

Notification template for Article 131 of the Capital Requirements Directive (CRD) – Other Systemically Important Institutions (O-SIIs)

Template for notifying the European Central Bank (ECB) and the European Systemic Risk Board (ESRB) of the setting or resetting of an O-SII buffer under Article 131(7) CRD and of the identity of O-SIIs under Article 131(12) CRD

Please send/upload this template to:

- macropru.notifications@ecb.europa.eu when notifying the ECB (under Article 5 of the Single Supervisory Mechanism (SSM) Regulation¹);
- notifications@esrb.europa.eu when notifying the ESRB.

The ESRB will forward this notification to the European Commission, to the European Banking Authority (EBA) and to the competent and designated authorities of the Member States concerned without delay and will publicly disclose the names of the O-SIIs on its website. This notification will be made public by the ESRB once the relevant authorities have adopted and published the notified macroprudential measure².

E-mailing/uploading this template to the above addresses constitutes official notification; no further official letter is required. To facilitate the work of the notified authorities, please send the notification template in a format that allows the information to be read electronically.

1. Notifying national authority																			
1.1 Name of the notifying authority	Danish Financial Supervisory Authority (Finanstilsynet)]																		
1.2 Country of the notifying authority	Denmark]																		
2. Description of the measure																			
2.1a Institution or group of institutions concerned	<p>On which institution(s) is the measure applied (name and Legal Entity Identifier (LEI) code)?</p> <p><i>The designation of O-SII's in Denmark applies at the highest possible level of consolidation. The O-SII buffer applies to the institution designated as O-SII and to each individual credit institution of the O-SII</i></p> <table border="1"> <thead> <tr> <th>Name of institution</th> <th>LEI</th> <th>Consolidation level</th> </tr> </thead> <tbody> <tr> <td>Danske Bank A/S]</td> <td>MAES062Z21O4RZ2U7M96]</td> <td>Consolidated]</td> </tr> <tr> <td>Nykredit Realkredit A/S]</td> <td>LIU16F6VZJSD6UKHD557]</td> <td>Consolidated]</td> </tr> <tr> <td>Jyske Bank A/S]</td> <td>3M5E1GQGKL17HI6CPN30]</td> <td>Consolidated]</td> </tr> <tr> <td>Nordea Kredit Realkreditaktieselskab]</td> <td>52990080NXXLC14OC65]</td> <td>Individual]</td> </tr> <tr> <td>Sydbank A/S]</td> <td>GP5DT10VX1QRQUKVBK64]</td> <td>Consolidated]</td> </tr> </tbody> </table>	Name of institution	LEI	Consolidation level	Danske Bank A/S]	MAES062Z21O4RZ2U7M96]	Consolidated]	Nykredit Realkredit A/S]	LIU16F6VZJSD6UKHD557]	Consolidated]	Jyske Bank A/S]	3M5E1GQGKL17HI6CPN30]	Consolidated]	Nordea Kredit Realkreditaktieselskab]	52990080NXXLC14OC65]	Individual]	Sydbank A/S]	GP5DT10VX1QRQUKVBK64]	Consolidated]
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¹ Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions (OJ L 287, 29.10.2013, p. 63).

² On request by the notifying authority, it may be agreed with the Head of the ESRB Secretariat that this notification, or a part thereof, should not be published for reasons of confidentiality or financial stability.

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2.1b Changes to the list of institutions concerned	No changes to the list of institutions.]																														
2.2 Level of the buffer applied	<p>At what level is the fully phased-in buffer (in %) applied to the institution(s)?</p> <table border="1"> <thead> <tr> <th>Name of institution</th> <th>New O-SII buffer</th> <th>Previous O-SII buffer</th> </tr> </thead> <tbody> <tr> <td>Danske Bank A/S</td> <td>3%]</td> <td>3%]</td> </tr> <tr> <td>Nykredit Realkredit A/S]</td> <td>2%]</td> <td>2%]</td> </tr> <tr> <td>Jyske Bank A/S]</td> <td>1,5%]</td> <td>1,5%]</td> </tr> <tr> <td>Nordea Kredit Realkreditaktieselskab]</td> <td>1,5%]</td> <td>1,5%]</td> </tr> <tr> <td>Sydbank A/S]</td> <td>1%]</td> <td>1%]</td> </tr> <tr> <td>Spar Nord Bank A/S]</td> <td>1%]</td> <td>1%]</td> </tr> <tr> <td>DLR Kredit A/S]</td> <td>1%]</td> <td>1%]</td> </tr> <tr> <td>Saxo Bank A/S]</td> <td>1%]</td> <td>1%]</td> </tr> <tr> <td>A/S Arbejdernes Landsbank]</td> <td>1%]</td> <td>1%]</td> </tr> </tbody> </table>	Name of institution	New O-SII buffer	Previous O-SII buffer	Danske Bank A/S	3%]	3%]	Nykredit Realkredit A/S]	2%]	2%]	Jyske Bank A/S]	1,5%]	1,5%]	Nordea Kredit Realkreditaktieselskab]	1,5%]	1,5%]	Sydbank A/S]	1%]	1%]	Spar Nord Bank A/S]	1%]	1%]	DLR Kredit A/S]	1%]	1%]	Saxo Bank A/S]	1%]	1%]	A/S Arbejdernes Landsbank]	1%]	1%]
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2.3 Name of the ultimate EU parent institution	<p>Please provide the name and LEI code of the ultimate EU parent institution of the group for each of the O-SIIs identified. If the ultimate EU parent institution is not the concerned institution itself.</p> <table border="1"> <thead> <tr> <th>Name of identified O-SII</th> <th>Ultimate EU parent institution</th> <th>LEI of ultimate parent institution</th> </tr> </thead> <tbody> <tr> <td>Nordea Kredit Realkreditaktieselskab]</td> <td>Nordea Bank Abp]</td> <td>529900ODI3047E2LIV03]</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Name of identified O-SII	Ultimate EU parent institution	LEI of ultimate parent institution	Nordea Kredit Realkreditaktieselskab]	Nordea Bank Abp]	529900ODI3047E2LIV03]																								
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2.4 Names of subsidiaries	<p>If any of the O-SIIs identified is a parent institution and the buffer is applied at a (sub)consolidated level, please name the subsidiaries of the institution that are notified as O-SIIs (please give names and LEI codes).</p> <table border="1"> <thead> <tr> <th>Name of parent O-SII identified</th> <th>Name of O-SII subsidiary</th> <th>LEI of O-SII subsidiary</th> </tr> </thead> <tbody> <tr> <td>Danske Bank A/S]</td> <td>Realkredit Danmark A/S]</td> <td>549300NLOMBOWE943Y30]</td> </tr> <tr> <td>Nykredit Realkredit A/S]</td> <td>Totalkredit A/S]</td> <td>5493001HO6SLV413ZC45]</td> </tr> <tr> <td>Nykredit Realkredit A/S]</td> <td>Nykredit Bank A/S]</td> <td>52965FONQ5NZKP0WZL45]</td> </tr> <tr> <td>Jyske Bank A/S]</td> <td>Jyske Realkredit A/S]</td> <td>529900R9HQNZRT20XB26]</td> </tr> <tr> <td>A/S Arbejdernes Landsbank]</td> <td>Vestjysk Bank A/S]</td> <td>549300B65M1U9FENOW23]</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Name of parent O-SII identified	Name of O-SII subsidiary	LEI of O-SII subsidiary	Danske Bank A/S]	Realkredit Danmark A/S]	549300NLOMBOWE943Y30]	Nykredit Realkredit A/S]	Totalkredit A/S]	5493001HO6SLV413ZC45]	Nykredit Realkredit A/S]	Nykredit Bank A/S]	52965FONQ5NZKP0WZL45]	Jyske Bank A/S]	Jyske Realkredit A/S]	529900R9HQNZRT20XB26]	A/S Arbejdernes Landsbank]	Vestjysk Bank A/S]	549300B65M1U9FENOW23]												
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3. Timing for the measure																															
3.1 Timing for the decision	<p>What is the date of the official decision? <u>For SSM countries when notifying the ECB</u>: provide the date on which the decision referred to in Article 5 of the Single Supervisory Mechanism Regulation (SSMR) will be taken.</p> <p>21/06/2024</p>																														
3.2 Timing for publication	<p>What is the date of publication of the notified measure?</p>																														

	<p>The appointment of the O-SII's by the Danish FSA was published on the 26th of June 2024.</p> <p>26/06/2024</p> <p>Furthermore, the Ministry of Industry, Business, and Financial Affairs disclose the O-SII buffer rates annually in the months of November/December.</p>																		
3.3 Disclosure	<p>Information about the strategy for if the communicating the notified measure to the market.</p> <p><i>The designation of O-SII's is disclosed at the website of the Danish FSA shortly after the appointment of the O-SII's (available in Danish only - Link).</i></p>																		
3.4 Timing for application	<p>What is the intended date of application of the measure?</p> <p><i>O-SIIs in Denmark were designated for the first time in June 2014 and the institution-specific systemic risk buffer applied from 1st January 2015. The O-SII buffer has replaced the systemic risk buffer from 1st January 2021.</i></p> <p><i>In 2024 the data of the official decision was applied to the institutions on 21. June 2024 as there is no changes in the O-SII buffer requirements.</i></p> <p><i>If the buffer requirements of the O-SII had changed it would have to comply with the new requirement by, at the latest, the end of the year.</i></p> <p><i>If a new O-SII is appointed it would have to comply to the O-SII buffer requirements by, at the latest, the end of the year following the year of the O-SII appointment.</i></p>																		
3.5 Phasing in	<p>What is the intended timeline for the phase-in of the measure?</p> <p><i>The systemic risk buffer was gradually phased-in from January 1st, 2015, to January 1st, 2019. For Spar Nord Bank A/S the systemic risk buffer was set to 0,5 percent at the end of 2019 and 1 percent at the end of 2020 according to the Danish Financial Business Act. The O-SII buffer has since replaced the systemic risk buffer from January 1st, 2021.</i></p> <table border="1"> <thead> <tr> <th>Name of institution</th> <th>Date1</th> <th>Date2</th> <th>Date3</th> <th>Date4</th> <th>Date5</th> </tr> </thead> <tbody> <tr> <td></td> <td>%</td> <td>%</td> <td>%</td> <td>%</td> <td>%</td> </tr> <tr> <td></td> <td>%</td> <td>%</td> <td>%</td> <td>%</td> <td>%</td> </tr> </tbody> </table>	Name of institution	Date1	Date2	Date3	Date4	Date5		%	%	%	%	%		%	%	%	%	%
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3.6 Review of the measure	<p>When will the measure be reviewed (Article 131, paragraphs (6) and (12), specify that the buffer, the identification of O-SIIs and their allocation to subcategories must be reviewed at least annually)?</p> <p>The identification of O-SII's subject to and the allocation into subcategories subject to Article 131(12) are reviewed annually in the months of May/June by the Danish FSA. The O-SII buffer subject to Article 131(6) is reviewed annually and disclosed by the Ministry of Industry, Business and Financial Affairs subsequently after and at the latest at the end of the year.</p>																		
4. Reason for O-SII identification and activation of the O-SII buffer																			
4.1 Scores of institutions or group of institutions concerned, as per EBA guidelines on the assessment of O-SIIs (Article 131.3 CRD)	<p>Please list here the names, overall scores and category scores of the O-SIIs identified based on</p> <ol style="list-style-type: none"> size; importance for the economy of the relevant Member State or the Union, capturing substitutability/financial institution infrastructure; complexity, including the additional complexities from cross-border activity; 																		

	<p>d. interconnectedness of the institution or (sub-)group with the financial system.</p> <table border="1" data-bbox="571 264 1444 707"> <thead> <tr> <th>Name of institution</th> <th>Size</th> <th>Substitutability</th> <th>Complexity</th> <th>Interconnectedness</th> <th>Overall Score</th> </tr> </thead> <tbody> <tr> <td>Danske Bank A/S]</td> <td>1034]</td> <td>901]</td> <td>1794]</td> <td>1083]</td> <td>4812]</td> </tr> <tr> <td>Nykredit Realkredit A/S]</td> <td>530]</td> <td>347]</td> <td>224]</td> <td>501]</td> <td>1601]</td> </tr> <tr> <td>Jyske Bank A/S]</td> <td>246]</td> <td>228]</td> <td>149]</td> <td>293]</td> <td>916]</td> </tr> <tr> <td>Nordea Kredit Realkreditaktieselskab]</td> <td>135]</td> <td>75]</td> <td>0]</td> <td>95]</td> <td>305]</td> </tr> <tr> <td>Sydbank A/S]</td> <td>58]</td> <td>79]</td> <td>38]</td> <td>83]</td> <td>258]</td> </tr> <tr> <td>Spar Nord Bank A/S]</td> <td>42]</td> <td>57]</td> <td>11]</td> <td>54]</td> <td>165]</td> </tr> <tr> <td>DLR Kredit A/S]</td> <td>61]</td> <td>36]</td> <td>4]</td> <td>45]</td> <td>145]</td> </tr> <tr> <td>Saxo Bank A/S]</td> <td>28]</td> <td>15]</td> <td>70]</td> <td>30]</td> <td>143]</td> </tr> <tr> <td>A/S Arbejdernes Landsbank A/S]</td> <td>37]</td> <td>49]</td> <td>4]</td> <td>30]</td> <td>120]</td> </tr> </tbody> </table> <p><i>The calculation of the score is based on 12 indicators (the 10 mandatory indicators in the guideline and 2 supplementary indicators on intra-financial liabilities and assets in the financial system in Denmark. See also section 4.2.</i></p> <p><i>The scores for size, substitutability, complexity, and interconnectedness are presented as rounded values</i></p>	Name of institution	Size	Substitutability	Complexity	Interconnectedness	Overall Score	Danske Bank A/S]	1034]	901]	1794]	1083]	4812]	Nykredit Realkredit A/S]	530]	347]	224]	501]	1601]	Jyske Bank A/S]	246]	228]	149]	293]	916]	Nordea Kredit Realkreditaktieselskab]	135]	75]	0]	95]	305]	Sydbank A/S]	58]	79]	38]	83]	258]	Spar Nord Bank A/S]	42]	57]	11]	54]	165]	DLR Kredit A/S]	61]	36]	4]	45]	145]	Saxo Bank A/S]	28]	15]	70]	30]	143]	A/S Arbejdernes Landsbank A/S]	37]	49]	4]	30]	120]
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<p>4.2 Methodology and indicators used for designation of the O-SII (Article 131.3)</p>	<p>Please provide information on:</p> <ol style="list-style-type: none"> whether you followed the EBA guidelines on the assessment of O-SIIs; <i>Yes – the assessment is based on 12 indicators (the 10 mandatory indicators in the guideline and 2 supplementary indicators on intra-financial liabilities and assets in the financial system in Denmark).</i> which threshold score has been set to identify O-SIIs; <i>By using the mandatory indicators in the EBA guidelines, Nordea Kredit Realkreditaktieselskab, Sydbank A/S, Spar Nord Bank A/S, DLR Kredit A/S, Saxo Bank A/S and A/S Arbejdernes Landsbank are below the threshold score of 350. However, all of the above have been identified as O-SII's based on 12 indicators (the 10 mandatory indicators in EBA guidelines and 2 supplementary indicators on intra-financial liabilities and assets in the financial system in Denmark) and exceeds a threshold of 100 basis points.</i> whether relevant entities with relative total assets not in excess of 0.02% have been excluded from the identification process; <i>No</i> the names and scores of all relevant entities not excluded from the identification process (could be sent in a separate Excel file, see 4.1); <i>A separate file will be sent to EBA.</i> whether non-bank institutions have been included in the calculations. <i>No</i> 																																																												

<p>4.3 Supervisory judgement</p>	<p>Have any of the institutions listed in 2.1 been identified by applying supervisory judgement as laid down in EBA guidelines on the assessment of O-SIIs? If yes, please list the respective institutions and provide information on:</p> <ol style="list-style-type: none"> which of the optional indicators have been used to justify the supervisory assessment decisions, if any, and what the scores were; why these optional indicators are relevant for the Member State; why the bank is systemically important in terms of those particular optional indicators. <p><i>The designation of O-SII's in Denmark is made according to a model based on 12 indicators (the 10 mandatory indicators in the EBA guidelines and 2 supplementary indicators on intra-financial liabilities and assets in the financial system in Denmark). No supervisory judgement is used to identify Danish O-SII's.</i></p> <p><i>After using the mandatory indicators in the EBA guidelines, Nordea Kredit Realkreditaktieselskab, Sydbank A/S, Spar Nord Bank A/S, DLR Kredit A/S, Saxo Bank A/S and A/S Arbejdernes Landsbank lies below the automatic threshold score of 350.</i></p> <p><i>However, all of the above have been identified as O-SII's based on 12 indicators (the 10 mandatory indicators in the EBA guideline and 2 supplementary indicators on intra-financial liabilities and assets in the financial system in Denmark) and exceeds a threshold of 100 basis points qualifying them as an O-SII.</i></p> <p><i>The identification of Nordea Kredit Realkreditaktieselskab, Sydbank A/S, Spar Nord Bank A/S, DLR Kredit A/S, Saxo Bank A/S and A/S Arbejdernes Landsbank is therefore not based on any supervisory judgement.</i></p>
<p>4.4 Calibrating the O-SII buffer</p>	<p>Please provide information on the criteria and indicators used to calibrate the level of the O-SII buffer requirement and the mapping to institution-specific buffer requirements.</p> <p><i>The O-SII buffer requirements and the mapping to institution-specific buffer requirements were at first based on the agreement on the recommendations by an O-SII committee in Denmark (SIFI-udvalget) and calibrated to ensure financial stability and ensuring well-functioning financial markets as well as being in accordance with EU-regulation. Emphasis was placed on ensuring equal completion between Danish O-SII's and other credit institutions in Denmark and abroad. In connection to this, the expected O-SII buffer requirements in other member states were taken into account.</i></p> <p><i>As of 2022, the criteria for identification and designation of O-SII's in Denmark as well as the level of the O-SII buffer requirements and the mapping to institution-specific buffer requirements is based on the systemic importance of each institute. The systemic importance is calculated according to the EBA guideline and is based on 10 indicators (the 10 mandatory indicators in the guideline and 2 supplementary indicators on intra-financial liabilities and assets in the financial system in Denmark). The mapping to institution-specific buffer requirements was calibrated in this new model and aims to approximately correspond to the mapping under the former model for designating institutions.</i></p>
<p>4.5 Effectiveness and proportionality of measure</p>	<p>Please provide a justification for why the O-SII buffer is considered likely to be effective and proportionate to mitigate the risk.</p> <p><i>The mapping to institution-specific buffer requirements and thereby the O-SII buffer requirement applying to each O-SII is based on the systemic importance of each institute. The systemic importance is calculated according to the EBA guideline and is based on 12 indicators. The calculation includes the 10 mandatory indicators presented in the guideline and 2 supplementary indicators</i></p>

	<p>on intra-financial liabilities and assets in the financial system in Denmark. The O-SII's are hereafter placed in different brackets with corresponding O-SII buffer rates, where the level of systemic importance corresponds to the appropriate O-SII buffer rate. This is considered appropriate to ensure that the applied O-SII buffer is proportionate to the systemic risk related to the institute.</p>
<p>5. Sufficiency, consistency and non-overlap of the policy response</p>	
<p>5.1 Sufficiency of the policy response</p>	<p>For a macroprudential policy to be 'sufficient', the policy responses must be deemed to significantly mitigate, or reduce the build-up of, risks over an appropriate time horizon with a limited unintended impact on the general economy.</p> <p>Note that the ESRB will use the assessment of the macroprudential stance as relevant input in assessing the sufficiency of the macroprudential policy in the Member State.</p> <p>Please provide any additional information that the ESRB should consider in assessing the sufficiency of the policy response.</p> <p><i>The O-SII assessment process is based on the EBA guideline. The threshold for allocation of O-SII's in subcategories according to their score as well as the O-SII buffers is calibrated to the systemic importance which is deemed sufficiently appropriate to address the institutions systemic importance.</i></p>
<p>5.2 Consistency of application of the policy response</p>	<p>For a macroprudential policy to be 'consistent', the policy instruments meet their respective objectives, as outlined in ESRB/2013/1³, and must be implemented in accordance with the common principles set out in the relevant legal texts.</p> <p>Note that the ESRB assessment of consistency will consider whether the same systemic risks are addressed in a similar way across and within the Member States over time.</p> <p>Please provide any additional information that the ESRB should consider in assessing the consistency of the policy response.</p> <p><i>The latest changes of the Danish O-SII assessment process are based on principles from the EBA guideline which is a key element of securing consistency compared to other Member States. Moreover, the Danish FSA and Ministry of Industry, Business and Foreign Affairs do adhere to the principles set out in relevant legal texts (e.g. CRD Article 131) when determining the O-SII buffers.</i></p>
<p>5.3 Non-overlap of the policy response</p>	<p>For a policy instrument to be 'non-overlapping', it should aim to address a systemic risk that either differs from a risk addressed by other active tools in the same Member State, or be complementary to another tool in that Member State which addresses the same systemic risk.</p> <ul style="list-style-type: none"> - Are other policy instruments used to address the <u>same</u> systemic risk? <i>The O-SII's in Denmark are beyond the institution-specific O-SII buffer subject to more intensified supervision and stricter governance requirements than other credit institutions in Denmark.</i> - If yes, please explain the need for more than one instrument to address the same systemic risk and how the different instruments interact with each other. <i>The need for intensified supervision and stricter governance enables the authorities a better basis to assess early on whether there is a need for prudential responses to O-SII's and furthermore help ensure that the O-SII has internal procedures and guidelines that reduces the risk of the O-SII</i>

³ Recommendation of the European Systemic Risk Board of 4 April 2013 on intermediate objectives and instruments of macro-prudential policy (ESRB/2013/1) (OJ C 170, 15.6.2013, p. 1)

	<p><i>getting into trouble. This way, a more intensified supervision and stricter governance supplements the capital requirement of the O-SII buffer.</i></p>
<p>6. Cross-border and cross-sector impact of the measure</p>	
<p>6.1 Assessment of cross-border effects and the likely impact on the Internal Market (Recommendation ESRB/2015/2⁴)</p>	<p>Assessment of the cross-border effects of implementation of the measure.</p> <p>a. Assessment of the spillover channels operating via risk adjustment and regulatory arbitrage. The relevant indicators provided in Chapter 11 of the ESRB Handbook on Operationalising Macroprudential Policy in the Banking Sector⁵ and the Framework to assess cross-border spillover effects of macroprudential policies of the ECB Task Force on cross-border spillover effects of macroprudential measures can be used.</p> <p>b. Assessment of the:</p> <ul style="list-style-type: none"> ○ cross-border effects of implementation of the measure in your own jurisdiction (inward spillovers); ○ cross-border effects on other Member States and on the Single Market of the measure (outward spillovers); ○ overall impact on the Single Market of implementation of the measure. <p><i>There is an emphasis on limiting spillovers by ensuring an equal impact between Danish O-SII's and other credit institutions, both domestic and foreign. Moreover, the expectations of O-SII buffer requirements in connected member states are considered when setting the Danish O-SII buffer requirements.</i></p> <p><i>Most of the lending extended by Danish O-SII's are domestic, or within the Nordic countries (Norway, Sweden and Finland). Similarly, it is primarily O-SII's within Norway, Sweden and Finland that constitute foreign lending to Danish borrowers. As these institutions are all applied O-SII capital buffer requirements from their respective domestic authority, the Danish O-SII buffer should induce no significant risk adjustments, regulatory arbitrage or in- and outward spillovers.</i></p>
<p>6.2 Assessment of leakages and regulatory arbitrage within the notifying Member State</p>	<p>Referring to your Member State's specific characteristics, what is the scope for "leakages and regulatory arbitrage" in your own jurisdiction (i.e. circumvention of the measure/leakages to other parts of the financial sector)?</p> <p>Is there scope for "leakages and regulatory arbitrage" in other jurisdictions?</p> <p><i>The scope for "leakages and regulatory arbitrage" is limited as the rules regarding designation of O-SII's on a consolidated basis prevents O-SII's from avoiding</i></p>

⁴ Recommendation of the European Systemic Risk Board of 15 December 2015 on the assessment of cross-border effects of and voluntary reciprocity for macroprudential policy measures (ESRB/2015/3) (OJ C 97, 12.3.2016, p. 9).

⁵ Available on the ESRB's website at www.esrb.europa.eu.

	<p>being designated as an O-SII by e.g. placing activities (loans, deposits) in subsidiaries.</p>																												
7. Combinations and interactions with other measures																													
<p>7.1 Combinations between G-SII and O-SII buffers (Article 131.14)</p>	<p>If both G-SII and O-SII criteria apply to the same institution at consolidated level, which of the two buffers is the highest?</p> <p>Not relevant as there are no G-SII's in Denmark.</p> <table border="1" data-bbox="571 577 1442 728"> <thead> <tr> <th data-bbox="571 577 927 618">Name of institution</th> <th data-bbox="927 577 1214 618">O-SII buffer</th> <th data-bbox="1214 577 1442 618">G-SII buffer</th> </tr> </thead> <tbody> <tr> <td data-bbox="571 618 927 658"></td> <td data-bbox="927 618 1214 658" style="text-align: center;">%</td> <td data-bbox="1214 618 1442 658" style="text-align: center;">%</td> </tr> <tr> <td data-bbox="571 658 927 698"></td> <td data-bbox="927 658 1214 698" style="text-align: center;">%</td> <td data-bbox="1214 658 1442 698" style="text-align: center;">%</td> </tr> <tr> <td data-bbox="571 698 927 728"></td> <td data-bbox="927 698 1214 728" style="text-align: center;">%</td> <td data-bbox="1214 698 1442 728" style="text-align: center;">%</td> </tr> </tbody> </table>	Name of institution	O-SII buffer	G-SII buffer		%	%		%	%		%	%																
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<p>7.2 Combinations with systemic risk buffers (SyRBs) (Article 131.15 CRD)</p>	<p>Are any of the institutions identified as O-SIIs subject to a systemic risk buffer?</p> <p><i>Yes – From June 30th, 2024, the Danish government applies a sector specific systemic risk buffer targeted lending to real estate companies. The systemic risk buffer is applied to every credit institution in Denmark and thus applied to every Danish O-SII. The systemic risk buffer is subject to evaluation after 1 year.</i></p> <p>If yes, please provide the following information:</p> <ol style="list-style-type: none"> What is/are the systemic risk buffer rates(s)? <i>The systemic risk buffer rates correspond to 7% of exposures against real estate companies with the exception of exposures lying within the range of 0-15% of the loan-to-value ratio.</i> At what level is/are the systemic risk buffer rate(s) applied (i.e. consolidation level and/or individual)? <i>The systemic risk buffer is applied at consolidated and individual level. The sector specific systemic risk buffer targeted exposures against real estate companies are applied to every credit institution in Denmark.</i> Is the sum of the systemic risk buffer rate(s) and the O-SII buffer rate (or the higher of the G-SII and O-SII buffer rates, if a group is subject to a G-SII buffer and to an O-SII buffer at consolidated level) to which the same institution is subject over 5%? <i>Yes, by adding the systemic buffer rate and O-SII buffer rate together, all the below shown institutions exceeds 5%. However, take note that the systemic buffer is <u>sector specific</u> and only corresponds to exposures toward real estate.</i> <table border="1" data-bbox="571 1576 1422 2018"> <thead> <tr> <th data-bbox="571 1576 890 1671">Name of institution</th> <th data-bbox="890 1576 1098 1671">SyRB rate</th> <th data-bbox="1098 1576 1251 1671">SyRB application level</th> <th data-bbox="1251 1576 1422 1671">Sum of G-SII/O-SII and SyRB rates</th> </tr> </thead> <tbody> <tr> <td data-bbox="571 1671 890 1727">Danske Bank A/S]</td> <td data-bbox="890 1671 1098 1727" style="text-align: center;">7%]</td> <td data-bbox="1098 1671 1251 1727" style="text-align: center;">Consolidated and individual]</td> <td data-bbox="1251 1671 1422 1727" style="text-align: center;">10%-point]</td> </tr> <tr> <td data-bbox="571 1727 890 1783">Nykredit Realkredit A/S]</td> <td data-bbox="890 1727 1098 1783" style="text-align: center;">7%]</td> <td data-bbox="1098 1727 1251 1783" style="text-align: center;">Consolidated and individual]</td> <td data-bbox="1251 1727 1422 1783" style="text-align: center;">9%-point]</td> </tr> <tr> <td data-bbox="571 1783 890 1839">Jyske Bank A/S]</td> <td data-bbox="890 1783 1098 1839" style="text-align: center;">7%]</td> <td data-bbox="1098 1783 1251 1839" style="text-align: center;">Consolidated and individual]</td> <td data-bbox="1251 1783 1422 1839" style="text-align: center;">8,5%-point]</td> </tr> <tr> <td data-bbox="571 1839 890 1895">Nordea Kredit Realkreditaktieselskab]</td> <td data-bbox="890 1839 1098 1895" style="text-align: center;">7%]</td> <td data-bbox="1098 1839 1251 1895" style="text-align: center;">Individual]</td> <td data-bbox="1251 1839 1422 1895" style="text-align: center;">8,5%-point]</td> </tr> <tr> <td data-bbox="571 1895 890 1951">Sydbank A/S]</td> <td data-bbox="890 1895 1098 1951" style="text-align: center;">7%]</td> <td data-bbox="1098 1895 1251 1951" style="text-align: center;">Consolidated and individual]</td> <td data-bbox="1251 1895 1422 1951" style="text-align: center;">8%-point]</td> </tr> <tr> <td data-bbox="571 1951 890 2018">Spar Nord Bank A/S]</td> <td data-bbox="890 1951 1098 2018" style="text-align: center;">7%]</td> <td data-bbox="1098 1951 1251 2018" style="text-align: center;">Consolidated and individual]</td> <td data-bbox="1251 1951 1422 2018" style="text-align: center;">8%-point]</td> </tr> </tbody> </table>	Name of institution	SyRB rate	SyRB application level	Sum of G-SII/O-SII and SyRB rates	Danske Bank A/S]	7%]	Consolidated and individual]	10%-point]	Nykredit Realkredit A/S]	7%]	Consolidated and individual]	9%-point]	Jyske Bank A/S]	7%]	Consolidated and individual]	8,5%-point]	Nordea Kredit Realkreditaktieselskab]	7%]	Individual]	8,5%-point]	Sydbank A/S]	7%]	Consolidated and individual]	8%-point]	Spar Nord Bank A/S]	7%]	Consolidated and individual]	8%-point]
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7.3 O-SII requirement for a subsidiary (Article 131.8 CRD)	<p>If the O-SII is a subsidiary of an EU parent institution subject to a G-SII or O-SII buffer on a consolidated basis, what is the G-SII or O-SII buffer rate on a consolidated basis of the parent institution?</p> <p>Does the cap for the subsidiary prevent the implementation of a higher O-SII buffer based on the domestic buffer setting methodology?</p> <p><i>Nordea Kredit Realkreditaktieselskab is a subsidiary of the Finnish Nordea Bank Abp. The requirement in Finland is the highest of the O-SII buffers in Finland, 2,5%, and as of April 2024 the systemic risk buffer will enter force set at 1,0%. Therefore, the total systemic risk buffer requirement for Nordea Bank Abp is 3,5%-point.</i></p> <table border="1"> <thead> <tr> <th>Name of O-SII subsidiary</th> <th>Name of the EU parent of the O-SII subsidiary</th> <th>Buffer applicable to O-SII EU parent</th> </tr> </thead> <tbody> <tr> <td>Nordea Kredit Realkreditaktieselskab</td> <td>Nordea Bank Abp]</td> <td>3,5%-point]</td> </tr> <tr> <td></td> <td></td> <td>%</td> </tr> <tr> <td></td> <td></td> <td>%</td> </tr> </tbody> </table>				Name of O-SII subsidiary	Name of the EU parent of the O-SII subsidiary	Buffer applicable to O-SII EU parent	Nordea Kredit Realkreditaktieselskab	Nordea Bank Abp]	3,5%-point]			%			%
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