

FSC IDENTIFIES D-SIBS FOR 2017

The FSC identified domestic systemically important banks (D-SIBs) for 2017: **Shinhan Financial Group, Hana Financial Group, KB Financial Group, NH Financial Group and Woori Bank.**

Those selected as D-SIBs are required to hold an extra capital of 1%, by 0.25% per year in from 2016 to 2019.

※ The average BIS ratios for banks and bank holding companies at the end of September 2016 exceed the minimum requirements; therefore, there is no actual burden at present for D-SIBs to set aside additional capital.

The FSC selects D-SIBs every year from 2016 in accordance with assessment criteria proposed by the Basel Committee on Banking Supervision (BCBS).

D-SIB ASSESSMENT CRITERIA

criteria	indicators	weighting
size (20%)	total exposure	20%
interconnectedness (20%)	intra-financial system assets	6.7%
	intra-financial system liabilities	6.7%
	securities issued	6.7%
substitutability (20%)	won-denominated payments	6.7%
	foreign currency-denominated payments	6.7%
	assets under custody	6.7%
complexity (20%)	OTC derivatives outstanding	10%
	financial securities in the trading book and available-for-sale securities	10%
country-specific factors (20%)	foreign currency-denominated debt	10%
	household loans	10%
total		100 %

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