Standard Chartered Bank

Reference Number ZC18

Half Year Report

30 June 2025

Incorporated in England with limited liability by Royal Charter 1853
Principal Office: 1 Basinghall Avenue, London, EC2V 5DD, England

Contents

The following are company designations as described in the document:

Standard Chartered Bank Group (Group) – being Standard Chartered Bank and its subsidiaries

Standard Chartered PLC Group (PLC Group) – being the ultimate parent and its subsidiaries

Standard Chartered Bank (Company) – being the standalone Bank legal entity

Standard Chartered PLC (PLC) – being the standalone legal entity of the ultimate parent

About this report

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.

All disclosures in the Financial Review, Risk Review and Capital Review, Supplementary information, Important notices and Glossary are unreviewed unless otherwise stated.

Unless context requires, within this 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.

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 Bank 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.

Financial review

Summary of financial performance

	H1'25 $million	H1'24 $million	Change %
Net interest income	**2,008**	2,258	(11)
Non NII	**4,620**	4,032	15
Operating income	**6,628**	6,290	5
Operating expenses	**(3,829)**	(3,716)	(3)
Operating profit before impairment and taxation	**2,799**	2,574	9
Credit impairment	**(68)**	(24)	(183)
Goodwill & Other impairment	**(10)**	(97)	90
Profit/(Loss) from associates and joint ventures	**1**	3	(67)
Profit before taxation	**2,722**	2,456	11
Taxation	**(713)**	(848)	16
Profit for the period	**2,009**	1,608	25

Operating income increased 5 per cent. Excluding three notable items in the prior year relating to gains on revaluation of FX positions ($151million), hyperinflationary accounting adjustments ($106million) and loss on subsidiary disposals ($174million), as well as the reclassification of deposit insurance premium to expenses, operating income was up 6 per cent and was driven by growth in non net interest income (Non NII), partly offset by lower net interest income (NII).

NII decreased 11 per cent driven by margin compression from lower benchmark rates, partly offset by benefits from short-term hedge roll off and volume growth.

Non NII increased 15 per cent driven by flow income and trading gains (on the back of higher volatility) in Global Markets, strong performance in Wealth Solutions and higher volumes in Global Banking.

Operating expenses are up 3 per cent driven by continued investment spend on business growth and transformational initiatives.

Credit impairment is a net charge of $68million driven by higher charge-offs and delinquencies in Wealth & Retail Banking (WRB), partly offset by increased net recoveries in Corporate & Investment Banking (CIB).

Goodwill & Other impairment lower than prior year by $87million due to lower impairment of software assets.

Taxation at $713million for the period with an effective tax rate of 26.2 per cent down from 34.5 per cent in the prior year reflecting adjustments in respects of prior periods, non-recurrence of one-off loss from subsidiary disposal in 2024 and lower level of non-deductible expenses and tax losses.

Balance sheet and capital

	30.06.25 $million	31.12.24 $million	Change %
Total assets	**597,648**	563,534	6
Total liabilities	**561,825**	529,418	6
Common Equity Tier 1 ratio (%)[1]	**13.4**	13.3	10

1 Change is the basis points (bps) difference between the two periods rather than the percentage change

The Group's balance sheet is strong, highly liquid and diversified.

Total Assets increased 6 per cent from 31 December 2024 due to growth in financial assets held at fair value through profit or loss (primarily in reverse repurchase agreements), increase in other assets from higher volumes from precious metals, and higher central bank balances.

Total Liabilities increased 6 per cent from 31 December 2024 driven by growth in customer accounts -including CIB and WRB CASA and Term Deposits, as well as financial liabilities held at fair value through profit and loss (primarily in repurchase agreements).

Risk review and Capital review

The following parts of the Risk review and Capital review form part of these financial statements –

- **a) Risk review:** Disclosures marked as 'reviewed' from the start of Credit Risk section (page 4) to the end of other principal risks in the same section (page 25); and
- **b) Capital review:** Tables marked as 'reviewed' from the start of 'Capital base' to the end of 'Movement in total capital', excluding 'Total risk-weighted assets' (pages 26).

Risk Profile

Our risk management approach

Our Risk Management Framework (RMF) sets out the principles and minimum requirements for risk management and governance across the Group. The RMF enables the Group to manage enterprise-wide risks, with the objective of maximising risk-adjusted returns whilst remaining within our Risk Appetite (RA).

The Group follows PLC Group in terms of identifying and managing our key Risks and Topical and Emerging Risks (TERs). Details on these sections can be found on pages 28 to 32 of the PLC Group's 2025 Half Year Report.

Principal Risk Types

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 RMF.

The table below details 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.	Individual regulated entities within 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 does not cause material damage to the Group's franchise. In addition, the Group should ensure 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 control operational and technology risks to ensure that operational losses (financial or reputational), including those related to the conduct of business matters, do not cause material damage to the Group's franchise.
Information and Cyber Security 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 Bank material harm, business disruption, financial loss or reputational damage – recognising that whilst incidents are unwanted, they cannot be entirely avoided.
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 whilst 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, 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 whilst 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 mis-estimation 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; whilst accepting some model uncertainty.

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

+ Further details on our Risk Management Approach can be found on page 3.

Credit Risk

Basis of preparation
Unless otherwise stated the balance sheet and income statement information within this section is based on the financial booking location. The presentation of segmental information has been changed in 2025 as set out in Note 1 to the financial statements and prior period amounts have been re-presented in line with this change.

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 13 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 agreed obligations to pay the Group. Credit exposures arise from both the banking and trading books.

Summary of Credit Risk Performance

Maximum exposure
The Group's on-balance sheet maximum exposure to credit risk increased by $24.0 billion to $567.3 billion (31 December 2024: $543.2 billion). Cash and balances at central banks increased by $11.4 billion to $68.0 billion (31 December 2024: $56.7 billion) due to increased placements. The maximum exposure of loans and advances to customers decreased by $2.0 billion to $156.2 billion (31 December 2024: $158.2 billion) of which a decrease of $4.9 billion is from reverse repurchase agreements in CIB and Central and other items, offset by an increase of $3.3 billion from WRB Mortgage and Secured Wealth business in Singapore. Debt securities (not held at fair value through profit and loss) increased by $7.4 billion to $103.5 billion (31 December 2024: $96.2 billion) due to investments in high quality liquid assets. Fair Value through profit and loss increased by $16.6 billion to $118.8 billion (31 December 2024: $102.3 billion) largely due to an increase in reverse repurchase agreements and debt securities. Derivative financial instruments decreased by $14.9 billion to $67.8 billion (31 December 2024: $82.7 billion), mainly due to the weakening of the US dollar.

The Group's off-balance sheet maximum exposure to credit risk increased by $24.7 billion to $230.0 billion (31 December 2024: $205.3 billion), mainly in financial guarantees and other equivalents and undrawn commitments.

+ Further details can be found in the 'Maximum Exposure to Credit Risk' section on page 5.

Loans and Advances
Stage 1 gross loans and advances to customers decreased by $2.7 billion to $147.1 billion (31 December 2024: $149.8 billion) mainly driven by a reduction in CIB of $2.0 billion due to a decrease in reverse repurchase agreements of $5.0 billion, offset by new lending in the financing, insurance and non-banking sector. For WRB, stage 1 balances increased by $3.3 billion to $49.1 billion (31 December 2024: $45.7 billion) driven by an increase in the mortgage portfolio and Secured Wealth business in Singapore.

Stage 2 gross loans and advances to customers increased by $0.9 billion to $8.2 billion (31 December 2024: $7.3 billion). CIB stage 2 balances increased by $0.9 billion to $7.2 billion (31 December 2024: $6.3 billion), mainly in Government sector. WRB stage 2 balances is broadly stable at $1.0 billion (31 December 2024: $1.0 billion).

Stage 3 gross loans and advances to customers decreased by $0.2 billion to $3.9 billion (31 December 2024: $4.1 billion) due to repayments, write-offs and upgrades in CIB. WRB stage 3 balances remained stable at $1.2 billion (31 December 2024: $1.1 billion). Stage 3 Central and other items balances decreased by $0.1 billion to nil (31 December 2024: $0.1 billion) due to repayments.

+ Further details can be found in the 'Analysis of financial instruments by stage' on pages 6 to 7; 'Credit quality by client segment' section in pages on pages 8 to 10; 'Credit quality by industry' section on pages 14 to 15.

Credit impairment charges
CIB contributed to a net release of $94.0 million (30 June 2024: net release of $77.0 million) due to $48.0 million stage 3 releases from the sovereign upgrade of Sri Lanka foreign currency exposures and portfolio movements in stage 1 and 2.

WRB contributed to a net charge of $145.0 million (30 June 2024: $100.0 million), driven by a high interest rate environment impacting repayments from credit cards and personal loans in certain markets, as well as portfolio growth of digital partnerships in Indonesia.

Ventures contributed to a net charge of $16.0 million (30 June 2024: $10.0 million) driven by growth and maturation of Trust Bank Plc.

+ Further details can be found in the 'Credit impairment charge' section on page 13.

Maximum exposure to Credit risk (reviewed)

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 30 June 2025, before and after taking into account any collateral held or other Credit risk mitigation.

+ Further details can be found in the 'Summary of Credit Risk Performance' on page 4.

	30.06.25				31.12.24			
		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	68,034	–	–	68,034	56,665	–	–	56,665
Loans and advances to banks[1]	24,657	4,250	–	20,407	22,941	2,889	–	20,052
of which – reverse repurchase agreements and other similar secured lending[7]	4,250	4,250	–	–	2,889	2,889	–	–
Loans and advances to customers[1]	156,196	55,778	–	100,418	158,242	54,780	–	103,462
of which – reverse repurchase agreements and other similar secured lending[7]	4,180	4,180	–	–	9,121	9,121	–	–
Investment securities – Debt securities and other eligible bills[2]	103,529	–	–	103,529	96,179	–	–	96,179
Fair value through profit or loss[3,7]	118,833	73,730	–	45,103	102,258	65,603	–	36,655
Loans and advances to banks	2,080	–	–	2,080	2,033	–	–	2,033
Loans and advances to customers	5,989	–	–	5,989	3,989	–	–	3,989
Reverse repurchase agreements and other similar lending[7]	73,730	73,730	–	–	65,603	65,603	–	–
Investment securities – Debt securities and other eligible bills[2]	37,034	–	–	37,034	30,633	–	–	30,633
Derivative financial instruments[4,7]	67,774	11,646	55,054	1,074	82,717	12,984	65,027	4,706
Accrued income	1,755	–	–	1,755	1,846	–	–	1,846
Assets held for sale[9]	547	–	–	547	866	–	–	866
Other assets[5]	25,960	–	–	25,960	21,535	–	–	21,535
Total balance sheet	567,285	145,404	55,054	366,827	543,249	136,256	65,027	341,966
Off-balance sheet[6]								
Undrawn Commitments	135,227	2,899	–	132,328	123,931	1,861	–	122,070
Financial Guarantees and other equivalents	94,738	1,770	–	92,968	81,343	1,570	–	79,773
Total off-balance sheet	229,965	4,669	–	225,296	205,274	3,431	–	201,843
Total	797,250	150,073	55,054	592,123	748,523	139,687	65,027	543,809

1 Amounts are net of ECL provisions. An analysis of credit quality is set out in the credit quality analysis section page 8.
2 Excludes equity and other investments of $246 million (31 December 2024: $263 million). Further details are set out in Note 11 Financial instruments
3 Excludes equity and other investments of $1,198 million (31 December 2024: $1,366 million). Further details are set out in Note 11 Financial instruments
4 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
5 Other assets include cash collateral, and acceptances, in addition to unsettled trades and other financial assets
6 Excludes ECL provisions of $195 million (31 December 2024: $208 million) which are reported under Provisions for liabilities and charges
7 Collateral capped at maximum exposure (over-collateralised)
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. Loans and advances to customers collateral now re-presented between on and off -balance sheet as it also includes guarantees
9 The amount is after ECL. Further details are set out in Note 17 Assets held for sale and associated liabilities

Analysis of financial instruments by stage (reviewed)

This table shows financial instruments and off-balance sheet commitments by stage for the Group, along with the total credit impairment loss provision against each class of financial instrument.

+ Further details can be found in the 'Summary of Credit Risk Performance' on page 4.

	30.06.25											
	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	67,027	–	67,027	417	(3)	414	603	(10)	593	68,047	(13)	68,034
Loans and advances to banks (amortised cost)	23,891	(2)	23,889	725	(2)	723	46	(1)	45	24,662	(5)	24,657
Loans and advances to customers (amortised cost)	147,056	(285)	146,771	8,165	(173)	7,992	3,862	(2,429)	1,433	159,083	(2,887)	156,196
Debt securities and other eligible bills[5]	102,174	(24)		1,059	(7)		306	(6)		103,539	(37)	
Amortised cost	36,708	(9)	36,699	41	(1)	40	53	–	53	36,802	(10)	36,792
FVOCI[2]	65,466	(15)		1,018	(6)		253	(6)		66,737	(27)	
Accrued income (amortised cost)[4]	1,755	–	1,755	–	–	–	–	–	–	1,755	–	1,755
Assets held for sale	481	–	481	62	–	62	45	(41)	4	588	(41)	547
Other assets	25,960	–	25,960	–	–	–	3	(3)	–	25,963	(3)	25,960
Undrawn commitments[3]	131,473	(35)		3,719	(27)		35	(1)		135,227	(63)	
Financial guarantees, trade credits and irrevocable letter of credits[3]	92,879	(14)		1,434	(12)		425	(106)		94,738	(132)	
Total	592,696	(360)		15,581	(224)		5,325	(2,597)		613,602	(3,181)	

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 financial 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 $289 million originated credit-impaired debt securities with impairment of $6 million.

	31.12.24											
	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	55,815	–	55,815	432	(4)	428	426	(4)	422	56,673	(8)	56,665
Loans and advances to banks (amortised cost)	22,556	(5)	22,551	313	(1)	312	80	(2)	78	22,949	(8)	22,941
Loans and advances to customers (amortised cost)	149,751	(254)	149,497	7,292	(193)	7,099	4,098	(2,452)	1,646	161,141	(2,899)	158,242
Debt securities and other eligible bills[5]	94,480	(20)		1,612	(4)		103	(2)		96,195	(26)	
Amortised cost	36,867	(14)	36,853	473	(2)	471	42	–	42	37,382	(16)	37,366
FVOCI[2]	57,613	(6)		1,139	(2)		61	(2)		58,813	(10)	
Accrued income (amortised cost)[4]	1,846	–	1,846	–		–			–	1,846	–	1,846
Assets held for sale	822	(7)	815	38	–	38	58	(45)	13	918	(52)	866
Other assets	21,535	–	21,535	–	–	–	3	(3)	–	21,538	(3)	21,535
Undrawn commitments[3]	120,578	(25)		3,346	(33)		7	(1)		123,931	(59)	
Financial guarantees, trade credits and irrevocable letter of credits[3]	78,996	(13)		1,744	(7)		603	(129)		81,343	(149)	
Total	546,379	(324)		14,777	(242)		5,378	(2,638)		566,534	(3,204)	

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 financial 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 Nil impairment

Credit quality analysis (reviewed)

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.

	Corporate & Investment Banking			Private Banking[1]	Wealth & Retail Banking[4]
Credit quality description	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+/C	15.751-99.999	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 for the Group. ECL coverage represents the ECL reported for each segment and stage as a proportion of the gross loan balance for each segment and stage.

+ Further details can be found in the 'Summary of Credit Risk Performance' on page 4.

Loans and advances by client segment (reviewed)

Amortised cost	30.06.25							
		Customers						
	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	23,891	81,314	49,068	727	15,947	147,056	131,473	92,879
– Strong	15,586	57,589	44,854	713	15,486	118,642	120,127	60,319
– Satisfactory	8,305	23,725	4,214	14	461	28,414	11,346	32,560
Stage 2	725	7,156	982	6	21	8,165	3,719	1,434
– Strong	39	1,571	677	–	–	2,248	914	367
– Satisfactory	253	4,354	58	–	–	4,412	2,532	774
– Higher risk	433	1,231	247	6	21	1,505	273	293
Of which (stage 2):								
– Less than 30 days past due	–	109	58	–	–	167	–	–
– More than 30 days past due	2	57	247	6	–	310	–	–
Stage 3, credit-impaired financial assets	46	2,686	1,167	9	–	3,862	35	425
Gross balance[1]	24,662	91,156	51,217	742	15,968	159,083	135,227	94,738
Stage 1	(2)	(82)	(184)	(19)	–	(285)	(35)	(14)
– Strong	(1)	(27)	(137)	(18)	–	(182)	(16)	(6)
– Satisfactory	(1)	(55)	(47)	(1)	–	(103)	(19)	(8)
Stage 2	(2)	(119)	(52)	(2)	–	(173)	(27)	(12)
– Strong	–	(5)	(21)	–	–	(26)	(1)	–
– Satisfactory	–	(88)	(9)	–	–	(97)	(18)	(4)
– Higher risk	(2)	(26)	(22)	(2)	–	(50)	(8)	(8)
Of which (stage 2):								
– Less than 30 days past due	–	(7)	(9)	–	–	(16)	–	–
– More than 30 days past due	–	–	(22)	(2)	–	(24)	–	–
Stage 3, credit-impaired financial assets	(1)	(1,797)	(626)	(6)	–	(2,429)	(1)	(106)
Total credit impairment	(5)	(1,998)	(862)	(27)	–	(2,887)	(63)	(132)
Net carrying value	24,657	89,158	50,355	715	15,968	156,196		
Stage 1	0.0%	0.1%	0.4%	2.6%	0.0%	0.2%	0.0%	0.0%
– Strong	0.0%	0.0%	0.3%	2.5%	0.0%	0.2%	0.0%	0.0%
– Satisfactory	0.0%	0.2%	1.1%	7.1%	0.0%	0.4%	0.2%	0.0%
Stage 2	0.3%	1.7%	5.3%	33.3%	0.0%	2.1%	0.7%	0.8%
– Strong	0.0%	0.3%	3.1%	0.0%	0.0%	1.2%	0.1%	0.0%
– Satisfactory	0.0%	2.0%	15.5%	0.0%	0.0%	2.2%	0.7%	0.5%
– Higher risk	0.5%	2.1%	8.9%	33.3%	0.0%	3.3%	2.9%	2.7%
Of which (stage 2):								
– Less than 30 days past due	0.0%	6.4%	15.5%	0.0%	0.0%	9.6%	0.0%	0.0%
– More than 30 days past due	0.0%	0.0%	8.9%	33.3%	0.0%	7.7%	0.0%	0.0%
Stage 3, credit-impaired financial assets (S3)	2.2%	66.9%	53.6%	66.7%	0.0%	62.9%	2.9%	24.9%
– Stage 3 Collateral	–	116	437	–	–	553	–	37
Fair value through profit or loss								
Performing	32,118	49,679	–	–	–	49,679		
– Strong	27,716	32,377	–	–	–	32,377		
– Satisfactory	4,297	17,213	–	–	–	17,213		
– Higher risk	105	89	–	–	–	89		
Defaulted (CG13-14)	–	2	–	–	–	2		
Gross balance (FVTPL)[2]	32,118	49,681	–	–	–	49,681		
Net carrying value (incl FVTPL)	56,775	138,839	50,355	715	15,968	205,877		

1 Loans and advances includes reverse repurchase agreements and other similar secured lending of $4,180 million under Customers and of $4,250 million under Banks, held at amortised cost

2 Loans and advances includes reverse repurchase agreements and other similar secured lending of $43,692 million under Customers and of $30,038 million under Banks, held at fair value through profit or loss

Amortised cost	31.12.24 Banks $million	Customers: 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	22,556	83,297	45,743	584	20,127	149,751	120,578	78,996
– Strong	14,002	59,798	41,697	576	19,750	121,821	109,269	50,039
– Satisfactory	8,554	23,499	4,046	8	377	27,930	11,309	28,957
Stage 2	313	6,251	1,001	5	35	7,292	3,346	1,744
– Strong	7	896	684	–	–	1,580	851	371
– Satisfactory	121	4,683	81	–	–	4,764	2,341	1,210
– Higher risk	185	672	236	5	35	948	154	163
Of which (stage 2):								
– Less than 30 days past due	–	52	81	–	–	133	–	–
– More than 30 days past due	2	5	236	5	–	246	–	–
Stage 3, credit-impaired financial assets	80	2,877	1,117	6	98	4,098	7	603
Gross balance[1]	22,949	92,425	47,861	595	20,260	161,141	123,931	81,343
Stage 1	(5)	(69)	(174)	(11)	–	(254)	(25)	(13)
– Strong	(4)	(26)	(133)	(10)	–	(169)	(14)	(5)
– Satisfactory	(1)	(43)	(41)	(1)	–	(85)	(11)	(8)
Stage 2	(1)	(134)	(55)	(4)	–	(193)	(33)	(7)
– Strong	–	(4)	(17)	–	–	(21)	(2)	–
– Satisfactory	(1)	(95)	(7)	–	–	(102)	(22)	(4)
– Higher risk	–	(35)	(31)	(4)	–	(70)	(9)	(3)
Of which (stage 2):								
– Less than 30 days past due	–	(1)	(7)	–	–	(8)	–	–
– More than 30 days past due	–	–	(31)	(4)	–	(35)	–	–
Stage 3, credit-impaired financial assets	(2)	(1,830)	(616)	(6)	–	(2,452)	(1)	(129)
Total credit impairment	(8)	(2,033)	(845)	(21)	–	(2,899)	(59)	(149)
Net carrying value	22,941	90,392	47,016	574	20,260	158,242	–	–
Stage 1	0.0%	0.1%	0.4%	1.9%	0.0%	0.2%	0.0%	0.0%
– Strong	0.0%	0.0%	0.3%	1.7%	0.0%	0.1%	0.0%	0.0%
– Satisfactory	0.0%	0.2%	1.0%	12.5%	0.0%	0.3%	0.1%	0.0%
Stage 2	0.3%	2.1%	5.5%	80.0%	0.0%	2.6%	1.0%	0.4%
– Strong	0.0%	0.4%	2.5%	0.0%	0.0%	1.3%	0.2%	0.0%
– Satisfactory	0.8%	2.0%	8.6%	0.0%	0.0%	2.1%	0.9%	0.3%
– Higher risk	0.0%	5.2%	13.1%	80.0%	0.0%	7.4%	5.8%	1.8%
Of which (stage 2):								
– Less than 30 days past due	0.0%	1.9%	8.6%	0.0%	0.0%	6.0%	0.0%	0.0%
– More than 30 days past due	0.0%	0.0%	13.1%	80.0%	0.0%	14.2%	0.0%	0.0%
Stage 3, credit-impaired financial assets (S3)	2.5%	63.6%	55.1%	100.0%	0.0%	59.8%	14.3%	21.4%
– Stage 3 Collateral	1	169	412	–	–	581	–	45
Fair value through profit or loss								
Performing	29,725	41,897	–	–	–	41,897		
– Strong	23,890	24,589	–	–	–	24,589		
– Satisfactory	5,825	17,200	–	–	–	17,200		
– Higher risk	10	108	–	–	–	108		
Defaulted (CG13-14)	–	3	–	–	–	3		
Gross balance (FVTPL)[2]	29,725	41,900	–	–	–	41,900		
Net carrying value (incl FVTPL)	52,666	132,292	47,016	574	20,260	200,142		

1 Loans and advances includes reverse repurchase agreements and other similar secured lending of $9,121 million under Customers and of $2,889 million under Banks, held at amortised cost

2 Loans and advances includes reverse repurchase agreements and other similar secured lending of $37,911 million under Customers and of $27,692 million under Banks, held at fair value through profit and loss.

Movement in gross exposures and credit impairment for loans and advances, debt securities, undrawn commitments and financial guarantees (reviewed)

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 for the Group.

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 expected credit loss 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 reflect repayments although stage 2 may include new facilities where clients are on non-purely precautionary early alert, are a credit grade 12, or when non-investment grade debt securities are acquired.
- 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 and movements in management overlays. 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 incorporates changes to model approaches and methodologies, is not reported as a separate line item as it has an impact over a number of lines and stages.

Movements during the year

Stage 1 gross exposures increased by $31.1 billion to $497.5 billion (31 December 2024: $466.4 billion). CIB exposure increased by $32.0 billion to $392.0 billion (31 December 2024: $360.0 billion) largely due to an increase in financial guarantees and undrawn commitments. WRB exposure increased by $3.9 billion to $82.7 billion (31 December 2024: $78.8 billion) driven by higher demand for Mortgage and Secured Wealth products in Singapore.

Stage 1 provisions increased by $43.0 million to $360.0 million (31 December 2024: $317.0 million). CIB provisions increased by $20.8 million to $151.8 million (31 December 2024: $131.0 million) driven by portfolio movements and new exposures. WRB provisions increased by $9.5 million to $189.5 million (31 December 2024: $180 billion), due to increased level of provisions on credit cards and personal loans and unsecured lending.

Stage 2 gross exposures increased by $0.8 billion to $15.1 billion (31 December 2024: $14.3 billion) mainly driven by increase in CIB from loans and advances to customers.

Stage 2 provisions decreased by $16.0 million to $221.0 million (31 December 2024: $237.0 million) driven by CIB portfolio movements.

Stage 3 gross exposures decreased by $0.2 billion to $4.7 billion (31 December 2024: $4.9 billion) driven by a decrease in CIB of $0.2 billion to $3.5 billion (31 December 2024: $3.7 billion) due to repayments, write offs and upgrades. WRB stage 3 exposures increased by $0.1 billion to $1.2 billion (31 December 2024: $1.1 billion) mainly in the mortgage portfolio.

Stage 3 provisions remained stable at $2.5 billion (31 December 2024: $2.6 billion).

All segments (reviewed)

Amortised cost and FVOCI	Stage 1 Gross balance[5] $million	Stage 1 Total credit impairment $million	Stage 1 Net $million	Stage 2 Gross balance[5] $million	Stage 2 Total credit impairment $million	Stage 2 Net $million	Stage 3[4] Gross balance[5] $million	Stage 3[4] Total credit impairment $million	Stage 3[4] Net $million	Total Gross balance[5] $million	Total Total credit impairment $million	Total Net $million
As at 1 January 2024	439,826	(255)	439,571	17,181	(276)	16,905	6,090	(3,197)	2,893	463,097	(3,728)	459,369
Transfers to stage 1	10,616	(351)	10,265	(10,609)	351	(10,258)	(7)	–	(7)	–	–	–
Transfers to stage 2	(21,414)	78	(21,336)	21,836	(103)	21,733	(422)	25	(397)	–	–	–
Transfers to stage 3	(1,531)	62	(1,469)	538	44	582	993	(106)	887	–	–	–
Net change in exposures	48,007	(169)	47,838	(12,337)	25	(12,312)	(1,023)	578	(445)	34,647	434	35,081
Net remeasurement from stage changes	–	33	33	–	(118)	(118)	–	(94)	(94)	–	(179)	(179)
Changes in risk parameters	–	69	69	–	(42)	(42)	–	(467)	(467)	–	(440)	(440)
Write-offs	–	–	–	–	–	–	(687)	687	–	(687)	687	–
Interest due but unpaid	–	–	–	–	–	–	(132)	132	–	(132)	132	–
Discount unwind	–	–	–	–	–	–	–	106	106	–	106	106
Exchange translation differences and other movements[1]	(9,143)	216	(8,927)	(2,302)	(118)	(2,420)	79	(250)	(171)	(11,366)	(152)	(11,518)
As at 31 December 2024[2]	466,361	(317)	466,044	14,307	(237)	14,070	4,891	(2,586)	2,305	485,559	(3,140)	482,419
Income statement ECL (charge)/release[3]		(67)			(135)			17			(185)	
Recoveries of amounts previously written off		–			–			167			167	
Total credit impairment (charge)/release		(67)			(135)			184			(18)	
As at 1 January 2025	466,361	(317)	466,044	14,307	(237)	14,070	4,891	(2,586)	2,305	485,559	(3,140)	482,419
Transfers to stage 1	4,334	(172)	4,162	(4,333)	172	(4,161)	(1)	–	(1)	–	–	–
Transfers to stage 2	(13,347)	29	(13,318)	13,643	(43)	13,600	(296)	14	(282)	–	–	–
Transfers to stage 3	(51)	–	(51)	(583)	75	(508)	634	(75)	559	–	–	–
Net change in exposures	24,704	(104)	24,600	(7,333)	(38)	(7,371)	(403)	288	(115)	16,968	146	17,114
Net remeasurement from stage changes	–	24	24	–	(35)	(35)	–	(15)	(15)	–	(26)	(26)
Changes in risk parameters	–	68	68	–	8	8	–	(372)	(372)	–	(296)	(296)
Write-offs	–	–	–	–	–	–	(274)	274	–	(274)	274	–
Interest due but unpaid	–	–	–	–	–	–	3	(3)	–	3	(3)	–
Discount unwind	–	–	–	–	–	–	–	45	45	–	45	45
Exchange translation differences and other movements[1]	15,472	112	15,584	(599)	(123)	(722)	120	(113)	7	14,993	(124)	14,869
As at 30 June 2025[2]	497,473	(360)	497,113	15,102	(221)	14,881	4,674	(2,543)	2,131	517,249	(3,124)	514,125
Income statement ECL (charge)/release[3]		(12)			(65)			(99)			(176)	
Recoveries of amounts previously written off		–			–			113			113	
Total credit impairment (charge)/release		(12)			(65)			14			(63)	

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 balance of $96,353 million (31 December 2024: $80,975 million) and total credit impairment of $57 million (31 December 2024: $63 million)
3 Does not include charge relating to Other assets of $5 million (31 December 2024: release of $3 million)
4 Stage 3 gross includes $289 million (31 December 2024: $59 million) and ECL $6 million (31 December 2024: Nil) originated credit-impaired debt securities
5 The gross balance includes the notional amount of off balance sheet instrument

Credit impairment charge (reviewed)

The table below analyses credit impairment charges or releases for the period ended 30 June 2025.

+ Further details can be found in the 'Summary of Credit Risk Performance' on page 4.

	30.06.25			30.06.24[1]		
	Stage 1 & 2 $million	**Stage 3 $million**	**Total $million**	Stage 1 & 2 $million	Stage 3 $million	Total $million
Corporate & Investment Banking	**29**	**(123)**	**(94)**	10	(87)	(77)
Wealth & Retail Banking	**43**	**102**	**145**	57	43	100
Ventures	**5**	**11**	**16**	5	5	10
Central & other items	**–**	**1**	**1**	(6)	(3)	(9)
Total credit impairment charge/(release)	**77**	**(9)**	**68**	66	(42)	24

1 Business segments have been re-presented in line with the PLC Group's RNS on Re-Presentation of Financial Information issued on 2 April 2025, with no change in total credit impairment charge

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.

	30.06.25											
	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	10,349	(9)	10,340	683	(24)	659	795	(530)	265	11,827	(563)	11,264
Manufacturing	10,291	(7)	10,284	589	(13)	576	377	(287)	90	11,257	(307)	10,950
Financing, insurance and non-banking	24,606	(15)	24,591	613	(1)	612	75	(61)	14	25,294	(77)	25,217
Transport, telecom and utilities	10,194	(14)	10,180	1,943	(30)	1,913	378	(100)	278	12,515	(144)	12,371
Food and household products	7,276	(7)	7,269	321	(15)	306	197	(184)	13	7,794	(206)	7,588
Commercial real estate	5,698	(16)	5,682	915	(4)	911	127	(88)	39	6,740	(108)	6,632
Mining and quarrying	3,258	(2)	3,256	150	(5)	145	53	(50)	3	3,461	(57)	3,404
Consumer durables	2,924	(7)	2,917	170	(6)	164	208	(203)	5	3,302	(216)	3,086
Construction	1,137	(1)	1,136	466	(3)	463	161	(153)	8	1,764	(157)	1,607
Trading companies & distributors	299	–	299	5	–	5	89	(51)	38	393	(51)	342
Government	18,607	–	18,607	956	(12)	944	88	(23)	65	19,651	(35)	19,616
Other	2,622	(4)	2,618	366	(6)	360	138	(67)	71	3,126	(77)	3,049
Total	97,261	(82)	97,179	7,177	(119)	7,058	2,686	(1,797)	889	107,124	(1,998)	105,126
Retail Products:												
Mortgage	23,561	(7)	23,554	460	(2)	458	457	(124)	333	24,478	(133)	24,345
Credit Cards	3,721	(82)	3,639	98	(39)	59	48	(42)	6	3,867	(163)	3,704
Personal Loan and other unsecured lending	2,948	(86)	2,862	64	(9)	55	133	(65)	68	3,145	(160)	2,985
Secured wealth products	17,951	(25)	17,926	334	(4)	330	465	(336)	129	18,750	(365)	18,385
Other	1,614	(3)	1,611	32	–	32	73	(65)	8	1,719	(68)	1,651
Total	49,795	(203)	49,592	988	(54)	934	1,176	(632)	544	51,959	(889)	51,070
Net carrying value (customers)[1]	147,056	(285)	146,771	8,165	(173)	7,992	3,862	(2,429)	1,433	159,083	(2,887)	156,196
Net carrying value (Banks)[1]	23,891	(2)	23,889	725	(2)	723	46	(1)	45	24,662	(5)	24,657

1 Includes reverse repurchase agreements and other similar secured lending held at amortised cost of $4,180 million for Customers and $4,250 million for Banks

	31.12.24											
	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	10,695	(11)	10,684	449	(33)	416	859	(551)	308	12,003	(595)	11,408
Manufacturing	9,610	(9)	9,601	509	(10)	499	390	(278)	112	10,509	(297)	10,212
Financing, insurance and non-banking	26,699	(12)	26,687	804	(1)	803	86	(74)	12	27,589	(87)	27,502
Transport, telecom and utilities	9,542	(9)	9,533	1,962	(26)	1,936	330	(85)	245	11,834	(120)	11,714
Food and household products	6,484	(8)	6,476	267	(8)	259	236	(184)	52	6,987	(200)	6,787
Commercial real estate	5,394	(7)	5,387	879	(9)	870	120	(82)	38	6,393	(98)	6,295
Mining and quarrying	3,757	(3)	3,754	251	(12)	239	124	(56)	68	4,132	(71)	4,061
Consumer durables	2,699	(6)	2,693	187	(16)	171	245	(229)	16	3,131	(251)	2,880
Construction	1,181	(1)	1,180	478	(5)	473	171	(160)	11	1,830	(166)	1,664
Trading companies & distributors	364	–	364	2	–	2	82	(44)	38	448	(44)	404
Government	24,374	–	24,374	428	(12)	416	193	(18)	175	24,995	(30)	24,965
Other	2,624	(2)	2,622	72	(4)	68	139	(68)	71	2,835	(74)	2,761
Total	103,423	(68)	103,355	6,288	(136)	6,152	2,975	(1,829)	1,146	112,686	(2,033)	110,653
Retail Products:												
Mortgage	22,266	(7)	22,259	436	(2)	434	431	(123)	308	23,133	(132)	23,001
Credit Cards	3,665	(70)	3,595	95	(37)	58	49	(44)	5	3,809	(151)	3,658
Personal Loan and other unsecured lending[3]	2,822	(82)	2,740	67	(13)	54	113	(62)	51	3,002	(157)	2,845
Secured wealth products	16,110	(24)	16,086	387	(5)	382	460	(334)	126	16,957	(363)	16,594
Other[2,3]	1,465	(3)	1,462	19	–	19	70	(60)	10	1,554	(63)	1,491
Total	46,328	(186)	46,142	1,004	(57)	947	1,123	(623)	500	48,455	(866)	47,589
Net carrying value (customers)[1]	149,751	(254)	149,497	7,292	(193)	7,099	4,098	(2,452)	1,646	161,141	(2,899)	158,242
Net carrying value (Banks)[1]	22,556	(5)	22,551	313	(1)	312	80	(2)	78	22,949	(8)	22,941

1 Includes reverse repurchase agreements and other similar secured lending held at amortised cost of $9,121 million for Customers and $2,889 million for Banks
2 Includes Auto Loans previously presented separately. Prior period has been re-presented
3 Prior period has been represented between Personal Loan and other unsecured lending and Other

Debt securities and other eligible bills (reviewed)

This section provides further detail on gross debt securities and treasury bills for the Group.

The standard credit ratings used by the Group are those used by Standard & Poor's or its equivalent. Debt securities held that have a short-term 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 51 of the SC Bank Group's 2024 Annual Report.

Total gross debt securities and other eligible bills increased by $7.3 billion to $103.5 billion (31 December 2024: $96.2 billion) due to investments in high quality liquid assets.

Stage 1 gross balance increased by $7.7 billion to $102.2 billion (31 December 2024: $94.5 billion) mainly driven by UK and Singapore exposures.

Stage 2 gross balance decreased by $0.6 billion to $1.1 billion (31 December 2024: $1.6 billion).

Stage 3 gross balance increased by $0.2 billion to $0.3 billion (31 December 2024: $0.1 billion) due to an increase in exposures for two sovereigns.

	30.06.25			31.12.24		
Amortised cost and FVOCI	Gross $million	ECL $million	Net[2] $million	Gross $million	ECL $million	Net[2] $million
Stage 1	**102,174**	**(24)**	**102,150**	94,480	(20)	94,460
– Strong	**98,340**	**(19)**	**98,321**	90,971	(16)	90,955
– Satisfactory	**3,834**	**(5)**	**3,829**	3,509	(4)	3,505
Stage 2	**1,059**	**(7)**	**1,052**	1,612	(3)	1,609
– Strong	**216**	**(2)**	**214**	560	–	560
– Satisfactory	**255**	**(3)**	**252**	31	–	31
– High Risk	**588**	**(2)**	**586**	1,021	(3)	1,018
Stage 3	**306**	**(6)**	**300**	103	(2)	101
Gross balance[1]	**103,539**	**(37)**	**103,502**	96,195	(25)	96,170

1 Stage 3 gross includes $289 million (31 December 2024: $59 million) originated credit-impaired debt securities with impairment of $6 million (31 December 2024: Nil)

2 FVOCI instruments are not presented net of ECL. While the presentation is on a net basis for the table, the total net on-balance sheet amount is $103,529 million (31 December 2024: $96,179 million). Refer to the Analysis of financial instrument by stage table on page 6

IFRS 9 ECL methodology (reviewed)

Refer to page 88 in the SC Bank Group's 2024 Annual Report for the 'Approach for determining ECL, 'Application of lifetime' and pages 93 to 95 for 'Significant Increase in Credit Risk (SICR)', 'Assessment of credit-impaired financial assets' and 'Governance of Post Model Adjustments and application of expert credit judgement in respect of ECL'. There have been no changes to the Group's approach in determining SICR compared to 31 December 2024.

Key assumptions and judgements in determining ECL

Incorporation of forward-looking information

Refer to page 68 of the PLC Group's 2025 Half year report for an explanation of the key assumptions adopted by the Group to incorporate forward-looking information into ECL.

The tables below provide a summary of the Group's Base Forecast for key markets. The peak/trough amounts in the tables show the highest and lowest points within the Base Forecast.

2025

	China[5]				UAE				Singapore[6]				India			
	5 yr average base forecast	Base forecast quarterly peak/ trough	Low[2]	High[3]	5 yr average base forecast	Base forecast quarterly peak/ trough	Low[2]	High[3]	5 yr average base forecast	Base forecast quarterly peak/ trough	Low[2]	High[3]	5 yr average base forecast	Base forecast quarterly peak/ trough	Low[2]	High[3]
GDP growth (YoY%)	3.9	6.4/2.1	(6.3)	16.3	3.7	5.0/2.6	(2.2)	10.1	2.2	2.9/(0.7)	(4.3)	8.5	6.4	7.1/6.0	2.9	9.8
Unemployment (%)	3.4	3.5/3.3	2.9	3.7	NA	NA	NA	NA	2.9	3.1/2.9	1.5	4.5	NA	NA	NA	NA
3 month interest rates (%)	1.3	1.4/1.2	(0.9)	3.4	4.3	4.4/3.9	0.8	8.6	2.7	3.1/1.9	(0.0)	6.2	5.7	5.8/5.5	1.1	10.2
House prices (YoY%)	(0.4)	2.6/(4.7)	(9.9)	12.2	2.6	7.4/1.8	(16.8)	21.3	2.6	2.8/1.8	(18.6)	22.9	6.3	7.3/5.2	1.1	12.9

2024 year-end forecasts[7]

	China[5]				UAE				Singapore[6]				India			
	5 yr average base forecast	Base forecast quarterly peak/ trough	Low[2]	High[3]	5 yr average base forecast	Base forecast quarterly peak/ trough	Low[2]	High[3]	5 yr average base forecast	Base forecast quarterly peak/ trough	Low[2]	High[3]	5 yr average base forecast	Base forecast quarterly peak/ trough	Low[2]	High[3]
GDP growth (YoY%)	4.1	5.3/3.2	(1.0)	9.3	3.7	5.4/2.7	(0.1)	12.6	2.3	3.4/0.6	(2.7)	7.0	6.6	7.1/5.9	3.2	10.0
Unemployment (%)	3.3	3.5/3.1	2.8	3.7	NA	NA	NA	NA	2.7	2.8/2.7	2.0	3.6	NA	NA	NA	NA
3 month interest rates (%)	1.7	1.9/1.6	0.6	3.0	2.9	3.6/2.7	0.5	5.5	2.0	2.4/1.6	0.3	3.9	6.0	6.2/6.0	1.9	10.3
House prices (YoY%)	(1.3)	2.3/(5.6)	(10.1)	7.8	3.5	12.4/1.9	(12.0)	22.3	2.4	3.2/(0.4)	(10.5)	17.5	6.4	7.3/6.0	(0.1)	12.6

	2025				2024 year-end forecasts[7]			
	5 yr average base forecast	**Base forecast peak/trough**	**Low[2]**	**High[3]**	5 yr average base forecast	Base forecast peak/trough	Low[2]	High[3]
Brent Crude, $ pb	**70.4**	**74.5/66.1**	**29.0**	**136.3**	76.2	77.8/74.8	44.5	107.8

1 NA – Not available
2 Represents the 10th percentile in the range of economic scenarios used to determine non-linearity
3 Represents the 90th percentile in the range of economic scenarios used to determine non-linearity
4 Base forecasts are evaluated from Q3 2025 to Q2 2030. The forward-looking simulation starts from Q3 2025
5 A judgemental management adjustment is held in respect of the China commercial real estate sector as discussed below
6 Singapore unemployment rate covers the resident unemployment rate, which refers to citizens and permanent residents
7 Data presented are those used in the calculation of ECL. These may differ slightly to forecasts presented elsewhere in the financial statements as they are finalised before the period end

Judgemental management adjustments

As at 30 June 2025, the Group held $60.0 million (31 December 2024: $50.0 million) of judgemental management overlays, $55.0 million (31 December 2024: $42.0 million) of which relates to CIB, $5.0 million (31 December 2024: $1.0 million) to WRB and Ventures and nil (31 December 2024: $7.0 million) to Central and other items.

In CIB, overlays have been taken for Bangladesh by estimating the impact of deterioration to certain exposures in the country, together with an immaterial amount for climate risks. The overlay in Bangladesh reflects that the political situation has contributed to an increasing level of uncertainty in the macroeconomic outlook. Further details on the adjustment for climate risk are set out in Note 1 Accounting Policies to the 2024 Financial Statements.

As at 30 June 2025, judgemental post model adjustments have been applied which decreased ECL by a net $5.0 million (31 December 2024: $9.0 million decrease in ECL). Given continuing tariff and geopolitical uncertainty, there was a $26.0 million (31 December 2024: $16.0 million) upward adjustment for non-linearity at 30 June 2025. The basis of estimation of this adjustment is set out in the PLC Group's Half Year Report on page 68. This was offset by a net $31.0 million (31 December 2024: $25.0 million) reduction in ECL relating to adjustments applied to and for certain WRB models, primarily to adjust for temporary factors impacting modelled outputs. These will be released when these factors normalise.

Judgemental management adjustments are re-assessed quarterly, are reviewed and approved by the IFRS 9 Impairment Committee and will be released when the risks are no longer relevant.

Stage 3 assets

Credit-impaired assets managed by Stressed Asset Risk incorporate forward-looking economic assumptions in respect of the recovery outcomes identified and are assigned individual probability weightings. These assumptions are not based on a Monte Carlo simulation but are informed by the Base Forecast.

Sensitivity of ECL calculation to macroeconomic variables

Refer to page 74 in the PLC Group's 2025 Half year report, on how the Group has conducted a series of analyses with the aim of identifying the macroeconomic variables which might have the greatest impact on overall ECL.

The table below provides a summary of these macroeconomic variables, in both baseline and downside scenarios.

	Baseline		Moderate GTGT		BCST	
	Five year average	Peak/Trough	Five year average	Peak/Trough	Five year average	Peak/Trough
China GDP	3.9	6.4 / 2.1	2.9	4.4 / 0.2	2.7	4.2 / (1.7)
China unemployment	3.4	3.5 / 3.3	4.1	4.4 / 3.6	4.3	5.0 / 3.7
China property prices	(0.4)	2.6 / (4.7)	0.4	6.5 / (11.4)	(3.8)	11.1 / (11.4)
UAE GDP	3.7	5.0 / 2.6	3.0	4.0 / 1.0	2.0	4.0 / (1.5)
UAE property prices	2.6	7.4 / 1.8	0.6	7.2 / (4.9)	(4.8)	8.1 / (16.2)
US GDP	1.9	2.2 / 1.5	1.0	2.0 / (0.3)	0.2	1.4 / (3.5)
Singapore GDP	2.2	2.9 / (0.7)	0.9	2.8 / (2.9)	0.6	3.8 / (6.7)
India GDP	6.4	7.1 / 6.0	5.5	6.6 / 3.8	4.8	6.3 / 0.8
Crude oil	70.4	74.5 / 66.1	62.5	70.1 / 55.4	110.4	146.2 / 74.5

The total reported stage 1 and 2 ECL provisions (including both on and off-balance sheet instruments) would be approximately $56.0 million higher under the 'Moderate Global Trade and Geopolitical Tensions' (Moderate GTGT) scenario and $183.0 million higher under the 'Bank Capital Stress Test' (BCST) 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). The proportion of stage 2 assets would increase from 3.2 per cent in the base case to 3.5 per cent and 4.0 per cent respectively under the Moderate GTGT and BCST 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 CIB came from the main CRE, corporate and project finance portfolios. For the WRB portfolios most of the increases came from the unsecured retail portfolios with Singapore credit cards most impacted.

There was no material change in modelled stage 3 provisions as these primarily relate to unsecured retail 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.

Modelled provisions

	Increase in ECL	
	ECL Moderate GTGT scenario $ million	ECL BCST scenario $ million
Stage 1		
Corporate & Investment Banking	14	16
Wealth & Retail Banking	3	39
Ventures	–	–
Central & Others	1	2
Total increase in stage 1 ECL	**18**	**57**
Stage 2		
Corporate & Investment Banking	27	70
Wealth & Retail Banking	11	56
Ventures	–	–
Central & Others	–	–
Total increase in stage 2 ECL	**38**	**126**
Total stage 1 & 2		
Corporate & Investment Banking	41	86
Wealth & Retail Banking	14	95
Ventures	–	–
Central & Others	1	2
Total increase in stage 1 & 2 ECL	**56**	**183**

Traded Risk

Market Risk (reviewed)

Market Risk is the potential for fair value loss due to adverse moves in financial markets. The Group's exposure to Market Risk arises predominantly from the following sources:

- 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.
- 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 Group has capital invested and related income streams denominated in currencies other than US dollars. To the extent that these income streams are not hedged, the Group is subject to Structural Foreign Exchange Risk which is reflected in reserves.

A summary of our current policies and practices regarding Market Risk management is provided in the Principal Risks section.

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 changes

Value-at Risk (VaR) allows the Group to manage market risk across the trading book and most of the fair valued non-trading books.

There have been a number of market events in H1 2025 that led to increased market volatility. Q1 2025 was dominated by fears over US tariffs with the S&P 500 exhibiting its worst underperformance versus emerging markets since 2017. US yields fell over the quarter on recession concerns whilst yields in other major bond markets increased, notably Germany on unprecedented fiscal stimulus, driven by security fears associated with US isolationism. This uncertainty drove gold prices higher and risk assets lower, especially US high yield credit. Despite recession concerns, oil prices remained supported by tension in the Middle East. In Q2 2025, market volatility increased driven by the imposition of tariffs on Liberation Day and then subsequent suspensions and re-impositions. Additional volatility was driven by military hostilities in India-Pakistan and within the Middle East, and subsequent ceasefires. The market consequences included the worst H1 2025 performance of the US dollar against the foreign exchanges since 2002, whilst the S&P 500 rose in Q2 2025, closing near its all-time high. The price of crude oil, having spiked in June 2025 on fears over potential closure of the Straits of Hormuz, closed lower in Q2 2025 on global trade uncertainty; in contrast, gold continued to rise over the quarter.

Trading VaR

The average level of trading VaR in H1 2025 was $22.6 million, 24 per cent higher than H2 2024 ($18.2.million) and 22 per cent higher than H1 2024 ($18.6 million). The increase in trading average VaR was driven by an increase in market volatility combined with a VaR model enhancement to make the model more responsive to such an upturn in market volatility.

Daily value at risk (VaR at 97.5%, one day) (reviewed)

	6 months ended 30.06.25				6 months ended 31.12.24				6 months ended 30.06.24			
Trading[1]	Average $million	High $million	Low $million	Half Year $million	Average $million	High $million	Low $million	Half Year $million	Average $million	High $million	Low $million	Half Year $million
Interest Rate Risk	**10.8**	**13.4**	**6.8**	**10.6**	11.0	18.2	5.6	12.4	10.4	17.3	6.3	7.6
Credit Spread Risk	**6.6**	**10.4**	**3.4**	**8.9**	4.1	5.6	3.2	3.4	5.0	8.5	2.9	3.7
Foreign Exchange Risk	**7.5**	**11.9**	**4.7**	**7.6**	9.1	15.6	5.1	7.6	8.9	14.3	5.7	9.4
Commodity Risk	**10.7**	**18.8**	**2.4**	**3.4**	4.2	7.2	2.6	4.1	4.9	9.7	2.3	5.7
Equity Risk	**–**	**–**	**–**	**–**	–	–	–	–	–	–	–	–
Diversification effect[2]	**(13.0)**	**NA**	**NA**	**(11.2)**	(10.2)	NA	NA	(6.0)	(10.6)	NA	NA	(12.9)
Total[2]	**22.6**	**31.3**	**16.0**	**19.3**	18.2	28.4	11.0	21.5	18.6	29.4	12.7	13.5

1 The trading book for Market Risk is defined in the 'Trading Book Capital Requirements Regulation (CRR)' part of the PRA Handbook which transposes the requirements of CRR Part 3 Title I Chapter 3 as onshored in the UK. This restricts the positions permitted in the trading book.

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.

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 credit support annexes (CSAs) with counterparties where 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 us to post collateral if the overall mark-to-market values of positions are in the counterparty's favour and exceed an agreed threshold.

Liquidity and Funding risk

The Group monitors key liquidity metrics regularly at a country level as well as on a consolidated basis.

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), 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 such as external wholesale borrowing (WBE) and cross currency limits.

Liquidity coverage ratio (LCR)

The LCR aims to ensure that a bank has sufficient unencumbered high-quality liquid assets to meet its liquidity needs in a 30-calendar-day liquidity stress scenario. The bank and material subsidiaries in the Standard Chartered Bank consolidation have standalone LCR ratios above 100 per cent at 30 June 2025, calculated under the Liquidity Coverage Ratio per PRA rulebook.

Stress coverage

Stress testing and scenario analysis are used to assess the financial and management capability to continue to operate effectively under extreme, but plausible, operating conditions and to understand the potential threats to the PLC Group's liquidity and other financial resources, inclusive of Standard Chartered Bank.

The PLC Group's internal liquidity 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; and
- Combined – Assumes both Standard Chartered-specific and Market-wide events affect the PLC 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 captures single name and industry concentration. As of 30 June 2025, all entities within the Group follow a consistent approach and met their individual stress test requirements as per Board Risk Appetite, and as a result, ensure Group has surplus liquidity on a consolidated basis.

Net stable funding ratio (NSFR)

The NSFR is a balance sheet metric which requires 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 the tenor and / or their perceived stability to quantify 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. Standard Chartered Bank is not regulated for NSFR, however the bank and material subsidiaries in the consolidation have standalone NSFR ratios above 100 per cent at 30 June 2025.

Liquidity pool

The liquidity value of the Group's LCR eligible liquidity pool at the reporting date was $138 billion. The figures in the below table account for haircuts, currency convertibility and portability constraints, 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.

	30.06.25 $million	31.12.24 $million
Level 1 securities		
Cash and balances at central banks	76,771	69,453
Central banks, governments/public sector entities	49,716	42,389
Multilateral development banks and international organisations	7,191	14,385
Other	459	343
Total Level 1 securities	134,137	126,570
Level 2A securities	3,730	4,060
Level 2B securities	528	411
Total LCR eligible assets	138,395	131,041

Liquidity analysis of the Group's balance sheet

Contractual maturity of assets and liabilities

The following table presents assets and liabilities by maturity groupings for the Group, 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 cashflows. 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 64 per cent maturing in one year.

	30.06.25								
	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	65,081	–	–	–	–	–	–	2,953	68,034
Derivative financial instruments	16,104	9,975	9,485	6,506	3,552	5,791	9,264	7,097	67,774
Loans and advances to banks[1,2]	13,165	10,155	8,544	5,885	6,780	8,036	3,167	1,043	56,775
Loans and advances to customers[1,2]	67,514	23,491	14,835	7,907	9,951	22,627	19,958	39,594	205,877
Investment securities[1]	9,519	12,119	9,232	10,436	8,127	19,227	31,370	41,977	142,007
Other assets	10,372	33,895	977	390	722	39	66	5,030	51,491
Due from subsidiary undertakings and other related parties	5,690	–	–	–	–	–	–	–	5,690
Total assets	187,445	89,635	43,073	31,124	29,132	55,720	63,825	97,694	597,648
Liabilities									
Deposits by banks[1,3]	25,236	2,236	1,243	117	1,162	4,276	2,490	2	36,762
Customer accounts[1,4]	244,248	25,179	18,640	7,714	4,965	5,429	3,300	858	310,333
Derivative financial instruments	17,033	13,665	9,335	6,355	3,290	5,128	9,067	5,733	69,606
Senior debt[5]	666	2,163	1,255	970	769	3,116	6,226	4,552	19,717
Other debt securities in issue[1]	2,424	4,759	8,719	5,299	2,847	960	5,562	4,151	34,721
Due to parent companies and other related undertakings	38,596	–	–	–	–	–	–	–	38,596
Other liabilities	11,415	23,405	352	458	719	1,540	1,566	4,569	44,024
Subordinated liabilities and other borrowed funds	3	40	107	86	134	418	1,148	6,130	8,066
Total liabilities	339,621	71,447	39,651	20,999	13,886	20,867	29,359	25,995	561,825
Net liquidity gap	(152,176)	18,188	3,422	10,125	15,246	34,853	34,466	71,699	35,823

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 11 Financial instruments
2 Loans and advances include reverse repurchase agreements and other similar secured lending of $82.2 billion
3 Deposits by banks include repurchase agreements and other similar secured borrowing of $8.1 billion
4 Customer accounts include repurchase agreements and other similar secured borrowing of $36.8 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

	31.12.24								
	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	53,804	–	–	–	–	–	–	2,861	56,665
Derivative financial instruments	23,025	15,570	11,128	6,655	3,632	6,858	9,013	6,836	82,717
Loans and advances to banks[1,2]	11,412	13,483	7,778	5,090	3,333	7,517	2,881	1,172	52,666
Loans and advances to customers[1,2]	49,102	42,519	18,989	8,543	9,355	15,843	18,433	37,358	200,142
Investment securities[1]	7,519	15,812	9,680	4,581	7,223	18,256	26,620	38,750	128,441
Investment in subsidiary undertaking	–	–	–	–	–	–	–	–	–
Other assets	8,575	21,365	1,045	376	827	71	64	5,358	37,681
Due from subsidiary undertakings and other related parties	5,222	–	–	–	–	–	–	–	5,222
Total assets	158,659	108,749	48,620	25,245	24,370	48,545	57,011	92,335	563,534
Liabilities									
Deposits by banks[1,3]	21,215	2,145	1,473	786	451	4,288	1,935	3	32,296
Customer accounts[1,4]	221,755	25,761	15,092	5,243	6,086	6,420	2,358	426	283,141
Derivative financial instruments	22,341	17,329	10,929	6,454	3,640	6,168	9,285	6,431	82,577
Senior debt[5]	606	1,711	2,431	1,934	849	2,362	6,293	4,373	20,559
Other debt securities in issue[1]	2,672	2,314	6,479	4,521	4,726	806	6,673	3,290	31,481
Due to parent companies and other related undertakings	28,246	–	–	–	–	–	–	–	28,246
Other liabilities	9,131	23,171	669	483	125	3,987	419	2,774	40,759
Subordinated liabilities and other borrowed funds	8	36	–	73	19	206	532	9,485	10,359
Total liabilities	305,974	72,467	37,073	19,494	15,896	24,237	27,495	26,782	529,418
Net liquidity gap	(147,315)	36,282	11,547	5,751	8,474	24,308	29,516	65,553	34,116

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 11 Financial instruments
2 Loans and advances include reverse repurchase agreements and other similar secured lending of $77.6 billion
3 Deposits by banks include repurchase agreements and other similar secured borrowing of $8.4 billion
4 Customer accounts include repurchase agreements and other similar secured borrowing of $34.7 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 cashflows presented in the previous section reflect the cashflows 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 cashflow. 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

The following table analyses the contractual cashflows payable for the Group's financial liabilities by remaining contractual maturities on an undiscounted basis. The financial liability balances in the table below will not agree to the balances reported in the consolidated balance sheet as the table incorporates all contractual cashflows, 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.

	30.06.25								
	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	25,301	2,250	1,260	121	1,185	4,295	2,544	2	36,958
Customer accounts	244,623	25,340	18,888	7,900	5,136	5,503	3,424	885	311,699
Derivative financial instruments[1]	69,009	14	15	15	9	70	320	154	69,606
Debt securities in issue	3,182	7,182	10,101	6,391	3,755	4,533	14,166	7,730	57,040
Due to parent companies and other related undertakings	38,596								38,596
Subordinated liabilities and other borrowed funds	33	57	142	91	142	465	1,418	11,592	13,940
Other liabilities	12,402	23,293	337	458	704	1,494	1,559	4,798	45,045
Total liabilities	393,146	58,136	30,743	14,976	10,931	16,360	23,431	25,161	572,884

	31.12.24								
Deposits by banks	21,217	2,158	1,510	800	467	4,294	1,935	4	32,385
Customer accounts	222,004	25,930	15,321	5,388	6,322	6,600	2,528	457	284,550
Derivative financial instruments[1]	81,886	23	26	8	3	74	247	310	82,577
Debt securities in issue	3,340	4,052	9,000	6,524	5,679	3,654	13,819	8,176	54,244
Due to parent companies and other related undertakings	28,246								28,246
Subordinated liabilities and other borrowed funds	33	132	89	191	89	534	1,450	14,350	16,868
Other liabilities	10,019	23,101	659	464	125	3,925	419	2,981	41,693
Total liabilities	366,745	55,396	26,605	13,375	12,685	19,081	20,398	26,278	540,563

1 Derivatives are on a discounted basis

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 lag behind 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.

Estimated one-year impact to earnings from a parallel shift in yield curves at the beginning of the period of:	USD bloc $million	SGD bloc $million	INR bloc $million	Other currency bloc $million	Total $million
			30.06.25		
+ 50 basis points	**20**	**20**	**20**	**50**	**110**
– 50 basis points	**(30)**	**(30)**	**(20)**	**(60)**	**(140)**
+ 100 basis points	**40**	**30**	**40**	**100**	**210**
– 100 basis points	**(60)**	**(60)**	**(40)**	**(120)**	**(280)**
			31.12.24		
+ 50 basis points	20	10	30	60	120
– 50 basis points	(20)	(20)	(30)	(70)	(140)
+ 100 basis points	30	20	40	130	220
– 100 basis points	(50)	(40)	(40)	(150)	(280)

As at 30 June 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 $110 million. The equivalent impact from a parallel decrease of 50 basis points would result in a reduction in projected NII of $140 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 $210 million. The equivalent impact from a parallel decrease of 100 basis points would result in a reduction in projected NII of $280 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.

Non-Trading VaR

The average level of non-trading VaR in H1 2025 was $36.7 million, 65 per cent higher than H2 2024 ($22.3 million) and 44 per cent higher than H1 2024 ($25.4 million). The increase in non-trading average VaR was driven by an increase in market volatility combined with a VaR model enhancement to make the model more responsive to such an upturn in market volatility, an increase in the interest rate risk of the Treasury portfolio and larger US agency bonds inventory in the CIB non-trading portfolio.

Daily value at risk (VaR at 97.5%, one day) (reviewed)

	6 months ended 30.06.25				6 months ended 31.12.24				6 months ended 30.06.24			
Non-trading[1]	Average $million	High $million	Low $million	Half Year $million	Average $million	High $million	Low $million	Half Year $million	Average $million	High $million	Low $million	Half Year $million
Interest Rate Risk	**28.9**	**45.1**	**16.5**	**38.5**	16.6	22.9	11.5	22.8	20.3	23.6	16.3	21.2
Credit Spread Risk	**17.7**	**24.6**	**11.2**	**20.1**	11.3	12.6	9.8	11.5	14.8	21.3	8.1	11.4
Foreign Exchange Risk	**–**	**–**	**–**	**–**	–	–	–	–	–	–	–	–
Commodity Risk	**1.7**	**4.9**	**0.2**	**0.8**	0.3	0.9	0.2	0.3	0.4	0.6	0.3	0.5
Equity Risk	**–**	**–**	**–**	**–**	–	–	–	–	0.4	0.9	–	0.1
Diversification effect[2]	**(11.6)**	**NA**	**NA**	**(12.4)**	(5.9)	NA	NA	(4.5)	(10.5)	NA	NA	(5.5)
Total[2]	**36.7**	**51.0**	**22.8**	**47.0**	22.3	30.3	17.4	30.1	25.4	30.4	21.8	27.7

1 The non-trading book VaR does not include the loan underwriting business

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

Operational and Technology Risk

Operational and Technology Risk profile

The Group follows PLC Group in terms of monitoring and managing our Operational and Technology risks. Details of these can be found on page 84 of the PLC Group's 2025 Half Year Report.

Other principal risks

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.

Capital review

Capital disclosures in this document are provided on the basis of Standard Chartered (Group), being Standard Chartered Bank and its subsidiaries. Standard Chartered Bank is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA).

Capital requirements are set by the PRA for Standard Chartered Bank on a solo-consolidation basis. The solo-consolidated group differs from Standard Chartered Bank (Company) in that it includes the full consolidation of four subsidiaries, namely Standard Chartered Holdings (International) B.V., Standard Chartered Grindlays PTY Limited, SCMB Overseas Limited and Corrasi Covered Bonds LLP.

The Group continues to operate through its branches and various subsidiaries, all of which remain well-capitalised in accordance with their applicable risk appetites and applicable regulatory requirements.

Capital ratios

	30.06.25	31.12.24
CET1	13.4%	13.3%
Tier 1 capital	16.8%	16.8%
Total capital	21.7%	23.0%

Capital base[1] (reviewed)

	30.06.25 $million	31.12.24 $million
CET1 capital instruments and reserves		
Capital instruments and the related share premium accounts	20,893	20,893
Of which: share premium accounts	296	296
Retained earnings	11,675	10,215
Accumulated other comprehensive income (and other reserves)	(6,095)	(6,939)
Non-controlling interests (amount allowed in consolidated CET1)	178	178
Independently reviewed interim and year-end profits	1,995	2,953
Foreseeable dividends	(195)	(193)
CET1 capital before regulatory adjustments	28,451	27,107
CET1 regulatory adjustments		
Additional value adjustments (prudential valuation adjustments)	(481)	(426)
Intangible assets (net of related tax liability)	(3,870)	(3,675)
Deferred tax assets that rely on future profitability (excludes those arising from temporary differences)	(18)	(30)
Fair value reserves related to net losses on cash flow hedges	(154)	(8)
Deduction of amounts resulting from the calculation of excess expected loss	(311)	(417)
Net gains on liabilities at fair value resulting from changes in own credit risk	201	246
Defined-benefit pension fund assets	(124)	(115)
Fair value gains arising from the institution's own credit risk related to derivative liabilities	(97)	(91)
Exposure amounts which could qualify for risk weighting of 1250%	(24)	(116)
Total regulatory adjustments to CET1	(4,878)	(4,632)
CET1 capital	23,573	22,475
Additional Tier 1 capital (AT1) instruments[2]	5,988	5,917
AT1 regulatory adjustments	(20)	(20)
Tier 1 capital	29,541	28,372
Tier 2 capital instruments	8,761	10,583
Tier 2 regulatory adjustments	(30)	(30)
Tier 2 capital	8,731	10,553
Total capital	38,272	38,925
Total risk-weighted assets[3]	176,107	169,223

1 Capital base is prepared on the regulatory scope of consolidation
2 Includes Instrument issued by subsidiaries that are given recognition in AT1 Capital
3 Total Risk weighted assets are not in scope of EY's review

Leverage ratio

Capital and total exposures	30.06.25 $million	31.12.24 $million
Tier 1 capital	29,541	28,372
Total leverage ratio exposures	611,790	559,409
Leverage ratio	4.8%	5.1%

Statement of directors' responsibilities

We confirm that to the best of our knowledge:

The condensed consolidated interim financial statements have been prepared in accordance with United Kingdom (UK) adopted International Accounting Standard (IAS 34) and IAS 34 as adopted by the European Union (EU).

By order of the Court

Diego De Giorgi
Director

31 July 2025

Independent review report to Standard Chartered Bank

Conclusion

We have been engaged by Standard Chartered Bank (the 'Company' or, together with its subsidiaries, the 'Group') to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 which comprises the condensed consolidated interim income statement, the condensed consolidated interim statement of comprehensive income, the condensed consolidated interim balance sheet, the condensed consolidated interim statement of changes in equity, the condensed consolidated interim cash flow statement, the related notes 1 to 26 and the risk and capital disclosures marked as 'reviewed' from page 3 to 26 (together 'the condensed consolidated interim financial statements'). We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements in the half-yearly financial report for the six months ended 30 June 2025 are not prepared, in all material respects, in accordance with United Kingdom (UK) adopted International Accounting Standards 34, 'Interim Financial Reporting' (IAS 34) and IAS 34 as adopted by the European Union (EU).

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' (ISRE) issued by the Financial Reporting Council (FRC). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with UK adopted international accounting standards and international financial reporting standards as adopted by the EU. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted IAS 34 and IAS 34 as adopted by the EU.

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with UK adopted IAS 34 and IAS 34 as adopted by the EU.

In preparing the half-yearly financial report, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with guidance contained in ISRE 2410 (UK) 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the FRC. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Signed by:

Ernst & Young LLP

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Ernst & Young LLP
London

31 July 2025

Condensed consolidated interim income statement
For the six months ended 30 June 2025

	Notes	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
Interest income		8,622	9,879
Interest expense		(6,614)	(7,621)
Net interest income	3	2,008	2,258
Fees and commission income		1,938	1,772
Fees and commission expense		(459)	(394)
Net fees and commission income	4	1,479	1,378
Net trading income	5	3,125	2,763
Other operating income	6	16	(109)
Operating income		6,628	6,290
Staff costs		(3,292)	(3,314)
Premises costs		(107)	(118)
General administrative expenses		(89)	23
Depreciation and amortisation		(341)	(307)
Operating expenses		(3,829)	(3,716)
Operating profit before impairment losses and taxation		2,799	2,574
Credit impairment	7	(68)	(24)
Goodwill, property, plant and equipment and other impairment	8	(10)	(97)
Profit from associates and joint ventures		1	3
Profit before taxation		2,722	2,456
Taxation	9	(713)	(848)
Profit for the period		2,009	1,608
Profit attributable to:			
Non-controlling interests		14	19
Parent company shareholders		1,995	1,589
Profit for the period		2,009	1,608

The notes on pages 35 to 71 form an integral part of these financial statements.

Condensed consolidated interim statement of comprehensive income

For the six months ended 30 June 2025

	Notes	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
Profit for the period		2,009	1,608
Other comprehensive income/(loss)			
Items that will not be reclassified to income statement:		98	(208)
Own credit gains/(losses) on financial liabilities designated at fair value through profit or loss		45	(294)
Equity instruments at fair value through other comprehensive income		49	(27)
Actuarial gains on retirement benefit obligations		1	7
Revaluation deficit[1]		(3)	–
Taxation relating to components of other comprehensive income		6	106
Items that may be reclassified subsequently to income statement:		828	(472)
Exchange differences on translation of foreign operations:			
Net gains/(losses) taken to equity		599	(551)
Net (losses)/gains on net investment hedges		(43)	4
Share of other comprehensive income from associates and joint ventures		–	1
Debt instruments at fair value through other comprehensive income:			
Net valuation gains taken to equity		163	40
Reclassified to income statement	6	1	93
Net impact of expected credit gains/(losses)		9	(19)
Cash flow hedges:			
Net movements in cash flow hedge reserve		179	(49)
Taxation relating to components of other comprehensive income		(80)	9
Other comprehensive income/(loss) for the period, net of taxation		926	(680)
Total comprehensive income for the period		2,935	928
Total comprehensive income attributable to:			
Non-controlling interests		41	12
Parent company shareholders		2,894	916
Total comprehensive income for the period		2,935	928

1 Revaluation deficit on reclassification of building to investment property measured at fair value

Condensed consolidated interim balance sheet
As at 30 June 2025

	Notes	30.06.25 $million	31.12.24 $million
Assets			
Cash and balances at central banks	11	**68,034**	56,665
Financial assets held at fair value through profit or loss	11	**120,031**	103,624
Derivative financial instruments	11,12	**67,774**	82,717
Loans and advances to banks	11,13	**24,657**	22,941
Loans and advances to customers	11,13	**156,196**	158,242
Investment securities	11	**103,775**	96,442
Other assets	16	**42,480**	28,478
Due from subsidiary undertakings and other related parties		**5,690**	5,222
Current tax assets		**547**	644
Prepayments and accrued income		**2,145**	2,197
Interests in associates and joint ventures		**75**	75
Goodwill and intangible assets	14	**3,967**	3,774
Property, plant and equipment	15	**1,256**	1,144
Deferred tax assets	9	**295**	350
Retirement benefit schemes in surplus		**129**	118
Assets classified as held for sale	17	**597**	901
Total assets		**597,648**	563,534
Liabilities			
Deposits by banks	11	**26,901**	22,409
Customer accounts	11	**262,015**	239,204
Repurchase agreements and other similar secured borrowing	11,13	**3,465**	9,921
Financial liabilities held at fair value through profit or loss	11	**74,576**	62,929
Derivative financial instruments	11,12	**69,606**	82,577
Debt securities in issue	11	**42,937**	39,864
Other liabilities	18	**29,873**	27,767
Due to parent companies, subsidiary undertakings & other related parties		**38,596**	28,246
Current tax liabilities		**590**	559
Accruals and deferred income		**3,954**	4,265
Subordinated liabilities and other borrowed funds	11,21	**8,066**	10,359
Deferred tax liabilities	9	**495**	427
Provisions for liabilities and charges		**267**	261
Retirement benefit schemes in deficit		**269**	249
Liabilities included in disposal groups held for sale	17	**215**	381
Total liabilities		**561,825**	529,418
Equity			
Share capital and share premium account	22	**21,643**	21,643
Other reserves		**(6,095)**	(6,939)
Retained earnings		**13,945**	13,226
Total parent company shareholders' equity		**29,493**	27,930
Other equity instruments	22	**5,722**	5,722
Total equity excluding non-controlling interests		**35,215**	33,652
Non-controlling interests		**608**	464
Total equity		**35,823**	34,116
Total equity and liabilities		**597,648**	563,534

The notes on pages 35 to 71 form an integral part of these financial statements

These financial statements were approved by the Court of Directors and authorised for issue on 31 July 2025 and signed on its behalf by

Diego De Giorgi
Director

Condensed consolidated interim statement of changes in equity

For the six months ended 30 June 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 1 January 2024	20,893	750	40	47	(514)	191	(13)	(6,260)	12,988	28,122	4,742	1,080	33,944
Profit for the period	–	–	–	–	–	–	–	–	1,589	1,589	–	19	1,608
Other comprehensive (loss)/income[5]	–	–	–	(267)	121	(86)[8]	(46)	(550)	155[2,9]	(673)	–	(7)	(680)
Distributions	–	–	–	–	–	–	–	–	–	–	–	(66)	(66)
Other equity instruments issued, net of expenses	–	–	–	–	–	–	–	–	–	–	400	–	400
Share option expense, net of taxation	–	–	–	–	–	–	–	–	107	107	–	–	107
Dividends on ordinary shares	–	–	–	–	–	–	–	–	(1,240)	(1,240)	–	–	(1,240)
Dividends on preference shares and AT1 securities	–	–	–	–	–	–	–	–	(167)	(167)	–	–	(167)
Deemed distribution to parent[3]	–	–	–	–	–	–	–	–	(110)	(110)	–	–	(110)
Other movements	–	–	–	–	7	–	–	134[4]	(46)[6]	95	–	47[7]	142
As at 30 June 2024	20,893	750	40	(220)	(386)	105	(59)	(6,676)	13,276	27,723	5,142	1,073	33,938
Profit for the period	–	–	–	–	–	–	–	–	1,354	1,354	–	20	1,374
Other comprehensive (loss)/income[5]	–	–	–	(25)	203	(4)[10]	67	(59)	32[2,11]	214	–	(10)	204
Distributions	–	–	–	–	–	–	–	–	–	–	–	(59)	(59)
Other equity instruments issued, net of expenses	–	–	–	–	–	–	–	–	–	–	580	–	580
Share option expense, net of taxation	–	–	–	–	–	–	–	–	98	98	–	–	98
Dividends on ordinary shares	–	–	–	–	–	–	–	–	(1,155)	(1,155)	–	–	(1,155)
Dividends on preference shares and AT1 securities	–	–	–	–	–	–	–	–	(182)	(182)	–	–	(182)
Deemed distribution to parent[3]	–	–	–	–	–	–	–	–	(116)	(116)	–	–	(116)
Other movements	–	–	–	(1)	–	–	–	76[4]	(81)[6]	(6)	–	(560)[7]	(566)
As at 31 December 2024	20,893	750	40	(246)	(183)	101	8	(6,659)	13,226	27,930	5,722	464	34,116
Profit for the period	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,995**	**1,995**	**–**	**14**	**2,009**
Other comprehensive income/(loss)[5]	**–**	**–**	**–**	**44**	**125**	**(3)[10]**	**146**	**525**	**62[2,10]**	**899**	**–**	**27**	**926**
Distributions	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(58)**	**(58)**
Share option expense, net of taxation	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**134**	**134**	**–**	**–**	**134**
Dividends on ordinary shares	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(995)**	**(995)**	**–**	**–**	**(995)**
Dividends on preference shares and AT1 securities	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(194)**	**(194)**	**–**	**–**	**(194)**
Deemed distribution to parent[3]	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(146)**	**(146)**	**–**	**–**	**(146)**
Other movements	**–**	**–**	**–**	**–**	**(25)**	**–**	**–**	**32[4]**	**(137)[6,12]**	**(130)**	**–**	**161[7,12]**	**31**
As at 30 June 2025	**20,893**	**750**	**40**	**(202)**	**(83)**	**98**	**154**	**(6,102)**	**13,945**	**29,493**	**5,722**	**608**	**35,823**

1 Includes capital reserve of $35 million, capital redemption reserve of $5 million
2 Comprises actuarial (loss)/gain, net of taxation on Group defined benefit schemes
3 Relates to deemed distribution to parent company arising from share-based payment net of taxation of $146 million (half year ending 31 December 2024: $116 million and half year ending 30 June 2024: $110 million)
4 Movement in 2025 includes realisation of translation adjustment loss from sale of Standard Chartered Bank Gambia Limited ($8 million) transferred to other operating income. Half year ending 30 June 2024 includes realisation of translation adjustment loss from sale of SCB Zimbabwe Limited ($190 million) and half year ending 31 December 2024 includes SCB Angola S.A. ($31 million), SCB Sierra Leone Limited ($25 million) transferred to other operating income.
5 All the amounts are net of tax
6 Includes movement related to Ghana hyperinflation
7 Movement in 2025 related to non-controlling interest pertaining to Trust Bank Singapore Limited ($7 million). Movements during half year ending 30 June 2024 related to non-controlling interest pertaining to Trust Bank Singapore Limited ($47 million). Further movement from non-controlling interest pertaining to Standard Chartered Bank Singapore Limited ($562 million) pertaining to redemption of Preference share and Standard Chartered Bank Angola S.A. ($6 million) partly offset by Trust Bank Singapore Limited ($8 million) during half year ending 31 December 2024
8 Includes $147 million gain on sale of equity investment transferred to retained earnings partly offset by $76 million reversal of deferred tax liability
9 Includes $147 million gain on sale of equity investment in other comprehensive income reserve transferred to retained earnings partly offset by $13 million capital gain tax
10 Includes $58 million (half year ending 31 December 2024: $27 million) gain on sale of equity investment transferred to retained earnings
11 Includes $27 million gain on sale of equity investment in other comprehensive income reserve transferred to retained earnings
12 Includes $154 million recognised upon redemption of preference AT1 shares at their issue price. Those shares, issued by a subsidiary (Standard Chartered Bank Singapore Limited), were recognised against non-controlling interest and their carrying amount had been reduced below their issue price upon dividend payments made in prior periods

Note 22 includes a description of each reserve.

The notes on pages 35 to 71 form an integral part of these financial statements.

Condensed consolidated interim cash flow statement

For the six months ended 30 June 2025

	Notes	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
Cash flows from operating activities:			
Profit before taxation		**2,722**	2,456
Adjustments for non-cash items and other adjustments included within income statement	24	**(150)**	978
Change in operating assets	24	**(9,906)**	(20,436)
Change in operating liabilities	24	**28,550**	11,323
Contributions to defined benefit schemes		**(14)**	(14)
UK and overseas taxes paid		**(559)**	(622)
Net cash from/ (used in) operating activities		**20,643**	(6,315)
Cash flows from investing activities:			
Internally generated Capitalised Software	14	**(300)**	(230)
Purchase of property, plant and equipment		**(95)**	(61)
Disposal of property, plant and equipment		**4**	–
Acquisition of investment in associates, and joint ventures, net of cash acquired		**–**	(1)
Disposal of investment in subsidiaries, associates, and joint ventures, net of cash acquired		**15**	24
Purchase of investment securities		**(67,536)**	(67,221)
Disposal and maturity of investment securities		**63,649**	66,109
Net cash used in investing activities		**(4,263)**	(1,380)
Cash flows from financing activities:			
Issue of Additional Tier 1 capital, net of expenses	22	**–**	400
Premises and equipment lease liability principal payment		**(49)**	(48)
Interest paid on subordinated liabilities	24	**(302)**	(278)
Repayment of subordinated liabilities	24	**(2,694)**	(1,000)
Proceeds from issue of senior debts	24	**1,450**	1,258
Repayment of senior debts	24	**(1,781)**	(1,614)
Interest paid on senior debts	24	**(179)**	(169)
Net cash inflow from non-controlling interests		**7**	47
Distributions and dividends paid to non-controlling interests, preference shareholders and AT1 securities		**(252)**	(233)
Dividends paid to ordinary shareholders		**(995)**	(1,240)
Net cash used in financing activities		**(4,795)**	(2,877)
Net increase/(decrease) in cash and cash equivalents		**11,585**	(10,572)
Cash and cash equivalents at beginning of the period		**78,949**	88,360
Effect of exchange rate movements on cash and cash equivalents		**2,386**	(1,639)
Cash and cash equivalents at end of the period[1]		**92,920**	76,149

1 Comprises cash and balances at central banks $68,034 million (30 June 2024: $54,980 million), treasury bills and other eligible bills $7,426 million (30 June 2024: $3,259 million), loans and advances to banks $3,655 million (30 June 2024: $2,605 million), loans and advances to customers $14,970 million (30 June 2024: $17,419 million), investments $866 million (30 June 2024: $300 million), Amounts due from fellow group undertaking $922 million (30 June 2024: $499 million) less restricted balances $2,953 million (30 June 2024: $2,913 million)

For Bank Group, Interest received was $8,235 million (30 June 2024: $10,118 million), interest paid was $6,751 million (30 June 2024: $7,581 million).

The notes on pages 35 to 71 form an integral part of these financial statements.

Contents – Notes to the financial statements

Notes to the financial statements

1. Accounting policies

Statement of compliance

The Group condensed consolidated interim financial statements consolidate Standard Chartered Bank (the Company) and its subsidiaries (together referred to as the Group) and equity account the Group's interests in associates and jointly controlled entities.

These interim financial statements have been prepared in accordance with United Kingdom (UK) adopted international accounting standard 34 (IAS 34), 'Interim Financial Reporting' and IAS 34 as adopted by the European Union (EU). They should be read in conjunction with the 2024 Annual Report, which was prepared in accordance with the requirements of the Companies Act 2006, UK-adopted international accounting standards and International Financial Reporting Standards (IFRS) as adopted by the European Union (EU IFRS).

The following parts of the Risk review and Capital review form part of these financial statements:

a) Risk review: Disclosures marked as 'reviewed' from the start of the Risk profile section (page 3) to the end of other principal risks in the same section; and

b) Capital review: tables marked as 'reviewed' from the start of 'Capital ratios' to the end of 'leverage ratio', excluding risk-weighted assets (RWA)

There were no new accounting standards or interpretations that had a material effect on these Condensed consolidated interim financial statements.

Basis of preparation

The condensed consolidated financial statements for Standard Chartered Bank Group 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 condensed 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 in respect to the classification of income attributable to geographic markets which have been re-presented to ensure recognition is in line with transfer pricing principles for services performed including origination, structuring, booking, and risk management as noted in the basis of preparation above. This is necessary to align the presentation of the disclosure of client segments in line with the Regulatory News Service filing (RNS) 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. Where the re-representation has impacted disclosure, it is included within the footnotes in the following sections and tables:

- Risk review: Credit impairment charge (reviewed)
- Note 2 Segmental information
- Note 4 Fees and commission income

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. The significant judgements made by management in applying the Group's accounting policies and key sources of uncertainty were the same as those applied to the consolidated financial statements as at, and for, the year ended 31 December 2024. Summaries of the Group's material accounting policies are included throughout the 2024 Annual Report.

1. Accounting policies continued

Going concern

These financial statements were approved by the Court of directors on 31 July 2025. 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:

- A 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 and recent regulatory updates
- Consideration of stress testing performed, including the Solo and PLC Group's 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 at the Solo level and of the PLC Group, including the capital and leverage ratios, and ICAAP which summarises the Solo and PLC Group's capital and risk assessment processes, assesses the respective capital requirements and the adequacy of resources to meet them
- Analysis of the funding and liquidity position of the Solo and PLC Group, including the Internal Liquidity Adequacy Assessment Process (ILAAP), which considers the Solo and PLC 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 Solo and PLC Group's LCR ratio
- The level of PLC Group's 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 PLC Group's debt
- A detailed review of all PLC Group's 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 31 July 2025. For this reason, the Group continues to adopt the going concern basis of accounting for preparing the financial statements.

2. Segmental information

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.

Client segments

Comparatives have been re-presented in line with the PLC Group's RNS on representation of financial information issued on 2 April 2025 to align with the information reviewed by the Chief Operating Decision Maker.

Profit before tax (PBT) by client segment

	6 months ended 30.06.25					6 months ended 30.06.24[1,2]				
	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	4,797	2,011	49	(229)	6,628	4,599	1,947	29	(285)	6,290
External	3,914	1,124	50	1,540	6,628	3,419	1,158	29	1,684	6,290
Inter-segment	883	887	(1)	(1,769)	–	1,180	789	–	(1,969)	–
Operating expenses	(2,426)	(1,245)	(63)	(95)	(3,829)	(2,322)	(1,169)	(84)	(141)	(3,716)
Operating profit before impairment losses and taxation	2,371	766	(14)	(324)	2,799	2,277	778	(55)	(426)	2,574
Credit impairment	94	(145)	(16)	(1)	(68)	77	(100)	(10)	9	(24)
Other impairment	(1)	(2)	–	(7)	(10)	(88)	(25)	–	16	(97)
Profit from associates and joint ventures	–	–	–	1	1	–	–	–	3	3
Profit/(loss) before taxation	2,464	619	(30)	(331)	2,722	2,266	653	(65)	(398)	2,456
Total assets	389,056	52,033	3,633	152,926	597,648	338,875	47,478	2,505	155,134	543,992
Total liabilities	504,014	87,944	3,299	(33,432)	561,825	454,574	72,628	2,246	(19,394)	510,054

1 Segment results have been re-presented in line with the PLC Group's RNS on Re-Presentation of Financial Information issued on 2 April 2025

2 Prior period amounts have been restated to align with changes to the current year presentation which now reflect the impact of restructuring cost and gain on sale of businesses.

Operating income by client segment

	6 months ended 30.06.25					6 months ended 30.06.24[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
Net interest income	936	1,167	34	(129)	2,008	1,394	1,198	23	(357)	2,258
Net fees and commission income	883	598	12	(14)	1,479	853	536	6	(17)	1,378
Net trading and other income	2,978	246	3	(86)	3,141	2,352	213	–	89	2,654
Operating income	4,797	2,011	49	(229)	6,628	4,599	1,947	29	(285)	6,290

1 Segment results have been re-presented in line with the PLC Group's RNS on Re-Presentation of Financial Information issued on 2 April 2025

3. Net interest income

	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
Balances at central banks	1,026	1,350
Loans and advances to banks	569	562
Loans and advances to customers	4,693	5,266
Debt securities	1,791	1,988
Other eligible bills	498	660
Accrued on impaired assets (discount unwind)	45	53
Interest income	8,622	9,879
Of which: financial instruments held at fair value through other comprehensive income	1,436	1,276
Deposits by banks	316	385
Customer accounts	5,212	6,105
Debt securities in issue	809	816
Subordinated liabilities and other borrowed funds	254	297
Interest expense on IFRS 16 lease liabilities	23	18
Interest expense	6,614	7,621
Net interest income	2,008	2,258

4. Net fees and commission

	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
Fees and commission income	1,938	1,772
Of which:		
Financial instruments that are not fair valued through profit or loss	715	587
Trust and other fiduciary activities	157	141
Fees and commission expense	(459)	(394)
Of which:		
Financial instruments that are not fair valued through profit or loss	(209)	(78)
Trust and other fiduciary activities	(9)	(8)
Net fees and commission	1,479	1,378

4. Net fees and commission continued

	6 months ended 30.06.25					6 months ended 30.06.24[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
Transaction Services	683	9	–	–	692	622	9	–	–	631
Payments & Liquidity	326	–	–	–	326	309	–	–	–	309
Securities Services	103	–	–	–	103	72	–	–	–	72
Trade & Working Capital	254	9	–	–	263	241	9	–	–	250
Global Banking	482	–	–	–	482	466	–	–	–	466
Lending & Financing Solutions	267	–	–	–	267	310	–	–	–	310
Capital Market & Advisory	215	–	–	–	215	156	–	–	–	156
Global Markets	21	–	–	–	21	12	–	–	–	12
Macro Trading	5	–	–	–	5	2	–	–	–	2
Credit Trading	17	–	–	–	17	12	–	–	–	12
Valuation & Other Adj	(1)	–	–	–	(1)	(2)	–	–	–	(2)
Wealth Solutions	–	559	–	–	559	–	489	–	–	489
Investment Products	–	319	–	–	319	–	262	–	–	262
Bancassurance	–	240	–	–	240	–	227	–	–	227
Deposits & Mortgages	–	56	–	–	56	–	62	–	–	62
CCPL & Other Unsecured Lending	–	110	–	–	110	–	112	–	–	112
Ventures	–	–	22	–	22	–	–	15	–	15
Treasury & Other	–	2	–	(6)	(4)	–	–	–	(15)	(15)
Fees and commission income	1,186	736	22	(6)	1,938	1,100	672	15	(15)	1,772
Fees and commission expense	(303)	(138)	(10)	(8)	(459)	(247)	(136)	(9)	(2)	(394)
Net fees and commission	883	598	12	(14)	1,479	853	536	6	(17)	1,378

1 Results have been re-presented to reflect the reallocation of Treasury and Other items across product

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 $397 million (30 June 2024: $446 million), which will be earned evenly over the remaining life of the contract until June 2032. For the six months ended 30 June 2025, $22 million of fee income was released from deferred income (30 June 2024: $22 million).

For the bancassurance contract with the annual performance bonus, based on progress so far and expectation of meeting the performance targets by year-end with a high probability, a pro-rata portion of the total performance fee, equal to $97 million (30 June 2024: $95 million) of the fee has been recognised as fee income in the period.

5. Net trading income

	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
Net trading income	**3,125**	2,763
Significant items within net trading income include:		
Gains on instruments held for trading[1]	**2,506**	2,200
Gains on financial assets mandatorily at fair value through profit or loss	**2,438**	2,115
Losses on financial liabilities designated at fair value through profit or loss	**(1,749)**	(1,536)

1 Includes $2 million loss (30 June 2024: $11 million loss) from the translation of foreign currency monetary assets and liabilities

6. Other operating income

	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
Other operating income includes:		
Rental income from operating lease assets	**3**	3
Net loss on disposal of fair value through other comprehensive income debt instruments	**(1)**	(93)
Net (loss)/gain on amortised cost financial assets	**(1)**	4
Net gain/(loss) on sale of businesses	**4**	(171)[1]
Dividend income	**3**	4
Other	**8**	144[2]
Other operating income	**16**	(109)

1 Includes loss of $174 million from sale of subsidiary (SCB Zimbabwe) of which $190 million relates to CTA loss
2 Includes IAS 29 adjustment Ghana hyperinflationary impact of $106 million

7. Credit impairment

	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
Net credit impairment on loans and advances to banks and customers	65	35
Net credit impairment against profit or loss during the period relating to debt securities[1]	10	(41)
Net credit impairment relating to financial guarantees and loan commitments	(12)	30
Net credit impairment relating to other financial assets	5	–
Credit impairment charge[1]	**68**	24

1 Includes impairment release of $6 million (30 June 24: $14 million release) on originated credit-impaired debt securities

8. Goodwill, property, plant and equipment and other impairment

	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
Impairment of property, plant and equipment (Note 15)	–	(2)
Impairment of other intangible assets (Note 14)	9	100
Other	1	(1)
Goodwill, property, plant and equipment and other impairment	**10**	97

9. Taxation

The following table provides analysis of taxation charge in the period:

	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
The charge for taxation based upon the profit for the period comprises:		
Current tax:		
United Kingdom corporation tax at 25 per cent (2024: 25 per cent):		
Current tax charge on income for the period	–	–
Adjustments in respect of prior periods (including double tax relief)	(3)	2
Foreign tax:		
Current tax charge on income for the period	680	759
Adjustments in respect of prior periods (including double tax relief)	(19)	34
	658	795
Deferred tax:		
Origination/reversal of temporary differences	81	69
Adjustments in respect of prior periods (including double tax relief)	(26)	(16)
	55	53
Tax on profits on ordinary activities	**713**	848
Effective tax rate	**26.2%**	34.5%

The tax charge for the period has been calculated by applying the effective rate of tax which is expected to apply for the year ending 31 December 2025 using rates substantively enacted at 30 June 2025. The rate has been calculated by estimating and applying an average annual effective income tax rate to each tax jurisdiction individually.

The tax charge for the period of $713 million (30 June 2024: $848 million) on a profit before tax of $2,722 million (30 June 2024: $2,456 million) reflects the impact of non-creditable withholding taxes and other taxes and non-deductible expenses, partly offset by prior year adjustments.

9. Taxation continued
Deferred tax comprises assets and liabilities as follows:

	30.06.25			31.12.24		
	Total $million	Asset $million	Liability $million	Total $million	Asset $million	Liability $million
Deferred tax comprises:						
Accelerated tax depreciation	(272)	34	(306)	(260)	29	(289)
Impairment provisions on loans and advances	185	159	26	178	153	25
Tax losses carried forward	80	17	63	69	46	23
Equity instruments at fair value through other comprehensive income	(35)	(2)	(33)	(32)	(7)	(25)
Debt instruments at fair value through other comprehensive income	(37)	7	(44)	(3)	5	(8)
Cash flow hedges	(43)	(17)	(26)	(7)	(2)	(5)
Retirement benefit obligations	(2)	12	(14)	(7)	14	(21)
Share-based payments	35	6	29	41	7	34
Other temporary differences	(111)	79	(190)	(56)	105	(161)
	(200)	295	(495)	(77)	350	(427)

10. Dividends

Ordinary equity shares

	6 months ended 30.06.25		6 months ended 30.06.24	
	Cents per share	$million	Cents per share	$million
2024 Final dividend declared and paid during the period	5	995	–	–
2023 Final dividend declared and paid during the period	–	–	6	1,240

Interim dividends on ordinary equity shares are recorded in the period in which they are declared.

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

	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
Non-cumulative redeemable preference shares:		
Floating rate preference shares of $5 each[1]	23	27
	23	27
Additional Tier 1 securities: fixed rate resetting perpetual subordinated contingent convertible securities	171	140
	194	167

1 Floating rate is based on Secured Overnight Financing Rate (SOFR), average rate paid for floating preference shares is 6.28% (30 June 2024: 7.24%)

11. Financial instruments

Classification and measurement

The Group's classification of its financial assets and liabilities is summarised in the following tables.

Assets	Notes	Assets at fair value: Trading $million	Assets at fair value: Derivatives held for hedging $million	Assets at fair value: Non-trading mandatorily at fair value through profit or loss $million	Assets at fair value: Designated at fair value through profit or loss $million	Assets at fair value: Fair value through other comprehensive income $million	Assets at fair value: Total financial assets at fair value $million	Assets held at amortised cost $million	Total $million
Cash and balances at central banks[1]		–	–	–	–	–	–	68,034	68,034
Financial assets held at fair value through profit or loss									
Loans and advances to banks[2]		2,080	–	–	–	–	2,080	–	2,080
Loans and advances to customers[2]		5,848	–	141	–	–	5,989	–	5,989
Reverse repurchase agreements and other similar secured lending	13	–	–	73,730	–	–	73,730	–	73,730
Debt securities, alternative tier one and other eligible bills		36,558	–	476	–	–	37,034	–	37,034
Equity shares		1,077	–	121	–	–	1,198	–	1,198
		45,563	–	74,468	–	–	120,031	–	120,031
Derivative financial instruments	12	66,804	970	–	–	–	67,774	–	67,774
Loans and advances to banks[2,3]		–	–	–	–	–	–	24,657	24,657
of which – reverse repurchase agreements and other similar secured lending	13	–	–	–	–	–	–	4,250	4,250
Loans and advances to customers[2]		–	–	–	–	–	–	156,196	156,196
of which – reverse repurchase agreements and other similar secured lending	13	–	–	–	–	–	–	4,180	4,180
Investment securities									
Debt securities, alternative tier one and other eligible bills		–	–	–	–	66,737	66,737	36,792	103,529
Equity shares		–	–	–	–	246	246	–	246
		–	–	–	–	66,983	66,983	36,792	103,775
Other assets	16	–	–	–	–	–	–	25,960	25,960
Assets held for sale	17	1	–	–	–	–	1	547	548
Total at 30 June 2025		112,368	970	74,468	–	66,983	254,789	312,186	566,975

1 Comprises cash held at central banks in restricted accounts of $2,953 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

3 Loans and advances to banks include amounts due on demand from banks other than central banks

11. Financial instruments continued

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]		–	–	–	–	–	–	56,665	56,665
Financial assets held at fair value through profit or loss									
Loans and advances to banks[2]		2,033	–	–	–		2,033	–	2,033
Loans and advances to customers[2]		3,833	–	156	–	–	3,989	–	3,989
Reverse repurchase agreements and other similar secured lending	13	260	–	65,343	–	–	65,603	–	65,603
Debt securities, alternative tier one and other eligible bills		30,217	–	416	–	–	30,633	–	30,633
Equity shares		1,240	–	126	–	–	1,366	–	1,366
		37,583	–	66,041	–	–	103,624	–	103,624
Derivative financial instruments	12	81,252	1,465	–	–	–	82,717	–	82,717
Loans and advances to banks[2,3]		–	–	–	–	–	–	22,941	22,941
of which – reverse repurchase agreements and other similar secured lending	13	–	–	–	–	–	–	2,889	2,889
Loans and advances to customers[2]		–	–	–	–	–	–	158,242	158,242
of which – reverse repurchase agreements and other similar secured lending	13	–	–	–	–	–	–	9,121	9,121
Investment securities									
Debt securities, alternative tier one and other eligible bills		–	–	–	–	58,813	58,813	37,366	96,179
Equity shares			–	–	–	263	263	–	263
		–	–	–	–	59,076	59,076	37,366	96,442
Other assets	16	–	–	–	–	–	–	21,535	21,535
Assets held for sale	17	–	–	–	–	–	–	866	866
Total at 31 December 2024		118,835	1,465	66,041	–	59,076	245,417	297,615	543,032

1 Comprises cash held at central banks in restricted accounts of $2,859 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

3 Loans and advances to banks include amounts due on demand from banks other than central banks

11. Financial instruments continued

Liabilities	Notes	Liabilities at fair value: Trading $million	Liabilities at fair value: Derivatives held for hedging $million	Liabilities at fair value: Designated at fair value through profit or loss $million	Liabilities at fair value: 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		–	–	1,716	1,716	–	1,716
Customer accounts		71	–	11,461	11,532	–	11,532
Repurchase agreements and other similar secured borrowing	13	–	–	41,466	41,466	–	41,466
Debt securities in issue		–	–	11,501	11,501	–	11,501
Short positions		8,361	–	–	8,361	–	8,361
		8,432	–	66,144	74,576	–	74,576
Derivative financial instruments	12	68,938	668	–	69,606	–	69,606
Deposits by banks		–	–	–	–	26,901	26,901
Customer accounts		–	–	–	–	262,015	262,015
Repurchase agreements and other similar secured borrowing	13	–	–	–	–	3,465	3,465
Debt securities in issue		–	–	–	–	42,937	42,937
Other liabilities	18	–	–	–	–	29,431	29,431
Subordinated liabilities and other borrowed funds	21	–	–	–	–	8,066	8,066
Liabilities included in disposal groups held for sale	17	–	–	–	–	194	194
Total at 30 June 2025		77,370	668	66,144	144,182	373,009	517,191

Liabilities	Notes	Liabilities at fair value: Trading $million	Liabilities at fair value: Derivatives held for hedging $million	Liabilities at fair value: Designated at fair value through profit or loss $million	Liabilities at fair value: 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		–	–	1,471	1,471	–	1,471
Customer accounts		–	–	9,222	9,222	–	9,222
Repurchase agreements and other similar secured borrowing	13	925	–	32,285	33,210	–	33,210
Debt securities in issue		–	–	12,176	12,176	–	12,176
Short positions		6,850	–	–	6,850	–	6,850
		7,775	–	55,154	62,929	–	62,929
Derivative financial instruments	12	81,764	813	–	82,577	–	82,577
Deposits by banks		–	–	–	–	22,409	22,409
Customer accounts		–	–	–	–	239,204	239,204
Repurchase agreements and other similar secured borrowing	13	–	–	–	–	9,921	9,921
Debt securities in issue		–	–	–	–	39,864	39,864
Other liabilities	18	–	–	–	–	27,350	27,350
Subordinated liabilities and other borrowed funds	21	–	–	–	–	10,359	10,359
Liabilities included in disposal groups held for sale	17	–	–	–	–	360	360
Total at 31 December 2024		89,539	813	55,154	145,506	349,467	494,973

11. Financial instruments continued

Financial liabilities designated at fair value through profit or loss

	30.06.25 $million	31.12.24 $million
Carrying Balance aggregate fair value	**66,144**	55,154
Amount Contractually obliged to repay at maturity	**66,205**	55,474
Difference between aggregate fair value and contractually obliged to repay at maturity	**(61)**	(320)
Cumulative change in Fair Value accredited to Credit Risk Difference	**(142)**	(182)

The net fair value loss on financial liabilities designated at fair value through profit or loss was $1,749 million for the period (31 December 2024: net loss of $3,162 million).

Further details of the Group's own credit adjustment (OCA) valuation technique are described later in this note.

Valuation of financial instruments

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 non market observable 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.

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 independent price verification (IPV) may include data sourced from recent trade data involving external counterparties or third parties such as Bloomberg, Reuters, brokers and consensus pricing providers. Valuation Methodology perform an ongoing review of the market data sources that are used as part of the IPV and fair value processes which are formally documented on a semi-annual basis detailing of the suitability of the market data used for price testing. IPV 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 Group Market Risk, Product Control, Valuation Methodology and the business, which meets monthly to discuss and approve the independent valuations of the inventory. For Principal Finance, the Investment Committee meeting is held on a quarterly basis to review investments and valuations.

Significant accounting estimates and judgements

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.

- Fair value of financial instruments is determined using valuation techniques and estimates (see below) 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 (page 49)
- 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 (page 50)
- 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

11. Financial instruments continued

Valuation techniques

Refer to the fair value hierarchy explanation – Level 1, 2 and 3 (page 50)

- **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 foreign exchange basket options, 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 – private equity:** The majority of private equity unlisted investments are valued based on earning multiples – Price-to-Earnings (P/E) or enterprise value to earnings before income tax, depreciation and amortisation (EV/EBITDA) ratios – of comparable listed companies. The two primary inputs for the valuation of these investments are the actual or forecast earnings of the investee companies and earning multiples for the comparable listed companies. To ensure comparability between these unquoted investments and the comparable listed companies, appropriate adjustments are also applied (for example, liquidity and size) in the valuation. In circumstances where an investment does not have direct comparables or where the multiples for the comparable companies cannot be sourced from reliable external sources, alternative valuation techniques (for example, discounted cash flow model or net asset value ("NAV") or option pricing model), which use predominantly unobservable inputs or Level 3 inputs, may be applied. Even though earning multiples for the comparable listed companies can be sourced from third-party sources (for example, Bloomberg), and those inputs can be deemed Level 2 inputs, all unlisted investments (excluding those where observable inputs are available, for example, over-the-counter (OTC) prices) are classified as Level 3 on the basis that the valuation methods involve judgements ranging from determining comparable companies to discount rates where the discounted cash flow method is applied
  - **Loans and advances:** These primarily include loans in the Bond and Loan Syndication business which were not syndicated as of the balance sheet date and other financing transactions and loans and advances including reverse repurchase agreements that do not have SPPI cash flows or are managed on a fair value basis. These loans are generally bilateral in nature and, where available, their valuation is based on observable clean sales transactions prices or market observable spreads. If observable credit spreads are not available, proxy spreads based on comparable loans with similar credit grade, sector and region, are used. Where observable credit spreads and market standard proxy methods are available, these loans are classified as Level 2. Where there are no recent transactions or comparable loans, 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

11. Financial instruments continued

- **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 derived from proxy 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 of 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

11. Financial instruments continued

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	30.06.25 $million	01.01.24 $million	Movement during the year $million	31.12.24 $million
Bid-offer valuation adjustment	93	6	99	91	2	93
Credit valuation adjustment	95	22	117	98	(3)	95
Debit valuation adjustment	(98)	(6)	(104)	(118)	20	(98)
Model valuation adjustment	5	1	6	4	1	5
Funding valuation adjustment	31	11	42	36	(5)	31
Other fair value adjustments	19	1	20	20	(1)	19
Total	145	35	180	131	14	145
Income deferrals						
Day 1 and other deferrals	81	(5)	76	63	18	81
Total	81	(5)	76	63	18	81

Note: Amounts shown in brackets represent 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
- **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

11. Financial instruments continued

- **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. 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.
- **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

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

11. Financial instruments continued

The following tables show the classification of financial instruments held at fair value into the valuation hierarchy

	30.06.25				31.12.24			
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	–	2,080	–	2,080	–	2,033	–	2,033
Loans and advances to customers	–	4,364	1,625	5,989	–	2,633	1,356	3,989
Reverse repurchase agreements and other similar secured lending	–	70,848	2,882	73,730	–	63,047	2,556	65,603
Debt securities and other eligible bills	14,771	21,678	585	37,034	13,686	16,084	863	30,633
Of which:								
Issued by Central Banks & Governments[1]	14,321	16,818	4	31,143	13,226	12,212	9	25,447
Issued by corporates other than financial institutions[1]	9	1,535	193	1,737	3	938	355	1,296
Issued by financial institutions[1]	441	3,325	388	4,154	457	2,934	499	3,890
Equity shares	1,082	–	116	1,198	1,241	9	116	1,366
Derivative financial instruments	767	66,878	129	67,774	448	82,122	147	82,717
Of which:								
Foreign exchange	155	53,390	51	53,596	201	68,511	58	68,770
Interest rate	23	11,522	55	11,600	27	11,558	78	11,663
Credit	–	643	18	661	–	792	9	801
Equity and stock index options	–	154	5	159	–	204	2	206
Commodity	589	1,169	–	1,758	220	1,057	–	1,277
Investment securities								
Debt securities and other eligible bills	31,601	35,136	–	66,737	27,696	31,117	–	58,813
Of which:								
Issued by Central Banks & Governments[1]	21,355	18,729	–	40,084	20,740	13,360	–	34,100
Issued by corporates other than financial institutions[1]	–	431	–	431	–	490	–	490
Issued by financial institutions[1]	10,246	15,976	–	26,222	6,956	17,267	–	24,223
Equity shares	12	7	227	246	10	3	250	263
Total Assets[2]	48,233	200,991	5,564	254,788	43,081	197,048	5,288	245,417
Liabilities								
Financial instruments held at fair value through profit or loss								
Deposits by banks	–	1,653	63	1,716	–	1,421	50	1,471
Customer accounts	–	11,042	490	11,532	–	8,867	355	9,222
Repurchase agreements and other similar secured borrowing	–	41,466	–	41,466	–	33,210	–	33,210
Debt securities in issue	–	10,200	1,301	11,501	–	10,983	1,193	12,176
Short positions	1,394	6,879	88	8,361	1,596	5,074	180	6,850
Derivative financial instruments	440	68,959	207	69,606	446	81,893	238	82,577
Of which:								
Foreign exchange	131	54,530	22	54,683	210	67,757	11	67,978
Interest rate	30	11,532	21	11,583	14	12,216	23	12,253
Credit	–	1,302	112	1,414	–	996	166	1,162
Equity and stock index options	–	162	52	214	–	109	37	146
Commodity	279	1,433	–	1,712	222	815	1	1,038
Total Liabilities	1,834	140,199	2,149	144,182	2,042	141,448	2,016	145,506

1 Includes covered bonds of $3,195 million (31 December 2024: $3,690 million), securities issued by Multilateral Development Banks/International Organisations of $13,661 million (31 December 2024: $8,867 million) and State-owned agencies and development banks of $11,105 million (31 December 2024: $10,268 million)
2 The table above does not include held for sale assets of $1 million (31 December 2024: Nil). These are reported in Note 17 together with their fair value hierarchy

11. Financial instruments continued

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 $58 million (31 December 2024: $512 million) and $181 million respectively (31 December 2024: $180 million).

There were no significant changes to valuation or levelling approaches during the period ended 30 June 2025.

There were no significant transfers of financial assets and liabilities measured at fair value between Level 1 and Level 2 during the period ended 30 June 2025.

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.

	30.06.25					31.12.24				
	Carrying value $million	Fair value				Carrying value $million	Fair value			
		Level 1 $million	Level 2 $million	Level 3 $million	Total $million		Level 1 $million	Level 2 $million	Level 3 $million	Total $million
Assets										
Cash and balances at central banks[1]	68,034	–	68,034	–	68,034	56,665	–	56,665	–	56,665
Loans and advances to banks	24,657	–	24,629	46	24,675	22,941	–	22,780	162	22,942
of which – reverse repurchase agreements and other similar secured lending	4,250	–	4,254	–	4,254	2,889	–	2,892	–	2,892
Loans and advances to customers	156,196	–	23,753	133,665	157,418	158,242	–	35,308	125,075	160,383
of which – reverse repurchase agreements and other similar secured lending	4,180	–	4,169	11	4,180	9,121	–	9,121	–	9,121
Investment securities[2]	36,792	–	35,340	–	35,340	37,366	–	35,512	24	35,536
Other assets[1]	25,960	–	25,960	–	25,960	21,535	–	21,535	–	21,535
Assets held for sale	547	–	547	–	547	866	58	335	473	866
Total assets	312,186	–	178,263	133,711	311,974	297,615	58	172,135	125,734	297,927
Liabilities										
Deposits by banks	26,901	–	26,901	–	26,901	22,409	–	22,246	–	22,246
Customer accounts	262,015	–	261,442	–	261,442	239,204	–	238,960	–	238,960
Repurchase agreements and other similar secured borrowing	3,465	–	3,464	–	3,464	9,921	–	9,921	–	9,921
Debt securities in issue	42,937	–	42,860	–	42,860	39,864	–	39,744	–	39,744
Subordinated liabilities and other borrowed funds	8,066	–	8,062	–	8,062	10,359	–	10,360	–	10,360
Other liabilities[1]	29,431	–	29,431	–	29,431	27,350	–	27,350	–	27,350
Liabilities held for sale	194	–	194	–	194	360	89	271	–	360
Total liabilities	373,009	–	372,354	–	372,354	349,467	89	348,852	–	348,941

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 $15,397 million at 30 June 2025 and $14,223 million at 31 December 2024

11. Financial instruments continued

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:

	Value as at 30 June 2025					
Instrument	Assets $million	Liabilities $million	Principal valuation technique	Significant unobservable inputs	Range[1]	Weighted average[2]
Loans and advances to customers	1,625	–	Discounted cash flows	Price/yield	0.7% – 100%	33.4%
Reverse repurchase agreements and other similar secured lending	2,882	–	Discounted cash flows	Repo curve	1.7% – 8.5%	6.1%
				Price/yield	4.9% – 18.1%	8.9%
Debt securities, alternative tier one and other eligible securities	581	–	Discounted cash flows	Price/yield	0.7% – 19.4%	9.7%
				Recovery rates	0.01% – 15%	5.7%
Government bonds and treasury bills	4	–	Discounted cash flows	Price/yield	8.6% – 8.6%	8.6%
Equity shares (includes private equity investments)	343	–	Comparable pricing/yield	EV/Revenue multiples	7.1x-10.0x	7.6X
				P/E multiples	15.5x-31.7x	20.0X
				P/B multiples	0.5x-0.7x	0.6X
				P/S multiples	1.3x-1.3x	1.3x
				Liquidity discount	20.0%-25.0%	20.0%
			Discounted cash flows	Discount rates	7.1%-19.8%	9.9%
			Option pricing model	Equity value based on EV/Revenue multiples	6.3x-19.0x	13.3x
				Equity value based on EV/EBITDA multiples	3.9x-3.9x	3.9x
				Equity value based on volatility	40.0%-40.0%	40.0%
Derivative financial instruments of which:						
Foreign exchange	51	22	Option pricing model	Foreign exchange option implied volatility	39.4% – 42.5%	41.8%
			Discounted cash flows	Interest rate curves	1.9% – 11.6%	3.9%
				Foreign exchange curves	1.7% – 27.6%	12.1%
Interest rate	55	21	Discounted cash flows	Interest rate curves	3.6% – 28.2%	4.7%
			Option pricing model	Bond option implied volatility	0.1% – 1.1%	0.8%
Credit	18	112	Discounted cash flows	Price/yield	5.4% – 5.8%	5.7%
				Credit spreads	0.1% – 2.2%	0.8%
			Option pricing model	Bond option implied volatility	15.0% – 15.0%	15.0%
Equity and stock index	5	52	Internal pricing model	Equity-Equity correlation	28.1% – 100%	77.2%
				Equity-FX correlation	(40.0)% – 46.2%	4.5%
Deposits by banks	–	63	Discounted cash flows	Price/yield	5.7% – 5.8%	5.8%
Customer accounts	–	490	Discounted cash flows	Interest rate curves	5.1% – 11.6%	9.3%
				Price/yield	6.5% – 19.4%	14.8%
			Option pricing model	Foreign exchange option implied volatility	5.5% – 6.8%	5.7%
Debt securities in issue	–	1,301	Discounted cash flows	Price/yield	0.7% – 16.3%	4.8%
				Foreign exchange curves	4.4% – 13.1%	9.1%
			Internal pricing model	Equity-Equity correlation	28.1% – 100%	77.2%
				Equity-FX correlation	(40.0)% – 46.2%	4.5%
			Option pricing model	Bond option implied volatility	0.1% – 15%	14.9%
Short positions	–	88	Discounted cash flows	Price/yield	5.4% – 6.1%	5.4%
Total	5,564	2,149				

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 30 June 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

11. Financial instruments continued

Instrument	Value as at 31 December 2024 Assets $million	Value as at 31 December 2024 Liabilities $million	Principal valuation technique	Significant unobservable inputs	Range[1]	Weighted average[2]
Loans and advances to customers	1,356	–	Discounted cash flows	Price/yield	1.0% – 100%	25.2%
Reverse repurchase agreements and other similar secured lending	2,556	–	Discounted cash flows	Repo curve	2.0% – 7.6%	6.2%
				Price/yield	5.0% – 10.5%	6.1%
Debt securities, alternative tier one and other eligible securities	854	–	Discounted cash flows	Price/yield	5.3% – 15.3%	8.7%
				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)	366	–	Comparable pricing/ yield	EV/EBITDA multiples	5.3x – 5.3x	5.3x
				EV/Revenue multiples	8.5x – 12.9x	9.0x
				P/E multiples	17.9x – 48.3x	46.9x
				P/B multiples	0.6x – 0.7x	0.6x
				P/S multiples	1.2x – 1.3x	1.3x
				Liquidity discount	20.0% – 25.0%	20.0%
			Discounted cash flows	Discount rates	9.2% – 20.4%	12.1%
			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	50.0% – 50.0%	50.0%
Derivative financial instruments of which:						
Foreign exchange	58	11	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%
Commodities	–	1	Discounted cash flows	Commodity prices	$384 – $391	$387
				CM-CM correlation	73.7% – 97.9%	86.0%
Interest rate	78	23	Discounted cash flows	Interest rate curves	3.5% – 43.9%	5.1%
			Option pricing model	Bond option implied volatility	2.3% – 2.9%	2.7%
Credit	9	166	Discounted cash flows	Credit spreads	0.1% – 1.7%	0.8%
				Price/yield	4.8% – 5.9%	5.1%
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	–	50	Discounted cash flows	Credit spreads	0.2% – 3.2%	1.7%
Customer accounts	–	355	Discounted cash flows	Price/yield	4.8% – 12.7%	7.1%
				Interest rate curves	3.5% – 4.4%	4.1%
Debt securities in issue	–	1,193	Discounted cash flows	Price/yield	6.2% – 14.8%	12.7%
				Interest rate curves	3.5% – 4.4%	4.1%
			Internal pricing model	Equity-FX correlation	(36.4)% – 48.9%	5.0%
			Option pricing model	Bond option implied volatility	4.0% – 15.0%	12.5%
Short positions	–	180	Discounted cash flows	Price/yield	5.9% – 12.7%	6.3%
Total	5,288	2,016				

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

11. Financial instruments continued

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 while an interest rate correlation refers to the correlation between two swap rates
- 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 multiples, 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
- Net asset value (NAV) is the value of an entity's assets after deducting any liabilities.
- Interest rate curves is the term structure of interest rates and measure of future interest rates at a particular point in time
- Liquidity discounts in the valuation of unlisted investments primarily applied to the valuation of unlisted firms' investments to reflect the fact that these stocks are not actively traded. An increase in liquidity discount will result an unfavourable movement in the fair value of the unlisted firm
- Price-Earnings (P/E) multiples is the ratio of the market value of equity to the net income after tax. An increase in P/E multiple will result in a favourable movement in the fair value of the unlisted firm
- Price-Book (P/B) multiple is the ratio of the market value of equity to the book value of equity. An increase in P/B multiple will result in a favourable movement in the fair value of the unlisted firm
- Price-Sales (P/S) multiple is the ratio of the market value of equity to sales. An increase in P/S multiple will result in a favourable movement in the fair value of the unlisted firm
- Recovery rates are 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

11. Financial instruments continued

Level 3 movement tables – financial assets

The table below analyses movements in Level 3 financial assets carried at fair value for the Group.

	Held at fair value through profit or loss					Investment securities		
Assets	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	Derivative financial instruments $million	Debt securities, alternative tier one and other eligible bills $million	Equity shares $million	Total $million
At 1 January 2025	1,356	2,556	863	116	147	–	250	5,288
Total gains/(losses) recognised in income statement	34	(11)	(35)	10	(13)	–	–	(15)
Net trading income	34	(11)	21	10	(13)	–	–	41
Other operating income	–	–	(56)	–	–	–	–	(56)
Total gains recognised in other comprehensive income (OCI)	–	–	–	–	–	–	38	38
Fair value through OCI reserve	–	–	–	–	–	–	38	38
Exchange difference	–	–	–	–	–	–	–	–
Purchases	596	3,704	146	–	66	–	–	4,512
Sales	(338)	(3,283)	(584)	(3)	(40)	–	(58)	(4,306)
Settlements	(78)	(84)	(6)	–	(17)	–	–	(185)
Transfers out[1]	(269)	–	(32)	(7)	(18)	–	(4)	(330)
Transfers in[2]	324	–	233	–	4	–	1	562
At 30 June 2025	1,625	2,882	585	116	129	–	227	5,564
Recognised in the income statement[3]	(8)	(8)	1	10	–	–	–	(5)
At 1 January 2024	1,172	1,365	1,220	85	76	71	245	4,234
Total (losses)/gains recognised in income statement	(13)	16	28	13	(36)	–	–	8
Net trading income	(13)	16	(3)	13	(36)	–	–	(23)
Other operating income	–	–	31	–	–	–	–	31
Total losses recognised in other comprehensive income (OCI)	–	–	–	–	–	(13)	(18)	(31)
Fair value through OCI reserve	–	–	–	–	–	–	(16)	(16)
Exchange difference	–	–	–	–	–	(13)	(2)	(15)
Purchases	528	1,964	382	3	165	13	7	3,062
Sales	(292)	(1,315)	(657)	–	(110)	–	–	(2,374)
Settlements	(12)	(374)	–	–	(13)	–	–	(399)
Transfers out	(152)	(5)	–	–	(2)	(71)	(1)	(231)
Transfers in	256	141	–	6	38	–	1	442
At 30 June 2024	1,487	1,792	973	107	118	–	234	4,711
Recognised in the income statement[3]	1	1	10	13	(10)	–	–	15

1 Transfers out includes loans and advances, debt securities, alternative tier one and other eligible bills, equity shares 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, reverse repurchase agreements, debt securities, alternative tier one and other eligible bills, equity shares and derivative financial instruments

3 Represents Total unrealised (losses)/gains recognised in the income statement, within net trading income, relating to change in fair value of assets

11. Financial instruments continued

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	Total $million
At 1 January 2025	50	355	1,193	238	180	2,016
Total losses/(gains) recognised in income statement – net trading income	1	15	19	8	(2)	41
Issues	54	720	1,011	350	–	2,135
Settlements	(42)	(412)	(887)	(384)	(90)	(1,815)
Transfers out[1]	–	(230)	(39)	(10)	–	(279)
Transfers in[2]	–	42	4	5	–	51
At 30 June 2025	63	490	1,301	207	88	2,149
Recognised in the income statement[3]	1	3	5	3	–	12
At 1 January 2024	68	232	1,026	162	103	1,591
Total losses/(gains) recognised in income statement – net trading income	24	3	13	(8)	–	32
Issues	34	361	2,144	203	–	2,742
Settlements	(69)	(320)	(1,050)	(167)	–	(1,606)
Transfers out	–	(20)	(163)	(7)	(103)	(293)
Transfers in	–	39	37	9	–	85
At 30 June 2024	57	295	2,007	192	–	2,551
Recognised in the income statement[3]	24	3	5	(4)	–	28

1 Transfers out during the year primarily relates to debt securities in issue and short positions where the valuation parameters became observable during the period and were transferred to Level 2 financial liabilities

2 Transfers in during the year primarily relates to customer accounts, debt securities in issue and derivative financial instruments where the valuation parameters became unobservable during the period

3 Represents Total unrealised losses/(gains) recognised in the income statement, within net trading income, relating to change in fair value of assets

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.

11. Financial instruments continued

	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	**1,625**	**1,650**	**1,565**	–	–	–
Reverse Repurchase agreements and other similar secured lending	**2,882**	**2,909**	**2,853**	–	–	–
Debt securities, alternative tier one and other eligible bills	**585**	**597**	**573**	–	–	–
Equity shares	**116**	**127**	**105**	**227**	**250**	**204**
Derivative financial instruments	**(78)**	**(67)**	**(88)**	–	–	–
Customers accounts	**(490)**	**(484)**	**(497)**	–	–	–
Deposits by banks	**(63)**	**(63)**	**(63)**	–	–	–
Short positions	**(88)**	**(87)**	**(89)**		–	–
Debt securities in issue	**(1,301)**	**(1,215)**	**(1,388)**	–	–	–
At 30 June 2025	**3,188**	**3,367**	**2,971**	**227**	**250**	**204**
Financial instruments held at fair value						
Loans and advances	1,356	1,388	1,296	–	–	–
Reverse Repurchase agreements and other similar secured lending	2,556	2,591	2,521	–	–	–
Debt securities, alternative tier one and other eligible bills	863	896	831	–	–	–
Equity shares	116	127	105	250	275	225
Derivative financial instruments	(91)	(79)	(105)	–	–	–
Customers accounts	(355)	(344)	(367)	–	–	–
Deposits by banks	(50)	(50)	(50)	–	–	–
Short positions	(180)	(178)	(182)	–	–	–
Debt securities in issue	(1,193)	(1,134)	(1,252)	–	–	–
At 31 December 2024	3,022	3,217	2,797	250	275	225

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	**30.06.25 $million**	31.12.24 $million	**30.06.25 $million**	31.12.24 $million
Held at fair value through profit or loss	**179**	195	**(217)**	(225)
Fair value through other comprehensive income	**23**	25	**(23)**	(25)

12. Derivative financial instruments

The tables below analyse the notional principal amounts and the positive and negative fair values of derivative financial instruments for the Group. Notional principal amounts are the amounts of principal underlying the contract at the reporting date.

Derivatives	30.06.25 Notional principal amounts $million	30.06.25 Assets $million	30.06.25 Liabilities $million	31.12.24 Notional principal amounts $million	31.12.24 Assets $million	31.12.24 Liabilities $million
Foreign exchange derivative contracts:						
Forward foreign exchange contracts	6,066,241	45,313	45,562	5,007,030	55,423	53,632
Currency swaps and options	1,559,786	8,283	9,121	1,241,536	13,347	14,346
	7,626,027	53,596	54,683	6,248,566	68,770	67,978
Interest rate derivative contracts:						
Swaps	8,451,082	22,450	22,732	6,790,635	24,809	25,007
Forward rate agreements and options	309,422	1,187	874	292,625	2,283	2,678
	8,760,504	23,637	23,606	7,083,260	27,092	27,685
Exchange traded futures and options	497,511	25	39	375,487	30	27
Credit derivative contracts	217,516	661	1,414	220,389	801	1,162
Equity and stock index options	10,277	159	214	7,427	206	146
Commodity derivative contracts	196,778	1,758	1,712	142,065	1,277	1,038
Gross total derivatives	17,308,613	79,836	81,668	14,077,194	98,176	98,036
Offset	–	(12,062)	(12,062)	–	(15,459)	(15,459)
Total derivatives	17,308,613	67,774	69,606	14,077,194	82,717	82,577

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 19).

The Derivatives and Hedging sections of the Risk review and Capital review (pages 3 to 26) explain the Group's risk management of derivative contracts and application of hedging.

12. Derivative financial instruments continued

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.

	30.06.25			31.12.24		
	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	44,992	645	503	42,694	639	622
Currency swaps	1,175	91	–	1,035	–	56
	46,167	736	503	43,729	639	678
Derivatives designated as cash flow hedges:						
Interest rate swaps	33,410	194	44	32,651	68	134
Forward foreign exchange contracts	3,186	29	53	9,173	608	–
Currency swaps	852	11	11	2,163	114	1
	37,448	234	108	43,987	790	135
Derivatives designated as net investment hedges:						
Forward foreign exchange contracts	4,982	–	57	3,222	36	–
Total derivatives held for hedging	88,597	970	668	90,938	1,465	813

13. Reverse repurchase and repurchase agreements including other similar lending and borrowing

Reverse repurchase agreements and other similar secured lending

	30.06.25 $million	31.12.24 $million
Banks	34,288	30,581
Customers	47,872	47,032
	82,160	77,613
Of which:		
Fair value through profit or loss	73,730	65,603
Banks	30,038	27,692
Customers	43,692	37,911
Held at amortised cost	8,430	12,010
Banks	4,250	2,889
Customers	4,180	9,121

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:

	30.06.25 $million	31.12.24 $million
Securities and collateral received (at fair value)	84,618	81,108
Securities and collateral which can be repledged or sold (at fair value)	84,344	80,860
Amounts repledged/transferred to others for financing activities, to satisfy liabilities under sale and repurchase agreements (at fair value)	18,488	27,683

13. Reverse repurchase and repurchase agreements including other similar lending and borrowing continued

Repurchase agreements and other similar secured lending

	30.06.25 $million	31.12.24 $million
Banks	8,145	8,416
Customers	36,786	34,716
	44,931	43,132
Of which:		
Fair value through profit or loss	41,466	33,211
Banks	7,421	7,570
Customers	34,045	25,641
Held at amortised cost	3,465	9,921
Banks	724	846
Customers	2,741	9,075

The tables below set out the financial assets provided as collateral for repurchase and other secured borrowing transactions for the Group:

Collateral pledged against repurchase agreements	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	3,465	10,334	14,062	–	27,861
Off-balance sheet					
Repledged collateral received	–	–	–	18,488	18,488
At 30 June 2025	3,465	10,334	14,062	18,488	46,349
On-balance sheet					
Debt securities and other eligible bills	4,297	4,185	7,592	–	16,074
Off-balance sheet					
Repledged collateral received	–	–	–	27,683	27,683
At 31 December 2024	4,297	4,185	7,592	27,683	43,757

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).

14. Goodwill and intangible assets

	30.06.25				31.12.24			
	Goodwill $million	Acquired intangibles $million	Computer software $million	Total $million	Goodwill $million	Acquired intangibles $million	Computer software $million	Total $million
Cost								
At 1 January	1,292	128	4,480	5,900	1,299	135	4,579	6,013
Exchange translation differences	8	3	239	250	(7)	2	(86)	(91)
Additions	–	–	300	300	–	–	479	479
Impairment	–	–	(24)	(24)	–	–	(467)[1]	(467)
Amounts written off	–	–	(27)	(27)	–	(9)	(25)	(34)
At 30 June/31 December	1,300	131	4,968	6,399	1,292	128	4,480	5,900
Provision for amortisation								
At 1 January	–	122	2,004	2,126	–	115	1,688	1,803
Exchange translation differences	–	3	114	117	–	4	(32)	(28)
Amortisation	–	2	229	231	–	3	455	458
Impairment charge	–	–	(15)	(15)	–	–	(84)[1]	(84)
Amounts written off	–	–	(27)	(27)	–	–	(23)	(23)
At 30 June/31 December	–	127	2,305	2,432	–	122	2,004	2,126
Net book value	1,300	4	2,663	3,967	1,292	6	2,476	3,774

1 During 2024, the Group performed a review of its computer software intangibles which were capitalised as at 31 December 2023, and impaired $338 million of the 2024 net book value due to limitations in the available evidence to support the continued capitalisation of the assets. The Group has made improvements in its processes and controls to capture the required evidence going forward. The Group has also performed its annual review of computer software intangibles to determine instances when the Group is no longer using certain applications in its ongoing business and impaired $45 million. A total of $383 million is recorded within impairment to reflect the above

At 30 June 2025, accumulated goodwill impairment losses incurred from 1 January 2005 amounted to $3,237 million (31 December 2024: $ 3,237 million), of which Nil was recognised in 2025 (31 December 2024: Nil).

The Group assessed the goodwill assigned to each of the Group's CGUs and determined that there are no indicators of impairment for material CGUs at 30 June 2025.

15. Property, plant and equipment

	30.06.25					31.12.24				
	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 and valuation										
At 1 January	602	548	991	30	2,171	532	477	900	6	1,915
Exchange translation differences	15	12	37	(1)	63	5	(7)	(20)	(2)	(24)
Additions	67	28	106	–	201	91	106	112	27	336
Disposals and fully depreciated assets written off	(3)	(10)	(5)	–	(18)	(17)	(28)	(1)	(1)	(47)
Transfers to assets held for sale	(17)	–	1	–	(16)	(9)	–	–	–	(9)
Other Movements	(3)	–	–	–	(3)	–	–	–	–	–
At 30 June/31 December	661	578	1,130	29	2,398	602	548	991	30	2,171
Depreciation										
Accumulated at 1 January	218	339	460	10	1,027	198	305	378	4	885
Exchange translation differences	8	8	8	–	24	(2)	4	(20)	(2)	(20)
Charge for the year	19	35	54	2	110	29	59	101	9	198
Impairment charge	–	–	–	–	–	–	–	2	–	2
Attributable to assets sold, transferred or written off	(2)	(9)	(5)	–	(16)	(7)	(29)	(1)	(1)	(38)
Transfers to assets held for sale	(3)	–	–	–	(3)	–	–	–	–	–
At 30 June/31 December	240	373	517	12	1,142	218	339	460	10	1,027
Net book Value	421	205	613	17	1,256	384	209	531	20	1,144

16. Other assets

Other assets for the Group include:

	30.06.25 $million	31.12.24 $million
Financial assets held at amortised cost (Note 11):		
Cash collateral[1]	**11,491**	9,181
Acceptances and endorsements	**3,830**	4,149
Unsettled trades and other financial assets	**10,639**	8,205
	25,960	21,535
Non-financial assets:		
Commodities and emissions certificates[2]	**16,035**	6,570
Other assets	**485**	373
	42,480	28,478

1 Cash collateral are margins placed to collateralise net derivative mark-to-market (MTM) positions

2 Comprises precious metals and emission certificates, being inventory that is carried at fair value less costs to sell. $13.3 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: $3.8 billion). $2.7 billion is emissions certificates and other commodity related balances classified as Level 2 (31 December 2024: $2.7 billion)

17. Assets held for sale and associated liabilities.

Assets held for sale

The financial assets reported below for the Group are classified under Level 1 $15 million (31 December 2024: $58 million), Level 2 $416 million (31 December 2024: $335 million) and Level 3 $116 million (31 December 2024: $473 million).

	30.06.25 $million	31.12.24 $million
Financial assets held at fair value through profit or loss	**1**	–
Equity shares	**1**	–
Financial assets held at amortised cost	**547**	866
Cash and balances at central banks	**73**	109
Loans and advances to banks	**19**	–
Loans and advances to customers	**385**	656
Debt securities held at amortised cost	**70**	101
Other assets	**49**	35
	597	901

Liabilities held for sale

The financial liabilities reported below are classified under Level 1 Nil (31 December 2024: $89 million) and Level 2 $194 million (31 December 2024: $271 million).

	30.06.25 $million	31.12.24 $million
Financial liabilities held at amortised cost	**194**	360
Customer accounts	**194**	360
Other liabilities	**16**	16
Provisions for liabilities and charges	**5**	5
	215	381

18. Other liabilities

	30.06.25 $million	31.12.24 $million
Financial liabilities held at amortised cost (Note 11)		
Acceptances and endorsements	3,835	4,149
Cash collateral[1]	11,646	12,984
Property leases	686	603
Equipment leases	13	14
Unsettled trades and other financial liabilities	13,251	9,600
	29,431	27,350
Non-financial liabilities		
Other liabilities	442	417
	29,873	27,767

1 Cash collateral are margins received against collateralise net derivative mark-to-market (MTM) positions

19. Contingent liabilities and commitments

The table below shows the contract or underlying principal amounts of unmatured off-balance sheet transactions for the Group at the balance sheet date. The contract or underlying principal amounts indicate the volume of business outstanding and do not represent amounts at risk.

	30.06.25 $million	31.12.24 $million
Financial guarantees and other contingent liabilities		
Financial guarantees, trade and irrevocable letters of credit	94,738	81,343
	94,738	81,343
Commitments		
Undrawn formal standby facilities, credit lines and other commitments to lend		
One year and over	69,187	60,968
Less than one year	22,036	20,396
Unconditionally cancellable	44,004	42,567
	135,227	123,931
Capital commitments		
Contracted capital expenditure approved by the directors but not provided for in these accounts	103	121

The table below shows the contract or underlying principal amounts of unmatured inter-Group 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.

	30.06.25 $million	31.12.24 $million
Financial guarantees and other contingent liabilities (Group)		
Financial guarantees, trade and irrevocable letters of credit	3,708	3,771
	3,708	3,771
Commitments (Group)		
Undrawn commitments	8	1,243
	8	1,243

As set out in Note 20, the Group has contingent liabilities in respect of certain legal and regulatory matters.

20. 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 PLC Group has been named as a defendant in a series of lawsuits that have been 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 have alleged 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 these lawsuits specify the amount of damages claimed. The PLC 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 PLC Group. It is alleged that the individuals breached their duties to the PLC Group and caused a waste of corporate assets by permitting the conduct that gave rise to the costs and losses to the PLC 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 hearing date for 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 PLC 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 PLC Group by the BMIS bankruptcy trustee and the Fairfield funds' liquidators, in each case seeking to recover funds paid to the PLC Group's clients pursuant to redemption requests made prior to BMIS' bankruptcy filing. The total amount sought in these cases exceeds $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 the appeals of those dismissals by the funds' liquidators are ongoing. The fourth lawsuit has been dismissed and is not the subject of any further appeal. The PLC 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, by three companies now in liquidation that had misappropriated funds from 1Malaysia Development Berhad (1MDB), seeking $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 denies any and all liability and will defend against this lawsuit.

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 lawsuits are inherently uncertain and difficult to predict. However, provisions are recorded on the condensed consolidated interim balance sheet in respect of other legal and regulatory matters under Provisions for liabilities and charges as at 30 June 2025.

21. Subordinated liabilities and other borrowed funds

	30.06.25 $million	31.12.24 $million
USD	**6,643**	8,037
GBP	**1,406**	1,284
EUR	**–**	1,020
NPR	**17**	18
Total	**8,066**	10,359

Redemptions and repurchases during the period ended 30 June 2025
Standard Chartered Bank exercised its right to redeem $1 billion 3.516 per cent fixed rate reset subordinated debt due 2030 and EUR 1 billion 2.5 per cent fixed rate reset subordinated notes due 2030. Standard Chartered Bank (Singapore) Limited exercised its right to redeem USD subordinated notes during the period ended 30 June 2025.

Redemptions and repurchases during the year ended 31 December 2024
Standard Chartered Bank exercised its right to redeem $1 billion 2.94 per cent fixed rate subordinated notes 2029.

Issuance during the period ended 30 June 2025
There was no issuance during the period.

Issuance during the year ended 31 December 2024
There was no issuance during the period.

22. Share capital, other equity instruments and reserves

	Number of ordinary shares millions	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	20,597	20,597	296	750	21,643	4,742
Additional Tier 1 equity issuance	–	–	–	–	–	400
At 30 June 2024	20,597	20,597	296	750	21,643	5,142
Additional Tier 1 equity issuance	–				–	580
At 31 December 2024	**20,597**	**20,597**	**296**	**750**	**21,643**	**5,722**
At 30 June 2025	**20,597**	**20,597**	**296**	**750**	**21,643**	**5,722**

1 Issued and fully paid ordinary shares of $1 each
2 Includes preference share capital of $61,500

Ordinary share capital
The authorised share capital of the Company at 30 June 2025 was $26,789 million and TWD 1,225 million (31 December 2024: $26,789 million and TWD 1,225 million) made up of 26,782 million ordinary shares of $1 each, 2.4 million non-cumulative irredeemable preference shares of $0.01 each, 1 million non-cumulative preference shares of $5 each, 15,000 non-cumulative redeemable preference shares of $5 each, 462,500 non-cumulative redeemable 8.125% preference shares of $5 each, non-cumulative irredeemable and 50 million non-cumulative redeemable preference shares of TWD24.50 each.

The issued share capital of the Company at 30 June 2025 was $20,597 million (31 December 2024: $20,597 million) made up of: 20,597 million ordinary shares of $1 each.

There was no new issue of shares during the year. The Company has one class of ordinary shares, which carries no rights to fixed income. Subject to any special rights or restrictions as to voting attached to any shares in accordance with the Company's Royal Charter Bye-Laws and Rules, on a show of hands every member present at a general meeting by a representative or proxy shall have one vote. On a poll, every member holding shares or stock of less than the nominal amount of US$25 shall not have any vote, but every other member who is present in person or by proxy shall have votes in accordance with the following scale:

22. Share capital, other equity instruments and reserves continued

Nominal amount of Shares or Stock held	Number of Votes
US$25 or more but less than US$50	1 vote
US$50 or more but less than US$100	2 votes
US$100 or more but less than US$250	3 votes
US$250 or more but less than US$375	4 votes
US$375 or more but less than US$500	5 votes
US$500 or more but less than US$750	6 votes
US$750 or more but less than US$1,000	7 votes
US$1,000 or more but less than US$1,250	8 votes
US$1,250 or more but less than US$1,500	9 votes
US$1,500 or more	10 votes

Preference share capital

7,500 non-cumulative redeemable preference shares issued on 8 December 2006 with a nominal value of $5 each and 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 in whole or in part on 31 January 2027 and on any quarterly dividend payment date falling on or around ten-year intervals thereafter. The amount payable on redemption will be the paid-up amount of $100,000 per preference share to be redeemed, plus an amount equal to the accrued but unpaid dividend thereon up to but excluding the redemption date.

Other equity instruments

The table provides details of outstanding Fixed Rate Resetting Perpetual Subordinated Contingent Convertible AT1 securities issued by Standard Chartered Bank. All issuances are made for general business purposes and to increase the regulatory capital base of the Group.

Issuance date	Nominal value	Proceeds net of issue costs	Interest rate[1]	Coupon payment dates[2]	First reset dates[3]
14 January 2021	USD 1,250 million	USD 1,250 million	4.75%	14 January, 14 July each year	14 July 2031
19 August 2021	USD 1,500 million	USD 1,500 million	4.30%	19 February, 19 August each year	19 August 2028
15 August 2022	USD 1,000 million	USD 1,000 million	7.75%	15 February, 15 August each year	15 February 2028
31 March 2023	USD 750 million	USD 750 million	7.75%	30 January, 30 July each year	30 July 3037
31 March 2023	GBP 96 million	USD 120 million	7.90%	4 April, 4 October each year	4 April 2028
31 March 2023	GBP 99 million	USD 122 million	7.90%	4 April, 4 October each year	4 April 2028
27 March 2024	USD 400 million	USD 400 million	7.875%	8 March, 8 September each year	8 September 2030
19 Sep 2024	SGD 750 million	USD 580 million	5.30%	19 March, 19 September each year	19 March 2030
	Total	USD 5,722 million			

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

The principal terms of the AT1 securities are described below:

- The securities are perpetual and redeemable, at the option of the Company in whole but not in part, on the first call date or on any fifth anniversary after the first call 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 the Company 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 the Company, subject to certain additional restrictions set out in the terms and conditions. Accordingly, the Company 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 will be written down in full should the fully loaded Common Equity Tier 1 ratio of the issuer fall below 7.0 per cent (a Loss Absorption Event).

22. Share capital, other equity instruments and reserves continued

The securities rank behind the claims against the Company of: (a) unsubordinated creditors; (b) claims which are expressed to be subordinated to the claims of unsubordinated creditors of the Company but not further or otherwise; or (c) claims which are, or are expressed to be, junior to the claims of other creditors of the Company, 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 Loss Absorption Event.

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.

- 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 earnings
- 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. 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 and own shares held (treasury shares).

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 30 June 2025, the distributable reserves of Standard Chartered Bank (the Company) were $2.1 billion (31 December 2024: $2.2 billion). Distributable reserves of Standard Chartered Bank are calculated from the Merger reserve and Retained Earnings with consideration for restricted items in line with sections 830 and 831 of the Companies Act 2006.

23. Related party transactions

Directors and officers

As at 30 June 2025, Standard Chartered Bank had in place a charge over $67 million (31 December 2024: $68 million) of cash assets in favour of the independent trustee of its employer financed retirement benefit scheme.

There were no changes in the related party transactions described in the Annual Report 2024 that could have or have had a material effect on the financial position or performance of the Group in the period ended 30 June 2025. All related party transactions have taken place in the period were similar in nature to those disclosed in Annual Report 2024.

Associates and joint ventures

The following transactions with related parties are on an arm's length basis:

	30.06.25 $million	31.12.24 $million
Assets		
Derivative assets	9	5
Total assets	9	5
Liabilities		
Deposits	51	30
Derivative liabilities	3	4
Total liabilities	54	34
Loan commitments and other guarantees[1]	107	12

1 The maximum loan commitments and other guarantees during the period was $ 107 million (31st December 2024: $12 million)

24. Cashflow statement

Adjustment for non-cash items and other adjustments included within income statement

	30.06.25 $million	30.06.24 $million
Amortisation of discounts and premiums of investment securities	(518)	438
Interest expense on subordinated liabilities	254	297
Interest expense on senior debt securities in issue	298	330
Pension costs for defined benefit schemes	18	14
Share-based payment costs	128	110
Impairment losses on loans and advances and other credit risk provisions	68	24
Other impairment	10	97
(Gain)/loss on disposal of property, plant and equipment	(2)	1
Loss on disposal of FVOCI & AMCST financial assets	2	89
Depreciation and amortisation	341	307
Fair value changes through profit or loss	(693)	(671)
Foreign Currency revaluation	2	11
(Gains)/loss on disposal of business[1]	(4)	171
Profit from associates and joint ventures	(1)	(3)
Other non-cash items[1]	(53)	(237)
Total	(150)	978

1 (Gains)/loss on disposal of business previously reported within Other non-cash items has been re-presented as a separate item

24. Cashflow statement continued

Change in operating assets

	30.06.25 $million	30.06.24 $million
Net decrease in derivative financial instruments	13,990	3,731
Net increase in debt securities, treasury bills and equity shares held at fair value through profit or loss	(3,928)	(7,670)
Net increase in loans and advances to banks and customers	(5,749)	(12,627)
Net decrease/(increase) in prepayments and accrued income	89	(173)
Net increase in other assets	(14,308)	(3,697)
Total	(9,906)	(20,436)

Change in operating liabilities

	30.06.25 $million	30.06.24 $million
Net decrease in derivative financial instruments	(12,027)	(6,145)
Net increase in deposits from banks, customer accounts, debt securities in issue and short positions	29,470	14,277
Net decrease in accruals and deferred income	(420)	(275)
Net increase in other liabilities	1,658	4,071
Net increase/(decrease) in amount due to parents/subsidiaries/other related parties	9,869	(605)
Total	28,550	11,323

Changes in financing activities-subordinated and senior debts

	30.06.25 $million	30.06.24 $million
Subordinated debt (including accrued interest):		
Opening balance	10,357	11,457
Proceeds from the issue	–	–
Interest paid	(302)	(278)
Repayment	(2,694)	(1,000)
Foreign exchange movements	242	(48)
Fair value hedge adjustments	160	(84)
Accrued Interest and Others	305	282
Closing balance	8,068	10,329

	30.06.25 $million	30.06.24 $million
Senior debt (including accrued interest):		
Opening balance	8,469	7,860
Proceeds from the issue	1,450	1,258
Interest paid	(179)	(169)
Repayment	(1,781)	(1,614)
Foreign exchange movements	227	(32)
Fair value hedge adjustments	(2)	–
Accrued Interest and Others	118	136
Closing balance	8,302	7,439

Senior debt is presented as part of debt securities in issue in the condensed consolidated interim balance sheet.

25. Statutory accounts

The information in this Half Year Report is unaudited and does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. This document was approved by the Court on 31 July 2025. The statutory accounts for the year ended 31 December 2024 have been audited and delivered to the Registrar of Companies in England and Wales. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under sections 498(2) and 498(3) of the Companies Act 2006

Contractual maturity of Loans, Investment securities and Deposits

	30.06.25						
	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	44,529	123,698	36,326	13,107	–	29,994	300,746
Between one and five years	11,203	42,585	–	50,597	–	6,766	8,729
Between five and ten years	893	14,035	–	16,962	–	2	743
Between ten years and fifteen years	59	6,346	–	4,944	–	–	105
More than fifteen years and undated	91	19,213	–	18,627	1,444	–	10
Total	56,775	205,877	36,326	104,237	1,444	36,762	310,333
Total amortised cost and FVOCI exposures	24,657	156,196					
Fixed interest rate exposures	19,727	81,364					
Floating interest rate exposures	4,930	74,832					

	31.12.24						
	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	41,096	128,508	29,750	15,066	–	26,070	273,937
Between one and five years	10,398	34,276	41	44,835	–	6,223	8,778
Between five and ten years	863	12,832	–	14,157	–	3	301
Between ten years and fifteen years	71	6,712	–	5,760	–	–	114
More than fifteen years and undated	238	17,814	–	17,204	1,629	2	11
Total	52,666	200,142	29,791	97,022	1,629	32,298	283,141
Total amortised cost and FVOCI exposures	22,941	158,242					
Fixed interest rate exposures	19,349	86,042					
Floating interest rate exposures	3,592	72,200					

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 Central and other government agencies										
– US	1,223	1.19	6,666	1.90	3,032	1.46	4,267	2.62	15,188	1.96
– UK	77	0.50	522	2.16	49	0.88	–	–	648	1.86
– Other	1,797	3.00	5,694	2.74	1,792	3.16	16	9.64	9,299	2.88
Other debt securities	1,403	6.92	1,425	6.86	5,615	4.93	3,214	5.19	11,657	5.48
As at 30 June 2025	**4,500**	**3.69**	**14,307**	**2.74**	**10,488**	**3.61**	**7,497**	**3.73**	**36,792**	**3.30**

	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	1,172	1.64	7,070	1.92	3,375	1.54	4,353	2.76	15,970	2.05
– UK	17	0.50	588	1.97	44	0.88	–	–	649	1.85
– Other	1,510	3.66	5,882	3.85	1,569	4.46	14	9.62	8,975	3.93
Other debt securities	1,538	6.26	1,747	7.18	3,883	4.88	4,604	5.34	11,772	5.58
As at 31 December 2024	4,237	4.03	15,287	3.26	8,871	3.51	8,971	4.09	37,366	3.61

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.

Insured and uninsured deposits

The Group operates and provides services to customers across many countries and insured deposit is determined on the basis of limits enacted within local regulations.

	30.06.25					31.12.24				
	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	7,857	21,413	131,398	160,678	8	6,104	17,356	118,803	142,271
Savings deposits	–	6,453	–	17,816	24,269	–	6,161	–	17,224	23,385
Time deposits	29	6,364	6,715	102,823	115,931	–	5,646	5,900	93,675	105,221
Other deposits	–	100	8,595	37,522	46,217	–	104	9,030	35,426	44,560
Total	**39**	**20,774**	**36,723**	**289,559**	**347,095**	8	18,015	32,286	265,128	315,437

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.

	30.06.25					31.12.24				
	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	434	7,047	20,989	132,208	160,678	478	5,751	16,886	119,156	142,271
Savings deposits	–	32	–	24,237	24,269	–	40	–	23,345	23,385
Time deposits	516	8,395	6,228	100,792	115,931	315	7,473	5,585	91,848	105,221
Other deposits	2,262	11,383	6,333	26,239	46,217	2,317	12,795	6,713	22,735	44,560
Total	**3,212**	**26,857**	**33,550**	**283,476**	**347,095**	3,110	26,059	29,184	257,084	315,437

Average balance sheets and yields and volume and price variances.

Average balance sheets and yields

The following tables set out the average balances and yields for the Group's assets and liabilities for the periods ended 30 June 2025 and 30 June 2024. 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.

	6 months ended 30.06.25				
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	6,247	55,746	1,026	3.71	3.34
Gross loans and advances to banks	35,318	22,040	569	5.21	2.00
Gross loans and advances to customers	53,864	161,504	4,691	5.86	4.39
Impairment provisions against loans and advances to banks and customers	–	(3,238)	–	–	–
Investment securities – Treasury and Other Eligible Bills	17,472	18,408	498	5.46	2.80
Investment securities – Debt Securities	19,535	84,525	1,791	4.27	3.47
Investment securities – Equity Shares	1,613	–	–	–	–
Due from subsidiary undertakings and other related parties	–	6,635	47	1.43	1.43
Property, plant and equipment and intangible assets	4,164	–	–	–	–
Prepayments, accrued income and other assets	102,765	–	–	–	–
Investment associates and joint ventures	128	–	–	–	–
	241,106	345,620	8,622	5.03	2.96
Adjustment for trading book funding cost and others			292		
Total average assets	241,106	345,620	8,914	5.20	3.06

	6 months ended 30.06.24				
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	6,351	57,888	1,350	4.69	4.23
Gross loans and advances to banks	30,664	21,377	562	5.29	2.17
Gross loans and advances to customers	43,772	157,792	5,246	6.69	5.23
Impairment provisions against loans and advances to banks and customers	–	(3,679)	–	–	–
Investment securities – Treasury and Other Eligible Bills	8,618	19,204	660	6.91	4.77
Investment securities – Debt Securities	16,279	86,006	1,988	4.65	3.91
Investment securities – Equity Shares	2,026	–	–	–	–
Due from subsidiary undertakings and other related parties	–	6,126	73	2.40	2.40
Property, plant and equipment and intangible assets	4,253	–	–	–	–
Prepayments, accrued income and other assets	86,374	–	–	–	–
Investment associates and joint ventures	149	–	–	–	–
	198,486	344,714	9,879	5.76	3.66
Adjustment for trading book funding cost and others			259		
Total average assets	198,486	344,714	10,138	5.91	3.75

	6 months ended 30.06.25				
Average liabilities	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	13,407	21,173	316	3.01	1.84
Customer accounts:					
Current accounts	29,000	104,439	1,494	2.88	2.26
Savings deposits	–	23,180	250	2.17	2.17
Time deposits	11,003	98,660	2,223	4.54	4.09
Other deposits	37,980	6,041	126	4.21	0.58
Debt securities in issue	11,579	34,608	809	4.71	3.53
Due to parent companies, subsidiary undertakings & other related parties	–	30,444	1,119	7.41	7.41
Accruals, deferred income and other liabilities	117,979	792	23	5.86	0.04
Subordinated liabilities and other borrowed funds	–	10,617	254	4.82	4.82
Non-controlling interests	608	–	–	–	–
Shareholders' funds	35,216	–	–	–	–
	256,772	329,954	6,614	4.04	2.27
Adjustment for trading book funding cost and others			(1,063)		
Total average liabilities and shareholders' funds	256,772	329,954	5,551	3.39	1.91

	6 months ended 30.06.24				
Average liabilities	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	10,963	19,774	385	3.92	2.52
Customer accounts:					
Current accounts	27,148	96,437	1,703	3.55	2.77
Savings deposits	–	19,426	285	2.95	2.95
Time deposits	9,310	97,887	2,514	5.16	4.72
Other deposits	35,590	10,810	281	5.23	1.22
Debt securities in issue	11,258	27,097	816	6.06	4.28
Due to parent companies, subsidiary undertakings & other related parties	–	28,323	1,165	8.27	8.27
Accruals, deferred income and other liabilities	94,344	10,282	373	7.30	0.72
Subordinated liabilities and other borrowed funds	–	10,618	99	1.88	1.88
Non-controlling interests	1,073	–	–	–	–
Shareholders' funds	32,860	–	–	–	–
	222,546	320,654	7,621	4.78	2.82
Adjustment for trading book funding cost and others			(774)		
Financial guarantee fees on interest earning assets					
Total average liabilities and shareholders' funds	222,546	320,654	6,847	4.29	2.53

Net interest margin

	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
Interest income	8,622	9,879
Adjustment for trading book funding cost and others	292	259
Interest Income adjusted for trading book funding cost and others	8,914	10,138
Average interest earning assets	345,620	344,714
Gross yield (%)	5.20	5.91
Interest expense	6,614	7,621
Adjustment for trading book funding cost and others	(1,063)	(774)
Interest expense adjusted for trading book funding cost and others	5,551	6,847
Average interest-bearing liabilities	329,954	320,654
Rate paid (%)	3.39	4.29
Net yield (%)	1.81	1.62
Adjusted net interest income[1]	3,363	3,291
Net interest margin (%)	1.96	1.92

1 Adjusted net interest income has been re-presented in line with the PLC Group's 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 net interest income less trading book funding cost, Treasury currency management activities, cash collateral and prime service

Return on assets

	6 months ended 30.06.25 $million	6 months ended 30.06.24 $million
Profit attributable to shareholders	1,995	1,589
Total assets	597,648	543,992
Return on assets[1]	0.7%	0.6%

1 Represents profit attributable to shareholders divided by the total assets of the Group

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 Standard Chartered Bank's Directors' Report and Financial Statements for the period to 31 December 2024 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 Standard Chartered Bank's Directors' Report and Financial Statements for the period to 31 December 2024 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.

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.

Caution regarding climate and environment-related information

Some of the climate and environment related information in this document is subject to certain limitations, and therefore the reader should treat the information provided, as well as conclusions, projections and assumptions drawn from such information, with caution. The information may be limited due to a number of factors, which include (but are not limited to): a lack of reliable data; a lack of standardisation of data; and future uncertainty. The information includes externally sourced data that may not have been verified. Furthermore, some of the data, models and methodologies used to create the information is subject to adjustment which is beyond our control, and the information is subject to change without notice.

Glossary

Additional Tier 1 (AT1) capital
Additional Tier 1 capital consists of instruments other than Common Equity Tier 1 that meet the conditions set out in Article 52(1) of the Capital Requirements Regulation (as it forms part of UK domestic law), as well as the share premium accounts related to those instruments.

Additional value adjustment (AVA)
See Prudent valuation adjustment.

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.

Basel III
The global regulatory standards on bank capital adequacy and liquidity developed by the Basel Committee on Banking Supervision (BCBS) in response to the financial crisis of 2007-09. 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.

Basis point (bps)
One hundredth of a per cent (0.01 per cent); 100 basis points is 1 per cent.

CRD or Capital Requirements Directive
An EU capital adequacy legislative package largely implemented or onshored into UK law. The package comprises the Capital Requirements Directive and the Capital Requirements Regulation (CRR) and 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 has recently implemented the UK's version of CRR II.

CGU or Cash-generating unit
The smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Cash shortfall
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.

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)
Common Equity Tier 1 capital consists of the items, including the common shares issued by the Group and related share premium, retained earnings, accumulated other comprehensive income and other disclosed reserves, eligible noncontrolling interests and regulatory adjustments required in the calculation of Common Equity Tier 1, set out in Article 26(1) of the of the Capital Requirements Regulation (as it forms part of UK domestic law), capable of being available to the institution for unrestricted and immediate use to absorb losses as soon as these occur

CET1 ratio
A measure of the Group's CET1 capital as a percentage of risk-weighted assets.

Contractual maturity
Contractual maturity refers to 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
The countercyclical capital buffer (CCyB) is 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 United Kingdom. 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.

Counterparty credit risk
The risk that a counterparty defaults before satisfying its obligations under a derivative, a securities financing transaction (SFT) 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 CRR or modelled by the bank.

Credit default swaps (CDS)
A credit derivative is an arrangement whereby 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.

Credit grade
A standard alphanumeric Credit Risk grade system is used for CIB Client Coverage. The numeric grades run from 1 to 14 and some of the grades are further sub-classified. Lower numeric credit grades are indicative of a lower likelihood of default. Credit grades 1 to 12 are assigned to performing customers, while credit grades 13 and 14 are assigned to nonperforming or defaulted customers.

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
Credit risk mitigation is 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.

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 (DPD)
One or more days that interest and/or principal payments are overdue based on the contractual terms.

Debit valuation adjustment (DVA)
An adjustment to the fair value of derivative contracts that reflects the possibility that the Group may default and not pay the full market value of contracts.

Debt securities
Debt securities are assets on the Group's balance sheet and represent certificates of indebtedness of credit institutions, public bodies or other undertakings excluding those issued by central banks.

Debt securities in issue
Debt securities in issue are transferable certificates of indebtedness of the Group to the bearer of the certificate. These are liabilities of the Group and include certificates of deposits.

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.

Default
Financial assets in default represent those that 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.

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
Pension or other post-retirement benefit scheme other than a defined contribution scheme.

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 considered to be in a state of delinquency when payments are overdue. Loans and advances are considered to be 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.

Dividend per share
Represents the entitlement of each shareholder in the share of the profits of the Company. Calculated in the lowest unit of currency in which the shares are quoted.

Early alert, purely and non-purely precautionary
A borrower's account which exhibits risks 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 to credit grade 12 or worse. When an account is on early alert, it is classified as either purely precautionary or non-purely precautionary. A purely precautionary account is one that exhibits early alert characteristics, but these do not present any imminent credit concern. If the symptoms present an imminent credit concern, an account will be considered for classification as non-purely precautionary.

Effective tax rate
The tax on profit/ (losses) on ordinary activities as a percentage of profit/ (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.

European Union (EU)
The European Union (EU) is a political and economic union of 27 member states that are located primarily in Europe.

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, together with 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 that are 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.

Financial Conduct Authority (FCA)
The Financial Conduct Authority 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
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 2024 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 adjustments (FVA)
FVA reflects 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.

Global Systemically Important Banks (G-SIBs)
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 FSB and the BCBS. 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).

G-SII buffer
A CET1 capital buffer which results from designation as a G-SII. The G-SII 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 EU, the G-SII buffer is implemented via CRD IV as Global Systemically Important Institutions (G-SII) buffer requirement.

Gross yield
Interest income divided by average interest earning assets.

Interest rate risk
The risk of an adverse impact on the Group's income statement due to changes in interest rates.

IRB or internal ratings-based approach
Risk-weighting methodology in accordance with the Basel Capital Accord where capital requirements are based on a firm's own estimates of prudential parameters.

Internal model approach
The approach used to calculate market risk capital and RWA with an internal market risk model approved by the PRA under the terms of CRD/CRR.

IAS or International Accounting Standard
A standard that forms part of the International Financial Reporting Standards framework.

IASB or International Accounting Standards Board
An independent standard-setting body responsible for the development and publication of IFRS, and approving interpretations of IFRS standards that are recommended by the IFRS Interpretations Committee (IFRIC).

IFRS or International Financial Reporting Standards
A set of international accounting standards developed and issued by the International Accounting Standards Board, consisting of principles-based guidance contained within IFRSs and IASs. All companies that have issued publicly traded securities in the EU are required to prepare annual and interim reports under IFRS and IAS standards that have been endorsed by the EU.

IFRIC
The IFRS Interpretations Committee supports the IASB in providing authoritative guidance on the accounting treatment of issues not specifically dealt with by existing IFRSs and IASs.

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.

Liquidity coverage ratio (LCR)
The ratio of the stock of high-quality liquid assets to expected net cash outflows under stressed conditions 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 FVOCI, non-cancellable credit commitments and cancellable credit commitments for credit cards and overdraft facilities.

Loans and advances to customers
This represents drawn lending made under bilateral agreements with customers entered into in the normal course of business and is based on the legal form of the instrument.

Loans and advances to banks
Drawn amounts loaned to credit institutions including securities bought under Reverse repo.

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’.

Loss given default (LGD)
The percentage of an exposure that a lender expects to lose in the event of obligor default.

Master netting agreement
An agreement between two counterparties that have multiple derivative contracts with each other that provides 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.

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 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 one-year time horizon.

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

Non-performing loans (NPLs)
An NPL is any loan that is more than 90 days past due or is otherwise individually impaired. All NPLs are reported as part of Stage 3.

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) due to the fact that bad economic environment could have a larger impact on ECL calculation than good economic environment.

Non-NII
The sum of net fees and commission, net trading income and other operating income

Operating expenses
Staff and premises costs, general and administrative expenses, depreciation and amortisation.

Operating income or operating profit
Net interest, net fee and net trading income, as well as other operating income.

Over-the-counter (OTC) derivatives
A bilateral transaction (e.g. derivatives) that is not exchange traded and that is 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
The risk of increased extreme weather events including flood, drought and sea level rise.

Pillar 1
The first pillar of the three pillars 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 three pillars 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 three pillars 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.

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)
PD is 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 period 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 Prudential Regulation Authority is 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.

Rate paid
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

Repo/reverse repo
A repurchase agreement or 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.

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.

Secured (fully and partially)
A secured loan is a loan in which 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 partly secured.

Securitisation
Securitisation is a 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 by the use of 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.

SICR or Significant increase in credit risk
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
The solo regulatory group as listed in the Prudential Regulation Authority written notice dated 16 September 2024 differs from Standard Chartered Bank Company in that it includes the full consolidation of four subsidiaries, namely Standard Chartered Holdings (International) B.V., Standard Chartered Grindlays PTY Limited, SCMB Overseas Limited and Corrasi Covered Bonds LLP.

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 Institutions (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.

Tier 1 capital
The sum of Common Equity Tier 1 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.

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.

Unlikely to pay

Indications of unlikeliness to pay shall 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.