

Basel Committee on Banking Supervision

LEV

Leverage ratio

LEV10

Definitions and application

This chapter describes the scope of consolidation to be used in calculating the leverage ratio.

Version effective as of 01 January 2022

Cross references updated to take account of the revised standards that come into effect due to the December 2017 Basel III publication.



BANK FOR INTERNATIONAL SETTLEMENTS

This document has been generated on 29/08/2026 based on the Basel Framework data available on the BIS website (www.bis.org).

© Bank for International Settlements 2026. All rights reserved.

Scope of consolidation

10.1

The leverage ratio framework follows the same scope of regulatory consolidation, including consolidation criteria, as is used for the risk-based capital framework. This is set out in the [SCO](#) standard.

10.2

Where a banking, financial, insurance or commercial entity is outside the scope of regulatory consolidation, only the investment in the capital of such entities (ie only the carrying value of the investment, as opposed to the underlying assets and other exposures of the investee) is to be included in the leverage ratio exposure measure. However, investments in the capital of such entities that are deducted from Tier 1 capital as set out in [LEV30.3](#) may be excluded from the leverage ratio exposure measure.