Recovery and Exit Plan

Strategic Plan | Global

Version 2.0 · July 2026 · Confidential — Internal Use

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Replace all references to "the Company" with your organisation's name.

Document Control

Document name	Recovery and Exit Plan
Document type	Strategic Plan
Jurisdiction	Global
Owner	Chief Executive Officer
Approved by	Board of Directors
Version	2.0
Effective date	July 2026
Review cycle	Annual
Next review due	July 2027
Classification	Confidential — Internal Use

Contents

1. Purpose

This Recovery and Exit Plan (the Plan) sets out how the Company would identify severe financial stress early, restore its financial resilience through credible recovery options, and, if recovery were not achievable, effect an orderly and solvent exit from banking business that protects depositors and avoids reliance on the applicable deposit insurance scheme or resolution by the authorities. It gives the Board and management a pre-agreed playbook so that decisions in stress are faster, better informed and less prone to error than decisions improvised under pressure.

The Plan is prepared in accordance with the Company's prudential regulator's recovery planning requirements and with the FSB Key Attributes of Effective Resolution Regimes for Financial Institutions and related FSB and BCBS guidance on recovery planning, which together require a credible, Board-approved plan — proportionate to the Company's size, business mix and complexity — comprising a trigger framework, a menu of recovery options, scenario testing and a communication plan, reviewed at least annually. A credible recovery capability and a pre-planned solvent exit are the Company's primary means of ensuring that the resolution authority never needs to exercise resolution powers in respect of the Company, and the information maintained under this Plan is pre-positioned to support the authorities' resolution planning if required.

The Plan integrates with, but does not duplicate, the Company's Risk Appetite Statement, Capital Management Plan (including the ICAAP), Liquidity Management Plan, Business Continuity Plan and deposit insurance readiness documentation. Those documents govern business-as-usual management; this Plan governs the transition from business-as-usual through recovery to, if necessary, exit.

This Plan is owned by the Chief Executive Officer and was approved by the Board of Directors as Version 2.0 in July 2026. It replaces all previous versions of the Company's recovery and exit planning documentation.

2. Scope

This Plan applies to the Company as a licensed deposit-taking institution and to all of its controlled entities, business lines, products and channels. It covers stress arising from any source — capital, liquidity, earnings, asset quality, operational, cyber, or reputational — where the effect is a threat to the Company's ongoing viability.

The Plan applies to all directors, executives and staff. Every staff member who forms a reasonable view that the Company may be approaching financial stress must report that view immediately to their executive or directly to the Chief Executive Officer or Chief Risk Officer; no approval is required to make such a report and no adverse consequence may follow from making it in good faith.

The Plan does not cover: operational disruption without a viability threat, which is managed under the Business Continuity Plan and the Company's operational resilience arrangements; day-to-day capital and liquidity management within risk appetite, which is governed by the Capital Management Plan and Liquidity Management Plan; or the detailed mechanics of a deposit insurance payout, which are documented in the Company's deposit insurance readiness documentation (the Depositor Protection Scheme Operational Plan) maintained to the standard required by the applicable scheme. Where stress escalates, this Plan takes precedence over those documents in determining governance and decision rights.

Jurisdictional application. This Plan states international best practice for bank recovery and exit planning, anchored to the FSB Key Attributes and BCBS guidance. The Company must map the requirements of this Plan to the law and prudential rules of each jurisdiction in which it operates — including the specific recovery planning rules, resolution regime, deposit insurance arrangements and corporate law approval mechanics applicable there — and where local law or regulation imposes a stricter or additional requirement, local law prevails.

3. Definitions

Term	Definition
Activation	The formal decision, made by an authorised person under the governance arrangements of the relevant plan, to invoke that plan, mobilising the designated response or crisis management team and moving the Company to the applicable response, recovery or exit footing.
Common Equity Tier 1 (CET1) capital	The highest quality component of regulatory capital as defined in the Basel Framework, comprising paid-up ordinary shares, retained earnings and eligible reserves, net of regulatory adjustments.
Crisis Management Team (CMT)	The standing senior executive team, chaired by the Chief Executive Officer or delegate and constituted under the Company's crisis management arrangements, with overall authority to direct the Company's response to a declared incident, crisis or severe disruption, including activation of business continuity, recovery and related plans.
Deposit Insurance Scheme	The statutory or officially mandated scheme in the Company's operating jurisdiction(s) that protects eligible deposits up to a prescribed coverage limit per depositor on the failure of a member institution, established consistent with the IADI Core Principles for Effective Deposit Insurance Systems.

Early Warning Indicator (EWI)	A forward-looking quantitative or qualitative metric, with defined warning and trigger levels set inside the Company's risk appetite limits, whose deterioration or breach signals emerging stress and prompts heightened monitoring and management assessment before a recovery or escalation trigger is reached.
Exit	The orderly, solvent cessation of the Company's banking business, in whole or in substantial part, whether on the Company's own initiative or at the direction of its prudential regulator, including the repayment or transfer of deposits and, where applicable, surrender of the Company's Banking Licence.
Liquidity Coverage Ratio (LCR)	The ratio, as defined in the Basel III LCR standard, of the Company's stock of high-quality liquid assets (HQLA) to its total net cash outflows over a 30 calendar day period under the prescribed stress scenario, subject to a minimum of 100% or such simplified equivalent measure as the Company's prudential regulator applies.
Net Stable Funding Ratio (NSFR)	The ratio of the Company's available stable funding to its required stable funding over a one-year horizon, as defined in the Basel III net stable funding ratio standard, which sets a minimum of 100% where applied to the Company by its prudential regulator.
Point of non-viability	The point at which the Company's prudential regulator determines, or the Board concludes, that the Company would become non-viable without recovery action, external support or resolution.
Recovery	The phase of stress in which the Company remains viable and executes recovery options under its own governance to restore its financial resilience.
Recovery capacity	The aggregate, realistically achievable benefit (in capital, liquidity and earnings terms) of the Company's credible recovery options, assessed under stressed conditions and net of execution risk.
Recovery option	A pre-identified, credible management action that can be executed in stress to restore capital, liquidity or earnings, documented with a feasibility, timeframe and value assessment and an operational

	playbook.
Recovery trigger	A quantitative or qualitative threshold whose breach requires mandatory escalation to the Board and a documented Board decision on whether to activate this Plan.
Resolution	The exercise by the resolution authority in the Company's jurisdiction of statutory powers of the kind described in the FSB Key Attributes of Effective Resolution Regimes for Financial Institutions, to manage the failure or likely failure of the Company; distinct from an exit executed by the Company itself.
Risk Appetite Statement (RAS)	The Board-approved document, maintained under the Company's risk management framework, that articulates the nature and level of risk the Company is willing to accept in pursuit of its strategic objectives, comprising qualitative appetite statements and quantitative metrics, limits, tolerances and triggers for each material risk class.
Transfer of business	A voluntary or compulsory transfer of some or all of the Company's business (assets, liabilities and deposit accounts) to another authorised bank under the mechanisms available in applicable law.
Trigger framework	The integrated set of early warning indicators and recovery triggers, together with the monitoring, escalation and decision arrangements described in sections 7 and 8 of this Plan.

4. Regulatory Framework

The key legislation, regulations and standards relevant to this document include (as amended from time to time):

Instrument / Standard	Relevance
FSB Key Attributes of Effective Resolution Regimes for Financial Institutions (2014)	The international standard for recovery and resolution planning; this Plan implements the recovery planning elements (Key Attribute 11 and Annex 4) and pre-positions information to support resolution planning by the authorities.
FSB Recovery and Resolution Planning: Guidance on Recovery Triggers and Stress Scenarios (2013)	Source of the design principles for this Plan's trigger framework — triggers calibrated above regulatory minima, a mix

End of preview

This is a preview extract. The complete document continues beyond the pages shown here.

The full document is supplied as a single, fully editable Microsoft Word (.docx) file immediately after purchase — including every remaining section, the definitions, the regulatory framework references and all appendices and templates.

Bracketed prompts such as [30 days] mark the points where your own thresholds, committee names and local regulatory references are inserted.