

**Guide to the implementation of EDTF recommendations in the
Standard Chartered PLC 2013 Annual Report and 2013 Pillar 3 disclosures**

Standard Chartered PLC and its subsidiaries (together “the Group”) aims to provide meaningful disclosures in its financial reports to aid the Group’s stakeholders in evaluating the Group’s performance and financial position. To this extent the Group has supported the recommendations of the Enhanced Disclosures Task Force (EDTF), which were set out in their reports in [October 2012](#) and [August 2013](#), and has sought to address them to the extent practicable in its 2013 Annual Report and Pillar 3 disclosures. The following table summarises the how the Group has implemented these recommendations in those reports.

EDTF Recommendation	Number	Annual Report	Pillar 3 disclosures
General			
Present all risk information together and aid navigation through the use of an index	1	Risk review - pages 62 to 127 Capital - pages 128 to 135 Summary of cross references between Pillar 3 disclosures and Risk review - page 127	Summary of cross references between Pillar 3 disclosures and Risk review - pages 65 to 66
Define risk terminology	2	Throughout the Risk review and within the Glossary - pages 332 to 335	A glossary of terms used in the Pillar 3 disclosures is presented on pages 61 to 64.
Top and emerging risks	3	Strategic Report - pages 20 to 21 Risk review – page 64 to 66	
Plans to meet forthcoming regulatory ratios	4	Liquidity risk - page 115 Capital - page 128	Discussed in section 2.2 titled ‘CRD IV Capital Structure on pages 14 to 18.
Risk governance, risk management and business model			
Summary of risk management organization, processes and key functions	5	Risk management – page 69 Risk governance – page 69 The risk function – page 71	
Risk culture	6	Risk appetite – page 71	
Key risks arising from the business model	7	Strategic Report – page 18 to 19	
Stress testing process and governance	8	Stress testing - page 71	
Capital adequacy and risk weighted assets			
Pillar 1 requirements for globally systemic banks	9	G-SIB C and capital buffers – pages 130 and 136	
Reconciliation of the accounting and regulatory balance sheet	10		Comparison of accounting balance sheet and exposures at default – page 7
Capital flow statement	11	Movement in total capital - page 132	
Capital planning	12	Capital Management - pages 128 and 136	
Mapping of business activities to risk weighted assets	13	Risk weighted assets by business and geography - Page 133	
Analysis of regulatory capital requirements by risk type, business and geography	14		Credit risk by geography – page 23 Market risk – pages 56 Operational risk – page 58 IRB models – pages 21 to 22
Credit risk in the banking book	15		EAD, RWA, RWA density, PD and LGD by Basel exposure classes, internal credit grades and PD bands – pages 35 to 43
Flow statement for risk weighted assets	16	Movement in risk weighted assets - page 134	
Credit risk model performance	17		IRB models - pages - 21 to 22
Liquidity			
Details of sources of liquidity and analysis of liquid assets	18	Liquidity – page 115 Liquid assets - pages 118 to 119	
Funding			
Analysis of assets to support potential funding need, separately identifying encumbered and unencumbered assets	19	Primary sources of funding – page 116 Encumbered assets – page 117	
Contractual and behavioral maturity of assets and liabilities	20	Contractual maturity - Pages 120 to 121 Behavioral maturity – pages 121 to 122	
Discussion of funding strategies	21	Primary sources of funding – Page 116	

EDTF Recommendation	Number	Annual Report	Pillar 3 disclosures
Market risk			
Linkage between balance sheet and income statement to market risk	22	Market risk items link to Balance Sheet - Page 113. Note – link to Income statement will not be disclosed	
Breakdown of significant market risk factors	23	Trading and Non-trading VaR - Page 112	Trading and Non-trading VaR – pages 54 to 55
Market risk measurement models used together with limitations, validation procedures and assumptions	24	Value at Risk - Page 111	
Primary and secondary risk management techniques	25	Market Risk VaR coverage and Group treasury market risk – Pages 110 to 114	Stressed VaR – page 57
Credit risk			
Credit risk profile including concentrations	26	<p>Geographic analysis</p> <ul style="list-style-type: none"> • Group – Page 78 • Consumer Banking (CB) – page 90 • Wholesale Banking (WB) – pages 96 to 97 <p>Maturity analysis</p> <ul style="list-style-type: none"> • By business – page 78 to 79 • Category of borrower – CB pages 90 to 91 and WB pages 97 to 98 <p>Credit quality analysis</p> <ul style="list-style-type: none"> • By business, internal credit grades and days past due – page 79 to 82 • By product and geography – CB page 91 to 92 and WB page 99 to 100 	<p>Credit risk (EAD) by Basel exposure class, by geography – page 25</p> <p>Credit risk (EAD) by Basel exposure class, by industry – page 27</p> <p>Credit risk (EAD) by Basel exposure class, by maturity – page 29</p>
Impaired and non performing loans and forbearance policies and definitions	27	<p>Non performing loans – page 84</p> <p>Impaired loans – page 85</p> <p>Renegotiated and forborne loans – page 88</p>	
Reconciliation of impaired loans and impairment provisions	28	<p>Impaired loans by business – page 86</p> <p>Total impairment provisions – page 87</p> <p>Individual impairment provisions by geography – CB page 94 and WB page 102</p>	
Counterparty credit risk on derivatives	29		Counterparty credit risk – pages 45 to 46
Credit risk mitigation and collateral	30	<p>Collateral by business and credit quality – page 83</p> <p>Consumer Banking</p> <ul style="list-style-type: none"> • Analysis of secured/unsecured loans by category of business 92 • Geographical analysis of mortgage loan to value ratios – page 93 <p>Wholesale Banking</p> <ul style="list-style-type: none"> • Collateral held by type – page 101 • Geographical analysis of commercial real estate loan to value ratios – pages 101 to 102 	Credit risk mitigation by Basel exposure class – pages 31 to 32
Other risks			
Identify and discuss other risk types	31	Operational Risk, Reputational Risk, Pension Risk - pages 123 to 125	
Discuss publicly known risk events and lessons learned	32	Principal uncertainties & risks – pages 66 to 68	