SCOPE | Ratings

Danske Bank A/S

Mortgage Covered Bonds – Pool C

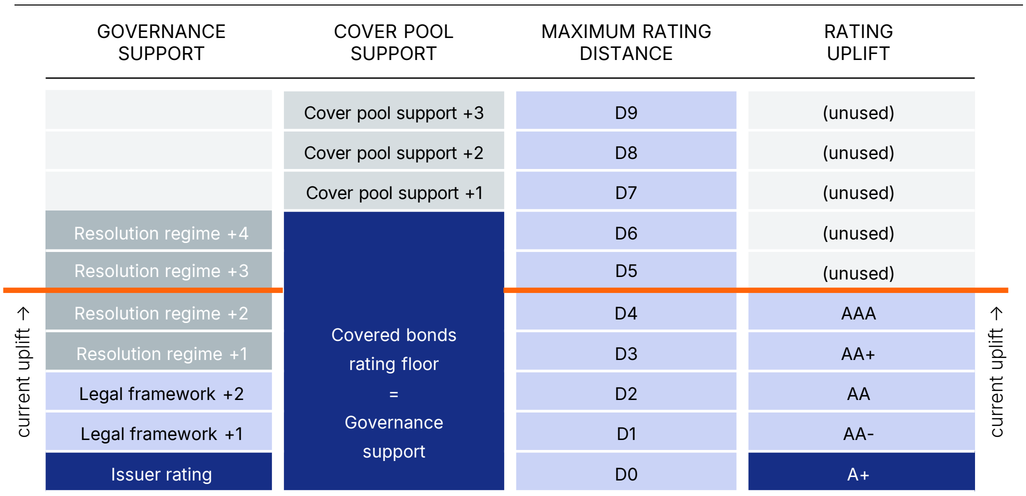
Table 1: The covered bond programme

Cut-off date	Cover pool	Cover asset type	Covered bonds	Rating/Outlook	Supporting OC[1]
31 Mar 2025	DKK 52.48bn[2]	Mortgage loans	DKK 43.27bn[2]	AAA/Stable	2%

[1] floored at legal minimum; [2] converted to DKK

The AAA rating with a Stable Outlook assigned to the mortgage covered bonds (Særligt dækkede obligationer - SDO) issued by Danske Bank A/S (Danske Bank) is based on the bank's issuer rating (A+ / Positive) enhanced by governance-support based uplift. The AAA rating is supported by the legal minimum overcollateralisation (OC) of 2% and benefits from a downgrade buffer of up to five notches.

Figure 1: Covered bond rating building blocks



Source:Scope Ratings

Cover pool support could provide additional rating stability. If the rating of Danske Bank would be downgraded to BBB-, the maintained nominal overcollateralisation of 18.6% (post hedge) as of March 2025 would be sufficient to support the highest achievable rating on the mortgage covered bonds.

As of March 2025, Danske Bank's covered bonds from pool C are backed by mortgage loans from Sweden (70.3%) and Norway (29.7%), with 0.1% in substitute assets. About 75.9% are for commercial properties (incl. agriculture), and 24.1% for private rental or multifamily housing. The pool includes 4,253 loans averaging DKK 12m (~EUR 1.6m). The top 10 loans make up 7.8%. The average LTV is 51.5%. Interest-only loans account for 33.5%, while the rest are amortising; 93.5% are adjustable-rate (fixed for up to one year), with the rest at fixed-rate. The loans have 1.5 years average seasoning and 4.6 years remaining maturity, reflecting typical 3–5 year commercial terms.

Market risks are present due to maturity, interest rate and currency mismatches, though these are well managed and hedged. The weighted average scheduled maturities of the cover assets (4.6 years) and liabilities (4.0 years including extensions) create a mismatch that exposes the programme to carry costs from excess cash – in particular in combination with prepayments. Interest rates and currency mismatches are hedged on the covered bonds matching the profile of the cover assets.

Covered bond rating

AAA

Outlook

Stable

Rating action

Affirmation

Last rating action

23 June 2025

Issuer rating

A+

Covered bond rating

Positive

Last rating action rating

27 May 2025

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Related research

Scope affirms Danske Bank A/S's mortgage covered bond rating (Pool C) at AAA, Stable Outlook, June 2025

Scope affirms Danske Bank's issuer rating at A+ and assigns Positive Outlook, May 2025

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1. Stable Outlook

The Stable Outlook on the SDOs reflects the issuer's rating and Outlook in addition to a five-notch rating buffer from governance and cover pool support against an issuer downgrade. Consequently, the covered bond rating may only be downgraded upon: i) an issuer rating downgrade by more than five notches; ii) a deterioration in Scope's view on credit-positive governance factors relevant to the issuer and Danish covered bonds in general and on the interplay between complexity and transparency; and/or iii) an inability by the cover pool to provide an additional uplift in case of an issuer rating downgrade by more than two notches.

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2. Changes since the last performance update

On 27 May 2025, we affirmed Danske Bank's issuer rating at A+ with a Positive Outlook. The Positive Outlook reflects improvements in governance and risk management, which are now embedded as key elements of the group's culture, as the end of the corporate probation period under ad hoc regulatory oversight approaches.

Since our last analysis one year ago, both assets and liabilities have increased by approximately 25%. This is particularly reflected in a top-up of Swedish commercial mortgage loans (an increase of DKK 10.4bn equivalent). The increase in the weighted average maturity to 4.6 years from 2.7 years a year ago is also attributable to these Swedish mortgage loans. This, in turn, has contributed to a higher average loan-to-value (LTV) ratio of 51.5%, compared to 47.9% one year ago. The Swedish and Norwegian residential and commercial property markets have stabilised in 2024 and early 2025, following a significant correction in 2022–2023. This is also reflected in relatively stable credit metrics despite changes in the underlying portfolio composition.

3. Rating drivers and mitigants

Positive rating drivers	Negative rating drivers and mitigants
• Strong legal covered bond framework • Strong resolution regime and systemic importance	

Upside rating-change drivers	Downside rating-change drivers
• No upside as rating is highest achievable • Additional issuer downgrade cushion possible from an issuer rating upgrade	• Issuer downgrade by more than five notches • Inability of cover pool to provide additional uplift in case of issuer rating downgrade by at least three notches • Inability of cover pool to provide an additional uplift in case governance analysis deteriorates by at least three notches

4. The issuer

Danske Bank A/S with a positive rating Outlook

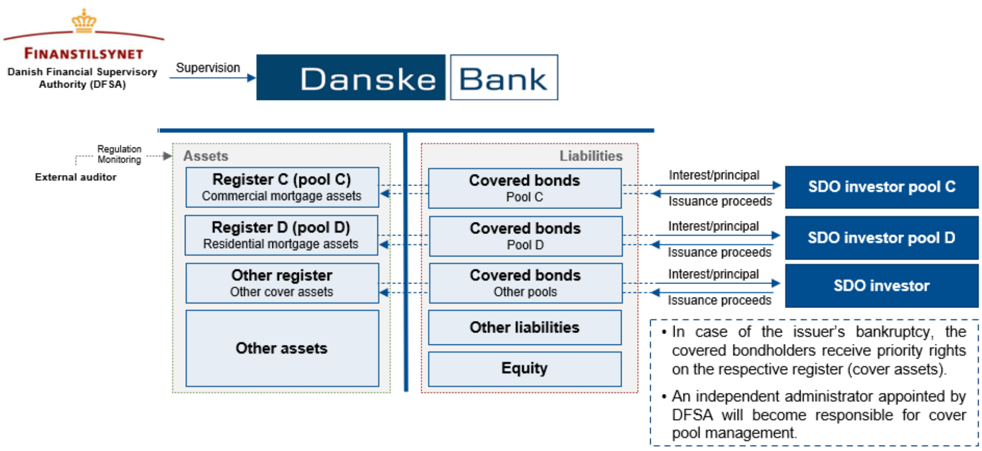
The issuer rating (A+ / Positive) on Danske Bank reflects the broad diversification of its resilient universal business model, which includes retail and corporate banking, capital market activities, insurance, and asset management. In all these areas, the bank has a strong franchise in Denmark and other Nordic markets. The ratings also consider Danske Bank's robust asset quality metrics and an operating performance that provides a solid buffer against a potential increase in the cost of risk. Conservative capital buffers and stable and diversified funding and liquidity also support the rating. See also our updated rating report on Danske Bank A/S.

5. Programme structure

As a universal bank, Danske Bank holds a licence to issue SDOs, which is granted by the Danish Financial Supervision Authority (DFSA). Other types of Danish covered bonds (SDROs and ROs) may only be issued out of Danish specialised mortgage banks. Unlike issuance by mortgage banks under a 'fully matched funding' model (almost all asset-liability mismatches are neutralised), Danske Bank's SDO issuance compares with the European model, which uses hard or soft bullet covered bonds. Covered bond maturities do not need to match those on the underlying cover assets. As long as the issuer is solvent, cover assets remain on its balance sheet and claims under the covered bonds can be enforced against the issuer (first recourse). Bonds and cover assets can be assigned to individual covered bond programmes (in this case pool C). In case of insolvency, the cover pool is segregated by law from the general insolvency estate and is reserved only for the claims of SDO holders (second recourse). Different covered bond programmes do not cross-collateralise in case of a shortfall nor is an individual programme impacted from a default in another programme.

Highlight of the paragraph (note: do not use this as a title)

Figure 2: Issuance structure



Source: Scope Group GmbH

Governance credit support is the key rating driver for Danske Bank's SDOs, providing an uplift of up to six notches. This uplift is based on our credit-positive view on i) the legal framework for mortgage covered bonds in Denmark; ii) the Danish resolution regime; and iii) the systemic relevance of covered bonds in Denmark, including those of Danske Bank.

Six notches from legal framework and resolution regime assessments

5.1 Legal framework analysis

The Danish covered bond framework is very strong, meeting our criteria for protecting investors and resulting in the highest credit differentiation of two notches.

Two notches reflecting strong legal framework addressing key credit relevant areas

The legal framework relevant to Danske Bank's SDOs is the Danish Financial Business Act (Lov om finansiel virksomhed). Danske Bank is also governed by the Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act and related executive orders providing rules on the issuance of mortgage bonds (ROs), mortgage covered bonds (SDROs) and in particular covered bonds (SDO).

Segregation of cover pool upon insolvency

Covered bonds benefit from a preferential claim on all assets in the respective cover pool, also called a register. The priority claim has a legal and binding effect with the registration of the cover assets into a register. The issuer can maintain several registers. A register contains all assets, guarantees received and derivative contracts. The registers are managed by the issuer (instead of an independent trustee) and supervised by the DFSA. In case of an issuer's insolvency, each cover pool – which comprises all registered eligible assets and related covered bonds – is separated from the issuer's general insolvency estate and managed with the aim of facilitating full and timely payment. The Danish Covered Bond Act does not prohibit the use of set-off against cover pool assets. As such, borrowers can retain a residual right under the Danish legislation to set-off claims vis-à-vis Danske Bank against their amount outstanding under their relevant loans. This risk is mitigated (but not completely ruled out) as borrowers have contractually agreed with Danske Bank that they have no right of set-off against the relevant loans.

Ability to continue payments after issuer insolvency

Insolvencies do not trigger an acceleration of covered bonds, unlike other debt categories. Derivatives remain in force throughout an issuer's bankruptcy, liquidation or resolution if they are registered in the cover pool and the derivatives contract stipulates that the suspension of payments or an issuer's bankruptcy does not constitute an event of default. Upon an insolvency of the issuer, the DFSA would appoint a special administrator who will manage and monitor the covered bond estates to ensure timely payment. The law specifies that neither a moratorium nor the insolvency of the issuer should impact the ability to make timely payments. The ability to continue payments after the issuer's insolvency does further benefit from general risk management principles strengthening Danish SDOs.

Asset eligibility and risk management principles

Risk management benefits from the 'general balance principle' applicable to Danish universal banks. Accordingly, an issuer must ensure a cover pool maintains a balance between the assets and the covered bond's payments and obligations in terms of currencies, interest rates and maturities. This principle also involves certain market risk tests, including those that limit the impact of a yield curve shift or exposure to foreign exchange. Another requirement is a higher net present value on the cover assets than on the covered bonds. Liquidity risk is supported by a 12-month extension on the due dates for covered bond principal repayments. Maturity extensions and their terms and conditions must be clearly described in the issuance documentation. Extensions are not at the issuer's discretion but are granted only if payment becomes unlikely at the scheduled maturity or other measures are deemed insufficient by the DFSA for the timely repayment of all covered bonds. In addition, Danish covered bonds must ensure that the first 180 days of liquidity needs (assuming extended maturities) are sufficiently covered by highly liquid assets.

The definition of eligible assets follows European standards. There is a regularly updated, maximum loan-to-value (LTV) ratio of 80% for residential mortgages and 60% for commercial mortgage loans, including mortgage loans secured by agriculture. There are no restrictions on the share of commercial or residential mortgage loans. Further, the act permits the inclusion of substitute assets (maximum 15% of the cover pool), including exposures to sovereigns, public-sector entities, and banks (including covered bonds). Generally, cover assets can be domiciled in the European economic area or certain OECD countries.

Programme enhancements remain available

Enhancements, such as maintained overcollateralisation, asset eligibility standards or liquidity provisions, remain available, valid and enforceable. Neither a regulatory action nor an issuer's event of default impacts the ability to manage the covered bonds in the interest of investors. Danish covered bonds benefit from a minimum legal overcollateralisation of 2% based on the nominal value of both the cover assets and the covered bonds. This level shall also cover maintenance and management costs to wind down covered bonds.

Covered bond oversight

The DFSA supervises the issuance and maintenance of covered bond programmes. Day to day compliance with cover pool management is typically monitored by the internal audit departments. As part of the annual review, independent auditors review relevant provisions and notify the FSA on findings.

5.2 Resolution regime analysis

Danske Bank's mortgage covered bonds can benefit from an additional four-notch uplift that reflects their exemption from bail-in and our view of a high likelihood for the covered bonds remaining with a resolved and restructured issuer that retains the programme as an actively managed going concern funding instrument. The latter is supported by the very high systemic relevance of SDOs in Denmark as well as Danske Bank's own systemic relevance as one of the largest Danish covered bond issuers and a global issuer of covered bonds and the strong and proactive stakeholder community.

Four notches reflect the very high likelihood of resolution

Availability of statutory provisions

Danish covered bonds are defined in line with statutory provisions according to the European Commission's Directive (2014/59/EU). The BRRD is implemented in Danish law, including the Financial Business Act (FIL), the Act on the Restructuring and Resolution of Certain Financial Enterprises (RAL), and various executive orders. It provides the national resolution authorities (DFSA and the Danish Financial Stability Company (FSC)) with a toolkit to establish uniform rules and procedures for the resolution of relevant credit institutions.

Strength of statutory provisions

The national transposition of Article 55 of the BRRD into the Act on the Restructuring and Resolution of Certain Financial Enterprises according, section 25(3), exempts secured liabilities such as covered bonds from bail-in. It outlines uniform principles and tools for managing failing credit institutions in Denmark to continue critical functions or avoid a contagion effect.

Systemic importance of issuer

We believe regulators would preserve Danske Bank in case of its hypothetical failure. Danske Bank is not a global systemically important bank. However, as the largest bank in Denmark measured by size and importance, Danske Bank is considered a systemically important financial institution by the DFSA. Considering this status, Danske Bank must ensure it maintains an additional capital buffer of 3.0%.

Systemic relevance of covered bonds

Covered bonds have a very high systemic relevance in Denmark and regulators are therefore conscious of the systemic importance of their issuers. The Danish covered bond market is one of world's oldest, with a 229-year history. Its domestic covered bonds account for the largest share of tradeable high-grade debt in the Danish capital markets. The Danish covered bond market is also the largest globally, with EUR 465bn equivalent of outstanding covered bonds at year-end 2023. On average, total outstanding covered bonds account for around 124% of Denmark's GDP. Danish banks are the largest investors of Danish covered bonds, followed by international investors and the Danish public pension scheme.

Proactive stakeholder community

Danish covered bonds benefit from a very strong stakeholder community, increasing the likelihood of active support to maintain this product a going concern funding instrument. Danish covered bond issuers actively collaborate under the umbrella of Finance Denmark and the Association of Danish Mortgage Banks, which includes promoting the product and initiating changes to the domestic (and international) covered bond framework. The Danish central bank is also an active stakeholder given Danish covered bonds' wide use as collateral for central bank operations as well as a funding instrument.

6. Cover pool analysis

Danske Bank's covered bond rating for Pool C mortgage covered bonds are governance supported. Hence cover pool support is not needed. The cover pool support does provide additional rating stability in case of an issuer downgrade.

6.1 CPC assessment

Our assessment on the interplay between complexity and transparency translates into a cover pool complexity (CPC) category of 'Low'. The assessment on the interplay between complexity and transparency adds three notches to the rating buffer. This combined credit support could allow the covered bond rating to remain at the highest level in the event of a hypothetical issuer downgrade of up to five notches, assuming overcollateralisation does not become a constraining factor.

The CPC category of "low risk" stems from the ongoing availability of detailed, regular, current and forward-looking transparency and reporting on key credit and market risk factors. We considered information on the issuer's lending products; underwriting, credit and market risk management; and high transparency on its origination, issuance and hedging strategy.

6.2 Cover pool composition

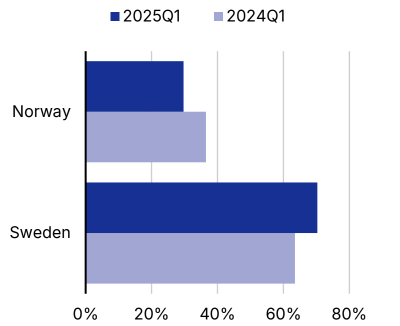
As of March 2025, Danske Bank's mortgage covered bonds issued out of its pool C are secured by mortgage loans originated by its branches in Sweden (70.3% of portfolio) and Norway (29.7%). Substitute assets account for 0.1%.

Of the mortgage loans, 75.8% are exposed to commercial properties including for agriculture. The remainder to private rental residential or multifamily properties account for 24.1%. The properties securing the loans are spread well across both Sweden and Norway. The pool is relatively granular with 4.253 mortgage loans and an average loan amount of around DKK 12m (around EUR 1.6m). The top 10 loans account for 7.8%. On average, the cover pool has a moderate (current values) of 51.5%.

Interest-only loans account for around 33.5%. The remaining benefit from a constant repayment rate or are fully amortising. All loans are adjustable-rate mortgages, with the rate fixed for up to one year.

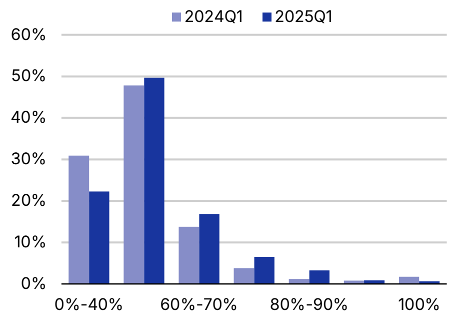
The mortgage loans have an average seasoning of 1.5 years and a remaining average maturity of 4.6 years. The latter reflects that commercial mortgage loans are typically underwritten with a term of 3-5 years with balloon payments and refinancing risk. All loans are performing.

Figure 3: Regional distribution



Source: Scope Ratings

Figure 4: LTV distribution



Source: Scope Ratings

Cover pool characteristics

Reporting date	March 2025	March 2024
Balance (DKK bn)	52.48	41.65
Residential (%)*	24.1	27.7
Commercial (%)	75.8	71.3
Substitute (%)	0.1	0.0

Property type (%)

Reporting date	March 2025	March 2024
Office and business	34.3	40.1
Private rental	19.4	14.7
Manufacturing	17.9	15.7
Agricultural properties	16.5	9.4
Social and cultural	5.9	6.1
Cooperative housing	4.7	13.0
Other	1.2	1.0

General information

Reporting date	March 2025	March 2024
No. of loans ('000s)	4.3	3.6
Avg. size (DKK m)	12.3	11.7
Top 10 (%)	7.8	6.6
Avg. maturity (years)	4.6	2.7
Avg. seasoning (years)	1.5	2.0
LTV (%)	51.5	47.9

Interest rate type (%)

Reporting date	March 2025	March 2024
Floating (≤ 1year)	100	100
Fixed	0.0	0.0

Repayment type (%)

Reporting date	March 2025	March 2024
Annuity	64.8	65.2
Interest-only	33.5	32.5
Other	1.7	2.3

6.3 Asset risk analysis

Solid asset quality considering diversified domestic residential loans with moderate LTV

The asset quality of the mortgage loans in pool C is solid thanks to the Norwegian and Swedish loans with a moderate to low LTV and relatively short remaining life.

Our projection of default applicable to the mortgage portfolio uses an inverse Gaussian distribution characterised by a measure of mean default probability and a variance of correlation parameter. This approach is supported by the granularity of the assets based on a top 10 concentration of less than 4.8% for the 639 rental residential and multifamily loans and 3.0% for the 3,614 commercial loans.

Taking into consideration pool and line by line performance data we established an annual default rate of 0.53% (WAL 4.3y) for the Swedish mortgage loans and 0.34% (WAL 1.8y) for the Norwegian mortgage loans. We assumed a coefficient of variation of 55% for both pools, which gives credit to the bank's moderate risk appetite and the regionally well spread portfolio but does also take into account the riskier nature of medium-term mortgage loans exposed to refinancing risk.

Stressed mortgage recovery rates are 55% for the Swedish portfolio and 62.5%, respectively. This reflects our updated value decline assumptions in accordance with our covered bond methodology together with a 5% haircut accounting for the 15% of second lien mortgages.

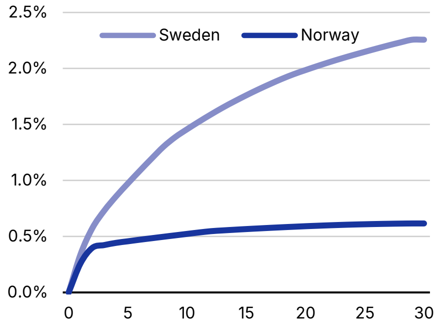
Commercial security value haircuts (in %)

Sweden / Norway	Base MVD	Stressed MVD*
Residential (rented)	30.0	66.8
Commercial	30.0	76.3

MVD: market value decline
*Includes a 5% haircut given the portfolio's exposure of second lien mortgages

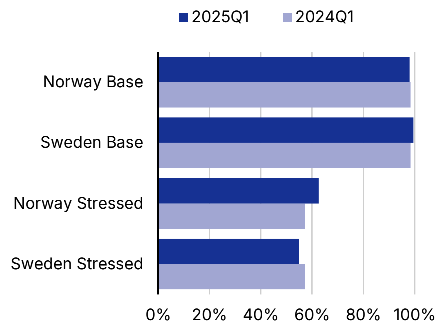
We disregard the substitute assets from our asset risk analysis. Therefore, we consider only the credit risk (and cash flows) of the primary collateral – the mortgage loans.

Figure 5: Expected term defaults, cumulative (DP/years)



Source: Scope Ratings

Figure 6: Base / stressed recovery rates Norway and Sweden



Source: Scope Ratings

6.4 Cash flow risk analysis

Supporting overcollateralisation at legal minimum as the rating is solely based on governance support

The OC supporting the rating is floored at the legal minimum OC of 2%. This is because the rating does not rely on cover pool support and can reach highest ratings based on governance support only.

Cover pool support could provide additional rating stability. Our cash flow analysis shows, that if the rating of Danske Bank would be downgraded to BBB-, the maintained nominal overcollateralisation of 18.6% (post-hedge) as of March 2025 would be sufficient to support the highest achievable rating on the mortgage covered bonds.

Foreign currency and interest rate mismatch risks are well mitigated. The fixed-rate euro-denominated and floating-rate Norwegian krone-denominated covered bonds issued out of pool C are fully hedged to match the cover assets' currency and interest types (in NOK and SEK and paying a floating coupon). Basis risk between the assets and liabilities are also hedged. However, in stressed scenarios such as high defaults or high prepayments, mismatches could result from additional carry costs for excess cash held on the cash account.

Asset-liability mismatches

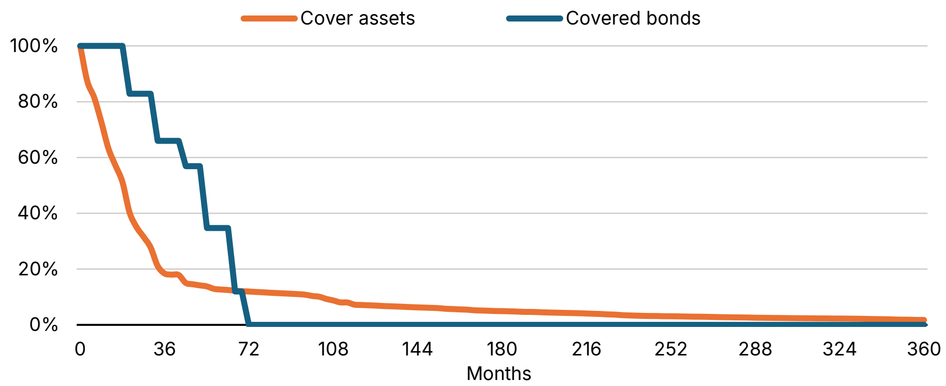
	Assets	Liabilities
SEK (%)	70.2	68.8**
NOK (%)	29.7	31.2**
DKK (%)	0.1	0.0
Fixed (%)	0.0	0.0
Floating (%)	100	100
WAM*** (years)	4.6	4.0*

*incl. extension **hedged *** weighted average maturity

The programme is most sensitive to a combination of high prepayments (15%), decreasing interest rates, and an appreciation of the Norwegian krone against the Swedish krona. This is mainly driven by negative carry arising from maturity mismatches from the bonds' weighted average remaining life of 4.0 years (including extensions) in comparison with the remaining maturity of the mortgage loans of only 4.6 years (no prepayments). Hence, excess cash under high prepayments is reinvested at no margin. Currency mismatches could arise from excess cash that is reconverted into the base currency, putting stress on the programme's (modelled) open foreign-exchange positions.

While asset sales are not a driving scenario, we have tested scenarios assuming stressed asset sales used to cure possible liquidity shortfalls. As such, we have applied a 350 bp refinancing spread for the Swedish and Norwegian commercial mortgage loans.

Figure 7: Amortisation profile



Source: Scope Ratings

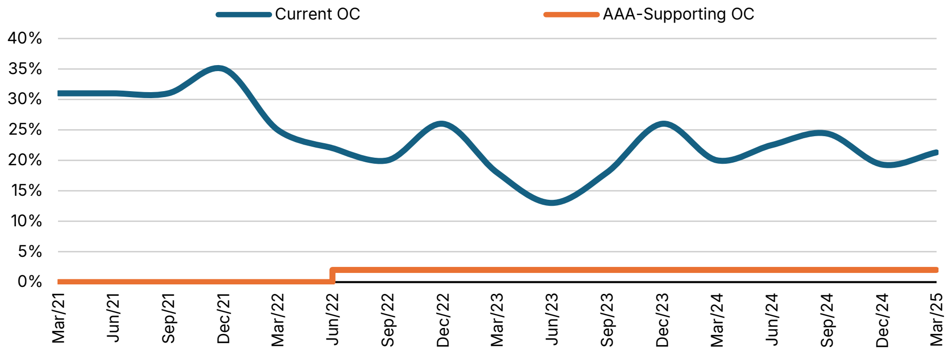
We complemented our base case cash flow results with additional analysis, testing sensitivities to higher prepayments, frontloaded defaults and spread compression. None of such calculation resulted into an adjustment of our rating supporting overcollateralisation.

7. Availability of overcollateralisation

Danske Bank's current rating allows us to account for the provided OC. We are not aware of any changes to the programme that would alter its risk profile or reduce available OC to levels that would no longer support the current rating uplift.

Supportive level of available overcollateralisation fully taken into account.

Figure 8: Available OC versus current rating-supporting level



Source: Scope Ratings

8. Other risk considerations

The rated covered bonds have counterparty exposures to the issuer, Danske Bank, as loan originator, servicer, bank account provider, swap counterparty and paying agent. We assess the bank as resolvable and believe that if a regulator were to intervene, the strong alignment of interests between the bank and the covered bond holders would prevent any negative impact.

Counterparty exposure does not limit the rating

Country risk does not constrain the covered bond rating. Denmark's long-term issuer and senior unsecured debt ratings in local- and foreign-currency are AAA. The Outlook is Stable. We have no evidence that transfer risk (e.g. risk of capital controls), convertibility risk (e.g. risk of eurozone exit) and the risk of an institutional meltdown are pertinent risk factors for Denmark.

Country risk is not a rating driver

Governance factors are key for the analysis of the SDOs and therefore for our legal and resolution regime analysis. Our quantitative analysis on Danske Bank's SDOs have not directly included ESG aspects.

Governance factors are key rating drivers

Danske Bank may issue green bonds under the group's Green Finance Framework. This framework is based on ICMA Green Bond Principles and LMA Green Loan Principles. As such, green bonds can be issued based on a use-of-proceeds principle. Eligible mortgage coverage shall have an energy demand of at least 10% lower than the national requirements set for a nearly zero-energy building or the national building code. Alternatively, mortgage collateral may benefit from a building certification that meets a predefined threshold. While Danske Bank has not yet issued any green covered bond under its pool C, the group has issued green covered bonds since 2019 through its subsidiary Realkredit Danmark A/S.

9. Sensitivity analysis

Danske Bank's SDO ratings have a five-notch buffer against an issuer downgrade. If the issuer was downgraded to BBB- and assuming the issuer's willingness to support the highest covered bond rating and maintain the covered bond programme's risk profile an overcollateralisation of 6% could support highest ratings.

Five notch buffer against an issuer downgrade

The covered bond rating may be downgraded upon: i) an issuer rating downgrade by more than five notches; ii) a deterioration in Scope's view on governance support factors relevant to the issuer and Danish covered bonds in general and on the interplay between complexity and transparency, and/or iii) the inability of the cover pool to provide an additional uplift in case the issuer rating is downgraded by more than two notches.

10. Summary of covered bond characteristics

Reporting date	31 March 2025	31 March 2024
Issuer name	Danske Bank A/S	
Country	Denmark	
Covered bond name	Særligt dækkede obligationer – SDO (Danish covered bonds) – Cover pool C	
Covered bond legal framework	Danish Financial Business Act (Lov om finansiel virksomhed)	
Cover pool type	Commercial mortgage loans	
Composition	Rental residential = 24.1%	Rental residential = 27.7%
	Commercial = 75.8%	Commercial = 72.3%
	Substitute = 0.1%	Substitute = 0.0%
Issuer rating	A+ / Positive	A+ / Stable
Current covered bond rating	AAA/Stable	AAA / Stable
Covered bond maturity type	Soft bullet	Soft bullet
Cover pool currencies (post hedge)	SEK = 70.2%	SEK = 63.5%
	NOK = 29.7%	NOK = 36.5%
	DKK = 0.1%	
Covered bond currencies (post hedge)	SEK = 68.8%	SEK = 60.3%
	NOK = 31.2%	NOK = 39.7%
Governance cover pool support	6	6
Maximum additional uplift from cover pool complexity category	3	3
Maximum achievable covered bond uplift	9	9
Potential covered bond rating buffer	5	5
Cover pool (DKK bn)	52.48	41.65
thereof, substitute assets (DKK bn)	0.03	0.00
Covered bonds (DKK bn)	43.27	34.61
Overcollateralisation: current (hedged)/legal minimum	18.6% / 2.0%	22.6% / 2.0%
Overcollateralisation to support current rating	Minimum legal OC	Minimum legal OC
Overcollateralisation upon a one-notch issuer downgrade	Minimum legal OC	Minimum legal OC
Weighted average maturity of assets	4.6 years	2.7 years
Weighted average maturity of liabilities (extended)	4.0 years	4.6 years
Number of loans	4.253	3,563
Average loan size (DKK '000)	12.33	11.69
Top 10	7.8%	6.6%
Interest rate type assets (post hedge)	Floating = 100%	Floating = 100%
	Fixed = 0.0%	Fixed = 0.0%
Interest rate type liabilities (post hedge)	Floating = 100.0%	Floating = 100.0%
	Fixed = 0.0%	Fixed = 0.0%
Weighted average market value (indexed)	51.5%	47.9%
Geographic split	Sweden = 70.3%	Sweden = 63.5%
	Norway = 29.7%	Norway = 36.5%
Default measure (mortgage/substitute)	Inverse Gaussian	Inverse Gaussian
Weighted average annualised default rate	0.47%	0.90%
Weighted average coefficient of variation	55%	60%
Weighted average recovery assumption (D0; D9)[1]	99.0%; 57.2%	98.4%; 57.2%
Share of loans > three months in arrears (NPL)	0.0%	0.0%
Interest rate stresses (max/min)	9% / -1%	10% / -1%
FX stresses (max/min; currency-dependent)	n/a	n/a
Max. liquidity premium	350 bps	300 bps
Average servicing fee	50 bps	50 bps

Source: Scope Ratings

[1] D0 and D9 denote the stresses commensurate with the rating distance between our credit view on the issuer and the covered bond ratings.

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Related research

Covered Bond Outlook 2025: Credit stability in times of increasing uncertainty, January 2025

Applied methodologies

Covered Bond Rating Methodology, July 2024

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