



FSA072-FSA075 Pillar 2 OpR Guidance					
No.	Information requested	Worksheet	(To be completed by the Firm)		
			Information supplied to satisfy request	Date Submitted	Comments
OR Loss Information					
1	For each event type as per Art.324 CRR, Total Operational Risk losses (net loss1 and number of losses) by calendar year for past completed years since 2008 with conduct/legal events reported separately.	FSA072 - Historical OR losses	See Worksheet		
2	For each event type as per Art.324 CRR, details of the top 10 (in terms of net financial impact*) Operational Risk losses in each year since 2008 (including loss description, date of occurrence, date of financial impact and net financial impact).	FSA073 - Historical OR Loss Details	See Worksheet		
3	Forecast for total operational risk losses for the current calendar year and next three years (or as many years as you have forecasts for) for all operational risk events with conduct/legal events reported separately. The forecast amounts need to be explained by a clear and coherent rationale.	FSA074 - Forecast OR losses	See Worksheet		
* Operational Risk Loss Net of Direct recoveries but Gross of Indirect recoveries (such as Insurance)					
OR Scenario Information					
4	Documentation on the principles and guidelines for conducting the scenario identification and analysis process; training material provided to workshop participants	NA			
5	Complete, detailed documentation of all top scenarios ² , including any assessments and rationale. Each scenario must have at least one of the following: a) an annual frequency ³ and at least 2 conditional severity impacts ⁴ with the associated probability of occurring at maximum these severity impacts (e.g. plausible event: for this particular scenario, when an operational risk loss event occurs, it has 50% probability of being £1M or less) or b) at least 2 annual operational risk loss amounts with the associated probability of occurring at maximum these annual loss impacts (e.g. plausible year: for this particular scenario, there is a 50% probability of annually occurring £10M of operational risk losses or less) The 2 conditional severity impacts (resp. 2 annual operational risk amounts) must come from the same scenario with the same coherent and realistic story line consistent with the firm's business and operational risk profile. The assessment must be driven by the Unit of Measure's tail risk assessment and the difference between the 2 severity impacts (resp. 2 annual operational risk amounts) could reflect control failures (design & effectiveness), macro-economic environment, etc... When more than 2 severity impacts (resp. annual operational risk amounts) have been assessed for a single scenario, all severity impacts (resp. annual operational risk amounts) and their corresponding probability must be provided. When the same scenario is applied to different regions/business lines/organisation units/etc... , all assessments across all different regions/business lines/organisation units/etc... must be provided. (The information requested in the items below should align with these top scenarios, where applicable).	FSA075 - Scenario Data	See Worksheet		
6	Data provided to the workshop participants prior to/during the workshop discussions for the Top scenarios.	NA			
7	Documentation/minutes evidencing the process that was gone through / meetings that were held to identify, assess and challenge the scenarios.	NA			
² Scenarios ordered by their implied operational risk capital achieved with a soundness standard comparable to a 99.9% confidence interval over a one-year period on a stand-alone basis i.e. not accounting for any diversification benefits. The top scenarios must be the ones provided at either the Board, Executive Committee or at the Risk Committee for risk management purpose (it is expected to see at least 10 scenarios not related to conduct/legal events and additionally the top 3 conduct/legal scenarios). ³ expected number of loss events per year. ⁴ a conditional severity impact is a loss amount given that an operational risk event has occurred					
OR Capital Model Information					
8	Documentation on the use of the scenarios assessment within the operational capital model to derive the Pillar 2A operational risk capital requirement (e.g. Operational Risk Model Documentation) - only if relevant.	NA			

For Information

- a. We expect the data to be re-submitted in full every year, i.e. if the firm submits historical data from 2001 to 2004 this year, next year the firm will need to submit the full dataset from 2001 to 2005 and not just the year 2005.
- b. Date of Occurrence: the date when the event happened or first began
 Date of Discovery: the date on which the firm became aware of event
 Date Logged: the date on which the event was first registered into the firm's system
 Date of Financial impact: the date when a loss or reserve/provision was first recognized in the P&L
- c. Gross loss includes external lawyers fees, court fees, other Litigation expenses etc. as well as the cost of settlement