
**Standard Chartered Bank Malaysia Berhad
and its subsidiaries**

**Pillar 3 Disclosures
30 June 2016**



Incorporated in Malaysia with registered Company No. 115793P
*Level 16, Menara Standard Chartered
No. 30, Jalan Sultan Ismail 50250 Kuala Lumpur*

**Standard Chartered Bank Malaysia Berhad
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1. Regulatory capital requirement

Disclosure on capital adequacy under the Standardised and IRB approach

Group 30 June 2016 Exposure class	Gross exposures RM'000	Net exposures RM'000	Risk weighted assets RM'000	Minimum capital requirement at 8% RM'000
(a) Credit risk				
<u>Exposures under the Standardised approach</u>				
On-balance sheet exposures:-				
Corporates	156,790	133,730	129,176	10,334
Regulatory retail	319,639	262,751	248,762	19,901
Residential mortgages	12,851	12,851	4,498	360
Higher risk assets	-	-	-	-
Other assets	646,608	644,138	444,653	35,572
Defaulted exposures	36,141	33,870	68,857	5,509
Total on-balance sheet exposures	<u>1,172,029</u>	<u>1,087,340</u>	<u>895,946</u>	<u>71,676</u>
Off-balance sheet exposures:-				
OTC derivatives	2	2	2	-
Off-balance sheet exposures other than OTC derivative transactions and credit derivatives	104,421	80,559	80,451	6,436
Defaulted exposures	236	236	354	28
Total off-balance sheet exposures	<u>104,659</u>	<u>80,797</u>	<u>80,807</u>	<u>6,464</u>
Total on and off-balance sheet exposures	<u>1,276,688</u>	<u>1,168,137</u>	<u>976,753</u>	<u>78,140</u>
<u>Exposures under the IRB approach</u>				
On-balance sheet exposures:-				
Sovereigns/Central banks	8,038,486	8,038,486	644,702	45,220
Banks, development financial institutions & multilateral development banks ("MDBs")	4,326,164	4,335,542	555,932	44,475
Insurance companies, securities firms & fund managers	323,221	323,947	35,196	2,816
Corporates	8,424,072	8,500,396	8,179,310	654,345
Residential mortgages	12,146,122	12,146,122	1,944,928	155,594
Qualifying revolving retail exposures	1,802,706	1,802,706	1,128,644	90,292
Other retail	4,183,055	4,096,627	1,851,126	148,090
Defaulted exposures	1,469,652	1,469,652	2,608,330	208,666
Total on-balance sheet exposures	<u>40,713,478</u>	<u>40,713,478</u>	<u>16,948,168</u>	<u>1,349,498</u>
Off-balance sheet exposures:-				
OTC derivatives	6,615,936	6,615,936	1,589,467	127,157
Off-balance sheet exposures other than OTC derivative transactions and credit derivatives	12,041,688	12,041,688	4,255,831	340,466
Defaulted exposures	109,335	109,335	5,704	456
Total off-balance sheet exposures	<u>18,766,959</u>	<u>18,766,959</u>	<u>5,851,002</u>	<u>468,079</u>
Total on and off-balance sheet exposures	<u>59,480,437</u>	<u>59,480,437</u>	<u>22,799,170</u>	<u>1,817,577</u>
(b) Large exposures risk requirement				
-				
(c) Market risk (Standardised approach)				
	Long position	Short position		
Interest rate risk	30,095,981	30,438,284	1,466,561	117,325
Foreign currency risk	53,197,775	53,436,630	379,954	30,396
Options risk	4,493,748	4,446,088	344,512	27,561
(d) Operational risk (Standardised approach)				
			3,442,529	275,402
Total RWA and capital requirements			<u>29,409,479</u>	<u>2,346,401</u>

CET1, Tier 1 and Total Capital ratios

	Before proposed dividend	After proposed dividend
CET 1 capital ratio	12.82%	12.36%
Tier 1 capital ratio	14.11%	13.65%
Total capital ratio	17.59%	17.14%

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1. Regulatory capital requirement (continued)

Disclosure on capital adequacy under the Standardised and IRB approach (continued)

Group	Gross exposures	Net exposures	Risk weighted assets	Minimum capital requirement at 8%
31 December 2015	RM'000	RM'000	RM'000	RM'000
Exposure class				
(a) Credit risk				
<u>Exposures under the Standardised approach</u>				
On-balance sheet exposures:-				
Corporates	131,290	121,633	115,643	9,251
Regulatory retail	113,441	51,850	40,231	3,218
Residential mortgages	13,031	13,031	4,561	365
Higher risk assets	-	-	-	-
Other assets	978,503	969,773	713,855	57,108
Defaulted exposures	39,686	33,597	68,319	5,466
Total on-balance sheet exposures	1,275,951	1,189,884	942,609	75,408
Off-balance sheet exposures:-				
OTC derivatives	1,269	797	796	64
Off-balance sheet exposures other than OTC derivative transactions and credit derivatives	152,846	126,680	126,397	10,112
Defaulted exposures	257	257	386	31
Total off-balance sheet exposures	154,372	127,734	127,579	10,207
Total on and off-balance sheet exposures	1,430,323	1,317,618	1,070,188	85,615
<u>Exposures under the IRB approach</u>				
On-balance sheet exposures:-				
Sovereigns/Central banks	6,703,001	6,703,001	504,576	33,488
Banks, development financial institutions & MDBs	5,631,133	5,598,317	670,284	53,623
Insurance companies, securities firms & fund managers	459,304	492,120	55,087	4,407
Corporates	8,562,157	8,636,807	8,002,615	640,209
Residential mortgages	12,566,457	12,566,457	2,328,786	186,303
Qualifying revolving retail exposures	1,865,523	1,865,523	1,171,441	93,715
Other retail	4,463,011	4,388,361	1,903,852	152,308
Defaulted exposures	1,664,526	1,664,526	2,663,461	213,077
Total on-balance sheet exposures	41,915,112	41,915,112	17,300,102	1,377,130
Off-balance sheet exposures:-				
OTC derivatives	8,026,757	8,026,757	1,744,533	139,563
Off-balance sheet exposures other than OTC derivative transactions and credit derivatives	12,686,285	12,686,285	4,619,682	369,575
Defaulted exposures	195,082	195,082	36,334	2,907
Total off-balance sheet exposures	20,908,124	20,908,124	6,400,549	512,045
Total on and off-balance sheet exposures	62,823,236	62,823,236	23,700,651	1,889,175
(b) Large exposures risk requirement				
			-	-
(c) Market risk (Standardised approach)				
	Long position	Short position		
Interest rate risk	30,893,032	32,870,971	1,000,290	80,023
Foreign currency risk	54,033,728	54,055,673	188,463	15,077
Options risk	5,642,784	5,039,076	361,448	28,916
(d) Operational risk (Standardised approach)				
			3,473,947	277,916
Total RWA and capital requirements			29,794,987	2,376,722

CET 1, Tier 1 and Total Capital ratios

	Before proposed dividend	After proposed dividend
CET 1 capital ratio	11.83%	11.83%
Tier 1 capital ratio	13.11%	13.11%
Total capital ratio	16.83%	16.83%

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1. Regulatory capital requirement (continued)

Disclosure on capital adequacy under the Standardised and IRB approach (continued)

Bank 30 June 2016 Exposure class	Gross exposures RM'000	Net exposures RM'000	Risk weighted assets RM'000	Minimum capital requirement at 8% RM'000
(a) Credit risk				
<u>Exposures under the Standardised approach</u>				
On-balance sheet exposures:-				
Corporates	126,713	103,653	99,099	7,928
Regulatory retail	99,591	42,703	32,633	2,611
Residential mortgages	12,493	12,493	4,373	350
Higher risk assets	-	-	-	-
Other assets	567,177	564,706	376,526	30,122
Defaulted exposures	31,455	29,184	61,828	4,946
Total on-balance sheet exposures	<u>837,429</u>	<u>752,739</u>	<u>574,459</u>	<u>45,957</u>
Off-balance sheet exposures:-				
OTC derivatives	2	2	2	-
Off-balance sheet exposures other than OTC derivative transactions and credit derivatives	69,501	47,188	47,124	3,770
Defaulted exposures	236	236	354	28
Total off-balance sheet exposures	<u>69,739</u>	<u>47,426</u>	<u>47,480</u>	<u>3,798</u>
Total on and off-balance sheet exposures	<u>907,168</u>	<u>800,165</u>	<u>621,939</u>	<u>49,755</u>
<u>Exposures under the IRB approach</u>				
On-balance sheet exposures:-				
Sovereigns/Central banks	6,933,190	6,933,190	580,129	46,410
Banks, development financial institutions & MDBs	8,136,589	8,145,967	1,084,305	86,744
Insurance companies, securities firms & fund managers	194,494	195,220	19,157	1,533
Corporates	7,200,833	7,274,037	7,128,826	570,306
Residential mortgages	9,303,023	9,303,023	1,422,892	113,831
Qualifying revolving retail exposures	1,802,706	1,802,706	1,128,644	90,292
Other retail	3,230,526	3,147,218	1,414,111	113,129
Defaulted exposures	1,356,210	1,356,210	2,324,146	185,932
Total on-balance sheet exposures	<u>38,157,571</u>	<u>38,157,571</u>	<u>15,102,210</u>	<u>1,208,177</u>
Off-balance sheet exposures:-				
OTC derivatives	6,847,336	6,847,336	1,632,843	130,627
Off-balance sheet exposures other than OTC derivative transactions and credit derivatives	11,275,412	11,275,412	3,965,937	317,275
Defaulted exposures	109,335	109,335	5,704	456
Total off-balance sheet exposures	<u>18,232,083</u>	<u>18,232,083</u>	<u>5,604,484</u>	<u>448,358</u>
Total on and off-balance sheet exposures	<u>56,389,654</u>	<u>56,389,654</u>	<u>20,706,694</u>	<u>1,656,535</u>
(b) Large exposures risk requirement				
-				
(c) Market risk (Standardised approach)				
	Long position	Short position		
Interest rate risk	30,095,981	30,438,284	1,466,561	117,325
Foreign currency risk	53,197,775	53,436,630	379,954	30,396
Options risk	4,493,748	4,446,088	344,512	27,561
(d) Operational risk (Standardised approach)				
			3,249,352	259,948
Total RWA and capital requirements			<u>26,769,012</u>	<u>2,141,520</u>

CET1, Tier 1 and Total Capital ratios

	Before proposed dividend	After proposed dividend
CET 1 capital ratio	12.54%	12.04%
Tier 1 capital ratio	13.96%	13.46%
Total capital ratio	16.78%	16.28%

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1. Regulatory capital requirement (continued)

Disclosure on capital adequacy under the Standardised and IRB approach (continued)

Bank 31 December 2015 Exposure class	Gross exposures RM'000	Net exposures RM'000	Risk weighted assets RM'000	Minimum capital requirement at 8% RM'000
(a) Credit risk				
<u>Exposures under the Standardised approach</u>				
On-balance sheet exposures:-				
Corporates	112,984	103,327	97,337	7,787
Regulatory retail	112,010	50,419	39,117	3,129
Residential mortgages	13,031	13,031	4,561	365
Higher risk assets	-	-	-	-
Other assets	655,414	646,684	399,472	31,958
Defaulted exposures	39,661	33,572	68,282	5,463
Total on-balance sheet exposures	<u>933,100</u>	<u>847,033</u>	<u>608,769</u>	<u>48,702</u>
Off-balance sheet exposures:-				
OTC derivatives	1,269	797	796	64
Off-balance sheet exposures other than OTC derivative transactions and credit derivatives	100,865	76,406	76,123	6,090
Defaulted exposures	257	257	386	31
Total off-balance sheet exposures	<u>102,391</u>	<u>77,460</u>	<u>77,305</u>	<u>6,185</u>
Total on and off-balance sheet exposures	<u>1,035,491</u>	<u>924,493</u>	<u>686,074</u>	<u>54,887</u>
<u>Exposures under the IRB approach</u>				
On-balance sheet exposures:-				
Sovereigns/Central banks	5,588,687	5,588,687	439,476	35,158
Banks, development financial institutions & MDBs	9,984,990	9,952,173	1,273,978	101,918
Insurance companies, securities firms & fund managers	258,126	290,942	26,444	2,116
Corporates	7,585,612	7,657,303	7,078,517	566,281
Residential mortgages	9,678,216	9,678,216	1,485,642	118,851
Qualifying revolving retail exposures	1,865,523	1,865,523	1,171,441	93,715
Other retail	3,396,663	3,324,973	1,303,264	104,261
Defaulted exposures	1,554,993	1,554,993	2,358,579	188,686
Total on-balance sheet exposures	<u>39,912,810</u>	<u>39,912,810</u>	<u>15,137,341</u>	<u>1,210,986</u>
Off-balance sheet exposures:-				
OTC derivatives	8,267,119	8,267,119	1,720,421	137,634
Off-balance sheet exposures other than OTC derivative transactions and credit derivatives	11,836,149	11,836,149	4,254,451	340,356
Defaulted exposures	195,083	195,083	36,334	2,907
Total off-balance sheet exposures	<u>20,298,351</u>	<u>20,298,351</u>	<u>6,011,206</u>	<u>480,897</u>
Total on and off-balance sheet exposures	<u>60,211,161</u>	<u>60,211,161</u>	<u>21,148,547</u>	<u>1,691,883</u>
(b) Large exposures risk requirement				
			-	-
(c) Market risk (Standardised approach)				
	Long position	Short position		
Interest rate risk	30,893,032	32,870,971	1,000,290	80,023
Foreign currency risk	54,033,728	54,055,673	188,463	15,077
Options risk	5,642,784	5,039,076	361,448	28,916
(d) Operational risk (Standardised approach)				
			3,273,059	261,845
Total RWA and capital requirements			<u>26,657,881</u>	<u>2,132,631</u>
<u>CET1, Tier 1 and Total Capital ratios:</u>				
			Before proposed dividend	After proposed dividend
CET 1 capital ratio			11.92%	11.92%
Tier 1 capital ratio			13.34%	13.34%
Total capital ratio			16.21%	16.21%

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2. Credit risk

2.1 Exposure values

The following tables detail the Group's and the Bank's Exposure at Default ("EAD") before the effect of credit risk mitigation, broken down by the relevant exposure class against the relevant geography, industry and maturity. EAD is based on the current outstanding and accrued interest and fees, plus a proportion of the undrawn component of the facility. The amount of the undrawn facility included is dependant on the credit conversion factor of respective product type, and for IRB exposure classes, this amount is modeled internally.

Geographical analysis

The below tables provide the Group's and the Bank's EAD analysed by location of the exposures.

Group 30 June 2016	Malaysia RM'000	Others RM'000	Total RM'000
IRB exposures			
Sovereigns/Central banks	8,038,486	-	8,038,486
Banks, development financial institutions & MDBs	5,114,205	5,882,559	10,996,764
Insurance companies, securities firms & fund managers	460,561	164,404	624,965
Corporate exposures (excluding specialised lending and firm-size adjustment)	14,069,304	1,111,408	15,180,712
Corporate exposures (with firm-size adjustment)	2,436,796	1,327	2,438,123
Specialised lending	453,610	-	453,610
Retail exposures	21,747,777	-	21,747,777
<i>Residential mortgages</i>	12,986,554	-	12,986,554
<i>Qualifying revolving retail exposures</i>	3,873,644	-	3,873,644
<i>Other retail exposures</i>	4,887,579	-	4,887,579
Total IRB exposures	52,320,739	7,159,698	59,480,437
Standardised exposures			
Corporates	249,770	10,615	260,385
Regulatory retail	354,302	-	354,302
Residential mortgages	13,324	-	13,324
Higher risk assets	177	-	177
Other assets	632,905	15,595	648,500
Total Standardised exposures	1,250,478	26,210	1,276,688
Total credit risk exposures	53,571,217	7,185,908	60,757,125

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2. Credit risk (continued)

2.1 Exposure values (continued)

Geographical analysis (continued)

Group 31 December 2015	Malaysia RM'000	Others RM'000	Total RM'000
IRB exposures			
Sovereigns/Central banks	6,703,001	-	6,703,001
Banks, development financial institutions & MDBs	7,747,488	6,266,033	14,013,521
Insurance companies, securities firms & fund managers	770,181	227,416	997,597
Corporate exposures (excluding specialised lending and firm-size adjustment)	14,162,712	1,385,974	15,548,686
Corporate exposures (with firm-size adjustment)	2,366,009	1,461	2,367,470
Specialised lending	579,598	67,851	647,449
Retail exposures	22,545,512	-	22,545,512
<i>Residential mortgages</i>	13,460,217	-	13,460,217
<i>Qualifying revolving retail exposures</i>	3,879,553	-	3,879,553
<i>Other retail exposures</i>	5,205,742	-	5,205,742
Total IRB exposures	54,874,501	7,948,735	62,823,236
Standardised exposures			
Corporates	275,886	13,519	289,405
Regulatory retail	146,439	-	146,439
Residential mortgages	14,140	-	14,140
Higher risk assets	177	-	177
Other assets	966,408	13,754	980,162
Total Standardised exposures	1,403,050	27,273	1,430,323
Total credit risk exposures	56,277,551	7,976,008	64,253,559

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2. Credit risk (continued)

2.1 Exposure values (continued)

Geographical analysis (continued)

Bank 30 June 2016	Malaysia RM'000	Others RM'000	Total RM'000
IRB exposures			
Sovereigns/Central banks	6,933,190	-	6,933,190
Banks, development financial institutions & MDBs	9,512,508	5,602,858	15,115,366
Insurance companies, securities firms & fund managers	322,152	100,157	422,309
Corporate exposures (excluding specialised lending and firm-size adjustment)	13,009,506	923,431	13,932,937
Corporate exposures (with firm-size adjustment)	1,900,712	1,327	1,902,039
Specialised lending	453,610	-	453,610
Retail exposures	17,630,203	-	17,630,203
<i>Residential mortgages</i>	9,991,273	-	9,991,273
<i>Qualifying revolving retail exposures</i>	3,873,644	-	3,873,644
<i>Other retail exposures</i>	3,765,286	-	3,765,286
Total IRB exposures	49,761,881	6,627,773	56,389,654
Standardised exposures			
Corporates	186,451	9,107	195,558
Regulatory retail	129,397	-	129,397
Residential mortgages	12,966	-	12,966
Higher risk assets	177	-	177
Other assets	569,068	2	569,070
Total Standardised exposures	898,059	9,109	907,168
Total credit risk exposures	50,659,940	6,636,882	57,296,822

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2. Credit risk (continued)

2.1 Exposure values (continued)

Geographical analysis (continued)

Bank 31 December 2015	Malaysia RM'000	Others RM'000	Total RM'000
IRB exposures			
Sovereigns/Central banks	5,588,687	-	5,588,687
Banks, development financial institutions & MDBs	12,886,341	5,869,208	18,755,549
Insurance companies, securities firms & fund managers	533,410	187,726	721,136
Corporate exposures (excluding specialised lending and firm-size adjustment)	13,427,322	1,058,042	14,485,364
Corporate exposures (with firm-size adjustment)	1,805,664	1,461	1,807,125
Specialised lending	579,598	67,851	647,449
Retail exposures	18,205,851	-	18,205,851
<i>Residential mortgages</i>	10,379,941	-	10,379,941
<i>Qualifying revolving retail exposures</i>	3,879,553	-	3,879,553
<i>Other retail exposures</i>	3,946,357	-	3,946,357
Total IRB exposures	53,026,873	7,184,288	60,211,161
Standardised exposures			
Corporates	207,138	11,979	219,117
Regulatory retail	144,984	-	144,984
Residential mortgages	14,140	-	14,140
Higher risk assets	177	-	177
Other assets	657,071	2	657,073
Total Standardised exposures	1,023,510	11,981	1,035,491
Total credit risk exposures	54,050,383	7,196,269	61,246,652

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2. Credit risk (continued)

2.1 Exposure values (continued)

Sector or economic purpose analysis

The below tables provide the Group's and the Bank's EAD analysed by sector or economic purpose of the exposure.

Group 30 June 2016	Agricultural, hunting, forestry and fishing RM'000	Mining and quarrying RM'000	Manufacturing RM'000	Electricity, gas and water RM'000	Construction RM'000	Wholesale & retail trade and restaurants & hotels RM'000	Transportation storage and communication RM'000	Finance, insurance and business services RM'000	Real estate RM'000	Household RM'000	Others RM'000	Total RM'000
IRB exposures												
Sovereigns/Central banks	-	-	-	-	-	-	-	8,038,486	-	-	-	8,038,486
Banks, development financial institutions & MDBs	-	-	-	-	-	-	-	10,996,764	-	-	-	10,996,764
Insurance companies, securities firms & fund managers	-	-	-	-	-	-	-	624,965	-	-	-	624,965
Corporate exposures (excluding specialised lending and firm-size adjustment)	171,445	934,444	5,098,574	339,811	1,851,252	2,353,144	2,089,886	1,000,665	1,148,827	-	192,664	15,180,712
Corporate exposures (with firm-size adjustment)	18,029	105,595	513,062	13,977	122,894	473,996	93,161	127,540	120,374	-	849,495	2,438,123
Specialised lending	-	5,759	325,317	24,443	-	600	-	-	97,491	-	-	453,610
Retail exposures	2,156	2,951	143,497	1,026	63,770	279,763	39,135	66,353	12,546	18,773,730	2,362,850	21,747,777
<i>Residential mortgages</i>	-	-	-	-	-	-	-	-	-	12,986,554	-	12,986,554
<i>Qualifying revolving retail exposures</i>	-	-	-	-	-	-	-	-	-	3,873,644	-	3,873,644
<i>Other retail exposures</i>	2,156	2,951	143,497	1,026	63,770	279,763	39,135	66,353	12,546	1,913,532	2,362,850	4,887,579
Total IRB exposures	191,630	1,048,749	6,080,450	379,257	2,037,916	3,107,503	2,222,182	20,854,773	1,379,238	18,773,730	3,405,009	59,480,437
Standardised exposures												
Corporates	-	-	33,410	-	163,752	13,999	-	24,303	-	2,357	22,564	260,385
Regulatory retail	-	-	-	-	250	-	74	-	-	129,147	224,831	354,302
Residential mortgages	-	-	-	-	-	-	-	-	-	12,966	358	13,324
Higher risk assets	-	-	-	-	-	-	-	-	-	177	-	177
Other assets	-	-	-	-	-	27,416	-	11	-	-	621,073	648,500
Total Standardised exposures	-	-	33,410	-	164,002	41,415	74	24,314	-	144,647	868,826	1,276,688
Total credit risk exposures	191,630	1,048,749	6,113,860	379,257	2,201,918	3,148,918	2,222,256	20,879,087	1,379,238	18,918,377	4,273,835	60,757,125

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2. Credit risk (continued)

2.1 Exposure values (continued)

Sector or economic purpose analysis (continued)

Group	Agricultural, hunting, forestry and fishing	Mining and quarrying	Manufacturing	Electricity, gas and water	Construction	Wholesale & retail trade and restaurants & hotels	Transportation storage and communication	Finance, insurance and business services	Real estate	Household	Others	Total
31 December 2015	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
IRB exposures												
Sovereigns/Central banks	-	-	-	-	-	-	-	6,703,001	-	-	-	6,703,001
Banks, development financial institutions & MDBs	-	-	-	-	-	-	-	14,013,521	-	-	-	14,013,521
Insurance companies, securities firms & fund managers	-	-	-	-	-	-	-	997,597	-	-	-	997,597
Corporate exposures (excluding specialised lending and firm-size adjustment)	154,351	972,536	5,671,144	166,388	2,057,402	2,808,545	1,990,934	541,493	1,013,832	-	172,061	15,548,686
Corporate exposures (with firm-size adjustment)	19,025	111,445	502,437	5,686	139,186	451,137	88,725	90,237	150,118	-	809,474	2,367,470
Specialised lending	-	73,468	444,703	26,124	-	600	-	-	102,554	-	-	647,449
Retail exposures	7,899	2,724	114,921	1,210	66,126	266,213	35,919	65,954	13,141	18,806,887	3,164,518	22,545,512
<i>Residential mortgages</i>	-	-	-	-	-	-	-	-	-	13,460,217	-	13,460,217
<i>Qualifying revolving retail exposures</i>	-	-	-	-	-	-	-	-	-	3,879,553	-	3,879,553
<i>Other retail exposures</i>	7,899	2,724	114,921	1,210	66,126	266,213	35,919	65,954	13,141	1,467,117	3,164,518	5,205,742
Total IRB exposures	181,275	1,160,173	6,733,205	199,408	2,262,714	3,526,495	2,115,578	22,411,803	1,279,645	18,806,887	4,146,053	62,823,236
Standardised exposures												
Corporates	44	-	32,312	-	184,657	12,185	-	33,193	-	5,011	22,003	289,405
Regulatory retail	-	-	-	-	1,804	4	-	-	-	144,140	491	146,439
Residential mortgages	-	-	-	-	-	-	-	-	-	14,140	-	14,140
Higher risk assets	-	-	-	-	-	-	-	-	-	177	-	177
Other assets	-	-	72	-	-	15,116	-	2	-	-	964,972	980,162
Total Standardised exposures	44	-	32,384	-	186,461	27,305	-	33,195	-	163,468	987,466	1,430,323
Total credit risk exposures	181,319	1,160,173	6,765,589	199,408	2,449,175	3,553,800	2,115,578	22,444,998	1,279,645	18,970,355	5,133,519	64,253,559

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2. Credit risk (continued)

2.1 Exposure values (continued)

Sector or economic purpose analysis (continued)

Bank	Agricultural, hunting, forestry and fishing	Mining and quarrying	Manufacturing	Electricity, gas and water	Construction	Wholesale & retail trade and restaurants & hotels	Transportation storage and communication	Finance, insurance and business services	Real estate	Household	Others	Total
30 June 2016	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
IRB exposures												
Sovereigns/Central banks	-	-	-	-	-	-	-	6,933,190	-	-	-	6,933,190
Banks, development financial institutions & MDBs	-	-	-	-	-	-	-	15,115,366	-	-	-	15,115,366
Insurance companies, securities firms & fund managers	-	-	-	-	-	-	-	422,309	-	-	-	422,309
Corporate exposures (excluding specialised lending and firm-size adjustment)	65,606	920,915	4,769,884	339,811	1,842,626	2,158,380	1,909,431	838,497	983,461	-	104,326	13,932,937
Corporate exposures (with firm-size adjustment)	18,029	93,945	489,289	13,977	64,458	456,045	45,714	93,481	115,134	-	511,967	1,902,039
Specialised lending	-	5,759	325,317	24,443	-	600	-	-	97,491	-	-	453,610
Retail exposures	1,011	1,231	94,705	30	19,982	193,327	8,611	25,481	12,454	14,926,335	2,347,036	17,630,203
<i>Residential mortgages</i>	-	-	-	-	-	-	-	-	-	9,991,273	-	9,991,273
<i>Qualifying revolving retail exposures</i>	-	-	-	-	-	-	-	-	-	3,873,644	-	3,873,644
<i>Other retail exposures</i>	1,011	1,231	94,705	30	19,982	193,327	8,611	25,481	12,454	1,061,418	2,347,036	3,765,286
Total IRB exposures	84,646	1,021,850	5,679,195	378,261	1,927,066	2,808,352	1,963,756	23,428,324	1,208,540	14,926,335	2,963,329	56,389,654
Standardised exposures												
Corporates	-	-	33,410	-	100,433	13,999	-	24,303	-	2,357	21,056	195,558
Regulatory retail	-	-	-	-	250	-	-	-	-	129,147	-	129,397
Residential mortgages	-	-	-	-	-	-	-	-	-	12,966	-	12,966
Higher risk assets	-	-	-	-	-	-	-	-	-	177	-	177
Other assets	-	-	-	-	-	27,416	-	11	-	-	541,643	569,070
Total Standardised exposures	-	-	33,410	-	100,683	41,415	-	24,314	-	144,647	562,699	907,168
Total credit risk exposures	84,646	1,021,850	5,712,605	378,261	2,027,749	2,849,767	1,963,756	23,452,638	1,208,540	15,070,982	3,526,028	57,296,822

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2. Credit risk (continued)

2.1 Exposure values (continued)

Sector or economic purpose analysis (continued)

Bank 31 December 2015	Agricultural, hunting, forestry and fishing RM'000	Mining and quarrying RM'000	Manufacturing RM'000	Electricity, gas and water RM'000	Construction RM'000	Wholesale & retail trade and restaurants & hotels RM'000	Transportation storage and communication RM'000	Finance, insurance and business services RM'000	Real estate RM'000	Household RM'000	Others RM'000	Total RM'000
IRB exposures												
Sovereigns/Central banks	-	-	-	-	-	-	-	5,588,687	-	-	-	5,588,687
Banks, development financial institutions & MDBs	-	-	-	-	-	-	-	18,755,549	-	-	-	18,755,549
Insurance companies, securities firms & fund managers	-	-	-	-	-	-	-	721,136	-	-	-	721,136
Corporate exposures (excluding specialised lending and firm-size adjustment)	154,351	952,696	5,264,804	166,388	2,053,387	2,625,439	1,890,986	429,878	827,845	-	119,590	14,485,364
Corporate exposures (with firm-size adjustment)	19,025	97,148	474,986	5,686	42,604	433,206	44,068	77,401	142,417	-	470,584	1,807,125
Specialised lending	-	73,468	444,703	26,124	-	600	-	-	102,554	-	-	647,449
Retail exposures	6,004	489	62,016	95	17,614	166,811	6,891	20,549	12,985	15,476,097	2,436,300	18,205,851
<i>Residential mortgages</i>	-	-	-	-	-	-	-	-	-	10,379,941	-	10,379,941
<i>Qualifying revolving retail exposures</i>	-	-	-	-	-	-	-	-	-	3,879,553	-	3,879,553
<i>Other retail exposures</i>	6,004	489	62,016	95	17,614	166,811	6,891	20,549	12,985	1,216,603	2,436,300	3,946,357
Total IRB exposures	179,380	1,123,801	6,246,509	198,293	2,113,605	3,226,056	1,941,945	25,593,200	1,085,801	15,476,097	3,026,474	60,211,161
Standardised exposures												
Corporates	44	-	32,312	-	115,909	12,185	-	33,193	-	5,011	20,463	219,117
Regulatory retail	-	-	-	-	840	4	-	-	-	144,140	-	144,984
Residential mortgages	-	-	-	-	-	-	-	-	-	14,140	-	14,140
Higher risk assets	-	-	-	-	-	-	-	-	-	177	-	177
Other assets	-	-	72	-	-	15,116	-	2	-	-	641,883	657,073
Total Standardised exposures	44	-	32,384	-	116,749	27,305	-	33,195	-	163,468	662,346	1,035,491
Total credit risk exposures	179,424	1,123,801	6,278,893	198,293	2,230,354	3,253,361	1,941,945	25,626,395	1,085,801	15,639,565	3,688,820	61,246,652

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2. Credit risk (continued)

2.1 Exposure values (continued)

Residual contractual maturity analysis

The following tables show the Group's and the Bank's residual maturity of EAD by each principal category of exposure class.

Group 30 June 2016	Up to 1 year RM'000	> 1 - 5 years RM'000	Over 5 years RM'000	Total RM'000
IRB exposures				
Sovereigns/Central banks	6,263,567	1,061,467	713,452	8,038,486
Banks, development financial institutions & MDBs	6,808,391	3,120,385	1,067,988	10,996,764
Insurance companies, securities firms & fund managers	500,410	115,755	8,800	624,965
Corporate exposures (excluding specialised lending and firm-size adjustment)	10,302,720	3,783,406	1,094,586	15,180,712
Corporate exposures (with firm-size adjustment)	1,307,649	270,456	860,018	2,438,123
Specialised lending	17,149	412,018	24,443	453,610
Retail exposures	1,344,059	4,635,897	15,767,821	21,747,777
<i>Residential mortgages</i>	457,292	380,790	12,148,472	12,986,554
<i>Qualifying revolving retail exposures</i>	297,543	2,945,826	630,275	3,873,644
<i>Other retail exposures</i>	589,224	1,309,281	2,989,074	4,887,579
Total IRB exposures	26,543,945	13,399,384	19,537,108	59,480,437
Standardised exposures				
Corporates	147,408	90,448	22,529	260,385
Regulatory retail	48,777	223,148	82,377	354,302
Residential mortgages	32	562	12,730	13,324
Higher risk assets	10	14	153	177
Other assets	562,011	-	86,489	648,500
Total Standardised exposures	758,238	314,172	204,278	1,276,688
Total credit risk exposures	27,302,183	13,713,556	19,741,386	60,757,125

Note: The above table shows that exposures with residual contractual maturity more than 5 years, of which 62% are collateralized.

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2. Credit risk (continued)

2.1 Exposure values (continued)

Residual contractual maturity analysis (continued)

Group 31 December 2015	Up to 1 year Restated RM'000	> 1 - 5 years Restated RM'000	Over 5 years Restated RM'000	Total Restated RM'000
IRB exposures				
Sovereigns/Central banks	5,232,807	1,439,667	30,527	6,703,001
Banks, development financial institutions & MDBs	7,625,370	5,166,382	1,221,769	14,013,521
Insurance companies, securities firms & fund managers	583,025	404,198	10,374	997,597
Corporate exposures (excluding specialised lending and firm-size adjustment)	11,048,188	3,443,483	1,057,015	15,548,686
Corporate exposures (with firm-size adjustment)	1,255,445	262,985	849,040	2,367,470
Specialised lending	19,258	508,582	119,609	647,449
Retail exposures	1,169,725	5,466,274	15,909,513	22,545,512
<i>Residential mortgages</i>	312,090	384,559	12,763,568	13,460,217
<i>Qualifying revolving retail exposures</i>	305,666	3,464,530	109,357	3,879,553
<i>Other retail exposures</i>	551,969	1,617,185	3,036,588	5,205,742
Total IRB exposures	26,933,818	16,691,571	19,197,847	62,823,236
Standardised exposures				
Corporates	155,381	109,523	24,501	289,405
Regulatory retail	54,383	8,504	83,552	146,439
Residential mortgages	459	695	12,986	14,140
Higher risk assets	10	14	153	177
Other assets	868,911	23,200	88,051	980,162
Total Standardised exposures	1,079,144	141,936	209,243	1,430,323
Total credit risk exposures	28,012,962	16,833,507	19,407,090	64,253,559

Note: The above table shows that exposures with residual contractual maturity more than 5 years, of which 62% are collateralized.

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2. Credit risk (continued)

2.1 Exposure values (continued)

Residual contractual maturity analysis (continued)

Bank 30 June 2016	Up to 1 year RM'000	> 1 - 5 years RM'000	Over 5 years RM'000	Total RM'000
IRB exposures				
Sovereigns/Central banks	5,158,271	1,061,467	713,452	6,933,190
Banks, development financial institutions & MDBs	10,525,177	3,420,952	1,169,237	15,115,366
Insurance companies, securities firms & fund managers	362,131	51,378	8,800	422,309
Corporate exposures (excluding specialised lending and firm-size adjustment)	9,593,557	3,321,773	1,017,607	13,932,937
Corporate exposures (with firm-size adjustment)	1,188,858	156,885	556,296	1,902,039
Specialised lending	17,149	412,018	24,443	453,610
Retail exposures	1,120,702	4,340,087	12,169,414	17,630,203
<i>Residential mortgages</i>	359,816	367,353	9,264,104	9,991,273
<i>Qualifying revolving retail exposures</i>	297,543	2,945,826	630,275	3,873,644
<i>Other retail exposures</i>	463,343	1,026,908	2,275,035	3,765,286
Total IRB exposures	27,965,845	12,764,560	15,659,249	56,389,654
Standardised exposures				
Corporates	134,451	40,014	21,093	195,558
Regulatory retail	46,643	3,983	78,771	129,397
Residential mortgages	31	562	12,373	12,966
Higher risk assets	10	14	153	177
Other assets	482,581	-	86,489	569,070
Total Standardised exposures	663,716	44,573	198,879	907,168
Total credit risk exposures	28,629,561	12,809,133	15,858,128	57,296,822

Note: The above table shows that exposures with residual contractual maturity more than 5 years of which 59% are collateralized.

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2. Credit risk (continued)

2.1 Exposure values (continued)

Residual contractual maturity analysis (continued)

Bank 31 December 2015	Up to 1 year RM'000	> 1 - 5 years RM'000	Over 5 years RM'000	Total RM'000
IRB exposures				
Sovereigns/Central banks	4,118,493	1,439,667	30,527	5,588,687
Banks, development financial institutions & MDBs	11,986,425	5,446,106	1,323,018	18,755,549
Insurance companies, securities firms & fund managers	547,561	163,201	10,374	721,136
Corporate exposures (excluding specialised lending and firm-size adjustment)	10,255,473	3,271,782	958,109	14,485,364
Corporate exposures (with firm-size adjustment)	1,155,838	111,652	539,635	1,807,125
Specialised lending	19,258	508,582	119,609	647,449
Retail exposures	1,030,926	5,097,291	12,077,634	18,205,851
<i>Residential mortgages</i>	<i>310,915</i>	<i>376,195</i>	<i>9,692,831</i>	<i>10,379,941</i>
<i>Qualifying revolving retail exposures</i>	<i>305,666</i>	<i>3,464,530</i>	<i>109,357</i>	<i>3,879,553</i>
<i>Other retail exposures</i>	<i>414,345</i>	<i>1,256,566</i>	<i>2,275,446</i>	<i>3,946,357</i>
Total IRB exposures	29,113,974	16,038,281	15,058,906	60,211,161
Standardised exposures				
Corporates	147,737	48,340	23,040	219,117
Regulatory retail	54,361	7,130	83,493	144,984
Residential mortgages	459	695	12,986	14,140
Higher risk assets	10	14	153	177
Other assets	545,822	23,200	88,051	657,073
Total Standardised exposures	748,389	79,379	207,723	1,035,491
Total credit risk exposures	29,862,363	16,117,660	15,266,629	61,246,652

Note: The above table shows that exposures with residual contractual maturity more than 5 years, of which 64% are collateralized.

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2. Credit risk (continued)

2.2 Credit risk mitigation

The following tables disclose the total exposure before the effect of Credit Risk Mitigation ("CRM") and the exposures covered by guarantees/credit derivatives, eligible financial collateral and other eligible collateral shown by exposure class.

Group 30 June 2016	Exposures before CRM RM'000	Exposures covered by guarantees or credit derivatives RM'000	Exposures covered by eligible financial collateral RM'000	Exposures covered by Other eligible collateral RM'000
On-balance sheet exposures				
Sovereigns/Central banks	8,038,486	-	-	-
Banks, development financial institutions & MDBs	4,326,164	12,755	-	-
Insurance companies, securities firms & fund managers	323,221	121,994	2,741	-
Corporates	8,470,337	42,579	579,940	1,108,764
Regulatory retail	6,305,400	75,627	125,706	42,804
Residential mortgages	12,158,973	-	-	11,994,723
Higher risk assets	-	-	-	-
Other assets	646,608	-	2,469	-
Specialised financing/investment	110,525	-	-	-
Defaulted exposures	1,505,793	-	37,628	310,416
Total on-balance sheet exposures	41,885,507	252,955	748,484	13,456,707
Off-balance sheet exposures				
OTC derivatives	6,615,938	150,808	-	-
Off-balance sheet exposures other than OTC derivatives or credit derivatives	12,146,109	39,448	1,132,024	411,538
Defaulted exposures	109,571	-	4,543	467
Total off-balance sheet exposures	18,871,618	190,256	1,136,567	412,005
Total on and off-balance sheet exposures	60,757,125	443,211	1,885,051	13,868,712

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2. Credit risk (continued)

2.2 Credit risk mitigation (continued)

Group 31 December 2015	Exposures before CRM RM'000	Exposures covered by guarantees or credit derivatives RM'000	Exposures covered by eligible financial collateral RM'000	Exposures covered by Other eligible collateral RM'000
On-balance sheet exposures				
Sovereigns/Central banks	6,703,001	-	-	-
Banks, development financial institutions & MDBs	5,631,133	32,816	-	-
Insurance companies, securities firms & fund managers	459,304	183,985	2,592	-
Corporates	8,580,321	25,125	323,542	863,694
Regulatory retail	6,441,975	10,643	111,083	70,022
Residential mortgages	12,579,488	-	-	12,385,479
Higher risk assets	-	-	-	-
Other assets	978,503	-	8,731	-
Specialised financing/investment	113,126	-	-	-
Defaulted exposures	1,704,212	-	66,457	319,212
Total on-balance sheet exposures	43,191,063	252,569	512,405	13,638,407
Off-balance sheet exposures				
OTC derivatives	8,028,026	34	472	-
Off-balance sheet exposures other than OTC derivatives or credit derivatives	12,839,131	44,445	1,203,206	394,868
Defaulted exposures	195,339	-	1,754	491
Total off-balance sheet exposures	21,062,496	44,479	1,205,432	395,359
Total on and off-balance sheet exposures	64,253,559	297,048	1,717,837	14,033,766

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2. Credit risk (continued)

2.2 Credit risk mitigation (continued)

Bank 30 June 2016	Exposures before CRM RM'000	Exposures covered by guarantees or credit derivatives RM'000	Exposures covered by eligible financial collateral RM'000	Exposures covered by other eligible collateral RM'000
On-balance sheet exposures				
Sovereigns/Central banks	6,933,190	-	-	-
Banks, development financial institutions & MDBs	8,136,589	12,755	-	-
Insurance companies, securities firms & fund managers	194,494	121,994	-	-
Corporates	7,217,021	41,378	564,787	807,572
Regulatory retail	5,132,823	73,246	124,410	34,981
Residential mortgages	9,315,516	-	-	9,185,480
Higher risk assets	-	-	-	-
Other assets	567,177	-	2,469	-
Specialised financing/investment	110,525	-	-	-
Defaulted exposures	1,387,665	-	37,628	292,140
Total on-balance sheet exposures	38,995,000	249,373	729,294	10,320,173
Off-balance sheet exposures				
OTC derivatives	6,847,338	150,808	-	-
Off-balance sheet exposures other than OTC derivatives or credit derivatives	11,344,913	35,406	1,114,408	314,545
Defaulted exposures	109,571	-	4,543	467
Total off-balance sheet exposures	18,301,822	186,214	1,118,951	315,012
Total on and off-balance sheet exposures	57,296,822	435,587	1,848,245	10,635,185

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2. Credit risk (continued)

2.2 Credit risk mitigation (continued)

Bank 31 December 2015	Exposures before CRM RM'000	Exposures covered by guarantees or credit derivatives RM'000	Exposures covered by eligible financial collateral RM'000	Exposures covered by other eligible collateral RM'000
On-balance sheet exposures				
Sovereigns/Central banks	5,588,687	-	-	-
Banks, development financial institutions & MDBs	9,984,990	32,816	-	-
Insurance companies, securities firms & fund managers	258,126	183,985	-	-
Corporates	7,585,470	23,346	281,785	795,156
Regulatory retail	5,374,196	9,000	109,999	64,648
Residential mortgages	9,691,247	-	-	9,540,579
Higher risk assets	-	-	-	-
Other assets	655,414	-	8,731	-
Specialised financing/investment	113,126	-	-	-
Defaulted exposures	1,594,654	-	66,457	317,575
Total on-balance sheet exposures	40,845,910	249,147	466,972	10,717,958
Off-balance sheet exposures				
OTC derivatives	8,268,388	34	472	-
Off-balance sheet exposures other than OTC derivatives or credit derivatives	11,937,014	41,055	1,188,692	236,247
Defaulted exposures	195,340	-	1,754	491
Total off-balance sheet exposures	20,400,742	41,089	1,190,918	236,738
Total on and off-balance sheet exposures	61,246,652	290,236	1,657,890	10,954,696

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2. Credit risk (continued)

2.3 Exposures under IRB approach

Exposures under the IRB approach by risk grade or PD band for non-retail exposures

The below tables analyse the Group's and the Bank's PD range or internal risk grading of non-retail exposures.

Group	0-0.04%	0.04-0.17%	0.17-0.59%	0.59-3.05%	3.05-12.00%	12.00-100%	Default or 100%
30 June 2016	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Non-retail exposures (EAD)							
<u>On balance sheet exposures</u>							
Sovereign	-	8,038,486	-	-	-	-	-
Bank	1,273,104	2,626,479	175,961	231,124	19,496	-	-
Corporate	18,130	736,549	2,602,550	4,196,908	1,045,960	147,196	815,049
Total on-balance sheet exposures	1,291,234	11,401,514	2,778,511	4,428,032	1,065,456	147,196	815,049
<u>Undrawn commitments</u>							
Sovereign	-	-	-	-	-	-	-
Bank	10,667	159,380	1,858	-	-	-	-
Corporate	25,214	332,433	542,986	556,909	130,548	8,278	767
Total undrawn commitments	35,881	491,813	544,844	556,909	130,548	8,278	767
<u>Derivatives</u>							
Sovereign	-	-	-	-	-	-	-
Bank	-	4,687,539	377,872	224,705	-	-	-
Corporate	151,497	524,433	211,429	424,344	4,997	9,120	90,747
Total derivatives	151,497	5,211,972	589,301	649,049	4,997	9,120	90,747
<u>Contingent</u>							
Sovereign	-	-	-	-	-	-	-
Bank	38,668	1,048,134	33,271	81,172	5,321	2,013	-
Corporate	4,846	1,518,284	1,772,311	2,244,487	252,513	317,210	11,715
Total contingent	43,514	2,566,418	1,805,582	2,325,659	257,834	319,223	11,715
Exposure weighted average LGD (%)							
Sovereign	-	26.20%	-	-	-	-	-
Bank	26.20%	25.78%	24.23%	41.14%	41.20%	41.20%	-
Corporate	43.49%	35.87%	39.57%	36.72%	47.82%	56.59%	41.12%
Exposure weighted average risk weight (%)							
Sovereign	-	8.02%	-	-	-	-	-
Bank	4.66%	11.28%	31.77%	80.65%	117.39%	193.21%	-
Corporate	13.80%	16.57%	40.80%	77.84%	161.39%	244.84%	107.97%

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2. Credit risk (continued)

2.3 Exposures under IRB approach (continued)

Exposures under the IRB approach by risk grade or PD band for non-retail exposures (continued)

Group	0-0.04%	0.04-0.17%	0.17-0.59%	0.59-3.05%	3.05-12.00%	12.00-100%	Default or 100%
31 December 2015	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Non-retail exposures (EAD)							
<u>On balance sheet exposures</u>							
Sovereign	-	6,703,001	-	-	-	-	-
Bank	1,244,650	3,885,549	282,983	199,656	18,295	-	-
Corporate	50,888	1,138,167	2,379,082	4,536,284	880,611	36,429	976,384
Total on-balance sheet exposures	1,295,538	11,726,717	2,662,065	4,735,940	898,906	36,429	976,384
<u>Undrawn commitments</u>							
Sovereign	-	-	-	-	-	-	-
Bank	516,309	66,770	1,208	-	-	-	-
Corporate	44,526	373,919	664,912	603,275	140,701	7,424	22,980
Total undrawn commitments	560,835	440,689	666,120	603,275	140,701	7,424	22,980
<u>Derivatives</u>							
Sovereign	-	-	-	-	-	-	-
Bank	2,443,907	3,548,970	428,476	293,310	-	-	-
Corporate	2,890	599,692	396,041	305,730	871	6,870	152,506
Total derivatives	2,446,797	4,148,662	824,517	599,040	871	6,870	152,506
<u>Contingent</u>							
Sovereign	-	-	-	-	-	-	-
Bank	544,862	433,018	53,892	34,910	14,610	2,146	-
Corporate	6,845	1,354,432	1,866,824	2,537,965	143,009	319,260	12,685
Total contingent	551,707	1,787,450	1,920,716	2,572,875	157,619	321,406	12,685
Exposure weighted average LGD (%)							
Sovereign	45.00%	26.20%	-	-	-	-	-
Bank	26.20%	25.36%	26.96%	41.14%	41.20%	41.20%	-
Corporate	49.18%	40.33%	39.78%	38.58%	50.39%	50.54%	43.03%
Exposure weighted average risk weight (%)							
Sovereign	-	7.53%	-	-	-	-	-
Bank	8.06%	11.25%	33.49%	87.25%	127.03%	193.21%	-
Corporate	9.13%	18.91%	46.61%	79.14%	166.45%	234.62%	85.56%

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2. Credit risk (continued)

2.3 Exposures under IRB approach (continued)

Exposures under the IRB approach by risk grade or PD band for non-retail exposures (continued)

Bank 30 June 2016	0-0.04% RM'000	0.04-0.17% RM'000	0.17-0.59% RM'000	0.59-3.05% RM'000	3.05-12.00% RM'000	12.00-100% RM'000	Default or 100% RM'000
Non-retail exposures (EAD)							
<u>On balance sheet exposures</u>							
Sovereign	-	6,933,190	-	-	-	-	-
Bank	1,273,104	6,436,904	175,961	231,124	19,496	-	-
Corporate	18,130	593,473	2,190,187	3,563,938	887,203	142,396	814,459
Total on-balance sheet exposures	1,291,234	13,963,567	2,366,148	3,795,062	906,699	142,396	814,459
<u>Undrawn commitments</u>							
Sovereign	-	-	-	-	-	-	-
Bank	10,667	160,415	1,858	-	-	-	-
Corporate	25,214	274,509	423,765	435,145	128,837	8,278	767
Total undrawn commitments	35,881	434,924	425,623	435,145	128,837	8,278	767
<u>Derivatives</u>							
Sovereign	-	-	-	-	-	-	-
Bank	-	5,041,920	353,281	202,095	-	-	-
Corporate	151,497	455,790	211,429	417,212	4,997	9,115	90,747
Total derivatives	151,497	5,497,710	564,710	619,307	4,997	9,115	90,747
<u>Contingent</u>							
Sovereign	-	-	-	-	-	-	-
Bank	38,668	1,048,096	33,271	81,172	5,321	2,013	-
Corporate	4,846	1,352,201	1,771,016	2,162,991	243,861	317,177	11,715
Total contingent	43,514	2,400,297	1,804,287	2,244,163	249,182	319,190	11,715
Exposure weighted average LGD (%)							
Sovereign	-	26.20%	-	-	-	-	-
Bank	26.20%	25.91%	23.49%	41.14%	41.20%	41.20%	-
Corporate	43.49%	37.81%	39.98%	36.74%	46.52%	56.72%	41.10%
Exposure weighted average risk weight (%)							
Sovereign	-	8.37%	-	-	-	-	-
Bank	4.66%	12.47%	29.42%	80.10%	117.39%	193.21%	-
Corporate	13.80%	17.81%	40.64%	77.38%	155.24%	245.18%	107.63%

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2. Credit risk (continued)

2.3 Exposures under IRB approach (continued)

Exposures under the IRB approach by risk grade or PD band for non-retail exposures (continued)

Bank	0-0.04%	0.04-0.17%	0.17-0.59%	0.59-3.05%	3.05-12.00%	12.00-100%	Default or 100%
31 December 2015	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Non-retail exposures (EAD)							
<u>On balance sheet exposures</u>							
Sovereign	-	5,588,687	-	-	-	-	-
Bank	1,244,650	8,239,406	282,983	199,656	18,295	-	-
Corporate	50,888	862,968	2,170,590	3,954,730	771,328	33,234	975,475
Total on-balance sheet exposures	1,295,538	14,691,061	2,453,573	4,154,386	789,623	33,234	975,475
<u>Undrawn commitments</u>							
Sovereign	-	-	-	-	-	-	-
Bank	516,309	135,805	1,208	-	-	-	-
Corporate	44,526	300,676	560,664	443,702	120,352	7,424	22,980
Total undrawn commitments	560,835	436,481	561,872	443,702	120,352	7,424	22,980
<u>Derivatives</u>							
Sovereign	-	-	-	-	-	-	-
Bank	2,419,057	4,032,470	380,213	202,097	-	-	-
Corporate	2,890	527,594	396,041	299,021	871	6,865	152,507
Total derivatives	2,421,947	4,560,064	776,254	501,118	871	6,865	152,507
<u>Contingent</u>							
Sovereign	-	-	-	-	-	-	-
Bank	544,862	432,980	53,892	34,910	14,610	2,146	-
Corporate	6,845	1,274,136	1,864,801	2,344,629	133,425	319,227	12,685
Total contingent	551,707	1,707,116	1,918,693	2,379,539	148,035	321,373	12,685
Exposure weighted average LGD (%)							
Sovereign	45.00%	26.20%	-	-	-	-	-
Bank	26.20%	25.76%	26.00%	41.13%	41.20%	41.20%	-
Corporate	49.18%	40.25%	39.67%	38.28%	53.49%	50.64%	43.00%
Exposure weighted average risk weight (%)							
Sovereign	-	7.86%	-	-	-	-	-
Bank	8.06%	12.72%	29.61%	85.18%	127.03%	193.21%	-
Corporate	9.13%	18.84%	44.21%	77.56%	176.40%	239.27%	85.07%

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2. Credit risk (continued)

2.3 Exposures under IRB approach (continued)

Exposures under the IRB approach by risk grade or PD band for retail exposures

The below tables analyse the Group's and the Bank's PD range of retail exposures.

Group	0-0.11%	0.11-0.30%	0.30-0.43%	0.43-3.05%	3.05-9.20%	9.20-100%	Default or 100%
30 June 2016	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Retail exposures (EAD)							
<u>On balance sheet exposures</u>							
Residential mortgage	275,317	2,534,856	1,314,101	6,910,560	713,796	397,492	203,171
Qualifying revolving retail	29,783	190,585	86,190	716,300	548,169	231,679	170,840
Other retail	643,433	592,564	366,047	1,594,223	429,798	556,990	280,592
Total on-balance sheet exposures	<u>948,533</u>	<u>3,318,005</u>	<u>1,766,338</u>	<u>9,221,083</u>	<u>1,691,763</u>	<u>1,186,161</u>	<u>654,603</u>
<u>Undrawn commitments</u>							
Residential mortgage	3,848	36,862	30,329	557,434	5,630	1,286	1,872
Qualifying revolving retail	407,277	482,198	106,007	641,310	215,699	47,607	-
Other retail	1,770	28,405	1,684	299,712	26,688	61,439	4,234
Total undrawn commitments	<u>412,895</u>	<u>547,465</u>	<u>138,020</u>	<u>1,498,456</u>	<u>248,017</u>	<u>110,332</u>	<u>6,106</u>
Exposure weighted average LGD (%)							
Residential mortgage	12.37%	12.45%	12.43%	12.61%	12.54%	12.86%	14.76%
Qualifying revolving retail	67.07%	67.07%	67.07%	67.07%	67.07%	67.07%	60.17%
Other retail	15.11%	18.95%	18.71%	34.55%	55.59%	64.29%	67.17%
Exposure weighted average risk weight (%)							
Residential mortgage	3.03%	5.47%	8.17%	16.43%	44.06%	67.33%	93.94%
Qualifying revolving retail	3.65%	7.43%	12.78%	31.94%	83.26%	170.77%	338.07%
Other retail	2.97%	9.90%	11.35%	44.59%	88.75%	141.68%	299.32%

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2. Credit risk (continued)

2.3 Exposures under IRB approach (continued)

Exposures under the IRB approach by risk grade or PD band for retail exposures (continued)

Group	0-0.11%	0.11-0.30%	0.30-0.43%	0.43-3.05%	3.05-9.20%	9.20-100%	Default or 100%
31 December 2015	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Retail exposures (EAD)							
<u>On balance sheet exposures</u>							
Residential mortgage	246,303	2,290,484	1,317,992	7,266,642	969,584	475,452	200,056
Qualifying revolving retail	33,144	202,730	81,251	738,400	570,074	239,924	174,909
Other retail	675,250	572,007	438,990	1,818,905	649,401	308,458	313,177
Total on-balance sheet exposures	954,697	3,065,221	1,838,233	9,823,947	2,189,059	1,023,834	688,142
<u>Undrawn commitments</u>							
Residential mortgage	3,519	29,507	29,759	611,849	9,888	6,551	2,631
Qualifying revolving retail	358,700	476,074	103,625	637,805	205,744	57,173	-
Other retail	2,054	26,784	7,976	320,390	49,407	18,663	4,280
Total undrawn commitments	364,273	532,365	141,360	1,570,044	265,039	82,387	6,911
Exposure weighted average LGD (%)							
Residential mortgage	12.40%	12.16%	12.18%	12.26%	12.28%	12.71%	14.66%
Qualifying revolving retail	67.07%	67.07%	67.07%	67.07%	67.07%	67.07%	60.17%
Other retail	15.00%	22.88%	24.80%	34.98%	62.41%	61.60%	68.01%
Exposure weighted average risk weight (%)							
Residential mortgage	3.20%	6.07%	9.51%	17.98%	45.81%	70.02%	92.17%
Qualifying revolving retail	3.66%	7.40%	12.83%	32.27%	83.62%	169.79%	337.44%
Other retail	2.91%	11.53%	15.52%	39.58%	97.69%	131.58%	291.81%

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2. Credit risk (continued)

2.3 Exposures under IRB approach (continued)

Exposures under the IRB approach by risk grade or PD band for retail exposures (continued)

Bank 30 June 2016	0-0.11% RM'000	0.11-0.30% RM'000	0.30-0.43% RM'000	0.43-3.05% RM'000	3.05-9.20% RM'000	9.20-100% RM'000	Default or 100% RM'000
Retail exposures (EAD)							
<u>On balance sheet exposures</u>							
Residential mortgage	274,279	2,027,419	1,057,548	5,064,745	573,075	305,957	182,414
Qualifying revolving retail	29,783	190,585	86,190	716,300	548,169	231,679	170,840
Other retail	546,708	490,804	238,873	1,176,217	305,758	472,166	188,497
Total on-balance sheet exposures	850,770	2,708,808	1,382,611	6,957,262	1,427,002	1,009,802	541,751
<u>Undrawn commitments</u>							
Residential mortgage	3,226	30,983	26,937	437,837	4,105	876	1,872
Qualifying revolving retail	407,277	482,198	106,007	641,310	215,699	47,607	-
Other retail	1,505	28,353	1,162	223,445	26,126	61,438	4,234
Total undrawn commitments	412,008	541,534	134,106	1,302,592	245,930	109,921	6,106
Exposure weighted average LGD (%)							
Residential mortgage	12.35%	12.45%	12.44%	12.60%	12.54%	12.84%	14.43%
Qualifying revolving retail	67.07%	67.07%	67.07%	67.07%	67.07%	67.07%	60.17%
Other retail	15.11%	19.32%	18.70%	34.05%	54.80%	64.47%	61.21%
Exposure weighted average risk weight (%)							
Residential mortgage	3.02%	5.40%	8.18%	15.50%	44.06%	66.78%	92.52%
Qualifying revolving retail	3.65%	7.43%	12.78%	31.94%	83.26%	170.77%	338.07%
Other retail	2.97%	10.03%	11.35%	45.37%	88.45%	143.08%	308.24%

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2. Credit risk (continued)

2.3 Exposures under IRB approach (continued)

Exposures under the IRB approach by risk grade or PD band for retail exposures (continued)

Bank 31 December 2015	0-0.11% RM'000	0.11-0.30% RM'000	0.30-0.43% RM'000	0.43-3.05% RM'000	3.05-9.20% RM'000	9.20-100% RM'000	Default or 100% RM'000
Retail exposures (EAD)							
<u>On balance sheet exposures</u>							
Residential mortgage	240,159	2,100,925	1,078,384	5,298,229	607,399	353,120	198,473
Qualifying revolving retail	33,144	202,730	81,251	738,400	570,074	239,924	174,909
Other retail	590,411	495,770	302,229	1,334,998	473,328	199,927	206,136
Total on-balance sheet exposures	<u>863,714</u>	<u>2,799,425</u>	<u>1,461,864</u>	<u>7,371,627</u>	<u>1,650,801</u>	<u>792,971</u>	<u>579,518</u>
<u>Undrawn commitments</u>							
Residential mortgage	3,519	29,507	29,642	425,669	6,124	6,160	2,631
Qualifying revolving retail	358,700	476,074	103,625	637,805	205,744	57,173	-
Other retail	1,523	26,641	7,898	235,601	48,953	18,662	4,280
Total undrawn commitments	<u>363,742</u>	<u>532,222</u>	<u>141,165</u>	<u>1,299,075</u>	<u>260,821</u>	<u>81,995</u>	<u>6,911</u>
Exposure weighted average LGD (%)							
Residential mortgage	12.40%	12.17%	12.21%	12.33%	12.31%	12.76%	14.66%
Qualifying revolving retail	67.07%	67.07%	67.07%	67.07%	67.07%	67.07%	60.17%
Other retail	14.99%	23.61%	26.79%	34.17%	59.54%	60.03%	60.79%
Exposure weighted average risk weight (%)							
Residential mortgage	3.04%	5.31%	8.04%	15.14%	42.80%	67.06%	92.16%
Qualifying revolving retail	3.66%	7.40%	12.83%	32.27%	83.62%	169.79%	337.44%
Other retail	2.91%	11.80%	16.85%	37.78%	93.50%	127.87%	299.15%

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2. Credit risk (continued)

2.3 Exposures under IRB approach (continued)

Exposures under the IRB approach by expected loss range for retail exposures

The below tables analyse the Group's and the Bank's expected loss range for retail exposures.

Group	Up to 0.10%	>0.10 to 0.20%	>0.20 to 0.50%	>0.50 to 1.00%	>1.00 to 30.00%	>30 to <100%	100%
30 June 2016	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Retail exposures (EAD)							
<u>On balance sheet exposures</u>							
Residential mortgage	7,651,253	2,227,353	1,349,375	398,631	722,681	-	-
Qualifying revolving retail	66,163	154,205	280,487	216,042	1,043,513	213,136	-
Other retail	2,062,221	476,088	146,179	287,597	1,130,341	361,085	136
Total on-balance sheet exposures	9,779,637	2,857,646	1,776,041	902,270	2,896,535	574,221	136
<u>Undrawn commitments</u>							
Residential mortgage	163,163	131,088	334,245	1,408	7,357	-	-
Qualifying revolving retail	522,242	367,234	304,661	252,715	446,840	6,406	-
Other retail	34,628	6,511	260,428	7,885	102,697	11,750	33
Total undrawn commitments	720,033	504,833	899,334	262,008	556,894	18,156	33
Exposure weighted average risk weight (%)							
Residential mortgage	8.51%	17.51%	28.43%	44.91%	72.39%	-	-
Qualifying revolving retail	4.07%	8.05%	16.61%	26.47%	84.01%	307.62%	-
Other retail	11.30%	14.94%	29.06%	52.13%	127.96%	252.42%	365.71%
31 December 2015							
Retail exposures (EAD)							
<u>On balance sheet exposures</u>							
Residential mortgage	6,423,632	1,884,471	2,170,483	1,400,084	887,843	-	-
Qualifying revolving retail	72,754	163,120	278,268	215,725	1,113,967	196,598	-
Other retail	1,707,983	963,267	275,944	345,005	1,155,945	327,750	294
Total on-balance sheet exposures	8,204,369	3,010,858	2,724,695	1,960,814	3,157,755	524,348	294
<u>Undrawn commitments</u>							
Residential mortgage	121,847	115,739	262,771	179,711	13,636	-	-
Qualifying revolving retail	486,056	348,717	303,159	239,771	458,434	2,984	-
Other retail	24,958	15,185	280,979	15,304	88,190	4,918	20
Total undrawn commitments	632,861	479,641	846,909	434,786	560,260	7,902	20
Exposure weighted average risk weight (%)							
Residential mortgage	8.31%	17.20%	23.36%	35.65%	71.83%	-	-
Qualifying revolving retail	4.14%	8.10%	16.62%	26.44%	86.53%	317.43%	-
Other retail	8.05%	15.85%	35.44%	57.56%	113.97%	278.53%	135.90%

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2. Credit risk (continued)

2.3 Exposures under IRB approach (continued)

Exposures under the IRB approach by expected loss range for retail exposures (continued)

Bank	Up to 0.10%	>0.10 to 0.20%	>0.20 to 0.50%	>0.50 to 1.00%	>1.00 to 30.00%	>30 to <100%	100%
30 June 2016	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Retail exposures (EAD)							
<u>On balance sheet exposures</u>							
Residential mortgage	6,179,856	1,716,823	688,707	311,186	588,865	-	-
Qualifying revolving retail	66,163	154,205	280,487	216,042	1,043,513	213,136	-
Other retail	1,629,739	377,571	109,983	149,631	891,854	260,110	136
Total on-balance sheet exposures	7,875,758	2,248,599	1,079,177	676,859	2,524,232	473,246	136
<u>Undrawn commitments</u>							
Residential mortgage	139,244	113,860	245,895	1,408	5,429	-	-
Qualifying revolving retail	522,242	367,234	304,661	252,715	446,840	6,406	-
Other retail	33,451	6,216	184,972	7,456	102,385	11,750	33
Total undrawn commitments	694,937	487,310	735,528	261,579	554,654	18,156	33
Exposure weighted average risk weight (%)							
Residential mortgage	8.44%	17.33%	28.82%	44.95%	72.46%	-	-
Qualifying revolving retail	4.07%	8.05%	16.61%	26.47%	84.01%	307.62%	-
Other retail	11.88%	14.72%	29.50%	49.97%	129.82%	246.75%	365.71%
31 December 2015							
Retail exposures (EAD)							
<u>On balance sheet exposures</u>							
Residential mortgage	6,322,528	1,814,695	778,228	308,381	652,857	-	-
Qualifying revolving retail	72,754	163,120	278,268	215,725	1,113,967	196,598	-
Other retail	1,406,601	743,973	219,432	229,402	797,227	205,871	294
Total on-balance sheet exposures	7,801,883	2,721,788	1,275,928	753,508	2,564,051	402,469	294
<u>Undrawn commitments</u>							
Residential mortgage	121,678	115,739	250,920	3,324	11,591	-	-
Qualifying revolving retail	486,056	348,717	303,159	239,771	458,434	2,984	-
Other retail	24,080	14,445	196,913	15,304	87,878	4,918	20
Total undrawn commitments	631,814	478,901	750,992	258,399	557,903	7,902	20
Exposure weighted average risk weight (%)							
Residential mortgage	8.29%	17.17%	27.33%	43.86%	72.47%	-	-
Qualifying revolving retail	4.14%	8.10%	16.62%	26.44%	86.53%	317.43%	-
Other retail	7.95%	15.96%	37.97%	56.95%	111.81%	284.22%	-

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2. Credit risk (continued)

2.3 Exposures under IRB approach (continued)

The following tables set out exposures subject to the supervisory risk weights under the IRB approach for the Group and the Bank.

Group	Strong or 70% RM'000	Good or 90% RM'000	Satisfactory or 115% RM'000	Weak or 250% RM'000	Default or 0% RM'000
30 June 2016					
Income producing real estate					
- Total Exposures	-	12,009	86,082	-	-
- Risk Weighted Assets	-	10,808	98,994	-	-
31 December 2015					
Income producing real estate					
- Total Exposures	-	16,152	87,002	-	-
- Risk Weighted Assets	-	14,537	100,052	-	-
Bank	Strong or 70% RM'000	Good or 90% RM'000	Satisfactory or 115% RM'000	Weak or 250% RM'000	Default or 0% RM'000
30 June 2016					
Income producing real estate					
- Total Exposures	-	12,009	86,082	-	-
- Risk Weighted Assets	-	10,808	98,994	-	-
31 December 2015					
Income producing real estate					
- Total Exposures	-	16,152	87,002	-	-
- Risk Weighted Assets	-	14,537	100,052	-	-

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2. Credit risk (continued)

2.4 Exposures under the Standardised approach

Risk weights under the Standardised approach

The following tables set out analysis of risk weights under the Standardised approach for the Group and the Bank.

Group	← Exposures after netting and credit risk mitigation →					Total exposures after netting and credit risk mitigation RM'000	Total risk weighted assets RM'000
	Corporates* RM'000	Regulatory retail RM'000	Residential mortgages RM'000	Higher risk assets RM'000	Other assets RM'000		
30 June 2016							
Risk weights							
0%	-	-	-	-	199,486	199,486	-
20%	-	-	-	-	-	-	-
35%	-	-	12,857	-	-	12,857	4,500
50%	9,107	1	2	-	-	9,110	4,555
75%	-	56,442	50	-	-	56,492	42,369
100%	204,357	206,789	371	-	444,888	856,405	856,410
150%	-	31,909	44	176	-	32,129	48,194
1250%	-	-	-	-	1,658	1,658	20,725
Total exposures	213,464	295,141	13,324	176	646,032	1,168,137	976,753
Risk-weighted assets by exposures	208,911	296,985	4,975	264	465,618	976,753	
Average risk weight	97.9%	100.6%	37.3%	150.0%	72.1%	83.6%	
Deduction from capital base	-	-	-	-	-	-	
	← Exposures after netting and credit risk mitigation →						
	Corporates* RM'000	Regulatory retail RM'000	Residential mortgages RM'000	Higher risk assets RM'000	Other assets RM'000	Total exposures after netting and credit risk mitigation RM'000	Total risk weighted assets RM'000
31 December 2015							
Risk weights							
0%	-	-	-	-	255,918	255,918	-
20%	-	-	-	-	-	-	-
35%	-	-	13,138	-	-	13,138	4,598
50%	11,979	1	161	-	-	12,141	6,071
75%	-	46,963	171	-	-	47,134	35,351
100%	236,151	5,375	626	-	713,855	956,007	955,910
150%	1,426	29,974	45	177	-	31,622	47,533
1250%	-	-	-	-	1,658	1,658	20,725
Total exposures	249,556	82,313	14,141	177	971,431	1,317,618	1,070,188
Risk-weighted assets by exposures	244,280	85,559	5,501	266	734,582	1,070,188	
Average risk weight	97.9%	103.9%	38.9%	150.0%	75.6%	81.2%	
Deduction from capital base	-	-	-	-	-	-	

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2. Credit risk (continued)

2.4 Exposures under the Standardised approach (continued)

Risk weights under the Standardised approach (continued)

Bank	← Exposures after netting and credit risk mitigation →					Total exposures after netting and credit risk mitigation RM'000	Total risk weighted assets RM'000
	Corporates* RM'000	Regulatory retail RM'000	Residential mortgages RM'000	Higher risk assets RM'000	Other assets RM'000		
30 June 2016							
Risk weights							
0%	-	-	-	-	188,181	188,181	-
20%	-	-	-	-	-	-	-
35%	-	-	12,499	-	-	12,499	4,375
50%	9,107	1	2	-	-	9,110	4,555
75%	-	40,589	50	-	-	40,639	30,479
100%	141,079	2,424	371	-	376,761	520,635	520,640
150%	-	27,223	44	176	-	27,443	41,165
1250%	-	-	-	-	1,658	1,658	20,725
Total exposures	150,186	70,237	12,966	176	566,600	800,165	621,939
Risk-weighted assets by exposures	145,633	73,701	4,850	264	397,491	621,939	
Average risk weight	97.0%	104.9%	37.4%	150.0%	70.2%	77.7%	
Deduction from capital base	-	-	-	-	-	-	
	← Exposures after netting and credit risk mitigation →					Total exposures after netting and credit risk mitigation RM'000	Total risk weighted assets RM'000
	Corporates* RM'000	Regulatory retail RM'000	Residential mortgages RM'000	Higher risk assets RM'000	Other assets RM'000		
31 December 2015							
Risk weights							
0%	-	-	-	-	247,212	247,212	-
20%	-	-	-	-	-	-	-
35%	-	-	13,138	-	-	13,138	4,598
50%	11,979	1	161	-	-	12,141	6,071
75%	-	45,694	171	-	-	45,865	34,399
100%	167,570	5,214	626	-	399,472	572,882	572,885
150%	1,426	29,949	45	177	-	31,597	47,396
1250%	-	-	-	-	1,658	1,658	20,725
Total exposures	180,975	80,858	14,141	177	648,342	924,493	686,074
Risk-weighted assets by exposures	175,699	84,409	5,501	266	420,199	686,074	
Average risk weight	97.1%	104.4%	38.9%	150.0%	64.8%	74.2%	
Deduction from capital base	-	-	-	-	-	-	

* All corporate standardised exposures are unrated.

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2. Credit risk (continued)

2.5 Problem credit management and provisioning

Impairment provisions analysed by borrowers' business or industry

The following tables show the Group's and the Bank's collective impairment provisions and movement in individual impairment provisions by each principal category of borrowers' business or industry.

Group	Collective impairment provisions as at 30 June 2016 RM'000	Individual impairment provisions held as at 1 January 2016 RM'000	Currency Translation Differences RM'000	Individual Impairment made during the financial year RM'000	Amounts written off or other movements during the financial year RM'000	Individual impairment provisions held as at 30 June 2016 RM'000
30 June 2016						
Mortgages	42,725	47,694	-	16,635	(18,209)	46,120
Others	204,538	104,236	-	97,948	(104,233)	97,951
Retail Clients	247,263	151,930	-	114,583	(122,442)	144,071
Agriculture	806	24,012	(1,133)	-	(1,507)	21,372
Mining and quarrying	18	-	-	-	-	-
Manufacturing	44,687	440,516	(9,392)	953	(70,855)	361,222
Electricity, gas and water	869	-	-	-	-	-
Construction	9,911	1,496	-	-	(1,427)	69
Real estate	5,957	-	-	7,012	-	7,012
Wholesale & retail trade and restaurants & hotels	10,582	82,876	(1,081)	6,246	(44,895)	43,146
Transportation, storage and communication	732	1,928	-	1,257	(82)	3,103
Finance, insurance and business services	31,443	-	-	-	-	-
Others	1,208	-	-	-	-	-
Corporates, Institutional and Commercial Clients	106,213	550,829	(11,606)	15,468	(118,766)	435,925
Total Impairment Provisions	353,476	702,759	(11,606)	130,051	(241,208)	579,996

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2. Credit risk (continued)

2.5 Problem credit management and provisioning (continued)

Impairment provisions analysed by borrowers' business or industry (continued)

Group	Collective impairment provisions as at 31 December 2015 RM'000	Individual impairment provisions held as at 1 January 2015 RM'000	Currency Translation Differences RM'000	Individual Impairment made during the financial year RM'000	Amounts written off or other movements during the financial year RM'000	Individual impairment provisions held as at 31 December 2015 RM'000
31 December 2015						
Mortgages	50,872	47,700	-	34,218	(34,224)	47,694
Others	229,472	100,885	-	167,352	(164,001)	104,236
Retail Clients	280,344	148,585	-	201,570	(198,225)	151,930
Agriculture	-	17,235	3,389	-	3,388	24,012
Mining and quarrying	766	-	-	-	-	-
Manufacturing	39,398	128,026	6,135	310,431	(4,076)	440,516
Electricity, gas and water	605	-	-	-	-	-
Construction	11,772	59,554	-	1,427	(59,485)	1,496
Real estate	7,317	-	-	-	-	-
Wholesale & retail trade and restaurants & hotels	9,791	53,231	1,756	45,951	(18,061)	82,876
Transportation, storage and communication	708	-	-	1,928	-	1,928
Finance, insurance and business services	30,025	-	-	-	-	-
Household	-	-	-	-	-	-
Others	888	-	-	-	-	-
Corporates, Institutional and Commercial Clients	101,270	258,046	11,280	359,737	(78,234)	550,829
Total Impairment Provisions	381,614	406,631	11,280	561,307	(276,459)	702,759

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2. Credit risk (continued)

2.5 Problem credit management and provisioning (continued)

Impairment provisions analysed by borrowers' business or industry (continued)

Bank 30 June 2016	Collective impairment provisions as at 30 June 2016 RM'000	Individual impairment provisions held as at 1 January 2016 RM'000	Currency Translation Differences RM'000	Individual Impairment made during the financial year RM'000	Amounts written off or other movements during the financial year RM'000	Individual impairment provisions held as at 30 June 2016 RM'000
Mortgages	35,035	44,284	-	13,513	(15,926)	41,871
Others	141,463	80,208	-	60,882	(62,871)	78,219
Retail Clients	176,498	124,492	-	74,395	(78,797)	120,090
Agriculture	-	24,012	(1,133)	-	(1,507)	21,372
Mining and quarrying	-	-	-	-	-	-
Manufacturing	39,197	439,333	(9,392)	953	(70,855)	360,039
Electricity, gas and water	869	-	-	-	-	-
Construction	9,709	1,496	-	-	(1,427)	69
Real estate	5,637	-	-	7,012	-	7,012
Wholesale & retail trade and restaurants & hotels	8,578	82,876	(1,081)	6,246	(44,895)	43,146
Transportation, storage and communication	695	1,928	-	1,257	(82)	3,103
Finance, insurance and business services	30,253	-	-	-	-	-
Others	1,149	-	-	-	-	-
Corporates, Institutional and Commercial Clients	96,087	549,645	(11,606)	15,468	(118,766)	434,741
Total Impairment Provisions	272,585	674,137	(11,606)	89,863	(197,563)	554,831

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2. Credit risk (continued)

2.5 Problem credit management and provisioning (continued)

Impairment provisions analysed by borrowers' business or industry (continued)

Bank 31 December 2015	Collective impairment provisions as at 31 December 2015 RM'000	Individual impairment provisions held as at 1 January 2015 RM'000	Currency Translation Differences RM'000	Individual Impairment made during the financial year RM'000	Amounts written off or other movements during the financial year RM'000	Individual impairment provisions held as at 31 December 2015 RM'000
Mortgages	41,403	47,179	-	28,944	(31,839)	44,284
Others	153,198	78,336	-	107,979	(106,107)	80,208
Retail Clients	194,601	125,515	-	136,923	(137,946)	124,492
Agriculture	-	17,235	3,389	-	3,388	24,012
Mining and quarrying	688	-	-	-	-	-
Manufacturing	35,396	127,306	6,135	309,958	(4,067)	439,333
Electricity, gas and water	605	-	-	-	-	-
Construction	11,617	59,554	-	1,427	(59,485)	1,496
Real estate	6,708	-	-	-	-	-
Wholesale & retail trade and restaurants & hotels	7,850	53,231	1,756	45,951	(18,061)	82,876
Transportation, storage and communication	681	-	-	1,928	-	1,928
Finance, insurance and business services	29,244	-	-	-	-	-
Others	875	-	-	-	-	-
Corporates, Institutional and Commercial Clients	93,664	257,326	11,280	359,264	(78,225)	549,645
Total Impairment Provisions	288,265	382,841	11,280	496,187	(216,171)	674,137

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2. Credit risk (continued)

2.5 Problem credit management and provisioning (continued)

The following table analyses the Group's and the Bank's loans, advances and financing past due but not impaired, analysed by borrowers' business or industry.

	Group		Bank	
	30 June 2016 RM'000	31 December 2015 RM'000	30 June 2016 RM'000	31 December 2015 RM'000
Mortgages	1,190,027	1,320,580	908,187	1,010,702
Others	400,541	402,527	274,393	278,230
Retail Clients	1,590,568	1,723,107	1,182,580	1,288,932
Mining and quarrying	25,105	30,347	25,105	30,347
Manufacturing	67,860	22,714	67,586	22,714
Construction		122		122
Wholesale & retail trade and restaurants & hotels	56,330	12,139	8,318	12,139
Transportation, storage and communication	201	216		216
Finance, insurance and business services	47,691	288	47,691	288
Education, Health & Others	1,002	-	969	-
Corporates, Institutional and Commercial Clients	198,189	65,826	149,669	65,826

The following table analyses the Group's and the Bank's loans, advances and financing past due but not impaired, analysed by significant geographical areas.

	Group		Bank	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Malaysia	1,788,757	1,788,933	1,332,249	1,354,758
Others	-	-	-	-
	1,788,757	1,788,933	1,332,249	1,354,758

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2. Credit risk (continued)

2.5 Summary analysis of financing and advances

The following tables show the Group's and the Bank's impaired loans, advances and financing, individual impairment provisions and collective impairment provisions by significant geographical areas.

Group	Within Malaysia RM'000	Outside Malaysia RM'000	Total RM'000
30 June 2016			
Gross impaired loans, advances and financing	1,107,699	206	1,107,905
Individual impairment provisions	579,790	206	579,996
Collective impairment provisions	352,783	693	353,476
31 December 2015			
Gross impaired loans, advances and financing	1,286,748	265	1,287,013
Individual impairment provisions	702,494	265	702,759
Collective impairment provisions	381,177	437	381,614
Bank			
30 June 2016			
Gross impaired loans, advances and financing	1,064,058	206	1,064,264
Individual impairment provisions	554,625	206	554,831
Collective impairment provisions	271,892	693	272,585
31 December 2015			
Gross impaired loans, advances and financing	1,249,931	265	1,250,196
Individual impairment provisions	673,872	265	674,137
Collective impairment provisions	287,828	437	288,265

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2. Credit risk (continued)

2.6 Off-balance sheet and counterparty credit risk

The following tables analyse the Group's and the Bank's off-balance sheet and counterparty credit risk.

Group	Principal amount RM'000	Positive fair value of contracts RM'000	Negative fair value of contracts RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
30 June 2016					
Direct credit substitutes	2,979,925	-	-	2,979,925	1,164,217
Transaction related contingent items	4,186,546	-	-	4,186,781	969,438
Short term self liquidating trade related contingencies	268,031	-	-	267,519	55,764
Sell and buy back agreements					
Foreign exchange related contracts					
<i>One year or less</i>	40,941,159	1,116,988	1,446,717	1,761,769	340,940
<i>Over one year to five years</i>	14,113,264	1,161,025	1,055,098	2,088,191	566,138
<i>Over five years</i>	2,675,887	451,579	255,399	736,469	215,655
Interest/profit rate related contracts					
<i>One year or less</i>	19,034,576	26,103	15,905	59,769	5,704
<i>Over one year to five years</i>	34,904,649	233,111	349,992	1,003,136	155,119
<i>Over five years</i>	6,831,054	149,454	182,884	618,575	127,434
Equity related contracts					
<i>One year or less</i>	164,987	11,630	11,444	23,487	3,684
<i>Over one year to five years</i>	229,110	7,064	3,658	17,551	1,883
<i>Over five years</i>	-	-	-	-	-
Commodity contracts					
<i>One year or less</i>	4,411,233	124,747	164,579	274,892	81,477
<i>Over one year to five years</i>	624,535	37,189	-	112,133	90,683
<i>Over five years</i>	-	-	-	-	-
Credit derivative contracts *					
<i>One year or less</i>	120,760	3,651	-	9,689	566
<i>Over one year to five years</i>	20,475	-	31	1,024	186
<i>Over five years</i>	-	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	2,392,091	-	-	688,831	532,372
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	811,988	-	-	785,922	189,488
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	33,796,608	-	-	3,255,955	1,431,061
	<u>168,506,878</u>	<u>3,322,541</u>	<u>3,485,707</u>	<u>18,871,618</u>	<u>5,931,809</u>

The table below shows the credit derivative contracts for client intermediation activities:

	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
* <i>Credit derivative contracts</i>			
Total return swap			
- protection sold	20,475	1,024	186
Credit default swap			
- protection sold	120,760	9,689	566

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2. Credit risk (continued)

2.6 Off-balance sheet and counterparty credit risk (continued)

Group	Principal amount Restated RM'000	Positive fair value of contracts RM'000	Negative fair value of contracts RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
31 December 2015					
Direct credit substitutes	3,057,485	-	-	3,057,485	1,177,455
Transaction related contingent items	4,143,266	-	-	4,143,266	1,052,663
Short term self liquidating trade related contingencies	257,117	-	-	256,653	69,028
Sell and buy back agreements					
Foreign exchange related contracts					
<i>One year or less</i>	37,895,111	1,362,821	1,514,965	1,980,582	480,918
<i>Over one year to five years</i>	17,890,717	2,178,748	1,969,976	3,331,737	761,596
<i>Over five years</i>	2,775,301	544,263	349,497	849,789	187,708
Interest/profit rate related contracts					
<i>One year or less</i>	14,047,615	11,364	24,821	36,978	7,203
<i>Over one year to five years</i>	44,620,631	279,435	271,817	1,241,424	198,539
<i>Over five years</i>	7,017,272	103,110	109,794	566,229	87,435
Equity related contracts					
<i>One year or less</i>	172,399	9,150	9,145	16,030	1,671
<i>Over one year to five years</i>	206,513	8,196	5,054	19,204	2,114
<i>Over five years</i>	-	-	-	-	-
Commodity contracts					
<i>One year or less</i>	1,759,487	151,351	175,550	93,897	22,099
<i>Over one year to five years</i>	51,457	34,532	10,421	38,703	2,444
<i>Over five years</i>	-	-	-	-	-
Credit derivative contracts *					
<i>One year or less</i>	128,755	3,619	-	3,619	169
<i>Over one year to five years</i>	20,475	292	-	2,340	484
<i>Over five years</i>	-	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	3,307,784	-	-	1,139,661	846,055
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	789,534	-	-	756,919	191,073
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	35,861,295	-	-	3,527,977	1,439,474
	<u>174,002,214</u>	<u>4,686,881</u>	<u>4,441,040</u>	<u>21,062,493</u>	<u>6,528,128</u>

The table below shows the credit derivative contracts for client intermediation activities:

	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
* <i>Credit derivative contracts</i>			
Total return swaps			
- protection sold	20,475	2,340	484
Credit default swap			
- protection sold	128,755	3,619	169

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2. Credit risk (continued)

2.6 Off-balance sheet and counterparty credit risk (continued)

Bank	Principal amount	Positive fair value of contracts	Negative fair value of contracts	Credit equivalent amount	Risk weighted assets
30 June 2016	RM'000	RM'000	RM'000	RM'000	RM'000
Direct credit substitutes	2,977,064	-	-	2,978,508	1,163,867
Transaction related contingent items	3,921,069	-	-	3,950,923	941,522
Short term self liquidating trade related contingencies	175,025	-	-	236,391	46,043
Sell and buy back agreements					
Foreign exchange related contracts					
<i>One year or less</i>	40,772,958	1,116,260	1,445,990	1,758,518	337,876
<i>Over one year to five years</i>	14,113,264	1,353,847	1,055,095	2,320,691	595,842
<i>Over five years</i>	2,675,887	451,579	255,399	736,469	215,655
Interest rate related contracts					
<i>One year or less</i>	19,034,576	26,104	15,905	59,770	5,706
<i>Over one year to five years</i>	34,882,402	254,765	348,178	1,002,469	171,096
<i>Over five years</i>	6,831,054	149,454	182,884	618,575	127,434
Equity related contracts					
<i>One year or less</i>	164,987	11,630	11,444	23,487	3,684
<i>Over one year to five years</i>	248,721	8,312	4,505	20,368	2,640
<i>Over five years</i>	-	-	-	-	-
Commodity contracts					
<i>One year or less</i>	4,411,233	124,747	164,579	274,892	81,477
<i>Over one year to five years</i>	624,535	37,189	-	112,133	90,683
<i>Over five years</i>	-	-	-	-	-
Credit derivative contracts *					
<i>One year or less</i>	120,760	3,651	-	9,689	566
<i>Over one year to five years</i>	20,475	-	31	1,024	186
<i>Over five years</i>	-	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	1,881,469	-	-	542,652	405,752
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	597,986	-	-	588,761	138,504
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	34,024,236	-	-	3,066,502	1,323,431
	<u>167,477,701</u>	<u>3,537,538</u>	<u>3,484,010</u>	<u>18,301,822</u>	<u>5,651,964</u>

The table below shows the credit derivative contracts for client intermediation activities:

	Principal amount	Credit equivalent amount	Risk weighted assets
	RM'000	RM'000	RM'000
* <i>Credit derivative contracts</i>			
Total return swap			
- protection sold	20,475	1,024	186
Credit default swap			
- protection sold	<u>120,760</u>	<u>9,689</u>	<u>566</u>

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2. Credit risk (continued)

2.6 Off-balance sheet and counterparty credit risk (continued)

Bank	Principal amount RM'000	Positive fair value of contracts RM'000	Negative fair value of contracts RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
31 December 2015					
Direct credit substitutes	3,056,141	-	-	3,056,141	1,177,153
Transaction related contingent items	3,972,160	-	-	3,972,160	1,010,282
Short term self liquidating trade related contingencies	132,058	-	-	131,594	30,604
Sell and buy back agreements					
Foreign exchange related contracts					
<i>One year or less</i>	37,956,009	1,362,393	1,515,590	1,981,713	479,727
<i>Over one year to five years</i>	17,890,717	2,178,747	1,969,649	3,331,736	527,351
<i>Over five years</i>	2,775,301	544,263	349,497	849,789	187,708
Interest rate related contracts					
<i>One year or less</i>	14,360,918	11,364	39,127	36,978	7,203
<i>Over one year to five years</i>	43,768,589	279,436	252,075	1,215,706	196,205
<i>Over five years</i>	7,017,272	103,110	109,794	566,229	87,435
Equity related contracts					
<i>One year or less</i>	172,399	9,150	9,145	16,030	1,671
<i>Over one year to five years</i>	226,124	9,690	5,054	22,267	3,013
<i>Over five years</i>	-	-	-	-	-
Commodity contracts					
<i>One year or less</i>	1,776,184	151,351	179,576	93,897	22,099
<i>Over one year to five years</i>	34,759	34,532	9,863	38,703	2,444
<i>Over five years</i>	-	-	-	-	-
Credit derivative contracts **					
<i>One year or less</i>	128,755	3,619	-	3,619	169
<i>Over one year to five years</i>	20,475	292	-	2,340	484
<i>Over five years</i>	-	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	2,598,880	-	-	880,538	647,950
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	526,132	-	-	509,738	118,117
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	35,484,394	-	-	3,429,676	1,376,136
	<u>171,897,267</u>	<u>4,687,947</u>	<u>4,439,370</u>	<u>20,138,854</u>	<u>5,875,751</u>

The table below shows the credit derivative contracts for client intermediation activities:

	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
* <i>Credit derivative contracts</i>			
Total return swaps			
- protection sold	20,475	2,340	484
Credit default swap			
- protection sold	128,755	3,619	169

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2 Credit risk (continued)

2.7 Actual losses

The tables below show net individual impairment charges raised and write off during the financial period ended 30 June 2016 versus 30 June 2015 for IRB exposure classes. The net individual impairment charge is a point in time actual charge raised in accordance with accounting standards that require the Bank to either provide for or write-off debts when certain conditions are met.

Group

	30 June 2016 Actual losses RM'000	30 June 2015 Actual losses RM'000
Corporates	8,890	79,304
Residential Mortgages	16,635	17,614
Qualifying Revolving Retail Exposures	44,006	51,578
Other Retail	112,880	105,109
	<u>182,411</u>	<u>253,605</u>

Bank

	30 June 2016 Actual losses RM'000	30 June 2015 Actual losses RM'000
Corporates	8,890	78,159
Residential Mortgages	13,513	15,883
Qualifying Revolving Retail Exposures	44,006	51,578
Other Retail	75,814	75,153
	<u>142,223</u>	<u>220,773</u>

The lower actual loss as compared to the corresponding year was mainly due to one-off provision made for corporate customers in previous year.

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3. Market risk

The tables below detail the disclosure for interest rate risk in the banking book, the increase or decline in earnings and economic value for upward and downward rate shocks which are consistent with shocks applied in stress test for measuring interest rate risk, broken down by major currency exposures where relevant:-

Group 30 June 2016	Impact on positions as at reporting period (200 basis points) parallel shift	
	Increase/(Decline) in earnings at risk	Increase/(Decline) in economic value
	RM'000	RM'000
Type of Currency		
Malaysian Ringgit	43,050	(603)
US Dollar	(51,091)	(30,283)
Euro	88	(15)
Japanese Yen	953	(6)
Pound Sterling	(509)	67
Brunei Dollar	157	(1)
Australian Dollar	(3,006)	277
Chinese Renminbi	1,047	(6)
Hong Kong Dollar	732	(4)
Singapore Dollar	755	9
New Zealand Dollar	(186)	34
Canadian Dollar	135	(7)
Swiss Franc	65	(0)
Qatari Rial	48	(0)
Thailand Baht	56	(0)

Group 31 December 2015	Impact on positions as at reporting period (200 basis points) parallel shift	
	Increase/(Decline) in earnings at risk	Increase/(Decline) in economic value
	RM'000	RM'000
Type of Currency		
Malaysian Ringgit	65,116	21,778
US Dollar	(48,525)	(27,349)
Euro	626	(3)
Japanese Yen	615	0
Pound Sterling	(1,338)	120
Brunei Dollar	175	(3)
Australian Dollar	(3,182)	268
Chinese Renminbi	944	(5)
Hong Kong Dollar	266	(1)
Singapore Dollar	878	7
New Zealand Dollar	(250)	27
Canadian Dollar	151	(5)
Swiss Franc	186	(1)
Qatari Rial	403	(2)
Norwegian Kroner	54	(0)

Bank 30 June 2016	Impact on positions as at reporting period (200 basis points) parallel shift	
	Increase/(Decline) in earnings at risk	Increase/(Decline) in economic value
	RM'000	RM'000
Type of Currency		
Malaysian Ringgit	19,352	(2,904)
US Dollar	(51,784)	(30,549)
Euro	88	(15)
Japanese Yen	953	(6)
Pound Sterling	(509)	67
Brunei Dollar	157	(1)
Australian Dollar	(3,006)	277
Chinese Renminbi	1,047	(6)
Hong Kong Dollar	732	(4)
Singapore Dollar	755	9
New Zealand Dollar	(186)	34
Canadian Dollar	135	(7)
Swiss Franc	65	(0)
Qatari Rial	48	(0)
Thailand Baht	56	(0)

Bank 31 December 2015	Impact on positions as at reporting period (200 basis points) parallel shift	
	Increase/(Decline) in earnings at risk	Increase/(Decline) in economic value
	RM'000	RM'000
Type of Currency		
Malaysian Ringgit	70,332	24,516
US Dollar	(43,046)	(27,439)
Euro	626	(3)
Japanese Yen	615	0
Pound Sterling	(1,338)	120
Brunei Dollar	175	(3)
Australian Dollar	(3,182)	268
Chinese Renminbi	944	(5)
Hong Kong Dollar	266	(1)
Singapore Dollar	878	7
New Zealand Dollar	(250)	27
Canadian Dollar	151	(5)
Swiss Franc	186	(1)
Qatari Rial	403	(2)
Norwegian Kroner	54	(0)

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4. Equity exposures in banking book

Table below details the equity exposures in banking book of the Group.

Group and Bank	30 June 2016		31 December 2015	
	Gross exposures RM'000	Risk weighted assets RM'000	Gross exposures RM'000	Risk weighted assets RM'000
<u>Privately Held</u>				
For socio-economic purposes	9,098	9,098	9,098	9,098
For non socio-economic purposes	-	-	-	-
	<u>9,098</u>	<u>9,098</u>	<u>9,098</u>	<u>9,098</u>

5. Operational risk

Operational risk is the potential for loss from inadequate or failed internal processes, people, and systems or from the impact of external events, including legal risks.

Objective

Operational risk exposures arise as a result of business activities. It is the Group's objective to minimise such exposures, subject to cost tradeoffs. This objective is met through a framework of policies and procedures originating from Standard Chartered PLC Group that drive our risk management approach through a ten-step process of benchmark & set standards, process universe, risk identification, gross risk assessment, control design assessment, control operational assessment, residual risk assessment, risk acceptance & treatment, risk & control monitoring and risk reporting.

Risk management approach

Standard Chartered PLC Group's operational risk management procedures and processes are integral components of the broader Risk Management Framework and are approved and adopted by the Board for local adoption. Operational risks are managed through an end-to-end process of benchmark & set standards, process universe, risk identification, gross risk assessment, control design assessment, control operational assessment, residual risk assessment, risk acceptance & treatment, risk & control monitoring and risk reporting. This ten-step inter-dependent risk management process is performed at all levels across the Standard Chartered PLC Group and country level, and is the foundation of the risk management approach. Once identified, risks are assessed against standard criteria to determine their significance and the degree of risk mitigation effort required to reduce the exposure to acceptable levels. The Group's operational risk management approach serves to continually improve the Group's ability to anticipate all material risks and to increase our ability to demonstrate, with a high degree of confidence, that those material risks are well controlled. Risk mitigation plans are overseen by the appropriate local and Standard Chartered PLC Group's governance committee.

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Chief Executive Officer Attestation

In accordance with Bank Negara Malaysia's Risk Weighted Capital Adequacy Framework (Basel II) – Disclosure Requirements (Pillar 3), I hereby attest that to the best of my knowledge, the disclosures contained in Standard Chartered Bank Malaysia Berhad's Pillar 3 Disclosures report for the financial year ended 30 June 2016 are consistent with the manner in which the Group and the Bank assesses and manages its risk, and are not misleading in any particular way.

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Mahendra Gursahani
Chief Executive Officer

Date: 26 August 2016