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# Realkredit Danmark A/S (Capital Center T Covered Bond Program)

**April 15, 2026**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Reference rating level | aa | Jurisdiction-supported rating level | aaa | Maximum achievable CB rating | aaa | **Covered bond rating** | |
| Resolution regime uplift | +2 | Assigned jurisdictional support uplift | +2 | Assigned collateral support uplift | 0 | **AAA/Stable/A-1+** | |
| Systemic importance | Very Strong | Jurisdictional support assessment | Very Strong | Over-collateralization adjustment | 0 | Rating constraints | aaa |
| Resolution counterparty rating | AA- | | | Liquidity adjustment | 0 | Sovereign risk | aaa |
| **ICR or parent bank rating or guarantor rating** | A+ | | | Potential collateral-based uplift | +4 | Counterparty risk | aaa |

As a starting point of the analysis, we may use the issuer credit rating on the relevant parent or guarantor when the issueris not rated but belongs to a group with a rated parent or payments under the covered bonds are guaranteed by another rated entity.


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## Credit Highlights

### Overview

**Key strengths**

The high issuer credit rating (ICR) on Danske Bank A/S, Realkredit Danmark's parent, allows for 'AAA' ratings based on the jurisdiction-supported rating level (JRL) and the coverage of the legal minimum overcollateralization (2%).

The required coverage of the legal minimum overcollateralization, the Danish match-funded structure mitigating refinancing risk, and an available overcollateralization above the target credit enhancement (TCE) allow for four notches of collateral-based uplift.

The program benefits from five unused notches of uplift that would protect the covered bond ratings if we were to lower the long-term ICR on the issuer.

**The application of our updated covered bonds criteria allows the program to achieve 'AAA' ratings based on the jurisdictional support analysis and the coverage of the legal minimum overcollateralization (2%).** This is slightly below the required 2.5% coverage of 'AAA' credit risk in our previous analysis (see "Methodology For Rating Covered Bonds," July 25, 2025). Our collateral support analysis is based on cover pool data as of Dec. 31, 2025. Since our previous analysis, notional amount and the volume of outstanding covered bonds in the cover pool have slightly increased by 3.3 % and 2.7%, respectively, resulting in a higher available overcollateralization of 7.4% (versus 6.8% previously), and cover pool credit quality has remained stable.

**The TCE, which is commensurate with the maximum collateral-based uplift, marginally decreased to 2.62% from 3.3% previously.** This was driven by the removal of spread compression under our updated criteria, given its limited materiality to the required credit enhancement level.

**The program benefits from five unused notches of uplift.** We derive the starting point of our analysis from the long-term ICR on the parent, Danske Bank A/S (A+/Stable/A-1). We could lower the ICR on Danske Bank by five notches, without lowering the ratings on the covered bonds.

**We see a stable economic risk trend in the Danish banking industry.** Over 2026, we forecast a relatively resilient Danish economy, with GDP growth of 2.3% in line with that of 2025. Similarly, we anticipate a manageable level of nonperforming loans--close to 1.4%, supported by more muted economic growth prospects, low unemployment levels, and stabilized property prices.

**The banking industry risk trend is stable.** We expect banks' sound profitability continues to support high capitalization despite increased shareholder distributions by some Danish banks, while banks benefit from the efficient, deep, and stable Danish covered bond market. We expect Danish banks' 2026 return on equity to remain sound at 9%, down just slightly from the prior year, and systemwide return on average earning assets to stand at 0.7%, despite slowing economic growth, slightly increasing credit losses, and interest margin compressions from channeling lower policy rates and from tight competition. (see “Global Banks Country-By-Country Outlook 2026: Resilience Amid Uncertainty,” Nov. 12, 2025).

## Outlook

The stable outlook on Realkredit Danmark A/S’s capital center T covered bond ratings reflects our view that we would not automatically lower the ratings if we were to lower our long-term ICR on Danske Bank A/S (parent) by up to five notches, all else remaining equal.

# Program Description

Realkredit Danmark is Danske Bank's wholly owned subsidiary and a specialist mortgage bank in Denmark, second in size to Nykredit Realkredit A/S. It is an established issuer of Danish mortgage covered bonds, "realkreditobligationer" (ROs), and "saerligt daekkede realkreditobligationer" (SDROs).

Capital center T, currently actively issuing SDROs, includes mortgage assets--backed by both residential and commercial properties in Denmark--as well as a reserve fund consisting primarily of Danish covered bonds. Most of the residential and commercial mortgages are fixed-reset loan products. Under the specific balance principle, capital center T follows a match-funded structure, where the assets' terms match those of the covered bonds.

The cover pool assets would be ringfenced if Realkredit Danmark were to become insolvent under the respective Danish legislative framework. SDRO covered bondholders have a primary secured claim against all cover pool assets.

As of Dec. 31, 2025, capital center T comprises no section 15 covered bonds outstanding. However, if any section 15 bonds were to be issued out of this capital center, the ratings would reflect the reference rating level (RRL) on the senior covered bonds (see "Ratings Raised On

Danish Section 15 Bonds From Six Capital Centers Following Clarification On Bank Resolution," Dec. 11, 2015).

Table 1

## Program overview*

| | |
|---|---|
| Jurisdiction | Denmark |
| Legal framework | Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act |
| Redemption profile | Soft and hard bullet |
| Underlying assets | Residential and commercial mortgages |
| Outstanding covered bonds (bil. DKK) | 459.9 |
| Available credit enhancement (%) | 7.4 |
| Credit enhancement commensurate with rating (%) | 2 |
| Legal OC (%) | 2 |
| Number of unused notches | 5 |

*Based on data as of Dec. 31, 2025. DKK--Danish krone. OC--Overcollateralization.

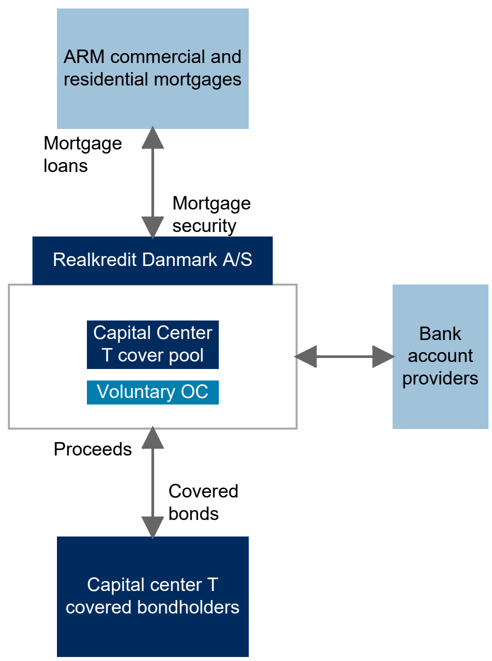
Table 2

## Program participants

| Role | Name | Rating | Rating dependency |
|---|---|---|---|
| Issuer | Realkredit Danmark A/S | NR* | Yes |
| Originator | Realkredit Danmark A/S | NR* | No |
| Arranger | Danske Bank A/S | A+/Stable/A-1 | No |
| Servicer | Danske Bank A/S | A+/Stable/A-1 | No |
| Bank account provider | Danske Bank A/S | A+/Stable/A-1 | No |
| Bank account provider | Nordea Bank Abp | AA-/Stable/A-1+ | No |

*In our analysis, we uplift the rating from the long-term issuer credit rating on the parent Danske Bank A/S. NR--Not rated.

**Realkredit Danmark A/S Capital Center T Mortgage Covered Bond Program**
Program Structure






Our quarterly surveillance reports for this cover bond program can be found here.

# Rating Analysis

## Legal and regulatory risks

The Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act (Danish Mortgage Act) and the Financial Business Act provide the legal framework for the issuance of Danish covered bonds. In our view, this framework sufficiently addresses the relevant legal aspects of our covered bonds criteria and our legal criteria (see "Asset Isolation And Special-Purpose Entity Methodology," May 29, 2025). This enables us to rate the covered bonds above the long-term ICR on Danske Bank A/S.

The issuer must maintain at least 2% nominal overcollateralization for the covered bonds outstanding (for SDROs) and 8% risk-weighted assets (RWAs) (both for ROs and SDROs). The legal framework requires the covered bond issuer to document and follow either the specific or the general balance principle, each of which establishes stringent requirements relating to the matching of asset and liability cash flows. The principles limit several risks, including interest, currency, and liquidity. Capital center T operates under the specific principles.

For more details on our legal framework analysis, see "The Danish Covered Bond Legal Framework: A Closer Look," published on June 5, 2024.

## Resolution regime analysis

Our analysis considers whether the applicable resolution regime in Denmark enhances the likelihood that the issuer will continue servicing its covered bonds, even following a default on its senior unsecured obligations. Danske Bank is domiciled in Denmark, which is subject to the EU's Bank Recovery and Resolution Directive. We consider mortgage covered bonds to have a very strong systemic importance to Denmark. Under our covered bonds criteria, we assess the RRL as the higher of (i) two notches above the long-term ICR; and (ii) the resolution counterparty rating (RCR). Given the RCR on Danske Bank is 'AA-', the RRL is 'aa', two notches above its ICR.

## Jurisdictional support analysis

Our jurisdictional support analysis assesses the likelihood that a covered bond program facing stress would receive support from a government-sponsored initiative, prior to resorting to market-driven solutions such as liquidation of the cover pool assets in the open market. For banks in countries that are members of a monetary union, we also consider support from supranational entities, such as the European Central Bank in the eurozone.

Our assessment of the expected jurisdictional support for Danish mortgage covered bond programs is very strong, resulting in a jurisdictional support uplift from the RRL of 'aa' up to three notches. Danske Bank's covered bonds use two notches to achieve a JRL of 'aaa', resulting in one unused notch for jurisdictional support.

The cover pool comprises Danish residential and commercial mortgages (92.8%), subsidized housing (0.3%), and substitute assets (6.9%), without asset concentration and specific risk factors. Given the JRL of 'aaa', the program can achieve 'AAA' ratings for the coverage of the legal minimum overcollateralization (2%).

## Operational and administrative risks

Our analysis of operational and administrative risks assesses whether key transaction parties would be capable of managing a covered bond program while any bonds remain outstanding. We have reviewed Realkredit Danmark 's origination, underwriting, collection, default management, and cover pool management and administration. We have not identified any operational or administrative risks that would affect our assessment of the program.

Realkredit Danmark is a specialist mortgage bank based in Copenhagen, with a strong footprint in Denmark and a market share of approximately 24%. It is closely integrated into Danske Bank group's operations and is an important domestic funding vehicle of the Danske Bank Group. As of third-quarter 2025, its total mortgage lending stood at DKK752.5 billion, with residential and rental residential accounting for more than 75% of all lending.

The specialist mortgage bank principle, enshrined in Danish legislation, confines the activity of mortgage banks to mortgage lending funded by the issuance of covered bonds. The specialist banking principle implies that mortgage banks are confined to granting loans that meet the requirements for cover assets imposed by legislation, for example loan-to-value (LTV) ratios are capped at 80% for residential and 60% for commercial loans. In connection with the SDROs issuance, mortgage banks must ensure continuous LTV compliance, when an LTV ratio exceeds the statutory limits, the mortgage bank is required to add supplemental collateral to the capital center.

Realkredit Danmark has integrated IT systems, which are used for origination and include information on the borrower from other business units within the Danske Bank Group. Realkredit Danmark also performs a full valuation for the property acting as security--a role which it fulfills for the parent Danske Bank A/S as well. For continuous monitoring of property values, it can use its own automated valuation model for the surveillance of the entire loan book on a quarterly basis. All valuations are automatically reported to the Danish Financial Supervisory Authority.

Overall, we believe sufficient prudent underwriting and servicing procedures support our ratings on the covered bonds. Therefore, no analytical adjustments apply to account for operational and administrative risks.

## Collateral support analysis

While we assign our 'AAA' ratings based on the JRL and the coverage of the legal minimum overcollateralization (2%), we perform a collateral support analysis to determine the number of unused notches. This analysis is based on the loan-level data and asset and liability cash flow projections provided by the issuer as of Dec. 31, 2025. The cover pool comprises Danish residential (48.4%), commercial mortgages (44.4%), subsidized housing (0.3%), and substitute assets (6.9%). We base our credit analysis of mortgage assets on the application of our global RMBS criteria for analyzing residential mortgage collateral in Danish covered bonds and our commercial real estate (CRE) criteria (see "Related Criteria").

**Mortgage market overview:** We anticipate the mortgage sector will fare well as market fundamentals continue to improve. From 2025-2026, we anticipate annual 2% real house price growth due to high housing demand and limited supply, supported by households' healthy net finances, wage increases, and normalized inflation and mortgage rates. We believe banks' asset quality will remain strong with relatively low credit losses supported by Denmark's sound economy, sustained corporate and household resilience, and high employment. We also anticipate a declined net interest margin due to policy rate cuts and high competition. Regarding asset quality trends, heightened geopolitical risks, and trade tensions could result in a more adverse economic scenario than our base-case expectation that could challenge asset quality in sectors like agriculture, shipping, and CRE (see "Global Banks Country-By-Country Outlook 2026: Resilience Amid Uncertainty," Nov. 12, 2025).

We analyzed the mortgage assets' credit quality using our default expectation under 'AAA' stress (the weighted-average foreclosure frequency; WAFF) and our measure of possible losses given default (the weighted-average loss severity; WALS). As of December 2025, the combined WAFF is 15.7% (unchanged from the previous analysis) and the combined WALS is 28.4% (27.7% previously), resulting in a slightly higher credit coverage (WAFF x WALS).

For the residential mortgage loans, we estimate a WAFF of 7.0% (7.4% previously) and a WALS of 11.5% (10.2% previously). The lower residential WAFF is mainly due to higher seasoning. The higher residential WALS is mainly due to higher current LTV ratios after house price indexation and a slightly higher percentage of loans with jumbo valuations.

For the commercial mortgage loans, the lower credit coverage is mainly driven by the lower current LTV ratios.

We analyze the substitute assets under our "Methodology And Assumptions For Assessing Portfolios Of International Public Sector And Other Debt Obligations Backing Covered Bonds And Structured Finance Securities criteria, published on Dec. 9, 2014. As of Dec. 31, 2025, the reserve fund comprises Danish government bonds and covered bonds mostly rated 'AAA' by S&P Global Ratings. We assume that assets rated 'AAA' will not default, except for covered bonds issued by other Realkredit Danmark capital centers and Danske Bank (as our analysis presumes the issuer has already defaulted). The analysis results in an assumed default rate of the reserve fund of 4.7% (1.2% previously) and a recovery rate of 67.3% (87.47% previously).

When analyzing public housing loans, we apply our public sector criteria (see "S&P Global Ratings Clarifies Its Approach To Analyzing Danish Subsidized Housing," Jan. 16, 2019). As of December 2025, the credit quality of public housing loans has remained stable.

The below tables summarize the cover pool's composition.

Table 3

## Pool composition

| | As of Dec. 31, 2025 | | As of Dec. 31, 2024 | |
|---|---|---|---|---|
| **Asset type** | **Value (mil. DKK)** | **Cover pool (%)** | **Value (mil. DKK)** | **Cover pool (%)** |
| Residential assets | 239,287 | 48.4 | 238,205 | 49.7 |
| Commercial assets | 219,248 | 44.4 | 208,482 | 43.5 |
| Subsidized housing | 1,332 | 0.3 | 1,608 | 0.3 |
| Substitute assets | 34,203 | 6.9 | 30,599 | 6.4 |
| Total | 494,070 | 100 | 478,895 | 100 |

Dkk--Danish krone.

Table 4

## Key credit metrics

| | As of Dec. 31, 2025 | | As of Dec. 31, 2024 | |
|---|---|---|---|---|
| | **Residential** | **Commercial** | **Residential** | **Commercial** |
| Weighted-average effective LTV ratio (%) | 57.6 | N/A | 58.0 | N/A |
| Weighted-average current LTV ratio (%) | 50.2 | 47.5 | 48.9 | 48.4 |
| Weighted-average loan seasoning (years)* | 6.1 | N/A | 6.1 | N/A |
| Balance of loans in arrears (%) | 0.0 | 0.1 | 0.1 | 0.2 |
| Jumbo valuations | 40.6 | N/A | 39.3 | N/A |
| **Credit analysis results** | | | | |
| WAFF (%) | 7.0 | 25.1 | 7.4 | 25.3 |
| WALS (%) | 11.5 | 46.9 | 10.2 | 47.7 |
| **Combined WAFF and WALS** | | | | |
| | **As of Dec. 31, 2025** | **As of Dec. 31, 2024** | | |
| WAFF (%) | 15.7 | 15.7 | | |
| WALS (%) | 28.4 | 27.7 | | |
| AAA credit risk (%) | 2.5 | 2.5 | | |

*Seasoning refers to the elapsed loan term. LTV--Loan-to-value. WAFF--Weighted-average foreclosure frequency. WALS--Weighted-average loss severity. N/A--Not applicable.

Table 5

## Residential loan seasoning distribution

| | As of Dec. 31, 2025 | As of Dec. 31, 2024 |
|---|---|---|
| Seasoning (years) | Residential (%) | |
| In arrears | 0.0 | 0.1 |
| Less than 5 years | 51.9 | 51.4 |
| Over 5 to 6 | 6.9 | 8.0 |
| Over 6 to 7 | 7.1 | 7.8 |
| Over 7 to 8 | 6.9 | 6.6 |
| Over 8 to 9 | 5.9 | 4.8 |
| Over 9 to 10 | 4.0 | 3.1 |
| Over 10 years | 17.3 | 18.3 |
| Weighted-average loan seasoning (years) | 6.1 | 6.1 |

Table 6

## Current loan-to-value distribution

| | As of Dec. 31, 2025 | | As of Dec. 31, 2024 | |
|---|---|---|---|---|
| | Residential (%) | Commercial (%) | Residential (%) | Commercial (%) |
| 0-70 | 89.8 | 92.8 | 91.6 | 91.2 |
| 70-80 | 6.9 | 5.2 | 6.2 | 7.0 |
| 80-90 | 3.2 | 1.4 | 2.2 | 1.7 |
| 90-100 | 0.0 | 0.2 | 0.0 | 0.0 |
| >100 | - | 0.4 | - | 0.1 |
| Weighted-average loan-to-value (%) | 50.2 | 47.5 | 48.9 | 48.4 |

Table 7

## Geographic distribution of loan assets

| | As of Dec. 31, 2025 | | As of Dec. 31, 2024 | |
|---|---|---|---|---|
| | Residential (%) | Commercial (%) | Residential (%) | Commercial (%) |
| Capital Region of Denmark | 57.7 | 49.6 | 56.9 | 49.0 |
| Central Denmark Region | 13.6 | 17.5 | 13.8 | 17.9 |
| North Denmark Region | 3.5 | 6.8 | 3.7 | 6.9 |
| Region Zealand | 12.7 | 9.6 | 12.8 | 9.3 |
| Region of Southern Denmark | 12.5 | 16.5 | 12.9 | 16.9 |
| Total | 100 | 100 | 100 | 100 |

The application of our updated covered bonds criteria had a limited impact on our cash flow results. Considering the match-funded structure, our lower refinancing cost assumptions do not affect the TCE, which we determined as 2.6% (3.3% previously). The lower TCE results from the removal of spread compression, partially offset by a higher credit coverage of mortgage and substitute assets. Our ‘AAA’ credit risk--the overcollateralization commensurate with our credit risk assessment--remains unchanged at 2.5%.

We also consider a supplemental test to address the borrower concentration risk in the commercial book. Under this test, the assumed number of defaulted obligors (10) is a function of the applicable stress scenario ('AAA', in our case) and the obligors' credit quality. The credit enhancement commensurate for the cover pool is at least equal to the loss related to these 10 largest obligors, as defined by the gross outstanding balance of the largest loans in the cover pool, representing 4.4% of overcollateralization. However, according to our public sector criteria, in transactions where the concentration test drives the results of the analysis, we typically give benefit to excess spread, after which the 'AAA' credit risk is not limited by the largest obligor test of 0.5%.

With an available credit enhancement (7.4%) exceeding the TCE (2.6%), the maximum potential collateral-based uplift above the JRL is four notches. We do not reduce the total collateral-based uplift owing to the program's match-funded structure which mitigates the liquidity risk in our view. Additionally, as the ‘AAA’ rating is reached based on jurisdictional support with a required overcollateralization equal to the legislative overcollateralization, we make no adjustment due to the lack of an overcollateralization commitment. As a result, the ratings benefit from four unused notches of collateral-based uplift.

Table 8

## Collateral uplift metrics

| | As of Dec. 31, 2025 | As of Dec. 31, 2024 |
|---|---|---|
| Asset WAM (years) | 14.1 | 14.0 |
| Liability WAM (years) | 15.1 | 15.0 |
| Available credit enhancement (%) | 7.4 | 6.8 |
| AAA' credit risk (%) | 2.5 | 2.5 |
| Required credit enhancement for first notch of uplift (%) | 2.5 | 2.5 |
| Required credit enhancement for second notch of uplift (%) | 2.5 | 2.7 |
| Required credit enhancement for third notch of uplift (%) | 2.5 | 3.0 |
| Target credit enhancement for maximum uplift (%) | 2.6 | 3.3 |
| Credit enhancement commensurate with rating (%) | 2.0 | 2.5 |
| Largest obligor test (%) | 0.5 | 1.3 |
| Potential collateral-based uplift (notches) | 4 | 4 |
| Adjustment for liquidity (Y/N) | No | No |
| Adjustment for commited overcollateralization (Y/N) | No | Yes |
| Collateral support uplift (notches) | 4 | 3 |

WAM--Weighted-average maturity.

Table 9

### Realkredit Danmark A/S' capital center T vs other Danish capital centers

| Program name | Realkredit Danmark A/S' capital center T | Jyske Realkredit A/S - Capital Center E | Nykredit Realkredit A/S - Capital Center H | Nordea Realkredit A/S - Capital Center 2 |
|---|---|---|---|---|
| **Overview** | | | | |
| Jurisdiction | Denmark | Denmark | Denmark | Denmark |
| Covered bond type | LCB/SDRO | LCB/SDO | LCB/SDO | LCB/SDRO |
| Outstanding assets (bil. DKK) | 494.07 | 372.72 | 893.596 | 458.486 |
| Outstanding covered bonds (bil. DKK) | 459.87 | 347.994 | 866.465 | 426.014 |
| Cover pool composition | Residential: 48.4%<br>Commercial: 44.4%<br>Subsidized housing: 0.3%<br>Substitute assets: 6.9% | Residential: 48.7%<br>Commercial: 40.8%<br>Public: 3.9%<br>Other: 6.7% | Residential: 57.6%<br>Commercial: 38.2%<br>Public: 3.8%<br>Other: 0.3% | Residential: 63.0%<br>Commercial: 28.1%<br>Public: 7.1%<br>Other: 1.75% |
| **Rating details** | | | | |
| Issuer credit rating | A+ | A+ | A+ | AA- |
| Reference rating level | aa | aa | aa | aa+ |
| Jurisdictional-supported rating level | aaa | aaa | aaa | aaa |
| Covered bonds rating | AAA/Stable/A-1+ | AAA/Stable/A-1+ | AAA/Stable | AAA/Stable/A-1+ |
| Total unused notches | 5 | 5 | 5 | 6 |
| **Credit analysis** | | | | |
| Mortgage WAFF (%) | 15.7 | 15.2 | 15.1 | 12.1 |
| Mortgage WALS (%) | 28.4 | 31.8 | 28.5 | 28.7 |
| **Overcollateralization (OC)** | | | | |
| Available OC (%) | 7.4 | 7.1 | 3.1 | 7.6 |
| Asset default risk (%) | 2.5 | 2.5 | 2.5 | 2.5 |
| Target credit enhancement (%) | 2.6 | 2.5 | 2.5 | 2.5 |
| OC consistent with current rating (%) | 2.0 | 2.0 | 2.0 | 2.0 |
| Cash-flow analysis as of | December-25 | March-25 | March-25 | June-25 |

WAFF--Weighted-average foreclosure frequency. WALS--Weighted-average loss severity. DKK--Danish krone. LCB--Legislation-enabled covered bonds. SDO--Saerligt daekkede obligationer. SDRO--Særligt dækkede realkreditobligationer.

## Counterparty risk

We analyze counterparty risk under our updated covered bonds criteria. The ratings on the program and related issuances are not constrained by counterparty risk.

Danske Bank A/S and Nordea Bank Abp are the collection bank account providers. The issuer has replacement language, with a rating trigger of ‘BBB/A-2’. Cash placements are limited to 5% of covered bonds and Realkredit Danmark will make commercially reasonable efforts to replace the account holding bank within 30 calendar days on the loss of a 'BBB/A-2' rating. Should the cash placements exceed the 5% threshold, the issuer would only deposit them in institutions rated 'A' or above.

As part of our analysis of operational and administrative risks, we apply a forward-looking assessment of the issuer's maintenance of credit support. As we expect the issuer will maintain the current credit support, we do not stress commingling risk. Following the issuer's insolvency, the Danish law stipulates that mortgage payments will be isolated for the benefit of the covered bondholders.

### Sovereign risk

We analyze sovereign risk under our structured finance ratings above the sovereign criteria (see "Methodology For Rating Structured Finance Securities Above The Sovereign, April 10, 2026"). This is a multi-jurisdictional pool of loans that contains mainly Danish residential and commercial mortgage assets with a smaller portion in Sweden and Norway. Given our long-term 'AAA' sovereign credit ratings (unsolicited) on Denmark, Sweden, and Norway, sovereign risk does not constrain the ratings on the covered bonds.

### Environmental, Social, And Governance

We view Realkredit Danmark Capital Centre T's exposure to environmental, social, and governance factors as a neutral consideration and in line with other Danish issuers. Danske Bank Group's Green Finance Framework is based on the ICMA Green Bond Principles and the LMA Green Loan Principles and was last updated in November 2022. Realkredit Danmark issues green covered bonds mostly out of Capital Center T. As of December 2025, the outstanding green bonds, backed by loans financing green buildings and renewable energy infrastructure, have increased to around DKK34 billion (18% up from last year).

We consider the Danish match-funded structures to mitigate liquidity risk. Additionally, the 'AAA' ratings are based on jurisdictional support alone and the required overcollateralization corresponds to the legal minimum overcollateralization. Therefore, we do not adjust the number of notches of potential collateral-based uplift or the number of unused notches of collateral-based uplift due to the lack of an overcollateralization commitment.

## Related Criteria

- Methodology For Rating Structured Finance Securities Above The Sovereign, April 10, 2026
- Methodology For Rating Covered Bonds, July 25, 2025
- Counterparty Risk Methodology, July 25, 2025
- Asset Isolation And Special-Purpose Entity Methodology, May 29, 2025
- Global Methodology And Assumptions: Assessing Pools Of Residential Loans—Europe Supplement, April 4, 2024
- Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- Global Framework For Payment Structure And Cash Flow Analysis Of Structured Finance Securities, Dec. 22, 2020
- Global Methodology And Assumptions: Assessing Pools Of Residential Loans, Jan. 25, 2019
- Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Methodology And Assumptions: Analyzing European Commercial Real Estate Collateral In European Covered Bonds, March 31, 2015

- Methodology And Assumptions For Assessing Portfolios Of International Public Sector And Other Debt Obligations Backing Covered Bonds And Structured Finance Securities, Dec. 9, 2014
- Principles Of Credit Ratings, Feb. 16, 2011

# Related Research

- Global Covered Bond Insights Q2 2026, March 25, 2026
- Danske Bank A/S, Dec. 17, 2025
- S&P Global Ratings Definitions, Dec. 16, 2025
- Covered Bonds Outlook 2026: Rating Trends Broadly Balanced, Dec. 2, 2025
- Danish Covered Bond Market Insights 2025, Dec. 1, 2025
- Global Banks Country-By-Country Outlook 2026: Resilience Amid Uncertainty, Nov. 12, 2025
- Global Covered Bond Insights Q4 2025: Updated Methodology Affects Overcollateralization Requirements, Sept. 11, 2025
- How Our Updated Methodology For Rating Covered Bonds Affects Overcollateralization Requirements, Sept. 4, 2025
- Covered Bonds Primer, Sept. 2, 2025
- Denmark (Kingdom of), Aug. 11, 2025
- Banking Industry Country Risk Assessment: Denmark, March 27, 2025
- The Danish Covered Bond Legal Framework: A Closer Look, June 5, 2024
- S&P Global Ratings Clarifies Its Approach To Analyzing Danish Subsidized Housing, Jan. 16, 2019
- Glossary Of Covered Bond Terms, April 27, 2018
- Ratings Raised On Danish Section 15 Bonds From Six Capital Centers Following Clarification On Bank Resolution, Dec. 11, 2015
- Credit FAQ: The Danish Covered Bond Market Explained, July 15, 2014