Basel Committee
on Banking Supervision

Instructions for the end-2020 G-SIB assessment exercise

January 2021

BANK FOR INTERNATIONAL SETTLEMENTS

This publication is available on the BIS website (www.bis.org/bcbs/gsib/).

Grey underlined text in this publication shows where hyperlinks are available in the electronic version.

ISBN 978-92-9259-452-7 (online)

Contents

Instructions for the end-2020 G-SIB assessment exercise

1. Introduction

1. The Basel Committee on Banking Supervision ("the Committee") is conducting this data collection exercise as an input into the methodology to assess the systemic importance of banks in a global context. This methodology for identifying global systemically important banks (G-SIBs) is outlined in the July 2018 document entitled *Global systemically important banks: updated assessment methodology and the higher loss absorbency requirement*.[1] It falls under the aegis of the Financial Stability Board and responds to the decision by the G20 leaders to develop a methodology comprising both quantitative and qualitative indicators that can contribute to the assessment of the systemic importance of financial institutions at a global level.[2]

2. This document is organised as follows: Part 2 discusses general information such as the scope of the exercise, the process and the overall structure of the quantitative questionnaire. Parts 3 and 4 provide specific details regarding the data collected in the template. This includes specific data definitions and how to interpret the built-in data checks.

2. General Information

2.1 Scope of consolidation and data quality

3. For purposes of this exercise, all offices that are within the scope of the consolidated reporting group are to be reported on a consolidated basis. Unless the instructions specifically state otherwise, this consolidation shall be on a line-by-line basis. As part of the consolidation process, the results of all transactions and all intercompany balances between offices, subsidiaries, and other entities included in the scope of the consolidated reporting group are to be eliminated in the consolidation and must be excluded from the reported totals. Where applicable and unless noted otherwise, group data should be reported using **regulatory consolidation**. Therefore, insurance or other non-banking activities should only be included insofar as they are included in the regulatory consolidation of the group.

4. While participation in portions of this exercise is voluntary in certain jurisdictions, the Committee expects a high level of participation to ensure robust results. The relevant supervisory authorities will be required to estimate values based on publicly available information if banks do not provide data themselves.

5. In accordance with the Committee's standards, all banks with a leverage ratio exposure measure exceeding 200 billion euros (using the exchange rate applicable at the financial year-end) are required to publically disclose information containing at least the 12 indicators described in Appendix 5 within four months of the financial year end.[3] Banks below this threshold that have been added to the sample as a result of being classified as a G-SIB in the previous year are also subject to the disclosure requirement. For

[1] The document is available at https://www.bis.org/bcbs/publ/d445.pdf The methodology is currently in the transitional phase.

[2] See *Reducing the moral hazard posed by systemically important financial institutions – FSB Recommendations and Time Lines* (20 October 2010) available at www.financialstabilityboard.org/publications/r_101111a.pdf.

[3] See paragraphs 42-45 of *Global systemically important banks: updated assessment methodology and the higher loss absorbency requirement* (July 2018), available at https://www.bis.org/bcbs/publ/d445.pdf

the first year that a bank breaches this threshold, i.e. banks that are newly part of the G-SIB assessment sample, the data must be published within four months of financial year-end or, at latest, by July of the relevant calendar year.

6. The values reported in this exercise should precisely match any values that have been publically disclosed. If any of the public figures are subsequently restated, a revised template must be submitted to the Secretariat on or before 31 July 2021.

7. The Committee expects the indicator totals and their subcomponents to be of the highest quality. To achieve this, banks should have an internal process for checking and validating each item. While the Committee aims at achieving the best possible data quality for all items, those labelled as "memorandum items" may be reported on a best-efforts basis (if necessary).

2.2 Filling in the Data

8. It is important that banks only use the latest available version of the workbook obtained from their relevant supervisory authority to submit their returns. The supervisory authorities may also provide additional instructions if deemed necessary.

9. Yellow cells are mandatory, while green cells are either best-efforts (data items) or optional (comments and remarks). Red cells will be completed by supervisory authorities. **Respondents should only enter information in the yellow and green cells.** It is important to note that any modification to the worksheets outside of these cells might render the workbook unusable both for the validation of the final results and the subsequent aggregation process. **Note that data are required for all collected metrics unless noted otherwise.** The automated formulas contained in the workbook will not register a value if any of the underlying data items are missing.

2.3 Automated Checks

10. Automated data consistency checks are displayed in the "Checks" column. Where data items are not appropriately reported, the following corrective actions may be displayed:

- Most of the yellow shaded cells in the template only allow for positive values. Should a sign error occur, the checks column will show a message indicating the required reporting format (e.g. "No negatives please").
- **Under no circumstances should text (e.g. "n/a" or "none") be entered into a data cell.** If text is detected, the checks column will display "No text please". Note that the addition of informative text is always welcome and should be inserted in the accompanying comments column.
- Where data cells have been left empty, the checks column will display "Please enter a (value/date/code/name/rate)".
- If a zero value is entered and the remarks column is not set to "Confirmed zero", then the checks column will display "Please confirm zero". Conversely, if a nonzero value is entered and the remarks column is set to "Confirmed zero", then the checks column will display "Value not zero".
- For some cells, the checks column will also test for logical errors. For example, item 3.c.(5) must be greater than or equal to item 3.c.(6). If this is not the case, then the checks column will display "< 3.c.(6)" to indicate that item 3.c.(5) is less than item 3.c.(6).

2.4 Estimated Values and Zeros

11. The reporting template provides a separate dropdown menu (see "Remarks" column) in every row. Reporting banks and/or supervisory authorities should use these dropdown menus to annotate data items with the following information:

- Where data constraints exist, banks may provide quantitative data on a "best-efforts" basis. In case of doubt, discuss with the relevant supervisory authority on how best to proceed. **Where estimates have been used, the respective dropdown menu in the "Remarks" column should be set to "Estimated value"** and a short explanation regarding the method used should be provided in the comments column.
- **Cells may be assigned a value of zero only if the reporting group's activity regarding the requested metric is truly zero.** In this case, the dropdown cell in the "Remarks" column should be set to "Confirmed zero".

2.5 Negative Values

12. Negative values are only permitted for the following items: counterparty exposure of derivatives contracts (item 2.a.(1)); regulatory adjustments (item 2.e); total gross revenue (item 14.d); total net revenue (item 14.e); foreign net revenue (item 14.f); Total net local positions in local currency in SRM countries (considering SRM as a single jurisdiction) (Item 20.r); and Foreign Net revenue (considering the SRM as a single jurisdiction) (Item 21.a).

2.6 Reporting Currency and Unit

13. The reporting currency will be selected by the relevant supervisory authority. It is expected that the currency will remain constant from one assessment exercise to the next. If an institution would prefer to report in a currency other than the one specified, it should contact the relevant supervisory authority. The reporting currency should be used for all values in the workbook.

14. Banks should indicate the unit used for reporting (1, 1,000 or 1,000,000). The same unit should be used for all amounts throughout the workbook. When choosing the reporting unit, it should be considered that the worksheet shows all amounts as integers.

2.7 Confidentiality

15. The Committee or its Secretariat will not collect any data directly from banks. Therefore, banks in participating jurisdictions should contact the relevant supervisory authorities to discuss how the completed workbooks should be submitted. Supervisory authorities will forward the relevant raw data to the Secretariat of the Committee where they will be treated as confidential. The raw data will be collected and shared on a non-anonymised basis with a small working group of the Committee's Macroprudential Supervision Group. In addition, given that the scores of banks in the end-2020 exercise are due to be calculated based on data that banks publically disclose, the 12 indicator values, along with the names of the banks used in calculating the sample totals, may be shared more widely.[4]

[4] For information on the assessment methodology, including the calculation of the sample totals, see Basel Committee on Banking Supervision, *The G-SIB assessment methodology – score calculation*, November 2014, www.bis.org/bcbs/publ/d296.pdf.

2.8 Comments

16. Comments on each item may be provided in the comments column. If considerable explanation is required, banks may choose to provide additional comments in a separate document.

2.9 Questions

17. Banks should direct all questions related to this exercise to the relevant supervisory authority. Where necessary, the agencies will coordinate with the Committee's Secretariat to provide responses that are consistent across jurisdictions.

2.10 Reporting Date and Year

18. In general, all data should relate to the financial year end closest to end-December 2020, i.e. the financial year-end that falls in the period 1 July 2020–30 June 2021. However, supervisory authorities may allow banks whose financial year ends on 30 June to report data based on their position as at end-December 2020 (i.e. interim rather than financial year-end data). Supervisory authorities may also permit banks to report outside of their financial year-end as long as the reporting date is closer to end-December.

19. Certain data items ask for aggregated activity over the reporting year, which is defined as the twelve months immediately preceding the reporting date. For example, if the reporting date is end-December 2020, then the reporting year would be from 1 January 2020 through 31 December 2020. These items include payments activity (items 6.a-n, 15.b.(1)-(3), 18.a.(1)-(15)) and 18.l.(1)-(3)), underwriting activity (items 8.a and 8.b), trading volumes (items 18.b–f), and CCP settlement volume (item 18.k). If the reporting group merged with another entity during the reporting year, the combined flow data for both institutions should be reported.

2.11 Structure of the Excel Template

20. The Excel workbook consists of a single worksheet for data input. A summary section at the end of the worksheet details the overall indicator values as calculated from the submitted data. The worksheet also includes built-in consistency checks for data validation. Please review these checks prior to submitting the completed template. Respondents must submit their responses using the distributed template. Any alterations to the official template, including copying the cells into a new workbook, are not permitted.

21. The template includes unique data identifiers, consisting of a four-digit series followed by a four-digit item number, in Column F. The series is shown at the top of each section ("GSIB") and the item numbers appear next to each data entry. For example, the data identifier for the reporting unit (item 1.b.(1)) is GSIB1007. These identifiers will persist through multiple reporting periods even as the line items change rows within the worksheet.

3. Changes relative to the end-2019 exercise

3.1 Items Added

22. The item 1.b.(6) "LEI code" has been added to the data collection.

3.2 Items Removed

23. No item has been removed from the data collection.

3.3 Items with different geographical reference

24. The geographical reference of the following items have been modified: Items 20.f-20.m; Items 20.p-20.r; Items 21.a-21.b.

4. The Data Worksheet

4.1 General Bank Data

25. The "General bank data" panel deals with general bank information and data reporting conventions.

Item 1.a: General information provided by the relevant supervisory authority

26. These items will be filled out by the relevant supervisory authority.

Item 1.b: General information provided by the reporting institution:

Item 1.b.(1): Reporting unit

27. Select the reporting units (ones, thousands, or millions) in which results are reported from the dropdown menu.

Item 1.b.(2): Accounting standard

28. Select the accounting standard used (e.g. IFRS, US GAAP) from the dropdown menu.

Item 1.b.(3): Date of public disclosure (yyyy-mm-dd)

29. Specify the expected date on which the G-SIB indicator values will be publically disclosed.

Item 1.b.(4): Language of public disclosure

30. Specify in which languages the G-SIB indicator values will be publically disclosed.

Item 1.b.(5): Web address of public disclosure

31. Provide the web address where the G-SIB indicator values are being publically disclosed. Please report the **exact** web address of the bank's public disclosure (e.g. do not provide the homepage of the bank). If the values have yet to be disclosed or the location is otherwise unknown, please provide as specific a web address as possible along with a short explanation in the comments. In cases where the web address is not fixed or the data are otherwise difficult to locate, respondents should provide a comment detailing precisely how to access the relevant information. If the disclosure is included in a report, provide the exact page (for instance p. 60 of https.2020annual_report.pdf).

Item 1.b.(6): LEI code (Optional)

32. Provide on an optional basis the Legal Entity Indentifier (LEI) of the reporting institution.

4.2 Size Indicator

33. The size indicator detailed below is intended to match the total exposures value (prior to regulatory adjustments) as defined for use in the Basel III leverage ratio as of January 2014.[5] Note that the exposures value does not reflect any instances where the national implementation differs from the Basel III standard. Also note that all positions should be included, regardless of whether they are included in the trading or banking book. Appendix 1 provides some details on the cross-references to the Basel III framework.

4.2.1 Section 2: Total Exposures

34. Section 2 collects exposure amounts for derivatives, securities financing transactions, other assets, and off-balance-sheet items.

Item 2.a: Derivatives

35. For items 2.a.(1)-(3), report exposures to the client when acting as a financial intermediary (i.e. where the bank is a counterparty to both the client and the CCP). Guarantees associated with cleared transactions (i.e. transactions where the bank provides clearing services for clients executing trades via an exchange or with a CCP) should also be captured.[6]

Item 2.a.(1): Counterparty exposure of derivatives contracts

36. Report the counterparty risk exposure of derivatives after applying the regulatory netting standards based on the Basel II framework (not the accounting rules for netting). Data should not include any other credit risk mitigation effects. Derivatives traded over-the-counter (OTC), on an exchange and through a central counterparty (CCP) should all be included.

37. Collateral received (whether cash or non-cash) should not be netted against the (net) derivatives position. Where the applicable accounting standard permits a bank to net payables (to return cash collateral) from the corresponding derivative asset, the bank should first gross-up the derivative asset before calculating the net replacement cost in the formula in paragraphs 186 and 187 of the Basel II framework (which provides the formula to calculate the counterparty credit risk under the Current Exposure Method (CEM)). Using this same formula, all banks should set the value of the volatility adjusted collateral amount (C_A) to zero. Banks from jurisdictions which have implemented SA-CCR to measure derivatives exposures and who have changed their internal reporting systems to value derivatives exposure using SA-CCR may use SA-CCR to calculate this item.

38. If a derivative transaction is not covered under a qualifying Basel II netting agreement, the derivative exposure amount should be reported on a gross basis. Cash variation margin may be treated as a pre-settlement payment, and thus used to reduce the replacement cost of derivatives, only if it meets the criteria outlined in *Basel III leverage ratio framework and disclosure requirements*, January 2014, paragraph 25.

Item 2.a.(2): Capped notional amount of credit derivatives

39. Report the effective notional amount (i.e. the apparent or stated notional principal amount multiplied by the effective multiplier in the derivative contract) of credit derivatives, or other similar instruments, through which the bank provides credit protection (e.g. credit default swaps or total return

[5] *Basel III leverage ratio framework and disclosure requirements*, January 2014, Basel Committee on Banking Supervision, available at www.bis.org/publ/bcbs270.htm.

[6] For more information, see *Basel III leverage ratio framework and disclosure requirements*, January 2014, paragraphs 27-8, available at www.bis.org/publ/bcbs270.pdf.

swaps that reference instruments with credit risk, such as bonds). Where credit derivatives were bought on the same reference name and the maturity of the protection bought is equal to or greater than the maturity of the protection sold, report the notional amount of the protection sold capped at the maximum potential loss (i.e. report the protection sold less the protection bought). Reference names are considered the same if the conditions in footnote 14 of the Basel III leverage ratio framework are met. Exclude the effective notional principal amount of sold credit protection that the bank clears on behalf of a clearing member client through a CCP.

Item 2.a.(3): Potential future exposure of derivative contracts

40. Report the potential future exposure of derivatives when applying the current exposure method and Basel II netting standards. Data should not include any credit risk mitigation effect other than the regulatory netting. Banks from jurisdictions which have implemented SA-CCR to measure derivatives exposures and who have changed their internal reporting systems to value derivatives exposure using SA-CCR may use SA-CCR to calculate this item.

41. The add-on for credit derivatives should be calculated according to the full text of paragraph 707, including the footnote. This implies that the add-on of sold CDS subject to closeout should be capped at unpaid premiums, while the add-on for sold CDS not subject to closeout should not be included. Paragraph 707 should be applied to all credit derivatives, whether they are included in the banking book or in the trading book.

42. When calculating the add-on for netted transactions (A_{Net} in the formula in paragraph 96(iv) of Annex IV of the Basel II framework), banks should not consider in the net replacement cost of the collateral received, irrespective of the treatment of the collateral by the applicable accounting standard.

Item 2: Securities financing transactions (SFTs)

Item 2.b.(1): Adjusted gross value of SFTs

43. Report the adjusted gross value (net of specific provisions and valuation adjustments) of SFTs assuming no accounting netting or credit risk mitigation effects. SFT assets should be reported with no recognition of accounting netting of (cash) payables against (cash) receivables as permitted under relevant accounting standards except as outlined in paragraph 33(i), second bullet of the Basel III leverage ratio framework.[7] Do not include SFT agent transactions eligible for the exceptional treatment as set out in paragraphs 36 and 37 of the Basel III leverage ratio framework.[8]

44. In situations where the relevant accounting standards require the bank to recognise as an asset the security received in an SFT, the value of such a security must be reported in item 2.d.(1). SFTs traded OTC, on an exchange and through a CCP should all be included.

Item 2.b.(2): Counterparty exposure of SFTs

45. Report the counterparty exposure of SFTs. Data should not include any other credit risk mitigation effects. SFTs traded OTC, on an exchange and through a CCP should all be included.

46. For SFTs, the counterparty exposure value is determined as the total fair value amount of securities and cash lent to a counterparty for all transactions included in a qualifying Basel II netting agreement, less the total fair value amount of cash and securities received from the counterparty for those transactions, floored at zero. Where no qualifying Basel II netting agreement is in place, the counterparty

[7] See *Basel III leverage ratio framework and disclosure requirements*, January 2014, Basel Committee on Banking Supervision, available at www.bis.org/publ/bcbs270.htm.

[8] Ibid.

exposure value of SFT must be calculated on a transaction by transaction basis (that is, each SFT is treated as its own netting set). Do not apply haircuts in assessing the gross fair value of non-cash collateral. Include agent transaction exposures.[9]

Item 2.c: Other assets

47. Report the value of any other on-balance sheet assets not specifically identified in any of the rows above (e.g. accounting receivables for cash variation margin provided where recognised under operative accounting framework, liquid assets as defined under the liquidity coverage ratio, failed and unsettled transactions and any other accounting assets not included under the derivatives or SFT items). This includes any instrument (including cash) borrowed or lent through an SFT when it is reported on the accounting balance sheet.

48. Report the data using the sum of accounting values (net of specific provisions and valuation adjustments), assuming no accounting netting or credit risk mitigation effects (i.e. gross values). The reported value should reflect the adjustments that are permitted for the purposes of the leverage ratio (e.g. the addition of grossed-up assets for derivatives collateral provided and adjustments for SFT sales accounting transactions, along with the removal of receivables for eligible cash variation margin provided in derivatives transactions, exempted CCP leg of client-cleared trade exposures (initial margin), securities received in a SFT that are recognised as an asset, and fiduciary assets).

Item 2.d: Gross notional amount of off-balance-sheet items

49. Securities collateral that has been received by the bank and which is not recorded as an on-balance sheet asset under the relevant accounting standard generally is not included in the Basel III leverage ratio exposure measure, with the exception of the specific treatment for the measure of counterparty credit risk (CCR) for securities financing transactions (SFTs) under paragraph 33 (ii) of the Basel III leverage ratio framework (which allows for the consideration of securities collateral received from a counterparty).

Item 2.d.(1): Items subject to a 0% credit conversion factor (CCF)

50. Report the notional value of off-balance-sheet items that would be assigned a 0% credit conversion factor as defined in the standardised approach to credit risk in the Basel II framework. That is, 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 (see paragraph 83 of the Basel II framework and the footnote to this paragraph).

Item 2.d.(2): Items subject to a 20% CCF

51. Report the notional value of off-balance-sheet items that would be assigned a 20% credit conversion factor as defined in the standardised approach to credit risk (see paragraphs 83 and 85 of the Basel II framework and footnote to paragraph 83).

Item 2.d.(3): Items subject to a 50% CCF

52. Report the notional value of off-balance-sheet items that would be assigned a 50% credit conversion factor as defined in the standardised approach to credit risk (see paragraphs 83, 84(ii) and 84(iii) of the Basel II framework). This includes liquidity facilities and other commitments to securitisations incorporating the changes according to the *Enhancements to the Basel II framework*.[10] That is, the credit

[9] See *Basel III leverage ratio framework and disclosure requirements*, January 2014, paragraphs 35-7, available at www.bis.org/publ/bcbs270.pdf.

[10] The document is available at www.bis.org/publ/bcbs157.pdf.

conversion factor for all eligible liquidity facilities in the securitisation framework is 50% regardless of the maturity. Include off-balance-sheet exposures to originated securitisations only if the securitisations have met the accounting criteria for derecognition (to avoid double counting).

Item 2.d.(4): Items subject to a 100% CCF

53. Report the notional value of off-balance-sheet items that would be assigned a 100% credit conversion factor as defined in the standardised approach to credit risk (see paragraphs 83(i), 83 (ii), 84 and 84(i) of the Basel II framework). This includes liquidity facilities and other commitments to securitisations incorporating the changes according to the Enhancements. Include off-balance-sheet exposures to originated securitisations only if the securitisations have met the accounting criteria for derecognition (to avoid double counting).

Item 2.e: Regulatory adjustments

54. Report the value of regulatory adjustments to tier 1 and CET1 capital under the fully phased-in Basel III framework. Please be sure to report the figure based on end-2020 data. Note that the reported value should not reflect any deviations from the Basel III standard that may have been adopted in the relevant national implementation. Report adjustments that reduce tier 1 capital as a positive value. If the adjustment increases tier 1 capital, report the value with a minus (-) sign.

Item 2.f: Total exposures indicator (Total exposures prior to regulatory adjustments)

55. The sum of items 2.a.(1) through 2.c, 0.1 times 2.d.(1), 0.2 times 2.d.(2), 0.5 times 2.d.(3), and 2.d.(4). Note that regulatory adjustments (item 2.e) are not removed from the indicator.

4.3 Interconnectedness Indicators

56. For the purpose of the interconnectedness indicators, financial institutions are defined as including banks (and other deposit-taking institutions), bank holding companies, securities dealers (including institutions that are strictly securities brokers), insurance companies, mutual funds, hedge funds, pension funds, investment banks and central counterparties (CCPs). Central banks and other public sector bodies (e.g. multilateral development banks) are excluded, but state-owned commercial banks are included. Stock exchanges are not included, though most stock exchanges have subsidiaries that are considered financial institutions (e.g. securities dealers and CCPs).

57. In determining whether a transaction is with other financial institutions (i.e. financial institutions outside of the reporting group), do not adopt a look-through approach. Instead, report figures based on the immediate counterparty. Note that only sections 3 and 4 relate to intra-financial system activity; section 5 captures the securities issued by the bank.

4.3.1 Section 3: Intra-Financial System Assets

Item 3.a: Funds deposited with or lent to other financial institutions

58. Report all funds deposited with or lent to other financial institutions (i.e. financial institutions outside of the consolidated reporting group). Lending should include all forms of term/revolving lending, acceptances of other banks and other extensions of credit to financial institutions. Do not include commercial paper, which is reported in item 3.c.(4), and securities financing transactions. Do not include settlement balances (i.e. exposures arising from unsettled transactions). Deposits should include balances due from financial institutions. Include certificates of deposit but do not include margin accounts and posted collateral. Include funds deposited with or lent to other financial institutions that are accounted for as receivables. Do not include receivables related to settlement balances (e.g. fees and payments related to the exchange of goods and services). Include margin lending, but exclude accrued interest.

Item 3.a.(1): Certificates of deposit

59. Report the total holdings of certificates of deposit due from other financial institutions included in item 3.a. Certificates of deposit are time deposits where the bank issues a receipt for the funds specifying that they are payable on a specific date, e.g. seven or more days in the future.

Item 3.b: Unused portion of committed lines extended to other financial institutions

60. Report the nominal value of the unused portion of all committed lines extended to other financial institutions. Include lines that are unconditionally cancellable. Do not include letters of credit and unsettled securities financing transactions (e.g. reverse repos).

Item 3.c: Holdings of securities issued by other financial institutions

61. This item should reflect all holdings of securities issued by other financial institutions. Total holdings should be reported at fair value for securities classified as held-for-trading and available-for-sale; held-to-maturity securities should be reported at amortised cost. Report the historical cost of any equity securities without readily determinable fair values. Do not report products where the issuing institution does not back the performance of the asset (e.g. asset-backed securities). Include securities issued by equity-accounted associates and special purpose entities (SPEs) if they are not part of the consolidated entity for regulatory purposes. Do not include synthetic exposures related to derivatives transactions (e.g., when a derivative references securities issued by other financial institutions). Do not include loans, bond exchange traded funds (ETFs), credit card receivables, letters of credit, bond options, bond swaps, or bond swaps on ETFs.

62. If the breakdown is unavailable for one or more of these items, please fill the cell(s) for the non-available item(s) with a "0" and provide the available total in one of the other rows of the panel. The comments section for the item with the available total should state which subcategories have been included.

Item 3.c.(1): Secured debt securities

63. Report the total holdings of secured debt securities (e.g. covered bonds). Note that this item is not designed to capture collateralized trades. Instead, the item is capturing capital raised through the issuance of secured debt.

Item 3.c.(2): Senior unsecured debt securities

64. Report the total holdings of senior unsecured debt securities.

Item 3.c.(3): Subordinated debt securities

65. Report the total holdings of subordinated debt securities.

Item 3.c.(4): Commercial paper

66. Report the total holdings of commercial paper of other financial institutions.

Item 3.c.(5): Equity securities

67. Report the total holdings of equity securities, including common and preferred shares, of other financial institutions. Include investments in mutual funds (e.g. equity, bond, hybrid, and money market funds) that are administered outside of the reporting group. Report the entire mutual fund investment (i.e. do not look through into the fund to determine the underlying holdings). Report all holdings of securities issues by other financial institutions, regardless of the intent or accounting classification. Do not report equity securities or bonds received as collateral. Do not report hodings of exchange traded funds (in which financial institutions may be part).

Item 3.c.(6): Offsetting short positions in relation to the specific equity securities included in item 3.c.(5)

68. Report the fair value of the reporting group's liabilities resulting from short positions held against the equity securities included in item 3.c.(5). Include the short legs of derivatives used to hedge the equity securities reported in item 3.c.(5) (e.g. total return swaps).[11] Include all negative balances in equity derivatives and all short equities positions associated with the underlying equity in Item 3.(c).5.

Item 3.d: Net positive current exposure of securities financing transactions (SFTs) with other financial institutions

69. This item should include the following:

(a) Net positive reverse repurchase agreement exposure, where the value of the cash provided exceeds the fair value of the securities received.

(b) Net positive repurchase agreement exposure, where the fair value of the securities provided exceeds the value of the cash received.

(c) Net positive securities lending exposure, where the fair value of securities lent exceeds the value of cash collateral received (or the fair value of non-cash collateral received).

(d) Net positive securities borrowing exposure, where the value of cash collateral provided (or the fair value of non-cash collateral provided) exceeds the fair value of securities borrowed.

70. The reported value is not intended to reflect amounts recorded on the balance sheet. Rather, it represents the single legally owed amount per netting set. Netting of multiple transactions should only be used where the transactions are covered by a legally enforceable netting agreement (see paragraph 173 under the Basel II framework). For transactions that are not subject to a qualifying master netting agreement, report the exposure on a transaction-by-transaction basis, with each SFT treated as its own netting set. It means that the difference (if positive) between the value of financial instruments provided (cash and/or securities) and financial instruments received (cash and/or securities) should be reported. Include transactions cleared through a CCP. Do not include conduit lending transactions and do not apply haircuts in assessing the gross fair value of non-cash collateral. Include unsettled SFTs if the bank is using trade-date accounting.

71. Note that SFTs with non-financial institution counterparties should be excluded from this item.

Item 3.e: Over-the-counter derivatives with other financial institutions that have a net positive fair value

Item 3.e.(1): Net positive fair value

72. Report the sum of net positive fair value over-the-counter derivative exposures netted only where legally enforceable and in accordance with Basel II regulatory netting rules (i.e. designated, legally enforceable, netting sets or groups). Only netting sets with a positive value should be included here. Netting sets where the net result is negative should be captured in item 4.d.(1). Basel II defines netting sets in Annex 4 of the Basel II framework. Include collateral held only if it is within the master netting agreement (i.e. pursuant to legally enforceable credit support annexes). If applicable, net opposing collateral positions (e.g. initial margin posted with variation margin held). Deduct the net collateral position from the underlying obligation only if it reduces the overall exposure. If the net collateral exceeds the payment obligation due to the bank, record a fair value of zero for the netting set. If a derivative transaction with a positive fair value is not covered under a qualifying Basel II netting agreement, the derivative exposure amount should be included on a gross basis.

[11] For example, Bank A holds 10,000 shares of Bank B at 100 per share and has entered into an equity total return swap to short 10,000 Bank B shares and thereby eliminate market risk. Bank A would report 1,000,000 for item 3.c.(5) and 1,000,000 for item 3.c.(6).

73. The value should be reported in accordance with the Basel II framework. See *International Convergence of Capital Measurement and Capital Standards*, paragraph 96(iv) of Annex 4, available at www.bis.org/publ/bcbs128.pdf. Note that the current exposure method (CEM) should not be used. Banks from jurisdictions which have implemented SA-CCR to measure derivatives exposures and who have changed their internal reporting systems to value derivatives exposure using SA-CCR may use SA-CCR to calculate this item. Exclude OTC derivatives with non-financial institution counterparties.

74. This item is calculated differently from item 2.a.(1). For example, there is a difference in perimeter (i.e. financial institutions vs. all counterparties). Also, for this item, all collateral received that is within a master netting agreement may be netted against the derivative exposures. This includes both initial and variation margin. Item 2.a.(1), however, only allows the replacement cost to be reduced by the value of the cash variation margin received.

75. When acting as a financial intermediary (i.e. where the bank is a counterparty to both the client and the CCP), report exposures to the CCP. Report exposures to clients if they fit the definition of financial institution. In cases where a clearing member bank, acting as an agent, guarantees the performance of a client to a CCP, the associated exposure to the client must be reported.

Item 3.e.(2): Potential future exposure

76. Report the amount of potential future exposure (PFE), calculated using the current exposure method, for the derivatives included in item 3.e.(1). Include the PFE for any netting sets with a fair value of zero. Banks from jurisdictions which have implemented SA-CCR to measure derivatives exposures and who have changed their internal reporting systems to value derivatives exposure using SA-CCR may use SA-CCR to calculate this item.

4.3.2 Section 4: Intra-Financial System Liabilities

Item 4.a: Funds deposited by or borrowed from other financial institutions

77. Report any funds deposited by or borrowed from other financial institutions that are accounted for as payables. Do not include payables related to settlement balances, (e.g. fees and payments related to the exchange of goods and services). Do not include certificates of deposit, margin accounts, and accrued interest. Include the borrowings of all entities, including variable-interest entities (VIEs), within the regulatory scope of consolidation, but do not include borrowings between entities within the consolidated group. Include bank overdrafts and margin lending, but exclude margin accounts.

Item 4.a.(1): Deposits due to depository institutions

78. Report total deposits, excluding certificates of deposit, due to (i.e. deposited by) depository institutions. Do not include settlement balances (i.e. exposures arising from unsettled transactions) and collected collateral.

Item 4.a.(2): Deposits due to non-depository financial institutions

79. Report total deposits, excluding certificates of deposit, due to non-depository financial institutions. Do not include settlement balances (i.e. exposures arising from unsettled transactions) and collected collateral.

Item 4.a.(3): Loans obtained from other financial institutions

80. Report the amount of outstanding loans obtained from other financial institutions (i.e. financial institutions outside of the reporting group) which are not already being captured in the other items of Section 4. Include both term loans and revolving, open-end loans. If all loans are already being captured in these items, then a zero value should be reported.

Item 4.b: Unused portion of committed lines obtained from other financial institutions

81. Report the nominal value of the unused portion of all committed lines obtained from other financial institutions (i.e. financial institutions outside of the reporting group). Include lines that are unconditionally cancellable. This item measures the amount of credit committed as of the reporting date, irrespective of whether it may be unconditionally cancelled the day after. For example, the available balance associated with a credit card (which the bank commits to providing, but reserves the right to withdraw at any time) would be included. Do not include letters of credit and unsettled SFTs (e.g. repos).

Item 4.c: Net negative current exposure of SFTs with other financial institutions

82. This item should include the following:

(a) Net negative reverse repurchase agreement exposure, where the fair value of securities received exceeds the value of the cash provided.

(b) Net negative repurchase agreement exposure, where the value of the cash received exceeds the fair value of the securities provided.

(c) Net negative securities lending exposure, where the value of cash collateral received (or the fair value of non-cash collateral received) exceeds the fair value of securities lent.

(d) Net negative securities borrowing exposure, where the fair value of securities borrowed exceeds the value of cash collateral provided (or the fair value of non-cash collateral provided).

83. The reported value is not intended to reflect amounts recorded on the balance sheet. Rather, it represents the single legally owed amount per netting set. Netting of multiple transactions should only be used where the transactions are covered by a legally enforceable netting agreement (see paragraph 173 of the Basel II framework). For transactions that are not subject to a qualifying master netting agreement, report the exposure on a transaction-by-transaction basis, with each SFT treated as its own netting set. It means that the difference (if negative) between the value of financial instruments provided (cash and/or securities) and financial instruments received (cash and/or securities) should be reported. Include transactions cleared through a CCP. Do not include conduit lending transactions and do not apply haircuts in assessing the gross fair value of non-cash collateral. Include unsettled SFTs if the bank is using trade-date accounting. Report the final net negative exposure value as a positive number.

84. Note that SFTs with non-financial institution counterparties should be excluded from this item.

Item 4.d: Over-the-counter derivatives with other financial institutions that have a net negative fair value

Item 4.d.(1): Net negative fair value

85. Report the sum of net fair value over-the-counter derivative liabilities netted only where legally enforceable and in accordance with Basel II regulatory netting rules (i.e. designated, legally enforceable, netting sets or groups). Only netting sets with a negative value should be included here. Netting sets where the net result is positive should be captured in item 3.e.(1). Basel II defines netting sets in Annex 4 of the Basel II framework. Include collateral provided only if it is within the master netting agreement (i.e. pursuant to legally enforceable credit support annexes). If applicable, net opposing collateral positions (e.g. initial margin held with variation margin posted). Deduct the net collateral position from the underlying obligation only if it reduces the overall exposure. If the net collateral exceeds the payment obligation owed to the counterparty, record a fair value of zero for the netting set. If a derivative transaction with a negative fair value is not covered under a qualifying Basel II netting agreement, the derivative exposure amount should be included on a gross basis. Report the final net negative fair value as a positive number.

86. The value should be reported in accordance with the Basel II framework. See *International Convergence of Capital Measurement and Capital Standards*, paragraph 96(iv) of Annex 4, available at www.bis.org/publ/bcbs128.pdf. Exclude OTC derivatives with non-financial institution counterparties.

87. When acting as a financial intermediary (i.e. where the bank is a counterparty to both the client and the CCP), report exposures to the CCP. Report exposures to clients if they fit the definition of financial institution. In cases where a clearing member bank, acting as an agent, guarantees the performance of a client to a CCP, the associated exposure to the client must be reported.

Item 4.d.(2): Potential future exposure

88. Report the amount of the PFE, calculated using the current exposure method, for the derivatives included in item 4.d.(1). Banks from jurisdictions which have implemented SA-CCR to measure derivatives exposures and who have changed their internal reporting systems to value derivatives exposure using SA-CCR may use SA-CCR to calculate this item.

4.3.3 Section 5: Securities Outstanding

89. The components below should reflect the value of all outstanding securities that were issued by, or on behalf of, the reporting entity. Accordingly, securities should be reported regardless of whether or not they are held by other financial institutions. Do not report products where the reporting institution does not back the performance of the asset (e.g. asset-backed securities).

90. For items 5.a through 5.e, provide the book value (i.e. carrying amount) of the securities. Note that this value will depend on the applicable accounting classification and measurement, and thus may reflect the amortised cost of the securities, the fair value of the securities, or a mixture of the two.

91. If the breakdown is unavailable for one or more of these items, please fill the cell(s) for the non-available item(s) with a "0" and provide the available total in one of the other rows of the panel. The comments section for the item with the available total should state which subcategories have been included.

Item 5.a: Secured debt securities

92. Report the book value of all outstanding secured debt securities (e.g. covered bonds) issued by the reporting group. Note that this item is not designed to capture collateralized trades. Instead, the item is capturing capital been raised through the issuance of secured debt.

Item 5.b: Senior unsecured debt securities

93. Report the book value of all outstanding senior unsecured debt securities issued by the reporting group.

Item 5.c: Subordinated debt securities

94. Report the book value of all outstanding subordinated debt securities issued by the reporting group.

Item 5.d: Commercial paper

95. Report the book value of all outstanding commercial paper issued by the reporting group.

Item 5.e: Certificates of deposit

96. Report the book value of all outstanding certificates of deposit issued by the reporting group, irrespective of the holder (e.g. corporate or individual). Certificates of deposit are time deposits where the bank issues a receipt for the funds specifying that they are payable on a specific date seven or more days

in the future. Include all certificates of deposit issued as securities, even if they were not issued as a receipt (i.e. certificates of deposit with an International Security Identification Number (ISIN).

Item 5.f: Common equity

97. Report the fair value (i.e. market value) of all outstanding common equity shares issued by the reporting group. For shares issued by consolidated subsidiaries, only include those shares that were issued to third parties. For publicly traded shares, report the closing share price multiplied by the number of shares outstanding. Do not include outstanding shares for which a market price is unavailable. If there is no direct market price for the reporting group whatsoever, this item would be zero. Do not include certificates of mutual banks.

Item 5.g: Preferred shares and any other forms of subordinated funding not captured in item 5.c.

98. Report the fair value (i.e. market value) of all outstanding preferred shares issued by the reporting group. Include shares issued by consolidated subsidiaries to third parties. Also include any other forms of subordinated funding not captured in item 5.c. Do not include outstanding shares for which a market price is unavailable.

99. Include registered securities which raise funds for the bank but whose issuance is explicitly based on a bilateral contractual agreement between the issuer and the individual investor (e.g. German participation rights designed as "Namensgenussrechte").

4.4 Substitutability/Financial Institution Infrastructure Indicators

4.4.1 Section 6: Payments Activity

Items 6.a-n: Payments made in the reporting year (excluding intragroup payments)

100. Report the total gross value of all cash payments sent by the reporting group as a direct participant via Large Value Payment Systems,[12] along with the gross value of all cash payments sent through an agent or correspondent bank (e.g. using a correspondent or nostro account), over the reporting year in each indicated currency. Payments sent by the reporting bank as a correspondent (i.e. correspondent banking) via Large Value Payment Systems should not be doubled-counted. All payments sent via an agent bank should be reported, regardless of how the agent bank actually settles the transaction. Do not include intragroup transactions (i.e. transactions made within or between entities within the reporting group). The bank's own payments should be included as long as they were not made to another member of the reporting group. Payments may be recorded using either the trade date or the settlement date as long as the reporting remains consistent between periods. If both are readily available, the settlement date should be used. If precise totals are unavailable, known overestimates[13] may be reported. Please also include a comment in the template if a known overestimate is used.

101. Payments should be reported regardless of purpose, location, or settlement method. This includes, but is not limited to, cash payments associated with derivatives, securities financing transactions and foreign exchange transactions. Do not include the value of any non-cash items settled in connection with these transactions. Include cash payments made on behalf of the reporting entity as well as those made on behalf of customers (including financial institutions and other commercial customers). Do not

[12] For examples of large-value payment systems, refer to the survey of Committee on Payments and Market Infrastructure (CPMI)). The August 2017 release is available at http://www.bis.org/cpmi/publ/d168.pdf. The CPMI periodically publishes reference works on payment, clearing and settlement systems in the CPMI member countries. A table summarizing this activity is available on the BIS website at https://www.bis.org/cpmi/paysysinfo.htm?m=3%7C16%7C30

[13] E.g., if the bank is unable to eliminate its intragroup transactions.

include payments made exclusively through retail payment systems except if they are also processed at a later stage via Large Value Payment Systems. Do not report payment facilitation (i.e. when the bank acts as a payment service provider) where the customer is a direct member of the large value payment system and uses their own BIC code to complete the transaction. Only include savings account payments if they are made via a large value payment system or through an agent.

102. Only include outgoing payments (i.e. exclude payments received). Include the amount of payments made into Continuous Linked Settlement (CLS). Other than CLS payments, do not net any outgoing wholesale payment values, even if the transaction was settled on a net basis (i.e. all wholesale payments made into large value payment systems or through an agent must be reported on a gross basis). Retail payments sent through large value payment systems or through an agent may be reported on a net basis.

103. Values should be reported in the reporting currency and unit specified in items 1.a.(4) and 1.b.(1). Banks should convert the data to their reporting currency using daily foreign exchange rates over the reporting period. These rates, which are selected by the respondent, must represent a consistent series of exchange rate quotations.

104. Respondents may (1) add up payments in the foreign currency and then convert the total into the reporting currency using the average foreign exchange (FX) rate for the reporting year provided by the BIS at www.bis.org/bcbs/gsib/ (i.e. use the same method as was employed in previous assessments), or (2) collect the daily flow data in the reporting currency directly, converting the data using a consistent set of daily exchange rate quotations.

4.4.2 Section 7: Assets Under Custody

Item 7.a: Assets under custody

105. Report the value of all assets, including cross-border assets that the reporting group holds as a custodian on behalf of customers, including other financial institutions (i.e. financial institutions outside of the reporting group). Include such assets even if they are being held by a third party acting as a sub-custodian (e.g. central securities depositories, payment systems, central banks and sub-custodians). All assets held as a custodian on behalf of customers must be reported, including those which are also assets under management and assets under administration (i.e. only include assets under management and assets under administration if they meet the definition of assets under custody). The value of the assets should reflect the accounting method required by the respective clients. Thus, the reported total will likely involve a mixture of both book and market values.

106. Include cash that is being held in custody accounts. Note that assets held as collateral are not generally considered assets under custody. For the purposes of this report, a custodian is defined as a bank or other organisation that manages or administers the custody or safekeeping of stock certificates, debt securities, cash, or other assets for institutional and private investors. Banks should only report the assets for which they provide custody and safekeeping services.

4.4.3 Section 8: Underwritten Transactions in Debt and Equity Markets

107. Include all underwriting (public and private) over the reporting year where the bank was obligated to purchase unsold securities. When the underwriting is on a best-efforts basis (i.e. the bank is not obligated to purchase the remaining inventory), only include the securities that were actually sold. For transactions underwritten by multiple institutions, only include the portion attributable to the reporting group. These portions should be reported regardless of whether or not the bank is acting as the lead underwriter.

Item 8.a: Equity underwriting activity

108. Report the total value of all types of underwritten equity instruments underwritten during the reporting year, excluding intragroup and self-led transactions. This includes all types of equity market transactions such as initial public offerings, additional offerings of common stocks, units, depositary receipts (e.g. American depositary receipts (ADRs) and global depositary receipts (GDRs)) and rights offerings. Also include equity-linked transactions such as convertible bonds, convertible preferred bonds and exchangeable bonds. Include all types of transactions at all maturities. Do not differentiate transactions between front-end, back-end and best-efforts or "soft" transactions. Do not differentiate with regard to maturity, currency or market of issuance.

109. Equity securities with embedded derivatives should be included, while stand-alone derivatives underwriting should be excluded. With regards to the delineation between securities with embedded derivatives and stand-alone derivatives, use the existing definitions in IFRS or U.S. GAAP. In case the reporting is based on a national accounting standard where the distinction does not exist, the IFRS definition should be used (see Appendix 2 for further guidance).

Item 8.b: Debt underwriting activity

110. Report the total value of all types of debt instruments underwritten during the reporting year, excluding intragroup and self-led transactions. This includes all types of underwriting transactions relating to debt securities. The value should include both secured debt instruments (e.g. covered bonds, asset-backed security (ABS) transactions, etc.) and unsecured debt instruments (e.g. medium term notes (MTNs)). Include all types of transactions at all maturities. Do not differentiate transactions between front-end, back-end and best-efforts or "soft" transactions. Do not differentiate with regard to maturity, currency, or market of issuance. Do not differentiate between sovereign and corporate debt. Debt securities with embedded derivatives should also be included. For more detail on embedded derivatives, refer to the instructions for item 8.a. Do not include loan underwriting. Include underwriting activity related to sovereign debt and the debt of government-sponsored enterprises (GSE). However, do not include other activities that facilitate the issuance or placement of third-party securities (e.g. auctions).

111. Instruments that could be allocated to either item 8.a or 8.b (e.g. bonds with warrants attached) should not be double-counted. Reporting institutions may set the delineation at their own discretion and, if necessary, provide a short explanation in the comments column.

4.5 Complexity Indicators

4.5.1 Section 9: Notional Amount of Over-the-Counter (OTC) Derivatives

112. This indicator is designed to measure the scope of the reporting group's engagement in OTC derivative transactions and should include all types of risk categories and instruments. For a detailed overview of instrument types and risk categories, see table D5 of the Statistical Bulletin of the *BIS Quarterly Review*[14]. Collateral should not be deducted when reporting the notional derivative values. Note that the sum of items 9.a and 9.b should be equal the value reported in table D5 of the Statistical Bulletin of the *BIS Quarterly Review*. Note that there should be no double-counting between items 9.a and 9.b.

Item 9.a: OTC derivatives cleared through a central counterparty

113. Report the notional amount outstanding of OTC derivative positions which will be settled through a central counterparty. Include all types of risk categories and instruments (e.g. foreign exchange, interest

14 See BIS Statistical Bulletin at www.bis.org/statistics/bulletin1709.htm

rate, equity, commodities and credit default swaps (CDS)). Report transactions regardless of whether they are part of a master netting agreement.

114. Do not include cleared derivative transactions (i.e. transactions where the bank provides clearing services for clients executing trades via an exchange or with a CCP) where the bank is not a direct counterparty in the contract. When acting as a financial intermediary (i.e. where the bank is a counterparty to both the client and the CCP), report the notional amounts associated with each contract (i.e. the contract with the CCP and the contract with the client). In cases where a clearing member bank, acting as an agent, guarantees the performance of a CCP to a client, the associated notional amounts must be reported.

Item 9.b: OTC derivatives settled bilaterally

115. Report the notional amount outstanding of OTC derivative positions which will be settled bilaterally (i.e. without the use of a central counterparty). Include all types of risk categories and instruments (e.g. foreign exchange, interest rate, equity, commodities and CDS). Report transactions regardless of whether they are part of a master netting agreement.

4.5.2 Section 10: Trading and Available-for-Sale Securities

116. This indicator seeks to capture the value of securities (i.e. bonds and shares) that, if sold quickly during periods of severe market stress, are more likely to incur larger fire-sale discounts or haircuts to compensate for high market risk. It is measured as the total amount of securities in the held-for-trading (HFT) or fair value through profit or loss (FVTPL)[15] and available-for-sale (AFS) or fair value through other comprehensive income (FVTOCI)[16] accounting categories less the subset of securities held in those categories that meet the definition of Level 1 and Level 2 assets as defined in the Basel III liquidity coverage ratio (LCR).

117. All values reported should be at the reporting date and provided on a gross long basis (i.e. short positions should not be netted against long positions). Thus, for long and short positions in the same Committee on Uniform Securities Identification Procedures number (CUSIP), report the long position prior to any CUSIP netting or any other International Security Identification Number (ISIN) netting.

Item 10.a: Held-for-trading securities (HFT)

118. Report the fair value of all securities classified as HFT (including securities designated at fair value – DaFV) or FVTPL.[17] Securities that are intended to be held principally for the purpose of selling them in the near term should be classified as trading assets. Trading activity includes active and frequent buying and selling of securities for the purpose of generating profits on short-term fluctuations in price. Do not include loans, derivatives and non-tradable assets (e.g. receivables).

[15] The reference to FVTPL applies exclusively to IFRS 9 reporting banks.

[16] The reference to FVTOCI applies exclusively to IFRS 9 reporting banks.

[17] Banks under IFRS 9 accounting framework must report the value of all securities measures at fair value through profit and loss (FVTPL), under voluntary or mandatory (held for trading or not) adoption of fair value.

Item 10.b: Available-for-sale securities (AFS)

119. Report the fair value of all securities classified as AFS or FVTOCI.[18] All securities not reported in Item 10.a. or Item 15.a. or at cost[19] should be reported as AFS or FVTOCI. Do not include loans, derivatives and non-tradable assets (e.g. receivables).

Item 10.c: Trading and AFS securities that qualify as Level 1 liquid assets

120. Report the fair value of all securities in Item 10.a. and Item 10.b. that qualify as Level 1 liquid assets according to paragraphs 50(c), 50(d) and 50(e) of the Basel III LCR.[19] Include qualifying securities even if they do not fulfil the LCR operational requirements outlined in paragraphs 31– 40.[20]

Item 10.d: Trading and AFS securities that qualify as Level 2 liquid assets, with haircuts

121. Report the fair value, **after applying haircuts**, of all trading and AFS securities that qualify as Level 2 assets according to paragraphs 52 and 54 of the Basel III LCR.[20] Include qualifying securities even if they do not fulfil the LCR operational requirements outlined in paragraphs 31– 40.[21] Level 2A, Level 2B RMBS and Level 2B non-RMBS assets should be reported with haircuts of 15%, 25% and 50%, respectively. The caps outlined in paragraphs 46-48 and 51 should not be applied. [22]

4.5.3 Section 11: Level 3 Assets

Item 11.a: Assets valued for accounting purposes using Level 3 measurement inputs

122. Report the gross fair value of all assets that are priced on a recurring basis on the balance sheet using Level 3 measurement inputs. Internationally-recognised accounting standards commonly use a three-level fair value hierarchy that prioritises inputs used to measure fair value based on observability. Do not include assets that are measured at fair value for disclosure purposes only (i.e. if the assets are not carried at fair value on the balance sheet using level 3 measurement inputs the assets should not be included in the Level 3 total).

123. Level 3 fair value measurement inputs, while not readily observable in the market, are used to develop an exit price for the asset (or liability) from the perspective of a market participant. Therefore, Level 3 fair value measurement inputs should reflect the reporting group's own assumptions about the assumptions that a market participant would use in pricing an asset (or liability) and should be based on the best information available under the given circumstances. The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, then this is considered a Level 3 measurement. Only include the Level 3 estimates associated with Level 3 assets (i.e. if the asset qualifies as Level 1 or Level 2, the asset should not be included in the Level 3 total).

124. If the accounting standard designated in item 1.b.(2) does not have an equivalent definition of Level 3 assets, consult Appendix 4 for guidance on the fair value hierarchy according to IFRS 7. The relevant supervisory authority may also be contacted for further guidance.

[18] Banks under IFRS 9 accounting framework must report the value of all securities measured at fair value through other comprehensive income (FVTOCI).

[19] As defined in either IAS 39 or IFRS 9.

[20] Ibid.

[21] Ibid.

[22] Ibid.

4.6 Cross-Jurisdictional Activity Indicators

4.6.1 Section 12: Cross-Jurisdictional Claims

125. This indicator uses data that internationally active banks report to the central banks in their home jurisdiction for the compilation of the BIS consolidated international banking statistics (see Tables B3 and B4 of the international consolidated banking statistics).[23] Banks report these figures quarterly for the consolidated position of their institution. If the reporting group is unable to compile the necessary data, contact the relevant supervisory authority for additional guidance.

126. Do not report initial/variation margins or guarantee deposits constituted for hedging counterparty risk of derivatives transactions.

Item 12.a: Total foreign claims on an ultimate risk basis

127. Report the value of all claims over all sectors that, on an ultimate risk basis, are cross-border claims, local claims of foreign affiliates in foreign currency, or local claims of foreign affiliates in local currency.[24] Refer to the *Guidelines for reporting the BIS international banking statistics* (July 2019) for the definition used for this item (e.g. claims, cross-border claims , local claims of foreign affiliates in foreign and local currency). Do not include claims from positions in derivative contracts. Since these data refer to consolidated activities, they exclude all intra-office claims.[25]

4.6.2 Section 13: Cross-Jurisdictional Liabilities

128. This indicator combines data reported as part of the BIS locational banking statistics with figures that are reported for the BIS consolidated banking statistics. To match the treatment in the cross-jurisdictional assets indicator, the liabilities of all offices (i.e. headquarters, branches and subsidiaries in different jurisdictions) to entities outside the local market are included along with liabilities to non-residents within the home country. Individual figures reported to different central banks for the locational BIS statistics need to be aggregated and then combined with information on intra-office liabilities. The indicator amount reported in GSIB 1091 should not include intra-office liabilities. If the reporting group is unable to compile the necessary data themselves, contact the relevant supervisory authority for additional guidance.

[23] Tables B3 and B4 of the international consolidated banking statistics are available at www.bis.org/statistics/consstats.htm.

[24] For a full description of the data, definitions and coverage, see *Guidelines for reporting the BIS international banking statistics* (July 2019) at https://www.bis.org/statistics/bankstatsguide.pdf. These Guidelines provide a detailed definition of cross-jurisdictional claims/liabilities (in particular, see paragraphs 4.48 to 4.51 (including table 4.8)). The Guidelines make a distinction between local positions on residents and cross-border positions on non-residents, based on the location of the entity that books the position and the location of the counterparty. Cross-border claims and liabilities are positions on counterparties located outside the country where the entity that books the position is located. Local claims and liabilities in local currency are positions on counterparties located inside the country where the entity that books the position is located and denominated in the currency of the country where the booking entity is located. Domestic claims and liabilities – excluded from Sections 12, 13 and 20 of these Instructions – are positions on counterparties located inside the country where the GSIB reporter is located (i.e. country of the head office or the parent company). Claim/liability to residents within home country booked by any non-home country entity (branch or subsidiary) should not be reported in Cross-jurisdictional activity Indicators.

[25] Ultimate risk basis is a methodology whereby positions are allocated to a third party that has contracted to assume the debts or obligations of the primary party if that party fails to perform. In the CBS (consolidated banking statistics), claims on an ultimate risk basis are allocated to the country and sector of the entity that guarantees the claims (or, in the case of claims on branches, the country of the parent banks). The allocation to a third party results in risk transfer and not in cancellation of the hedged or guaranteed claims. For instance, if a loan included in banking book is completely "hedged" by a Total Return Swap (TRS), allocate the amount of the loan to the country of TRS counterpart (if this counterpart is a branch, consider the country of the parent entity). For more details, cf. "Risk transfers" part of Guidelines for reporting the BIS international banking statistics (July 2019).

129. Do not report initial/variation margins or guarantee deposits constituted for hedging counterparty risk of derivatives transactions.

Item 13.a: Foreign liabilities (excluding derivatives and local liabilities in local currency)

130. Report the sum of all foreign liabilities, excluding both liabilities from positions in derivative contracts and local liabilities in local currency. Include liabilities between a non-domestic office within the reporting group and a domestic counterparty not included in the reporting group. Include assets sold under repurchase agreements (repo transactions) and securities sold short. Figures for locational statistics are reported by offices in each individual jurisdiction to the relevant central bank for the compilation of the BIS consolidated international banking statistics (see column "All sectors/Liabilities" in Table A4.1 of the Statistical Bulletin of the *BIS Quarterly Review*).[26] Short sales positions (i.e. where the bank has borrowed and then sold securities to create short positions) should be allocated to the country of the counterparty of securities borrowing transaction (the lender of securities to whom borrowed securities are owed). Do not report securities liabilities that are tradable assets issued by the bank. Do not base the country allocation on the original securities issuer.

Item 13.a.(1): Any foreign liabilities to related offices included in item 13.a

131. Report the value of any intercompany liabilities included in item 13.a (i.e. liabilities that are to the reporting group's own foreign offices, or from a foreign office to a domestic office within the reporting group). Figures are reported by offices in each individual jurisdiction to the relevant central bank for the compilation of the BIS consolidated international banking statistics (see column "Bank sector/Of which: Intragroup/Liabilities." in Table A4.1 of the Statistical Bulletin of the BIS Quarterly Review).[27] Note that this figure should be a subset of item 13.a.

Item 13.b: Local liabilities in local currency (excluding derivatives activity)

132. Report the value of all foreign-office liabilities in local currency, excluding liabilities from positions in derivative contracts. This figure is reported by internationally active banks to the central bank in their home jurisdiction for the compilation of the BIS consolidated international banking statistics (see column "Local positions in local currencies/Liabilities" of Table B2 of the Statistical Bulletin of the BIS Quarterly Review).[28] Do not include intercompany liabilities. Do not report securities liabilities that are tradable assets issued by the bank.

[26] For a full description of the data, definitions and coverage, see *Guidelines for reporting the BIS international banking statistics* (July 2019) at https://www.bis.org/statistics/bankstatsguide.pdf . In this item, "liability" refers to definitions provided in paragraph B.3.1 of Guidelines for reporting the BIS international banking statistics (March 2013).

[27] Available at https://www.bis.org/statistics/bulletin1709.pdf. For a full description of the data, definitions and coverage, see *Guidelines for reporting the BIS international consolidated banking statistics* (July 2019) at www.bis.org/statistics/consbankstatsguide.pdf..

[28] Available at https://www.bis.org/statistics/bulletin1709.pdf. For a full description of the data, definitions and coverage, see *Guidelines for reporting the BIS international consolidated banking statistics* (March 2013) at www.bis.org/statistics/consbankstatsguide.pdf Ibid.

4.7 Ancillary Indicators

4.7.1 Section 14: Ancillary Indicators

Item 14.a: Total liabilities

133. Report total liabilities, excluding own funds and capital as well as various incurred costs that are still due (e.g. income tax payable, wages payable, etc.). For this item, conservative estimates (such as the accounting value) are permitted.

Item 14.b: Retail funding

134. Report total deposits less the sum of deposits from depository institutions, deposits from central banks, and any other deposits (including certificates of deposit) not held by retail customers or small businesses. Small business customers are those customers with less than €1 million in consolidated deposits that are managed as retail customers and are generally considered as having similar liquidity risk characteristics to retail accounts. For more information, see the Basel II framework – *International Convergence of Capital Measurement and Capital Standards*, paragraph 231, June 2006.[29]

Item 14.d: Total gross revenue

135. Report the total gross revenue, which is defined as interest income plus noninterest income.[30]

Item 14.e: Total net revenue

136. Report total net revenue, which is defined as interest income plus noninterest income minus interest expense.[31]

Item 14.f: Foreign net revenue

137. Report the net revenue from all foreign offices. For purposes of this item, a foreign office of a reporting group is a branch or consolidated subsidiary located outside of the organisation's home country (i.e. the country where the reporting group is headquartered). Branches or consolidated subsidiaries located in territories or possessions of the home country are considered foreign offices. Net revenue is defined as interest income plus noninterest income minus interest expense.[32]

Item 14.g: Gross value of cash provided and gross fair value of securities provided in SFTs

138. Report the gross value of all cash provided and the gross fair value of all securities provided in the outgoing legs of SFTs. Only include transactions completed by the reporting group on its own behalf. Include variation margin provided, but do not include any counterparty netting. Include the outgoing legs associated with repurchase and reverse repurchase agreements, and securities lending and borrowing. Do not include outgoing legs associated with conduit lending and margin lending transactions.

Item 14.h: Gross value of cash received and gross fair value of securities received in SFTs

139. Report the gross value of all cash received and the gross fair value of all securities received in the incoming legs of SFTs. Only include transactions completed by the reporting group on its own behalf. Include variation margin received, but do not include any counterparty netting. Include the incoming legs

29 The document is available at www.bis.org/publ/bcbs128.htm.

30 Noninterest income includes trading gains, investment income, commissions, fees and other operating income.

31 Ibid.

32 Ibid.

associated with repurchase and reverse repurchase agreements, and securities lending and borrowing. Do not include incoming legs associated with conduit lending and margin lending transactions.

Item 14.i: Gross positive fair value of over-the-counter (OTC) derivative transactions

140. Report the gross positive fair value of all OTC derivative transactions. The reported value should not include any counterparty netting.

Item 14.j: Gross negative fair value of OTC derivative transactions

141. Report the gross negative fair value of all OTC derivative transactions. The reported value should not include any counterparty netting.

Item 14.k: Number of jurisdictions

142. Report the number of countries, including the home jurisdiction, where the reporting group has a branch, a subsidiary, or other entity that is consolidated under the accounting standard specified in item 1.b.(2). The jurisdiction should be determined using the physical address of the branch, subsidiary, or other consolidated entity. Include offshore financial centers (e.g. Cayman Islands and Hong Kong SAR) as separate jurisdictions.

4.7.2 Section 15: Ancillary Items

143. The items in this section have been designated for long-term monitoring, as they may affect the formulation of the indicators in a future assessment.

Item 15.a: Held-to-maturity securities

144. Report the book value (i.e. the carrying amount) of all securities classified as held-to-maturity or as loans and receivables (for IAS 39 banks) or at amortised cost (for IFRS 9 banks). .Do not report loans and financial instruments that are not securities.

Items 15.b.(1)-(2): Payments made in the reporting year

145. Report the total gross value of all cash payments sent by the reporting group via large value payment systems, along with the gross value of all cash payments sent through an agent bank over the reporting year in each indicated currency. For further detail, see the instructions for Section 6.

4.8 Memorandum Items

146. The memorandum items are mandatory. These items will be used to assess if changes should be made to the overall G-SIB framework. Therefore, it is important to ensure sufficient data quality. **Comments regarding data quality and availability are highly encouraged**. A dropdown menu contains pre-built comments on data quality and availability; nonetheless it is still possible to provide open comments by inputting some text in any comment cell.

4.8.1 Section 16: Size Items

147. A subset of items in this section measure specific life insurance product: variable annuities and unit-linked products.

148. Variable insurance and unit-linked products refer to products where policy holders have the ability to invest funds through accounts held in an insurance company providing access to a range of financial products, including stocks, bonds, and collective undertakings shares (CIUs). Variable insurance

products provide policy holders discretion over the choice[33] of financial instruments (mentioned above) mirroring the premium received (or the amount of cash invested in opened accounts). The return (positive or negative) of these mirroring financial products may be totally or partially assumed by the policy holder, depending on guarantees provided by the insurance company. Each region or jurisdiction may have its own type of variable products. Nevertheless, insurers may write products similar to variable products as above described. In the United States and Canada, these policies may include variable life, variable annuity and contingent annuity contracts. For Europe, these products can be referred to as "unit-linked products" with various subcategories.

149. The definitions provided in the previous paragraph are based on a methodological document[34] elaborated by the International Association of Insurance Supervisors (IAIS) which describes the indicators for identifying Global Systemically Important Insurance companies (G-SII). Based on this IAIS document, variable insurance products or unit linked accounts may be broken down in three categories: (i) variable insurance or unit linked accounts[35] without any guarantee, (ii) variable insurance or unit-linked accounts with only death benefits and (iii) variable insurance or unit-linked accounts not included in (i) or (ii) such as products with a financial guarantee[36] (capital, minimum return, minimum income).

150. Non-European banks report exposures on variable insurance products (even unit-linked accounts) only in Items 16.a and 16.b. European banks report in Items 16.a and 16.b only variable insurance products that are not denominated as unit-linked accounts, and report unit-linked accounts in 16.c.

Item 16.a: Account value for variable insurance products with minimum guarantees, gross of reinsurance

151. The account value in this item is the sum of following elements: (1) the fair value of unit-linked life insurance or annuity policyholders' investments and (2) the technical provisions related to any guarantee (death, surrender accumulation, income, withdrawal or maturity benefits) embedded in these products. The first element refers to assets, fair-value of investments made by policyholders; the second element refers to the liability side of balance sheet as it sounds impossible to identify exactly assets related to (or mirroring) technical provisions aforementioned. As legal and accounting frameworks of variable insurance products differ across jurisdiction, the present definition of account value may require adjustments in order to take into account national specificities. Should a reporting bank be obliged to proceed with such adjustments, the comments section of the template has to be used to outline and describe main principles chosen for reporting account value (e.g. valuation basis used) using a qualitative document if necessary. Report the account value at year-end 2020 of variable insurance products and similar products traded by the insurance subsidiaries. Variable insurance products with minimum guarantees have the features that surrender value, maturity benefit or death benefit can rise or fall depending on investment performance, but such benefits are guaranteed at a minimum level by insurers. Report for all life and annuity products (including variable life, as well as, variable annuity and contingent annuity contracts) that provide protection against financial market risk, such as equity prices, changes in interest rates, or loss of value (principal) on other investments (e.g. mutual fund wraps contingent deferred

33 However, the choice is generally limited to a list of financial products, enumerated and described in the variable insurance contract.

34 G-SII instructions document is the equivalent of G-SIB Instructions for the assessment of global systemically important insurance companies.

35 Although IAIS document mentions unit-linked account, the case of unit-linked accounts without any guarantee is not treated. Nevertheless, this type of product exists in some jurisdictions and may represent significant amounts. That is the reason grounding the creation of category (i).

36 In IAIS document further specifications are provided to describe category (iii) : » report all life and annuity products that provide protection against financial market risk, such as equity prices, changes in interest rates, or loss of value (principal) on other investments (e.g. mutual funds wraps, contingent deferred annuity contracts, stable value contracts and other similar products) and that include at least one of the three types of embedded guarantees: guaranteed minimum income benefits, guaranteed minimum withdrawal benefits and guaranteed minimum accumulation benefits.

annuity contracts, stable value contracts and possible other similar policies), and that include one of the three types of embedded guarantees: guaranteed minimum income benefits, guaranteed minimum withdrawal benefits, and guaranteed minimum accumulation benefits.

Item 16.b: Account value for variable insurance products with minimum guarantees, net of reinsurance

152. Report the account value reported in item 16.a, after deduction of reinsurance transactions. For the amount net of reinsurance, identify the share of reinsurance obtained and deduct it from item 16.a. This share may be determined by considering the proportion of technical provisions transferred to the reinsurance company. As previously indicated, differences among national legal and accounting frameworks may justify adjustments. In this case, use the comments section of the template to underline and describe these adjustments.

Item 16.c: Investment value and guarantee value for unit-linked products with minimum guarantees, gross of reinsurance

153. Report the sum of "investment value" and "guarantee value" as defined in following paragraphs.

154. The investment value of unit-linked products stands for the value of investments made by policy holders at year-end 2020. Amounts reported are booked as balance sheet assets. These assets mirror premiums (net of any management fees) paid by policy holders and booked as technical provisions liabilities. The account value may be also defined by the fair-value of financial instruments (Collective Investment Undertaking (CIU) shares, securities…) held by an insurance company on behalf of its unit-linked accounts subscribers.

155. The guarantee value to report in Item 16.c. should be the part of accumulated premium paid by policy holder and allocated to cover the cost of financial guarantees provided (liability). The accounting classification of this part of accumulated premium does not matter: it should be reported even if not accounted as a liability technical provision. In order to illustrate this definition one can assume following example. A customer contract unit-linked account product consisting in CIU shares which replicate a specific equity index. A capital guarantee is embedded in the unit linked account. The insurance company decides to buy call options in order to ensure this capital guarantee. The payment of these calls is supposed to be made by the use of a part of premium paid by the customer. Calls are accounted as assets and "mirror" this part of premium paid which may be accounted as a liability technical provision or a derivative one.

Item 16.d: Total exposures, including insurance subsidiaries

156. Report total exposures as defined in Section 2, including insurance subsidiaries that are consolidated for accounting purposes but not in regulatory scope. Include insurance subsidiaries not captured by the regulatory scope of consolidation. Include also insurance subsidiaries that are deducted. Include the underlying assets and off-balance sheet exposures belonging to insurance subsidiaries that are not included in the leverage ratio exposure based on the regulatory scope of consolidation in accordance with paragraphs 8 and 9 of the 2014 Basel leverage ratio framework.[37] Do not take into account any deductions from Tier 1 capital (paragraph 16 of the 2014 Basel leverage ratio), and do not include intragroup transactions that are eliminated in the accounting consolidation process.[38] This item should at minimum include all exposures reported in item 2.f which are not towards an insurance subsidiary outside the regulatory scope of consolidation.

[37] See *Basel III leverage ratio framework and disclosure requirements* at www.bis.org/publ/bcbs270.pdf.

[38] Example: if Bank A (total assets €40) has an insurance subsidiary B whose total assets are €20, of which €3 are intragroup transactions to A, the respondent should report €57 as their consolidated assets.

Item 16.e: Exposures of insurance subsidiaries

157. For items 16.e.(1) through (3) report exposures only if insurance subsidiaries are not already included in Item 2.f.

Item 16.e.(1): On-balance and off-balance sheet insurance assets

158. Report the on-balance sheet – including the positive net fair value of derivatives – and the off-balance sheet assets for insurance subsidiaries included in item 16.d. Do not report intragroup transactions.

Item 16.e.(2): Potential future exposure of derivatives contracts for insurance subsidiaries

159. Report the potential future exposure of derivatives contracts for insurance subsidiaries included in item 16.d. Use exactly the method as defined in item 2.a.(3). In the comments area, **please provide comments** on the availability of this data and any potential reporting difficulties.

Item 16.e.(3): Investment value in consolidated entities

160. Report the prudential treatment of insurance subsidiaries that should be deducted from section 2. This figure ensures the size indicator in item 2.f and the insurance items in items 16.e.(1)-(2) are consistent once the investments are deducted. Specifically, assuming that there is no intragroup transactions, item 16.d must equal the total exposures indicator 2.f plus the insurance items 16.e.(1) and 16.e(2), minus 16.e.3 (i.e. the investments included in 2.f).

Item 16.f: Insurance subsidiaries: total exposures already included in prudential regulatory scope of consolidation

161. Report total exposures of insurance subsidiaries that are already included in the prudential regulatory scope of consolidation and that are already reported as part of the size indicator in item 2.f.

4.8.2 Section 17: Interconnectedness Items

Item 17.a: Intra-financial system assets, including insurance subsidiaries

162. For this item report all assets towards financial institutions respecting the rules described in Section 3 and with the same perimeter as item 16.d. Use exactly the same definitions of counterparties and rules as in that section but including insurance subsidiaries which are part of the consolidated group. Do not report intragroup transactions that are deducted in the accounting process. These items should at minimum be equal to the corresponding items in the referenced section of the template (GSIB 1045), net of any intragroup exposures that are deducted in the accounting process.

163. Report total assets including assets of the insurance subsidiaries on/off-balance sheet towards financial institutions (with deduction of intragroup transactions).[39] This item is the sum of items 17.a.(1), 17.a.(2), 17.a.(3), 17.a.(4) and 17.a.(5). While it may be possible for this item to be smaller than item 3.f, where this is the case, an explanation should be provided in the remarks.

Item 17.a.(1): Funds deposited with or lent to other financial institutions

164. Follow the instructions for item 3.a, including the assets of insurance subsidiaries.

[39] Ibid.

Item 17.a.(2): Unused portion of committed lines extended to other financial institutions

165. Follow the instructions for item 3.b, including the assets of insurance subsidiaries.

Item 17.a.(3): Holdings of securities issued by other financial institutions

166. Follow the instructions for items 3.c.(1)-(6), including the assets of insurance subsidiaries.

Item 17.a.(4): Net positive current exposure of SFTs with other financial institutions

167. Follow the instructions for item 3.d, including the assets of insurance subsidiaries.

Item 17.a.(5): OTC derivatives with other financial institutions that have a net positive fair value

168. Follow the instructions for items 3.e.(1) and 3.e.(2), including the assets of insurance subsidiaries.

Item 17.b: Intra-financial system assets, including asset management companies

169. For this item, use the definition of financial institutions described in the introductory paragraph of Section 4.3 (Interconnectedness Indicators), but also include asset management companies (AMC) and/or the equivalent legal entity as defined by national law as financial institutions. Report exposures only if the scoped in entities are third-parties to the bank (i.e. not subsidiaries of the bank). Report all the intra-financial system assets respecting the rules described in Section 3. Do not report intragroup transactions that are deducted in the accounting process. If the value of AMC assets is unavailable, provide an estimated value and inform it in the Comments column. Inform in the Comments column if there is no AMC assets. At a minimum, this item should be equal to the corresponding item in the referenced section of the template (GSIB1045).

Item 17.c: Intra-financial system assets, including private equity funds

170. For this item, use the definition of financial institutions described in the introductory paragraph of Section 4.3 (Interconnectedness Indicators), but also include private equity funds (PE) as financial institutions. Report exposures only if the scoped in entities are third-parties to the bank (i.e. not subsidiaries of the bank). Report all the intra-financial system assets respecting the rules described in Section 3. Do not report intragroup transactions that are deducted in the accounting process. If the value of PE assets is unavailable, provide an estimated value and inform it in the Comments column. Inform in the Comments column if there is no PE assets. At a minimum, this item should be equal to the corresponding item in the referenced section of the template (GSIB1045).

Item 17.d: Over-the-counter derivatives with other financial institutions that have a net positive fair value (revised definition)

171. The definition of this item is exactly the same as item 3.e.(1) (Section 3 Intra-Financial System Assets) with one difference: non-cash collateral is allowed to offset the net positive fair value amounts of OTC derivatives with other financial institutions, regardless of the applicable accounting standard used by the bank. Inform in the Comments column if there is no use of non-cash collateral. This item should be equal to or less than the corresponding item in the referenced section of the template (GSIB1043).

Item 17.e: Intra-financial system liabilities, including insurance subsidiaries

172. For this item report all liabilities towards financial institutions respecting the rules described in Section 4 and with the same perimeter as item 16.d. Use exactly the same definitions of counterparties and rules as in that section but including insurance subsidiaries which are part of the consolidated group. Do not report intragroup transactions that are deducted in the accounting process. These items should at a minimum be equal to the corresponding items in the referenced section of the template, net of any intragroup exposures that are deducted in the accounting process.

173. Report total liabilities including the liabilities of insurance subsidiaries on/off-balance sheet towards financial institutions (with deduction of intragroup transactions).[40] This item is the sum of items 17.e.(1) through 17.e(4). While it may be possible for this item to be smaller than item 4.e, where this is the case, an explanation should be provided in the remarks.

Item 17.e.(1): Funds deposited by or borrowed from other financial institutions

174. Follow the instructions for items 4.a.(1)-(3), including the assets of insurance subsidiaries.

Item 17.e.(2): Unused portion of committed lines obtained from other financial institutions

175. Follow the instructions for item 4.b, including the assets of insurance subsidiaries.

Item 17.e.(3): Net negative current exposure of SFTs with other financial institutions

176. Follow the instructions for item 4.c, including the assets of insurance subsidiaries.

Item 17.e.(4): OTC derivatives with other financial institutions that have a net negative fair value

177. Follow the instructions for items 4.d.(1) and 4.d.(2), including the assets of insurance subsidiaries.

Item 17.f: Intra-financial system liabilities, including asset management companies

178. For this item, use the definition of financial institutions described in the introductory paragraph of Section 4.3 (Interconnectedness Indicators), but also include asset management companies and/or the equivalent legal entity as defined by national law as financial institutions. Report all the intra-financial system liabilities respecting the rules described in Section 4. Do not report intragroup transactions that are deducted in the accounting process. If the value of asset management companies (AMC) liabilities is unavailable, provide an estimated value and inform it in the Comments column. Inform in the Comments column if there is no AMC liabilities. At minimum, this item should be equal to the corresponding item in the referenced section of the template (GSIB1052).

Item 17.g: Intra-financial system liabilities, including private equity funds

179. For this item, use the definition of financial institutions described in the introductory paragraph of Section 4.3 (Interconnectedness Indicators), but also include private equity funds as financial institutions. Report all the intra-financial system liabilities respecting the rules described in Section 4. Do not report intragroup transactions that are deducted in the accounting process. If the value of private equity funds (PE) liabilities is unavailable, provide an estimated value and inform it in the Comments column. Inform in the Comments column if there is no PE liabilities. At minimum, this item should be equal to the corresponding item in the referenced section of the template (GSIB1052).

Item 17.h: Over-the-counter derivatives with other financial institutions that have a net negative fair value (revised definition)

180. The definition of this item is exactly the same as item 4.d.(1) (Section 4 Intra-Financial System Liabilities) with one difference: non-cash collateral is allowed to offset the net negative fair value amounts of OTC derivatives with other financial institutions, regardless of the applicable accounting standard used by the bank. Inform in the Comments column if there is no use of non-cash collateral. This item should be equal to or less than the corresponding item in the referenced section of the template (GSIB1050).

[40] Ibid.

Item 17.i: Securities outstanding, including the securities issued by insurance subsidiaries

181. For this item report all securities respecting the rules described in Section 5 and with the same perimeter as item 16.d. Use exactly the same definitions and rules as in that section but including insurance subsidiaries which are part of the consolidated group. Do not report intragroup transactions that are deducted in the accounting process. This item should at minimum be equal to the corresponding item in the referenced section of the template, net of any intragroup exposures that are deducted in the accounting process.

182. Report all securities issued by the group including securities issued by insurance subsidiaries except for the securities that are owned by the group itself.

4.8.3 Section 18: Substitutability/Financial Infrastructure Items

Items 18.a.(1)-(15): Payments made as a correspondent

183. These items represent a subset of items 6.a-n. Report the total gross value of all cash payments sent by the reporting group as a correspondent for other banks (i.e. banks outside of the reporting group) over the reporting year in each indicated currency. Include all such payments sent via large value payment systems and through an agent bank (e.g. using a correspondent or nostro account). Payments among participants in large value payments systems that do not employ a large value payment system should be considered as correspondent banking payments. Do not include transactions sent on behalf of entities within the reporting group (i.e. group internal transactions). If precise totals are unavailable, known overestimates may be reported. Note that these values are a subset of the total payments made in the reporting year and currency (see Section 6). Respondents should use the conversion method applied in items 6.a-n. See the instructions for items 6.a–n for further guidance.

Item 18.b.-f: Trading volume

184. Instructions for the individual trading volume items are provided in the subsections that follow. For all the subsections on trading volume (i.e. items 18.b. through 18.f.) the following instructions apply:[41][42]

[41] For trading volumes denominated in foreign currencies, similarly with what is reported for payments activity (Section 6), respondents may (1) add up trading transactions in the foreign currency and then convert the total into the reporting currency using the average foreign exchange (FX) rate for the reporting year provided by the BIS at www.bis.org/bcbs/gsib/ (i.e. use the same method as was employed in previous assessments for the payments made in the reporting year), or (2) collect the daily flow data in the reporting currency directly, converting the data using a consistent set of daily exchange rate quotations. Reporting firms should maintain methodological consistency year over year.

[42] Consider the following examples for a better understanding of instructions; the plausibility of the example in economic terms being arguable; suppose Entity 1 and Entity 2 belongs to the same group.
Example 1:
Market < Client (client of Entity 2 in a contractual custody relationship) > Entity 2 (client of the market-maker) > Entity 1 (market maker) > Market
The client orders Entity 2 to purchase a security, market value being 100. The entity 2 buys the security at 100 to its market maker, which is Entity 1. Entity 1 is able to sell the security because it is included in its stock of securities (purchase made few days before Entity 2 order).
Intragroup transactions to be reported: 100 (either the sale by Entity 1 or the purchase by Entity 2).
Non intragroup transactions to be reported: 100. The transaction should be analysed from the group point of view: execution of an order issued by a client in a custodian relationship. The security has been purchased on the market on behalf of the client (direct transfer of ownership to the client), hence the 100 to be reported.
Example 2:
Market < Entity 1 (market maker) < Entity 2 (sub-market-maker) < Client (client of Entity 2 in a market making arrangement).
The client purchases a security from its market-maker (Entity 2) – market value being 100. Two days before the latter transaction, Entity 2 had acquired the security by paying 100 to its market maker (Entity 1). Four days before the client transaction, Entity 1 had purchased the security at 100. Assume that Entity 1 and Entity 2 belong to the same group.

Instructions related to the external legs

- Report trading volume as defined by the market value of all securities purchases and sales, on own account or on behalf of third parties, in gross terms, i.e. not netted, throughout the reporting year.
- Purchases and sales should be reported at their market value on the contractual date. Do not include or deduct any transaction fees and commissions received or paid.
- Items related to trading volume only measure purchases and sales of securities and is a flow measurement. Therefore, do not report the amount of securities portfolio in balance sheet and/or the amount of securities held in custody at any given point in time (the stock). Do not report the variation of the two before mentioned amounts in any period (e.g. from the 1 January to the 31 December of a given year).
- Purchase and sales cover (i) securities held as assets (initial recognition for a purchase and de-recognition for a sale, generally referred to as a trade by a dealer from inventory – principal model), (ii) securities in fiduciary, custody or trust accounts, securities trades that are facilitated by a broker using client funds to buy and sell – agency model, and trades for a firm's own account (generally referred to as proprietary trading).
- For transactions included in (ii) category, trades made on behalf of a client account which were routed to an external party for execution should be reported. However, a trade made by an external prime brokerage client that was only cleared through the bank should not be included in the reported volume if it was executed via a third party (i.e. the purchase or sale order is executed by an entity outside the group). The trading volume items do not capture trade clearing and settlement.
- Include trades made by the bank on behalf of a client account that were routed to an external party or exchange for execution regardless of whether the reporting institution is a member of the exchange or not and regardless of whether the reporting institution only provides infrastructure services to the customer or more.
- Do not include securities financing transactions such as repurchase agreements and securities lending arrangements, trading in derivatives, commodities or FX. However, if a borrowed security (reverse repo or lending securities arrangement) is sold and then repurchased (in order to return the security to the lender), both purchase and sale transactions should be reported.

Instructions related to intragroup transactions

- Include trading volumes made with intragroup counterparties[43] (do not include trading volumes made with intra-entity counterparties). The measurement of intragroup trading volumes is captured in separated items. If intragroup trading volumes are unavailable, note this fact in the comments column.
- If an entity of a group sells or purchases a security to another entity of the same group, report one transaction (purchase or sale).

Intragroup transactions to be reported: 100 (either the purchase or the sale).
Non intragroup transactions to be reported: 200. The transaction should be analysed from the group point of view. In this case, the group acted as a market maker for the client: purchase of the security at 100 and sale to client at a 100.

[43] "Intragroup counterparties" refers to any subsidiaries and any branches (including if they belong to the same legal entity) of the reporting firm.

Instructions applicable to both external legs and intragroup transactions

- Do not include cash dividend payouts and distributions from fund managers (which are independent of shareowner action).
- Include also purchases and sales from private placements.
- Preferred shares should be treated the same way as common stock, which is included in either item 18.e or 18.f based on whether they are listed or unlisted.
- Include ABS traded transactions (and similar types of securitised products) in either item 18.b, item 18.c or item 18.d based on the originator/sponsor of the product (not the underlying).
- Include agency floater/fixed and cash municipal in item 18.b or 18.c based on the issuer of the product. Include corporate floater in item 18.d.

Item 18.b: Trading volume of securities issued by sovereigns

185. Report the total trading volume of all sovereign securities, including money market instruments, bills, bonds and other fixed income securities. Include securities issued by central governments and central banks along with any securities issued by the Bank for International Settlements, the International Monetary Fund, the European Stability Mechanism, and the European Financial Stability Facility.

Item 18.b.(1): Any intragroup transactions included in 18.b

186. Report the value of intragroup transactions related to total trading volume of all sovereign securities as defined in the previous paragraph.

Item 18.c: Trading volume of securities issued by other public sector entities

187. Report the total trading volume of securities issued by other public sector entities (i.e. other than those reported in item 18.b above), including money market instruments, bills, bonds and other fixed income securities. Include securities issued or guaranteed by government agencies, government-sponsored agencies, multilateral development banks, and state and local governments (including political subdivisions of sovereign entities).

Item 18.c.(1): Any intragroup transactions included in 18.c

188. Report the value of intragroup transactions related to the total trading volume of securities issued by other public sector entities as defined in the previous paragraph.

Item 18.d: Trading volume of other fixed income securities

189. Report the total trading volume of other fixed income securities, including money market instruments, bills, bonds and other fixed income securities (i.e. other than those reported in items 18.b and 18.c above) such as commercial paper, corporate bonds, syndicated corporate loans, covered bonds, convertible debt, and any securitized products not included in item 18.b.

Item 18.d.(1): Any intragroup transactions included in 18.d

190. Report the value of intragroup transactions related to trading volume of other fixed income securities as defined in the previous paragraph.

Item 18.e: Trading volume of listed equities

191. Report the total trading volume of all listed equities. Some jurisdictions make a distinction between formal exchanges and other recognised trading platforms such as Multilateral Trading Facilities. For the purpose of this item, include all equities traded on any of these trading venues. Include American

depositary receipts (ADRs) and global depositary receipts (GDRs). Do not include derivatives (e.g. listed equity options). Report the sum of all the trades/fills/executions placed on the exchanges over the year, before any netting.

18.e.(1): Any intragroup transactions included in 18.e

192. Report the value of intragroup transactions related to the total trading volume of all listed equities as defined in the previous paragraph.

Item 18.f: Trading volume of all other securities

193. Report the total trading volume of all securities not already reported in items 18.b-e such as unlisted equity securities, preferred stocks, trust preferred securities, and securities issued by funds (e.g. mutual funds, hedge funds, private equity funds, and real estate funds).

Item 18.f.(1): Any intragroup transactions included in 18.f

194. Report the value of intragroup transactions related to trading volume of all securities as defined in the previous paragraph.

Item 18.g-k: Central counterparties (CCPs)

195. For all of the subsections on CCP-activities (i.e. items 18.g. through 18.k.) the following instructions apply:

- Include all asset classes cleared through a CCP, not only derivatives. Report amounts for subsidiaries and clearing brokers regardless of whether they are direct members of the clearing house or not.

Item 18.g: Initial margin posted to central counterparties (CCPs) on behalf of clients

196. Report the gross amount of initial margin currently posted to CCPs on behalf of clients (i.e. the initial margin currently associated with client transactions). Note that the initial margin is the amount posted to reflect the potential future exposure arising from the possible future change in the value of the transaction. Include only the amount outstanding as of the reporting date (i.e. this is not a flow variable). Initial margin posted to central counterparties via a third party (i.e. a clearing member posting margin on behalf of a bank) should not be considered. If the initial margin posted on behalf of clients cannot be distinguished from the initial margin posted for the reporting group's own account (item 18.h), provide estimates, note this fact in the comments column, and ensure the total amount of initial margin (item 18.g plus item 18.h) is accurate.

Item 18.h: Initial margin posted to CCPs for the reporting group's own account

197. Report the gross amount of initial margin currently posted to CCPs in connection with the reporting group's own account. Include only the amount outstanding as of the reporting date (i.e. this is not a flow variable). Initial margin posted to central counterparties via a third party (i.e. a clearing member posting margin on behalf of a bank) should not be considered. If the initial margin posted on behalf of clients cannot be distinguished from the initial margin posted for the reporting group's own account, provide estimates, note this fact in the comments column, and ensure the total amount of initial margin (item 18.g plus item 18.h) is accurate.

Item 18.i: Default fund contributions to CCPs

198. Report the gross amount of default fund contributions currently posted to CCPs. Include only the amount outstanding as of the reporting date (i.e. this is not a flow variable).

Item 18.j: Other facilities to CCPs

199. Report the drawn and undrawn gross amount of other financial resources provided to CCPs (i.e. resources other than those reported in items 18.g-i above). Include committed and uncommitted liquidity, credit, and repo facilities, along with lines of credit, guarantees, and any other financial resources. Repo facilities refer to collateralized lending arrangements that involve the sale of securities or similar financial instruments together with an agreement to buy back the instruments at a later date. Report the committed and uncommitted cash amount of repo facilities that are provided as liquidity support to the CCP. Report only the drawn and undrawn amounts as of the reporting date (i.e. this is not a flow variable). Do not include negative variation margin. Only include financial resources provided to CCPs.

Item 18.k: Provision of settlement services in connection with centrally-cleared transactions

200. Report the all such payments made throuout the reporting year (i.e. this is a flow variable, not a stock variable). Report the total value of all outgoing payments made to fulfil payments obligations in relation to (both cash-settled and deliverable) transactions cleared by CCPs in the reporting year. This amount should include all cash payments related to initial margin and default fund postings, variation margin calls, delivery, any other margin (e.g. margin add-ons), and settlement payments sent in the reporting year regardless of whether it is made for the reporting group's own account or on behalf of clients. The value of initial or variation margin posted in the form of securities (e.g. bonds or shares) should not be reported as a guarantee.

201. For example, assume that the reporting group initiates several derivative contracts for its own account and on behalf of its clients, which are all cleared through a CCP. At initiation, the reporting group makes payment to the CCP in the amount of 50 euros. As the market moves, the net value of the derivative contracts changes, which triggers variation margin (VM) calls. If the reporting group pays 3 euros in VM on day one, receives 5 euros in VM on day two, and receives a final settlement payment of 70 euros on day three, the reporting group shall report a total of 50+3=53 euros in outgoing payments.

202. Settlement services comprise any payment made to the CCP. This includes payments made as a direct member of the CCP, as a provider of liquidity or other facilities to the CCP (including under repo arrangements), or as a provider of payment and settlement services on behalf of the CCP. Report all outgoing payments regardless of purpose, including, but not limited to, all margin postings, principal, fee and interest amounts. Report outgoing amounts regardless of whether the bank makes payments directly to the CCP (e.g. when both the CCP and the bank are members of the system used to settle payments) or if payment is made through a correspondent arrangement for the benefit of the CCP (e.g. when the bank or the CCP are not members of the system used to settle payment).

Item 18.l: Payments made in the reporting year (excluding intragroup payments): of which those that are made to central banks

203. Instructions for the individual items are provided in the subsections that follow. For all of the payments made in the reporting year (i.e.Section 6 Payments) report outgoing cash payments and transactions to central banks the bank operates with, in the currencies reported for Section 6 per the end-2020 G-SIB instructions. Do not report in items 18.l, 18.l.(1),18.l(2) and 18.l.(3) transactions that are not included in section 6. These items constitute a subset of the total amount reported in Section 6.

204. For this item the definition of payments is the same as indicated in Section 6. A zero value for items 18.l, 18.l.(1), 18.l.(2) and 18.l.(3) is allowed in two cases:

- No possibility to identify transactions from section 6 that are payments to central banks and/or to provide any estimation of these transactions. Please indicate in the comment zone "not available" with an explanation of why the identification is not possible.

- Item not applicable to the reporting bank. Indicate in the comment zone "not applicable" with reasons of justification (e.g. no transaction meeting the definition of payment as indicated in section 6 for Item 18.l).

If estimations are provided, please use the comment zone to explain why exact figures cannot be reported.

205. Do not report intragroup transactions. Therefore do not report cash transfers in item 18.l and section 6. A cash transfer is a transaction where the originator and the benificiray are the same entity (parent company or any subsidiary/branch belonging to the reporting group). As intragroup transactions, they are out of the scope of Sections 6 and Item 18.l. Note that excluded intragroup transactions are not limited to cash transfers.

206. Please note that payments to central banks are different from payments sent through central bank operated LVPS. All cash payments sent by the reporting group as direct participant via large value payment systems or LVPS (cf. paragraph 101 of Section 6) that are not transactions contracted bilaterally with central banks should not be considered as payment to central bankshence not to be reported in Item18.l (only in Section 6).

The following three sub-items are a breakdown of payments to central banks. Generally payments to central banks may be defined according to the following criteria:

- Own account payments to central bank implied by transactions (loans, borrowings, repos, reverse repos, derivatives…) contracted bilaterraly with a central bank. Do not report transactions with counterparts other than central bank. For example, payments sent to central bank operated LVPS do not result from bilateral transactions with the concerned central bank, even if central bank involvement ensures irrevocability of payments sent to LVPS. However, there is one exception: payments related to the purchase of primary issued sovereign debt should be reported in items 18.l and 18.l.(2).
- Correspondent banking activity involving central banks. More precisely, report in items 18.l and 18.l.(3) the gross value of all cash payments sent to the central bank where the central bank act as an agent or correspondent bank.

Item 18.l .(1): Transactions related to central bank operations

207. Report transactions related to central bank operations (e.g.securities financing transactions with central banks, the use of lending facilities, derivatives transactions) if they have been included in Section 6. Report zero otherwise (a zero value meaning that data is not available or that there are no payments involved by transactions related to central bank operations).[44]

Item 18.l.(2): Payments related to the purchase of primary issued sovereign debt

208. Report payments related to the purchase of sovereign debt, where the central bank acts as an intermediary in order to settle purchases of primary issued sovereign debts if they have been included in Section 6. Report zero otherwise (a zero value meaning that data is not available or that there is no payments involved by transactions related to central bank operations). Note: this line item may not be applicable to certain jurisdictions.

[44] In some cases, the identification of payments related to loans granted by central banks may raise methodological issues, since there are two possibilities: (i) roll over and (ii) reimbursement at maturity. In case (i), loans are not reimbursed at maturity but rolled over and only interests are paid. In case (ii), the outstanding amount is reimbursed at maturity as well as interests and a new loan is granted at the beginning of the next day. Economically, there is no difference between (i) and (ii), but in terms of reported payments, case (ii) would involve significantly higher payments reported than under case (i).

18.l.(3): Other transactions to central banks

209. Please report other transactions to central banks that are not captured in any of the items 18.l.(1)-(2) and are included in Section 6. Payments sent to the central bank where the central bank act as an agent or correspondent bank are in scope of this item. Use the comments column of the template to inform which transactions have been reported under this item. Report zero otherwise (a zero value meaning that data is not available or that there is no payments involved by transactions related to central bank operations).

4.8.4 Section 19: Complexity Items

210. For items 19.a-19.f and 19.h use the same definitions and rules as Section 9 except for the perimeter. Include all operations of insurance subsidiaries which are part of the group, after deduction of intragroup transactions and with the same perimeter as item 16.d. These items should at minimum be equal to the corresponding items in the referenced sections of the template, net of any intragroup exposures that are deducted in the accounting process.[45] Items 19.i-j should be reported on a best-efforts basis.

Item 19.a: Notional amount of over-the-counter (OTC) derivatives, including insurance subsidiaries

211. Report the total notional amount of over-the-counter (OTC) derivatives of the banking group, including all OTC derivatives of insurance subsidiaries which are part of the group, after deduction of intragroup transactions and with the same perimeter as item 16.d.

Item 19.a.(1): OTC Derivatives cleared through a central counterparty where the banking group, including insurance subsidiaries, acts as a financial intermediary (CCP-leg)

212. Report the outstanding notional amount of OTC derivatives under item 19.a which are cleared through a CCP as described in 9.a and where the banking group (also including insurance subsidiaries which are part of the group, after deduction of intragroup transactions and with the same perimeter of consolidation as in item 16.d) acts as a financial intermediary (principal to principal client clearing model). Under this item, report only the trade with the CCP and not the trade with the client which should be included under item 19.a.(2).

Item 19.a.(2): OTC Derivatives cleared through a central counterparty where the banking group, including insurance subsidiaries, acts as a financial intermediary (Client-leg)

213. Report the outstanding notional amount of OTC derivatives under item 19.a which are cleared through a CCP as described in 9.a and where the banking group (also including insurance subsidiaries which are part of the group, after deduction of intragroup transactions and with the same perimeter of consolidation as in item 16.d) acts as a financial intermediary (principal to principal client clearing model). Under this item, report only the trade with the client and not the trade with the CCP which should be included under item 19.a.(1).

Item 19.a.(3): OTC Derivatives cleared through a central counterparty where the banking group, including insurance subsidiaries, acts as an agent

214. Report the associated outstanding notional amount of OTC derivatives under item 19.a which are cleared through a CCP as described in item 9.a and where the banking group (also including insurance subsidiaries which are part of the group, after deduction of intragroup transactions and with the same

[45] Example: if Bank A (total assets €40) has an insurance subsidiary B whose total assets are €20, of which €3 are intragroup transactions to A, the respondent should report €57 as their consolidated assets.

perimeter of consolidation as in item 16.d), acting as an agent, guarantees the performance of the client to the CCP (agency client clearing model).

Item 19.a.(4): OTC Derivatives cleared through a central counterparty where the banking group, including insurance subsidiaries, trades on its own account

215. Report the outstanding notional amount of OTC derivatives under item 19.a which are cleared through a CCP as described in item 9.a and are not reported under item 19.a.(1) through item 19.a.(3). Eg, this item contains the notional amount outstanding of OTC derivatives where the banking group (also including insurance subsidiaries which are part of the group, after deduction of intragroup transactions and with the same perimeter of consolidation as in item 16.d) trades on its own account.

Item 19.a.(5): OTC derivatives, including insurance subsidiaries, settled bilaterally

216. Report the outstanding notional amount of OTC derivatives (including those of insurance subsidiaries which are part of the group, after deduction of intragroup transactions and with the same perimeter of consolidation as in item 16.d) under item 19.a which are settled bilaterally as described in item 9.b. Note that, if the banking group acts as a financial intermediary (principal to principal client clearing model) for OTC Derivatives cleared through a central counterparty, the trade with the client should be reported under item 19.a.(2).

Item 19.b: Trading and available-for-sale (AFS) securities (gross of deduction of liquid assets), including insurance subsidiaries

217. Report the total of trading and available-for-sale (AFS) securities, including all trading and AFS securities of insurance subsidiaries which are part of the group, after deduction of intragroup transactions and with the same perimeter as item 16.d. Do not deduct the value of securities that qualify as Level 1 and Level 2 liquid assets.

Item 19.c: Trading and AFS securities including insurance subsidiaries that meet the definition of Level 1 assets

218. Report the fair value of all trading and AFS securities including insurance subsidiaries that qualify as Level 1 liquid assets according to paragraphs 50(c), 50(d) and 50(e) of the Basel III LCR.[46] Include qualifying securities even if they do not fulfil the LCR operational requirements outlined in paragraphs 31–40 of the Basel II LCR.[47] The determination of Level 1 securities is exactly similar, be these securities held by a banking or insurance entity.

Item 19.d: Trading and AFS securities including insurance subsidiaries that meet the definition of Level 2 assets, with haircuts

219. Report the fair value, **after applying haircuts**, of all trading and AFS securities including insurance subsidiaries that qualify as Level 2 assets according to paragraphs 52 and 54 of the Basel III LCR.[48] Include qualifying securities even if they do not fulfil the LCR operational requirements outlined in paragraphs 31– 40.[49] Level 2A, Level 2B RMBS and Level 2B non-RMBS **assets should be reported with haircuts of 15%, 25% and 50%**, respectively. The caps outlined in paragraphs 46-48 and 51 should not

[46] See *Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools* at www.bis.org/publ/bcbs238.pdf

[47] Ibid.

[48] Ibid.

[49] Ibid.

be applied. [50] The determination of Level 2 securities and of applicable haircuts is exactly similar, be these securities held by a banking or insurance entity.

Item 19.e: Trading and AFS securities, held by insurance subsidiaries only

220. Report trading and AFS securities meeting definitions provided in Items 10.a and 10.b (i.e. fair value of all trading and AFS securities without any haircut) held by insurance subsidiaries. Do not include intra-group transactions.

Item 19.f: Level 3 assets, including insurance subsidiaries

221. Report the total Level 3 assets of the banking group (with the same definition used for Item 11, i.e. assets that are priced on a recurring basis on the balance sheet using Level 3 measurement inputs), including all Level 3 assets of insurance subsidiaries which are part of the group, after deduction of intragroup transactions and with the same perimeter as item 16.d.

Item 19.g: Assets valued for accounting purposes using Level 2 measurement inputs

222. Report the gross fair value of all assets that are priced on a recurring basis on the balance sheet using Level 2 measurement inputs. Internationally-recognised accounting standards commonly use a three-level fair value hierarchy that prioritises inputs used to measure fair value based on observability. Do not include assets that are measured at fair value for disclosure purposes only (i.e. if the assets are not carried at fair value on the balance sheet using level 2 measurement inputs the assets should not be included in the Level 2 total).

Item 19.h: Level 2 assets, including insurance subsidiaries

223. Report the total Level 2 assets of the banking group (with the same definition used for Item 19.g, i.e. assets that are priced on a recurring basis on the balance sheet using Level 2 measurement inputs), including all Level 2 assets of insurance subsidiaries which are part of the group, after deduction of intragroup transactions and with the same perimeter as item 16.d.

Item 19.h.(1): Level 2 assets, including insurance subsidiaries, cleared through a central counterparty

224. Report all assets value under item 19.h which refer to assets that are cleared through a CCP.

Item 19.h.(2) Level 2 assets, including insurance subsidiaries, settled bilaterally

225. Report all assets under item 19.h which refer to assets that are settled bilaterally.

Item 19.h.(3): Other Level 2 assets

226. Report all assets under item 19.h which are not reported under item 19.h.(1) or item 19.h.(2).

Item 19.i: Average value of Level 3 assets

227. Report the average value of Level 3 assets, calculated as an average of weekly data over the last three months preceding the reference date. If weekly data are not available and they cannot be estimated, please provide an average value based on monthly data. In case both weekly and monthly data are not available or cannot be estimated, report the value of Level 3 assets at the end of the quarter preceding the reference date. Indicate in the remark and in the comment which of the approaches described above has been used.

[50] Ibid.

Item 19.j: Average value of Level 2 assets

228. Report the average value of Level 2 assets, calculated as an average of weekly data over the last three months preceding the reference date. If weekly data are not available and they cannot be estimated, please provide an average value based on monthly data. In case both weekly and monthly data are not available or cannot be estimated, report the value of Level 2 assets at the end of the quarter preceding the reference date. Indicate in the remark and in the comment which of the approaches described above has been used.

4.8.5 Section 20: Cross-Jurisdictional Activity Items

229. Items 20.f through 20.m and 20.p through 20.r replicate certain cross-jurisdictional items with the only difference that the European Single Resolution Mechanism (SRM) is treated as a single jurisdiction. As stated in Section 12 all data collected refer to consolidated activities, excluding all intra-office claims. These items aim at measuring the impact of the Single Resolution Mechanism as a single jurisdiction on Cross-Jurisdictional indicators. Please use the lists of countries prepared by European Institutions.[51]

230. If the responding bank is not a SRM country bank all items, except the ones related to local claims/liabilities in local currency, will not differ from their equivalent line items in the end-2020 G-SIB assessment which do not consider the SRM as a single jurisdiction.

231. For each item the bank cannot consider the SRM countries as a single jurisdiction due to systems/IT limitations in Sections 20 or 21, the bank should enter the commensurate figure from Section 12, 13 or 14 which considers the SRM countries individually as separate jurisdictions. The bank should comment in Column L of the template that the bank cannot consider the SRM countries as a single jurisdiction for completing the end-2020 G-SIB exercise and briefly describe the bank's idiosyncratic data collection limitation which precludes the bank from considering the SRM as a single jurisdiction. Please also comment in Column L as to if the firm would be able to potentially configure its systems/IT to consider the SRM as a single jurisdiction for a future data collection.

Item 20.a: Foreign derivative claims on an ultimate risk basis

232. Report the positive fair value of all derivative claims that, on an ultimate risk basis, are cross-border claims, local claims of foreign affiliates in foreign currency, or local claims of foreign affiliates in local currency. Cross-border claims extend from an office in one country to a borrower in another country. Local claims of foreign affiliates in foreign and local currency extend from the local office of the bank to borrowers in that location. Derivatives include forwards, swaps, and options related to foreign exchange, interest rate, equity, commodity, and credit instruments. Include purchased credit derivatives, such as credit default swaps and total return swaps, that hedge or offset credit protection sold or are held for trading purposes. Purchased credit derivatives[52] are classified as held for trading if they were not obtained for the purposes of risk transfer (i.e. the firm does not own the underlying instrument). Include the market value of any credit protection that exceeds the value of the immediate claim it was purchased to guarantee. Sold credit derivatives are classified as guarantees and thus should not be reported. Note that all derivatives instruments with a positive fair value should be treated as claims.

233. The positive fair values of derivative contracts may be offset against negative fair values if and only if the positions were executed with the same counterparty under a legally enforceable netting agreement. Otherwise, positive fair values must be reported gross. Only netting sets with a positive value

[51] Available at: https://ec.europa.eu/info/business-economy-euro/euro-area/what-euro-area_en#whos-already-in and https://srb.europa.eu/en/node/1038. The countries that are part of the Single Resolution Mechaism include all the Euro Area countries, Bulgaria and Croatia.

[52] More details are provided in Part E (frequently asked questions and reporting examples) of Guidelines for reporting the BIS international banking statistics, cf. Q13.

should be included here. Netting sets where the net result is negative should be captured in item 20.b. Report derivative claims gross of any cash collateral.

234. Include only third party foreign derivative claims. The consolidated figure should not include intragroup transactions. The consolidated figure should also not include intercompany transactions.

235. When the final risk lies with the counterparty, a derivative is considered foreign if the counterparty is not in the bank's home jurisdiction. When the final risk lies with the guarantor, a derivative is considered foreign if the guarantor is not in the bank's home jurisdiction (e.g. the collateral consists of government securities from other countries).

236. When reporting on an immediate risk basis, the claims are allocated to the country of residence of the immediate counterparty. When reporting on an ultimate risk basis, the claims are allocated to the country in which the guarantor of the claim resides and/or the country in which the head office of a legally dependent branch is located.[53]

Item 20.b: Foreign liabilities on an immediate risk basis (including derivatives and local liabilities in local currency)

237. Report total foreign liabilities, including derivatives, on an immediate risk basis and including local liabilities in local and foreign currency of foreign offices. Note that internationally active banks report total liabilities (i.e. domestic and foreign) to the central bank in their home jurisdiction for the compilation of the BIS consolidated international banking statistics.[54] Do not include securities liabilities that are tradable financial assets issued by the bank. All other foreign liabilities should be reported. Note that the negative fair values of derivative contracts may be offset against positive fair values if and only if the positions were executed with the same counterparty under a legally enforceable netting agreement. Report derivatives liabilities gross of any collateral (cash and non-cash). Refer also to provisions of item 20.a when appropriate (e.g. definition of derivatives; handling of credit derivatives; etc.). Data collected refer to consolidated activities; intra-office liabilities have to be excluded.

238. For a full description of the data, definitions and coverage, refer to the Guidelines for reporting the BIS international banking statistics (July 2019)

Item 20.b.(1): Foreign derivative liabilities on an immediate risk basis

239. Report total foreign derivative liabilities on an immediate risk basis. Note that internationally active banks report total derivative liabilities (i.e. domestic and foreign) to the central bank in their home jurisdiction for the compilation of the BIS consolidated international banking statistics.[55] Similar to item 20.c. data collected refer to consolidated activities: exclude all intra-office derivative liabilities. Note also that this value is a subset of total foreign liabilities on an immediate risk basis (item 20.b). Refer also to the definitions provided for Item 20.a when appropriate (definition of derivatives, handling of credit derivatives, etc.).

Item 20.c: Local liabilities in local currency (including derivatives activity)

240. Report the value of all foreign-office liabilities in local currency, including liabilities from positions in derivative contracts. Note that the negative fair values of derivative contracts may be offset against positive fair values if and only if the positions were executed with the same counterparty under a legally

[53] For more information, see the reporting requirements for the consolidated banking statistics available at www.bis.org/statistics/bankstatsguide_repreqcons.pdf

[54] See *Guidelines for reporting the BIS international banking statistics* (March 2013), section C.4.2, available at www.bis.org/statistics/bankstatsguide.pdf.

[55] Ibid.

enforceable netting agreement. The definition of this item is exactly the same as item 13.b with the difference liabilities from positions in derivative contracts have to be included.

Item 20.d: Cross-jurisdictional local claims in local currency on an ultimate risk basis (excluding derivatives activity)

241. Report the value of all foreign-office local claims in local currency excluding claims from positions in derivatives contracts. As stated in Section 12, since data collected refer to consolidated activities, they exclude all intra-office claims. In this item, "local claims in local currency" is defined similarly to the glossary of the consolidated banking statistics guidelines (i.e. asset positions in local currency booked in a foreign office with any counterparty located in the same country as the above mentioned foreign office).

Item 20.e: Cross-jurisdictional local claims in local currency on an ultimate risk basis (including derivatives activity)

242. Report the value of all foreign-office local claims in local currency including claims from positions in derivatives contracts. Note that the positive fair values of derivative contracts may be offset against negative fair values if and only if the positions were executed with the same counterparty under a legally enforceable netting agreement. As stated in Section 12, since data collected refer to consolidated activities, they exclude all intra-office claims. In this item, "local claims in local currency" is defined similarly to the glossary of the consolidated banking statistics guidelines (i.e. asset positions in local currency booked in a foreign office with any counterparty located in the same country as the above mentioned foreign office).

Item 20.f: Total foreign claims on an ultimate risk basis (considering Single Resolution Mechanism as a single jurisdiction)

243. The definition of this item is exactly the same as item 12.a (Section 12. Cross-Jurisdictional claims) with one difference: all exposures to counterparties which are residents (on an ultimate risk basis point of view) of a Single Resolution Mechanism country have to be considered as exposures to a single jurisdiction. It involves for Single Resolution Mechanism country banks that such exposures are domestic ones and should be excluded from item 20.f. If the responding bank is not headquartered in an SRM country, this item must be equal to item 12.a.

Item 20.g: Foreign derivatives claims on an ultimate basis (considering Single Resolution Mechanism as a single jurisdiction)

244. The definition of this item is exactly the same as item 20.a (Foreign derivative claims on an ultimate risk basis) with the same aforementioned difference (Single Resolution Mechanism as a single jurisdiction). If the responding bank is not headquartered in a SRM country, this item must be equal to item 20.a.

Item 20.h: Foreign liabilities on an immediate risk basis, including derivatives (considering Single Resolution Mechanism as a single jurisdiction)

245. The definition of this item is exactly the same as item 20.b (Foreign liabilities on an immediate risk basis including derivatives) with the same aforementioned difference (Single Resolution Mechanism as a single jurisdiction). If the responding bank is not headquartered in an SRM country, this item must be equal to item 20.b.

Item 20.h.(1): Foreign derivatives liabilities on an immediate risk basis (considering Single Resolution Mechanism as a single jurisdiction)

246. The definition of this item is exactly the same as the item 20.b.(1), (Foreign derivative liabilities on an immediate risk basis) with same aforementioned difference (Single Resolution Mechanism as a single

jurisdiction). If the responding bank is not headquartered in a SRM country, this item must be equal to item 20.b.(1).

Item 20.i: Cross-jurisdictional local claims in local currency, excluding derivatives activity (considering Single Resolution Mechanism as a single jurisdiction)

247. The definition of this item is exactly the same as item 20.d (Cross-jurisdictional local claims in local currency on an ultimate risk basis (excluding derivatives activity)), with same aforementioned difference (Single Resolution Mechanism as a single jurisdiction). For a non-SRM bank, claims booked by SRM branches or subsidiaries in local currency and contracted with counterparties located in any SRM country will be considered as local claims in local currency.

Item 20.j: Cross-jurisdictional local claims in local currency, including derivatives activity (considering Single Resolution Mechanism as a single jurisdiction

248. The definition of this item is exactly the same as item 20.i (Cross-jurisdictional local claims in local currency, excluding derivatives activity (considering Single Resolution Mechanism as a single jurisdiction)), with the difference that claims from positions in derivatives contracts have to be included. Note that the positive fair values of derivative contracts may be offset against negative fair values if and only if the positions were executed with the same counterparty under a legally enforceable netting agreement.

Item 20.k: Foreign Liabilities on an immediate risk basis (excluding derivatives and local liabilities in local currency) (considering Single Resolution Mechanism as a single jurisdiction)

249. The definition of this item is exactly the same as item 13.a with the same aforementioned difference (Single Resolution Mechanism as a single jurisdiction). If the responding bank is not headquartered in an SRM country, this item may be smaller than item 13.a.

Item 20.k.(1): Any foreign liabilities to related offices included in item 20.k (considering Single Resolution Mechanism as a single jurisdiction)

250. The definition of this item is exactly the same as item 13.a.(1) with the same aforementioned difference (Single Resolution Mechanism as a single jurisdiction). If the responding bank is not headquartered in an SRM country but operates in SRM countries with subsidiaries and branches, this item may be smaller thanitem 13.a.(1).

Item 20.l: Local liabilities in local currency excluding derivatives on an immediate risk basis (considering Single Resolution Mechanism as a single jurisdiction)

251. Report the value of all foreign-office liabilities in local currency excluding liabilities from positions in derivatives contracts. The definition of this item is the same as the one of item 13.b (local liabilities in local currency). The difference compared to item 13.b is the Single Resolution Mechanism considered as a single jurisdiction. For a non-SRM bank, liabilities booked by EA branches or subsidiaries and contracted in local currency with counterparties located in any EA country will be considered as local liabilities in local currency.

Item 20.m: Local liabilities in local currency on an immediate risk basis including derivatives (considering Single Resolution Mechanism as a single jurisdiction)

252. Report the value of all foreign-office liabilities in local currency including liabilities from positions in derivatives contracts. Note that the negative fair values of derivative contracts may be offset against positive fair values if and only if the positions were executed with the same counterparty under a legally enforceable netting agreement. The other difference compared to item 13.b is that the Single Resolution Mechanism is considered as a single jurisdiction. For the remaining aspects the definition of this item is the same as the one of item 13.b (local liabilities in local currency). For a non-SRM bank, liabilities booked

by SRM branches or subsidiaries and contracted in local currency with counterparties located in any SRM country will be considered as local liabilities in local currency.

Item 20.n: Total net local positions in local currency including derivatives, if net positive

253. All reporting banks should report the sum of local claims in local currency (on an immediate risk basis) minus local liabilities in local currency (on an immediate risk basis) booked by foreign branches or subsidiaries (i.e. affiliates located outside of the headquarters' jurisdiction) in all countries where the net balance is positive.[56] [57]

Item 20.o: Total net local positions in local currency including derivatives, if net negative

254. All reporting banks should report the sum of local claims in local currency (on an immediate risk basis) minus local liabilities in local currency (on an immediate risk basis) booked by foreign branches or subsidiaries (i.e. affiliates located outside of the headquarters' jurisdiction) in all countries where the net balance is negative. Report in absolute values. [58]

Item 20.p: Total net local positions in local currency in non-SRM countries including derivatives, if net positive (considering SRM as a single jurisdiction)

255. All reporting banks should report the sum of local claims in local currency (on an immediate risk basis) minus local liabilities in local currency (on an immediate risk basis) booked by foreign branches or subsidiaries located in non-SRM countries where the net balance is positive. Please do not include local positions booked by branches and subsidiaries located in the headquarters' jurisdiction. [59]

Item 20.q: Total net local positions in local currency in non-SRM countries including derivatives, if net negative (considering SRM as a single jurisdiction)

256. All reporting banks should report the sum of local claims in local currency (on an immediate risk basis) minus local liabilities in local currency (on an immediate risk basis) booked by foreign branches or subsidiaries located in non-SRM countries where the difference is negative. Report in absolute values. Please do not include local positions booked by branches and subsidiaries located in the headquarters' jurisdiction. [60]

[56] First example: a US bank has branches/subsidiaries in FR, IT, JP and MX, which have booked the following local claims/liabilities in local currency including derivatives activity: FR: 50-110=-60; IT: 120-100= 20; JP: 50-80=-30; MX: 150-130=20; Additionally, the branch in France has granted claims to residents in Germany amounting to 70€ (considered as local claims in local currency when EA is a single jurisdiction). The US bank should report Item 20.n.=40 (IT=20+MX=20);; Item 20.o.=90 (FR=-60+JP=-30); Item 20.p.=20 (MX=20); Item 20.q.=30 (JP=-30); Item 20.r.=30 (FR=-60 + IT=20+ FR/GE=70).

Second example: a NL bank has branches/subsidiaries in FR, IT, JP and MX, which have booked the following local claims/liabilities in local currency including derivatives activity: FR: 50-110=-60; IT: 120-100= 20; JP: 50-80=-30; MX: 150-130=20; Additionally, the branch in France has granted claims to residents in Germany amounting to 70€ (considered as local claims in local currency when EA is a single jurisdiction). The NL bank should report Item 20.n.=40 40 (IT=20+MX=20); Item 20.o.=90 (FR=-60+JP=-30); Item 20.p.=20 (MX=20); Item 20.q.=30 (JP=-30); Item 20.r.=0 (as those are domestic positions).

[57] Note that the positive fair values of derivatives contracts may be offset against negative fair values, and vice versa, if and only if the positions were executed with the same counterparty under a legally enforceable netting agreement.

[58] Ibid.

[59] Ibid.

[60] Ibid.

Item 20.r: Total net local positions in local currency in SRM countries including derivatives (considering SRM as a single jurisdiction)

257. Non-SRM reporting banks should report the sum of local claims in local currency (on an immediate risk basis) minus local liabilities in local currency (on an immediate risk basis) booked by branches or subsidiaries located in SRM countries with counterparties in any SRM country. Note that for banks headquarters in the SRM, this item must be zero as these claims and liabilities will be considered domestic positions. When the net balance is positive, report as a positive value; when the net balance is negative, report a negative value (i.e. do not report in absolute value). [61]

Items 20.s-v: Intragroup Funding of Foreign Affiliates

258. For the purpose of the following four items a subsidiary of the consolidated group is a legal entity (controlled by a parent entity) included into the regulatory consolidation perimeter of the group. A branch of the consolidated group is a legally dependent part of an institution that carries out directly all or some of the transactions inherent in the business of the institution.

Item 20.s: Intra-office claims booked by foreign subsidiaries

259. Report all foreign claims based on the definition of item 12.a including foreign derivative claims, which are booked by a foreign subsidiary of the consolidated group and where the counterparty is any entity of the consolidated group, including the headquarter (please, follow the same perimeter of consolidation as in section 12).[62]

Item 20.t: Intra-office claims booked by foreign branches

260. Report all foreign claims based on the definition of item 12.a including foreign derivative claims, which are booked by a foreign branch of the consolidated group and where the counterparty is any entity of the consolidated group, including the headquarter (please, follow the same perimeter of consolidation as in section 12).[63] Do not report any intra-office claims if the branch is under control of a foreign subsidiary of the same jurisdiction, e.g. the subsidiary has a branch in the same jurisdiction. Note that in this case the intra-office claims of the subsidiary are reported under 20.s.

Item 20.u: Intra-office liabilities booked by foreign subsidiaries

261. Report all foreign liabilities based on the definition of item 20.b which are booked by a subsidiary of the consolidated group and where the counterparty is an entity of the consolidated group (please, follow the same perimeter of consolidation as in section 13).[64]

Item 20.v: Intra-office liabilities booked by foreign branches

262. Report all foreign liabilities based on the definition of item 20.b which are booked by a branch of the consolidated group and where the counterparty is an entity of the consolidated group (please, follow

[61] Ibid.

[62] Note that the positive fair values of derivatives contracts may be offset against negative fair values if and only if the positions were executed with the same counterparty under a legally enforceable netting agreement. Report derivatives gross of any cash collateral. Please refer to provisions of item 20.a when appropriate (e.g. definition of derivatives, handling of credit derivatives, etc.)

[63] Ibid.

[64] Note that the reporting of short sales should be aligned with national accounting standards. In addition, the negative fair values of derivatives contracts may be offset against positive fair values if and only if the positions were executed with the same counterparty under a legally enforceable netting agreement. Report derivatives liabilities gross of any collateral (cash and non-cash).

the same perimeter of consolidation as in section 13).[65] Do not report any intra-office liabilities if the branch is under control of a foreign subsidiary of the same jurisdiction, e.g. the subsidiary has a branch in the same jurisdiction. Note that in this case the intra-office liabilities of the subsidiary are reported under 20.u.

4.8.6 Section 21: Ancillary Items

Item 21.a: Foreign net revenue (considering the Single Resolution Mechanism as a single jurisdiction)

263. This item is defined as the ancillary item 14.f (Foreign net revenue). The difference between this item and 14.f is that the Single Resolution Mechanism is considered a single jurisdiction. Net revenues of head office, all branches located in SRM countries or consolidated subsidiaries located in SRM countries are excluded from item 21.a as they are considered domestic revenues.

Item 21.b: Number of jurisdictions (considering the Single Resolution Mechanism as a single jurisdiction)

264. This item is defined as the ancillary item 14.k. The difference between this item and 14.k is that the Single Resolution Mechanism is considered a single jurisdiction. As a consequence, all entities located in SRM countries for the purposes of this item are considered to be from the same single jurisdiction.

4.9 Checks Summary

4.9.1 Section 22: Indicator Values

265. This section displays the totals for each of the twelve indicators used in the G-SIB assessment methodology, both in the reported currency/unit combination and in millions of euros. **Note that an indicator will only be calculated if all of the associated input cells are free of errors in the data checks column.** This section also includes a comments column for providing explanations of significant changes in indicator values when compared to the previous data collection exercise.

266. The checks column specifies which sections contain data errors. Note that missing data in the General Information section (Section 1) can cause data errors elsewhere in the template. Please review all checks prior to submitting the completed template.

4.9.2 Section 23: Indicator Values (Revised methodology)

266. This section displays the totals for each of the thirteen indicators used in the revised G-SIB assessment methodology published on 5 July, 2018,[66] both in the reported currency/unit combination and in millions of euros. **Note that an indicator will only be calculated if all of the associated input cells are free of errors in the data checks column.**

[65] Ibid.

[66] Available at https://www.bis.org/bcbs/publ/d445.pdf See Annex 7 for further details.

Appendix 1

Cross references to the Basel III monitoring workbook

National supervisory authorities will provide banks guidance and instructions on how to apply the references in the table below to complete Section 2 of the end-2020 G-SIB template as the references to the Basel III monitoring workbook are no longer available. The national supervisory authority is responsible for ensuring the values reported by a bank for Items 2.a.(1) through 2.e in the end-2020 G-SIB assessment match the corresponding items of the Basel III leverage ratio framework and disclosure requirements (January 2014).

Item reference for this exercise	Item ID	Heading
2.a.(1)	GSIB1012	Counterparty exposure of derivatives contracts
2.a.(2)	GSIB1201	Capped notional amount of credit derivatives
2.a.(3)	GSIB1018	Potential future exposure of derivative contracts
2.b.(1)	GSIB1013	Adjusted gross value of securities financing transactions (SFTs)
2.b.(2)	GSIB1014	Counterparty exposure of SFTs
2.c	GSIB1015	Other assets
2.d.(1)	GSIB1019	Notional amount of off-balance-sheet items with a 0% credit conversion factor (CCF)
2.d.(2)	GSIB1022	Notional amount of off-balance-sheet items with a 20% CCF
2.d.(3)	GSIB1023	Notional amount of off-balance-sheet items with a 50% CCF
2.d.(4)	GSIB1024	Notional amount of off-balance-sheet items with a 100% CCF
2.e	GSIB1031	Regulatory adjustments

Appendix 2

Guidance on definition of derivatives and embedded derivatives

The following guidance is taken from "International Accounting Standard 39 – Financial Instruments: Recognition and Measurement."

9 – Definition of a derivative

A ***derivative*** is a financial instrument or other contract within the scope of this Standard (see paragraphs 2–7) with all three of the following characteristics:

(a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the "underlying");

(b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and

(c) it is settled at a future date.

10,11 – Definition of an embedded derivative

An ***embedded derivative*** is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. A derivative that is attached to a financial instrument but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument.

Appendix 3

Guidance on reporting of financial instruments for items 10.a.-b.

The following table[67] provides some guidance on how items 10.a.-b. should be reported by banks that switched from IAS 39 to IFRS 9.[68]

The definitions of "Held for trading", "Available for sale", "Loans and Receivables" and "Held to Maturity" are the ones of Paragraph 9 of International Accounting Standard 39 – Financial Instrument recognition and measurement. The definitions of "Fair Value Through Profit and Loss", "Fair Value through Other Comprehensive Income", "Amortised Cost" are the ones of paragraphs 4.1.1 to 4.1.4 of IFRS 9 Financial Instruments. Please, note that when mentioning "trading" in the second column of this table, one should refer to "held for trading" as this notion is exactly the same in IAS 39 and IFRS 9. "Designated at fair value" (first column – IAS 39) and "option" (second column – IFRS 9) refer exactly to the same concept.

[67] For instance, the first row of the table should be interpreted as following. Former IAS 39 securities would be included in Fair Value Through Profit and Loss (FVTPL) IFRS 9 category. They were reported in Item 10.a. and should be reported in Item 10.a.: in this case, the change in accounting standard does not modify the content of Trading and AFS indicator.

[68] The classification of assets in IFRS 9 is based on two criteria:
- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

As a result, a financial asset should be measured at amortised cost if both the following conditions are met:
- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI test) on the principal amount outstanding.

A financial asset shall be measured at FVTOCI if both of the following conditions are met:
- the financial asset is held within a business whose both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified to cash flows that are solely payment of principal and interests (SPPI test)on the principal amount outstanding.

A financial asset shall be measured at fair value through profit and loss (FVTPL) unless it is measured at amortised cost or at FVTOCI. At initial recognition, an entity may make irrevocably an election for particular equity investments that would otherwise be measured at FVTPL. The option to designate assets at FVTPL that would have been otherwise classified in Amortised cost or FVTOCI categories should be used at initial recognition provided that:
- if doing so eliminates or significantly reduces a measurement or recognition inconsistency (referred to as an 'accounting mismatch') or
- if these assets are included in a group of financial liabilities or assets managed on a fair value basis (e.g. performance evaluated on a fair value basis).

IAS 39 categories	IFRS 9 categories	IAS 39	IFRS 9
Held for Trading	FVTPL trading	Item 10.a	Item 10.a
Designated at Fair Value	FVTPL (option) Securities managed on a fair value basis or designated at fair value in order to reduce an "accounting mismatch" which qualify for SPPI test.	Item 10.a	Item 10.a
Designated at Fair Value	FVTPL non trading Securities managed on a fair value basis or designated at fair value in order to reduce an accounting mismatch which do not qualify for SPPI test.	Item 10.a	Item 10.a
Available for sale	FVTPL non trading AFS assets that do not qualify for SPPI test – i.e. cash flows that are solely payment of principal and interests on the principal outstanding.	Item 10.b	Item 10.a
Available for sale	FVTOCI If an asset qualifies for SPPI test and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling assets. FVTOCI as described in paragraph 4.1.4 of IFRS 9 An investment in equity securities (according to IAS 32 definition) may be irrevocably classified in FVTOCI category at initial recognition (or at initial application of IFRS 9 – cf. below paragraph 7.2.8.b of IFRS 9).	Item 10.b	Item 10.b
Available for sale	Amortised Cost If an AFS asset qualifies for SPPI test and is held within a business model whose objective is achieved by collecting contractual cash flows.	Item 10.b	Out of the scope of Trading and AFS indicator
Loans and Receivables and Held to maturity	Amortised Cost Listed or non-listed on an active market debt securities (IAS 39 definition) which qualify for SPPI test and within a business model whose objective is achieved by collecting contractual cash flows.	Excluded from Trading and AFS indicators	Excluded from Trading and AFS indicators
Loans and Receivables and Held to maturity	FVTOCI Listed or non-listed on an active market debt securities (IAS 39 definition) which qualify for SPPI test and within a business model whose objective is achieved by both collecting contractual cash flows and selling assets.	Excluded from Trading and AFS indicators	Item 10.b
Loans and receivables and Held to maturity	FVTPL non trading Listed or non-listed on active market debt securities (IAS 39 definition) which do not qualify for SPPI test.	Excluded from Trading and AFS indicators	Item 10.a

Reporting banks should also consider transitional provisions of IFRS 9 – namely the ones related to "Transition for classification and measurement" (paragraphs 7.2.3 to 7.2.16) – and changes in hedge accounting. For instance, the two following paragraphs may directly impact Items 10.a. and 10.b.:

Paragraph 7.2.8 is potentially applicable to former IAS 39 Available for sale securities (cf. particularly paragraph 7.2.8.a). This paragraph is below reproduced:

At the date of initial application an entity may designate:

(a) a financial asset as measured at fair value through profit or loss in accordance with paragraph 4.1.5; or

(b) an investment in an equity instrument as at fair value through other comprehensive income in accordance with paragraph 5.7.5.

Such a designation shall be made on the basis of the facts and circumstances that exist at the date of initial application. That classification shall be applied retrospectively.

Paragraph 7.2.9 is potentially applicable to former IAS 39 Designated at fair value through profit and loss securities. This paragraph is below reproduced:

At the date of initial application, an entity:

(a) shall revoke its previous designation of a financial asset as measured at fair value through profit and loss if that financial asset does not meet the condition in paragraph 4.1.5

(b) may revoke its previous designation of a financial asset as measured at fair value though profit and loss if that financial asset meets the condition in paragraph 4.1.5.

Such a revocation shall be made on the basis of the facts and circumstances that exist at the date of initial application. That classification shall be applied retrospectively.

Appendix 4

Guidance on definition of fair value hierarchy

The following guidance is taken from "International Financial Reporting Standard 7 – Financial Instruments: Disclosures."

27A

To make the disclosures required by paragraph 27B an entity shall classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

Appendix 5

Calculation of the 12 indicators

This appendix describes how the data are combined to calculate the values for each of the 12 indicators used in the G-SIB assessment methodology. The July 2013 publication *Global systemically important banks: updated assessment methodology and the higher loss absorbency requirement*[69] describes how these indicators are used to calculate the scores of individual banks.[70]

The following table details the calculation of each of the 12 indicators using references to the individual data components described in Section 4 of this report. All indicator totals are expressed in terms of the reporting currency. In applying the assessment methodology to calculate banks' scores, the indicators are converted to euro using the exchange rate applicable on 31 December 2020.

Indicator-based measurement approach

Category	Individual indicator	Calculation
Cross-jurisdictional activity	Cross-jurisdictional claims	GSIB1087
	Cross-jurisdictional liabilities	Max[GSIB1088-GSIB1089,0]+ GSIB1090
Size	Total exposures as defined for use in the Basel III leverage ratio	GSIB1012+GSIB1201 +GSIB1018+GSIB1013 +GSIB1014+GSIB1015+GSIB1019*0.1 +GSIB1022*0.2+GSIB1023*0.5+GSIB1024
Interconnectedness	Intra-financial system assets	GSIB1033+GSIB1035+GSIB1036+GSIB1037 +GSIB1038+GSIB1039+Max[GSIB1040 -GSIB1041,0]+ GSIB1213+GSIB1043+GSIB1044
	Intra-financial system liabilities	GSIB1046+GSIB1047+GSIB1105+GSIB1048 +GSIB1214+GSIB1050+GSIB1051
	Securities outstanding	GSIB1053+GSIB1054+GSIB1055+GSIB1056 +GSIB1057+GSIB1058+GSIB1059
Substitutability/financial institution infrastructure	Assets under custody	GSIB1074
	Payments activity	GSIB1061+GSIB1062+GSIB1063+GSIB1064 +GSIB1065+GSIB1066+GSIB1067+GSIB1068 +GSIB1069+GSIB1070+GSIB1108+GSIB1071 +GSIB1072
	Underwritten transactions in debt and equity markets	GSIB1075+GSIB1076
Complexity	Notional amount of over-the-counter (OTC) derivatives	GSIB1078+GSIB1079
	Level 3 assets	GSIB1086
	Trading and available-for-sale securities	Max[GSIB1081+GSIB1082-GSIB1083-GSIB1084,0]

69 The document is available at www.bis.org/publ/bcbs255.htm.

70 Note that the overall scores of individual banks are rounded to the nearest whole basis point prior to bucket allocation.

Appendix 6

Issues to highlight for the end-2021 exercise

In April 2020 The Basel Committee on Banking Supervision set out additional measures to alleviate the impact of Covid-19 on the global banking system.[71] The Committee decided to postpone the implementation of the revised G-SIB framework by one year, from 2021 to 2022. Similarly, the scheduled implementation of the changes highlighted below has been postponed until 2022.

Interconnectedness, IFSA & IFSL

The list of financial institutions used for the the purpose of the interconnectedness indicators will include also Asset Management Companies and Private Equity Funds.

The conditions to allow non-cash collateral offsetting OTC derivative with other Financial Institutions in in IFSA & IFSL items will be clarified.

The definition of Certificates of deposit (Item 5.e) in the Securities Outstanding indicator will clarify the treatment for both transferable certificates of deposit held by non-financial institutions and non-transferable certificates of deposit.

Substitutability, Payments Activity Indicator

The list of currencies used to calculate the total payments made in the reporting year (excluding intragroup payments) will be amended to include New Zeland dollars and to exclude Brazilian real and Mexican pesos.

[71] See the press release "Basel Committee sets out additional measures to alleviate the impact of Covid-19" available at https://www.bis.org/press/p200403.htm

Appendix 7

Issues to highlight for the end-2021 exercise related to the revised assessment methodology

On 5 July, 2018 the Basel Committee on Banking Supervision published the revised assessment methodology and the higher loss absorbency requirement for global systemically important banks.[72]

The Committee agreed to the following main enhancements to the G-SIB framework:

- Amending the definition of cross-jurisdictional indicators consistent with the definition of BIS consolidated statistics;
- Introducing a trading volume indicator and modifying the weights in the substitutability category;
- Extending the scope of consolidation to insurance subsidiaries.

Disclosure requirements were also revised.

The revised methodology details a transitional schedule for the implementation of these enhancements to the G-SIB framework. The revised assessment methodology was scheduled to apply from 2021, based on end-2020 data. In April 2020 The Basel Committee on Banking Supervision set out additional measures to alleviate the impact of Covid-19 on the global banking system. The Committee decided to postpone the implementation of the revised G-SIB framework by one year, from 2021 to 2022.

Once the the revised assessment methodology applies the table contained in Annex 5 – detailing the calculation of each of the indicators using references to the individual data components described in Section 4 of this report – will cease to be valid, to be replaced by the following table:[73]

[72] Available at https://www.bis.org/bcbs/publ/d445.pdf

[73] Reference to indicator totals only; indicator breakdown not provided. The reference to individual data components reported in the Table A.7 may vary because of revisions in the G-SIB assessment template.

Indicator-based measurement approach: July 2018 revised methodology

Table A.7

Category	Individual indicator	Calculation	Weight
Cross-jurisdictional activity	Cross-jurisdictional claims	GSIB1087 + GSIB1146	10%
	Cross-jurisdictional liabilities	GSIB1148	10%
Size	Total exposures as defined for use in the Basel III leverage ratio	GSIB1117	20%
Interconnectedness	Intra-financial system assets	GSIB1215	6.67%
	Intra-financial system liabilities	GSIB1221	6.67%
	Securities outstanding	GSIB1226	6.67%
Substitutability/financial institution infrastructure	Assets under custody	GSIB1074	6.67%
	Payments activity (*)	GSIB1061+GSIB1062+GSIB1063+GSIB1064+ GSIB1065+GSIB1066+GSIB1067+GSIB1068+ GSIB1069+GSIB1070+GSIB1108+GSIB1071+ GSIB1072	6.67%
	Underwritten transactions in debt and equity markets	GSIB1075 + GSIB1076	3.33%
	Trading volume	0.5*[FINoI/SampleSUM(FINoI)] + 0.5*[EOSNoI/SampleSUM(EOSNoI)], where "Fixed income net of intragroup" and "Equities and other securities": FINoI = (GSIB1137 - GSIB1267) + (GSIB1138 - GSIB1268) EOSNoI = (GSIB1139 - GSIB1269) + (GSIB1140 - GSIB1270)	3.33%
Complexity	Notional amount of over-the counter (OTC) derivatives	GSIB1227	6.67%
	Level 3 assets	GSIB1229	6.67%
	Trading and available-for-sale securities	Max[GSIB1081 + GSIB1082 - GSIB1083 - GSIB1084,0]	6.67%

(*) The end-2021 payments activity currencies list will be modified as described in Appendix 6.