S&P Global
Ratings

RatingsDirect®

Standard Chartered PLC; (Holding Co.); Standard Chartered Bank (Lead Bank)

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Primary Contact

Will Hau
Hong Kong
25333506
will.hau
@spglobal.com

Secondary Contacts

HongTaik Chung, CFA
Hong Kong
852-2533-3597
hongtaik.chung
@spglobal.com

Phyllis Liu, CFA, FRM
Hong Kong
852-2532-8036
phyllis.liu
@spglobal.com

This report does not constitute a rating action.

Ratings Score Snapshot

SACP: a-

Anchor	bbb+	
Business position	Adequate	0
Capital and earnings	Adequate	0
Risk position	Adequate	0
Funding	Strong	1
Liquidity	Strong	
CRA adjustment		0

Support: +2

ALAC support	2
GRE support	0
Group support	0
Sovereign support	0

Additional factors: 0

Issuer credit rating
A+/Stable/A-1
Resolution counterparty rating
AA-/--/A-1+
Holding company ICR
BBB+/Stable/A-2

ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. SACP--Stand-alone credit profile.

The holding company issuer credit rating (ICR) shown applies to Standard Chartered PLC. The issuer credit rating and resolution counterparty rating shown applies to Standard Chartered Bank and its core operating subsidiary, Standard Chartered Bank AG.

Credit Highlights

Overview

Key strengths	Key risks
Strong funding and liquidity profile.	Presence in emerging markets increases complexity of operations and can lead to greater volatility in earnings.
Established franchise in Asia, Africa, and the Middle East, with strong international links.	U.S. policy unpredictability, led by tariffs, clouds global growth prospects.
Adequate risk management cushions downside risks.	

Standard Chartered group's adequate risk management will cushion against significant asset quality deterioration, despite pressures from U.S. trade policy uncertainties, geopolitical tensions, and ongoing strains in Hong Kong's commercial real estate (CRE) market. In our view, the group's diversified business model and broad international network will enable it to effectively mitigate the direct impact of trade tensions and reduce reliance on any single trade corridor. Furthermore, we believe the impact of subdued Hong Kong CRE market is manageable, as the group's exposures to offices are small. The group focuses on large property developers, and their related exposures are backed by adequate levels of provisioning or collateral.

The group's profitability is likely to decline modestly in 2025, primarily due to net interest margin compression and restructuring expenses. We expect interest rates to decline across key markets, including Hong Kong, Singapore, Korea, and China. In addition, the group will incur 35%-45% of restructuring cost associated with its "Fit for Growth" program, announced in 2024. The restructuring is aimed at streamlining the group's structure and enhancing cost efficiency, but it will temporarily weigh on profitability for the rest of 2025. Nevertheless, strong growth in noninterest income, particularly fee income from the wealth management business, should partially offset these pressures. Credit costs are expected to remain stable at 0.30%-0.35% of gross customer loans over the next two years.

We expect the Standard Chartered group to maintain solid capitalization, supported by a moderate loan growth outlook and stable earnings capacity. The group's selective growth strategy and ongoing efforts to optimize risk-weighted assets, such as exiting portfolios with low returns and reducing high-risk exposures, will underpin its capital strength. Stable internal capital generation further supports its plans for significant shareholder returns. The group has announced a total of US$6.5 billion shareholder returns since the beginning of 2024, compared with its target to return at least US$8 billion to shareholders through dividends and share buybacks during 2024-2026.

We expect broadly stable additional loss-absorbing capacity (ALAC) over the next two years. The group's ALAC buffer is likely to stay well above the 6.5% threshold for a two-notch ratings uplift for Standard Chartered Bank (SCB, the U.K.-based lead bank of the group) over the next one to two years.

Outlook

The stable outlook on Standard Chartered PLC (SC PLC, the holding company of the Standard Chartered group) mainly reflects our view that the group will maintain its adequate risk management in the coming two years.

We expect the Standard Chartered group to maintain asset quality and credit losses that are broadly comparable with its global systemically important bank (G-SIB) peers'. The group has made steady progress in cleaning up its balance sheet and strengthening its risk management since 2015. Its performance has been resilient through difficult operating conditions, absorbing effects from the pandemic, an economic growth slowdown in key markets, and previously low interest rates.

We expect the Standard Chartered group to maintain its strong and stable deposit base, which benefits from the flight to quality in times of market stress, particularly in Hong Kong and Singapore. We also anticipate the group can maintain its current capitalization and ALAC buffers with moderate loan growth and a measured risk appetite.

Downside scenario

We could lower the group stand-alone credit profile (SACP) and therefore the ratings on SC PLC if:

- The group's business position deteriorates such that its earnings weaken considerably for a prolonged period (e.g. consecutive losses);
- Its asset quality declines significantly relative to that of geographically diverse G-SIB peers;
- The group's funding or liquidity profiles deteriorate, which could happen if fungibility within the group weakens, potentially due to regulatory changes, or if the profiles weaken significantly compared with U.K. peers'; or
- Material nonfinancial risks emerge, such as legal and cyber risks, lead to significant reputational damage or litigation costs and losses.

Upside scenario

We believe an upgrade is unlikely over the next 24 months. That said, we could raise the ratings on SC PLC if the group's earnings or risk-adjusted capital (RAC) ratio materially outperforms our base-case expectations, with no associated shift in risk appetite.

Standard Chartered Bank

The stable outlook on SCB reflects the stable outlook on SC PLC. It also reflects our expectation that the group will maintain its ALAC above 6.5% for the next 24 months.

Downside scenario

We could lower the ratings on SCB if we lower the group SACP or if we expect the group's ALAC to fall below our 6.5% threshold.

Upside scenario

We believe an upgrade is highly unlikely over the next 24 months.

Key Metrics

Standard Chartered PLC--Key ratios and forecasts

	--Fiscal year ended Dec. 31--				
(%)	2023a	2024a	2025f	2026f	2027f
Growth in operating revenue	8.4	11.6	1.0-3.0	0.0-2.0	0.0-2.0
Growth in customer loans	(4.6)	(0.2)	2.5-3.5	3.5-4.5	3.5-4.5
Growth in total assets	0.4	3.3	4.0-5.0	4.0-5.0	4.0-5.0
Net interest income/average earning assets (NIM)	1.2	1.0	0.9-1.0	0.8-0.9	0.8-0.9
Cost-to-income ratio	65.1	63.1	63.0-65.0	61.0-63.0	61.0-63.0
Return on average common equity	8.0	9.2	8.5-9.5	9.0-10.0	9.0-10.0
Return on assets	0.4	0.5	0.40-0.45	0.45-0.50	0.45-0.50
New loan loss provisions/average customer loans	0.2	0.2	0.25-0.30	0.30-0.35	0.30-0.35

Standard Chartered PLC--Key ratios and forecasts

	--Fiscal year ended Dec. 31--				
(%)	2023a	2024a	2025f	2026f	2027f
Gross nonperforming assets/customer loans	2.8	2.4	2.2-2.4	2.2-2.4	2.2-2.4
Net charge-offs/average customer loans	0.3	0.4	0.35-0.40	0.30-0.35	0.25-0.30
Risk-adjusted capital ratio	8.9	9.3	9.0-9.5	9.0-9.5	9.0-9.5

All figures are S&P Global Ratings-adjusted. a--Actual. f--Forecast. NIM--Net interest margin.

Anchor: Based On Weighted Average Of Jurisdictions Of Operation

The 'bbb+' anchor draws on our Banking Industry Country Risk Assessment (BICRA) methodology and our view of the weighted-average economic risk in the jurisdictions in which SC PLC operates.

Rather than metrics such as exposure at default, we view SC PLC's loan portfolio as the best proxy for its geographic exposure since SC PLC is primarily a lending institution. The split for our anchor calculation is 65% in Hong Kong SAR, Singapore, Korea, Taiwan, and the U.S. (with a low economic risk scores of '3'), 10% in U.K. (economic risk score of '4') and the rest is mainly mainland China, India, the United Arab Emirates, and various countries in the Middle East and Africa (with economic risk scores of '5' or higher). The resulting weighted-average economic risk score is close to '4' on a scale of 1-10 (where '1' is the lowest risk).

Our industry risk assessment is based solely on the U.K., where SC PLC and SCB are domiciled. That is the jurisdiction responsible for the regulation of the consolidated group.

The industry risk trend is stable. The U.K. banking system benefits from a well-developed regulatory framework. Bank earnings were strong in 2023 and 2024 due to elevated--although falling--rates, controlled costs, and subdued impairments during the period. Even as global economic uncertainty persists, elevated rates and significant balance sheet hedging will support earnings in 2025, supported by stable operating costs, and an affordable uptick in credit losses. Taken alongside stable funding and liquidity positions, with manageable wholesale funding needs, U.K. banks have material financial flexibility.

Business Position: Solid Presence In Asia, Middle East, And Africa

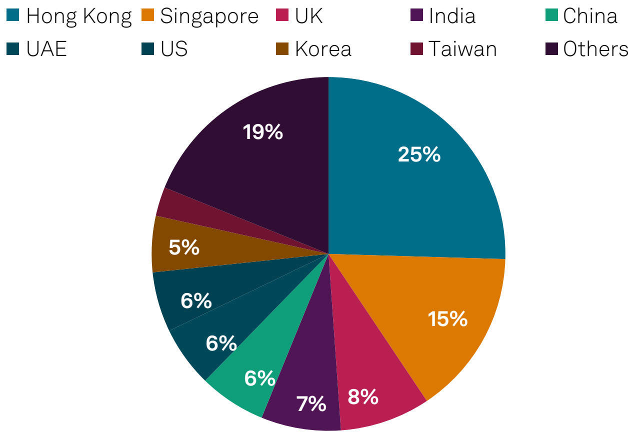
We expect the Standard Chartered group to maintain an adequate business position relative to that of peers with a comparable geographical outreach and industry dynamics. The group is present in 54 markets across six continents, mainly covering business lines of Corporate and Investment Banking (CIB); and Wealth and Retail Banking (WRB). Standard Chartered group has a solid presence in Asia and the Middle East, and is among the few international bank groups that has a fairly good presence in Africa, alongside Citibank and Societe Generale.

The Standard Chartered group continues to streamline its focus on its core capabilities and deploy its capital toward high-returning business segments. In November 2024, the group announced it is exploring the potential sale of wealth and retail banking operations in Botswana, Uganda, and Zambia. This move aligns with its strategic shift toward serving affluent and international clients.

Chart 1

SC PLC's operating income is mostly from Asia

For the first half of 2025

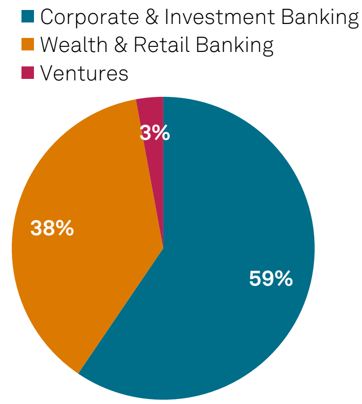


Source: Underlying operating income and company accounts.

Chart 2

Well-balanced business mix between corporates and households

For the first half of 2025



Excludes 'Central and other items'; Source: Underlying operating income and company accounts.

We expect the Standard Chartered group to maintain its competitive advantage in providing trade finance and cross-border cash management services to corporate clients. The group is designated as a global systemically important bank (G-SIB), requiring it to maintain 1% additional regulatory capital buffer.

The Standard Chartered group has a longstanding franchise and global network that provides it with a solid customer deposit base. The group's earnings are well diversified across geographies and segments, with strong contributions mainly from Asia and across corporate, institutional, and retail banking. The Standard Chartered group also has a good blend of interest income and noninterest income over the past several years. The group generates robust revenue from transaction banking and financial markets, primarily through its macro and credit trading as well as capital markets businesses. In addition, it has strong growth in fees and commissions, particularly from wealth management, bancassurance, and other lending solutions.

That said, these strengths are partly offset by slightly weaker through-the-cycle profitability compared with global peers, and the fact that the group is not dominant in major markets. We compare Standard Chartered group with other geographically diverse G-SIBS, including HSBC (group SACP is 'a'), Barclays PLC ('a-'), Bank of America Corp. ('a'), Citigroup Inc. ('a-'), BNP Paribas SA ('a'), ING Groep N.V. ('a'), Banco Santander ('a'), Societe Generale ('bbb+'), Sumitomo Mitsui Financial Group Inc. ('a'), and Unicredit SpA ('bbb+').

While all these peers have highly diversified operations and well-established franchises, only Societe Generale and Standard Chartered are assessed as having an adequate business position; the rest are rated strong or very strong. The relatively weaker business profile of Societe Generale and Standard Chartered reflect their weaker financial performance record.

Among the U.K. peers, Standard Chartered group is well-diversified geographically, along with HSBC and Barclays. However, HSBC has a better business position, mainly because of its stronger diversification and record of higher profitability. Barclays' business position reflects its diversified franchise, and its solid record of strategic execution and stable earnings.

The Standard Chartered group's profitability is low relative to its G-SIB peers, although it has been improving in recent few years. A key constraint has been the group's high-cost base. Through its "Fit for Growth" program, the group targets to save costs of US$1.5 billion to keep its operating expenses below US$12.3 billion by 2026. We believe these efforts will improve its profitability. Meanwhile, the group is targeting a sustainable underlying return on tangible equity approaching 13% by 2026. As of June 2025, the group achieved an annualized return on tangible equity of about 17.9%. However, we expect it to decline in the second half of 2025, primarily due to higher credit impairments, restructuring cost associated with the "Fit for Growth" program, and some other seasonal factors.

Capital And Earnings: Capital Buffer To Remain Adequate Despite High Shareholder Distribution Plans

We expect Standard Chartered group's capitalization to remain healthy, underpinned by controlled loan growth and broadly steady internal capital generation. This will likely provide a cushion to withstand downside risks stemming from escalating trade and geopolitical tensions, and ongoing strains in the Hong Kong CRE market.

We expect the group's profitability to decline modestly in 2025, mainly due to restructuring expenses and decline in net interest margins. This is despite continued momentum in fee income. We expect the group's return on average assets to be about 0.45% in 2025, modestly lower than 0.48% in 2024, and slightly improved to about 0.50% in 2026, due to more visible cost savings.

In our view, the group's moderate loan growth, strategic focus on asset-light business such as wealth management, adequate risk management and improving cost efficiency should collectively support its plan for significant shareholder returns. This is despite relatively low profitability when compared with peers. The group aims to return at least US$8 billion to shareholders over 2024-2026, which includes the US$1.3 billion share buybacks announced following its interim results in 2025. Total shareholder returns announced since the beginning of 2024 have reached US$6.5 billion.

We project the Standard Chartered group's RAC ratio will be 9.0%-9.5% over the coming two years, compared with around 9.3% at Dec. 31, 2024.

Our RAC forecast for the next two years is mainly based on the following considerations:

- Net interest margin (NIM) to decline moderately in 2025 and 2026. This reflects our anticipation that the interest rates in the group's key markets such as Hong Kong, Singapore, Korea, and Taiwan will decline over the next two years, broadly tracking movements in U.S. fed funds rates. In addition, the significant increase in funding costs related to the trading book, driven by the group's strategic expansion of its financial market business mainly in response to increased client demand for trading and hedging solutions, will also weigh on NIM. We recognize these costs as interest expense for our calculation of the group's NIM. That said, we estimate the impact on overall operating revenue and earnings is largely offset by gains from the trading book recognized as noninterest income.
- Loan growth to be at low-mid single digit percentages over the next two years, reflecting the group's selective loan growth strategy and sluggish demand for credit in its key markets.
- Cost efficiency to improve modestly through the "Fit for Growth" initiatives such as organizational simplification, process standardization, and increased automation and

digitization. This is despite inflationary pressures and continued investments in digital infrastructure. The group will incur 35%-45% of the US$1.5 billion restructuring costs in 2025.

- Credit costs to be broadly stable at 0.30%-0.35% of gross customer loans over the forecast horizon. This is broadly in line with the group's guidance.
- Quality of capital to remain broadly stable with adjusted common equity at about 85% of our total adjusted capital (TAC). In our view, the group's plan to raise the TAC-eligible regulatory Tier-1 capital should not materially alter the quality of capital.
- Our forecast of no significant net change in the bank's additional Tier-1 (AT1) capital instruments in 2025 and 2026. The group issued AT1 capital of US$ 1.0 billion in the first quarter of 2025 to replace instruments issued in 2020 and callable in July 2025.
- Shareholder distributions in the form of dividend payouts or buybacks over the next two years are likely to be at 60%-70% of annual net income. The Standard Chartered group has guided that it will continue to manage its common equity Tier-1 ratio at 13%-14%. At the end of June 2025, the ratio remained broadly stable at 13.8%, fully factoring in the US$1.3 billion share buyback announced in July 2025.

The Standard Chartered group reported strong year-on-year growth in operating income for the first half of 2025, mainly driven by solid performance in noninterest income. This growth was supported by the sustained momentum in the wealth management segment and a rise in financial market income, stemming mainly from increased client trading activities.

Risk Position: Adequate Underwriting And Controlled Risk Appetite

In our view, the Standard Chartered group management will maintain cautious business growth plans and a disciplined stance on risk appetite, without any material relaxation.

The group has shown resilience during the recent periods of stress, including global trade uncertainties, strains in Hong Kong CRE market, sovereign downgrades in Pakistan, Sri Lanka, Zambia, and Ghana, as well as the challenges posed by the COVID-19 pandemic. This resilience was mainly thanks to de-risking of the portfolio, maintaining adequate underwriting, and a greater emphasis on risk-adjusted returns than on asset-volume-driven returns. This strategic shift started in 2015 when the group underwent significant restructuring after posting a sharp loss.

The group's corporate portfolio remains diversified across industries, products, geographies, and single names. The commodity-related portfolio has also undergone significant de-risking since 2015, with an increased proportion of investment-grade exposure and shorter maturities, and more focus on large, quality clients. The risk profile of the retail portfolio is also stable. Mortgages account for majority of the loans, with an average loan-to-value ratio of less than 50% as of end-June 2025.

We expect Standard Chartered group's credit loss ratio to remain broadly stable over the next two years. The group's annualized credit loss rate was about 0.25% for the first six months of 2025, mildly up from 0.18% in the same period of 2024. The uptick was mainly driven by higher delinquencies in the unsecured personal lending portfolio in the group's key WRB markets. Partly offsetting these impairments were net reserves releases from its corporate portfolio, due to a sovereign credit rating upgrade (according to the group's internal rating system) in Sri Lanka. In addition, the group's stage-three loans as a percentage of gross loans and advances remained steady at about 2.1% as of June 30, 2025, compared with about 2.2% at end-December 2024.

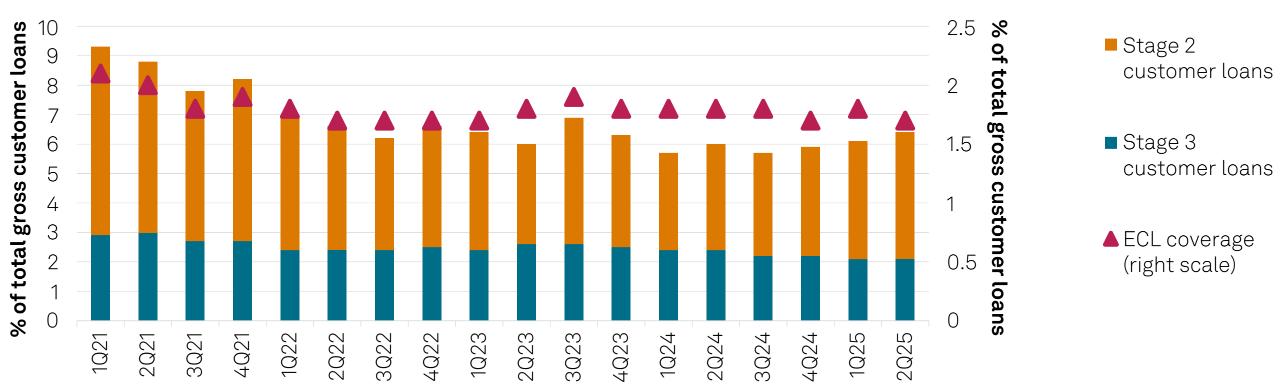
Amid sluggish property markets in mainland China and Hong Kong, the group has been lowering its exposure to such markets and building up provisions. Standard Chartered group's CRE strategy has been mainly to focus on top-tier developers. Overall exposure to global CRE remained at about 5% of gross customer loans as of end-June 2025. Within this, exposure to Hong Kong and mainland China CRE was limited, each accounting for less than 0.5% of gross customer loans.

Standard Chartered group's potential credit losses from Hong Kong CRE loans will likely remain contained. This considers that about 81% of the group's Hong Kong CRE book is secured, backed by a healthy average loan-to-value ratio of below 50% as of end-May 2025. This should provide the portfolio with adequate buffers against a deterioration in collateral value amid ongoing declines in property prices and rental yields. Moreover, we also expect cash flow pressures on Hong Kong CRE developers to gradually ease as interest rates start to decline more visibly from 2025 onwards.

Our assessment of the Standard Chartered group's risk position is similar to that of Citigroup and BNP Paribas, and better than that of Barclays. Barclays has a relatively volatile revenue base, given its investment banking activities. In contrast, the Standard Chartered group has a relatively low proportion of investment banking revenue and benefits from stable retail franchises in several key markets. This diversified and less cyclical revenue base contributes to the group's more balanced risk profile and enhances its resilience in periods of market stress.

Standard Chartered Group has resilient asset quality despite tough conditions

Quarterly trends in higher risk loans and ECL balances



ECL-Expected credit loss. Source: Company accounts.

Funding And Liquidity: Good Management Record Backed By Well-Established Retail Franchises In Key Markets

We expect the Standard Chartered group's funding and liquidity profile to remain robust over the next 12-24 months. We compare the group's funding profile with that of other U.K. banking groups, and its liquidity profile with that of banks globally.

The group's key funding and liquidity metrics are one of the strongest among banks with a global reach, thanks to a well-established retail banking franchise in key markets of Hong Kong and Singapore. The group's strengthened focus on affluent customers in WRB and a strong transaction banking franchise in CIB continue to underpin healthy growth in customer deposits. The group's customer loans-to-deposits ratio improved slightly to about 51.0% as of end-June 2025, from about 53.3% at end-December 2024. The ratio is broadly comparable to HSBC's and better than Barclays'.

Among banks in the U.K., the Standard Chartered group has one of the strongest stable funding ratios (at consistently above 120% since 2010). We believe regulators will continue to allow a fair degree of fungibility among entities within the group.

The Standard Chartered group continues to have strong liquidity, in our view. We expect the group to survive stressful conditions. This is given its deposit franchise in developed Asian markets, including Hong Kong, where its subsidiary is one of the three note-issuing banks. The group benefits from depositors' flight to quality in times of market stress, especially in Hong Kong and Singapore. This was apparent in March 2020 when a liquidity crunch hit the market.

Additionally, the Standard Chartered group has comprehensive contingency plans for adverse conditions. Its liquid assets have been consistently more than double its short-term wholesale funding needs. Our ratio of broad liquid assets to short-term wholesale funding for the group stood at about 3.2x at end-June 2025, broadly unchanged from that at end-December 2024.

The group maintains sufficient buffers in terms of regulatory Basel III liquidity coverage ratio (LCR). Its regulatory Basel III LCR was at about 164% at end-June 2023, even during heightened global financial market volatility triggered by U.S. regional bank failures and stress related to Credit Suisse. The group's LCR stood at about 146% at end-June 2025, up from 138% at the end of 2024. LCR is the amount of high-quality liquid assets sufficient to meet stressed cash outflow over a 30-day period.

Support: ALAC Benefits For Most Rated Subsidiaries

The long-term issuer credit ratings on Standard Chartered's operating entities incorporate two notches of uplift for ALAC except for Standard Chartered Bank Nigeria Ltd. (SCB Nigeria).

We project the ALAC will remain above our 6.5% threshold for a two-notch uplift (this ratio was at about 9.8% at Dec. 31, 2024). The group holds healthy bail-in buffers and has met the minimum requirement for own funds and eligible liabilities (MREL). Its reported MREL ratio was 33.3% of regulatory RWA as of end-June 2025, compared with the minimum requirement of about 28.1%.

We raised the threshold for second notch of ALAC uplift by 50 bps to 6.5% because Standard Chartered group operates through multiple regulated legal entities worldwide, and this may constrain the flexible deployment of ALAC in a stress scenario.

With the group credit profile at 'a+', the benefit of the group's ALAC accrues to Standard Chartered Bank (Hong Kong) Ltd. (SCBHK) and its subsidiaries namely Standard Chartered Bank (China) Ltd. (SCBC), Standard Chartered Bank Korea Ltd. (SCBK), and Standard Chartered Bank (Taiwan) Ltd. (SCBT). The benefit also accrues to other core operating entities namely SCB, Standard Chartered Bank AG (SCBAG), and Standard Chartered Bank (Singapore) Ltd. (SCBS).

At the same time, we also consider that SCBHK could benefit from support from the Hong Kong government, in addition to group support when needed. We assess that support from either source would result in the same one-notch extraordinary support uplift. We view SCBHK as having high systemic importance in Hong Kong, reflecting its significant deposit market share and its role as one of the three note-issuing banks, and a moderately high likelihood of government support.

We assess SCBHK's SACP at 'a', a notch higher than the group SACP, mainly reflecting the bank's stronger credit characteristics such as its well-established market franchise in Hong Kong and strong capitalization relative to its risk profile. The bank has a solid core customer deposit base and a strong liquidity buffer.

Environmental, Social, And Governance

Environmental, social, and governance (ESG) factors have no material influence on our credit rating analysis of Standard Chartered group.

The group targets to achieve net zero carbon emissions in its own operations in 2025 and for its financing from 2050. The group has committed to a 29% reduction in in absolute financed emissions for the oil and gas sector by 2030, when calculated from a 2020 baseline. The group has also set a sustainable finance income target of US$1 billion by the end of 2025; it grew 5% year-on-year in the first half of 2025, after achieving a US$982 million sustainable finance income in 2024.

The Standard Chartered group operates in a complex environment and it is under increased regulatory oversight. This makes ESG factors increasingly important. Failing in areas such as anti-money-laundering, product design, and sales process can lead to adverse financial and reputational consequences.

The Standard Chartered group is exposed to some sectors that could pose environmental and social risks. In addition to country, sector, and single-loan concentration limits, the group has tightened its financing criteria toward certain industries that can have a negative environmental and social impact. It has put forth a list of prohibited activities that it will not finance, including restrictions on child and forced labor, trade in endangered wildlife, and Arctic and tar sands exploration and production.

Conduct risk seems to be less of an issue in recent years after the Standard Chartered group's settlement with the U.K. and U.S. regulators in 2019 relating to sanctions over compliance and financial crime controls. The group has made progress in encouraging better conduct and compliance, including stepping up its anti-money-laundering and anti-bribery training. The U.K. Financial Conduct Authority and U.S. regulators had commented favorably on the group's remediation efforts and improved culture of compliance when the bank resolved its investigations by the agencies in April 2019.

Group Structure, Rated Subsidiaries, And Hybrids

SC PLC is the group's ultimate non-operating holding company. We do not include ALAC notches in the ratings on SC PLC because we do not believe the group's senior obligations would necessarily receive full and timely payment in a resolution scenario. As a result, we base our ratings on SC PLC from the 'a-' group SACP. The issuer credit rating on the holding company is one notch lower than the group SACP, reflecting the holding company's structural subordination to its major operating subsidiary bank.

SC PLC operates through multiple regulated subsidiaries. The largest operating entity is SCB, which owns most of the other regulated entities. We see SCBS and Germany-based SCB AG as core group members, and our ratings on these subsidiaries are equal to the 'a+' ALAC-supported group credit profile.

We regard SCBHK, the group's hub for Greater China and North Asia, as a core subsidiary, and the ratings on the bank are the same as the group credit profile. We consider SCBC and SCBK to be core subsidiaries of SCBHK and the wider group, and our ratings on these subsidiaries are the same as that on SCBHK and the group credit profile. We see SCBT as a highly strategic group member of SCBHK and the wider group, and hence, our ratings on this subsidiary are one notch below that on SCBHK and the group credit profile.

We view SC Nigeria as a strategically important subsidiary. SC Nigeria is the group's largest subsidiary in Africa and plays an important role in supporting the group's strategy on the continent. Our indicative rating on SC Nigeria incorporates three notches of group support uplift from the 'b-' SACP. However, the sovereign rating on Nigeria caps the bank ratings, nullifying gains from group support.

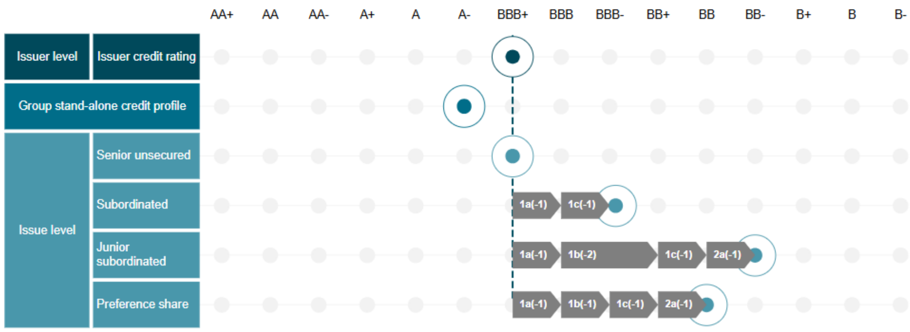
We rate the group's hybrid instruments according to their respective features (see Appendix).

Resolution Counterparty Ratings (RCRs)

We have assigned 'AA-/A-1+' RCRs to Standard Chartered group's rated operating subsidiaries based in the U.K. and the European Union, namely SCB and SCBAG. The long-term RCRs are one notch above the long-term issuer credit ratings on these entities.

An RCR is a forward-looking opinion of the relative default risk of certain senior liabilities that may be protected from default through an effective bail-in resolution process for the issuing financial institutions. RCRs apply to issuers in jurisdictions where we assess the resolution regime to be effective and we consider the issuer likely to be subject to a resolution that entails a bail-in if it reaches nonviability.

Standard Chartered PLC: NOHC notching



Key to notching

--- Issuer credit rating

--- Group stand-alone credit profile

1a Contractual subordination

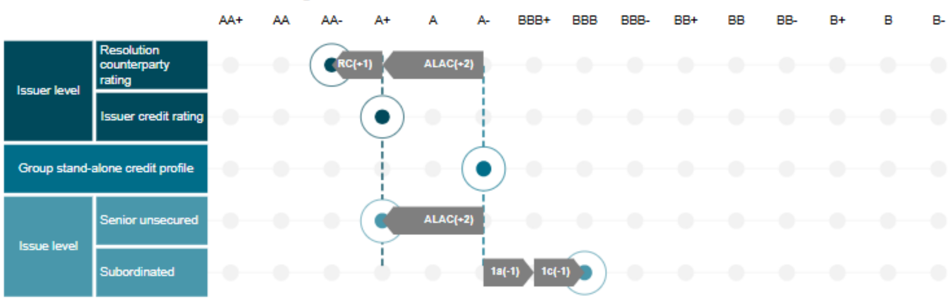
1b Discretionary or mandatory nonpayment clause and whether the regulator classifies it as regulatory capital

1c Mandatory contingent capital clause or equivalent

2a Mandatory going-concern, regulatory capital-based trigger (either statutory or contractual)

Note: The number-letter labels in the table above are in reference to the notching steps we apply to hybrid capital instruments, as detailed in table 2 of our "Hybrid Capital: Methodology And Assumptions" criteria, published on March 2, 2022.
The nonoperating holding company (NOHC) issuer credit rating and senior unsecured debt ratings are notched from the group stand-alone credit profile (SACP) under our criteria. Since ALAC notching does not benefit NOHCs, for simplicity the diagram above is stylized to show the positioning of these ratings with reference to the group SACP.

Standard Chartered Bank: Notching



Key to notching

--- Issuer credit rating

--- Group stand-alone credit profile

RC Resolution counterparty liabilities (senior secured debt)

ALAC Additional loss-absorbing capacity buffer

1a Contractual subordination

1c Mandatory contingent capital clause or equivalent

Note: The number-letter labels in the table above are in reference to the notching steps we apply to hybrid capital instruments, as detailed in table 2 of our "Hybrid Capital: Methodology And Assumptions" criteria, published on March 2, 2022.
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Key Statistics

Standard Chartered PLC -- Key Figures

Mil. US$	2025*	2024	2023	2022	2021
Adjusted assets	907,845	843,897	816,630	814,053	822,347
Customer loans (gross) §	281,502	264,173	264,651	277,357	291,576
Adjusted common equity	37,078	35,627	35,327	35,196	36,094
Operating revenues	10,743	19,845	17,775	16,399	14,592
Noninterest expenses	6,248	12,513	11,563	10,949	10,968
Core earnings	3,110	4,637	3,810	3,059	2,264

Standard Chartered PLC -- Key Figures

Mil. US$	2025*	2024	2023	2022	2021

*Data as of June 30, 2025. §Customer loans (gross) adjusted for Monetary Authority of Singapore (MAS) placements, which we treat as central bank deposits.

Standard Chartered PLC--Business Position

(%)	2025*	2024	2023	2022	2021
Total revenues from business line § (currency in millions)	10,985	19,845	17,276	16,112	14,635
Commercial banking/total revenues from business line	19.6	18.4	3.5	12.4	18.1
Retail banking/total revenues from business line	37.9	39.4	41.1	37.3	39.2
Commercial & retail banking/total revenues from business line	57.5	57.7	44.7	49.7	57.3
Trading and sales income/total revenues from business line	21.4	17.4	29.5	35.6	33.6
Payments and settlements/total revenues from business line	18.9	23.2	25.5	15.4	9.6
Other revenues/total revenues from business line	2.2	1.7	0.3	(0.7)	(0.5)
Investment banking/total revenues from business line	21.4	17.4	29.5	35.6	33.6
Return on average common equity †	14.8	9.2	8.0	6.7	5.1

*Data as of June 30, 2025. §Includes both operating and non-recurring revenues. We estimate investment banking revenue as a sum of: (1) corporate finance; and (2) trading and sales income, for which we reflect total revenue from financial markets. †Annualized for June 2025.

Standard Chartered PLC--Capital And Earnings

(%)	2025*	2024	2023	2022	2021
Tier 1 capital ratio	16.9	16.9	16.3	16.6	16.6
S&P Global Ratings' RAC ratio before diversification	N/A	9.3	8.9	8.9	9.0
S&P Global Ratings' RAC ratio after diversification	N/A	10.4	10.3	10.1	10.2
Adjusted common equity/total adjusted capital	83.2	84.6	86.5	84.4	85.2
Net interest income/operating revenues	28.3	32.1	43.7	46.3	46.6
Fee income/operating revenues	19.9	18.8	18.3	19.0	25.5
Market-sensitive income/operating revenues	50.6	47.0	34.0	30.9	22.9
Cost to income ratio	58.2	63.1	65.1	66.8	75.2
Preprovision operating income/average assets †	1.0	0.9	0.8	0.7	0.5
Core earnings/average managed assets †	0.7	0.6	0.5	0.4	0.3

*Data as of June 30, 2025. RAC--Risk-adjusted capital. †Annualized for June 2025. N/A--Not applicable.

Standard Chartered PLC--Risk-adjusted capital framework data

(Mil. US$)	Exposure*	Basel III RWA	Average Basel III RW(%)	S&P Global Ratings RWA	Average S&P Global Ratings RW (%)
Credit risk					
Government & central banks	230,969	23,138	10	20,104	9
Of which regional governments and local authorities	0	0	0	0	0
Institutions and CCPs	212,640	12,559	6	33,242	16
Corporate	363,270	60,633	17	226,747	62
Retail	110,363	240,101	22	59,332	54

Standard Chartered PLC--Risk-adjusted capital framework data

(Mil. US$)	Exposure*	Basel III RWA	Average Basel III RW(%)	S&P Global Ratings RWA	Average S&P Global Ratings RW (%)
Credit risk					
Of which mortgage	74,639	8,893	12	25,074	34
Securitization§	26,209	0	0	6,965	27
Other assets†					
Total credit risk	957,288	131,740	14	364,136	38
Credit valuation adjustment					
Total credit valuation adjustment	--	2,706	--	3,518	--
Market Risk					
Equity in the banking book	0	0	0	0	0
Trading book market risk	--	28,288	--	40,870	--
Total market risk	--	28,288	--	40,870	--
Operational risk					
Total operational risk	--	29,475	--	46,814	--
	Exposure	**Basel III RWA**	**Average Basel II RW (%)**	**S&P Global Ratings RWA**	**% of S&P Global Ratings RWA**
Diversification adjustments					
RWA before diversification	--	196,246	--	455,338	100
Total diversification/ Concentration adjustments	--	--	--	(49,618)	(11)
RWA after diversification	--	196,246	--	405,720	89
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**S&P Global Ratings RAC ratio (%)**
Capital ratio					
Capital ratio before adjustments		41,672	21.2	42,129	9.3
Capital ratio after adjustments‡		41,672	16.9	42,129	10.4

*Exposure at default. §Securitization exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and S&P Global Ratings' risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. ‡Adjustments to Tier 1 ratio are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. CCPs--Central counterparty clearing house. Sources: Company data as of Dec. 31, 2024, S&P Global Ratings.

Standard Chartered PLC--Risk Position

(%)	2025*	2024	2023	2022	2021
Growth in customer loans §†	13.1	(0.2)	(4.6)	(4.9)	4.0
Total managed assets/adjusted common equity (x)	24.7	23.9	23.3	23.3	22.9
New loan loss provisions/average customer loans §†	0.3	0.2	0.2	0.3	0.1
Net charge-offs/average customer loans †	0.3	0.4	0.3	0.2	0.3
Gross nonperforming assets/customer loans + other real estate owned ‡§	2.3	2.4	2.8	2.9	2.9
Loan loss reserves/gross nonperforming assets ‡	79.1	77.9	70.7	67.8	66.7

*Data as of June 30, 2025. ‡Gross nonperforming assets reflect stage 3 loans+ restructured loans. §Gross loans adjusted for Monetary Authority of Singapore (MAS) placements which we treat as central bank deposits. †Annualized for June 2025.

Standard Chartered PLC--Funding And Liquidity

(%)	2025*	2024	2023	2022	2021
Core deposits/funding base	72.7	71.8	71.40	71.5	70.5
Customer loans (net)/customer deposits §	51.0	53.3	53.2	57.3	59.1
Long-term funding ratio	84.4	84.4	83.6	82.8	81.2
Stable funding ratio	146.5	146.2	148.9	135.0	135.6
Short-term wholesale funding/funding base	16.6	16.6	17.5	18.3	20.1
Broad liquid assets/short-term wholesale funding (x)	3.2	3.2	3.1	2.7	2.5
Short-term wholesale funding/total wholesale funding	58.8	57.0	59.4	62.2	66.1

*Data as of June 30, 2025. §Customer loans (gross) adjusted for Monetary Authority of Singapore (MAS) placements, which we treat as central bank deposits.

Rating Component Scores

Rating Component Scores	
Standard Chartered PLC issuer credit rating	BBB+/Stable/A-2
Standard Chartered Bank issuer credit rating	A+/Stable/A-1
SACP	a-
Anchor	bbb+
Business position	Adequate (0)
Capital and earnings	Adequate (0)
Risk position	Adequate (0)
Funding and liquidity	Strong and Strong (+1)
Comparable ratings analysis	0
Support	+2
ALAC support	+2
GRE support	0
Group support	0
Sovereign support	0
Additional factors	0

SACP--Stand-alone credit profile. ALAC--Additional loss-absorbing capacity. GRE--Government-related entity.

Related Criteria

- General Criteria | Hybrid Capital: Methodology And Assumptions, Feb. 10, 2025
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, April 30, 2024
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Standard Chartered's Risk Management Can Handle Economic Uncertainties, Aug. 1, 2025
- Banking Industry Country Risk Assessment: Hong Kong, July 30, 2025
- Global Economic Outlook Q3 2025: Unpredictable U.S. Policy Clouds Global Growth Prospects, June 25, 2025
- Economic Outlook Asia-Pacific Q3 2025: Resilience May Vary, June 23, 2025
- Banking Industry Country Risk Assessment: Singapore, June 4, 2025
- Asia-Pacific Credit Outlook 2025: Cutting Through The Noise, Nov. 13, 2024
- Banking Industry Country Risk Assessment: United Kingdom, Oct. 23, 2024
- Banking Industry Country Risk Assessment: China, Aug. 19, 2024

Ratings Detail (as of August 26, 2025)*	
Standard Chartered PLC	
Issuer Credit Rating	BBB+/Stable/A-2
Junior Subordinated	BB-
Preference Stock	BB
Senior Unsecured	BBB+
Short-Term Debt	A-2
Subordinated	BBB-
Issuer Credit Ratings History	
31-Mar-2016	BBB+/Stable/A-2
26-Feb-2016	A-/Watch Neg/A-2
20-Nov-2015	A-/Negative/A-2
Sovereign Rating	
United Kingdom	AA/Stable/A-1+
Related Entities	
Standard Chartered Bank	
Issuer Credit Rating	A+/Stable/A-1
Resolution Counterparty Rating	AA-/--/A-1+
Certificate Of Deposit	A+/A-1
Commercial Paper	
Foreign Currency	A-1
Senior Unsecured	A+
Subordinated	BBB
Standard Chartered Bank AG	

Ratings Detail (as of August 26, 2025)*	
Issuer Credit Rating	A+/Stable/A-1
Resolution Counterparty Rating	AA-/--/A-1+
Commercial Paper	A-1
Standard Chartered Bank (Australia Branch)	
Senior Unsecured	A+
Standard Chartered Bank (China) Ltd.	
Issuer Credit Rating	A+/Stable/A-1
Standard Chartered Bank (Hong Kong) Ltd.	
Issuer Credit Rating	A+/Stable/A-1
Senior Unsecured	A+
Standard Chartered Bank Korea Ltd.	
Issuer Credit Rating	A+/Stable/A-1
Standard Chartered Bank Nigeria Ltd.	
Issuer Credit Rating	B-/Stable/B
Standard Chartered Bank (Singapore) Ltd.	
Issuer Credit Rating	A+/Stable/A-1
Certificate Of Deposit	A+/A-1
Standard Chartered Bank (Taiwan) Ltd.	
Issuer Credit Rating	A/Stable/A-1
Taiwan National Scale	twAA+/Stable/twA-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.