

9 March 2026  
25-019943

## **Statement on inspection at Danske Bank A/S**

The Danish Financial Supervisory Authority (the Danish FSA) conducted an inspection at Danske Bank A/S in 2025.

The inspection comprised the bank's cover pools (covered bonds), including structure and compliance with the balance principle. The inspection also comprised a review of the bank's compliance with the overcollateralisation, collateralisation and liquidity buffer requirements applicable to the cover pools. These rules have come into force since the latest inspection of the area in 2020.

During the inspection, the Danish FSA reviewed the bank's management and organisation in relation to cover pools, including the control environment in the first and second lines of defence. In addition, the inspection included a review of policies, business procedures and reports relating to the bank's cover pools.

The Danish FSA also reviewed the ongoing LTV ratio monitoring and calculations of the collateral underlying the outstanding bonds on the basis of a sample of 49 exposures, of which 40 were Danish exposures and nine were Swedish exposures. In this connection, the Danish FSA did not review the valuation of the individual properties.

### Summary and risk assessment

Danske Bank has been issuing covered bonds since 2007. The bonds are issued in three pools. Since the beginning, it has been the bank's practice to minimise the extent of risks and imbalances in the three pools as much as possible.

The limits set by the Board of Directors for the risk allowed in the cover pools do not sufficiently support this practice. There are thus significant areas in which no clear framework has been established in relation to the risk-taking in the cover pools. The bank is thus ordered to establish such framework.

It is a significant factor in relation to bond issues that the bonds maintain their rating. It is therefore important that the rating agencies' requirements are met. Danske Bank has no independent control of whether the rating agencies' overcollateralisation requirements are met. The bank is ordered to establish such control. Checks are made to ensure that rating requirements are met, but the checks are not independent. The Danish FSA has not observed any instances in which the rating requirements were not met.