

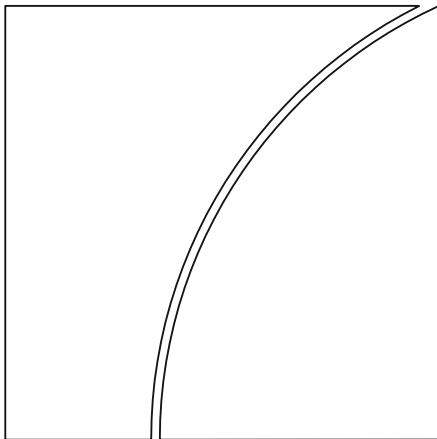
Basel Committee on Banking Supervision

Consultative Document

Global systemically important banks – methodology review

Issued for comment by 14 January 2027

16 October 2026



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

© *Bank for International Settlements 2026. All rights reserved. Brief excerpts may be reproduced or translated provided the source is stated.*

ISBN 978-92-9259-994-2 (online)

Contents

Introduction.....	1
The Committee’s 2022 agreement on the treatment of EBU exposures	1
Proposals	2
Implementation date	2
Comment period	2
Annex 1: Proposed edits to the Basel Framework.....	3
Annex 2: Proposed edits to the disclosure template	5

Introduction

The assessment methodology for global systemically important banks (G-SIBs) was first published in November 2011.¹ The methodology is set out in chapter SCO40 of the Basel Framework.² It includes a process of ongoing monitoring and review to ensure that the methodology remains appropriate in light of: (i) developments in the banking sector; (ii) progress in methods and approaches for measuring systemic importance; (iii) structural changes; and (iv) any evidence of material unintended consequences or material deficiencies with respect to the objectives of the framework. As regards the structural changes in regional arrangements – in particular in the European Banking Union (EBU) – they will be reviewed as actual changes are made.

As part of this monitoring process, in November 2021, the Committee announced a review on the implications of developments related to the EBU for the G-SIB methodology.³ This included a targeted review of the treatment of cross-border exposures within the EBU on the G-SIB methodology.

In May 2022, the Committee completed and publicly communicated the outcome of the targeted review. The Committee recognised the progress made in the development of the EBU. It agreed to give recognition in the G-SIB framework to this progress through the existing methodology, which allows for adjustments to be made according to supervisory judgment.⁴

Following the direction provided by the Group of Governors and Heads of Supervision in March 2026, and as part of the Committee's periodic review of the G-SIB assessment methodology, the Committee is consulting on whether to incorporate its 2022 agreement on the treatment of cross-border exposures within the EBU into the G-SIB framework.

The Committee's 2022 agreement on the treatment of EBU exposures

Under the Committee's 2022 agreement, as published at the time, a parallel set of G-SIB scores is calculated for EBU-headquartered G-SIBs and used to adjust their bucket allocations according to supervisory judgement. The parallel scores recognise 66% of the score reduction that would result from treating intra-EBU exposures as domestic exposures under the G-SIB scoring methodology. In June 2022, EU authorities published a more detailed description of the methodology and requirements for relevant EBU-headquartered banks to publish the cross-jurisdictional indicators needed to calculate the parallel set of scores.⁵

As part of the current practice, when proposed by the relevant authority, the bucket allocations of the G-SIBs that the Committee recommends to the Financial Stability Board (FSB) is based on the parallel

¹ See BCBS, "Global systemically important banks: updated assessment methodology and the higher loss absorbency requirement", November 2011, www.bis.org/publ/bcbs255.htm.

² See www.bis.org/basel_framework/chapter/SCO/40.htm.

³ See BCBS, "Press release: Basel Committee advances work on addressing climate-related financial risks, specifying cryptoassets prudential treatment and reviewing G-SIB assessment methodology", November 2021, <https://www.bis.org/press/p211109.htm>.

⁴ See BCBS, "Press release: Basel Committee finalises principles on climate-related financial risks, progresses work on specifying cryptoassets' prudential treatment and agrees on way forward for the G-SIB assessment methodology review", May 2022, <https://www.bis.org/press/p220531.htm>.

⁵ See European Central Bank, "Governing Council statement on the treatment of the European banking union in the assessment methodology for global systemically important banks", June 2022, <https://www.bankingsupervision.europa.eu/ecb/pub/pdf/ssm.methodology.202206~b206366a89.en.pdf>.

scores. Any downward adjustment of an EBU-headquartered G-SIB is limited to a single bucket. The parallel scores do not affect any bank's classification as a G-SIB, or the scores or bucket allocations of banks outside the EBU.

Proposals

Under the Committee's revisions, SCO40 of the Basel Framework and G-SIB assessment reporting instructions would be amended to reflect the Committee's 2022 agreement. In particular:

1. SCO40 would be updated to explain how the parallel scores are used to adjust bucket allocations using supervisory judgement. Proposed revisions to the relevant section of the standard are included in Annex 1.
2. The G-SIB assessment reporting instructions contain a guide to calculating a bank's G-SIB score from the financial information captured on the Basel Committee's G-SIB reporting template.⁶ This would also be updated to incorporate detail of the parallel score calculation for EBU banks, in line with the detailed description published by EU authorities in 2022.

Implementation date

Given the proposals formalise the existing treatment of EBU exposures, the revisions would apply with immediate effect once finalised.

Comment period

In line with its standard procedure, the Committee is opening a comment period on its proposed revision until 14 January 2027 using the form at the bottom of the following [link](#). Comments will be published on the Bank for International Settlements website, unless the respondent specifically requests confidential treatment.

⁶ For example see Appendix 6 of BCBS, "Instructions for the end-2025 G-SIB assessment exercise". January 2026, https://www.bis.org/bcbs/gsib/instr_end25_gsib.pdf.

Annex 1: Proposed edits to the Basel Framework

Set out below are the proposed edits to the Global systemically important banks (G-SIBs) chapter (SCO40) of the Basel Framework.

Use of supervisory judgement to take into account the European Banking Union

- 40.30 As contemplated in SCO40.32, to recognise progress made in the development of the European Banking Union (EBU), a parallel set of G-SIB scores is calculated for EBU-headquartered G-SIBs and used to adjust their bucket allocations according to supervisory judgement. These parallel scores recognise 66% of the score reduction that would result from treating intra-EBU exposures as domestic exposures under the cross-jurisdictional activity indicator set out in SCO40.13 – SCO40.14.
- 40.31 When proposed by the relevant authority, the bucket allocations of the G-SIBs that the Committee recommends to the FSB will be based on the parallel scores. Any downward adjustment of an EBU-headquartered G-SIB is limited to a single bucket. The parallel scores do not affect any bank's classification as a G-SIB, or the scores or bucket allocations of banks outside the EBU.

Periodic review and refinement

- 40.32 The methodology, including the indicator-based measurement approach itself, the cutoff/threshold scores and the size of the sample of banks, are regularly monitored and reviewed by the Committee in order to ensure that they remain appropriate in light of: (i) developments in the banking sector; (ii) progress in methods and approaches for measuring systemic importance; (iii) structural changes; and (iv) any evidence of material unintended consequences or material deficiencies with respect to the objectives of the framework. As regards the structural changes in regional arrangements – in particular in the European Banking Union – they will be reviewed as actual changes are made.
- 40.33 The Committee expects national jurisdictions to prepare a framework in which banks are able to provide high-quality data for the indicators. In order to ensure the transparency of the methodology, the Committee expects banks to disclose relevant data and has set out disclosure requirements in ~~SCO40.32 to SCO40.35~~ SCO40.34 to SCO40.37. The Committee discloses the values of the cutoff scores, the threshold scores for buckets, the denominators used to normalise the indicator values and the G-SIB indicators of all banks so that banks, regulators and market participants can understand how actions banks take could affect their systemic importance score and thereby the applicable magnitude of the HLA requirement.

Reporting and disclosure requirements

- 40.34 For each financial year-end, all banks with a leverage ratio exposure measure, including exposures arising from insurance subsidiaries, that exceeded EUR 350 billion in the previous year-end (using the exchange rate applicable at the financial year-end), will be required to submit the full set of data used in the assessment methodology to their supervisors. These banks should be required by national authorities to make publicly available the 13 indicators used in the assessment methodology.¹⁰ Banks should note in their disclosures that those figures are subject to revision and restatement.
- 40.35 Banks below this threshold that have been added to the sample owing to supervisory judgment or as a result of being classified as a G-SIB in the previous year would also be required to comply with the data submission and disclosure requirements stated in ~~SCO40.32~~ SCO40.34.
- Footnote*

[1] For the trading volume indicator, banks should be required by national authorities to make publicly available its two sub-indicators: (i) trading volume of fixed income instruments; and (ii) trading volume of equities and other securities.

- 40.36 Banks should also be required by national authorities to publicly disclose if the data used to calculate the G-SIB scores differ from the figures previously disclosed. To the extent that a revision to the data is required, banks should disclose the accurate figures in the financial quarter immediately following the finalisation of the Committee's G-SIB score calculation.
- 40.37 For banks headquartered in the EBU, data items relevant for the parallel score calculation referenced in SCO40.30 should be considered as part of the cross-jurisdictional activity indicators and disclosed accordingly.

Operational timetable

- 40.38 The assessment methodology set out in this chapter applies from 2027, based on end-2026 data. The corresponding higher loss absorbency requirement (defined in [RBC40]) applies from 1 January 2029.

Annex 2: Proposed edits to the disclosure template

DIS75

Template GSIB1 – Disclosure of G-SIB indicators

Purpose: Provide an overview of the indicators that feed into the Committee’s methodology for assessing the systemic importance of global banks.

Scope of application: The template is mandatory for banks which in the previous year have either been classified as G-SIBs, had a leverage ratio exposure measure exceeding EUR 350 billion or were included in the assessment sample by the relevant authority based on supervisory judgment (see [SCO40]).

For G-SIB assessment purposes, the applicable leverage ratio exposure measure definition is contained in the [LEV]. Its scope also includes exposures arising from insurance subsidiaries.

For application of this threshold, banks should use the applicable exchange rate information provided on the Basel Committee website at www.bis.org/bcbs/gsib/. The disclosure itself is made in the bank’s own currency.

Content: At least the 13 indicators (including the two sub-indicators for the trading volume indicator, ie (i) trading volume of fixed income instruments, and (ii) trading volume of equities and other securities) used in the assessment methodology of the G-SIB framework (see [SCO40]). For banks in the European Banking Union (EBU), as part of the cross-jurisdictional activity indicator, relevant items required for calculating parallel scores that recognise the score reduction that would result from treating 66% of intra-EBU exposures as domestic exposures (see SCO40).

Frequency: Annual. National authorities may allow banks whose financial year ends on 30 June to report indicator values based on their position as at 31 December (ie interim rather than financial year-end data).

Or in circumstances when banks are required to restate figures to reflect final data submitted to the Committee. This template must also be included in the bank’s financial year-end Pillar 3 report. Restatements are only necessary if considered so by the national authority or on voluntary basis.

Format: Flexible. The information disclosed must be fully consistent with the data submitted to the relevant supervisory authorities for subsequent remittance to the Committee in the context of its annual data collection exercise for the assessment and identification of G-SIBs.

Where jurisdictions require banks (or banks voluntarily choose) to disclose the full breakdown of the indicators, such disclosure must take place using the template and related instructions that sample banks use to report their data to the Committee’s data hub or as required by their local jurisdiction. The template format and its reporting instructions are available on the Basel Committee website (see www.bis.org/bcbs/gsib/reporting_instructions.htm).

Accompanying narrative: Banks should indicate the annual reference date of the information reported as well as the date of first public disclosure. Banks should include a web link to the disclosure of the previous G-SIB assessment exercise. Banks may supplement the template with a narrative commentary to explain any relevant qualitative characteristic deemed necessary for understanding the quantitative data. This information may include explanations about the use of estimates with a short explanation as regards the method used, mergers or modifications of the legal structure of the entity subjected to the reported data, the bucket to which the bank was allocated and changes in higher loss absorbency requirements, or reference to the Basel Committee website for data on denominators, cutoff scores and buckets.

Regardless of whether Template GSIB1 is included in the annual Pillar 3 report, a bank’s annual Pillar 3 report as well as all the interim Pillar 3 reports should include a reference to the website where current and previous disclosures of Template GSIB1 can be found.

	Category	Individual indicator	Values
1	Cross-jurisdictional activity	Cross-jurisdictional claims	
2		Cross-jurisdictional liabilities	
3	Size	Total exposures as defined for use in the Basel III leverage ratio*	
4	Interconnectedness	Intra-financial system assets*	
5		Intra-financial system liabilities*	
6		Securities outstanding*	
7	Substitutability/ Financial institution infrastructure	Assets under custody	
8		Payment activity	

9		Underwritten transactions in debt and equity markets	
10a		Trading volume of fixed income instruments	
10b		Trading volume of equities and other securities	
11	Complexity	Notional amount of over-the-counter derivatives*	
12		Level 3 assets*	
13		Trading and available for sale securities	

* Extended scope of consolidation to include insurance subsidiaries.

Definitions and instructions

The template must be completed according to the instructions and definitions for the corresponding rows in force at the disclosure's reference date, which is based on the Committee's G-SIB identification exercise.