Danske Bank A/S

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This report does not constitute a rating action.

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Ratings Score Snapshot

SACP: a

Anchor	bbb+	
Business position	Strong	1
Capital and earnings	Strong	1
Risk position	Adequate	0
Funding	Adequate	0
Liquidity	Adequate	
CRA adjustment		0

Support: +1

ALAC support	1
GRE support	0
Group support	0
Sovereign support	0

Additional factors: 0

Issuer credit rating
A+/Stable/A-1
Resolution counterparty rating
AA-/--/A-1+

ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. SACP--Stand-alone credit profile.

Credit Highlights

Overview

Key strengths	Key risks
One of Denmark's leading commercial banks, life insurers, and commercial pension providers	High competition and room to improve operating efficiency
Diversified revenue base thanks to pan-Nordic lines of business	Higher dependence on wholesale funding
Robust capitalization and additional loss-absorbing capacity	

We forecast Danske Bank A/S to maintain solid earnings based on its leading franchise as the dominant domestic player and second-largest bank in the Nordic region. In S&P Global Ratings' view, Danske Bank is well positioned to deliver on its revised targets under the "Forward '28" strategy aiming at 14.5% return on average shareholder equity (RoE) and a cost-to-income ratio (CIR) below 43%. The bank strategically strives to leverage its market leading position in Denmark and strong position among Nordic corporates while investing in and optimizing its digital platform, product, sustainability, and advisory offerings. In our base case, we project the bank to deliver ROE of 13.5%-15.2% between 2026-2028, following 13.1% in the first quarter of 2026, which compares well with that of similarly rated peers.

We expect Danske Bank to maintain high capitalization by prudently balancing robust earnings with high capital return policies. Underpinned by a supportive operating environment in the Nordics, we anticipate the bank display a strong risk-adjusted capital (RAC) ratio of 11%-12% over 2026-2028, compared with an estimated 12.4% in 2025. In line with the bank's growth strategy, we foresee steady annual loan growth of approximately 4% per year, coupled with ancillary income growth averaging 2%-4% per year.

While we expect the bank will continue to invest heavily in technology and digital solutions, we assume gradual realization of efficiency gains will mitigate cost inflation, keeping average growth in operating expenses contained at 2%-3% per year. In line with the bank's guidance to gradually lower its capitalization, we assume yearly shareholder distribution of 90%-110% of net income.

Our base case sees Danske Bank's asset quality remaining resilient with limited provisioning needs. We anticipate the bank will maintain an adequate risk profile supported by prudent management, a diversified loan book, and a generally benign economic outlook for the Nordic countries. We project the nonperforming assets to remain stable between 1.6% and 1.8% over the next two years, compared with 1.7% in first-quarter 2026, and contained loan loss provisioning of 6-9 basis points (bps).

Potential vulnerabilities in a downside scenario include exposure to interest-rate-sensitive commercial real estate, shipping, and volatile agriculture segments. However, sound loan loss coverage (64% of nonperforming assets), including significant management overlay buffers of Danish krone (DKK) 5.4 billion (€723 million) to absorb potential credit losses, mitigates these risks.

Danske Bank's sizable stock of bail-in-able instruments supports its senior unsecured debt ratings. We expect Danske Bank will hold a significant amount of additional loss-absorbing capacity (ALAC) to meet its minimum requirement for own funds and eligible liabilities, which results in a one-notch rating uplift above its 'a' group stand-alone credit profile (group SACP).

We forecast the bank's ALAC will improve to 10%-11% of its S&P Global Ratings risk-weighted assets (RWA) through 2028. At an 'a' or 'a+' SACP, the maximum ALAC uplift is one notch under our criteria. Furthermore, we believe Danske Bank's diversified funding profile and sound liquidity position will underpin its sound financial position.

Outlook

The stable outlook on Danske Bank reflects our expectation that the bank will continue to generate solid earnings, supporting strong capitalization over the next two years. We expect the bank will maintain resilient asset quality supported by benign economic growth projections for the Nordic region, despite potential headwinds from external developments and persistent geopolitical uncertainty. We expect the bank will stay on top of risk management and compliance after having worked extensively to improve governance structures over the past several years.

Downside scenario

A downgrade would most likely occur if Danske Bank failed to achieve consistently solid risk-adjusted profitability, or if its asset quality weakened unexpectedly and substantially. This could happen in the event of an unexpected and significant rise in risk costs.

We could also lower our ratings on Danske Bank if we were to see new and unexpected material shortcomings or reputational damage due to failures in risk, governance, and compliance management. In these scenarios, we could revise down Danske Bank's SACP, and in turn, lower the issue ratings on its hybrid instruments.

However, we would not likely lower the long-term issuer credit rating on Danske Bank, or the senior unsecured issue ratings that are linked to this rating, over the next two years. With the SACP at 'a-' or lower, we could include an additional notch of ALAC support if the buffer continued to exceed our threshold.

Upside scenario

It is unlikely that we would raise the issuer credit ratings on Danske Bank over the next two years because they are high relative to those of peers.

Key Metrics

Danske Bank A/S--Key ratios and forecasts

	--Fiscal year ended Dec. 31--				
(%)	**2024a**	**2025a**	**2026f**	**2027f**	**2028f**
Growth in operating revenue	5.1	1.2	2.0-2.4	2.9-3.5	3.7-4.5
Growth in customer loans	0.1	4.9	3.6-4.4	3.6-4.4	3.6-4.4
Growth in total assets	-0.4	1.0	2.0-2.4	2.2-2.7	2.3-2.8
Net interest income/average earning assets (NIM)	1.4	1.3	1.3-1.4	1.3-1.4	1.3-1.4
Cost-to-income ratio	45.7	45.3	44.5-46.8	44.0-46.2	43.1-45.3
Return on average common equity	13.4	12.9	12.9-14.2	13.9-15.4	14.4-16.0
Return on assets	0.8	0.7	0.7-0.8	0.7-0.8	0.7-0.8
New loan loss provisions/average customer loans	0.0	0.0	0.1-0.1	0.1-0.1	0.1-0.1
Gross nonperforming assets/customer loans	1.9	1.7	1.6-1.8	1.7-1.9	1.7-1.8
Net charge-offs/average customer loans	0.0	0.0	0.1-0.1	0.1-0.1	0.1-0.1
Risk-adjusted capital ratio	12.7	12.4e	11.0-12.0	11.0-12.0	11.0-12.0

All figures include S&P Global Ratings' adjustments. a--Actual. e--Estimate. f--Forecast. NIM--Net interest margin.

Anchor: 'bbb+' Because Main Operations Are In Denmark

The 'bbb+' anchor is in line with those of pure Danish commercial banks. It reflects Danske Bank's weighted-average economic risk score of '2', based on the geographic breakdown of its loan portfolio by year-end 2025, and an industry risk score of '4' for Denmark. Our economic and industry risk trends for the Danish banking sector remain stable. Besides Denmark (51% of total exposure at default), Danske Bank has diversified exposures in Sweden (20%), Finland (10%), Norway (6%), the U.K. (5%), and rest (8%) in other countries worldwide as of year-end 2025. We believe the divestment of the Norwegian retail business has not materially affected the anchor.

Denmark's resilient economy supports our view of Danish banks' low economic risk environment. They benefit from operating in a high-income, open economy with mature political and institutional settings that promote fiscal discipline and growth-stimulating policies.

We estimate Denmark's real GDP growth at 2.5% in 2025, followed by a gradual decline to 2.3% in 2026 and 1.8%-2.0% over 2027-2028. We expect shifting growth dynamics with domestic demand, underpinned by record-high employment and strengthening purchasing power support private consumption, as the main factor.

We expect banks' sound profitability will continue to support robust capitalization in the sector. We forecast systemwide return on average assets of around 0.7% between 2026-2028, supported by increased business volume, sound operating efficiency, and cost-efficient covered bonds funding. Although we expect Danish banks' credit losses to normalize from cyclical lows, we project the increase to be limited, supported by the sector's robust asset quality and the resilient Danish economy.

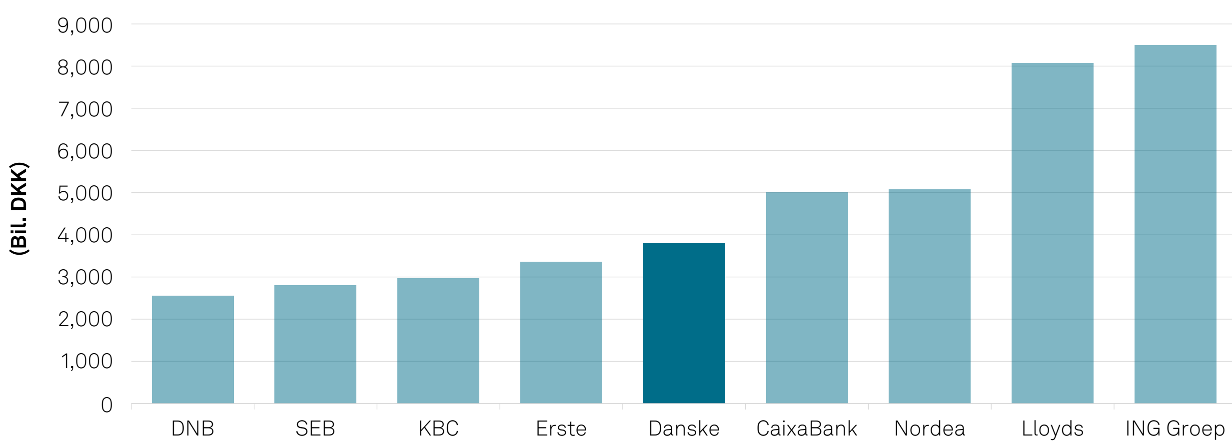
We view the regulatory environment in Denmark as being in line with that of EU standards. Danish authorities have had a good track record and addressed vulnerabilities in recent years.

Although Danish banks rely heavily on wholesale funding, the lion's share relates to secured covered bond funding, which strongly benefits from the efficiency, market depth, and demonstrated stability of Denmark's covered bond market.

Chart 1

Danske Bank is the second-largest bank in the Nordics

Danske's asset size versus global peers



DKK--Danish krone. Data as of March 31, 2026, except for Lloyds, which is as of Dec. 31, 2025. Source: S&P Global Ratings.

Business Position: Denmark's Leading Commercial Bank With Pan-Nordic Franchise

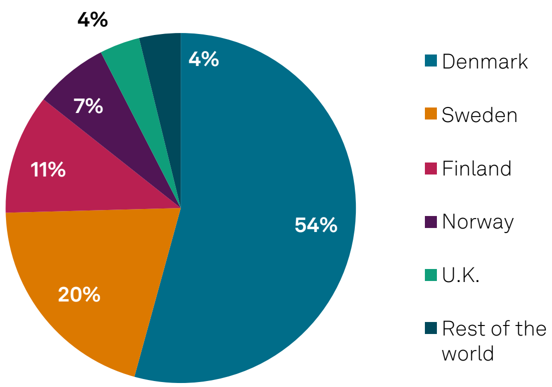
Following strong growth and financial performance over 2024-2025, we consider Danske Bank well positioned to deliver under its updated "Forward '28" strategy, which centers on profitable growth by better leveraging the bank's pan-Nordic position while maintaining strict capital, cost, and risk management.

With total assets of DKK3.8 trillion (€508 billion), Danske Bank is the domestic market leader and the second-largest bank in the Nordic region. Beyond its solid market share in Denmark (27% in corporate and 23% in retail lending), the bank also holds well-established market positions in Finland (12% and 8%), Sweden (10% and 3%) and Norway (8% in corporate lending market), where it strategically exited the retail business in 2024. This enables the bank with a diverse earnings capacity across geographies and revenue sources.

Chart 2

Danske's lending portfolio is diversified accross Nordics

Geographical split of corporate + retail EADs

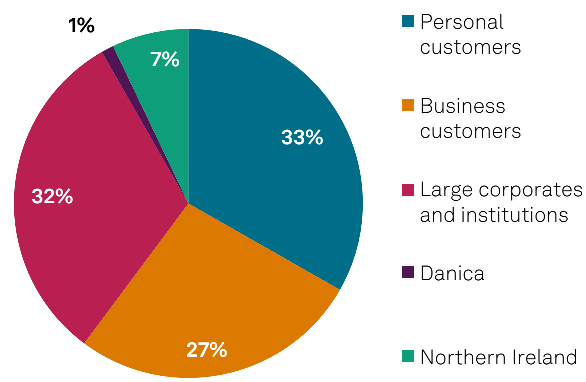


Data as of Dec. 31, 2025. Source: S&P Global Ratings.

Chart 3

Diversified revenue through the pan-Nordic lines of business

Revenue by business segments



Data as of March 31, 2026. Source: S&P Global Ratings.

In its recent update, Danske Bank revised its targets for ROE to 14.5% (from 13.0%) and CIR to less than 43% (from about 45%), as well revised its capital distribution policy to accelerate capital optimization.

The bank targets ordinary dividends of 60%-70% of annual income while maintaining its ambition for further distribution via share buyback and extraordinary dividends. In connection with its first-quarter 2026 report, Danske Bank announced an extraordinary dividend of DKK5 billion, and it aims to repurchase DKK4.5 billion in shares under its share buyback program that runs until February 2027.

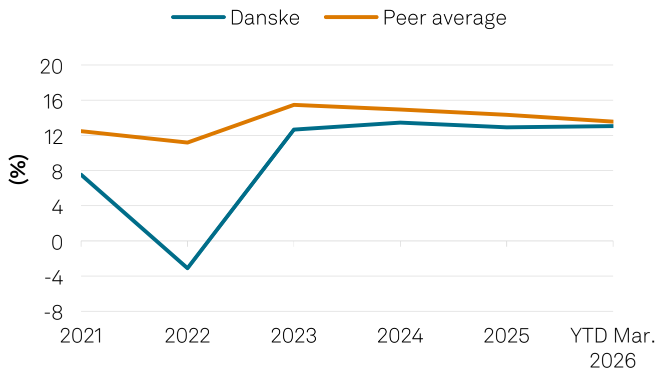
To achieve its strategic targets sustainably across segments and markets, we anticipate Danske Bank will continue prioritizing investing its resources in more profitable businesses to further gain scale. We see it particularly expanding its wholesale and bank business in the Nordics, retail lending in Denmark and Finland, its private banking and wealth management earnings, and building deeper customer relationships enabling ancillary income growth. While we view Danske Bank as leader in Denmark in terms of digital solutions, we consider further investments as key to maintain its competitive position and to meet evolving customer preferences.

Danske Bank recorded robust results in the first quarter of 2026 with ROE of 13.1% (12.9% in 2025) and CIR of 45.8% (45.4% in 2025). An increase in lending activity (4% loan growth year on year) and income from the structural hedge drove strong net interest income. In addition, increased customer activity and repricing actions led to a 7% year on year increase in fee income.

Chart 4

Danske's improved profitability remains on par with its European peers...

Return on average common equity

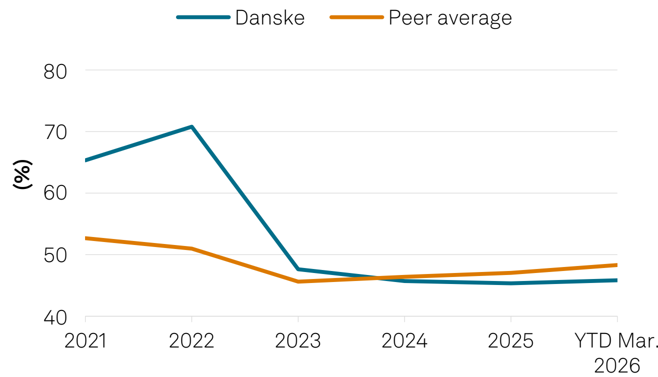


Peers include Nordea, SEB, DNB, Lloyds, KBC, ING Groep, Erste,and CaixaBank.
Source: S&P Global Ratings.

Chart 5

...while cost-efficiency metric remains slightly better than peers

Cost to income ratio



Peers include Nordea, SEB, DNB, Lloyds, KBC, ING Groep, Erste, CaixaBank.
Source: S&P Global Ratings.

Capital And Earnings: Strong Capitalization By Balancing High Shareholder Distributions With Robust Earnings

We expect Danske Bank demonstrate a strong capital position with a projected RAC ratio of 11%-12% in 2026-2028, compared with an estimated 12.4% as of year-end 2025. This balances our expectation of continued robust earnings generation with the bank's ambition to optimize its capital position through higher shareholder returns.

We consider the quality of Danske Bank's capital to be adequate, reflecting high quality core capital of 92.4% of total adjusted capital as of March 31, 2026. In addition, we include DKK11 billion of additional Tier 1 capital in our total adjusted capital metric for 2026-2028.

Our main forecast assumptions for 2026-2028 are:

- Steady lending growth averaging 4% per year
- Stable net interest margin of 1.3%-1.4% (1.34% in first-quarter 2026), balancing our expectation of slight upside from market rates in Denmark and the Nordic region with the negative impact from continued tight price competition
- Revenue growth to be further driven by annual fee income growth averaging 3% per year
- Growth in operating expenses of 2%-3% per year, balancing general cost inflation and investments in tech and AI with structural efficiency realizations from these and prior investments. We project this will result in S&P Global Ratings calculated CIR of 44%-46%.
- Annual net income of DKK23 billion-DKK25 billion, resulting in S&P Global Ratings calculated ROE of 13.5%-15.2%
- Capital distribution of around 110% of net income in 2026, including ordinary dividend of 70% of net income, the DKK5 billion (€670 million) extraordinary dividends announced in April 2026, and the completion of the DKK 4.5 billion share buyback program. Over 2027-2028, we assume annual dividends of 70% of net income and continued share buybacks of DKK5 billion per year.

As of March 2026, Danske Bank reported a total regulatory capital ratio of 21.7% and a common equity Tier 1 (CET1) capital ratio of 17.7%--both above the regulatory requirements of 19.6% and 14.8%, respectively. This is partly because of the Danish implementation of the EU Conglomerate Directive, which became effective Jan. 1, 2026, and lowered the regulatory capital deduction for Danske Bank's insurance subsidiary, Danica. In line with its revised capital distribution targets, Danske Bank expects a slight decline in regulatory capital ratios over 2026-2028, aiming for a CET1 ratio of about 16%.

Risk Position: Resilient Asset Quality And Risk Management In Line With Industry Peers

In our view, Danske Bank prudently manages credit and market risk and has sound underwriting. The bank's continuous enhancement process for compliance, governance, risk management, and culture supports its adequate risk management.

The bank's corporate portfolio, representing about 70% of total credit exposure, is well-diversified across segments with commercial and residential real estate (CRE; 13% of total loans) representing the largest exposure, followed by public institutions (9%), nonprofit housing (8%), and financials (6%). The remaining exposure to personal customers predominantly comprises mortgage lending, accounting for close to 90% with about three-quarters of the exposure in Denmark. In our view, the bank has a prudent approach to real estate lending with a strong focus on cash flow, interest rate sensitivity, and high collateralization with a low average loan-to-value ratio of 48% for residential CRE and 50% for nonresidential CRE.

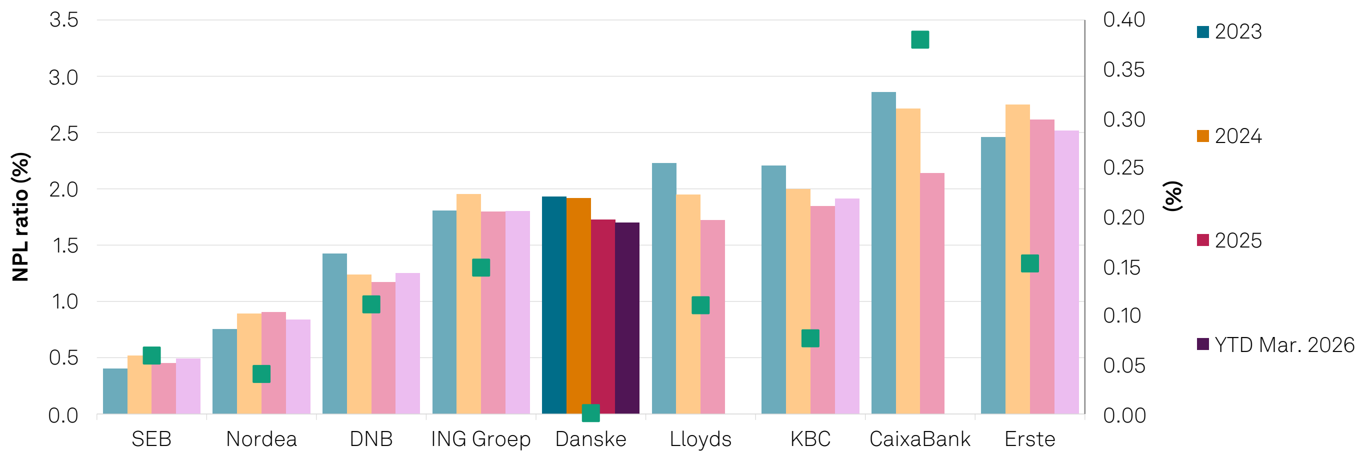
While potential risk from persistent geopolitical and macroeconomic uncertainty remains elevated, our base case anticipates that Danske Bank will continue to benefit from its diversified exposure profile, the robust Danish economy, and generally benign economic prospects for the Nordic countries. As such, we project the nonperforming assets ratio will remain largely stable at 1.6%-1.8% over the next two years, about flat with 1.7% as of March 31, 2026, with a contained loan loss provisioning need of 6-9 bps (after a 1 bp reversal in the first quarter of 2026).

Potential vulnerabilities include exposure to interest rate sensitive CRE (12.8% of credit exposure as of the end of March 2026); shipping, oil, and gas (1.8%); and volatile agriculture segments (2.2%) that could lead to credit losses beyond our base case. A mitigant in such a scenario is Danske Bank's sound loan loss coverage, which was 64% of nonperforming loans as of first-quarter 2026. The reserve includes DKK5.4 billion (€723 million) of management overlay buffers--that is, higher buffers than the bank's model-based credit-loss expectations.

Chart 6

We expect Danske to maintain sound asset quality and limited provisioning needs

Nonperforming loan ratio and cost of risk



Nonperforming loan (NPL) ratio is defined as gross nonperforming assets as % of customer loans, cost of risk as new loan loss provisions as % of average customer loans. Banks are sorted left to right by historical last three years' average NPL ratio. Data as of March 31, 2026, except for Lloyds which is as of Dec. 31, 2025. Source: S&P Global Ratings.

In our view, Danske Bank manages market risks adequately, with trading activities primarily focused on market-making, and facilitating client investment and hedging needs. In 2025, trading-related income rose 9% to DKK5.1 billion, while average one-day value-at-risk (VaR, 95% confidence level) remained modest at DKK23 million (0.02% of CET1 capital). Interest rate risk in the banking book (IRRBB) is also well-contained, with a projected 1% rate decline affecting net interest income by DKK2.3 billion (1.62% of CET1).

Furthermore, Danske Bank has a sound governance, compliance, and financial crime management in place, supported by Denmark's sound banking regulation and supervision. Over the past several years, Danske Bank has made significant investments in strengthening its compliance management framework and governance. As of year-end 2023, the bank completed its multiyear financial crime program. In December 2025, Danske Bank concluded three years of corporate probation with the US Department of Justice, marking the end of the process related to the money-laundering case at its Estonian branch.

Funding And Liquidity: Mix Of Resilient Covered Bonds And Core Deposits

We consider Danske Bank to have sound funding and liquidity based on its large deposit franchise and solid access to broad capital markets and liquidity. The bank is the leading deposit-taker in Denmark and plays a significant role in the well-functioning Danish mortgage market. This results in a sound stable funding ratio, at 103.8% at end 2025, which we expect will remain above 100% over the next two years as the bank continues to refinance debt with long-term notes and covered bonds.

While the bank has a higher share of covered bond financing than many of its international peers (32% of its total funding base as of end March 2026), we see the stability of the Danish covered bond market and its unique features as supporting the average funding assessment.

We anticipate that the Danish covered bond market, with its demonstrated stress resilience, will continue to perform well and remain a key investment target for Danish pension funds. The 2014 Danish covered bond legislation that extends bond maturities by 12 months in the event of a failed auction is another supporting factor because it effectively passes refinancing risks on to investors and repricing risks on to borrowers.

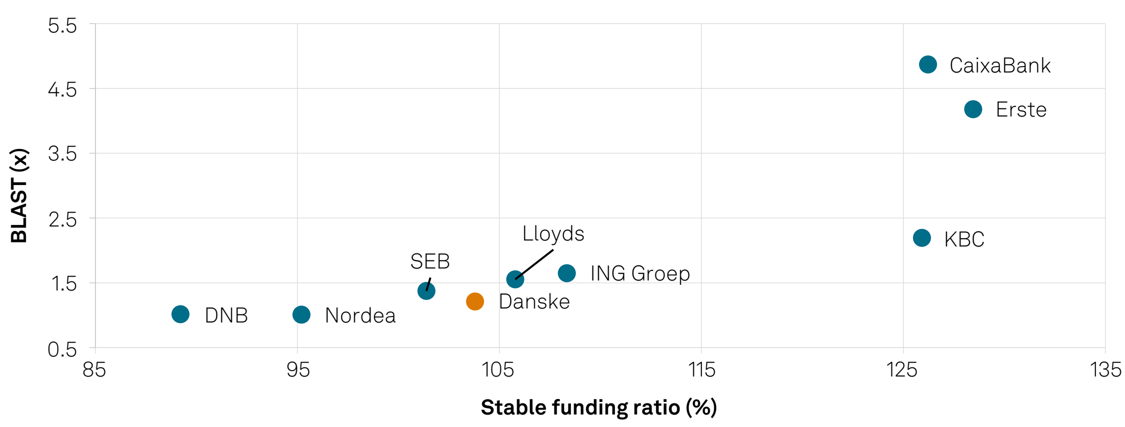
We expect Danske Bank will continue benefiting from granular core deposit franchises in each of its primary markets. The bank's core deposit volumes have significantly increased over the past decade, to represent about 41% of the funding base as of year-end 2025, compared with 35% average recorded in 2015-2019. Roughly 50% of deposits are covered by the Danish deposit protection scheme, which provides additional stability.

Danske Bank's liquidity portfolio of DKK548 billion (14% of total assets) as of year-end 2025 containing cash, central bank reserves, and liquid securities, provides an adequate buffer. The bank's broad liquid assets represented 1.21x of its short-term wholesale funding at year-end 2025, indicating a sound liquidity position.

Our view is further supported by the bank's regulatory liquidity coverage ratio of 170% as of Dec. 31, 2025. The bank has established stringent liquidity and stress tests, and it expects to continue operating without additional external funding for more than six months in stressed conditions. In our view, sound monitoring provides management with adequate and timely information, in line with Nordic peers.

Chart 7

Danske's funding and liquidity metrics remain in line with most of global peers



BLAST--Broad liquid assets to short-term wholesale funding. Data as of Dec. 31, 2025. Source: S&P Global Ratings.

Support: One Notch Of ALAC Support On Long-Term Issuer Credit Rating

We include one notch of support above Danske Bank's 'a' stand-alone credit profile because we expect the bank will maintain a high ALAC buffer through 2029, protecting senior bondholders.

Based on the bank's funding plan, we forecast the ALAC ratio to be 10%-11% over 2026-2029, compared with an estimated 8.5% as of year-end 2025. This is aided by continuous issuance of bail-in-able debt, comfortably surpassing our 3% threshold for one notch uplift above its group SACP of 'a'.

Danske Bank has built up a significant buffer of bail-in-able instruments--including DKK96.4 billion of Minimum Requirement for Own Funds and Eligible Liabilities (MREL)-eligible senior nonpreferred liabilities and Tier 2 instruments. It has met its MREL requirement (including combined buffer requirement) of 36.0% of risk exposure amounts with 41.7% available MREL funds as of first-quarter 2026.

We view Denmark's resolution regime as effective under our ALAC criteria. This is because we think it contains a well-defined bail-in process under which authorities would permit nonviable systemically important banks to continue critical functions as going concerns, following a bail-in of eligible liabilities.

Environmental, Social, And Governance

Environmental, social, and governance factors are a neutral consideration in our credit rating analysis of Danske Bank. This reflects the bank's materially improved compliance, financial crime, and governance management framework to be on par with industry peers, following the significant historic shortcomings that surfaced in 2018. After completing its multiyear remediation program in 2023, Danske Bank concluded three years of corporate probation with the U.S. Department of Justice in late 2025.

Over recent years, Danske Bank has continued to strengthen its ESG profile, which is now embedded across credit and enterprise risk frameworks, with 92% of exposures assessed for ESG risk. Sustainability-linked key performance indicators are included in remuneration, and disclosure aligns with evolving EU standards (CSRD/ESRS). Board oversight and committee structures are established, supporting improved transparency and control, although ongoing regulatory developments (e.g. Basel IV, taxonomy expansion) create compliance complexity.

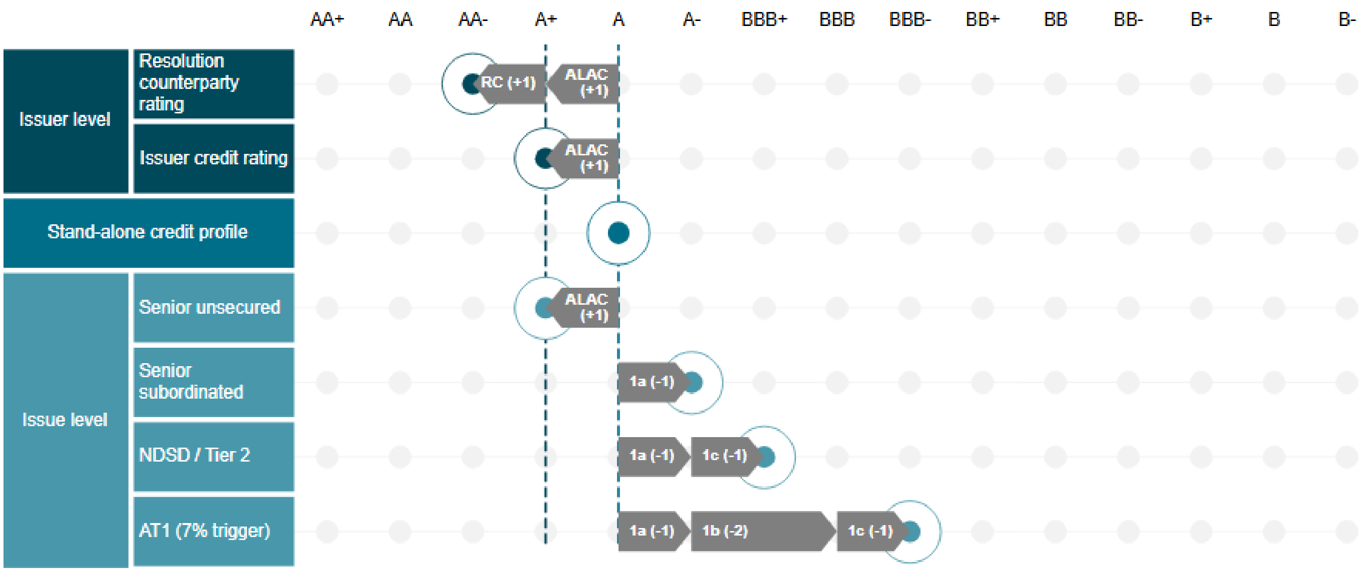
Environmental performance improved with continued reductions in both operational and financed emissions, which showed broad sectoral declines, with portfolio intensity (WACI) now reduced by 45% against the 2020 baseline. Lending-related emissions dominate the profile, while investment-related emissions (asset management/pensions) also have declined alongside portfolio repositioning. Sector-level cuts have been pronounced (e.g., oil and gas -91%, power -56%), indicating active balance sheet steering consistent with the 2050 net-zero target.

Resolution Counterparty Ratings (RCRs)

Our 'AA-/A-1+' resolution counterparty ratings relating to certain senior liabilities that are explicitly protected from default in an effective bail-in resolution process are one notch above the long-term issuer credit ratings.

Issue Ratings

Danske Bank A/S: Notching



Key to notching

--- Issuer credit rating
--- Stand-alone credit profile
RC Resolution counterparty liabilities (senior secured debt)
ALAC Additional loss-absorbing capacity buffer
1a Contractual subordination
1b Discretionary or mandatory nonpayment clause and whether the regulator classifies it as regulatory capital
1c Mandatory contingent capital clause or equivalent

Note: The number-letter labels in the table above are in reference to the notching steps we apply to hybrid capital instruments, as detailed in table 3 of our "Hybrid Capital: Methodology And Assumptions" criteria, published on Oct. 13, 2025.
AT1--Additional Tier 1. NDSD--Non-deferrable subordinated debt.

Key Statistics

Danske Bank A/S Key Figures

Mil. DKK	2025	2024	2023	2022	2021
Adjusted assets	3,113,726	3,084,220	3,156,297	3,234,282	3,302,555
Customer loans (gross)	1,777,796	1,694,580	1,693,233	1,824,767	1,858,429
Adjusted common equity	133,895	134,406	142,446	133,775	134,601
Operating revenues	56,834	56,161	53,435	44,054	47,127
Noninterest expenses	25,773	25,675	25,451	31,184	30,786
Core earnings	23,107	23,505	22,096	8,583	12,639

DKK--Danish krone.

Danske Bank A/S Business Position

(%)	2025	2024	2023	2022	2021
Loan market share in country of domicile	24.0	24.0	24.0	24.6	24.8
Deposit market share in country of domicile	27.0	27.0	27.0	28.4	29.1
Total revenues from business line (currency in millions)	56,840	56,405	53,762	45,895	47,534
Trading and sales income/total revenues from business line	5.1	4.7	4.9	9.2	13.5

Danske Bank A/S Business Position

(%)	2025	2024	2023	2022	2021
Insurance activities/total revenues from business line	2.4	2.5	2.7	2.3	0.0
Other revenues/total revenues from business line	0.2	1.2	1.7	-	6.9
Investment banking/total revenues from business line	5.1	4.7	4.9	9.2	13.5
Return on average common equity	12.9	13.5	12.7	(3.1)	7.5

Danske Bank A/S Capital And Earnings

(%)	2025	2024	2023	2022	2021
Tier 1 capital ratio	18.2	19.1	20.5	19.6	20.0
S&P Global Ratings' RAC ratio before diversification	12.4e	12.7	13.3	12.6	13.4
S&P Global Ratings' RAC ratio after diversification	13.1e	13.7	14.4	13.4	14.2
Adjusted common equity/total adjusted capital	94.7	92.8	90.6	89.7	87.1
Double leverage	51.1	52.9	50.0	55.5	55.0
Net interest income/operating revenues	64.4	65.3	65.5	63.6	56.8
Fee income/operating revenues	27.1	26.6	24.2	25.7	25.7
Market-sensitive income/operating revenues	4.4	4.0	5.1	(84.9)	69.7
Cost to income ratio	45.4	45.7	47.6	70.8	65.3
Preprovision operating income/average assets	0.8	0.8	0.8	0.3	0.4
Core earnings/average managed assets	0.6	0.6	0.6	0.2	0.3

Danske Bank A/S Risk Position

(%)	2025	2024	2023	2022	2021
Growth in customer loans	1.1	0.1	(7.2)	(1.8)	(0.3)
Total diversification adjustment/S&P Global Ratings' RWA before diversification	(5.1)	(7.3)	(7.6)	(5.9)	(5.6)
Total managed assets/adjusted common equity (x)	28.0	27.7	26.2	28.1	29.2
New loan loss provisions/average customer loans	0.0	(0.0)	0.0	0.1	0.0
Net charge-offs/average customer loans	0.0	(0.0)	(0.0)	0.1	0.1
Gross nonperforming assets/customer loans + other real estate owned	1.7	1.9	1.9	1.8	2.5
Loan loss reserves/gross nonperforming assets	64.1	61.2	61.6	61.2	49.5

Danske Bank A/S Funding And Liquidity

(%)	2025	2024	2023	2022	2021
Core deposits/funding base	41.3	42.05	42.5	46.3	42.5
Customer loans (net)/customer deposits	158.4	152.9	154.5	154.0	156.9
Long-term funding ratio	73.7	74.9	76.4	79.8	78.7
Stable funding ratio	103.8	106.1	106.7	107.5	111.6
Short-term wholesale funding/funding base	28.1	26.8	25.3	21.6	22.7
Regulatory net stable funding ratio	120.5	118.0	126.0	123.0	--
Broad liquid assets/short-term wholesale funding (x)	1.2	1.3	1.4	1.5	1.6
Broad liquid assets/total assets	24.4	23.8	24.6	22.0	25.5

Danske Bank A/S Funding And Liquidity

Broad liquid assets/customer deposits	82.4	80.7	84.7	70.7	85.6
Net broad liquid assets/short-term customer deposits	14.6	17.2	24.7	22.7	29.6
Regulatory liquidity coverage ratio (LCR) (x)	170.0	167.4	170.0	151.0	--
Short-term wholesale funding/total wholesale funding	47.7	45.9	43.6	39.7	39.0

Rating Component Scores

Issuer Credit Rating	A+/Stable/A-1
SACP	a
Anchor	bbb+
Business position	Strong (1)
Capital and earnings	Strong (1)
Risk position	Adequate (0)
Funding and liquidity	Adequate and Adequate (0)
Comparable ratings analysis	0
Support	1
ALAC support	1
GRE support	0
Group support	0
Sovereign support	0
Additional factors	0
SACP--Stand-alone credit profile. ALAC--Additional loss-absorbing capacity. GRE--Government-related entity.	

Related Criteria

- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, May 5, 2026
- General Criteria: Hybrid Capital: Methodology And Assumptions, Oct. 13, 2025
- General Criteria: National And Regional Scale Credit Ratings Methodology, June 8, 2023
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Banking Industry Country Risk Assessment Update: June 2026, June 24, 2026
- Research Update: Denmark 'AAA/A-1+' Ratings Affirmed; Outlook Stable, Feb. 6, 2026
- Resilient Nordic Banks Poised For Earnings Stability And Loan Rebound In 2026, Dec. 3, 2025
- Stress Test Highlights European Banks' Resilience To Potential Trade Escalations, June 24, 2025

Ratings Detail (as of July 02, 2026)*		
Danske Bank A/S		
Issuer Credit Rating		A+/Stable/A-1
Nordic Regional Scale		--/--/K-1
Resolution Counterparty Rating		AA-/--/A-1+
Certificate Of Deposit		
Foreign Currency		A+/A-1
Commercial Paper		
Foreign Currency		A+/A-1
Local Currency		A-1
Junior Subordinated		BBB-
Senior Secured		AAA/Stable
Senior Subordinated		A-
Senior Unsecured		A+
Senior Unsecured		A+/A-1
Short-Term Debt		A-1
Subordinated		BBB+
Issuer Credit Ratings History		
16-Dec-2022	*Foreign Currency*	A+/Stable/A-1
16-Dec-2021		A+/Negative/A-1
23-Oct-2019		A/Stable/A-1
16-Dec-2022	*Local Currency*	A+/Stable/A-1
16-Dec-2021		A+/Negative/A-1
23-Oct-2019		A/Stable/A-1
05-Feb-2004	*Nordic Regional Scale*	--/--/K-1
Sovereign Rating		
Denmark		AAA/Stable/A-1+
Related Entities		
Danske Bank A/S, Swedish Branch		
Issuer Credit Rating		A+/Stable/A-1
Realkredit Danmark A/S		
Senior Secured		AA/Stable
Senior Secured		AAA/Stable
Short-Term Secured Debt		A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings’ credit ratings on the global scale are comparable across countries. S&P Global Ratings’ credit ratings on a national scale are relative to obligors or

Ratings Detail (as of July 02, 2026)*
obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.