



Press Release

For release on June 26, 2019

FSC Identifies D-SIBs for 2020

The Financial Services Commission identified on June 26, 2019, five bank holding companies (BHC) and six BHC's subsidiary banks as domestic systemically important banks (D-SIBs) for 2020: **Shinhan Financial Group, Hana Financial Group, KB Financial Group, NongHyup Financial Group, Woori Financial Group, Shinhan bank, Jeju bank, KEB Hana bank, Kookmin bank, NongHyup bank and Woori Bank.** Woori Financial Group was additionally identified as D-SIBs compared to 2019.

Those identified as D-SIBs for 2020 are required to set aside an additional common equity capital of 1%, and the higher loss absorbency requirement will take effect on January 1, 2020.

The FSC will identify D-SIBs every year in accordance with assessment criteria recommended by the Basel Committee on Banking Supervision (BCBS).

Table. D-SIB Assessment Criteria

Criteria	Indicator	Weighting
Size (20%)	Total exposure	20%
Interconnectedness (20%)	Intra-financial system assets	6.7%
	Intra-financial system liabilities	6.7%
	Securities outstanding	6.7%
Substitutability (20%)	Payments activity in KRW	6.7%
	Payments activity in foreign currencies	6.7%
	Assets under custody	6.7%
Complexity (20%)	Notional amount of OTC derivatives	10%
	Fair value through profit or loss and other comprehensive income (FVTPL & FVTOCI)	10%
Country-specific factors (20%)	Foreign currency-denominated debt	10%
	Household loans	10%
Total		100%



Financial Services Commission
www.fsc.go.kr



Financial Supervisory Service
www.fss.or.kr

###

Contact Person:

Song Yongmin
Deputy Director
Banking Division
Financial Services Commission
Tel: +82-2-2100-2953
Fax: +82-2-2100-2948
E-mail: sym1931@korea.kr

Park Mi-Kyung
Head of Public Relations Team
Public Affairs Office
Financial Supervisory Service
Tel: +82-2-3145-5803
Fax: +82-2-3145-5808
E-mail: pmk620@fss.or.kr