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CREDIT OPINION

28 February 2023

Update



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RATINGS

Danske Bank A/S

Domicile	Copenhagen, Denmark
Long Term CRR	A1
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	A3
Type	Senior Unsecured - Fgn Curr
Outlook	Stable
Long Term Deposit	A2
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Danske Bank A/S

Update to credit analysis

Summary

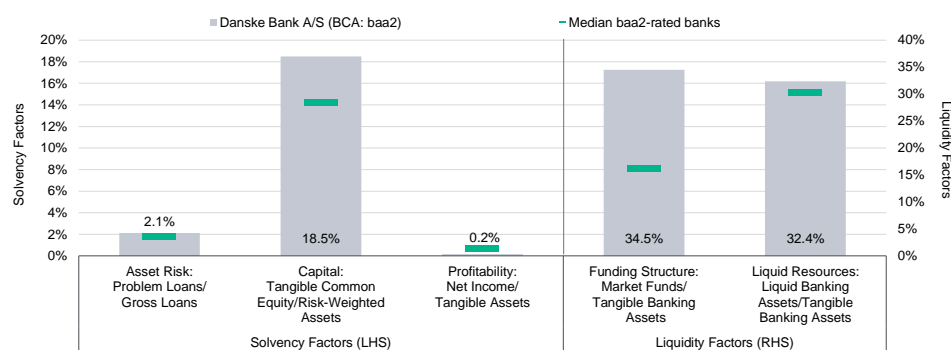
[Danske Bank A/S](#)' (Danske) A2 long-term (LT) deposit ratings and A3 senior unsecured debt ratings reflect the bank's baa2 Baseline Credit Assessment (BCA); two notches of rating uplift for deposits and one notch of uplift for senior unsecured debt based on our forward-looking Advanced Loss Given Failure (LGF) analysis; and our assumption of a moderate likelihood of support from the [Government of Denmark](#) (Aaa stable), which results in an additional notch of uplift. The LT deposit and senior unsecured debt ratings carry a stable outlook.

Danske's baa2 BCA reflects its good but weaker than peers' asset quality and solid capitalisation, balanced against profitability pressures from moderately higher funding costs and operational expenses related to anti-money laundering (AML) and compliance capabilities. The bank's high dependence on market funding is mitigated by more stable covered bonds and adequate liquidity.

In addition, the bank's BCA incorporates a negative adjustment for corporate behaviour, as the bank has continued to reveal a series of failures after the money laundering issue in Estonia revealed in 2018.

Exhibit 1

Rating Scorecard - Key financial ratios



These represent our Banks methodology scorecard ratios, whereby asset risk and profitability reflect the weaker of either the three-year average or the latest annual figure. Capital ratio is the latest reported figure. Funding structure and liquid resource ratios reflect the latest fiscal year-end figures.

Source: Moody's Investors Service

Credit strengths

- » Good asset quality, but still below that of its Nordic peers
- » Solid capitalisation

Credit challenges

- » Reputational and financial risks that may arise from past governance and risk management deficiencies
- » Profitability to recover but from low levels
- » High dependence on market funding, mitigated by more stable covered bonds and adequate liquidity

Outlook

The stable outlook on the deposit and senior unsecured debt ratings reflects our view that the bank's financial performance will remain solid, supporting the current BCA, despite continued macroeconomic and geopolitical uncertainty.

Factors that could lead to an upgrade

- » The BCA and Adjusted BCA could be upgraded if the bank demonstrates that it has fully addressed compliance shortcomings and that the repercussions of the historical issues in Estonia will not have any further material negative impact on Danske's financial profile or its franchise relative to the current positioning of the BCA.
- » The bank would also need to return to significantly higher levels of profitability on a sustained basis without any noticeable deterioration in its funding profile, along with a reduction in the potential risk of further material financial penalties that the bank could not contain within one year's earnings.
- » The LT senior unsecured debt ratings could also be upgraded if the bank were to significantly increase its senior non-preferred debt issuance, providing additional loss-absorbing buffer, over time.

Factors that could lead to a downgrade

- » Conversely, the ratings could be downgraded if we observe lapses in terms of governance, control functions or compliance, along with any indications of a renewed aggressive strategy resulting in heightened credit or operational risks.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody.com> for the most updated credit rating action information and rating history.

Key indicators

Exhibit 2

Danske Bank A/S (Consolidated Financials) [1]

	12-22 ²	12-21 ²	12-20 ²	12-19 ²	12-18 ²	CAGR/Avg. ³
Total Assets (DKK Million)	3,279,980.0	3,646,218.0	3,677,128.0	3,421,905.0	3,312,537.0	(0.2) ⁴
Total Assets (USD Million)	470,730.6	555,588.8	604,442.8	514,031.1	507,439.1	(1.9) ⁴
Tangible Common Equity (DKK Million)	155,042.0	162,354.0	151,032.0	171,255.0	161,674.0	(1.0) ⁴
Tangible Common Equity (USD Million)	22,251.1	24,738.5	24,826.5	25,725.6	24,766.4	(2.6) ⁴
Problem Loans / Gross Loans (%)	1.6	2.3	2.4	2.4	2.5	2.3 ⁵
Tangible Common Equity / Risk Weighted Assets (%)	18.5	18.9	19.3	22.3	21.6	20.1 ⁶
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	17.0	23.6	26.5	23.1	25.1	23.0 ⁵
Net Interest Margin (%)	0.8	0.7	0.8	0.8	0.9	0.8 ⁵
PPI / Average RWA (%)	1.5	1.9	1.7	1.8	2.5	1.9 ⁶
Net Income / Tangible Assets (%)	0.2	0.3	0.1	0.3	0.4	0.3 ⁵
Cost / Income Ratio (%)	69.7	66.3	71.5	69.7	60.3	67.5 ⁵
Market Funds / Tangible Banking Assets (%)	34.5	36.6	38.1	40.6	41.9	38.3 ⁵
Liquid Banking Assets / Tangible Banking Assets (%)	32.4	35.6	38.5	35.7	32.2	34.9 ⁵
Gross Loans / Due to Customers (%)	155.5	158.7	155.7	191.4	200.8	172.4 ⁵

[–] Further to the publication of our revised methodology in July 2021, only ratios from annual 2020 onwards included in this report reflect the change in analytical treatment of the "high-trigger" Additional Tier 1 instruments. [1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.

Sources: Moody's Investors Service and company filings

Further to the publication of our revised methodology in July 2021, for issuers that have "high trigger" Additional Tier 1 instruments outstanding, not all ratios included in this report reflect the change in treatment of these instruments.

Profile

Danske Bank A/S (Danske) is part of the Danske Bank Group, which also comprises Realkredit Denmark A/S (a mortgage credit institution), Danica Pension (a life insurance company), Danske Hypotek AB (a mortgage credit institution in Sweden), [Danske Mortgage Bank Plc](#) (a mortgage credit institution in Finland) and Northern Bank Limited (a commercial bank in Northern Ireland). As of the end of December 2022, bank held 25% of the domestic market in terms of loans and 28% in terms of deposits. Total reported consolidated assets were DKK3.76 trillion (€540 billion) as of the end of December 2022.

Danske is a universal bank, and it provides a broad range of products and services, including deposits, loans and other credit, insurance, pensions, leasing, asset management, and trading in fixed-income products, foreign exchange and equities. Its main distribution channel is through electronic services. As of the end of December 2022, it also distributed its products through 66 domestic and 87 international branches in Sweden, Norway, Finland and Northern Ireland.

Danske was established in 1871 as Den Danske Landmandsbank. In 1976, it was renamed Den Danske Bank. In 2000, the name was changed to Danske Bank. Its shares are listed on the NASDAQ OMX Copenhagen Stock Exchange (Ticker: DANSKE). As of year-end 2020, its largest shareholder was the A.P. Møller Holding Group, which held 21% of the bank's total share capital.

Recent developments

Our [outlook](#) for the Danish banking system is stable. We expect Danish GDP growth to slow significantly to 0.5% in 2023 from 3.0% in 2022. The Danish central bank hiked its steering rate by 35 basis points to 2.1% in early February, broadly mirroring the ECB.

Detailed credit considerations

Qualitative adjustment for corporate behaviour reflects past failures that expose the bank to reputational, operational and financial risks

In September 2018, Danske revealed that major deficiencies in its control systems likely allowed money laundering of a significant scale at its previous Estonian branch between 2007 and 2015. In October 2018, the US Department of Justice announced that Danske was subject to criminal investigations, running in parallel with investigations in Denmark and Estonia, including for potential criminal activities.

In addition to the allegations of money laundering at the bank's previous Estonian branch, Danske subsequently revealed a series of failures, including the mis-selling of the Flexinvest Fri investment product, and one where it identified a number of customers with errors in their investment agreements. Other incidents included collecting too much debt from an important number of customers because of an error in the bank's debt collection system, sharing flawed estimates for profit or loss on certain traded shares because of shortcomings in an underlying IT system, incorrect recording of rebates on specific foreign exchange trades and issues related to Danske's handling of dividend taxes on behalf of some clients as part of the bank's tax service.

This has resulted in significant and frequent changes in senior management, including the previous CEO choosing to step down as he became a suspect in another bank's AML investigation.

In December 2022, the bank announced it had reached a settlement of DKK15.3 billion (\$2.1 billion) with the US and Danish authorities. The bank had already taken provisions (in Q3 2022 and in 2018) that fully covered the settlement and capital will not be affected.

We consider the identified past governance failures significant enough to have a material bearing on the bank's overall risk profile, and we reflect this through a negative qualitative adjustment for corporate behaviour.

Danske has already taken a number of steps to address its governance and control, and specifically its money laundering process controls deficiencies, and some of the additional issues that have been revealed are because of increased transparency from the bank.

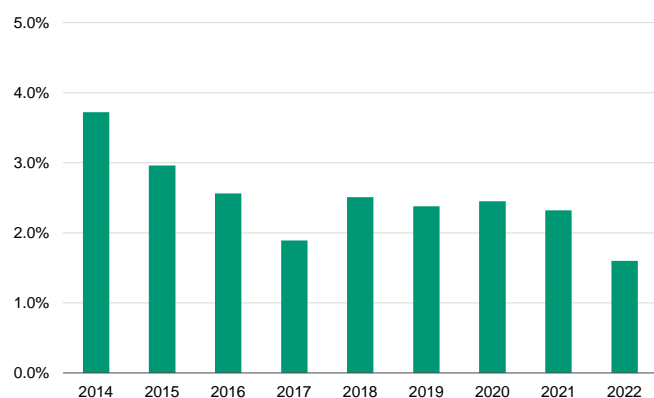
Asset quality - still below that of its peers - will face moderate pressure

Our assigned a3 Asset Risk score takes into consideration the bank's problem loan ratio, which improved over the last few years, along with our expectation that asset quality will deteriorate moderately over the next 12-18 months as a result of higher inflation, rising interest rates and subdued economic growth challenging some borrowers. The build-up in management provisions in 2020 along with in more recent quarters will, however, mitigate these asset risks. The bank's problem loan ratio (defined as IFRS9 Stage 3 loans) constituted 1.6% of gross loans as of 31 December 2022, an improvement from 2.3% in December 2021 (see Exhibit 3).

Most of Danske's exposures, 64% as of the end of December 2022, relate to business entities (see Exhibit 4). Commercial real estate and construction and building material, which constitutes 11.9% and 2.1%, respectively, of the bank's exposure, may face pressures, especially in the office and retail segment.

Exhibit 3

Danske's problem loans as a percentage of gross loans

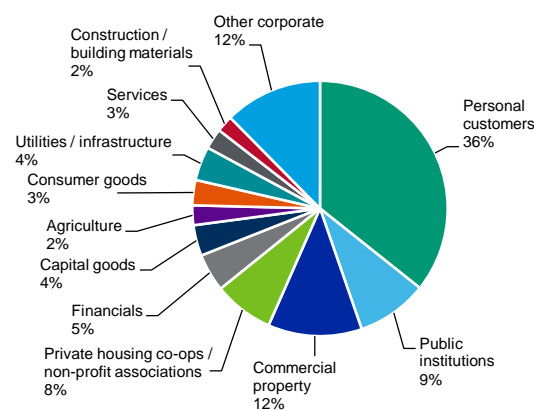


Stage 3 gross loans (according to IFRS9) as of 2018. Hence, the uptick in 2018 is because of the change in definition and is not an underlying deterioration in problem loans.

Sources: Company reports and Moody's Investors Service

Exhibit 4

Credit exposure by industry December 2022



Source: Company reports

As of year-end 2022, provisions set aside to cover expected losses amounted to DKK1,568 million in comparison to DKK348 million in 2021, reflecting the macroeconomic uncertainty and economic slowdown. Furthermore, the bank took an additional provision of DKK13.8 billion related to the resolution of the Estonia matter.

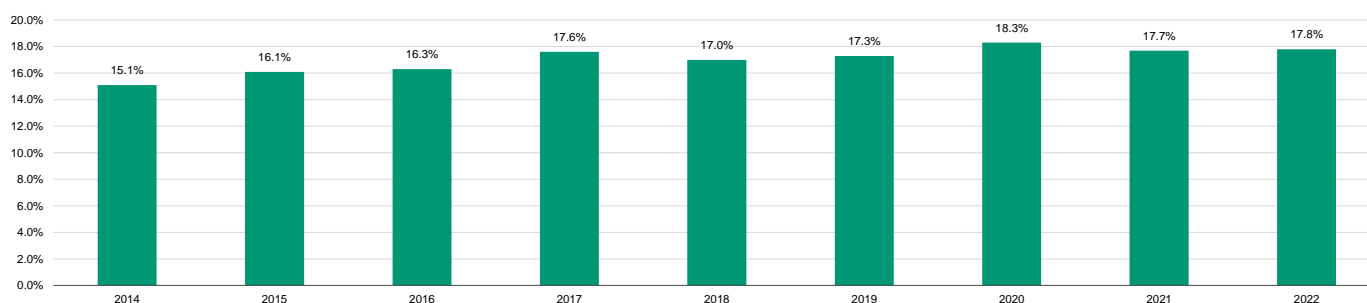
The assigned Asset Risk score includes a negative adjustment, which is also done for its large Nordic peers, to reflect our view that Danske has some sector concentration in its loan book.

Solid capitalisation

The assigned a1 Capital score reflects Danske's solid capital buffers, a relative strength for its credit profile. As of 31 December 2022, the bank's Common Equity Tier 1 (CET1) capital ratio was a strong 17.8%, compared with 17.7% as of December 2021 (see Exhibit 5), well above the requirement of 13.1%¹. The CET1 ratio benefited from the cancellation of the remaining dividends for 2021, a decrease in the capital deduction for Danica Pension and a decline in the total risk exposure amount (REA). Danske's board of directors will be proposing no dividends to be paid out for 2022, following the losses in 2022. However the bank's policy remains unchanged, targeting a dividend of 40-60% of net profit

Exhibit 5

Danske's CET1 ratio



Source: Company reports

In response to increased capital requirements and the general uncertainty about future regulatory developments, the bank increased its short- to medium-term CET1 target above 16% in 2019².

The assigned Capital score takes into account the bank's high leverage. Moody's Tangible common equity (TCE) was 4.7% of total assets as of 31 December 2022, which is at the lower end of the range for its large Nordic peers.

Profitability will recover from low levels

Our assigned ba2 Profitability score reflects our expectation that the bank's core profitability will strengthen over the next 12-18 months, benefitting from the higher interest rate environment.

Danske Bank reported a net loss of DKK5,068 million in 2022 (compared to a net profit of DKK12,920 million in 2021), due to the additional provision for the Estonia matter and the goodwill impairment charge of DKK1,627 million, resulting in a net income to tangible assets of -0.2%. Excluding these one-offs, net profit stood at DKK10,359 million, with a Moody's adjusted return on tangible assets at 0.2%.

This was mainly driven by lower trading and insurance income caused by the volatile financial markets. Trading income fell to DKK1,426 million in 2022 (from DKK4,126 billion in 2021), a drop of 65%.

The bank took loan loss provisions of DKK1,568 million in 2022, compared to DKK348 million in 2021. These were mainly related to the macroeconomic uncertainty and the debt collection case. Post-model adjustments made during 2020 to cover pandemic-related risks remain in place, but a portion of them were reassigned to cover the global macroeconomic and geopolitical uncertainty.

In 2022, net income was supported by higher net interest income (NII) which is the bank's primary source of income (around 61% of total income in 2022), which increased by 14%. The improvement in NII is mainly driven by higher interest rates, supporting higher deposit margins, along with increased lending. Expenses rose by 3% in 2022 compared with 2021, but the bank continues its efforts to achieve [cost savings](#) to improve efficiency. Costs relating to the Estonia case were also lower in the period.

The bank's cost-to-income ratio (as per Moody's definition) excluding one-offs was 70% for 2022, higher than those of its large Nordic peers. We continue to see the bank's ability to maintain tight cost control as very important.

High dependence on market funding, particularly covered bonds; liquidity is adequate

Danske relies heavily on wholesale funding. While the share of deposit funding was around 38% of total non-equity funding as of end December 2022, market funds accounted for 34% of tangible banking assets as of the same date. The assigned baa3 Funding Structure score also reflects our view stability of the Danish covered bond market.

This high reliance exposes Danske to changes in market conditions, and renders the bank more sensitive to swings in investor confidence. However, the bank has retained good access to the market following the Estonia case in 2018. The spread differential to peers for the bank's senior unsecured and senior non-preferred debt, which had widened after 2018, has gradually started to converge.

Most of the group's market funds are covered bonds (mainly taken up by Realkredit Danmark, the bank's Danish mortgage subsidiary). As indicated in our Banks methodology, we reflect the greater stability of covered bonds compared with unsecured market funding through a standard adjustment to the funding structure ratio. Given the long history of the Danish covered bond markets, local currency and the deep domestic investor base, we make additional (positive) adjustments for local currency denominated covered bonds issued in this market. We also make an additional positive adjustment for local currency denominated covered bonds issued in Sweden.

Danske's sizeable reported liquidity buffer — most of which can be used as collateral for central bank liquidity — amounting to DKK570 billion, or 21% of tangible banking assets as of 31 December 2022 (23% as of year-end 2021), leads to a baa2 assigned Liquidity score. As of December 2022, Danske's liquidity coverage ratio was 153%.

ESG considerations

Danske Bank A/S' ESG Credit Impact Score is Highly Negative CIS-4

Exhibit 6

ESG Credit Impact Score

CIS-4

Highly Negative

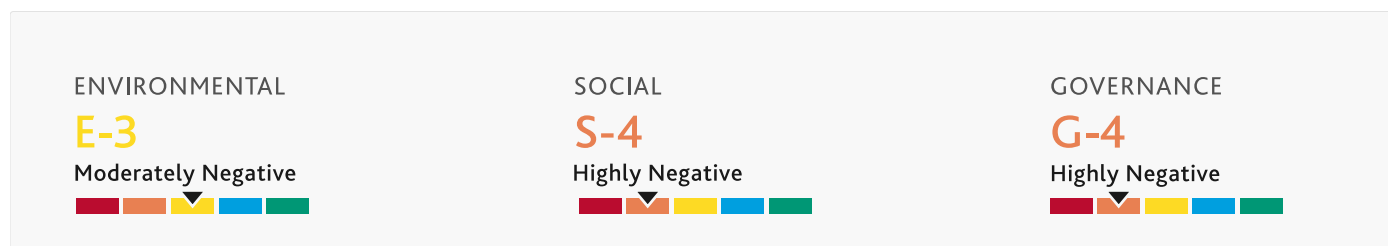


For an issuer scored CIS-4 (Highly Negative), its ESG attributes are overall considered as having a discernible negative impact on the current rating. The negative influence of the overall ESG attributes on the rating is more pronounced compared to an issuer scored CIS-3.

Source: Moody's Investors Service

Danske Bank's ESG Credit Impact Score is highly negative (**CIS-4**), reflecting the negative rating impact resulting from the bank's high governance risk, which is reflected in the one-notch negative rating adjustment for corporate behaviour. While the management team and risk management are broadly on par with those of peer banks, the bank's risk tolerance and appetite has been higher than its large Nordic peers in the past, resulting in a number of compliance and control failures. Environmental and social factors currently have a limited impact on the rating.

Exhibit 7

ESG Issuer Profile Scores

Source: Moody's Investors Service

Environmental

Danske faces moderate environmental risks, primarily because of its portfolio exposure to carbon transition risk as a diversified bank. In line with its peers, the bank is facing mounting business risks and stakeholder pressure to meet broader carbon transition goals. In response, Danske Bank is developing its climate risk and portfolio management capabilities.

Social

Danske faces high industry-wide social risks related to regulatory and litigation risks, requiring high compliance standards. High cyber and personal data risks are mitigated by a strong IT framework. The money laundering issue in the bank's previous Estonian subsidiary, along with a series of additional failure, has weakened Danske Bank's franchise in Denmark, where the bank struggles to attract new clients.

Governance

Danske Bank's governance risks are high, reflected in a number of identified governance failures. In addition, previous deficiencies in compliance and controls negatively affect several financial indicators and have been a key factor behind the bank's weakening profitability in recent years, with higher spending on anti-money laundering capabilities and funding and operational costs. Governance risks also manifest themselves in higher capital requirements.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Support and structural considerations**Loss Given Failure (LGF) analysis**

Danske is subject to the EU's BRRD, which we consider an operational resolution regime. We apply our Advanced LGF analysis to Danske's liabilities, considering the risks faced by the different deposit and debt classes across its liability structure at failure. We assume residual TCE of 3% and losses post failure of 8% of tangible banking assets, a 25% run-off in "junior" wholesale deposits and a 5% run-off in preferred deposits. These are in line with our standard assumptions.

For Danske's deposit ratings, our Advanced LGF analysis indicates a very low loss given failure, leading to two notches of rating uplift from the bank's Adjusted BCA. This is predominantly driven by both subordination and volume, provided by the amounts of senior, junior senior and subordinate debt instruments on Danske's balance sheet, and our expectation that this will be maintained during our forward-looking horizon.

For the bank's senior unsecured debt ratings, the Advanced LGF analysis indicates a low loss given failure, leading to a position one notch above the bank's Adjusted BCA. For the junior senior debt issued by Danske, which is positioned at the level of the bank's Adjusted BCA, our Advanced LGF analysis indicates a moderate loss given failure.

While previously banks in Denmark were required to meet their entire MREL with contractually subordinated debt such as junior senior debt or capital instruments, the authorities [relaxed](#) this subordination requirement, allowing banks, including Danske, to meet part of their MREL with senior unsecured debt.

Government support considerations

We assess a moderate probability of government support for Danske, resulting in one notch of government support uplift in the bank's A2 LT deposit and A3 senior unsecured debt ratings. This reflects the fact that Danske is Denmark's largest financial institution and the market leader in most financial products.

We do not incorporate government support in the Baa2 junior senior debt ratings, as this debt class has been introduced by the authorities to absorb losses.

Counterparty Risk (CR) Assessment

Danske's CR Assessment is A1(cr)/Prime-1(cr)

The CR Assessment is positioned four notches above the Adjusted BCA of baa2, based on the substantial buffer against default provided to the senior obligations represented by the CR Assessment by subordinated instruments. The main difference with our Advanced LGF approach used to determine instrument ratings is that the CR Assessment captures the probability of default on certain senior obligations rather than the expected loss. Therefore, we focus purely on subordination and take no account of the volume of the instrument class.

Counterparty Risk Ratings (CRRs)

Danske's CRRs are A1/Prime-1

The CRR of A1 is positioned four notches above the Adjusted BCA of baa2, reflecting the extremely low loss given failure from the high volume of instruments that are subordinated to CRR liabilities. The CRR also benefits from one notch of systemic support, as an assumption of a moderate likelihood of government support. The short-term CRR is P-1.

Methodology and scorecard

About Moody's Bank Scorecard

Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

Rating methodology and scorecard factors

Exhibit 8

Danske Bank A/S

Macro Factors							
Weighted Macro Profile		Strong +	100%				
Factor	Historic Ratio	Initial Score	Expected Trend	Assigned Score	Key driver #1	Key driver #2	
Solvency							
Asset Risk							
Problem Loans / Gross Loans	2.1%	a2	↓	a3	Sector concentration		
Capital							
Tangible Common Equity / Risk Weighted Assets (Basel III - transitional phase-in)	18.5%	aa2	↔	a1	Nominal leverage	Expected trend	
Profitability							
Net Income / Tangible Assets	0.2%	b1	↑	ba2	Expected trend		
Combined Solvency Score		a3		a3			
Liquidity							
Funding Structure							
Market Funds / Tangible Banking Assets	34.5%	ba1	↔	baa3	Market funding quality		
Liquid Resources							
Liquid Banking Assets / Tangible Banking Assets	32.4%	a2	↔	baa1	Quality of liquid assets		
Combined Liquidity Score		baa2		baa2			
Financial Profile				baa1			
Qualitative Adjustments				Adjustment			
Business Diversification				0			
Opacity and Complexity				0			
Corporate Behavior				-1			
Total Qualitative Adjustments				-1			
Sovereign or Affiliate constraint				Aaa			
BCA Scorecard-indicated Outcome - Range				baa1 - baa3			
Assigned BCA				baa2			
Affiliate Support notching				0			
Adjusted BCA				baa2			
Balance Sheet		in-scope (DKK Million)	% in-scope	at-failure (DKK Million)	% at-failure		
Other liabilities		1,299,870	47.2%	1,419,426	51.6%		
Deposits		1,172,125	42.6%	1,052,568	38.3%		
Preferred deposits		867,373	31.5%	824,004	30.0%		
Junior deposits		304,753	11.1%	228,564	8.3%		
Senior unsecured bank debt		59,348	2.2%	59,348	2.2%		
Junior senior unsecured bank debt		100,586	3.7%	100,586	3.7%		
Dated subordinated bank debt		21,119	0.8%	21,119	0.8%		
Preference shares (bank)		15,678	0.6%	15,678	0.6%		
Equity		82,538	3.0%	82,538	3.0%		
Total Tangible Banking Assets		2,751,263	100.0%	2,751,263	100.0%		

Debt Class	De Jure waterfall		De Facto waterfall		Notching		LGF	Assigned	Additional	Preliminary
	Instrument	Sub-	Instrument	Sub-	De Jure	De Facto	Notching	LGF	Notching	Rating
	volume +	ordination	volume +	ordination			Guidance	notching		Assessment
	subordination		subordination				vs. Adjusted BCA			
Counterparty Risk Rating	18.5%	18.5%	18.5%	18.5%	3	3	3	3	0	a2
Counterparty Risk Assessment	18.5%	18.5%	18.5%	18.5%	3	3	3	3	0	a2 (cr)
Deposits	18.5%	8.0%	18.5%	10.2%	2	3	2	2	0	a3
Senior unsecured bank debt	18.5%	8.0%	10.2%	8.0%	2	1	2	1	0	baa1
Junior senior unsecured bank debt	8.0%	4.3%	8.0%	4.3%	0	0	0	0	0	baa2
Non-cumulative bank preference shares	3.6%	3.0%	3.6%	3.0%	-1	-1	-1	-1	-2	ba2

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	3	0	a2	1	A1	A1
Counterparty Risk Assessment	3	0	a2 (cr)	1	A1(cr)	
Deposits	2	0	a3	1	A2	A2
Senior unsecured bank debt	1	0	baa1	1		A3
Junior senior unsecured bank debt	0	0	baa2	0		Baa2
Non-cumulative bank preference shares	-1	-2	ba2	0		Ba2 (hyb)

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.

Source: Moody's Investors Service

Ratings

Exhibit 9

Category	Moody's Rating
DANSKE BANK A/S	
Outlook	Stable
Counterparty Risk Rating	A1/P-1
Bank Deposits	A2/P-1
Baseline Credit Assessment	baa2
Adjusted Baseline Credit Assessment	baa2
Counterparty Risk Assessment	A1(cr)/P-1(cr)
Issuer Rating	A3
Senior Unsecured	A3
Junior Senior Unsecured	Baa2
Junior Senior Unsecured MTN	(P)Baa2
Pref. Stock Non-cumulative	Ba2 (hyb)
Commercial Paper	P-2
Other Short Term	(P)P-2
DANSKE BANK A/S (LONDON BRANCH)	
Outlook	Stable
Deposit Note/CD Program	(P)A2/(P)P-1

Source: Moody's Investors Service

Endnotes

- The CET1 requirement increased by 0.7 percentage to 13.1% in Q42022 due to the reactivation of the countercyclical buffer (CCyB). As of March 2023 the bank will need to comply with the fully phased-in CCyB requirement of 2.0%, thereby bringing the fully phased in CET1 requirement to 13.6%.
- From around 16% previously, and from 14%-15% before October 2018.

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