

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);
- [DARWIN/ASTRA](#) 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	Finansinspektionen (Swedish Financial Supervisory Authority)																											
1.2 Country of the notifying authority	Sweden																											
2. Description of the measure																												
2.1a Institution or group of institutions concerned	-																											
	<table border="1"> <thead> <tr> <th>Name of institution</th> <th>LEI</th> <th>Consolidation level</th> </tr> </thead> <tbody> <tr> <td>Skandinaviska Enskilda Banken AB</td> <td>F3JS33DEI6XQ4ZBPTN86</td> <td>consolidated</td> </tr> <tr> <td>Svenska Handelsbanken AB</td> <td>NHBDILHZTYCNBV5UYZ31</td> <td>consolidated</td> </tr> <tr> <td>Swedbank AB</td> <td>M312WZV08Y7LYUC71685</td> <td>consolidated</td> </tr> <tr> <td>Nordea Hypotek AB</td> <td>5493000K2HPWIF6MFO29</td> <td>individual</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 institution	LEI	Consolidation level	Skandinaviska Enskilda Banken AB	F3JS33DEI6XQ4ZBPTN86	consolidated	Svenska Handelsbanken AB	NHBDILHZTYCNBV5UYZ31	consolidated	Swedbank AB	M312WZV08Y7LYUC71685	consolidated	Nordea Hypotek AB	5493000K2HPWIF6MFO29	individual												
	Name of institution	LEI	Consolidation level																									
	Skandinaviska Enskilda Banken AB	F3JS33DEI6XQ4ZBPTN86	consolidated																									
	Svenska Handelsbanken AB	NHBDILHZTYCNBV5UYZ31	consolidated																									
	Swedbank AB	M312WZV08Y7LYUC71685	consolidated																									
Nordea Hypotek AB	5493000K2HPWIF6MFO29	individual																										

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.

2.1b Changes to the list of institutions concerned	No changes.																										
2.2 Level of the buffer applied	<table border="1" data-bbox="571 331 1439 609"> <thead> <tr> <th data-bbox="571 331 836 362">Name of institution</th> <th data-bbox="842 331 1155 362">New O-SII buffer</th> <th data-bbox="1161 331 1439 362">Previous O-SII buffer</th> </tr> </thead> <tbody> <tr> <td data-bbox="571 371 836 421">Skandinaviska Enskilda Banken AB</td> <td data-bbox="842 371 1155 421">1,00%</td> <td data-bbox="1161 371 1439 421">1,00%</td> </tr> <tr> <td data-bbox="571 430 836 461">Svenska Handelsbanken AB</td> <td data-bbox="842 430 1155 461">1,00%</td> <td data-bbox="1161 430 1439 461">1,00%</td> </tr> <tr> <td data-bbox="571 470 836 501">Swedbank AB</td> <td data-bbox="842 470 1155 501">1,00%</td> <td data-bbox="1161 470 1439 501">1,00%</td> </tr> <tr> <td data-bbox="571 510 836 542">Nordea Hypotek AB</td> <td data-bbox="842 510 1155 542">1,00%</td> <td data-bbox="1161 510 1439 542">0,00%</td> </tr> <tr> <td data-bbox="571 551 836 582"></td> <td data-bbox="842 551 1155 582"></td> <td data-bbox="1161 551 1439 582"></td> </tr> <tr> <td data-bbox="571 591 836 622"></td> <td data-bbox="842 591 1155 622"></td> <td data-bbox="1161 591 1439 622"></td> </tr> </tbody> </table>						Name of institution	New O-SII buffer	Previous O-SII buffer	Skandinaviska Enskilda Banken AB	1,00%	1,00%	Svenska Handelsbanken AB	1,00%	1,00%	Swedbank AB	1,00%	1,00%	Nordea Hypotek AB	1,00%	0,00%						
Name of institution	New O-SII buffer	Previous O-SII buffer																									
Skandinaviska Enskilda Banken AB	1,00%	1,00%																									
Svenska Handelsbanken AB	1,00%	1,00%																									
Swedbank AB	1,00%	1,00%																									
Nordea Hypotek AB	1,00%	0,00%																									
2.3 Name of the ultimate EU parent institution	<table border="1" data-bbox="571 658 1439 945"> <thead> <tr> <th data-bbox="571 658 871 689">Name of identified O-SII</th> <th data-bbox="877 658 1168 689">Ultimate EU parent institution</th> <th data-bbox="1174 658 1439 712">LEI of ultimate parent institution</th> </tr> </thead> <tbody> <tr> <td data-bbox="571 721 871 752">Nordea Hypotek AB</td> <td data-bbox="877 721 1168 752">Nordea Bank Abp</td> <td data-bbox="1174 721 1439 752">529900ODI3047E2LIV03</td> </tr> <tr> <td data-bbox="571 761 871 792"></td> <td data-bbox="877 761 1168 792"></td> <td data-bbox="1174 761 1439 792"></td> </tr> <tr> <td data-bbox="571 801 871 833"></td> <td data-bbox="877 801 1168 833"></td> <td data-bbox="1174 801 1439 833"></td> </tr> <tr> <td data-bbox="571 842 871 873"></td> <td data-bbox="877 842 1168 873"></td> <td data-bbox="1174 842 1439 873"></td> </tr> <tr> <td data-bbox="571 882 871 913"></td> <td data-bbox="877 882 1168 913"></td> <td data-bbox="1174 882 1439 913"></td> </tr> </tbody> </table>						Name of identified O-SII	Ultimate EU parent institution	LEI of ultimate parent institution	Nordea Hypotek AB	Nordea Bank Abp	529900ODI3047E2LIV03															
Name of identified O-SII	Ultimate EU parent institution	LEI of ultimate parent institution																									
Nordea Hypotek AB	Nordea Bank Abp	529900ODI3047E2LIV03																									
2.4 Names of subsidiaries	<table border="1" data-bbox="571 994 1439 1281"> <thead> <tr> <th data-bbox="571 994 871 1048">Name of parent O-SII identified</th> <th data-bbox="877 994 1168 1025">Name of O-SII subsidiary</th> <th data-bbox="1174 994 1439 1025">LEI of O-SII subsidiary</th> </tr> </thead> <tbody> <tr> <td data-bbox="571 1057 871 1088"></td> <td data-bbox="877 1057 1168 1088"></td> <td data-bbox="1174 1057 1439 1088"></td> </tr> <tr> <td data-bbox="571 1097 871 1128"></td> <td data-bbox="877 1097 1168 1128"></td> <td data-bbox="1174 1097 1439 1128"></td> </tr> <tr> <td data-bbox="571 1137 871 1169"></td> <td data-bbox="877 1137 1168 1169"></td> <td data-bbox="1174 1137 1439 1169"></td> </tr> <tr> <td data-bbox="571 1178 871 1209"></td> <td data-bbox="877 1178 1168 1209"></td> <td data-bbox="1174 1178 1439 1209"></td> </tr> <tr> <td data-bbox="571 1218 871 1249"></td> <td data-bbox="877 1218 1168 1249"></td> <td data-bbox="1174 1218 1439 1249"></td> </tr> </tbody> </table>						Name of parent O-SII identified	Name of O-SII subsidiary	LEI of O-SII subsidiary																		
Name of parent O-SII identified	Name of O-SII subsidiary	LEI of O-SII subsidiary																									
3. Timing for the measure																											
3.1 Timing for the decision	21/07/2022																										
3.2 Timing for publication	21/07/2022																										
3.3 Disclosure	Publish on our website, www.fi.se.																										
3.4 Timing for application	31/12/2022																										
3.5 Phasing in	<p data-bbox="571 1711 1439 1747">N/A</p> <table border="1" data-bbox="571 1756 1439 1872"> <thead> <tr> <th data-bbox="571 1756 890 1787">Name of institution</th> <th data-bbox="896 1756 1002 1787">Date1</th> <th data-bbox="1008 1756 1114 1787">Date2</th> <th data-bbox="1120 1756 1225 1787">Date3</th> <th data-bbox="1232 1756 1337 1787">Date4</th> <th data-bbox="1343 1756 1439 1787">Date5</th> </tr> </thead> <tbody> <tr> <td data-bbox="571 1796 890 1827"></td> <td data-bbox="896 1796 1002 1827">%</td> <td data-bbox="1008 1796 1114 1827">%</td> <td data-bbox="1120 1796 1225 1827">%</td> <td data-bbox="1232 1796 1337 1827">%</td> <td data-bbox="1343 1796 1439 1827">%</td> </tr> <tr> <td data-bbox="571 1836 890 1868"></td> <td data-bbox="896 1836 1002 1868">%</td> <td data-bbox="1008 1836 1114 1868">%</td> <td data-bbox="1120 1836 1225 1868">%</td> <td data-bbox="1232 1836 1337 1868">%</td> <td data-bbox="1343 1836 1439 1868">%</td> </tr> </tbody> </table>						Name of institution	Date1	Date2	Date3	Date4	Date5		%	%	%	%	%		%	%	%	%	%			
Name of institution	Date1	Date2	Date3	Date4	Date5																						
	%	%	%	%	%																						
	%	%	%	%	%																						
3.6 Review of the measure	Year-end 2023																										
4. Reason for O-SII identification and activation of the O-SII buffer																											

<p>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>	<table border="1"> <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>Skandinaviska Enskilda Banken AB</td> <td>1936</td> <td>2017</td> <td>4757</td> <td>2276</td> <td>2747</td> </tr> <tr> <td>Svenska Handelsbanken AB</td> <td>2110</td> <td>1938</td> <td>1664</td> <td>1338</td> <td>1762</td> </tr> <tr> <td>Swedbank AB</td> <td>1647</td> <td>1743</td> <td>1414</td> <td>1240</td> <td>1512</td> </tr> <tr> <td>Nordea Hypotek AB</td> <td>473</td> <td>236</td> <td>3</td> <td>728</td> <td>360</td> </tr> <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> <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	Size	Substitutability	Complexity	Interconnectedness	Overall Score	Skandinaviska Enskilda Banken AB	1936	2017	4757	2276	2747	Svenska Handelsbanken AB	2110	1938	1664	1338	1762	Swedbank AB	1647	1743	1414	1240	1512	Nordea Hypotek AB	473	236	3	728	360																								
Name of institution	Size	Substitutability	Complexity	Interconnectedness	Overall Score																																																		
Skandinaviska Enskilda Banken AB	1936	2017	4757	2276	2747																																																		
Svenska Handelsbanken AB	2110	1938	1664	1338	1762																																																		
Swedbank AB	1647	1743	1414	1240	1512																																																		
Nordea Hypotek AB	473	236	3	728	360																																																		
<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; Yes which threshold score has been set to identify O-SIIs; 350 whether relevant entities with relative total assets not in excess of 0.02% have been excluded from the identification process; No 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); Please see 3.3 whether non-bank institutions have been included in the calculations. Yes, non-bank institutions under CRR/CRD were included. 																																																						
<p>4.3 Supervisory judgement</p>																																																							
<p>4.4 Calibrating the O-SII buffer</p>	<p>Skandinaviska Enskilda Banken AB, Svenska Handelsbanken AB, Swedbank AB and Nordea Hypotek AB shall be subject to an O-SII buffer of 1 % because they, through their operations separately create risks that not only can affect the own institution's survival but also lead to risks for the stability of the financial system. FI has previously concluded that these risks require an add-on of at least 1pp for each of the three largest banks O-SII.</p> <p>Nordea Hypotek AB is a subsidiary and is subject to the capital requirements set by the Finnish authorities on its parent Nordea Bank Abp. In contrast to the previous year Finansinspektionen has judged it necessary to set an additional buffer requirement of 1pp on the subsidiary.</p>																																																						
<p>4.5 Effectiveness and proportionality of measure</p>	<p>The O-SII buffer covers risks that the other measures in CRR and CRD do not cover. Given the amendments to CRR and CRD, including e.g. the pillar 2 guidance, Finansinspektionen considers that the O-SII buffer shall be 1 %.</p>																																																						

5. Sufficiency, consistency and non-overlap of the policy response	
5.1 Sufficiency of the policy response	FI does not believe that a 1% O-SII buffer in isolation is sufficient to completely mitigate the risks mentioned in section 4.4. As such, and taking into account the accumulation rules of the O-SII buffer and Systemic Risk Buffer when applied at the consolidated level, additional capital requirements have been applied to the three large Swedish O-SIIs via the SRB and Pillar 2 in order to mitigate the individual and aggregate risks. Note, however, that the un-addressed O-SII risk encompasses only a small part of the justification for these additional measures.
5.2 Consistency of application of the policy response	The policy response of setting an O-SII buffer is consistent with the goal of limiting the potential risks stemming from a failure of these institutions on the overall Swedish banking market. The measure is applied in a consistent manner, strengthening the resilience of financial infrastructure through build-up of loss absorption capacity within these institutions.
5.3 Non-overlap of the policy response	No other policy instruments used to address the same systemic risk. Svenska Handelsbanken AB, Swedbank AB, Skandinaviska Enskilda Banken AB are subject to an O-SII buffer, a systemic risk buffer and a risk weight floor for mortgages via article 458. The measures cover different risks and complement each other.
6. Cross-border and cross-sector impact of the measure	
6.1 Assessment of cross-border effects and the likely impact on the Internal Market (Recommendation ESRB/2015/2³)	<p>FI does not expect the measure to have any negative consequences on the functioning of the single market. The O-SII buffer is placed on Svenska Handelsbanken AB's, Swedbank AB's, Skandinaviska Enskilda Banken AB's total exposures, thus no difference is made based on the domicile of the exposures.</p> <p>When a few banks dominate a national banking system, the risk is that the markets perceive them to be subject to some form of implicit state guarantee, especially in countries with strong fiscal positions such as Sweden. The additional capital requirements for the large banks could be seen as somewhat reducing this competitive advantage, a measure which should be regarded as positive for the single market.</p>
6.2 Assessment of leakages and regulatory arbitrage within the notifying Member State	As regards domestic implications, the differences between the total structural buffers for the biggest Swedish institutions are kept at their previous levels.
7. Combinations and interactions with other measures	

³ 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).

<p>7.1 Combinations between G-SII and O-SII buffers (Article 131.14)</p>	<p>There are no entities in Sweden subject to both buffers.</p> <table border="1" data-bbox="571 280 1439 425"> <thead> <tr> <th>Name of institution</th> <th>O-SII buffer</th> <th>G-SII buffer</th> </tr> </thead> <tbody> <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 institution	O-SII buffer	G-SII buffer		%	%		%	%		%	%																								
Name of institution	O-SII buffer	G-SII buffer																																			
	%	%																																			
	%	%																																			
	%	%																																			
<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? If yes, please provide the following information:</p> <p>a. What is/are the systemic risk buffer rates(s)? See below</p> <p>b. At what level is/are the systemic risk buffer rate(s) applied (i.e. consolidation level and/or individual)? The systemic risk buffer is applied at the same consolidation level as the O-SII buffer.</p> <p>c. 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%? No</p> <table border="1" data-bbox="571 958 1423 1332"> <thead> <tr> <th>Name of institution</th> <th>SyRB rate</th> <th>SyRB application level</th> <th>Sum of G-SII/O-SII and SyRB rates</th> </tr> </thead> <tbody> <tr> <td>Skandinaviska Enskilda Banken AB</td> <td>3,00%</td> <td>consolidated</td> <td>4,00%</td> </tr> <tr> <td>Svenska Handelsbanken AB</td> <td>3,00%</td> <td>consolidated</td> <td>4,00%</td> </tr> <tr> <td>Swedbank AB</td> <td>3,00%</td> <td>consolidated</td> <td>4,00%</td> </tr> <tr> <td></td> <td>%</td> <td></td> <td>%</td> </tr> <tr> <td></td> <td>%</td> <td></td> <td>%</td> </tr> <tr> <td></td> <td>%</td> <td></td> <td>%</td> </tr> <tr> <td></td> <td>%</td> <td></td> <td>%</td> </tr> <tr> <td></td> <td>%</td> <td></td> <td>%</td> </tr> </tbody> </table>	Name of institution	SyRB rate	SyRB application level	Sum of G-SII/O-SII and SyRB rates	Skandinaviska Enskilda Banken AB	3,00%	consolidated	4,00%	Svenska Handelsbanken AB	3,00%	consolidated	4,00%	Swedbank AB	3,00%	consolidated	4,00%		%		%		%		%		%		%		%		%		%		%
Name of institution	SyRB rate	SyRB application level	Sum of G-SII/O-SII and SyRB rates																																		
Skandinaviska Enskilda Banken AB	3,00%	consolidated	4,00%																																		
Svenska Handelsbanken AB	3,00%	consolidated	4,00%																																		
Swedbank AB	3,00%	consolidated	4,00%																																		
	%		%																																		
	%		%																																		
	%		%																																		
	%		%																																		
	%		%																																		
<p>7.3 O-SII requirement for a subsidiary (Article 131.8 CRD)</p>	<p>For Nordea Hypotek AB, its parent – Nordea Bank Abp – is subject to a 2% O-SII buffer.</p> <p>Does the cap for the subsidiary prevent the implementation of a higher O-SII buffer based on the domestic buffer setting methodology? No</p> <table border="1" data-bbox="571 1547 1423 1742"> <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 Hypotek AB</td> <td>Nordea Bank Abp</td> <td>2,00%</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 Hypotek AB	Nordea Bank Abp	2,00%			%			%																								
Name of O-SII subsidiary	Name of the EU parent of the O-SII subsidiary	Buffer applicable to O-SII EU parent																																			
Nordea Hypotek AB	Nordea Bank Abp	2,00%																																			
		%																																			
		%																																			
<p>8. Miscellaneous</p>																																					
<p>8.1 Contact person(s)/mailbox at notifying authority</p>	<p>Per Axelsson, Analyst, Bank Analysis and Policy +46 76 507 8148 per.axelsson@fi.se</p>																																				

8.2 Any other relevant information	
8.3 Date of the notification	21/06/2022