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Standard Chartered PLC

Key updates communicated during Q4 2025

6 January 2026

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Standard Chartered PLC (the Group) publishes a summary of key updates that were communicated during the fourth quarter of 2025.

Updates communicated during Q4 2025:

Income & RoTE guidance

- **Income outlook for 2025:** at Q3'25 results, the Group upgraded 2025 income growth guidance to be 'towards the upper end of the 5-7% range' at constant currency, excluding notable items. On forward FX rates on 21/10/2025 and excluding $295m notable items in 2024, the 2024 income base was ~$19.3bn.
- **RoTE guidance for 2025:** at Q3'25, the Group upgraded the underlying RoTE guidance to be ~13% in 2025 (previously approaching 13% in 2026).

Net Interest Income (NII)

- **Outlook for 2025:** at Q3'25 results, the Group continued to guide that NII in 2025 is expected to be down low single-digit percentage compared with 2024 ($11,096m).
- **Product level:** as noted at the CIB Seminar, the majority of the impact of lower rates (as shown in IRRBB) relates to CIB. In 2024, ~52% of CIB income was NII, of which ~81% was in Transaction Services (slide 21).
- **Deposit insurance reclassification**: a reminder that Q4'24 included the full-year effect of the deposit insurance reclassification ($147m).

Non net interest income (Non-NII)

- **Wealth & Retail Banking (WRB)**: at the Redburn Conference in December, Bill Winters said "Wealth, likewise, continues to show really good momentum. The leading indicators remain strong in terms of net new money flow. But we also know, again, we're in the fourth quarter, things tend to slow down a little bit and we've had some equity market volatility, which caused investors to be a little bit on the sideline for periods of time…all in all, fourth quarter in shape, but with a bit of slowdown from the exceptionally strong third quarter". Note also that bancassurance product income is typically lower in Q4 due to the accrual of bonus commission income in the first three quarters of the year.
- **Corporate & Investment Banking (CIB)**: at the Redburn conference Bill said that:
  - **Global Markets flow income** "continues to grow year-on-year…Q3 was particularly torrid in terms of the pace of growth, so I'm not sure we can match that…but satisfied with the steady progression of that flow income over time and into & including Q4"
  - **Global Markets episodic income** "we would expect that to be a little bit down but from a strong comparator last year". He also mentioned that over time flow income is expected to grow faster than episodic. As a reminder, episodic income averaged ~25% of Global Markets income in 2023 and 2024, but has been higher at 29% in 9M'25.
  - **Global Banking** has seen "good momentum with good and growing pipelines, good execution". Bill noted that "that Q3 was exceptionally strong in global banking. So, I think we're looking to returning to that good steady pace of growth that we've seen for some time without the extraordinary outperformance that we've had more recently"
- **Ventures**:
  - The Group gave additional disclosure on the accounting approach for Ventures on slide 26 of the Q2'25 presentation (here). Note that the Solv India transaction gain ($238m in Q2'25) is included in both the income guidance for 2025, and the cumulative loss guidance of <$200m for 2025-26 in Ventures segment.

- In 9M'25 there have been $174m of FVOCI unrealised gains net of tax related to Ventures (including Ripple & Toss), which are included in the underlying RoTE calculation but are not included in the cumulative loss guidance for the Ventures segment.

Operating expenses

- **Targets**: at Q3'25 results, the Group reiterated the $12.3bn constant currency operating expenses target for FY'26. Using forward FX rates on 21 October 2025, this equated to ~$12.4bn.
- **Bank levy**: a reminder that Q4 includes the UK bank levy, which in Q4'24 was $102m
- **Deposit insurance reclassification**: a reminder that Q4'24 included the full-year effect of the deposit insurance reclassification ($147m)

Other income statement items

- **Tax**: the Group continues to expect the effective tax rate to be in the high 20s percentage over time. Diego De Giorgi acknowledged on the Q3'25 results call that there had been a number of moving items that had benefited the tax rate in 9M'25.
- **Fit for Growth (FFG) costs**: at the Q2'25 results, the Group updated that 35-45% of the $1.5bn CTA charge was expected in FY'25, with the remaining 45-55% in FY'26. The run-rate savings of the programme are expected to be ~40% at FY'25 and ~85% in FY'26. At Q3'25 there was no change to this guidance; $454m of FFG CTA charges had been taken since inception; of which $298m in 9M'25.
- **Other restructuring costs**: at the Q4'24 results meeting, Diego said that there is expected to be about $100-200m of additional restructuring costs (ex-FFG) in 2025 driven by two main areas: double occupancy costs on certain property/infrastructure and exit of markets.

Balance Sheet Loans and advances (L&A)

- **Loan growth**: at the Q3'25 results loans were up 4% YTD on a constant currency basis. The Group continues to guide to low single-digit percentage growth in loans per annum
- **RWA growth**: at the Q3'25 results RWAs were up 3% YTD on a constant currency basis. The Group continued to guide to low single-digit percentage growth in RWA per annum.
- **Operational RWAs**: the annual increase in operational RWAs (which uses the standardised approach) will take place in Q4'25 rather than Q1'26, bringing the Group in line with other UK Banks. This is in addition to the underlying RWA growth guidance as FY'25 will have two ORWA increases (1/1/25, 31/12/25)
- **AT1 issuance**: AT1 coupons in Q4'25 are a similar level as Q4'24. Note that in November 2025 the Group issued a $1bn Additional Tier 1 instrument with a fixed rate coupon of 7% (details here). The first semi-annual coupon on this instrument is payable in Q2 2026, followed by Q4 2026. Annual run-rate coupon costs for current AT1 instruments & preference shares are ~$0.6bn gross.
- **Buyback progress:** At the Q2'25 results, the Group announced a $1.3bn buyback, which commenced on 1/8/2025. $0.4bn had been completed as at Q3'25. As a reminder, the full $1.3bn is deducted from CET1 and tangible equity was deducted in Q3'25, while the share-count reduces subsequently as the buyback is executed. At close of 31/12/25, an aggregate $1,066m of the buyback had been executed, and the aggregate number of ordinary shares in issue was 2,263m (RNS).

Q4 2025 events and full materials:

–	30/10/2025	**Q3'25 results call**	slides ¦ replay ¦ transcript
–	19/11/2025	**Diego De Giorgi fireside chat at JPM UK Leaders conference**	transcript ¦ replay
–	3/12/2025	**Bill Winters fireside chat at Redburn CEO conference**	transcript ¦ replay
–	Dec-25	**Investor overview on the Group (key slides & information)**	slides

Day-count:

- **Q4'25** 92 days
- **Q3'25** 92 days
- **Q2'25** 91 days
- **Q1'25** 90 days
- **Q4'24** 92 days

Upcoming events:

Further details, including how to register for events can be found here in due course:

- **24/2/2026** Q4'25 results
- **30/4/2026** Q1'26 results
- **30/7/2026** Q2'26 results
- **28/10/2026** Q3'26 results

Current published guidance:

As a reminder, the Group published guidance at constant currency (ccy) (as at Q3'25 results) was:

- Income to increase 5-7% CAGR from 2023 to 2026; tracking towards upper end of the range (excluding deposit insurance reclassification).
  - On forward FX rates (as of 21 October 2025), the ccy FY'23 income base was ~$17.4bn.
- Income growth in 2025 expected to be towards the top of the 5-7% range, excluding two notable items relating to Ghana hyperinflation and revaluation of FX position in Egypt ($295m for FY'24). Note this guidance includes the $238m gain on Solv India transaction with Jumbotail in Q2'25.
  - On forward FX rates (as of 21 October 2025), the adjusted 2024 base was ~$19.3bn.
- Net interest income expected to be down low single-digit percentage YoY.
- Positive income-to-cost jaws each year (2024-2026), excluding the two notable items.
- Expenses (including UK bank levy and deposit insurance reclassification) to be below $12.3bn in 2026.
  - On forward FX rates (as of 21 October 2025), this equated to ~$12.4bn expenses.
- Expense saves of ~$1.5bn and cost-to-achieve of no more than $1.5bn from the Fit for Growth programme.
- Continue to expect loan-loss rate to normalise towards the historical through-the-cycle 30-35bps range.
- Low single-digit percentage growth in underlying loans and advances to customers and RWA. Basel 3.1 day-1 RWA impact expected to be close to neutral.
- Continue to operate dynamically within the full 13-14% CET1 ratio target range.
- Plan to return at least $8bn to shareholders (2024-2026), and continue to increase full year dividend per share over time.
- RoTE expected to be around 13% in 2025 and to progress thereafter.

Additional segment guidance:

- **Affluent**: at the Q3'24 results, the Group announced a doubling of existing investment plans to $1.5bn over 5 years for the Affluent business. At the Affluent investor seminar on 3/12/2024 (link), the Group said that it expected Wealth Solutions income to grow at double-digit CAGR (from 2024 to 2029); and is targeting $200bn of Net New Money from 2025 to 2029; and to increase Affluent share of WRB income to 75%.
- **Reshape of Mass Retail**: to fund this incremental investment, the Group has said at Q3'24 results that it is exploring the opportunity to sell all or part of a small number of businesses where the strategic

rationale is not sufficiently compelling and continue to review single-product lending relationships and portfolios.

  - These actions, expected are to take affect over the next 18-24 months, and will lead to a headwind of ~1% in NII in 2025.

- **CIB**: at the CIB investor seminar on 15/5/2025 (link), the Group announced medium-term targets of: 5-7% income growth CAGR at ccy, excluding rates impact; positive income-to-cost jaws, income returns on RWA to build from 2024 levels; network income to be ~70% of CIB income; Financial Institutions income to be ~60% of CIB income.
- **Ventures**: at the Q3'24 results, the Group published updated guidance that Mox and Trust are each expected to be profitable in 2026; and the underlying loss before tax in the Ventures segment is expected to be below $0.2bn cumulative across 2025-2026, with majority of the losses to be incurred in 2025. Note this is inclusive of any gains from the SCV portfolio (like that of Solv India in Q2'25) but excludes FVOCI unrealised gains (which are taken through equity and included in RoTE)

For questions and further information, please contact:

- Manus Costello, Global Head of Investor Relations: +44 (0) 20 7885 0017
- David Lock, Head of Sell-Side, Investor Relations: +44 (0) 20 7885 0023

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By their very nature, forward-looking statements are subject to known and unknown risks and uncertainties and can be affected by 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.

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