



2021 list of UK firms designated as other systemically important institutions (O-SIIs)

The Prudential Regulation Authority (PRA) is required to identify other systemically important institutions (O-SIIs) on an annual basis.¹ The PRA has conducted its O-SII identification process for 2021, as set out in the statement of policy on the PRA's approach to identifying O-SIIs.² Based on its methodology for O-SII identification, the PRA has designated fifteen firms as O-SIIs.

List of O-SIIs for 2021

Barclays Plc
Citigroup Global Markets Limited
Credit Suisse International
Credit Suisse Investments (UK)³
Goldman Sachs Group UK Limited
HSBC Holdings Plc
J.P. Morgan Capital Holdings Limited
Lloyds Banking Group Plc
Merrill Lynch International
Morgan Stanley International Limited
Nationwide Building Society
NatWest Group Plc
Nomura Europe Holdings Plc
Santander UK Group Holdings Plc
Standard Chartered Plc

¹ Part 5 of the Capital Requirements (Capital Buffers and Macro-prudential Measures) Regulations 2014 (SI 2014/894)

² PRA Statement of Policy 'The PRA's approach to identifying other systemically important institutions (O-SIIs)', December 2020: <https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/statement-of-policy/2020/the-pras-approach-to-identifying-o-siis-update-dec-2020>

³ Credit Suisse has multiple entities operating in the United Kingdom. Of these, two are deemed systemically important, and as such both have been designated (see Chapter 2 of the Statement of Policy on the PRA's approach to identifying O-SIIs).

Firms designated under the EBA's mandatory O-SII scoring methodology

Under the European Banking Authority (EBA) Guidelines, firms scoring equal to or higher than 350 basis points should be automatically designated as O-SIIs.⁴ Seven firms have been designated under this methodology. The table below lists these firms and their respective scores.

Name of O-SII	EBA mandatory score (in basis points) ⁵
HSBC Holdings Plc	1,706
Barclays Plc	1,207
NatWest Group Plc	714
Goldman Sachs Group UK Limited	652
Lloyds Banking Group Plc	599
J.P. Morgan Capital Holdings Limited	426
Morgan Stanley International Limited	365

Firms designated through supervisory overlay

In addition to the mandatory framework set out in the EBA Guidelines, the PRA uses a supervisory overlay to assess the systemic importance of firms that do not meet the 350 basis point threshold for automatic designation. The indicators used in the calculation of the supervisory overlay score and the justification for their use are set out in Section 4 of the statement of policy on the PRA's approach to identifying O-SIIs. The PRA has designated all firms whose supervisory overlay score exceeds 100 basis points as O-SIIs. The table below lists these firms and their respective scores.

Name of O-SII	EBA mandatory score (in basis points)	Supervisory overlay score (in basis points)
Standard Chartered Plc	297	275
Merrill Lynch International	219	270
Santander UK Group Holdings Plc	264	260
Nationwide Building Society	222	163
Citigroup Global Markets Limited	259	162
Credit Suisse Investments (UK)	20	157
Nomura Europe Holdings Plc	180	128
Credit Suisse International	171	124

⁴ www.eba.europa.eu/documents/10180/930752/EBA-GL-2014-10+%28Guidelines+on+O-SIIs+Assessment%29.pdf.

⁵ Based on data as at 31 December 2020

The table below sets out the systemically important activities of the firms that have been identified through supervisory overlay. Each of these firms is considered systemically important due to the impact that their distress or failure would have on the specified market(s), given their large market share.⁶

Name of O-SII	Systemically important activities
Standard Chartered Plc	Corporate banking
Merrill Lynch International	Intra-financial banking and investment banking
Santander UK Group Holdings Plc	Retail banking
Nationwide Building Society	Retail banking
Citigroup Global Markets Limited	Intra-financial banking and investment banking
Credit Suisse Investments (UK)	Investment banking
Nomura Europe Holdings Plc	Intra-financial banking and investment banking
Credit Suisse International	Intra-financial banking

The PRA has not designated any firms with a supervisory overlay score less than 100 basis points.

November 2021

⁶ See Appendix 1 of the Statement of Policy on the PRA's approach to identifying O-SIIs.