

The regulatory consolidation excludes certain entities, which are consolidated for statutory accounting purposes.

Repurchase agreement (repo) /reverse repurchase agreement (reverse repo)

A repo is a short-term funding agreement, which allows a borrower to sell a financial asset, such as asset-backed securities or government bonds as collateral for cash. As part of the agreement the borrower agrees to repurchase the security at some later date, usually less than 30 days, repaying the proceeds of the loan. For the party on the other end of the transaction (buying the security and agreeing to sell in the future), it is a reverse repurchase agreement or reverse repo.

Residential mortgage

A loan to purchase a residential property which is then used as collateral to guarantee repayment of the loan. The borrower gives the lender a lien against the property, and the lender can foreclose on the property if the borrower does not repay the loan per the agreed terms. Also known as a home loan.

Return on risk-weighted assets (RoRWA)

Profit before tax for year as a percentage of RWA. Profit may be statutory or underlying and is specified where used.

See 'Risk-weighted assets

Revenue-based carbon intensity

A measurement of the quantity of greenhouse gases emitted by our clients per USD of their revenue.

Risk-weighted assets (RWA)

A measure of a bank's assets adjusted for their associated risks, expressed as a percentage of an exposure value in accordance with the applicable standardised or IRB approach provisions.

Risks not in VaR (RNIV)

A framework for identifying and quantifying marginal types of market risk that are not captured in the value at risk (VaR) measure for any reason, such as being a far-tail risk, or the necessary historical market data not being available.

Roll rate

A model used to estimate loan losses using a matrix that gives average loan migration rate from delinquency states from period to period. A matrix multiplication is then performed to generate the final PDs by delinquency bucket over different time horizons.

Scope 1 emissions

Arise from the consumption of energy from direct sources during the use of properties occupied by the Group. On-site combustion of fuels including diesel, liquefied petroleum gas and natural gas is recorded using meters or, where metering is not available, collated from fuel vendor invoices.

Scope 2 emissions
Arise from the consumption of energy from indirect sources – primarily electricity – within the space occupied by the Group, whether leased or owned. This can include base building services under landlord control but over which we typically hold a reasonable degree of influence.

Scope 3 emissions
Occur in the value chain of the Group, including both upstream and downstream emissions, but arise from sources not controlled by the Group.

Secured (fully and partially)
The borrower pledges an asset as collateral for a loan which, in the event that the borrower defaults, the Group is able to take possession of. All secured loans are considered fully secured if the fair value of the collateral is equal to or greater than the loan at the time of origination. All other secured loans are considered to be partially secured.

Securitisation
The process by which credit exposures are aggregated into a pool, which is used to back new securities. Under traditional securitisation transactions, assets are sold to a structured entity which then issues new securities to investors at different levels of seniority (credit tranching). This allows the credit quality of the assets to be separated from the credit rating of the originating institution and transfers risk to external investors in a way that meets their risk appetite. Under synthetic securitisation transactions, the transfer of risk is achieved using credit derivatives or guarantees, and the exposures being securitised remain exposures of the originating institution.

Senior debt
Debt that takes priority over other unsecured or otherwise more junior debt owed by the issuer. Senior debt has greater seniority in the issuer's capital structure than subordinated debt. In the event the issuer goes bankrupt, senior debt, theoretically, must be repaid before other creditors receive any payment.

Significant increase in credit risk (SICR)
Assessed by comparing the risk of default of an exposure at the reporting date to the risk of default at origination (after considering the passage of time).

Solo
A consolidated group of Standard Chartered Bank Group companies as defined by the Prudential Regulation Authority and differs from Standard Chartered Bank Company in that it includes the full consolidation of certain subsidiaries.

Sovereign exposures
Exposures to central governments and central government departments, central banks and entities owned or guaranteed by the aforementioned. Sovereign exposures, as defined by the European Banking Authority, include only exposures to central governments.

Stage 1
Financial assets within the scope of IFRS 9 ECL that have not experienced a significant increase in credit risk since origination and impairment recognised on the basis of 12 months expected credit losses.

Stage 2
Financial assets within the scope of IFRS 9 ECL that have experienced a significant increase in credit risk since origination and impairment is recognised on the basis of lifetime expected credit losses.

Stage 3
Financial assets within the scope of IFRS 9 ECL that are in default and considered credit-impaired (non-performing loans).

Standardised approach
In relation to credit risk, a method for calculating credit risk capital requirements using External Credit Assessment Institution (ECAI) ratings and supervisory risk weights. In relation to operational risk, a method of calculating the operational capital requirement by the application of a supervisory defined percentage charge to the gross income of eight specified business lines.

Structured note
An investment tool which pays a return linked to the value or level of a specified asset or index and sometimes offers capital protection if the value declines. Structured notes can be linked to equities, interest rates, funds, commodities and foreign currency.

Subordinated liabilities
Liabilities which, in the event of insolvency or liquidation of the issuer, are subordinated to the claims of depositors and other creditors of the issuer.

Sustainability aspirations
A series of targets and metrics that guide our efforts to promote social and economic development and deliver sustainable outcomes. These aspirations focus on the areas we can make the most material contribution to the delivery of the UN Sustainable Development Goals (SDGs). The SDGs are 17 interconnected global goals adopted in 2015 that serve as a blueprint for a more sustainable future by 2030, aiming to end poverty and inequality, protect the planet, and ensure peace, health, and prosperity worldwide.

Sustainable Finance assets
Assets from clients whose activities are aligned with the Sustainability Bond Framework and/or from transactions for which the use of proceeds will be utilised directly to contribute towards eligible themes and activities set out within the Sustainability Bond Framework.

Sustainable Finance income
Our sustainable finance income is prepared on an underlying basis, which includes client income generated from our sustainable finance product suite net of funding costs, as well as from clients recognised as green, social, sustainable or transition pureplays.

Sustainability-Linked Loan
Any type of loan instrument for which the economic characteristics can vary depending on whether the counterparty achieves ambitious, material and quantifiable predetermined sustainability performance targets.

Tier 1 capital

The sum of CET1 capital and Additional Tier 1 capital.

Tier 1 capital ratio

Tier 1 capital as a percentage of risk-weighted assets.

Tier 2 capital

Tier 2 capital comprises qualifying subordinated liabilities and related share premium accounts.

Total loss absorbing capacity (TLAC)

An international standard for TLAC issued by the FSB, which requires G-SIBs to have sufficient loss-absorbing and recapitalisation capacity available in resolution, to minimise impacts on financial stability, maintain the continuity of critical functions and avoid exposing public funds to loss.

Transition risks

Risks arising from the adjustment towards a carbon-neutral economy, which will require significant structural changes to the economy. These changes will prompt a reassessment of a wide range of asset values, a change in energy prices, and a fall in income and creditworthiness of some borrowers. In turn, this could lead to credit losses for lenders and market losses for investors.

UK bank levy

A levy that applies to certain UK banks and the UK operations of foreign banks. The levy is payable each year based on a percentage of the chargeable equities and liabilities on the Group's UK tax resident entities' balance sheets. Key exclusions from chargeable equities and liabilities include Tier 1 capital, insured or guaranteed retail deposits, repos secured on certain sovereign debt and liabilities subject to netting.

Unbiased

Not overly optimistic or pessimistic, represents information that is not slanted, weighted, emphasised, de-emphasised or otherwise manipulated to increase the probability that the financial information will be received favourably or unfavourably by users.

Underlying

Refer to 'Underlying/normalised' in the Alternative performance measures section.

Unlikely to pay

Indications of unlikeliness to pay include: placing the credit obligation on non-accrued status; the recognition of a specific credit adjustment resulting from a significant perceived decline in credit quality subsequent to the Group taking on the exposure; selling the credit obligation at a material credit-related economic loss; the Group consenting to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness, or postponement, of principal, interest or, where relevant fees; filing for the obligor's bankruptcy or a similar order in respect of an obligor's credit obligation to the Group; the obligor has sought or has been placed in bankruptcy or similar protection where this would avoid or delay repayment of a credit obligation to the Group.

Value at Risk (VaR)

A quantitative measure of market risk estimating the potential loss that will not be exceeded in a set time period at a set statistical confidence level.

Value in Use (ViU)

The present value of the future expected cash flows expected to be derived from an asset or CGU.

Write-downs

After an advance has been identified as impaired and is subject to an impairment provision, the stage may be reached whereby it is concluded that there is no realistic prospect of further recovery. Write-downs will occur when, and to the extent that, the whole or part of a debt is considered irrecoverable.

Sustainability and ESG reporting

The Group includes Environmental, Social and Governance (ESG) and sustainability information in this Annual Report, providing investors and stakeholders with an understanding of the implications of relevant sustainability-related risks and opportunities and progress against our objectives.

We have observed our obligations under: (i) sections 414CA and 414CB of the UK Companies Act 2006; (ii) the UK's Financial Conduct Authority's Listing Rules in respect of climate-related disclosures; and (iii) the ESG Reporting Guide contained in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. We have made disclosures consistent with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations and recommended disclosures throughout this Annual Report.

Additionally, we publish an ESG reporting index against the voluntary Global Reporting Initiative (GRI) Universal Standards and select GRI Topic Standards, and the World Economic Forum Stakeholder Capitalism Metrics framework.

Read more on the Group's sustainability-related disclosures at sc.com/sustainabilitylibrary

Alternative performance measures

The Group uses a number of alternative performance measures in the discussion of its performance. These measures exclude certain items which management believes are not representative of the underlying performance of the business and which distort period-on-period comparison. They provide the reader with insight into how management measures the performance of the business.

For more information on Standard Chartered visit sc.com

All information presented in the Group Chair's statement, and Group Chief Executive's and Group Chief Financial Officer's reviews are on an underlying basis unless otherwise stated. A reconciliation from underlying to reported and definitions of alternative performance measures can be found on page 65.

Unless another currency is specified, the word 'dollar' or symbol '$' in this document means US dollar and the word 'cent' or symbol 'c' means one-hundredth of one US dollar. Disclosures in the Strategic report, Financial review, Sustainability review, Directors' report, Risk review and Capital review and Supplementary information are unaudited unless otherwise stated.

Unless context requires within the document, 'China' refers to the People's Republic of China and, for the purposes of this document only, excludes Hong Kong Special Administrative Region (Hong Kong), Macau Special Administrative Region (Macau) and Taiwan. 'Korea' or 'South Korea' refers to the Republic of Korea. Asia includes Australia, Bangladesh, Brunei, Cambodia, India, Indonesia, Laos, Malaysia, Myanmar, Nepal, Philippines, Singapore, Sri Lanka, Thailand, Vietnam, China, Hong Kong, Japan, Korea, Macau and Taiwan; Africa includes Botswana, Côte d'Ivoire, Egypt, Ghana, Kenya, Mauritius, Morocco, Nigeria, South Africa, Tanzania, Uganda and Zambia. The Middle East includes Bahrain, Iraq, Oman, Pakistan, Qatar and Saudi Arabia and the United Arab Emirates. Europe includes Belgium, Falkland Islands, France, Germany, Jersey, Luxembourg, Poland, Sweden, Türkiye and the United Kingdom. The Americas includes Argentina, Brazil, Colombia and the United States.

Within the tables in this report, blank spaces indicate that the number is not disclosed, dashes indicate that the number is zero and 'nm' stands for not meaningful.

Standard Chartered PLC is incorporated in England and Wales with limited liability and is headquartered in London. The Group's head office provides guidance on governance and regulatory standards. Standard Chartered PLC Stock codes are: LSE STAN. LN and HKSE 02888.

Notes

Notes

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