JYSKE BANK

Annual Report 2023

Content

Introduction

About this report

The Sustainability Section on pp. 19-59 covers the Jyske Bank Group's sustainability efforts during the period 1 January – 31 December 2023 and constitutes Jyske Bank's reporting on corporate social responsibility, cf. S.135b of the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc.

The annual reporting for Jyske Bank consists of the Annual Report 2023 and Risk and Capital Management Report 2023. Additional descriptions and data relating to sustainability at Jyske Bank are available in our ESG Fact Book 2023 and at jyskebank.com/investorrelations/sustainability

The Annual Report 2023 has been prepared in a Danish and an English version. In case of discrepancy between the Danish-language original text and the English-language translation, the Danish text shall prevail.

Strong basis for forming Jyske Bank of the future

Foreword by **Lars Mørch,** CEO and Managing Director

2023 was a good year for Jyske Bank with a net profit of DKK 5.9bn, a successful integration of the former Handelsbanken Denmark and acquisition of PFA Bank.

Jyske Bank's earnings per share rose by 61% to DKK 89 in 2023 and exceeded the record-setting year 2022. The advance was due to the acquisition of Handelsbanken Denmark, a higher interest-rate level and a favourable development in the financial markets. Moreover, the very solid credit quality was maintained. In addition, the distribution of dividend at DKK 500m marked a resumption of capital distribution to the shareholders. Going forward, we endeavour to distribute a dividend in the region of 30% of the shareholders' proportion of the results. The annual dividend is to be supplemented by ongoing share buy-backs contingent on Jyske Bank's capital position.

Handelsbanken Denmark contributes to the results

The integration of the former Handelsbanken Denmark was successful. We estimate that the acquisition of Handelsbanken Denmark has already now attained the 2025 target of a contribution to the Group's pre-tax profit of DKK 1.0bn p.a., and the potential for the pre-tax profit is, at the present interest-rate level, estimated to be approx. DKK 0.3bn above the original expectations.

The acquisitions of Handelsbanken Denmark in 2022 and PFA Bank in 2023 mirror Jyske Bank's ambitions of high-quality growth and profitability.

Dedicated and motivated organisation

The organisation has in an exemplary manner lifted the many tasks in connection with the integration. This took place in a constructive cooperation with Handelsbanken and the data processing centres BEC and Bankdata. All planned organisational changes have been implemented, and the integration and costs involved proceeded according to expectations.

Many colleagues have made targeted efforts for customers to experience the best possible transition to Jyske Bank's systems in connection with the IT migration at mid-November. In addition, we ascertain an increase in job satisfaction among the Group's employees in the annual employee survey. Thank you to the employees for excellent efforts and great results in 2023.

Focus on good customer experience

In Voxmeter's image survey, Jyske Bank reported the largest advance among Danish banks, and we have a continued focus on ensuring good customer experience. Over the year, the value proposition to the customers was improved even further particularly with respect to investment and housing to personal customers and insurance solutions to corporate customers.

Several of the initiatives go hand in hand with the stronger business volume within asset management and wealth management advice which was a result of the acquisition of PFA Bank as we welcomed new colleagues and customers on 1 October.

Heading for Jyske Bank of the future

All in all, we have got off to a good start forming Jyske Bank of the future. Jyske Bank has good opportunities of becoming an even stronger business. Jyske Bank should not be changed fundamentally from one year to the other. But with due respect to our present business, we will based on Jyske Bank's strengths work on an update of the Group's business strategy towards the end of 2024.

Jyske Bank's target is to be an active and constructive part of the green transition and Jyske Bank's target is net zero CO_2 emission across business-oriented activities in the form of loans and investments not later than in 2045 and 2050, respectively. In addition, Jyske Bank aims at lending growth contributing to mitigate climate changes, and the CO_2 emission from Jyske Bank's own activities must be reduced by 65% from 2020 to 2030.

Although the sharply rising interest rates sent up the macroeconomic uncertainty in the course of the last year, the Danish economy still seems to be resilient. Consequently, Jyske Bank anticipates a net profit of DKK 4.3bn – DKK 5.1bn in 2024.

Results

Financial

5.9 DKKbn

Historically strong net profit – an increase of 57% relative to the record-setting year 2022

500 DKKm

Capital distribution resumed with DKK 500m paid out in 2023 and a further DKK 500m proposed for the annual general meeting

14.4 DKKbn

Core income rose by 58% fuelled by the interest-rate development and the acquisition of Handelsbanken Denmark

43%

Cost/income ratio was reduced by 11 percentage points despite higher core expenses

0.02%

The impairment ratio remained at a low level and post-model adjustments rose to DKK 1.9bn

Non-financial

3%

increase in the estimated emission intensity related to loans and investments relative to 2022

21 DKKbn

in additional lending to areas, mitigating climate change relative to 2022, totalling DKK 140bn at the end of 2023

4%

reduction in the bank's scope 1 and 2 emission

Jyske Bank Group (key financial data)

Core profit and net profit for the year (DKKm)

	2023	2022	Index 23/22	2021	2020	2019
Net interest income	9,722	5,856	166	4,973	4,966	5,152
Net fee and commission income	2,579	2,529	102	2,308	2,091	2,311
Value adjustments	1,539	139	1,107	940	685	342
Other income	227	239	95	175	130	154
Income from operating lease (net)	289	343	84	256	110	101
Core income	**14,356**	**9,106**	**158**	**8,652**	**7,982**	**8,060**
Core expenses	6,103	4,879	125	4,904	4,848	5,029
Core profit before loan impairment charges	**8,253**	**4,227**	**195**	**3,748**	**3,134**	**3,031**
Loan impairment charges	127	-605	–	-218	968	-101
Core profit	**8,126**	**4,832**	**168**	**3,966**	**2,166**	**3,132**
Investment portfolio earnings	-3	-131	2	61	-56	-53
Profit before one-off costs	**8,123**	**4,701**	**173**	**4,027**	**2,110**	**3,079**
One-off costs relating to Handelsbanken DK	-235	-144	163	0	0	0
Pre-tax profit	**7,888**	**4,557**	**173**	**4,027**	**2,110**	**3,079**
Tax	1,984	805	246	851	501	639
Net profit for the period	**5,904**	**3,752**	**157**	**3,176**	**1,609**	**2,440**
Interest on AT1 capital, charged against equity	163	147	111	176	168	156

Summary of balance sheet, end of period (DKKbn)

	2023	2022	Index 23/22	2021	2020	2019
Loans and advances	557.3	541.7	103	485.2	491.4	485.9
– of which mortgage loans	352.7	333.7	106	340.9	343.9	337.5
– of which bank loans	150.5	155.5	97	103.3	95.5	102.1
– of which repo loans	54.1	52.5	103	41.0	52.0	46.3
Bonds and shares, etc.	103.0	97.4	106	85.7	92.9	91.9
Total assets	779.7	750.0	104	647.1	672.6	649.7
Deposits	218.3	208.4	105	134.2	137.0	140.2
– of which bank deposits	199.8	189.1	106	121.5	127.5	126.9
– of which repo and triparty deposits	18.5	19.3	96	12.7	9.5	13.3
Issued bonds at fair value	345.7	324.2	107	340.3	348.8	357.0
Issued bonds at amortised cost	93.7	95.4	98	73.1	63.7	38.6
Subordinated debt	6.1	6.4	95	5.5	5.8	4.3
Holders of additional tier 1 capital	3.3	3.3	100	3.4	3.3	3.3
Shareholders' equity	42.6	37.3	114	34.9	33.3	32.5

Financial ratios

	2023	2022	2021	2020	2019
Earnings per share (DKK)*	89.3	55.4	42.4	19.8	29.0
Profit for the year, per share (diluted) (DKK)*	89.3	55.4	42.4	19.8	29.0
Pre-tax profit as a percentage of average equity*	19.3	12.2	11.3	5.9	9.1
Net profit for the year as a percentage of average equity*	14.4	10.0	8.8	4.4	7.1
Expenses as a percentage of income	42.5	53.6	56.7	60.7	62.4
Capital ratio (%)	21.0	19.5	22.8	22.9	21.5
Common equity tier 1 capital ratio (CET1 %)	16.9	15.2	18.2	17.9	17.4
Individual solvency requirement (%)	11.2	10.8	11.2	11.6	11.2
Capital base (DKKbn)	47.4	43.0	42.9	41.1	39.0
Weighted risk exposure (DKKbn)	225.5	220.9	188.2	179.4	181.4
Share price at end of period (DKK)	484	451	337	233	243
Distributed dividend per share (DKK)	7.8	0	0	0	0
Book value per share (DKK)*	663	581	515	459	434
Price/book value per share (DKK)*	0.7	0.8	0.7	0.5	0.6
Outstanding shares in circulation ('000)	64,254	64,264	67,840	72,553	74,841
Number of full-time employees, year-end**	3,940	3,854	3,242	3,318	3,559

Relationships between income statement items under 'The Jyske Bank Group' key financial data and the IFRS income statement page 95 appear from note 2.

* Financial ratios are calculated as if additional tier 1 capital is recognised as a liability, cf. note 69.

** The number of employees at the end of 2023, at the end of 2022, at the end of 2021, at the end of 2020 and at the end of 2019 less 16, 19, 15, 31 and 54 employees, respectively, who are financed externally.

Highlights 2023

Additional benefits to customers

Over the year, the value proposition to customers was improved even further particularly with respect to investment and housing to personal customers and the new Netbank Erhverv, Risk Manager and insurance solutions to corporate customers. Add to this a number of initiatives relating to deposit products, resulting, among other things, in Jyske Bank's share savings account being named Best in test by the Danish consumer magazine TÆNK.

Strengthened climate effort

2023 has been characterised by rising interest in sustainability and especially climate among our customers. We have added more resources and developed more solutions within both corporate customers, housing and investment, and generally climate is on the agenda in an increasing number of contexts in our interaction with customers.

In 2023, it resulted, in business terms, in additional loans of DKK 21bn to areas mitigating climate change.

Successful integration

The integration of the former Handelsbanken Denmark proceeded according to plan as regards financial, business and organisational issues. The future tasks of all employees were clarified in the first quarter of 2023, when also business analyses, forming the basis of the migration of data processing centres, were finalised. Branch mergers reduced the total number of branches by 1/4. The migration of IT to another data processing centre, involving more than 200 employees, also proceeded according to plan at mid-November 2023.

New domicile

Jyske Bank will gather the activities from Jyske Realkredit's head office at Kgs. Lyngby, the head office of the former Handelsbanken Denmark at Havneholmen as well as existing business activities at Vesterbro at Kalvebod Brygge in Copenhagen as from mid-2025. The re-location is expected to create a good physical environment for customers as well as the employees, a strong professional environment and will also result in cost synergies.

PFA Bank acquisition and closing

On 13 June 2023, Jyske Bank announced the acquisition of PFA Bank and an agreement with Investeringsforeningen PFA Invest on the administration and portfolio management of the customers' funds. The price totalled DKK 247m inclusive of equity at DKK 127m, and the acquisition was implemented on 1 October 2023 following approval by the Danish Competition and Consumer Authority. Jyske Bank took over approx. 10,000 personal customers and private banking customers, deposits of DKK 0.7bn, assets under management of DKK 16.1bn and 43 employees.

Goodbye to Anders Dam – welcome to Lars Mørch

After almost 34 years with Jyske Bank - of these the past 28 years on the Group Executive Board - Anders Dam decided to retire at end-October 2023. With effect as from 1 November 2023, Jyske Bank's Supervisory Board appointed Lars Mørch as new CEO and Managing Director.

Stronger earnings and continued solid credit quality

Financial summary by **Birger Krøgh Nielsen,** CFO

Jyske Bank's performance in 2023 was highly satisfactory. With a net profit of DKK 5.9bn, corresponding to DKK 89.3 per share, 2023 was a historically good year for Jyske Bank with a return on equity of 14.4%.

Earnings per share rose by 61% compared with the record-breaking year in 2022. The increase was boosted by 58% higher core income due to considerable growth in net interest income.

Higher interest rates and acquisitions contribute positively

Net interest income was affected by the higher level of interest rates as well as the acquisition of Handelsbanken Denmark. In addition, developments in the financial markets and Jyske Bank's positioning resulted in highly positive contributions to value adjustments.

Net fee and commission income showed a minor increase compared with the previous year which was characterised by high loan and refinancing activity. Consequently, the acquisition of Handelsbanken Denmark offset a lower level of activity in 2023 as a result of the higher interest rates.

Costs under control despite inflation

Core expenses rose by 25% compared to 2022. A steep increase had to be expected due to the acquisition of Handelsbanken Denmark which resulted in a rise in the number of employees and higher IT expenses. The increase was also driven by a higher number of employees relating to financial crime prevention as well as the acquisition of PFA Bank and the inflationary effect of sector-wide prescribed salary increases. In addition to core expenses, non-recurring costs of DKK 235m were incurred relating to the integration of Handelsbanken Denmark and PFA Bank.

Solid credit quality

Loan impairment charges amounted to an expense of DKK 127m, corresponding to 0.02% of gross loans and guarantees. The credit quality remains solid with a low level of non-performing loans and the lowest level of actual write-offs for more than a decade. Moreover, post-model adjustments of DKK 1.9bn offers a good basis for countering the macroeconomic uncertainty in 2024.

Resumed capital distribution to shareholders

After the acquisition of Handelsbanken Denmark, Jyske Bank has built up a stronger capital base and with a common equity tier 1 capital ratio at 16.9, Jyske Bank has a solid capital position. This paved the way for a resumption of distribution to shareholders with an extraordinary dividend of DKK 500m in December 2023 combined with the proposal by the Supervisory Board for an additional dividend at DKK 500m in connection with the coming annual general meeting.

Higher interest rates and a robust economy

The economic agenda in 2023 was continued interest-rate hikes from the Danish central bank but also resilient consumers and enterprises. The higher interest rates had at end-2023 only had a moderate dampening impact on the Danish economy.

Interest-rate hikes up to late summer

High inflation due to strong demand, bottlenecks in the supply chains and extremely high energy prices resulted in significant interest-rate hikes from the ECB and hence from the Danish central bank over 2022. And the interest-rate hikes continued well into 2023 when the ECB focused fully on reducing inflation. When the ECB paused its interest-rate hikes following yet another increase in September, the current-account rate of the Danish central bank attained 3.6% from 1.75% at end-2022 and -0.6% at end-2021. Broadly speaking, a historically aggressive interest-rate hike cycle from the central banks.

Short-term global banking turmoil

In the spring of 2023, the higher interest rates triggered short-lived global banking turmoil, which primarily affected medium-sized regional banks in the US. Due to unsuccessful risk management, the interest-rate hikes resulted in critical losses on the bond portfolios of several of these banks, which led to a string of US bank collapses. Over the same period of time, Credit Suisse landed in financial trouble of such a magnitude that the institution had to be taken over by UBS, the other large Swiss bank. The banking turmoil led to price declines of banking shares and to higher risk premiums on credits to banks. The turmoil was, however, short-lived since the problems were a special case and not an expression of general challenges at the banks.

Resilient consumers and enterprises

Over the year, interest-rate hikes spread gradually in the economy. Not least in connection with refinancing of adjustable-rate loans of homeowners. But consumer demand and the housing market were surprisingly robust, supported by continued employment growth. The shortage of labour declined over the year but remained at a high level, and consequently, many enterprises retained their employees and still needed to hire new ones. The same picture was seen in the labour markets in the US as well as in the euro zone, which contributed to supporting the Danish economy.

Risk of wage-price spiral

The fall in energy prices in the autumn of 2022 and the higher interest rates spilled over in the last part of 2023 on the general price development, and inflation lost momentum. This resulted in increasing market expectations of interest-rate cuts by central banks in 2024. However, we still saw concerns that continued low unemployment rates risked creating a wage-price spiral in 2024 if the labour markets did not slow down. Consequently, central banks were hesitant promising fast and multiple interest-rate cuts.

Outstanding adjustment and delayed impact

All in all, towards the end of 2023 we saw prospects that the slowdown in the Danish economy would continue and perhaps become more pronounced in 2024. Since the economy had not yet adjusted fully to the higher interest rates. The trading activity was for instance low for commercial property due to the risk of coming price declines.

External market overview by **Niels Rønholt,** Chief Economist

2024 outlook

For 2024, Jyske Bank estimates a net profit in the range of DKK 4.3bn-5.1bn, corresponding to earnings per share in the range of DKK 64-76.

Core income is expected to decline in 2024, in particular as a result of lower value adjustments which were at a historically high level in 2023. Expectations mirror slow growth in the Danish economy and a reduction of Denmark's Nationalbank's certificate of deposit rate of 0.75 percentage point in 2024.

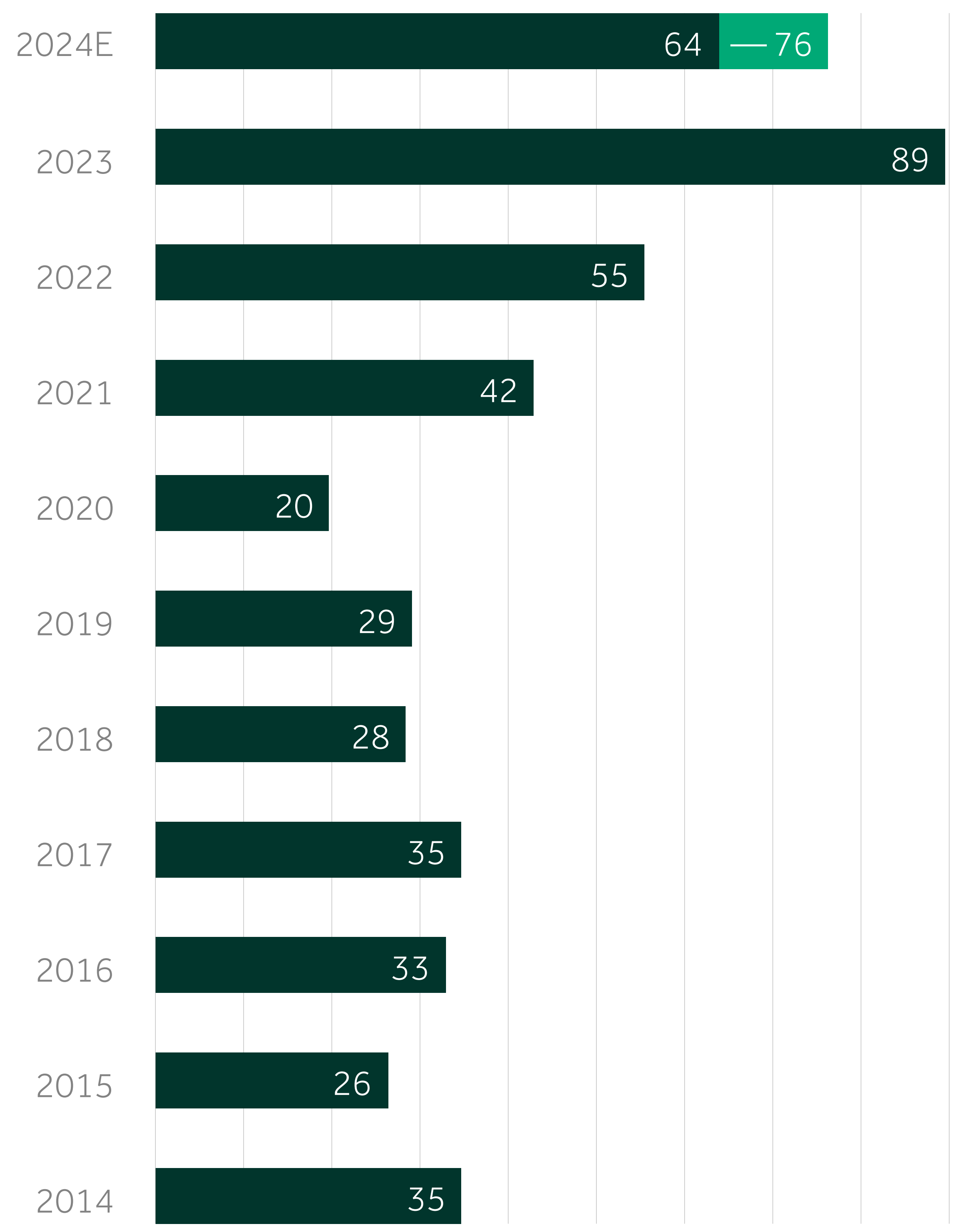
Core expenses exclusive of non-recurring costs are expected to be roughly unchanged in 2024. Non-recurring costs for the integration of Handelsbanken Denmark and PFA Bank are expected to nearly DKK 0.2bn. Expenses relating to the collective agreement and PFA Bank are also expected to be practically offset by a higher level of synergies involved in the acquisition of Handelsbanken Denmark as well as lower integration and restructuring costs.

It is presumed that loan impairment charges will be at a higher level in 2024 than in 2023. In 2023, the level of actual write-offs was at the lowest level for more than a decade, the proportion of non-performing loans was at a low level, and post-model adjustments, mirroring, among other things, risks involved in the expected economic development, amounted to DKK 1.9bn at the end of 2023. This provides us with a solid basis of addressing macroeconomic risks.

The expectations involve uncertainty and depend, for instance, on macroeconomic circumstances and the development in the financial markets.

Core income	**Lower in 2024 than in 2023** Primarily due to lower value adjustments
Core expenses (incl. one-offs)	**Approximately unchanged in 2024** Synergies and lower non-recurring costs to offset the acquisition of PFA Bank and inflation
Loan impairment charges	**Higher in 2024 than in 2023** Solid credit quality going into 2024
Net profit	**DKK4.3bn-5.1bn** Corresponding to earnings per share in the range of DKK 64-76

Earnings per share (DKK)



Our business

About Jyske Bank

Jyske Bank was founded on the basis of an ambition to be an alternative to the traditional competitors. We still are. Due to our built-in competitive gene and high ambitions we have become one of the largest banks in Denmark, and Jyske Bank runs a sustainable and responsible business, challenging and developing the Danish banking market and the surrounding society in a positive direction.

In 1982, Jyllands-Posten gave Jyske Bank the nickname "the Catfish in the Tank", and the name has stuck ever since. The catfish is a weird fish. We readily admit that. But it is full of life, and thanks to its energetic activity, it adds oxygen to the water, creating life and competition around it.

Founded in 1967 – SIFI since 2014

1967 Founded in merger of four banks in Silkeborg
↓
1989 Seven acquisitions in the 1970s and the 1980s
2011 Finans Nord, Easyfleet, Fjordbank Mors acquired
2013 Acquisition of Sparekassen Lolland
2014 Acquisition of Jyske Realkredit (former BRFkredit)
2022 Acquisition of Handelsbanken Denmark
2023 Acquisition of PFA Bank

Strong operating performance

DKK 5.9bn
Net profit

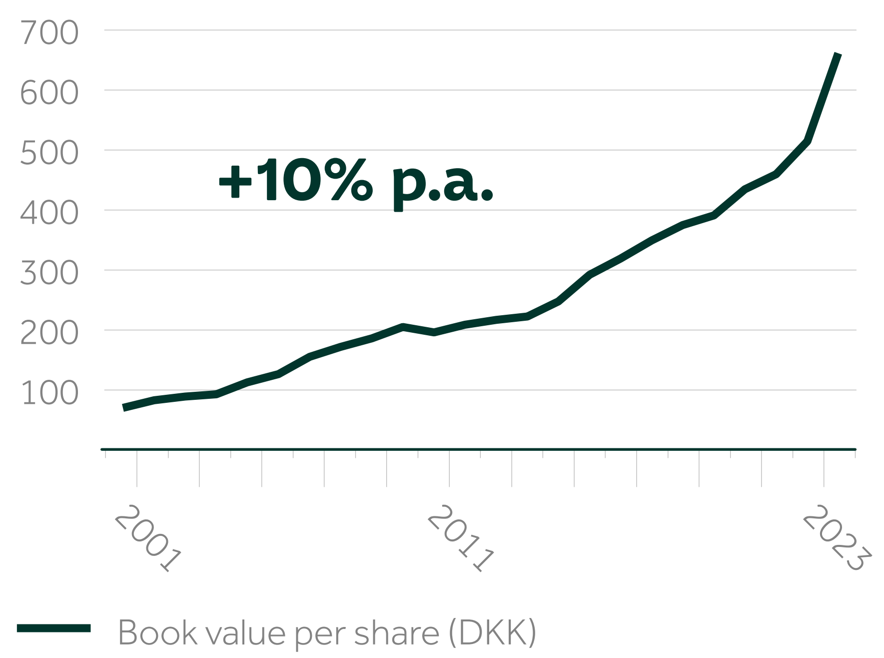
14.4%
Return on equity

42.5%
Cost/income ratio

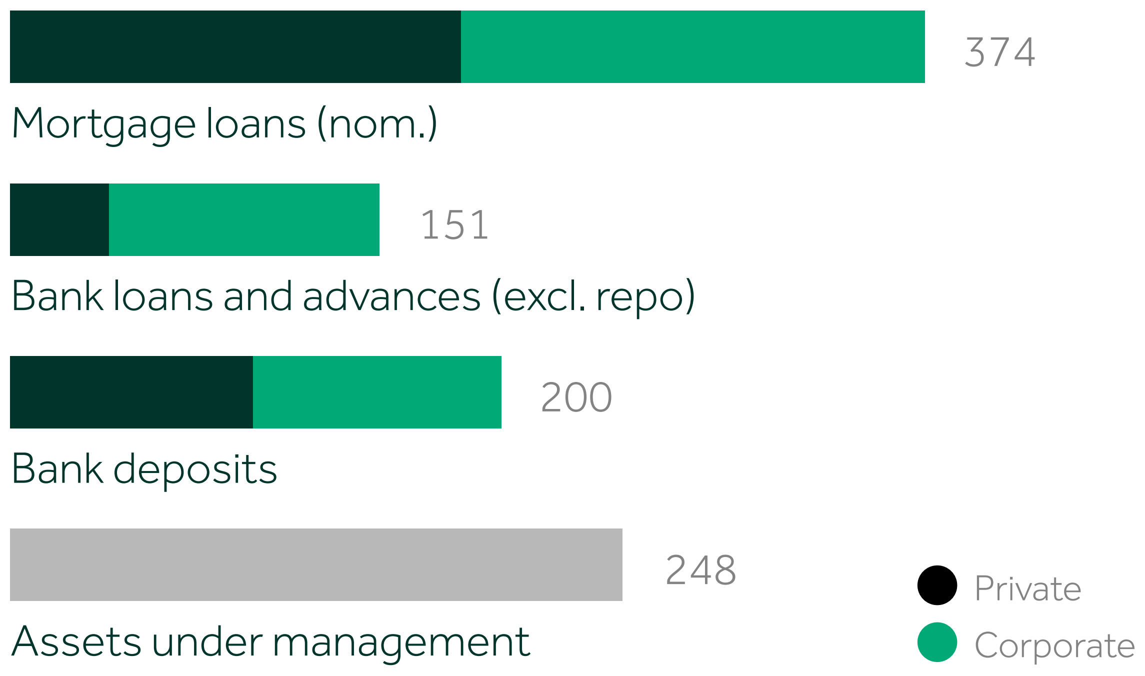
A+
S&P issuer credit rating

AA
MSCI ESG rating

Solid value creation



Market share at approx. 12%



Close to the customers in Denmark

89
Locations

3,940
Full-time employees

Complementary business areas

7%
Leasing activities

34%
Mortgage activities

59%
Banking activities

Pre-tax profit in 2023 by segments

Role in society

Denmark's banks are important for the country's financial infrastructure, providing efficient and secure payments and contributing to development and growth to the benefit of the individual, businesses and society in general. Banks act as a clearing house between lenders and borrowers – those with surplus funds and those looking for financing of buying a house or growing their business.

As a systemically important financial institution, Jyske Bank is aware of and strives to live up to the Group's social significance. That is why we endeavour to run a sustainable and responsible business in all respects. It is about complying with the legislation in force at any given time and meeting the expectations that our stakeholders rightly have of us.

As a financial institution, we aim ultimately to help solve problems – for customers, for society and for the planet. We know we cannot solve everything, but we are keen to be part of the solution.

We contribute to society at the most fundamental level by paying taxes to the Danish government and salaries to our employees. We support local initiatives through partnerships and sponsorships, and through our business activities we generally want to contribute to solving societal challenges.

We work towards net-zero emissions, and climate (UN Sustainable Development Goal No. 13) is our most significant impact area. It is through our business activities that we can make the largest difference. This was shown by our first impact analysis in 2020 and is underlined by the fact that financed carbon emissions from lending and investments in scope 3 are currently estimated at 2.1m tonnes, and the bank's scope 1 and 2 emissions are 2,049 tonnes of CO_2e. Our long-term goal is net-zero emissions for lending, investments and banking operations.

And what will happen going forward? We have got off to a good start forming Jyske Bank of the future based on the needs of our stakeholders in order to future-proof the bank ensuring than we can continue to deliver both the personal relations and digital service.

"We know we cannot solve everything, but we are keen to be a part of the solution"

We are based on

Views
We take a different approach to our customers, e.g. by having views on the issues in society and the financial sector that are relevant to our customers.

Solid credit quality
We base our credit decisions on the fact that customers should both be able to repay a loan and have a disposable income on which they can live.

Personal advisers
We help our customers find the proper financial solution and factor in many different aspects which may affect their finances. We meet our customers with equal respect no matter in which way they need our help.

Responsible investments
Our approach to investment of our own and our customers' money is based on the UN's Principles for Responsible Investment, active ownership and exclusion.

Preventing financial crime
As a financial institution we have an inherent risk of being abused and hence we also play a central role in the prevention of money laundering and financing of terrorism.

We create

Financial security and freedom
Our customers, both personal and corporate, should feel secure and free with the financial solutions and opportunities offered to them by Jyske Bank. Secure because they are backed by a responsible bank, and free because our advisory services are based on their wishes and dreams for the future.

Growth and development
We contribute to society's development by providing capital and other financial services to private individuals, authorities, municipalities and enterprises.

Financial stability
Jyske Bank is a systemically important financial institution with a robust business model, focusing on Denmark and Danish customers. We have a solid capital and liquidity position that is deemed able to withstand even very harsh stress scenarios.

Balance
At Jyske Bank, customers, employees and shareholders are equal stakeholders, and the value we create must benefit everyone.

Positive competition
As an independent bank, we challenge and develop the Danish banking market and the surrounding society.

Stakeholders

Jyske Bank is and has always been a stakeholder bank, and balancing the needs of our different stakeholders is a priority at all times. We want through our actions to maintain this balance.

Continuous follow-up and dialogue with representatives of all of our stakeholders are crucial for how we develop our business.

Customers

All bank customers have different needs, but the vast majority of our customers prefer a bank that knows them well and can support a personal relationship with simple and effective digital solutions. Our customers are looking for help finding the right financial solutions in the form of expert advice that goes beyond the purely financial.

As the third-largest bank in Denmark, we have a broad reach and service customers in the following four main segments:

Personal customers

We have more than 650,000 personal customers all around the country, including around 34,000 private banking customers.

We meet these customers in person or online, engage with them and support them by appreciating their unique needs and situation in life.

We believe in a close relationship and have the muscle to make things happen quickly when customers need it. We offer a complete range of financial advice and assist with everything from day-to-day finances, mortgages, insurance and car finance to pensions, investments, sustainability and the green transition, with support from numerous specialists.

Our private banking services offer bespoke wealth plans that give customers insights into the potential their finances offer here and now, balanced with the need for healthy finances in the longer term.

Small and medium-sized enterprises

We service around 71,000 corporate customers, of which 24,500 are small businesses or sole proprietors.

Our corporate customers span the whole of Danish industry. Many are in one of our 20 specialist areas, and we also have specialist segments such as educational institutions, utility companies, ports and local authorities.

Approximately 10,000 customers do business internationally in the form of imports, exports or subsidiaries abroad.

We advise on a wide range of financial and strategic topics as well as the relationship between personal finances and business finances. Besides classic banking-related specialities, we have experts within risk management, strategy, sustainability, cyber risks and AI.

Large Corporates

Our customers in this segment are large national or international companies with complex business models that require particular insight into their activities. Based on personal advice, we build strong relationships with the option of situational and more complex solutions.

Corporate and Institutional Banking

The very largest business enterprises in the Nordic region and institutional customers throughout Europe are served directly by our specialists in the capital market area.

As well as standard corporate services, we offer finance, advice on financial risks, and trading in securities, currency and financial instruments. Business volumes from the largest customers are steadily increasing, and we added a new business area back in 2022, Debt Solutions, to advise and structure complex financing solutions, including participation in the bond issues of the largest enterprises.

Jyske Bank is also the only Danish bank to offer advisory services and hedging for commodity risks, which has been of great value to many companies with the big fluctuations in commodity prices in the wake of the war in Ukraine.

Employees

Our employees are the conditions for running a sustainable and responsible business that challenges and develops the Danish banking market and the society.

It is the employees who ensure the personal relationship and the long-term customer relationships, and consequently, retention, job satisfaction and development are crucial for our business.

Competence, confidence and commitment are key words for us. Consequently, we have confidence in our employees and offer them large scope of action, because we believe that the individual employee both can and will take responsibility to solve his or her own assignments. Our employees are allowed to think differently, be creative and are allocated responsibility and authority, corresponding to the role and competencies of the individual employee.

We want to offer our employees the opportunity to develop professionally, personally and in terms of leadership, making them attractive in the job market.

We also know that there is more to life than work. And we believe that we get more committed employees when there is also time to live life alongside work. Therefore, our employees enjoy freedom under responsibility, and we strive for a good balance between work and leisure with the possibility of planning working hours according to the walk of life with changing needs in relation to working hours and homework.

Shareholders

Jyske Bank shareholders invest in a Danish and a value-based bank. Jyske Bank particularly matches investors who:

- believe that the best long-term results are achieved when the interests of shareholders, customers and employees are balanced
- prefer a full-line bank with a Denmark-based business model
- want to invest in a loan portfolio of high credit quality.

At the end of 2023, the number of shareholders was almost 150,000. It is characteristic of Jyske Bank's share capital that it is distributed among many shareholders, including Jyske Bank customers and employees. About 69% of the share capital is held by Danish investors.

In 2023, the price of the Jyske Bank share rose to DKK 484.0 from DKK 451.3, corresponding to an increase by 7.2%. Inclusive of an extraordinary dividend at DKK 7.78 per share, the total return for the shareholders came to 8.3% in 2023. The turnover of the Jyske Bank share came to DKK 17.2bn compared to DKK 21.4bn the previous year. At the end of 2023, the share was covered by five analysts.

Jyske Bank's shareholder composition

Jyske Bank's largest shareholder is BRFholding a/s, who owned 28.1% of the share capital at end-2023. BRFholding a/s is a 100% owned subsidiary of BRFfonden, which purpose is carrying on mortgage banking business through partial ownership of Jyske Bank.

- BRFholding
- Other shareholders with >20,000 shares
- Shareholders with 1,000-20,000 shares
- Shareholders with <1,000 shares

Sustainability

Part of the solution

Ambitions by **Trine Lysholt Nørgaard,**
Director of IR and Sustainability

As a financial institution, we play a key role via financing of a wide range of activities in society. With a business volume of more than DKK 850bn, we can and will be part of the solution in the transition to a more sustainable society.

The climate is Jyske Bank's most significant impact area, and we want to participate in the transition alongside our customers. Analyses show that, with current climate commitments, the world's countries are still a long way from delivering the carbon reductions needed to limit global warming to 1.5 degrees.

It is more important than ever to take action and find ways to meet the needs of today without compromising the ability of future generations to meet their own needs. We support Denmark's climate targets and hence the Paris Agreement's target to limit global warming. Our long-term target is net-zero carbon emissions by the latest in 2050.

A matter of business

Our progress will largely mirror that of our customers, and we can take action by entering into dialogue. In addition, we continue to integrate sustainability into relevant parts of our core activities, e.g. credit assessments and risk management.

We find that most customers are keen to make more sustainable choices but may not know how. We want to make sustainability concrete and are continuously developing our value proposition to the customers. Our interactions with customers are always focused on how to create value for the customer but also for Jyske Bank and society at large.

This also applies to the new Corporate Sustainability Reporting Directive (CSRD), which imply new conditions both for us and for our customers. The CSRD requires not only a significant increase in sustainability-related disclosures, but also work on strategy, business model and integration into governance. We share knowledge and experience with our customers, believing that this will contribute to a stronger position for them and for us.

Future developments and rising expectations

We are very aware that the sustainability agenda is continuously evolving, and that stakeholders' expectations of banks, including Jyske Bank, are mounting. The climate is top of the agenda, but not the only issue. We will therefore be expanding our work in other areas, and it will be important to consider these different areas and their impacts in combination, for instance climate and nature as well as focusing on the impact the work with these areas may have on social issues such as employee and human rights.

This will impose demands on our work. We will target our initiatives at the areas in which we can make the biggest difference and strive to ensure that Jyske Bank's position is clear and that stakeholders can follow our work and progress through our reporting.

Jyske Bank's approach

The overarching framework for our work is provided by the UN's Sustainable Development Goals (SDGs) and Principles for Responsible Banking (PRB). This ensures a holistic approach where we concentrate our efforts according to impact and materiality on the basis of Jyske Bank's business model and the composition of our business volume.

We focus on supporting customer progress in the implementation of sustainability and facilitating customers' sustainable choices and decisions.

In addition to the PRB we have signed up to other international initiatives, such as the UN Global Compact and the UN Principles for Responsible Investment, and nationally we follow the recommendations from Forum for Sustainable Finance. When it comes to asset management, our climate efforts are also supported by membership of the Net Zero Asset Managers initiative (NZAM) and Climate Action 100+.

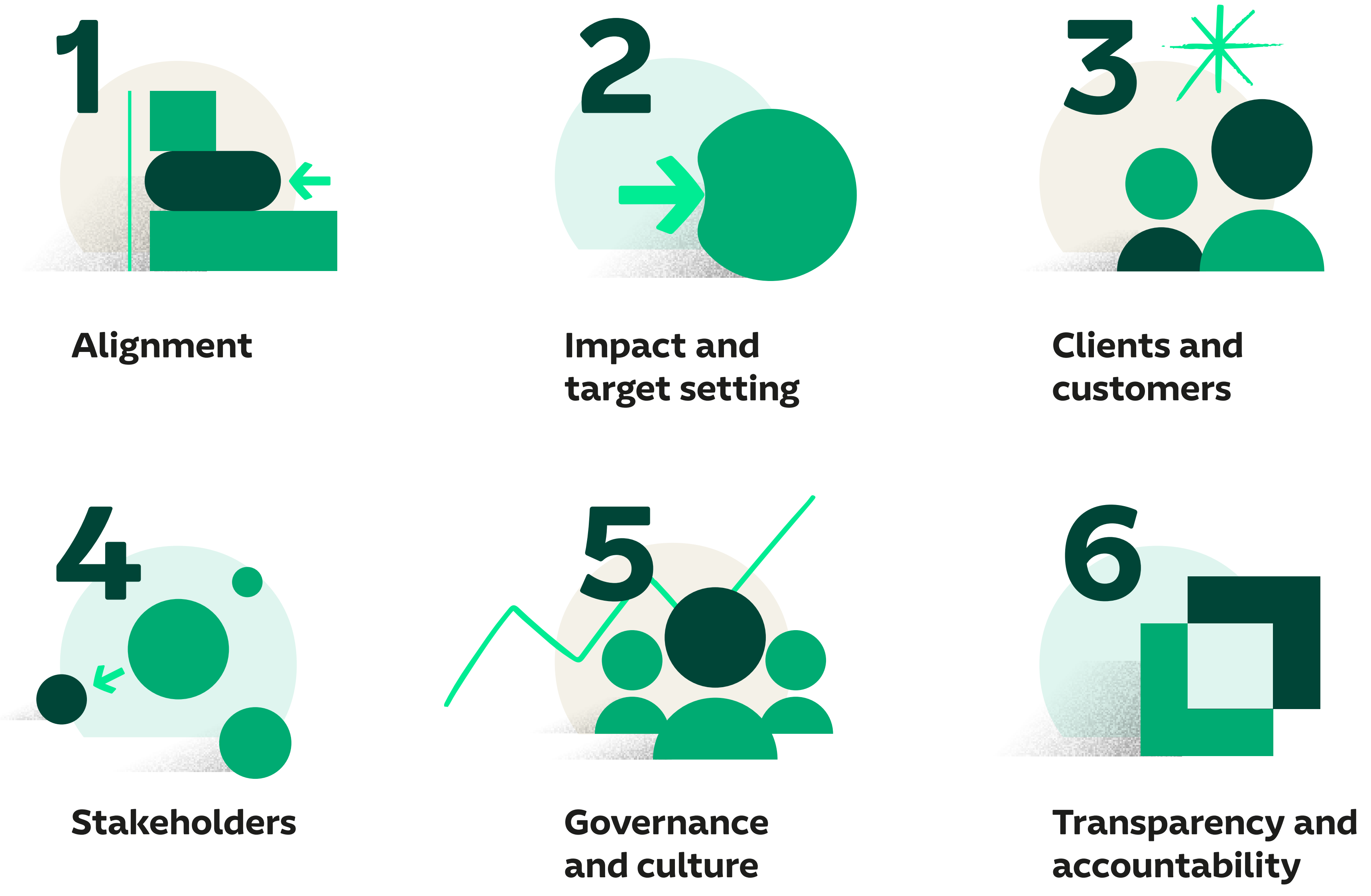
End of the four-year PRB implementation period

2023 marks the end to the 4-year implementation period for PRB for banks which, like Jyske Bank, are founding signatories. Since signing in 2019 Jyske Bank has been working with the implementation of PRB's six principles as an overall framework for our work with sustainability.

Much has happened since UN Environment Programme Finance Initiative introduced the voluntary initiative in 2019. Sustainability is well on its way to be set on a fixed formula with the introduction of new legislation in the form of e.g. the EU's Taxonomy regulation and new requirements for sustainability reporting, CSRD, and the PRB have set a course in such a way that the principles remain relevant and contribute to development and learning.

At Jyske Bank, we look forward to further work with PRB in the expectation that PRB and other voluntary initiatives will continue to be at the forefront of legislation and thus a source of experience and knowledge sharing and sparring with peers across national borders.

Jyske Bank's PRB Reporting and Self Assessment 2023, can be read at jyskebank.com/investorrelations/sustainability/reports.



Climate position

It is important for us to concentrate on where we can make the biggest difference. We have focused and prioritised our efforts and set targets for the parts of our business volume where we can reduce carbon emissions furthest to mitigate climate change.

Given Jyske Bank's business model and volumes, we have begun our work on lending by setting targets for transport, energy supply and agriculture, which are the industries in our loan portfolio with the highest emission intensity, and for real estate, which makes up a very large part of the loan portfolio. Other industries facing challenges, such as extraction of raw materials, make up a smaller share of our business and are not currently covered by reduction targets.

For assets under management, carbon reduction targets for equity funds and associated decarbonisation pathways mean that the focus of attention is on active ownership against the largest carbon emitters.

We expect and encourage our customers and investee companies to take action on climate risks and climate impacts. Our approach is based on monitoring and evaluating the performance and progress of customers and companies, and a conviction that we can best promote sustainability through customer dialogue and active ownership.

We prefer to engage rather than opt out of or exclude based on a general sustainability assessment of a given industry.

Next step

We are very aware that the sustainability agenda is continuously evolving, and that expectations of banks, including Jyske Bank, are mounting. This applies particularly to the climate and the transition away from fossil fuels.

With this in mind, we are continuously developing our climate efforts. This includes being explicit about our position on the climate, including fossil fuels. In 2023, we started the preparation of a position paper. The main focus is on asset management activities and on establishing methods and standards, acquiring tools and sourcing data.

Our ambition is for the position paper to cover both asset management and financing, including our position on existing and new customer relationships. This is in keeping with our principle of taking a consistent line across our business areas where relevant. Many of the deliberations associated with the position paper concern matters of principle, and as such there is a need to ensure integration with our business strategy. The position paper is expected to be published in 2024.

Targets

Jyske Bank's approach and ambitions result in a number of targets reflecting that climate is in focus with regards to our business activities.

Our long-term target of net-zero carbon emissions by the latest in 2050 is supported by interim carbon reduction targets for 2030 covering investments in equities and mortgage bonds as well as lending to selected industries. We also aim to continue to increase our lending volumes for activities that help mitigate climate change.

Currently, 26% of loans (exclusive of repo loans) and approx. 50% of assets under management are comprised by carbon reduction targets, and we anticipate gradually to increase these proportions. Likewise, we continuously consider new measures to strengthen the effort, including the use of recognized standards for determining climate targets, e.g. SBTi, and joining voluntary initiatives and associations.

The target of long-term net-zero carbon emissions also applies to banking operations, and consequently, we also have a 2030 interim target for carbon reduction from banking operations.

Jyske Bank also has targets to ensure that Jyske Bank is an attractive workplace with dedicated and competent employees as this is a condition for business success.

Reduction targets 2030

Loans

65%
reduction in CO_2e per m² for residential property

50%
reduction in CO_2e per m² for office and commercial property

85%
reduction in CO_2e per m² for owner-occupied homes

>40%
reduction in CO_2e per DKK lent out to agricultural customers

30%
reduction in CO_2e per kWh produced for energy supply

>15%
reduction in CO_2e per km for road transport

Investment

75%
reduction in CO_2e footprint for equity investment under management

40%
reduction in CO_2e footprint for funds in Danish mortgage bonds

Banking operations

65%
reduction in tonnes CO_2e for scope 1 and 2 carbon emissions

Growth targets 2025

Loans

5 TWh
financing of renewable energy

DKK 60 bn
in loans to low-energy commercial property

30%
of loans for vehicles, plant and equipment are low-emission

Suppliers

Requirement ↗
Extended requirements of responsible supplier behaviour for large purchases in 2025

Attractive workplace

82
in job satisfaction score in employee survey in 2025*

30–33%
female managers in 2025

* Jyske Bank's target is to rank at top 3 among systematically important financial institutions in Denmark. For 2023, it corresponds to a score of 82

Follow-up on targets

Carbon reduction targets

For lending, Jyske Bank chose in 2022 to set out interim targets for reducing CO_2 emissions for the industries in our lending portfolio that have the greatest emission intensity: agriculture, energy supply and road transport as well as commercial properties, which account for a large proportion of lending. Moreover, in 2023, a reduction target was determined for owner-occupied homes.

Together, these interim targets cover DKK 129bn or 26% of the total loan portfolio, and 34% of financed emissions from our lending.

Within asset management, we have set out targets for reducing the CO_2e footprint for equities and mortgage bonds, and approx. 50% of the funds under management are covered by CO_2 reduction targets.

In addition to these reduction targets for our business activities, Jyske Bank also has the target of reducing carbon emissions associated with its own operations by 65% by 2030 relative to 2020.

Carbon reduction targets

	Unit	End of 2023	Reduction targets	Reduction since baseline
Loans				
Residential property	Kg CO_2e per m^2	5.6	65%	22%
Office and commercial properties	Kg CO_2e per m^2	11.4	50%	13%
Owner-occupied homes	Kg CO_2e per m^2	12.7	85%	24%
Agriculture	CO_2e per DKKm	–	>40%	–
Energy supply	CO_2e per kWh produced	–	30%	–
Road transport	CO_2e per km	–	>15%	–
Investment				
Equity investments under management	CO_2e per DKKm	5,65	75%	60%
Funds with Danish mortgage bonds	CO_2e per DKKm	2,66	40%	51%
Banking operations				
Scope 1 og 2	Tonnes CO_2e	2,049	65%	22%

Baseline for reduction targets:

2019: Equity investments, mortgage bonds and road transport
2020: Agriculture, energy supply and banking operations
2021: Residential property, office and commercial property and owner-occupied homes

Loans

Residential property, owner-occupied property and office and commercial properties

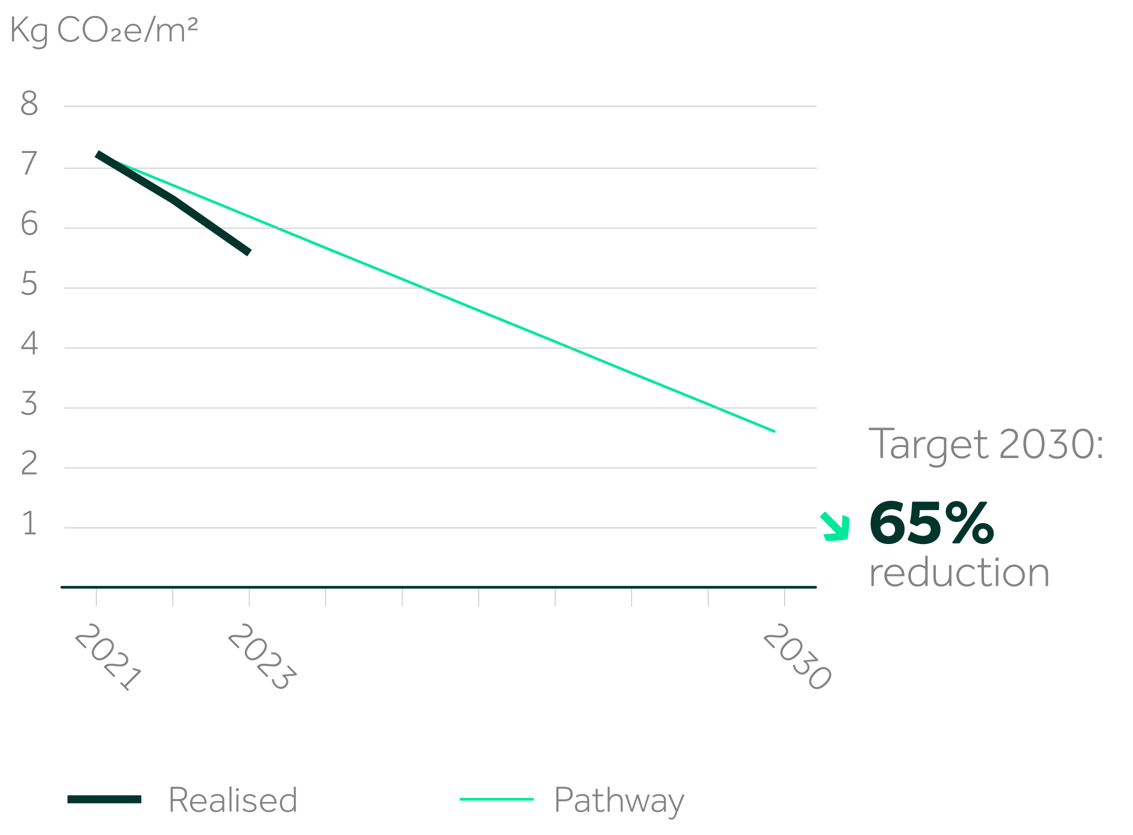
At the end of 2023, the realised development follows the projections, and from the charts it appears that kg CO_2e per m^2 has decreased by 13%-24% compared to baseline. The development is fuelled primarily by societal conditions such as declining emission factors driven by the increased proportion of renewable energy in the energy mix.

When determining targets for owner-occupied homes, residential property and office and commercial properties, account has been taken of the Danish Energy Agency's projection of emission factors and pipeline gas (as a larger share of the gas used will consist of bio-natural gas), shift of energy sources to more renewable types of energy and the natural renovation of properties.

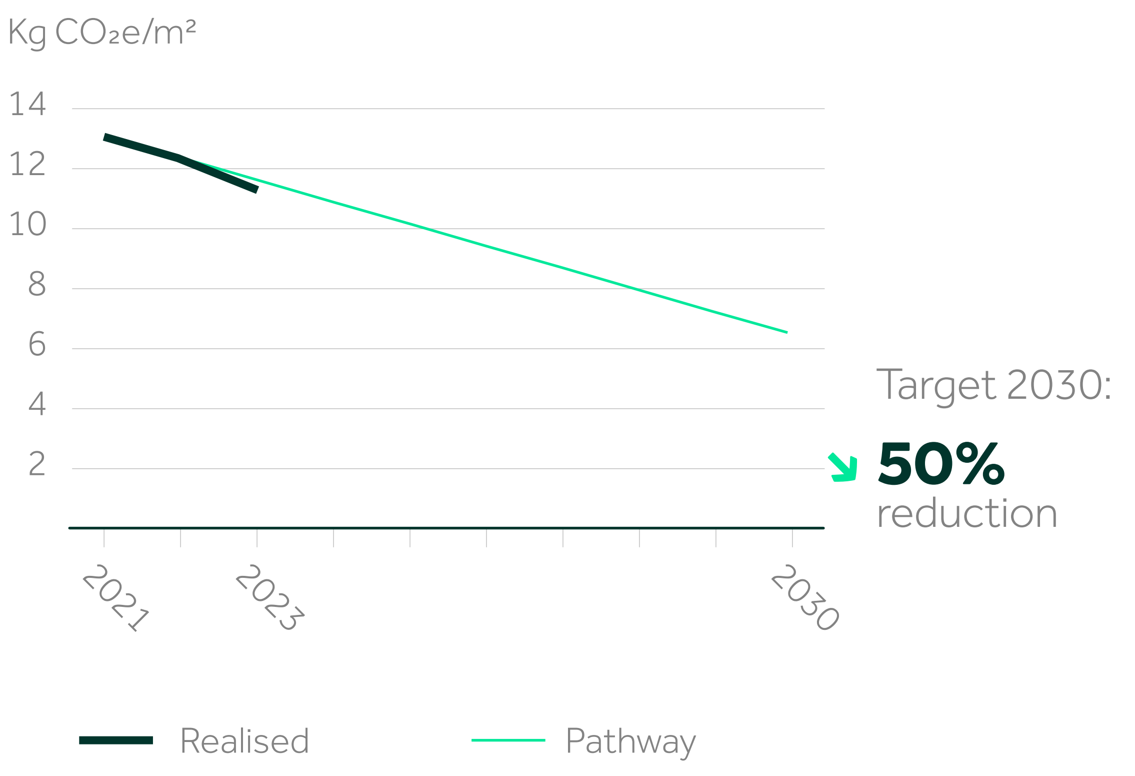
Agriculture, energy supply and road transport

For the reduction targets for agriculture, energy supply and road transport a quantitative follow-up cannot yet be prepared. Work with data collection from customers in the particular sectors continues. The targets have been determined so that they are in line with the societal expectations of the development.

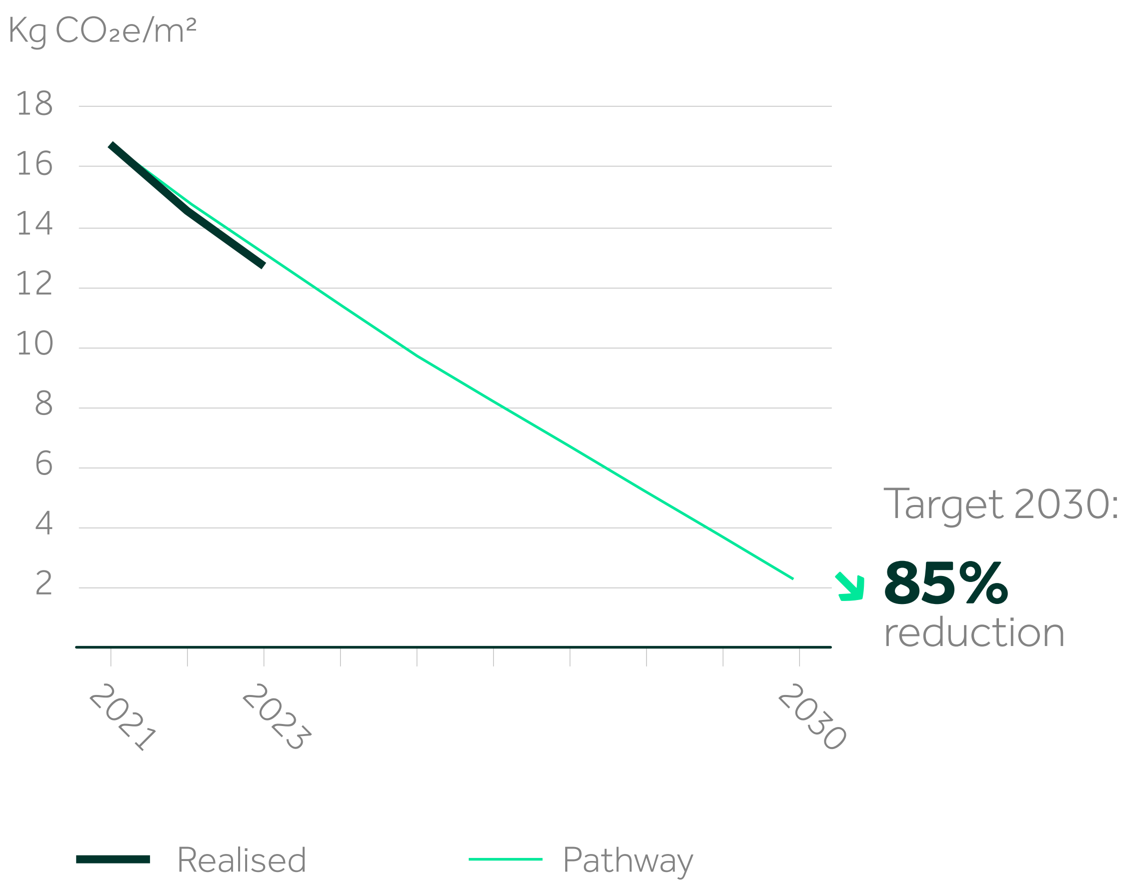
Residential property



Office and commercial properties



Owner-occupied homes



Investment

As an asset manager, we have committed ourselves to net-zero CO_2 emissions through the Net Zero Asset Managers initiative (NZAM), and our CO_2 reduction targets for equity investments under management and funds with Danish mortgage bonds are determined under the auspices of NZAM.

Equities

At the end of 2023, the CO_2e footprint from our customers' equity investments had been reduced by 60% since 2019, and in 2023 a big step has thus been taken towards fulfilling our target of reducing the CO_2e footprint by 75% in 2030. We continue our ongoing focus on CO_2e reduction, i.e. through built-in criteria of 6% annual CO_2e reduction in a number of equity funds.

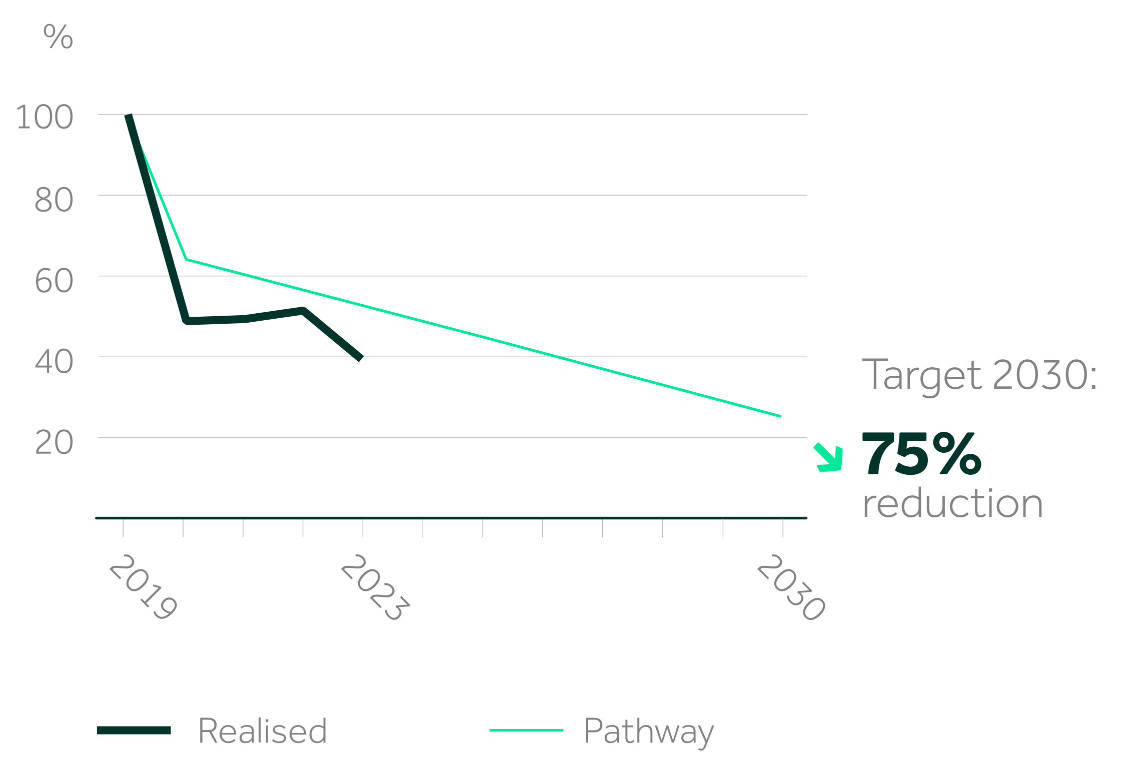
Mortgage bonds

For mortgage bonds in investment association funds, the CO_2e footprint has been reduced by 54% since 2019, and the interim target of 40% reduction in 2030 has thus already been met. The development in the CO_2e footprint has been flat to slightly decreasing for the various mortgage credit institutions, which is reflected in a corresponding slightly decreasing CO_2e emission in the managed funds. The interim target is maintained at the present point in time..

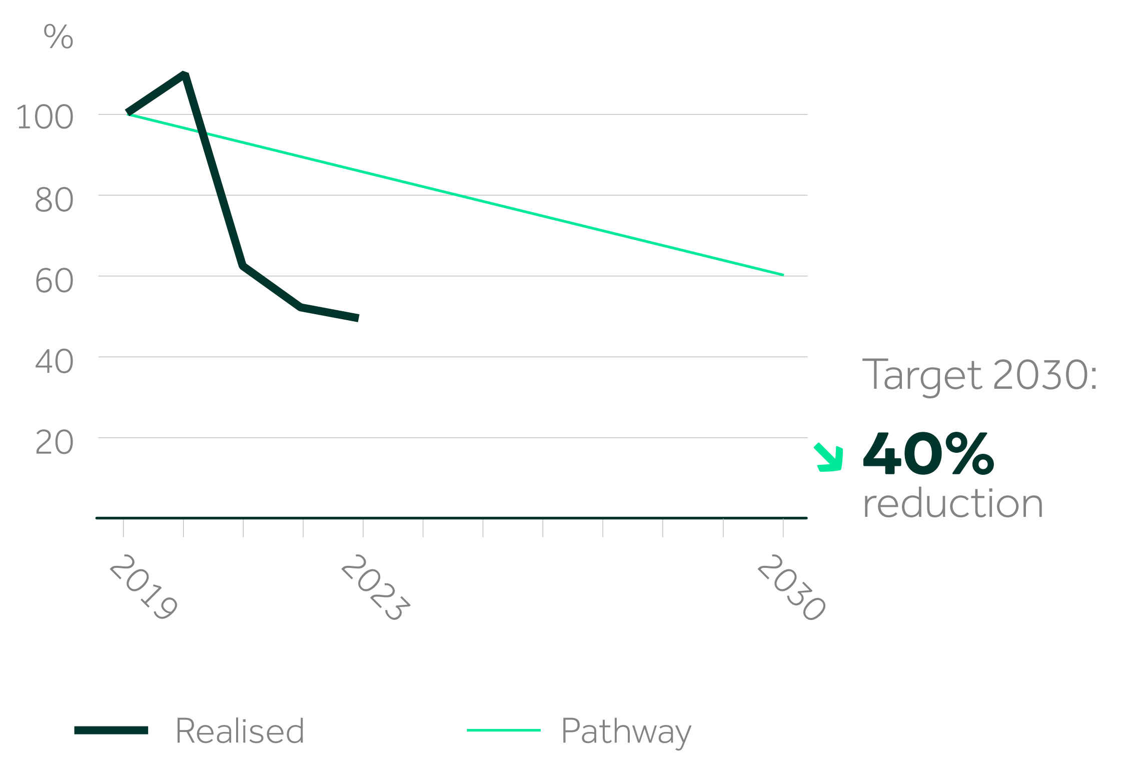
Banking operations

For 2023, Jyske Bank's scope 1 and 2 emissions amount to 2,049 tonnes of CO_2e, which corresponds to a reduction of 4%. The development can primarily be attributed to energy savings introduced by the Group in the second half of 2022 as a result of the energy crisis. The calculation of scope 1 and 2 is affected by the acquisition of Handelsbanken's Danish activities as at 1 December 2022. Of the locations taken over by Jyske Bank, it has, due to lacking opportunities of collecting consumption data, only been possible to include the locations still occupied by Jyske Bank at end-2023 in the calculation.

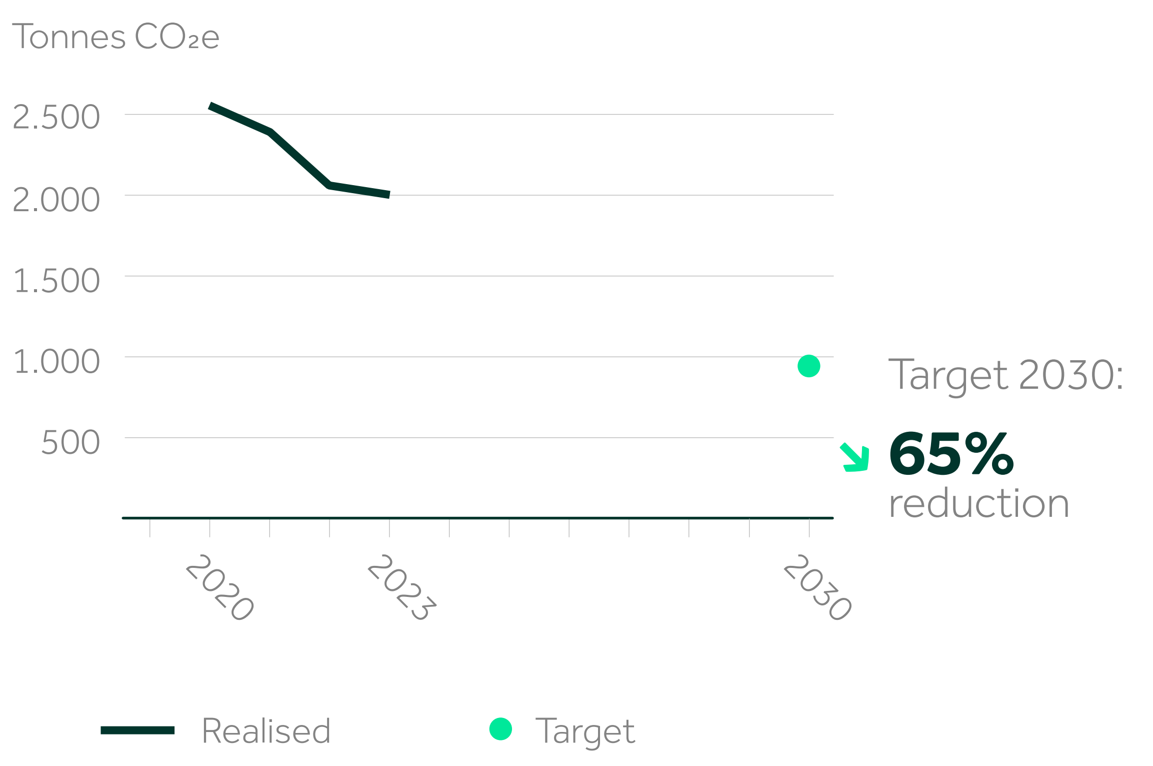
Equities



Mortgage bonds



Scope 1 and 2



Growth targets

	Unit	End of 2023	Target 2025
Financing renewable energy	TWh	3.9	5.0
Loans to low-energy commercial property	DKKbn	57.0	60.0
Loans for vehicles, plant and equipment are low-emission	%	25.8	30.0

Follow-up on growth targets

We also endeavour to increase the business activity within areas with positive impact. Consequently, we have determined 2025 growth targets for loans to areas contributing to climate change mitigation. This takes place under the auspices of Jyske Bank Green Finance Framework.

In 2023, we saw progress in relation to all targets.

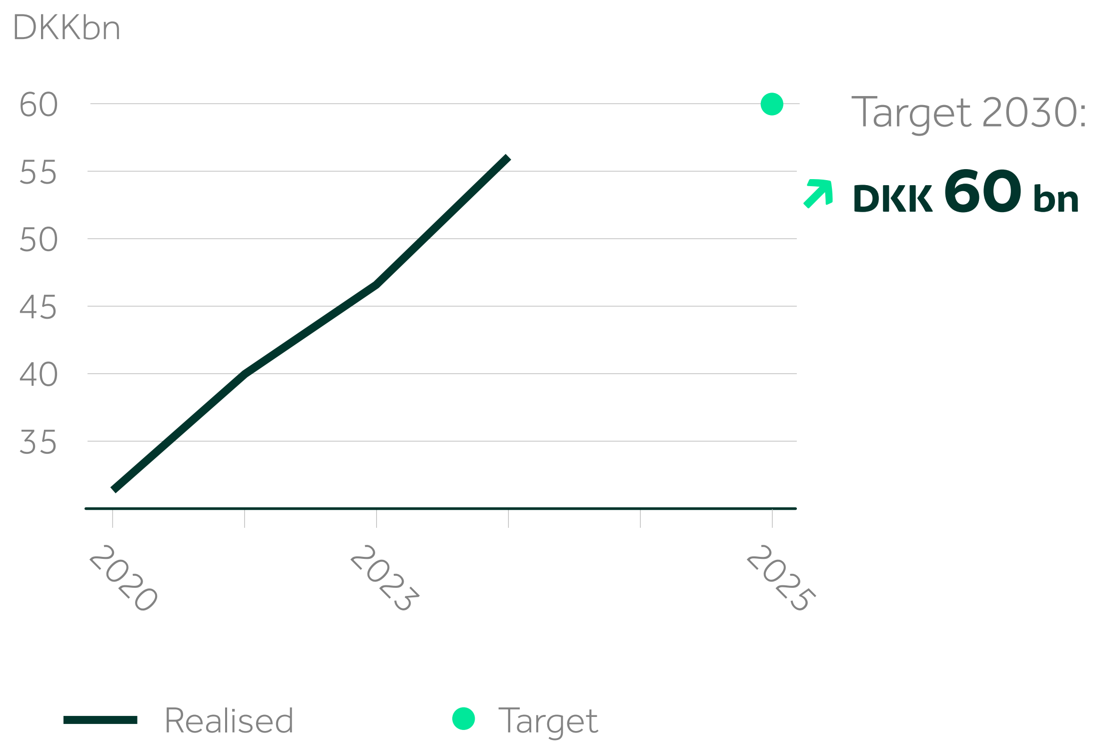
At the end of 2023, renewable energy corresponding to 3.9 TWh was financed against 3.6 TWh at the end of 2022. Continued progress is expected in the coming years although the development in renewable energy will also be driven by political decisions that can be difficult to predict. Read more about the development within renewable energy as a business area on page 43.

The financing of low-energy properties has increased by almost DKK 10bn in 2023 which can mainly be attributed to a good development in Jyske Bank's financing of rental properties. As a result, the target has been raised to DKK 60bn against previously DKK 50bn.

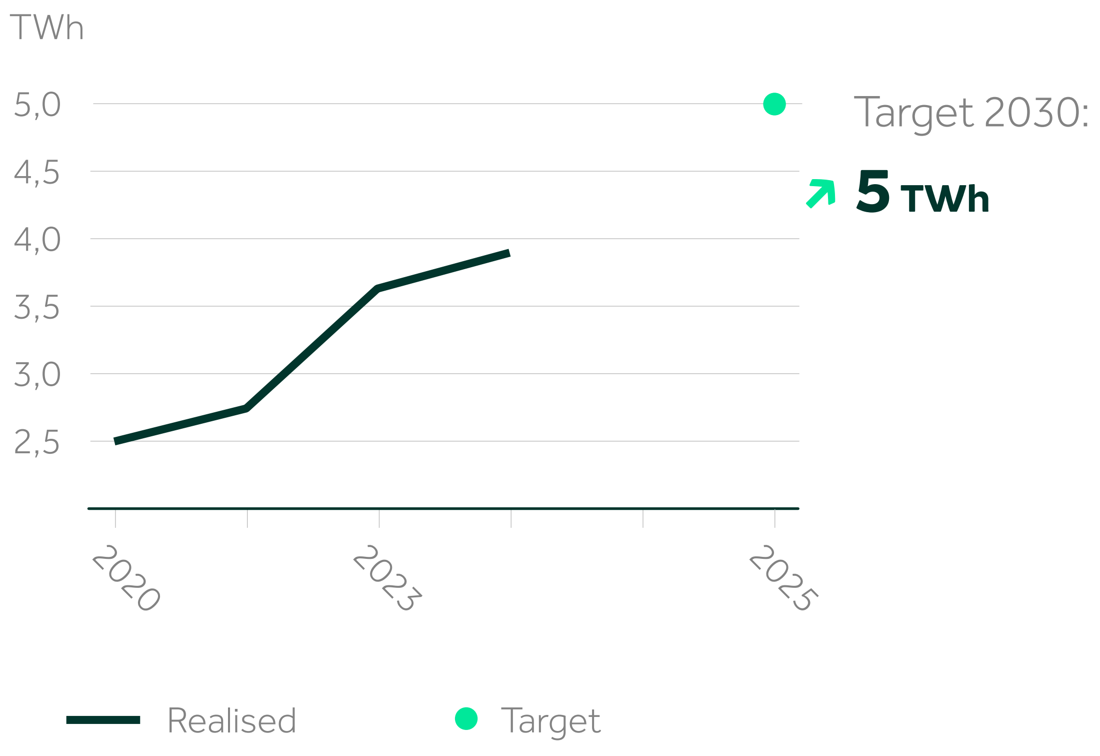
At the end of 2023, loans for low-emission vehicles, plant and equipment accounted for almost 26% against 18.3% at the end of 2022. The development in 2023 has been driven by a higher proportion of low-emission vehicles within passenger cars and passenger transport.

For further information about Jyske Bank Green Finance Framework, we refer to jyskebank.com/investorrelations/sustainability/gff.

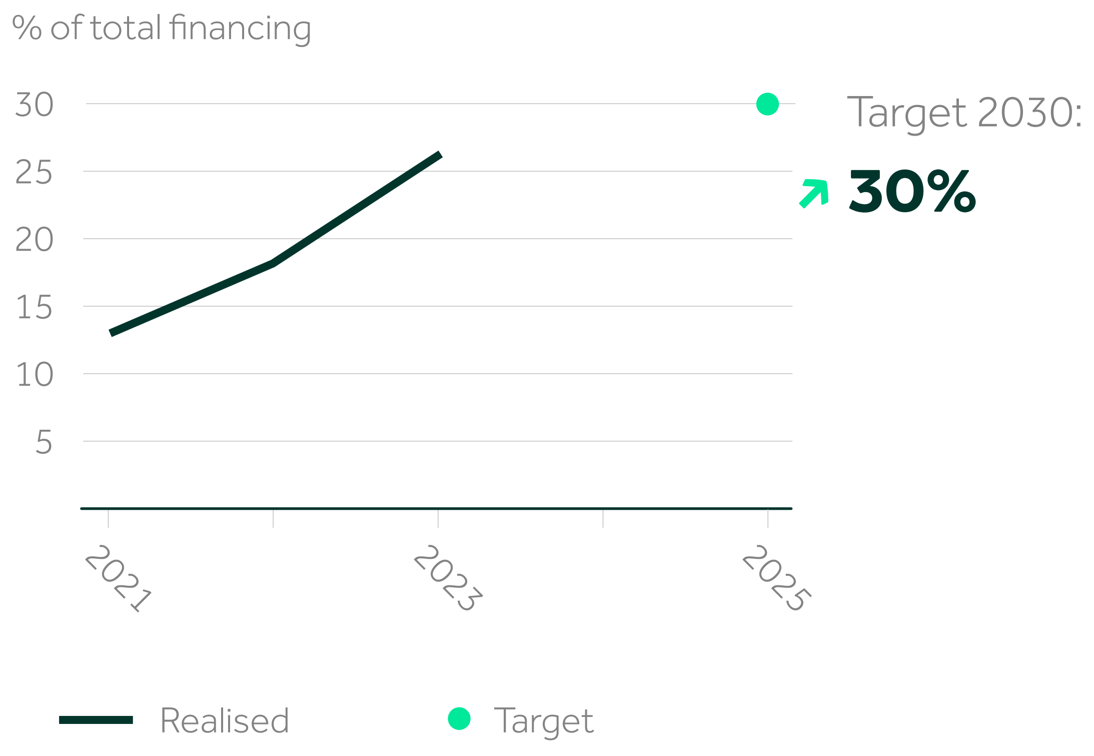
Commercial property



Renewable energy



Vehicles, plant and equipment



Impact

Since climate was identified as our most important impact area, we have quantified the impact by estimating financed emissions associated with our business activities. We use the estimates to follow up on developments and target our efforts.

Going forward, the identification of material impact areas must be seen in connection with CSRD (Corporate Sustainability Reporting Directive) where a double materiality assessment is used to identify the material sustainability issues on which we must report.

Financed CO_2 emissions

For 2023, financed CO_2 emission was estimated for a business volume of DKK 715bn which is approx. DKK 35bn higher than in 2022.

The increase in the business volume can primarily be attributed to increasing lending to business customers, the incorporation of funds under management related to Handelsbanken Denmark and a minor increase in our investment portfolio.

Total CO_2e emission for 2023 is estimated to amount to around 2.1 million tonnes against approx. 1.9 million tonnes at the end of 2022. After three consecutive years with a decrease in total estimated CO_2e emissions, we now see an increase fuelled partly by the larger business volume, partly an increase of 3% in total emission intensity. The increase in emission intensity can be attributed to a rising emission intensity for investments.

The development for loans and investments, respectively, are discussed in the following sections.

The business volume and the movements from year to year encompassed by the analysis are not comparable with Jyske Bank's traditional measuring of total assets. The business volume which forms part of the analysis also includes loans and investments which have not been included in Jyske Bank's balance sheet, for instance investment on behalf of our customers and loans for which Jyske Bank has the advisory responsibility but which have not been recognised in the balance sheet of Jyske Bank. These loans and investments have been included in the statement since Jyske Bank can impact these through our products and advisory services. On the other hand, investment products where customers make the investment decisions are not included in the statement.

The comprised business volume accounts for 87% of loans and investments on behalf of our customers and ourselves.

For 2023 further information for both loans and asset management has been added. For asset management, information is provided on distribution by asset class and selected industries. For lending, more industries have also been added in addition to those previously stated. In the selection of industries, which is stated separately, the focus of attention has been on industries that account for a large proportion of the business volume (e.g. mortgage lending) or industries that are considered particularly challenged in terms of impact on the climate. The latter based on guidelines from Net Zero Banking Alliance (NZBA)[1] and Net Zero Investment Framework (NZIF)[2].

The development in business volume, estimated CO_2e emission and emission intensity over time (2019-2023) is described on pages 213-215 of this report.

Business volume and CO_2e emission

	Business volume DKKbn 2023	Index 23/22	Emission Tonnes of CO_2e 2023	Index 23/22	Emission intensity Tonnes of CO_2e per DKKm 2023	Index 23/22
Loans and advances	**503.5**	**101**	**1,255,991**	**100**	**2.49**	**98**
Personal customers	213.0	98	222,830	88	1.05	90
Corporate customers	290.5	104	1,033,161	103	3.56	99
Investment	**211.9**	**115**	**798,701**	**125**	**3.77**	**109**
Asset management	136.7	121	627,785	128	4.59	106
Investment portfolio	75.2	105	170,916	116	2.27	110
Total	**715.4**	**105**	**2,054,692**	**108**	**2.87**	**103**

1) Industries designated by the NZBA include agriculture, aluminium, cement, coal, property, iron and steel, oil and gas, power generation, and transport.
2) NZIF is the most widely implemented net zero framework across investors and all financial institutions in the Glasgow Financial Alliance for Net Zero (GFANZ).

Business volume and financed emission

	Business volume			Financed CO_2e emission		
	DKKbn	Share (%)	Index 23/22	Tonnes of CO_2e	Share (%)	Index 23/22
Corporate customers	**290.5**	**58%**	**104**	**1,033,161**	**82%**	**103**
Transportation	6.7	1%	121	398,900	32%	113
Agriculture and fishing	15.3	3%	106	323,905	26%	114
Mortgage loans	191.2	38%	106	100,085	8%	91
Manufacturing industry	12.3	2%	97	109,071	9%	76
Construction	4.2	1%	103	24,544	2%	113
Mining and quarrying	0.1	0%	127	5,215	0%	231
Electricity, gas and heating supply	4.5	1%	112	2,296	0%	282
Other	56.2	11%	97	69,145	5%	77
Personal customers	**213.0**	**42%**	**98**	**222,830**	**18%**	**88**
Car loans	10.4	2%	95	116,271	9%	89
Home loans	202.6	40%	98	106,559	9%	87
Total	**503.5**	**100%**	**101**	**1,255,991**	**100%**	**100**

Emission intensity

	2023	Index 23/22
Corporate customers	**3.56**	**99**
Transportation	59.46	93
Agriculture and fishing	21.17	108
Mortgage loans	0.52	85
Manufacturing industry	8.87	78
Construction	5.83	110
Mining and quarrying	40.48	182
Electricity, gas and heating supply	0.51	253
Other	1.23	80
Personal customers	**1.05**	**90**
Car loans	11.18	93
Home loans	0.53	89
Total	**2.49**	**98**

Loans

For 2023 the average emission intensity amounts to 2.49 tonnes of CO_2e per DKK million, a decline of 2% relative to 2022. The decline is sufficient for the total financed CO_2e emission associated with loans to be estimated to be largely unchanged, approx. 1.3 million tonnes of CO_2e, even though lending volume has risen by approx. DKK 7bn.

The modest effect from growth in lending volume can be attributed to the fact that the increased volume can be attributed to an increase of approx. DKK 11bn in mortgage loans for low-energy commercial properties (energy label A and B).

It also translates into a 15% drop in the emission intensity of mortgage lending. The emission intensity for home loans to personal customers falls almost correspondingly.

Transport and Agriculture together account for more than 50% of the CO_2e emissions for lending and are at the same time the two industries with high emission intensity that account for the largest lending volume. For Transport, the emission intensity fell by 7% compared to 2022, which can be attributed to the inclusion of commercial operating lease agreements with low-emission intensity.

Within manufacturing industry, an increased proportion of company-specific data has resulted in a 22% decrease in emission intensity, as the company-specific emissions are lower than emissions estimated with emission factors at industry level.

For personal customers, the emission intensity for car loans declined as a result of increased financing of low-emission vehicles.

Overall, the figures for 2023 confirm the picture from previous years' estimates, which is why it is still relevant for Jyske Bank to focus on transport, agriculture and properties (mortgage lending to corporate customers and housing loans to personal customers).

Many of Jyske Bank's present initiatives are targeted at properties as we offer solutions and services to both personal and corporate customers. For instance, advisory services about energy renovation of the climate screen and change of source of heating of the property and green mortgage loans to corporate customers. The effect of these initiatives is, however, significantly lower than the effect of societal conditions such as the increasing proportion of renewable energy in the energy mix.

Investment and CO_2e emissions

	Business volume DKKbn 2023	Index 23/22	Emission Tonnes of CO_2e 2023	Index 23/22	Emission intensity Tonnes of CO_2e per DKKm 2023	Index 23/22
Asset management	**136.7**	**121**	**627,785**	**128**	**4.59**	**106**
Equities	49.9	136	259,943	99	5.21	73
Corporate bonds	12.3	105	156,130	192	12.69	182
Covered bonds	74.5	115	211,712	144	2.84	126
Investment portfolio	**75.2**	**105**	**170,916**	**116**	**2.27**	**110**
Total	**211.9**	**115**	**798,701**	**125**	**3.77**	**109**

Asset management by sector

	Business volume		Financed emission	
	DKKbn	Share (%)	Tonnes of CO_2e	Share (%)
Higher impact	**9.0**	**7%**	**239,872**	**38%**
Consumer Discretionary	1.2	1%	6,224	1%
Energy	0.7	0%	24,623	4%
Industrials	2.7	2%	57,169	9%
Information Technology	1.3	1%	927	0%
Materials	1.9	1%	110,383	18%
Utilities	0.9	1%	37,900	6%
Other	0.4	0%	2,645	0%
Lower impact	**122.0**	**89%**	**377,919**	**60%**
Other	**5.6**	**3%**	**9,994**	**2%**
Asset management	**136.7**	**100%**	**627,785**	**100%**

Investment

Asset management

Overall, the emission intensity increased by 6%. Broken down by asset type, it is evident that there were significant movements behind the development: the emission intensity for equities declined by 27% and, conversely, the emission intensity for corporate bonds and covered bonds increased by 82% and 26% respectively.

For mortgage bonds, which account for the majority of covered bonds, the addition of funds under management from the former Handelsbanken Denmark led to an increase in the emission intensity of 26%, although endeavours were made during the year to reduce the effect.

For equities, there is a built-in CO_2 reduction target in most investment strategies, and this has contributed to the significant decrease in emission intensity.

CO_2 reduction is an integrated part of Jyske Bank's approach to responsible and sustainable investment. It has thus been decided that all equity strategies work with CO_2 reduction. The decision will take effect as from 1 January 2024.

As a new feature, asset management is distributed into three groups based on Net Zero Investment Framework (NZIF)[3]. In NZIF, the majority of the industries are classified as 'material', and these industries have subsequently been distributed into 'higher impact' and 'lower impact'[4]. Industries that are not classified as 'material' are included in the 'Other' group.

[3] NZIF is used as a methodology to determine the extent to which our plans, strategies and developments in emissions are consistent with our net-zero target in 2050.

[4] "Higher impact" is defined as Climate Action 100+ companies and companies assessed by Transition Pathway Initiative (TPI).

Out of a total of DKK 136.7bn under management, DKK 9bn, close to 7%, is invested in a number of industries with 'higher impact', and these account for 38% of the financed CO_2e emissions. These are primarily equity investments, and a significant proportion of these are placed in equity funds that are subject to expectations of CO_2 reduction.

Danish mortgage bonds account for DKK 75bn out of the DKK 122bn in 'lower impact', and the development in the emission intensity hereof has been discussed above.

In asset management, we focus on 'higher-impact' industries as we want to focus on companies that are closely linked to fossil fuels, directly and indirectly, and thus companies that contribute to causing potential climate change and which must transition to low-emission and ultimately to net-zero emission societies.

We also participate in a new Sustainalytics engagement programme relating to Net Zero Transition. Moreover, we still participate actively in Climate Action 100+ in the investor-driven engagement at Vistra and Walmart.

Investment portfolio

The impact analysis includes approx. DKK 75bn relating to the Group's own investments, and they mainly consist of Danish mortgage bonds and other types of bonds, e.g. corporate bonds.

For 2023, the financed CO_2e emission is estimated to amount to 170,916 tonnes of CO_2e and the average emission intensity is 2.3 tonnes of CO_2e per million DKK. As a result of the large proportion of Danish mortgage bonds, the average emission intensity is still at a relatively low level, although it has increased by 10% compared to 2022. The increase can be attributed to higher investment in high-CO_2 emission industries, e.g. shipping.

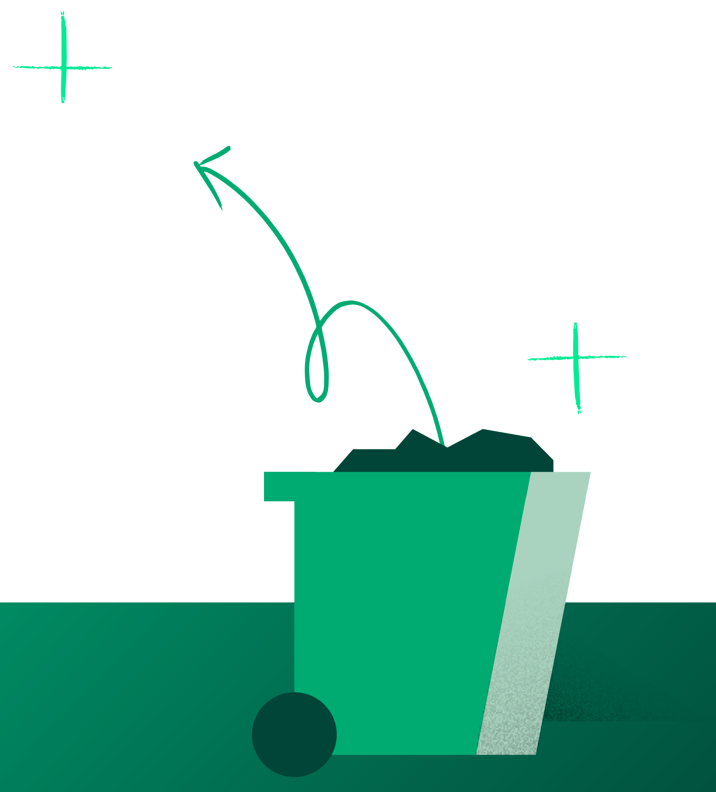
For further considerations on sustainability and Jyske Bank's own investments, please refer to jyskebank.com/investorrelations/governance/code-of-conduct.

Data quality

Despite more company-specific data, the data quality score rose in 2023 to 3.89 against 3.83 in 2022. The minor deterioration in data quality is due to an update of Finance Denmark's CO_2 model according to which estimates for properties with expired EPCs are assessed to have a data quality score of 5.

All in all, approx. half of the business volume is still estimated on the basis of emission factors from Statistics Denmark (Score 5). Improving data quality through the collection of company-specific data and the recommendation to calculate ESG data is therefore an ongoing effort. In 2024, an improvement is for instance expected of the data quality for agriculture through data from ConTerra.

A complete overview of the data quality is available on page 216.



Waste as an impact area

Also waste is identified as a material impact area for Jyske Bank. We gained the first experience with the area in 2021 when our initial impact analysis was based on statistics for non-recycled waste and hazardous waste. The analysis showed that 13% of Jyske Bank's corporate loans are granted to sectors in which a large amount of waste is not recycled and that approx. 50% of the waste from Danish households are not sorted for recycling. It was also ascertained that limited data were available. For hazardous waste, it was for instance not possible to see which sectors were generating hazardous waste and consequently it was not possible at that point in time to assess Jyske Bank's impact on hazardous waste.

It appeared from the initial impact analysis that waste was part of the basis of the investment decisions of companies in industries where waste involves a material risk.

Practice target 2024:

350

meetings and events will be held with corporate customers with participation of our sustainability specialists

In 2021, the conclusion was that Jyske Bank's possibility of impacting the amount of non-recycled waste relates to dialogue and information to the customers and that additional quantification requires a wider basis of data.

Since our analysis in 2021 a new waste framework directive has been introduced in Denmark involving that both private households and business enterprises must sort waste in many fractions. This directive will have an impact on the volume of waste which cannot be recycled and may imply that it is other industries than before that have the highest proportion of non-recycled waste.

Within PRB there are also no guidelines for the area. According to UN Environment Programme Finance Initiative (UNEP FI) few banks are working with waste as impact area. Consequently, we have decided to follow UNEP FI's recommendation to assume a progressive approach for target setting. This implies that we in 2023 determined a practice target for waste.

We will revisit our impact analysis in 2024 and, as an extension of this work, make any adjustments to our areas of most significant impact and identify associated opportunities for commercial action.

This is how waste is included in our work today

Waste is a natural part of the dialogue that our sustainability specialists have with corporate customers, and waste is often one of the metrics that customers are advised to report on if they do not already do so.

Some of our large corporate customers who have raised sustainability-linked financing also have waste as one of the metrics that determine the rate of interest on the loan.

Since the Sustainable Finance Disclosure Regulation took effect, waste has subsequently been included in the principal adverse impacts of investment decisions on sustainability factors, known as Principal Adverse Indicators (PAIs). For assets under management, we calculate the percentage of hazardous and radioactive waste generated by investee companies.

In 2023, Jyske Bank exercised active ownership on the topic of waste via engagement programmes from Sustainalytics under the responsible cleantech heading. Jyske Bank is monitoring this negative impact for selected equity stocks via threshold values.

Governance

The governance structure for sustainability at Jyske Bank sets out clear roles and responsibilities to help create clarity on direction and scope and also to ensure sufficient progress and cohesion across business areas.

As sustainability becomes more and more integrated into our core activities, and stakeholders' expectations of Jyske Bank's work mount, more decisions will be cross-cutting and strategic. As a result, Jyske Bank reinforced its governance structure in 2023 by:

1. setting up a forum for sustainable and responsible financing to decide on important actions in that area, and
2. increasing the number of permanent members of the Group's Sustainability Committee to ensure broader representation of business units.

The new forum in the financing area is an adjunct to the Forum for Responsible Investment (FAI), which is the Jyske Bank Group's hub for considering and deciding on overarching issues relating to responsible and sustainable investment. FAI was established in 2010.

The governance structure is reviewed on an ongoing basis.

Supervisory Board

Has overall responsibility for the bank's strategy and policies. Considers and takes a position on sustainability-related topics and reassesses the level of ambition annually.

The Supervisory Board is updated quarterly on sustainability.

Internal Audit

Area of responsibility includes, for instance, testing of operational risks and effectiveness of the control environment in policies, business procedures and business processes.

Audit Committee

Responsibilities include monitoring and assessing the control environment and reporting, including new requirements for sustainability disclosures (EU taxonomy and CSRD).

Risk Committee

Responsibilities include ESG risks and climate stress testing.

Executive Board

Has the overall responsibility for prioritising efforts, implementation and compliance with policies across the organisation.

Sustainability Committee

Liaises with the Supervisory Board on the Group's sustainability profile and ambition and implements them in the Group.

Considers matters/topics of overarching and fundamental importance.

The committee meets quarterly or more often when necessary.

It consists of two members of the Executive Board, the CFO, the directors of the business units, and the Head of IR and Sustainability.

Forum for Responsible Investment

Considers and decides on overarching issues relating to responsible and sustainable investment, including investment cases of fundamental importance (e.g. companies and countries), matters of approach, active ownership and exclusion lists.

Forum for Sustainable and Responsible Financing

Has a commercial focus and decides on significant actions to strengthen the Group's sustainability profile when it comes to financing.

Also serves as the Group's committee for the Green Finance Framework.

Business and support units

Is responsible for operations and integration of sustainability in the Group's business activities.

Development of new products.

IR & Sustainability department

Is responsible for driving and coordinating the overall sustainability agenda in the Group, ensuring correlation between strategic initiatives and reporting on the progress of these.

Risk unit

Identifies, assesses and handles all significant risks in internal and external matters, including ESG risks, and reports to relevant stakeholders and decision makers.

Managing ESG risks

ESG risks refer to potential significant negative impacts on the Group – whether financial or reputational – as a result of current or future environmental, social or governance-related events.

ESG risks are considered one of several risk drivers behind the Group's main risk types. Therefore, ESG risks are not treated as an independent type of risk, but are part of the management of credit risk, market risk, liquidity risk and non-financial risks.

Further description and analyses of the Group's management of ESG risks can be found in the report Risk and Capital Management 2023 on jyskebank.com/investorrelations/capitalstructure.

Identification and assessment of ESG risks at portfolio level

Jyske Bank has a framework that is used as a basis for the Group's work with ESG risks at portfolio level, and which forms the foundation for, among other things, climate stress test as well as internal and external reporting.

The aim of the framework is:

- To have a combined and documented understanding of how ESG risks affect Jyske Bank, both commercially and in terms of the Group's overall risk profile across the different types of risk.
- To have a foundation for prioritising and focusing the forward-looking work in relation to ESG events.

The work within the framework is risk-based, with identification and assessments being continuously updated and expanded – not least as the underlying data basis improves. The framework builds on best practices as set out by the European Central Bank (ECB) and the European Banking Authority (EBA).

ESG risks materialize differently in the short, medium and long-term, respectively and also depend on the specific scenario considered. In Jyske Bank's framework, assessment is made on the basis of scenarios developed by NGFS (Network of Central Banks and Supervisors for Greening the Financial System), which are adapted to Jyske Bank's specific context - especially in relation to being a Danish credit institution.

The Jyske Bank Group's framework for the management of ESG risks identifies relevant ESG events for the Group following an event-based approach which allows us to react to specific events. A distinction is made between physical and transition risks, where physical risks are divided into acute and chronic risks, as it is important in the later assessment whether it is an immediate danger or instead a longer-term or structural change.

For all ESG events the potential negative impact is assessed. Materiality is the product of impact and probability. The materiality assessment consists of three levels, which indicate whether the issue is assessed as non-material (grey), potentially material (light green) or material (dark green). The overview on the right shows examples of areas that currently have either dark green or light green materiality assessment, which are thus particularly important areas that Jyske Bank will focus even more on in the future.

If an ESG event materializes, the impact occurs through a transmission channel. The transmission channel is the connection between the ESG event and a possible financial loss for the Jyske Bank Group. For example, a flood (physical ESG event) may potentially result in a lower value for the bank's property collaterals in the affected area. This decrease in value could result in higher impairment charges. Other examples of relevant transmission channels for Jyske Bank could be a reduction in asset value, increased operating costs and lower turnover for companies.

Understanding the specific transmission channels for ESG events is essential for assessing the potential impact of a given ESG risk event for Jyske Bank.

At the present basis of analysis, it is especially through transition risks that Jyske Bank is exposed to ESG risks. The reason for this is a combination of the fact that Jyske Bank lends to industries that are characterised as energy-intensive, and that Denmark has ambitious targets for the green transition. This means that there is a high probability of regulatory changes, technological changes and strong interest in the area from the Group's stakeholders.

When it comes to physical risks, it is mainly acute risks in the form of swings in temperature and precipitation that we need to focus on in future, but only for a small part of the portfolio. With chronic risks, only water consumption and water scarcity present a potential risk, and again only for a small part of the portfolio.

The ESG risk picture is part of the risk organisation's ongoing monitoring and assessment of the overall risk picture.

Jyske Bank's materiality assessment of ESG events

● Material ● Potentially material

ESG event	Description	Materiality
Psysical risks		
Fluctuations in temperature and fluctuations in precipitation	Unpredictable weather conditions may have an impact across industries, but agriculture in particular is expected to be affected, where this can have a large effect on yields.	● Agriculture (Material)
Water consumption and scarcity	Dividend loss due to drought for the agricultural portfolio as well as an indirect effect from raw material extraction on production companies.	● Industry and agriculture (Potentially material)
Transition risks		
Climate policies (emissions and energy)	CO_2 taxes may be imposed on properties with high energy consumption as well as the production, agricultural and transport industries.	● Industry, agriculture, properties and transport (Material)
Technological changes	High costs, especially for the transport industry due to new technology and rapid development whereby investments are associated with a shorter lifespan. Present assets may end up as stranded assets.	● Transport (Material) ● Industry, agriculture, properties (Potentially material)
Legal risk	Insufficient disclosure of the sustainability of a product can lead to accusations of greenwashing, which may result in loss of customer base as well as legal costs.	● Non-financial risks (Material)
Reputation due to business changes	Increased focus on sustainable products may affect demand from companies that are slow to adapt.	● Industry, agriculture, transport (Potentially material)

Identification and assessment of ESG risks at customer level

Based on the requirements of assessment of the customer's ESG risks in the FSA's Executive Order on the management and control of banks, etc. and Jyske Bank's credit policy, an internally developed ESG profile was implemented in 2023 in which the corporate customer's risk is assessed either via machine screening or a questionnaire completed by the account manager. Today, this profile is a permanent part of credit recommendations.

The ESG profile ensures a more uniform approach to as-sessing customers, just as it gives the individual adviser a structured framework in connection with the customer dialogue. This results in an identification and assessment of the customers' current status in the ESG area while at the same time achieving a better shared understanding of the future opportunities or risks that relate to the customer's business model. These assessments also form part of our ongoing monitoring and risk management.

Governance and policies for ESG risks

Responsibility for Jyske Bank's methods for measuring, ana-lysing and reporting the Group's ESG risks is assigned to the Risk Unit under the Group's Chief Risk Officer.

For instance, the risk unit carries out reporting on ESG risks to the Supervisory Board and its risk committee. It also reports to relevant stakeholders and decision makers in the organisation, such as the Sustainability Committee. The Supervisory Board has overall responsibility for the Group's strategy for sustainability, which involves both risks and opportunities.

The Group's policy on sustainability and corporate social responsibility sets out the overall framework, standards and guidelines for how the Jyske Bank Group works with sustain-ability and social responsibility in all parts of the Group's own and business-oriented activities. The policy is supported by a number of other policies, including policies for the Group's main risk types.

Lending takes place in accordance with the Jyske Bank Group's credit policy. The credit policy states that the credit assessment must include an assessment of whether the company has identified and considered issues and any risks related to sustainability that may affect the company's business foundation, debt-servicing ability, earnings and financial strength.

Our policy on responsible and sustainable investment sets out how sustainability risks are to be integrated into the in-vestment decision process and investment advice.

Data availability and quality

As a bank, we can make the biggest difference via the ac-tivities we finance through our lending and investments on customers' behalf. We need data in order to measure our progress. There are currently challenges in terms of both data availability and data quality, but these challenges must not prevent us from acting and gathering experience.

Climate is currently the focus of attention, but going for-ward, it will also be necessary to work on data availability and quality in other areas, for example biodiversity. It is also expected that the focus of attention will be on social issues, e.g. human and labour rights.

Jyske Bank uses Finance Denmark's common model for cal-culating CO_2 and wants to contribute to the development of solutions that make it simple and efficient for customers to calculate and report on ESG issues. Jyske Bank has, for ex-ample, contributed with sparring to a free ESG reporting tool for the real estate industry, which aims to standardize work with and reporting on ESG among Danish players.

Legislation

These years, several significant pieces of legislation on sustainability are coming into force, and 2023 has therefore been characterised by preparation, so that we secure the necessary knowledge, data and documentation to be able to report on our sustainability activities.

Corporate Sustainability Reporting Directive, CSRD

From the financial year 2024, Jyske Bank must report according to CSRD, which is a new EU directive that tightens the requirements for companies' sustainability reporting and replaces the existing directive for non-financial reporting, NFRD.

The aim of CSRD is to ensure that companies report consistently and reliably, and to increase the number of companies reporting on their sustainability efforts. This will increase transparency, with benefits for investors, suppliers and customers alike.

CSRD will be implemented gradually by company size over the next three years.

As part of CSRD, Jyske Bank in 2023 prepared a double materiality assessment and has thus identified the sustainability issues on which the Group must report in 2024.

According to the principle of double materiality a sustainability issue must be included in our reporting if it is assessed that Jyske Bank has a material impact on the sustainability issue now and/or in future, positively or negatively, or if the sustainability issue has a material impact on Jyske Bank's financial ratios now or in future, positively or negatively.

Green Asset Ratio

The Taxonomy Regulation sets out a classification system defining what economic activities count as environmentally sustainable.

The objective is to improve transparency of sustainable activities in society. All listed companies with more than 500 employees must report what proportion of their activities align with the taxonomy regulation. This also applies to financial institutions, which must for the first time calculate the Green Asset Ratio (GAR), the proportion of the portfolio aligned with the taxonomy. In the previous two years, financial institutions have calculated the proportion of the portfolio that was eligible with the taxonomy.

The financial institutions' calculation of GAR must be based on the counterparty's/corporate customer's reporting on the taxonomy. For personal customers, the financial institution carries out the assessment of alignment.

Currently, reporting covers two out of six environmental objectives. In 2023, the criteria for the last four environmental objectives were published, and companies must for the first time report on activities covered by these objectives. In financial institutions, reporting will not be available until next year when our reporting can be based on customer reporting.

Jyske Bank's Green Asset Ratio 2023

Jyske Bank's Green Asset Ratio for 2023 has been computed at 3.67%, when financing of corporate customers is weighted by the counterparty's Capex KPI, and 3.70% when weighted by turnover KPI from customers covered by the Taxonomy Regulation.

Jyske Bank's GAR is significantly lower than the proportion of the eligible part of the portfolio. The lower level was to be expected since alignment requires compliance with technical screening criteria, that the activity does not harm other environmental objectives and finally compliance with minimum social safeguards in relation to human and labour rights.

We expect that in the coming years we will see an increase in the customers' share of taxonomy-aligned activities as the necessary documentation for existing activities is provided.

In addition, many of Jyske Bank's corporate customers are small and medium-sized companies that are not comprised by the Taxonomy Regulation due to their size. Some of these companies have activities that can be classified as sustainable according to the taxonomy regulation and which are financed by Jyske Bank, but they will not be recognized in Jyske Bank's GAR until they are comprised by CSRD and thereby the Taxonomy Regulation.

The EU's taxonomy spills over into our business activities

Jyske Bank's criteria for lending areas that mitigate climate change are defined in Jyske Bank's Green Finance Framework. The framework also shows the extent to which the loans meet the criteria in the EU's taxonomy for activities that are environmentally sustainable. There is a close connection for most areas of lending, and we anticipate to use the definitions of the EU Taxonomy in the framework. When Jyske Bank provides sustainability-linked loans, there may also be focus on the taxonomy's definitions in relation to determination of KPIs for loans.

Jyske Bank's reporting according to the Taxonomy Regulation is available on pages 217-237 of this report.

Climate and environment

We contribute most by participating in the transition alongside our customers and investee companies. This is reflected in our range of solutions and services, which is constantly being expanded to give customers increased opportunities to make sustainable choices, and in our aim to engage in customer dialogue and active ownership at investee companies.

Sustainability will continue to evolve as a discipline in the years ahead, which means that training will be a permanent priority to ensure that both advisers and specialists can add value.

It's all about business but begins with ourselves. Responsibility and an ambitious approach to banking operations are a condition of credibility towards customers and other stakeholders.

- Action through customer dialogue
- Sustainable mortgage business
- Renewable energy – new opportunities, more consideration
- Greening our own operation
- Progress and efforts

Action through customer dialogue

Jyske Bank's strategy is to achieve long-term profitable growth through local presence and customer focus. We therefore consider it our role to support our customers' needs and wishes to ensure that they have information on, and access to, competitive solutions. We aim to help our customers make the green transition – which makes sustainability an integral and entirely natural part of our customer dialogue and advice and is a key part of our product range and of the activities and the communication that customers encounter.

Dialogue with personal customers

In our advisory services to personal customers concerning sustainable choices, it is especially housing, cars and investments that are the focal point. This is reflected in the products we develop and in the activities and communication the customers encounter. This could be, for example, webinars with experts in energy improvement of the home or targeted messages about opportunities to apply for subsidies from public funds, for home owners whose home meets given criteria.

Collaboration on energy improvements

In 2023, the focus of attention was across the country on energy renovation of residential property. Subsidies for heat pumps were, for instance, made available from two government funds for all-year homes meeting various criteria. The government and Finance Denmark also launched a collaboration to make it cheaper to replace an oil or gas boiler with a greener and cheaper solution. As part of the efforts, Jyske Bank launched an attractive loan product during the year for homeowners looking to upgrade their boilers. The loan has a reduced rate of interest, and there is no start-up fee to the bank or registration fee to the government. The loan will be on the shelf until the end of 2028.

In addition to the collaboration with Botjek, which carries out energy and maintenance reviews for home owners at Jyske Bank, we launched a collaboration with Bodil Energi this spring, which specializes in energy savings in the home, and which helps the customer all the way from advisory services to contact to craftsmen and final installation. For financing energy improvements, customers can still choose an Energilån.

In total, we granted 421 loans exclusively for home energy improvements in 2023.

Financing electric cars

Also on the car front, work has been done to create customer-oriented solutions that can promote the transition to low-emission cars. In the summer of 2023, Jyske Finans introduced Jyske Billån for the financing of electric cars. 67% of all car loans established in the period from June to December 2023 are green car loans, 1,736 green car loans in 2023 and a disbursed amount of DKK 531m.

1.736

green car loans in 2nd half of 2023 and an amount paid out of

531 DKKm

Investment advice

Investment is an important driver of the sustainable development to which we wish to contribute.

When we advise our customers on investments or manage a customer's portfolio, we have an obligation to ask about their preferences in relation to sustainability. We ask about the customer's wishes by focusing on sustainable initiatives in two ways.

First, the customer can state how much of their investment they want to invest sustainably via two key figures, the EU's Disclosure Regulation (SFDR) and the EU's Taxonomy Regulation[5].

Second, the customer can state whether the investment should actively help minimise negative impacts on the environment and society, for example by reducing carbon emissions or minimising fossil fuels.

Mapping the customers' sustainability preferences started in 2022, and in 2023 the question frame has been further developed.

Jyske Bank's approach to sustainable investment is based on four elements:

CO_2 reduction

In focus of investment solutions

Exclusion

De-selection of companies within tar sand and coal

ESG integration

Sustainability issues are included in investment decisions

Active ownership

Impact on companies via votes cast and dialogue

[5] The EU's Sustainable Finance Disclosure Regulation (SFDR) defines an investment as sustainable if the company contributes to an environmental or social objective, does no harm to other environmental or social objectives, and complies with good corporate governance. The EU's Taxonomy Regulation is a classification system with six environmental objectives. An investment is considered aligned if the company contributes significantly to one or more environmental objectives – without doing harm to any of the others. It must also meet minimum social safeguards for human and employee rights.

Practically all funds are classified as an Article 8 fund

We develop our supply of investment products on an ongoing basis. In 2023, 39 funds managed by Jyske Invest Fund Management A/S have had binding criteria regarding sustainability and are thus categorised as Article 8 funds under the SFDR. The focus of attention is in particular on climate changes, since the reduction of CO_2e emissions is generally considered one of the relevant parameters in the sustainable development and transition and crucial for meeting the objectives of the Paris Agreement to limit global temperature increases. As at 2 January 2024, a further 20 funds were categorised as Article 8 funds under the SFDR.

In 2023, Jyske Bank excluded companies from our investment solutions whose revenue is associated with the extraction of thermal coal and tar sand and where revenue related to this business exceeds 5%. This opt-out applies within own asset management, but it is to the widest possible degree endeavoured to comply with this with respect to all investments.

Dialogue with corporate customers

All of Jyske Bank's corporate customers are encountering a general increase in demands from their surroundings for them to deliver on ESG parameters and hence demand specific advisory services on sustainability. This has been particularly noticeable in agriculture and construction in recent years. In order to meet the customers' needs, we strive to be more than a financial partner, so that we enter as a credible and practical sparring partner into the dialogue with the customer. We do this, among other things, with our dedicated team working actively on giving customers and employees input on how they can get better at integrating sustainability into their day-to-day work.

Theme days for farming customers

In January 2023, we held three theme days for the bank's farming customers. The aim was to create a forum for sharing knowledge and experience, give participants an insight into the bank's initiatives and focus areas, and inspire them to begin making and documenting sustainable improvements. The day ended with customers having the opportunity to sign up to a networking group on sustainability. A number of participants reported that the event provided both inspiration and reassurance about an uncertain future.

350

meetings and events held with corporate customers where our sustainability specialists participated

The farmer of the future

At the Agromek agricultural fair in Herning each January, the Future Farmers competition recognises the achievements of three farmers in turning good ideas into results in the areas of sustainability, markets and technology.

In 2023, the winners of the three categories were:

Sustainability:
Go-gris
The team behind Go-gris won for working not only on biodiversity but also on the aquatic environment, animal welfare, bioenergy and employee welfare.

Markets:
Kasper and Peter Mejnertsen, Mejnerts
Mejnerts won for covering the entire value chain themselves, serving as farmers, millers and potato packers and selling direct to customers.

Technology:
Anders Andersen, Sandagergård
Andersen won for using precision agriculture to achieve environmental and climate benefits as well as financial benefits.

Network event for large property managers

Six network events on sustainability in the property sector were held in 2023 across the country. The events were aimed at customers with one or more rental properties, mainly large property managers and portfolios. These events are a good example of our growing dialogue with property customers on the footprint of their properties. The events all focused on energy efficiency and documenting carbon emissions, as well as the customer's social and governance strengths in terms of sustainability. A further two events will be held in the spring 2024 in Aarhus and Fredericia.

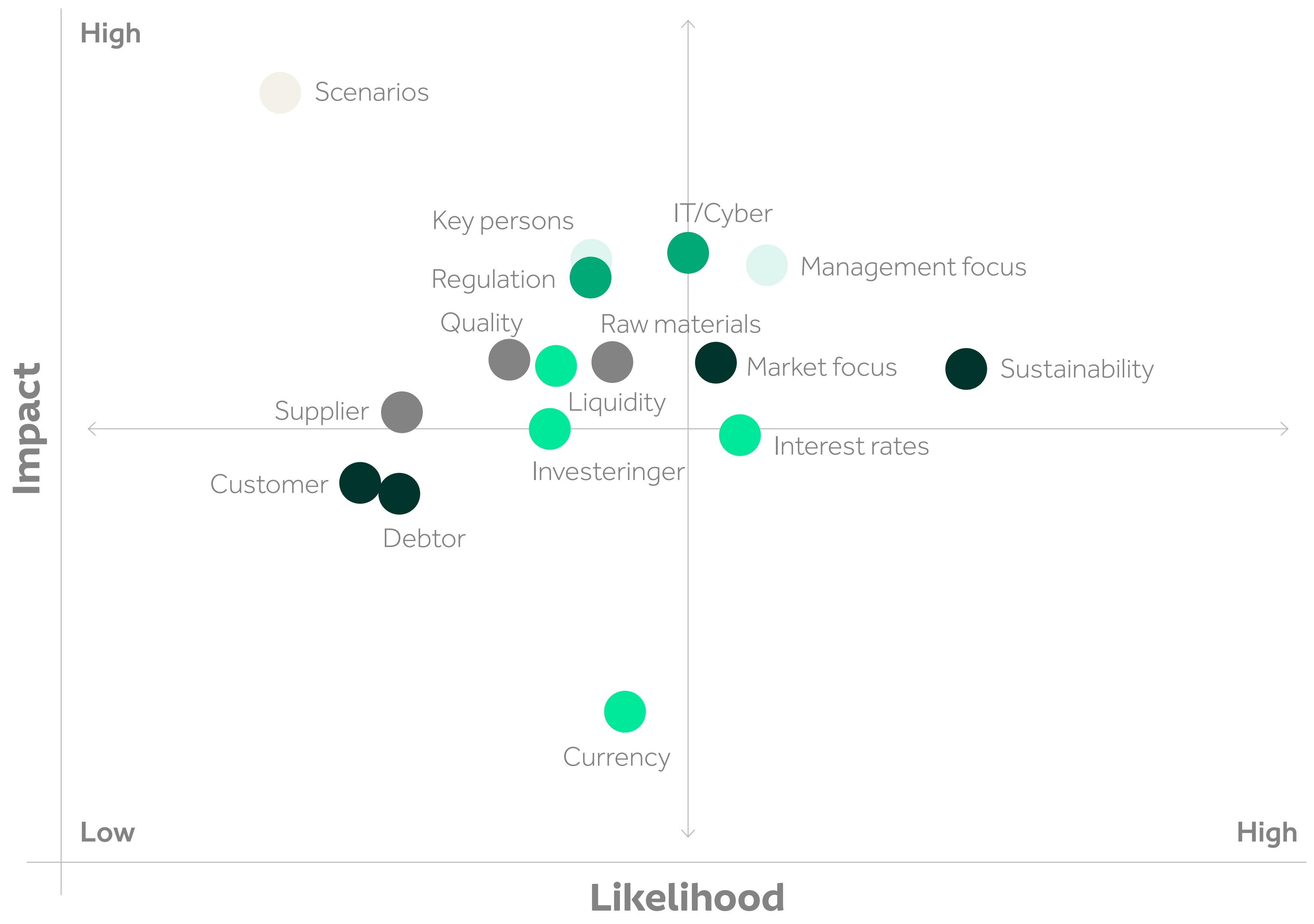
Help to prepare climate accounts

In the spring of 2023, Jyske Finans entered into a partnership with consulting firm Nordic Green Solutions on a scheme which is being offered to selected customers looking to work actively on integrating sustainability into their strategy and/or reporting. Like Jyske Finans, Nordic Green Solutions is helping Danish businesses move in a greener direction, with the emphasis on thinking green rather than acting green. The firm's goal is to make industry climate-neutral. With their expertise and advice, they help customers both to apply for funding, and to execute projects to reduce carbon emissions. In this way, Jyske Finans and Nordic Green Solutions are helping make green investments both manageable and realistic.

Semi-annual risk overview

The growing focus on and importance of sustainability is reflected in Jyske Bank's semi-annual risk overview based on responses from corporate customers on the probability and impact of various factors in terms of achieving their strategic plans. Sustainability has ranked highest for probability several times, and in the latest edition based on responses in the second half of 2023 it is assessed that the impact is on the increase.

Risk overview



Tailored training of employees

To meet the demand for dialogue and advice on sustainability, Jyske Bank will continue its training activities for the bank's employees in 2024. To start with, advisers working with large corporate customer will be offered tailored training in how they can keep up with upcoming legislation, sustainable finance options, sustainability in the boardroom, and reporting.

THEME:

Sustainable mortgage business

Mortgages make up 70% of our lending, and Jyske Bank is leading the way in creating solutions and transparency around sustainability in mortgage bond investing. We are doing this by publishing indicators such as energy labels for cover pools, integrating them into investment processes and finding good solutions for mortgage bond investors. In 2023, we continued the network on Danish mortgage business and sustainability for pension funds that we started in 2022.

In 2023, we also held engaging dialogue meetings with seven Danish issuers of covered bonds. The aim was to put particular focus on useful and relevant data for working on objectives to reduce CO_2 emissions. It has been agreed to continue the dialogue at meetings held at least once a year to discuss current sustainability issues.

Jyske Realkredit awarded a prize for highest volume of green bonds sold

In 2023, Jyske Realkredit was awarded a prize for issuing the highest amount of green bonds in volume terms. The award ceremony took place during Euronext Sustainability Week in early September 2023 when Euronext Securities Copenhagen awarded prizes for sustainable financing.

The price is an expression that Jyske Realkredit is in a strong position vis-a-vis borrowers as well as bond investors with the large amount of issued green bonds and transparency within sustainability reporting.

In addition, the prize is a recognition of the Jyske Bank Group's efforts financing a green transition in the Danish society – especially in the corporate customer area where we have seen a close dialogue with customers about sustainability and green financing. Carsten Træholt Frie, Head of Property Financing at Jyske Bank, states:

"At Jyske Bank, Corporate Clients, sustainability and green transition are included as an important element in the dialogue with corporate customers. We want to support corporate customers' development of their businesses also in this area. Therefore, it is also important to offer support with green financing of buildings and supply systems".

Mortgage loans account for DKK 352.7bn, or 70% of the Jyske Bank Group's loans and around 30% of the mortgage loans have been granted for the financing of property living up to the criteria of Jyske Bank's Green Finance Framework, providing the basis for the issue of green bonds.

Since 2018, Jyske Realkredit's Sustainable Transparency Template has offered investors insight into both the energy standard of the homes for which Jyske Realkredit has granted loans, and the energy used in the homes broken down by resource. For instance, investors can see the proportion of the total energy consumed that consists of renewable energy. The template also shows calculated CO_2e emissions for the loan portfolio.

Jyske Bank Green Finance Framework Lending volume, DKKm

	2023	2022	2021	2020	2019
Renewable energy	7,627	5,431	3,953	3,597	2,915
Buildings	125,746	108,940	80,878	76,413	64,799
Low-emission vehicles and material	5,610	4,100	2,755	930	557
Sustainable use of natural resources	186	259	259	1,812	2,092
Recycling and sustainable production	402	272	272	610	289
Total	**139,571**	**119,002**	**88,117**	**83,362**	**70,652**

THEME:

Renewable energy – new opportunities, more consideration

An increased production of renewable energy is a prerequisite for the transformation of the energy system, which is crucial to achieving the Paris Agreement's target of limiting the average temperature increase to 1.5 degrees.

Renewable energy is one of Jyske Bank's specialities within the corporate customer area. Over 14 years, knowledge and skills have been accumulated in the area, and since the beginning of 2022, we have doubled the resources in the Renewable Energy department, which is located physically in Silkeborg and Copenhagen.

Jyske Bank has thus financed wind and solar cell farms for many years. Jyske Bank has also financed the first PtX systems in the market, and generally follows our existing customers with re-spect to new technologies.

Jyske Bank has set the ambitious target of having financed 5 TWh of renewable energy production by the end of 2025. That corresponds to 1.25 million households out of around 2.8 million households in Denmark in total. At the end of 2023, we had financed 3.9 TWh.

Strong growth

These years, we are seeing increased investments in renewable energy projects and the use of new technologies in renewable energy projects. For example, we see more hybrid farms, where wind turbines, solar panels and batteries are combined, resulting in greater complexity – also with respect to financing. At the same time, players are increasingly professional, and competition in the loan market is growing, partly because a number of European competitors also operate in Denmark. All of this is asking considerably more of us as a bank and of our financial solutions.

... also going forward

In the coming years, renewable energy will continue to be an area of rapid development with new business opportunities for Jyske Bank. Large foreign investors will increasingly move into the Danish market for sustainable energy assets, for example through pension funds or listed companies.

From political quarters, we expect to see new legislation on energy farms in 2024, and 9GW of the agreed offshore wind farms to be established around 2030 are expected to be tendered during 2024.

Demands for comprehensive impact assessments for humans and animals as well as increased compensation for close neighbours of sustainable energy facilities indicate an increasing attention to biodiversity resulting in greater community involvement and local ownership.

Trends

Batteries

Batteries will be part of future infrastructure. Batteries can increase supply security and protect the power network by providing short-term storage and frequency control. Battery and other storage technologies are also essential for achieving 100% fossil-free power production – since it is necessary to compensate when the sun is not shining and the wind is not blowing.

Biogas

Upgraded biogas is to account for 100% of Danish gas consumption in 2030. This will require substantial expansion of Danish biogas production. The biogas market is increasingly being consolidated by ever fewer and more professional players with the financial muscle and operational experience to deliver large-scale projects.

Hydrogen

The establishment of hydrogen infrastructure in Germany will result in larger sales opportunities and a steadily increasing production of green hydrogen in Denmark.

Greening our own operations

We consider it crucial to integrate sustainability both into our business activities and into the operation of the bank itself. Our target is to reduce carbon emissions from the operation of the bank by 65% by 2030 relative to 2020. Our own climate footprint (scope 1 and 2) is limited, and we can make the biggest difference through business activities, but the change begins with ourselves.

Sustainable banking is many things and is both about increased awareness, changing behaviour and CO_2 reduction. In 2023, we have continued to work with a number of different initiatives, such as selecting energy sources, increasing energy efficiency and forming new habits, but in addition we have also created new initiatives.

New branches

In 2023, especially the acquisition of Handelsbanken's Danish activities left its mark in the form of branch mergers. Branches and departments were merged, and premises were vacated, leading to changes in the building stock due to divestments and acquisitions. The outcome was that Jyske Bank operated across 101 branches (including 96 branches and a 24-hour customer centre) at the end of the year.

Closing branches also meant that there was a lot of different inventory such as crockery and furniture that was no longer usable in the bank. All inventory was sorted and categorized so it could be sold or donated. Some of the furniture was put up for resale while others were donated to associations and non-profit organisations, and the furniture that could no longer be used was disposed of in an environmentally correct manner. A total of 22 tonnes were either recycled or broken down. Even what ended up as waste and was incinerated was made into slag, which is i.e. used in connection with the construction of new roads.

Solar panels

In 2022, the Group mapped its many different buildings to see which roofs were suitable for solar panels. The first panels were fitted the same year to the roof of our head office in Silkeborg, covering a total area of 1,000 square metres. Further panels were added in 2023 both to head office and to the roof of Jyske Finans, which operates as an independent company within the Jyske Bank Group. This will help reduce our electricity purchases and carbon emissions.

Altogether, Jyske Bank's solar panels have a production capacity of around 500,000 kWh a year, which corresponds to a decrease in our carbon emissions of around 234 tonnes a year.

We are not planning additional panels in 2024, partly because further changes may still need to be made to the number and location of branches around the country.

Charging stations

Over the years, charging stations have been established at several of Jyske Bank's branches and locations. These are primarily used for charging the bank's cars, but at the head office in Silkeborg, 8 charging stations have been established which are publicly accessible. This number will double during 2024.

Own production of renewable energy in 2023

15.6 GWh
from Jyske Bank's wind turbine

180 MWh
from solar panels at Jyske Bank locations

Reduced electricity consumption

For years, we have been replacing traditional light bulbs with LED lamps with much lower energy consumption and a longer life. In 2023, it was time to replace the light fittings in one of the bank's largest offices, Capital Markets. The upgrade will lead to an expected annual reduction in both electricity consumption and CO_2 emission of 85,000 kwh and 40 tonnes of CO_2e, respectively.

In 2024, we plan to replace the lighting in our parking garages, which will save around 145,000 kWh of electricity a year and reduced our carbon emissions by around 68 tonnes of CO_2e.

Waste sorting

A waste initiative in 2023 saw the installation of 200 sorting stations at our branches where both staff and customers can sort waste into three different fractions. All branches are also able to sort waste into no fewer than ten different fractions, such as glass and cardboard.

The aim is to reduce the amount of residual waste by ensuring that as much as possible is recycled. When waste is sent for recycling, these materials can be used in the production of new goods. Sometimes, however, we prefer not to create any waste at all – for example, a keyboard and other IT equipment that could instead be reused by a colleague – we think that this is common sense.

Limited fleet of company cars

Work-related travel for internal and external meetings may be made using the bank's own loaner vehicles. The bank currently has a fleet of 33 cars, and we are constantly looking to reduce it further in line with our actual needs. With a growing number of meetings held online, we anticipate a continuous reduction in the fleet, and this accelerated in 2023 and will continue in 2024.

Purchase of goods and servicesr

Our purchases of goods and services amount to more than DKK 1.8 billion a year including IT services from Bankdata and JN Data. These purchases are made according to the principles set out in our procurement policy, which ensure not only good prices, quality and terms, but also that we take account of relevant ethical, environmental, political and social considerations. Work on further developing responsible supplier conduct, including an update of our procurement policy, will continue in 2024.

Credit and debit cards from recycled plastic

Jyske Bank's cards are made of recycled plastic. Already at the beginning of 2021, we began issuing cards in partnership with IDEMIA.

The percentage of recycled plastic is 85%, and half of all of the bank's cards have now been replaced. Jyske Bank's Visa/Dankort cards make up a large part of our total number of cards, and these cards will begin to be made from recycled plastic from the beginning of 2024.

Progress and efforts

Progress in 2023

Investment

- New version of advisory tools with four sustainability key figures, i.e. CO_2 reduction and fossil fuels
- Threshold limits for extraction of coal and tar sands introduced in policy for responsible and sustainable investment. In addition, chemical weapons have been added, and controversial weapons have been specified
- Question frame to investment customers' sustainability preferences further developed to e.g. the taxonomy and fossil fuels
- Votes cast on 283 companies and 601 agendas
- Active ownership dialogue with seven mortgage issuers
- Participation in 151 engagement cases on violation of international conventions and norms, including 95 cases in connection with human and employee rights
- Dialogue with 659 companies where improvements are desired in ESG performance, of which 341 on climate and biodiversity, 61 on human and employee rights and 72 on good business ethics

Financing

- Knowledge sharing through webinars and participation of a sustainability specialist at 350 customer meetings
- Continued close cooperation with trade organisations regarding the development within sustainability
- Held 8 theme/training days for customers in the real estate, building and construction industry
- The proportion of mortgage financing in green bonds has increased by DKK 5bn through the financing of, for example, new construction, renovation or renewable energy
- 'The Green Transport Prize' awarded by Jyske Finans and DTL-Danske Vognmænd

Sustainable banking operations

- Setting up additional solar panels at Jyske Bank locations, total annual production: 500,000 kWh
- Waste sorting stations set up at all locations. Recycling of sorted waste amounted to 216.4 tonnes
- 19.2% reduction of energy intensity per full-time employee
- Continued replacement of light fittings
- Additional charging stations have been installed, there are now 8 publicly available charging stations

Efforts in 2024

Investment

- 20 additional funds under Jyske Invest Fund Management are classified as Article 8 funds as at 2 January 2024
- Change of CO_2 reduction pathway for equity strategies with regards to achieving a better balance between return, risk and sustainability
- Focus on communication about the market and investment with the podcast 'Katjing'
- Further development of tools for screening for good corporate governance

Financing

- Holding the 'Energiens Dag' event with focus on new knowledge about green energy supply
- Cooperation with business academies, e.g. contributing to board training through Erhvervsakademi Dania and guest lectures on sustainability in the financial sector
- Focus on selected issues, e.g. the packaging directive and the Danish Climate Label, and how it affects our customers. For large business customers, continued focus on CSRD and double materiality analysis
- Track how many customers prepare ESG accounts

Sustainable banking operations

- Establishment of charging stations: The number of publicly accessible charging stations at a Jyske Bank location has doubled. In addition, 12 new charging stands will be established for internal use
- Projects to reduce electricity consumption, e.g. replacement of out-of-date lighting fittings and older and heavy-duty ventilation systems
- Establishment of external waste containers at the large locations

Social

Our social responsibility covers and impacts many different stakeholders, such as our employees, customers, business partners and society in general. Combined with our goal of being transparent and responsible in terms of our attitudes, our values and our conduct, we are subject to a wide range of demands and expectations.

At Jyske Bank, we have a constant focus on ensuring well-being, equal development opportunities, and a safe and healthy working environment for all our employees.

It is crucial for us to ensure high levels of IT and data security so that customers' private and financial data are safe. We also work diligently to prevent financial crime and maintain a healthy corporate culture.

Finally, we believe in supporting an equal and fair society by making a difference where we can in areas such as young people's financial literacy and ensuring that rights are secured, including human rights.

- Attractive workplace
- Social engagement
- Green Bazaar helps promote local sports
- IT and data security
- Prevention of financial crime
- Healthy corporate culture
- Progress and efforts

Attractive workplace

In the Jyske Bank Group, employees are considered the most important resource and a prerequisite for our success. It is our ambition to attract, retain and develop employees with the skills, the conduct and the attitudes that form the foundation for meeting our strategy and targets.

In 2023 a number of initiatives have further contributed to ensuring that the Group is considered an attractive workplace that offers job satisfaction and equal rights and development opportunities for all.

Career development

Development and a good working life go hand in hand at Jyske Bank, with a wide range of learning and development opportunities for all employees. Most recently, we have increased attention to internal career opportunities by offering all employees a career conversation with an HR partner looking at opportunities and expectations for changing jobs within the Group.

Focus on the local working environment

The Jyske Bank Group attaches great importance to both the physical and the mental working environment. This applies both to the central working environment organisation and local working environment groups, where managers and union representatives work together on day-to-day workplace issues at branch level. All union representatives complete Jyske Bank's own working environment training programme, which ensures that competence is increased, and efforts are anchored throughout the organisation. In 2023, we paid particular attention to welcoming new local working environment groups following the integration of Handelsbanken Denmark and PFA Bank.

We also started up the Jyske Work Lab, where we are looking into whether local experimentation with the way we work can provide new ways of moving job satisfaction and the working environment in a positive direction. These activities will continue in 2024.

Working life off to a good start at Jyske Bank

Jyske Bank has chosen a structured approach to ensure that all new employees get off to a good start in the Group. The goal is an integration process that gives employees a sense of belonging, engagement, achievement and job satisfaction as quickly as possible. Especially in relation to the change from study to working life there is a risk of dissatisfaction, which is why we work purposefully with onboarding adapted to the individual's role and organisational affiliation, and therefore we have created a tailored onboarding package depending on the job to be carried out. Some aspects are common to all new employees, such as a new e-learning programme introduced in 2023 to provide insights into Jyske Bank's corporate culture and various practical matters.

2023 saw particular focus on onboarding our 630 new colleagues from the former Handelsbanken Denmark and the 43 colleagues from PFA Bank. The onboarding included learning activities developed together with employees responsible for the relevant area of work. In addition, more than 400 former Handelsbanken employees participated in a half-day induction programme at our Silkeborg head office, with tours and presentations.

All managers from the former Handelsbanken Denmark completed a course in values-based leadership during 2023 as part of their integration with Jyske Bank. The activities in the course helped increase consistency of leadership and ensure rapid integration - both professionally and socially. We will carry out similar initiatives for PFA Bank's employees and managers in 2024.

From student life to working life

Recent years have seen a special focus on creating a better and more balanced transition from student life to working life. The financial sector is high on young people's wish list for where they would like to begin their career. In 2023, Jyske Bank moved up eight places to 26th in consulting firm Universum's survey of the workplaces where Danish business and finance students would most like to work when they graduate.

This improved ranking is a tribute to our work on attracting, hiring and retaining graduates, partly through our trainee and graduate programmes which are constantly being developed and improved. Young people also benefit from various networking opportunities – for example, we have a dedicated network for all employees under the age of 35 which can meet in Aarhus, Silkeborg and Copenhagen.

At Jyske Bank, we also work with universities and other academic institutions turning out Financial Economists and Bachelors of Finance, such as Aarhus University and the business academies in Aarhus, Copenhagen and Kolding. Work on building and maintaining relationships with academic institutions and student associations is a priority as part of Jyske Bank's efforts to raise its profile as an attractive workplace.

In 2023, Jyske Bank participated in 77 network events, including a CV workshop at the Aarhus Business Academy. At the workshop, a good and constructive dialogue was established with about 30 students about how to write a good CV and a good job application, including focus on job interviews. The students were able to ask questions and receive immediate and qualified feedback, which helped to ensure a high level of activity and a good atmosphere.

New graduates, Bachelors of Finance and Financial Economists at Jyske Bank

	2023	2022	2021	2020	2019	2018
Graduates	13	34	24	13	15	4
Bachelors of Finance	39	12	25	29	15	26
Financial Economists	24	27	18	13	5	13

Further focus on employee engagement

One of the Jyske Bank Group's strategic targets is to be among the top three companies in the Danish financial sector for employee engagement by 2025. In our annual survey of job satisfaction, engagement and loyalty we have witnessed a positive trend in employee engagement which is now at its highest level since 2016 when these surveys were introduced across the Group. This trend is extra positive seen in light of the fact that 2023 was marked by many integration activities in connection with the acquisition of Handelsbanken Denmark.

In 2023 the score was up by 1 point relative to last year's score of 79 points. Benchmark for top 3 in the sector had in 2023 risen to 82 points, the average in the financial sector being 77 points. Jyske Bank managed in 2023 to lift the level even further relative to the sector average which is at the same level as last year.

The advance was due primarily to the strong efforts being made locally in close cooperation between the leader, the union representative and the employees. Reports prepared on the basis of the survey offer an insight into what makes the biggest difference in terms of increasing employee engagement. At Group level, we have in 2023 seen special focus on the role of the leaders with respect to boosting and supporting the continued positive development.

Diversity at Jyske Bank

Diversity at Jyske Bank is about having a sharper focus on inclusion and diversity among the Group's employees, as it is considered an advantage to have several different inputs on a given matter. We believe that the differences between us help to bring new perspectives and nuances to our everyday work. Diversity is therefore important for innovation and for ensuring that we develop the right solutions – for our shareholders, customers and employees.

Therefore, we continuously work to ensure a culture where all the Group's employees have an experience of belonging and being respected – for who they are. At Jyske Bank, diversity is valued, and we want to actively promote a culture of respect for the individual and aim for everyone to have a sense of belonging and the opportunity to realize their full career potential. We are working on a variety of initiatives which aim to create equal opportunities for all and allow everyone to be themselves – regardless of gender, age and ethnicity. In 2023, we identified relevant diversity areas and have, for example, established a procedure for how to break down barriers to diversity in our recruitment process. Going forward, we will be working with diversity parameters other than gender, including age and education.

We believe that also focus on diversity will help us attract and retain the best employees. Read our diversity policy jyskebank.com/investorrelations/governance/code-of-conduct

Employee commitment (assessment on scale from 0 to 100)

	Jyske Bank 2023	Sector average 2023	Jyske Bank 2022	Jyske Bank 2021
Satisfaction & Motivation	79	77	78	76

Diversity Committee

To ensure a continuous, cross-organisational focus on diversity, we have established a diversity committee with representatives from many different employee groups and management levels in the Group. The committee works on initiatives, awareness and inspiration with the overall aim of removing barriers to diversity, for example by working on unconscious bias in everything from recruitment and employee development to client advisory services and communication materials. During 2023, the committee was, among other things, inspired by presentations from CBS (Copenhagen Business School), discussed frameworks and ideas for concrete activities and discussed relevant and current issues and success stories in the Group.

Women in management

There are many aspects of our work on diversity and inclusion, but one low-hanging fruit in the financial sector, and at Jyske Bank in particular, is gender diversity. Our strategic target is for 30%-33% of the bank's managers to be women in 2025, and currently 28% of the banks managers are women against 27% at the end of 2022.

We have worked hard in recent years on increasing the share of women managers as part of recruitment and management training, and raising awareness of the value of diversity. The work with gender diversity is a lengthy process that takes time, but we can see and expect that the initiatives we have launched over the past few years will work.

When it comes to recruitment, we have started using the tool Develop Diverse to ensure that our job adverts appeal equally to women and men – including at management level - and provides alternative suggestions if our choice of words favours one gender over the other. This helps ensure diversity among our applicants. We also strive for gender balance when recruiting graduates. In practice, this can be a challenge, as many of the programmes we recruit from (finance and IT programmes at universities) do not have equal representation of women and men.

Gender diversity is an important issue throughout the organisation and is integrated into appointments and career development, where we try to make sure that both genders are interested and grasp the career opportunities available to them.

Generally equal pay for equal work

The gender pay gap is a persistent challenge in Denmark – including in the financial sector where there are generally large differences in pay levels for similar job functions. As in previous years, Jyske Bank's gender pay statistics were discussed by a working group with representatives from the Danish Financial Services Union (Finansforbundet), Jyske Bank Kreds and the bank's HR department. The provisional conclusion is that there is generally equal pay for equal work in the Jyske Bank Group. The discussion of the statistics showed that they are an important tool for dialogue on equal pay, and so a number of functions have been selected for closer review by the working group.

Social engagement

Through our business activities, Jyske Bank contributes to financial security and a good life – for the whole life – for many people. This is also about well-being and social relations which is the focal point of our various social initiatives. We can make a difference with our resources and competencies, and we engage in national and local partnerships with other businesses, the public sector or players from the civil society concerning combating of loneliness.

Together we are stronger

By forming social partnerships in selected areas, Jyske Bank can help move the Danish society and its people in a more sustainable and socially balanced direction. Working alone, our impact is smaller. We therefore chose many years ago to partner with others, because together – we are stronger.

In these partnerships, each organisation makes a commitment to generate dialogue and joint solutions bringing together civil society and the private and public sectors. Skills, resources and knowledge are combined in a joint venture with a social purpose.

Christmas for everyone in Holstebro

For the third year in a row, Jyske Bank's branch in Holstebro asked employees, customers and locals to donate toys and other high-quality second-hand items that might bring joy to others at Christmas. Gifts were to be nicely wrapped, labelled with the target group, and dropped off at the branch. The partnership also involves local institutions, with some schools taking the opportunity to put sustainability on the agenda.

"The idea is that people can donate toys they have lying around at home. Many of our kids have so many toys that have nothing wrong with them but are simply not used. So why not let them bring pleasure to other children? These gifts are also sustainable, because the items are being reused," says Nicolai Bue, Market Director, Holstebro.

The scheme is being run by Jyske Bank together with the local chamber of commerce and charity DanChurchSocial. Once the collection period is over, the charity selects recipients among the families who have asked for help at Christmas.

"Many of our kids have so many toys that have nothing wrong with them but are simply not used. So why not let them bring pleasure to other children?"

Nicolai Bue, Market Director, Holstebro

Kids Tour

Kids Tour is Denmark's largest and most fun bicycle race for children. The race is arranged by child safety charity Børneulykkefonden, and Jyske Bank is the main partner across the country. 12 cycling events were held from April to September with exciting activities all around the event arena.

The Kids Tour is aimed at young cyclists aged 3-10, and the events focus on road safety, exercise, healthy values – and promoting cycling. Jyske Bank is supporting the work of Børneulykkesfonden on reducing the number of children involved in road accidents.

Finance on the school timetable

Jyske Bank is keen to take its share of responsibility for teaching youngsters good money habits that may pave the way for lifelong financial health.

In September 2023, we participated alongside Finanssektorens Arbejdsgiverforening [Danish Employers´ Association for the Financial Sector] at a youth festival in Copenhagen. Our marquee hosted discussion and activities focusing on budgeting and on the financial sector as a potential workplace.

In 2023, we also took part in the annual Money Week event organised by Finance Denmark, where staff from the country's banks go back to school to increase pupils' financial literacy by teaching them about budgeting, loans and interest.

Digital consumption

Jyske Bank is the lead sponsor of the annual Gamebox Festival, a big gaming convention. As part of the 2023 event, we hosted a panel debate on "Money in gaming", looking at gaming vs gambling and the issues around children playing addictive games. The panel consisted of Anne Fiskaali, a psychologist and researcher into gaming, e-sports and digital games, William Karlberg from the Danish Police's online patrol unit, and Rico Corneliussen, director of Esport Denmark.

"We decided to go in as lead sponsor of Gamebox Festival for two reasons. On the one hand, we see gaming and e-sports as a positive environment where everyone can participate regardless of age, physical ability, ethnicity, gender and so on. On the other, there is the risk of addiction and bad financial habits. We're keen to help here by providing more information for children and parents," says Jens Skov, Head of Events & Partnerships at Jyske Bank.

"... we see gaming and e-sports as a positive environment where everyone can participate regardless of age, physical ability, ethnicity, gender and so on"

Jens Skov, Head of Events & Partnerships

Combating loneliness

Jyske Bank continued to help tackle some of the problems and taboos associated with loneliness through a number of customer events as part of the Denmark Eats Together campaign by Folkebevægelsen mod Ensomhed (United against Loneliness). In connection with the campaign, we invited women to dinner in four towns during the year. Local branches created a pleasant setting for presenting the bank's social engagement and providing information on sustainable investment opportunities, all warmly welcomed by the guests.

We also shone a spotlight on our local partnership Flere i Fællesskaber (FiF) [More Together], which aims to reduce loneliness among young and old in Silkeborg Municipality. In 2023 FiF used our facilities for a network meeting with all of the partners, and FiF also borrowed our advertising pylon at our head office for its own messages during a campaign week.

"It raises awareness in the town and shows how broadly supported the initiative is when Jyske Bank makes its pylon available for a community campaign. It's a joint venture – across different sectors – which is making a real difference," says Ann-Britt Dalby from Silkeborg Municipality.

Old partnership – new name and format

Jyske Bank has been a member of Folkebevægelsen mod Ensomhed (FmE) [United against Loneliness] since 2015. Together with around 90 NGOs, municipalities etc., we aim to reduce the number of people in Denmark struggling with severe loneliness.

We previously participated in the Nationale Partnerskab mod Ensomhed (NPE) [National Partnership Against Loneliness] when it needed to gather knowledge and inspiration on how the private sector is working on inclusion and togetherness in the workplace.

The two organisations FmE and NPE will be merging in 2024 – and it is hoped that this will create synergies and a stronger image so that everyone in Denmark is aware of United against Loneliness. Jyske Bank is contributing with our competencies and resources. We are therefore arranging dinners events, producing short videos about loneliness and togetherness, and encourage to volunteering. In this way, we're helping draw attention to an issue that we believe to be important.

THEME:

Green Bazaar helps promote local sports

Jyske Bank continued to work closely with local stakeholders on the Green Bazaar, a sports recycling scheme - for a third year in Viborg and for the first time in Aarhus and Holstebro. The concept is simple: Used sports clothing and equipment for indoor use is collected and sorted by volunteers from various clubs and Jyske Bank, and everybody can then drop by on the day of the bazaar to upgrade their wardrobe for free and give this used sportswear and equipment a new lease of life. For some young people, the bazaar is a real help because they might not have the money for new trainers for example. For others, a possibility of thinking in terms of reuse.

"We believe that it's no longer enough just to hand out kit sponsorships. Something more is needed, and we can see that we're making a noticeable difference with the Green Bazaar. We've had really strong support, and the scheme has taught us that when everyone contributes the resources at their disposal, we can achieve much more than our traditional sponsorships could," says Rikke Lyng Lauridsen, Manager at Jyske Bank.

In Aarhus, 600 kg of clothes were collected. The bazaar was well attended and around 1,000 children and adults dropped by the bazaar to see if they could find something useful, but unfortunately there was not enough sportswear and equipment to cover the demand. But the support for the event was top notch.

"I was completely blown away by the support we had in Aarhus. It was a great pleasure to be able to pass on so many clothes and shoes to young people who needed them. The Green Bazaar is a fantastic example of when we bring together people with different skills from clubs, the local authority and businesses, we can move to the next level and make a much bigger difference than we can on our own," says Ulla Vestergaard Madsen, Market Director at Jyske Bank.

The Green Bazaar concept has been developed in close collaboration between Jyske Bank's branches, sports clubs, local authorities, businesses and volunteers. It is a great way of showing support and engagement, helping local clubs and societies, making a difference for the climate – and getting even more children and young people to participate in sports.

IT and data security

As a large financial institution, Jyske Bank wants to support our customers with digital platforms and protect their personal and financial data. An increasingly digital world is asking more and more of our IT and data security, and we aim to maintain the highest standards to defend against cyber threats and ensure that the related risks are managed professionally.

Higher focus on privacy data

As part of the security of personal data, we have in 2023 increased focus on developing new and stronger methods and processes for handling privacy data. In addition, we have reassessed all important data handling processes to ensure continuous monitoring of risks in the privacy area. In addition, the bank's handling processes and method have been expanded to ensure that employees who are in contact with customer data in the best possible way handle customer data with a high degree of responsibility.

Attack averted

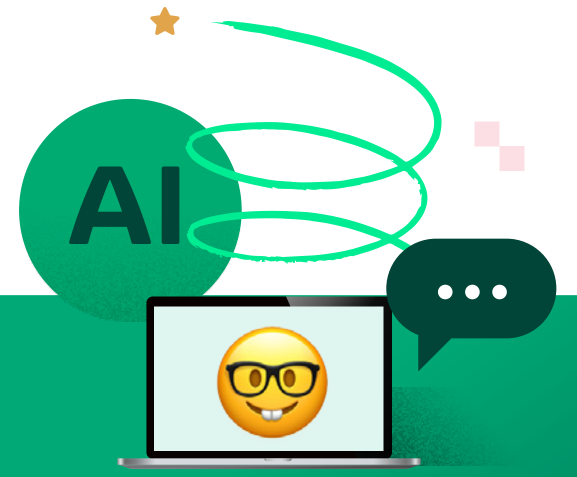
Creativity flourishes among cyber criminals. We saw this in early 2023 when the bank was hit by a DDoS attack, which is an overload attack as hackers attempt to paralyse our digital platforms to the detriment of customers and employees. We managed to fend off the attack, so customers only experienced minor inconvenience. The attacks were orchestrated in a more advanced way than we have previously experienced, and consequently we upgraded our defence. We have obtained an efficient defence which is able to absorb and combat major DDoS attacks.

Generative AI

Generative AI took the world by storm in 2023 and brings not only new business opportunities, but also greater risk of better-planned cyber attacks carried out with greater quality and precision. In 2024, we will therefore step up efforts to identify and support responsible use of AI for business purposes, for instance by offering e-learning modules about AI and to clarify the use of AI in a work context. Furthermore, we will analyse new lines of attack opened up by AI in order to further strengthen our cyber defence.

New and stricter demands in store

As from January 2025, the financial sector must observe new and considerably stricter demands for parts of the IT security area. New financial sector legislation is also expected on cyber and information security. Our current assessment is that Jyske Bank is already in a strong position in terms of compliance, but some of the new requirements will require major changes and increased levels of security both on the technology side and on the administration side.



Geek nights focusing on AI and ChatGPT

Artificial intelligence (AI) is about simulating human intelligence using machines that are programmed to think and learn in the same way as we do. AI has rapidly become part of everyday life – with many people benefiting from the opportunities it opens up, and it will affect large parts of our lives in the future. ChatGPT is the software that has grown fastest in terms of user numbers and is for many people synonymous with AI.

To learn more about AI, our Business Concepts and Quality Development departments invited all employees to "geek nights" during the autumn to gain new knowledge and insights in this area. One of Denmark's leading experts, Erik David Johnson, spoke about how AI works and why it will be transformative for the way we work in the future.

Two events were held in Kgs. Lyngby and Silkeborg, respectively – more than 200 employees participated.

Prevention of financial crime

Thorough customer due diligence can prevent Jyske Bank from being misused for money laundering and terrorist financing. The bank's financial products and services enable personal and corporate customers to plan, finance and invest for both their current and future needs. However, there is also a significant risk of the bank being misused. Preventing financial crime is therefore a top priority for Jyske Bank, and we aim to prevent the misuse of the bank for unlawful purposes of any kind.

We strive continuously to improve our knowledge of our customers and their business activities. We have therefore initiated processes which ensure monitoring of their transactions and behaviour, and the bank's employees receive regular training in this area.

When it comes to prevention of financial crime the bank centralised and specialised tasks in 2023, corresponding to additionally 60 full-time employees. The primary focus has been to strengthen the bank's know-your-customer (KYC) procedures and monitoring transactions. We will continue the focus on development of these areas in 2024.

Centralisation of customer due diligence tasks

Recurring customer due diligence tasks were centralised during 2023.

Centralising these tasks creates great value for the individual customer adviser, freeing up more time for customer-oriented tasks, such as advisory services. The higher quality of the task solution thus benefits both the customers and the bank. Even so, it is still the individual adviser who is responsible for each customer's overall money-laundering risk, reflecting the adviser's knowledge of the customer from meetings and other contact.

Orders from the Inspections by the Danish Financial Supervisory Authority

In June 2023, Jyske Bank received a report from the Danish Financial Supervisory Authority with four orders concerning the bank's cash management. The four orders concern the quality of KYC procedures, the effectiveness of the banks's internal controls in the KYC area, monitoring of cash in high-risk areas and monitoring of holders of powers of attorney and preventing employees from misusing their position.

We have duly noted the orders, one of which was resolved in 2023. The other three orders are expected to be resolved by the end of first quarter of 2024.

Customers must also be aware

We work on an ongoing basis with improvements of our systems internally at the bank, but in addition, we also want our customers to be aware of the typical risk situations where they must be extra alert. All of our efforts are relevant across customer segments, but there are some groups, such as the elderly, who are considered to be particularly at risk.

Our many initiatives to raise awareness around fraud include:

- New solution enable the customer to lower the maximum amount that can be transferred each day using online banking
- Reducing the threshold for transactions that need to be verified by the customer, meaning that even more transactions require additional two-factor authentication
- Focus on mule activity in connection with Ungdommens Folkemøde at Valbyparken

Higher focus on governance and risk tolerance

In 2023, the money-laundering reporting officer has become part of Group Management to ensure that responsibility is increasingly anchored at Group level. In addition, business units are also involved in a new Forum for Customer Assessment designed to look at customers associated with a particularly high risk in terms of money laundering, terrorist financing or sanctions. We also created a new department for analysis and risk identification which will set the bank's risk tolerance level and create greater transparency.

DKK 1,000 note to be withdrawn

At the end of 2023, the Danish central bank decided that the DKK 1,000 banknote and older banknotes will be withdrawn in 2025. The decision was prompted by the declining use of cash in Denmark during the past many years – a trend that is expected to continue. Given people's willingness to use new digital payment solutions and the general trend for digitisation in Danish society, this is a natural development.

We welcome the decision, which we consider a positive step towards combating money-laundering. We stopped paying out DKK 1,000 notes from our cash machines back in 2018, simultaneously launching even more digital payment solutions for our clients.

The total value of notes and coins in circulation in Denmark is currently around DKK 69 billion, with DKK 1,000 notes making up no less than DKK 23 billion of this. Only one in ten transactions in stores are now paid for in cash, mainly by people aged 30-39 and 60-69.

Healthy corporate culture

Back in the 1990s, Jyske Bank was one of the first banks to work with values-based behaviour and leadership, as opposed to a leadership style based on rules and control. Our values are the DNA that binds us together and determines how we treat both one another and others. The values bring a common language and culture for our employees and mean that our customers can feel confident that they know Jyske Bank and what we stand for.

A fundamentally responsible bank

As a systemically important financial institution, the Jyske Bank Group strives to live up to the Group's social significance. That is why we endeavour to run a sustainable and responsible business in all respects. It is about complying with the legislation in force at any given time and meeting the expectations that our stakeholders rightly have of us.

High ethical and professional standards

To live up to the expectations of running a responsible business, it is vital that we have a healthy corporate culture building on the highest ethical and professional standards. These standards frame our employees' approach to the risk of the bank being exposed to financial crime on the part of customers or business partners.

We want to make sure that we continue to have a healthy corporate culture in the future, and our actions are guided by legislation and guidelines on responsible customer advice, tax, data ethics and remuneration. We want to be transparent and therefore publish policies and data – and we work with the authorities on supervision, procedures and any specific issues arising. We cannot rule out errors, but we are open about them and make sure we learn from them.

Principles before profits

As a significant financial institution in Denmark with different types of customers and financial transactions, we are conscious of the risk of being misused for purposes of corruption, bribery and other forms of financial crime by customers, business partners and others.

As a responsible and values-based business, Jyske Bank does not accept corruption and bribery. No customer or other business partner is good or important enough for Jyske Bank to compromise on these principles, which will always go before profit. We set high ethical and professional standards for our anti-corruption and anti-bribery efforts, and our employees are expected to act with honesty and integrity. Consequently, we pursue a zero-tolerance policy for deliberate breaches of our anti-corruption and anti-bribery policies.

The Policy Promoting a Healthy Corporate Culture covers all activity and professional areas and requires that all professional conduct in the Group is governed by objective and lawful motives. Should a situation arise where an employee notices or suspects potential infringements of EU law, financial regulation, serious breaches of the law or other serious matters, the case will be submitted for further investigation in the Group. Employees can use our whistleblower programme anonymously, protecting them from reprisals.

The policy was updated in 2023 to reflect international standards and was subsequently approved by the Supervisory Board.

”... the values are the bank's DNA that bring a common language and culture for our employees and mean that our customers can feel confident that they know Jyske Bank and what we stand for"

Open dialogue and a flat hierarchy

The bank's communication culture is one of openness, trust and respect between management and other employees. This contributes to a general sense of engagement and an understanding that people can contribute and create value whatever their role or seniority. This is underlined by the fact that multiple perspectives in e.g. decision processes is regarded as value-generating. Our leadership approach reflects the view that the individual employee is both able and willing to take responsibility for their own work. People's skills and judgement are trusted by management, and employees are given responsibilities and powers commensurate with their role and competence.

Data ethics policy

Data are a cornerstone of the Jyske Bank Group's business and form part of most solutions, both internal and external. Communication with customers and stakeholders is based on high-quality data. The Group's policy on data ethics sets out how data ethics are to be integrated into our business processes and the use of data by management and other employees.

Personal data are involved in a wide range of processes in the Jyske Bank Group. The use of data on customers and their interactions with the Group, together with data on our products and services, is essential for our business model and our ability to deliver the best solutions for our customers.

The use of solutions involving elements of artificial intelligence often requires a position to be taken on data ethics, and it is crucial for the Group that customers feel confident that their data will be treated with respect and care, and in accordance with the law and the Group's goals and values.

New focus areas

We conducted an information campaign in this area for selected parts of the development organisation in 2023. As a Group, we also took a position on the use of generative AI such as ChatGPT, which was on everyone's lips during the year. This has resulted in internal guidelines to provide guidance on this work.

Those responsible for development initiatives involving IT will continue to be reminded methodically of our position on data ethics dilemmas as part of their development activities.

Human rights

Human rights, as established in both the Danish labour market model and international conventions, norms and values, are a natural foundation for the Jyske Bank Group's activities. We see human rights as a basis for a safe, just and equal society.

Human rights are universal, meaning that all people should be treated with dignity. Some of the social challenges faced by the world, such as conflict, climate change and discrimination, are inspiring efforts to ensure a sustainable and successful future for all. This asks much of governments, but businesses too have a responsibility to respect human rights, as set out in the UN's Guiding Principles on Business and Human Rights.

On the one hand, businesses can hinder safe working environment, exploit migrant labour and harm done to the communities. On the other, they can promote human rights by providing decent work, raising living standards and ensuring a responsible and sustainable supply chain.

As a major financial institution, Jyske Bank distances itself from human rights violation as an employer, as a supplier of various financial services, and as a driving force for progress and prosperity. Our contribution takes place at multiple levels: in the workplace, in the way we do business and who we do business with, among the partners we work and share knowledge with, and finally in our value chain.

In the Jyske Bank Group, human rights are fundamental values, and we see a role as an active participant in work for equal rights as a natural consequence of our size and the composition of our workforce. Therefore, Jyske Bank makes continuous efforts to respect human rights and via an open culture, clear channels and procedures, we encourage employees to speak out against discrimination and violations. In 2024, our work on human rights in the context of the bank's operations, and our communication of this work, will be furthered through participation in the UN Global Compact's Business & Human Rights Accelerator programme. Hence, we will focus on integration of the UN Guiding Principles through a management system that ensures that human rights impacts are managed, minimised and prevented.

Progress and efforts

Progress in 2023

Attractive workplace

- In connection with recruitment, the HR department contacted 231 candidates via LinkedIn, of which 70.1% of the male candidates and 54.8% of the female candidates responded
- Representation of both genders in 79% of the first-round interviews registered
- Roll-out of Proactive Early Care for sick leave of more than 14 days
- Expanded collaboration with educational institutions, by taking part in 77 network events, including Ungdommens Folkemøde, career fairs and CV workshops
- The Diversity Committee held three meetings

Social engagement

- Communal meals held as part of Denmark Eats Together in four towns
- Internal and external focus on National Food Waste Day in September
- More Together: participated in activities and focused on voluntary work (mentor scheme). As a media partner, lent out our pylon and produced films about activities for young people and the elderly
- The contribution to FødevareBanken has delivered 1,307 tonnes of surplus food, equivalent to 3.4 million meals, to socially disadvantaged people
- Green Bazaar held in Holstebro, Viborg and Aarhus
- Co-initiator for Aktive Medspillere in Bjerringbro, where more children and young people participate in leisure activities
- Container deposits collected in the bank's departments have been donated to the Red Cross – worth DKK 60,000

IT and data security

- Methods for identification and management of the bank's risk exposure, complying with best practice in the area
- Stronger cross-sectoral knowledge-sharing on cyber and information security through participation in sector fora and networks
- Action to increase cyber resilience through the bank's use of technology implemented
- Further training of employees and further reinforcement of specific knowledge around cyber and information security
- More scenarios and parameters in transaction monitoring for greater efficiency and quality

Prevention of financial crime

- Implementation of system support for customer KYC procedures, e.g. push notification about the need for updated information about the customer relationship
- Stricter monitoring of cash withdrawals in risk countries and corporate customers' cash withdrawals to reduce the risk of money laundering when using cash
- More targeted and effective transaction monitoring with several self-developed scenarios in which several parameters are used
- Further development of internal tools for alarm processing and customer KYC tasks provides an overview and increases efficiency and quality

Efforts in 2024

Attractive workplace

- Focus on the working environment by rolling out Jyske Work Lab
- Attract new job applicants, e.g. through networking, relationships and communications with educational institutions
- Focus on increasing the response rate from both sexes in relation to recruitment via LinkedIn
- Facilitate established networks across the organisation and among educational institutions

Social engagement

- Focus on voluntary work by the banks's seniors and pensioners and, among other things, collaboration with FødevareBanken through the scheme 'From bank to bank'
- Hold Green Bazaar in at least three cities
- Collect container deposits and donate the money to the Red Cross
- Expand Aktive Medspillere by several types of events

IT and data security

- Maintain focus on identifying and managing risk exposure when it comes to privacy data
- Continue interdisciplinary knowledge sharing in the sector through various fora and seminars relating to cyber and information security
- Increase action on identification and support of responsible use of AI for business purposes
- Continue training of employees and further reinforcement of specific knowledge around cyber and information security

Prevention of financial crime

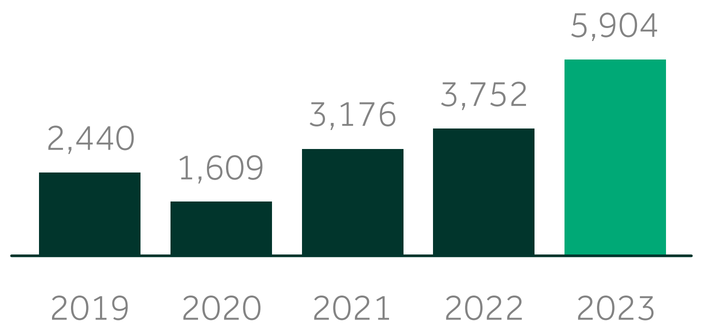
- Continued focus on improvements to processes, so that it is easier for customers to provide the bank with the necessary information regarding the customer KYC processes
- Governance structure will be optimized, which e.g. involves a review of the way decisions are made – both on principal decisions and at customer level
- Focus on transaction monitoring, which is constantly evolving

Financial Review

Result for the year

Net profit

DKKm



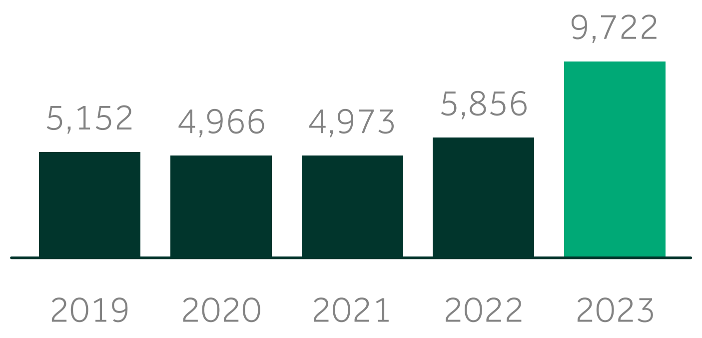
Earnings per share rose by 61% to DKK 89 against DKK 55 for the previous year, corresponding to a net profit of DKK 5,904m and DKK 3,752m, respectively. The increase was fuelled, in particular by the acquisition of Handelsbanken Denmark and the impact from the higher level of interest rates and favourable financial markets. The profit for 2023 is in line with the most recently announced expectations of earnings per share of approx. DKK 89 and a net profit of approx. DKK 5.9bn.

Core profit and net profit for the year (DKKm)

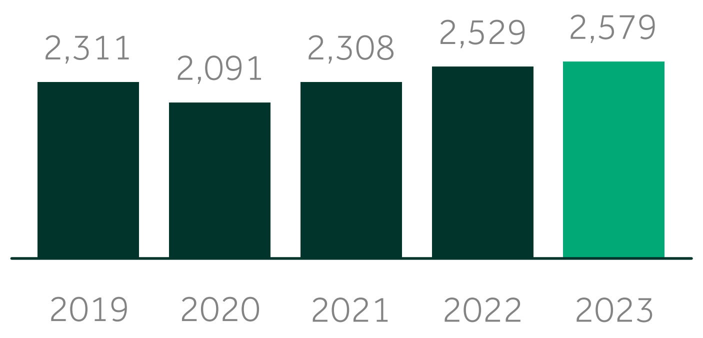
	2023	2022	Index 23/22	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Net interest income	9,722	5,856	166	2,567	2,516	2,415	2,224	1,773
Net fee and commission income	2,579	2,529	102	766	602	553	658	681
Value adjustments	1,539	139	1,107	661	452	186	240	523
Other income	227	239	95	62	35	26	104	44
Income from operating lease (net)	289	343	84	56	66	83	84	60
Core income	**14,356**	**9,106**	**158**	**4,112**	**3,671**	**3,263**	**3,310**	**3,081**
Core expenses	6,103	4,879	125	1,605	1,524	1,494	1,480	1,329
Core profit before loan impairment charges	**8,253**	**4,227**	**195**	**2,507**	**2,147**	**1,769**	**1,830**	**1,752**
Loan impairment charges	127	-605	–	31	-13	13	96	-158
Core profit	**8,126**	**4,832**	**168**	**2,476**	**2,160**	**1,756**	**1,734**	**1,910**
Investment portfolio earnings	-3	-131	2	-10	65	-89	31	-29
Profit before one-off costs	**8,123**	**4,701**	**173**	**2,466**	**2,225**	**1,667**	**1,765**	**1,881**
One-off costs relating to Handelsbanken DK	-235	-144	163	-79	-59	-59	-38	-66
Pre-tax profit	**7,888**	**4,557**	**173**	**2,387**	**2,166**	**1,608**	**1,727**	**1,815**
Tax	1,984	805	246	589	548	409	438	257
Net profit for the period	**5,904**	**3,752**	**157**	**1,798**	**1,618**	**1,199**	**1,289**	**1,558**
Interest on AT1 capital, charged against equity	163	147	111	43	41	40	39	39

Core income

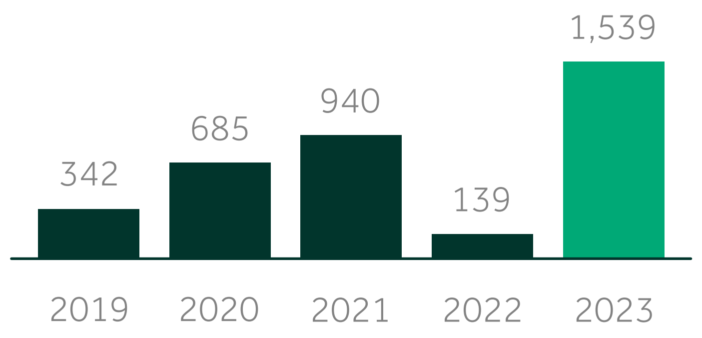
Net interest income
DKKm



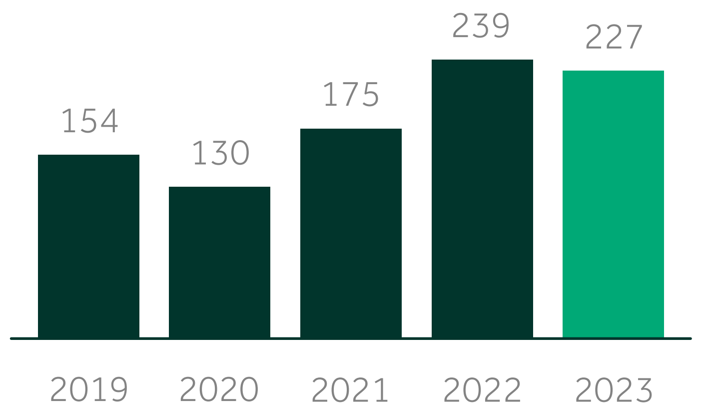
Net fee and commission income
DKKm



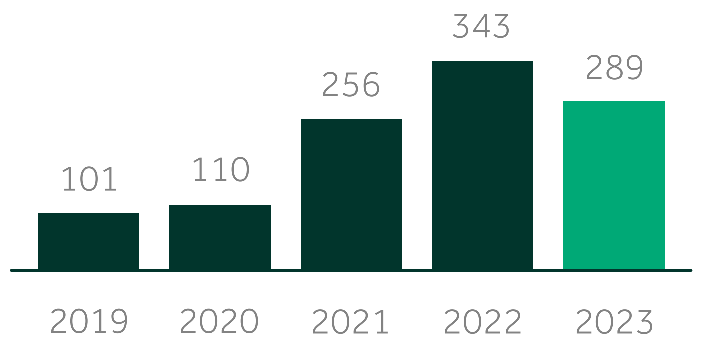
Value adjustments
DKKm



Other income
DKKm



Income from operating lease (net)
DKKm



Core income rose by 58% relative to 2022 boosted by net interest income.

Net interest income rose by 66% to DKK 9,722m. This is the highest level so far and is due primarily to a significantly higher level of interest rates. Nationalbanken's rate of interest on certificates of deposit was lifted to 3.6% at the end of 2023 from -0.6% at mid-2022. The higher interest-rate level has improved the return on Jyske Bank's bond holdings and placings with central banks, etc. In addition, the acquisition of Handelsbanken Denmark also contributed considerably to the increase in net interest income.

Net fee and commission income was up 2% to DKK 2,579m. The increase is attributed to the acquisition of Handelsbanken Denmark and PFA Bank which more than offset the impact from lower refinancing and trading activity.

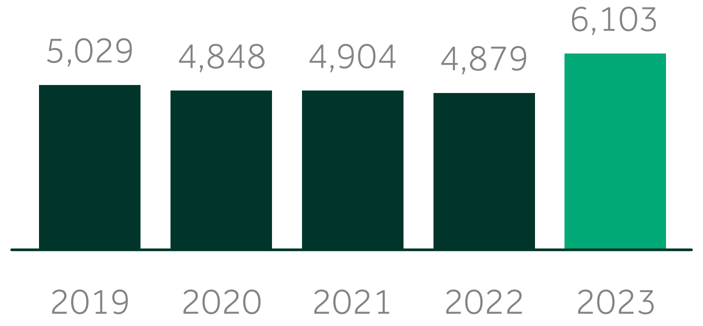
Value adjustments increased to DKK 1,539m from DKK 139m in the preceding year. The positive results can be attributed to a favourable development in the financial markets, including, in particular, the price development of Danish mortgage bonds.

Other income declined to DKK 227m from DKK 239m. The year before showed a high level of share dividends etc. as well as positive results on equity investments in associates.

Income from operating lease (net) fell to DKK 289m from DKK 343m. The sales conditions in the used car market remained favourable although used car prices declined from a high level.

Core expenses

Core expenses
DKKm

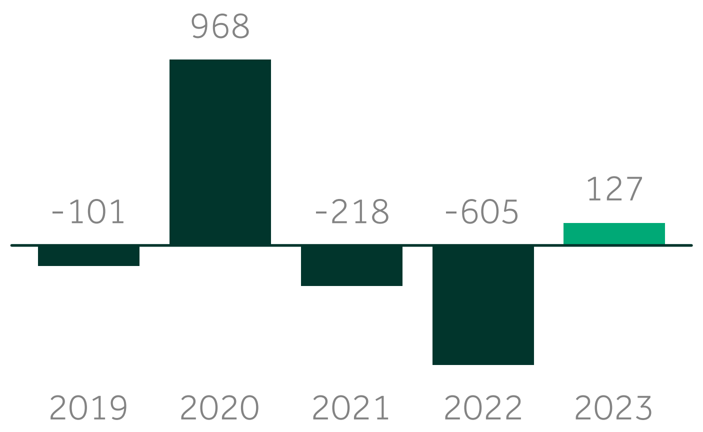


Core expenses rose by 25% compared to 2022. The increase can primarily be attributed to the acquisition of Handelsbanken Denmark which contributed, among other things, to an increase in the number of full-time employees as well as higher expenses for data vendors and amortisation of acquired customer relations. The increase was also supported by a higher number of full-time employees relating to financial crime prevention as well as the acquisition of PFA Bank. In addition, the effect from wage adjustments relating to the collective agreement at 4.5%.

In addition to core expenses non-recurring costs relating to the integration of Handelsbanken Denmark rose to DKK 235m from DKK 144m in the preceding year.

Loan impairment charges

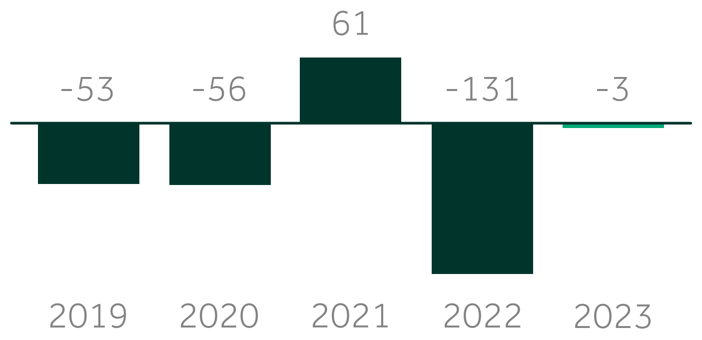
Loan impairment charges
DKKm



Loan impairment charges amounted to an expense of DKK 127m against an income of DKK 605m in 2022. The low expense corresponds to 0.02% of gross lending and guarantees and can primarily be attributed to rising interest rates and expectations of a slowdown in the economy. The post-model adjustments relating to loan impairment charges rose as a result of the macroeconomic uncertainty. The credit quality is still solid with a low level of non-performing loans and the lowest level of actual write-offs for more than a decade.

Investment portfolio earnings

Investment portfolio earnings
DKKm



In 2023, investment portfolio earnings amounted to DKK -3m against DKK -131m in 2022. Positive return on Danish mortgage bonds was more than offset by rising internal funding costs due to a higher interest-rate level. The hedging of additional tier 1 capital instruments in SEK had a positive effect of DKK 14m in 2023 and was offset by a negative adjustment of shareholders' equity.

The fourth quarter of 2023 compared to the third quarter of 2023

Earnings per share amounted to DKK 27 in the fourth quarter against DKK 25 in the third quarter, corresponding to a net profit of DKK 1,798m and DKK 1,618m, respectively.

Core income rose by 12% due to particularly high value adjustments and higher net fee and commission income.

Net interest income increased by 2%. The increase is due to both a continued rise in interest income relating to loans and higher income from excess liquidity due to the higher level of interest rates. These factors more than offset the effect from 0.25 percentage point higher deposit rates on transactions accounts as from 27 November 2023.

Net fee and commission income increased by 27% relative to the preceding quarter. The development can mainly be attributed to seasonally higher investment-related fee income and the acquisition of PFA Bank. The categorisation of some items of fee income was changed in connection with the migration of Handelsbanken Denmark from BEC to Bankdata.

Value adjustments amounted to DKK 661m against DKK 452m in the preceding quarter. The positive trend can primarily be attributed to higher prices of bonds due to falling interest rates.

Income from operating lease (net) fell to DKK 56m from DKK 66m. Sales conditions in the used car market were still favourable although realisation gains from the sale of used cars showed continued signs of normalisation.

Core expenses rose by 5% to DKK 1,605m. The development can primarily be attributed to the acquisition of PFA Bank. Non-recurring costs relating to the acquisition of Handelsbanken Denmark rose to DKK 79m from DKK 59m.

Loan impairment charges amounted to an expense of DKK 31m against an income of DKK 13m in the preceding quarter. Credit quality is still solid with a low level of non-performing loans and the level of post-model adjustments relating to loan impairment charges was up by DKK 519m.

Investment portfolio earnings amounted to DKK -10m against DKK 65m in the preceding quarter. The development can be attributed both to lower net interest income and lower value adjustments.

Business volume

At the end of 2023, Jyske Bank's total loans (exclusive of repo loans) amounted to DKK 503.2bn and consisted of 70% mortgage loans at fair value and 30% bank loans, an increase of 3% compared with the end of 2022 due to higher mortgage lending.

Nominal mortgage loans rose to DKK 373.7bn from DKK 365.6bn. Higher loans to corporate customers and subsidised housing more than offset the effect from lower lending to private customers.

Bank loans amounted to DKK 150.5bn against DKK 155.5bn at the end of 2022. The change can be attributed to loans under bank activities as the majority of the decline coincided with the deferral of tax and VAT payments. Loans under leasing activities realised an increase of 3% driven by corporate customers.

Bank deposits amounted to DKK 199.8bn, corresponding to a 6% increase relative to the end of 2022. The development was fuelled by a higher amount of time deposits from corporate customers whereas private customers migrated to savings products with higher deposit rates. Bank deposits were DKK 49.3bn higher than bank loans at the end of 2023.

The business volume within asset management rose to DKK 248bn at the end of 2023 from DKK 218bn at the end of 2022. The business volume was over the period affected by the acquisition of PFA Bank, positive market returns, positive net sales of investment solutions to retail customers and negative net sales to institutional customers.

Summary of balance sheet, end of period (DKKbn)

	2023	2022	Index 23/22	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Loans and advances	557.3	541.7	103	557.3	538.5	542.0	542.0	541.7
– of which mortgage loans	352.7	333.7	106	352.7	337.6	337.9	338.2	333.7
– of which bank loans	150.5	155.5	97	150.5	151.8	154.1	155.1	155.5
– of which repo loans	54.1	52.5	103	54.1	49.1	50.0	48.7	52.5
Bonds and shares, etc.	103.0	97.4	106	103.0	98.5	93.3	99.7	97.4
Total assets	779.7	750.0	104	779.7	759.5	766.6	786.0	750.0
Deposits	218.3	208.4	105	218.3	215.8	215.7	228.3	208.4
– of which bank deposits	199.8	189.1	106	199.8	194.9	194.4	202.2	189.1
– of which repo and triparty deposits	18.5	19.3	96	18.5	20.9	21.3	26.1	19.3
Issued bonds at fair value	345.7	324.2	107	345.7	333.5	332.5	331.2	324.2
Issued bonds at amortised cost	93.7	95.4	98	93.7	86.5	90.8	96.8	95.4
Subordinated debt	6.1	6.4	95	6.1	6.1	6.1	6.1	6.4
Holders of additional tier 1 capital	3.3	3.3	100	3.3	3.3	3.3	3.3	3.3
Shareholders' equity	42.6	37.3	114	34.9	41.3	39.8	38.6	37.3

The fourth quarter of 2023 compared to the third quarter of 2023

Jyske Bank's total loans (exclusive of repo loans) amounted to DKK 503.2bn at the end of the fourth quarter against DKK 489.4bn in the previous quarter. The development can be attributed to higher mortgage loans.

Nominal mortgage loans rose by 1% due to higher loans to corporate customers.

Bank loans driven by 1% underpinned by public authorities.

Bank deposits rose by 3% in the fourth quarter as private customers still transferred deposits to savings products.

The business volume within asset management was up to DKK 248bn from DKK 225bn boosted by the acquisition of PFA Bank and rising prices of equities and bonds and positive net sales to both retail customers and institutional customers.

Credit quality

Jyske Bank's credit risks primarily relate to mortgage loans secured against real property as well as bank loans, advances and guarantees. Loans, advances and guarantees are distributed with 59% to corporate customers, 39% to private customers, and 2% to public authorities. At the end of 2023, the total exposure rose by 3% to DKK 567.0bn relative to the level at the end of 2022.

Loan impairment charges amounted to an expense of DKK 127m in 2023, corresponding to 2bp of gross loans, advances and guarantees. The effect on the income statement is distributed with an expense of DKK 90m relating to banking activities, an income of DKK 12m relating to mortgage activities, and an expense of DKK 49m relating to leasing activities. The expense in 2023 was generally caused by higher model-based loan impairment charges due to rising bankruptcy risks in the Danish economy. Moreover, post-model adjustments relating to impairment charges increased by DKK 509m. Recognised write-offs losses amounted to DKK 306m in 2023 or 5bp against DKK 438m and 8bp in the preceding year, respectively.

At the end of 2023, stage 3 loans amounted to 1.1% of loans, advances and guarantees against 1.2% at the end of 2022 and hence remained at a low level. The proportion of loans subject to forbearance measures fell to 1.3% of loans, advances and guarantees from 1.4%.

At the end of 2023, Jyske Bank's balance of loan impairment charges amounted to DKK 4.7bn, corresponding to 0.8% of loans, advances and guarantees against DKK 4.6bn and 0.8%, respectively, at the end of 2022. Inclusive of the balance of discounts for acquired assets at DKK 0.3bn, Jyske Bank's balance of impairment charges and discounts amounted to DKK 5.1bn, or 0.9% of loans, advances and guarantees at the end of 2023.

Loan impairment charges and provisions for guarantees (DKKbn)

	2023	2022	Index 23/22	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Loans, advances and guarantees	567.0	552.8	103	567.0	549.3	553.2	553.2	552.8
– stage 1	540.7	528.4	102	540.6	523.8	526.3	527.0	528.4
– stage 2	19.9	17.8	112	19.9	19.4	20.6	20.0	17.8
– stage 3	6.4	6.5	98	6.4	6.0	6.2	6.1	6.5
– purchased or originated credit-impaired	0.1	0.1	100	0.1	0.1	0.1	0.1	0.1
Balance of loan impairment charges	4.7	4.6	102	4.7	4.8	4.8	4.7	4.6
– stage 1	1.4	1.2	117	1.4	1.5	1.3	1.3	1.2
– stage 2	0.9	1.1	82	0.9	1.0	1.1	1.1	1.1
– stage 3	2.4	2.3	104	2.4	2.3	2.4	2.3	2.3
Balance of discounts for acquired assets	0.3	0.6	50	0.3	0.3	0.4	0.5	0.6
Non-accrual loans and past due exposures	0.7	0.6	106	0.7	0.7	0.6	0.5	0.6
Loan impairment charges	0.1	-0.6	–	0.0	0.0	0.0	0.1	-0.2
Write-offs	0.3	0.4	70	0.1	0.1	0.0	0.1	0.1

At the end of 2023, loan impairment charges based on post-model adjustments amounted to DKK 1,934m against DKK 1,425m at the end of 2022, or 37bp and 28bp, respectively of gross loans, advances and guarantees (exclusive of repo loans). The estimates remained at a high level and still by far reflect macroeconomic risks. The increase of DKK 509m in 2023 can primarily be attributed to a technicality due to Handelsbanken Denmark's migration of data processing centre in November from BEC to Bankdata whereby the proportion of post-mode adjustments at DKK 303m included in Handelsbanken Denmark's balance of loan impairment charges was specified. In addition, the increase in post-model adjustmetns was a result of the macroeconomic development and higher uncertainty of prices of especially investment and rental property due to the higher level of interest rates.

Recognition and measurement uncertainty

Measurement of certain assets and liabilities is based on accounting estimates made by the Group management. The areas that involve assumptions and estimates that are material for the financial statements include loan impairment charges, fair value of unlisted financial instruments, provisions and acquisitions and are described in detail under Accounting Policies (note 68), to which reference is made.

Loans, advances and guarantees – by sector (DKKbn/%)

	Loans, advances and guarantees		Impairment ratio	
	2023	**2022**	**2023**	**2022**
Public authorities	**13.4**	**13.8**	**0.0**	**0.0**
Agriculture, hunting, forestry and fishing	13.5	12.5	0.7	1.2
Manufacturing industry and mining	14.8	14.8	2.0	1.5
Energy supply	11.6	9.0	0.4	0.3
Construction	12.0	10.4	0.8	0.9
Commerce	12.2	13.0	3.6	2.2
Transport, hotels and restaurants	7.2	6.4	1.8	1.7
Information and communication	2.4	3.1	1.2	4.3
Financing and insurance	59.6	62.7	1.3	1.4
Real property	175.7	165.3	0.6	0.5
Other sectors	24.2	24.5	1.4	1.0
Corporate customers	**333.2**	**321.7**	**1.0**	**0.9**
Personal customers	**220.4**	**217.3**	**0.7**	**0.7**
Total	**567.0**	**552.8**	**0.8**	**0.8**

Risk management

Risk handling is an integrated part of Jyske Bank's business model. In this connection, the Group's risk management organisation's objective is to deliver decision-support management reporting, analyses and monitoring relative to primarily capital, liquidity and risk issues. This is in order to support the Group's strategic targets within the framework of a risk appetite determined by the Supervisory Board. The overall objective of risk management is to identify and assess risks to the effect that these can be handled and mitigated to a relevant degree and at an appropriate balance between risk and return.

It is crucial for Jyske Bank's profitability and capital structure that operations of the enterprise are characterised by healthy and sufficient risk management and risk culture. This comprises:

- Systematic work with risk identification and risk statement
- Implementation of the Group Supervisory Board's risk appetite and specification hereof in relevant risk targets and risk limits
- Analysis and monitoring of internal and external issues which may affect and/or describe the Group's risk picture.

The work of the risk organisation is one of the basic elements of the management's basis for decision and the risk organisation's risk assessments are an integrated part of business decisions.

Due to the volatility of the Group's present risk environment a comprehensive and dynamic risk set-up is required which is on an ongoing basis delivering a holistic and true and fair risk picture with inclusion of all material risks.

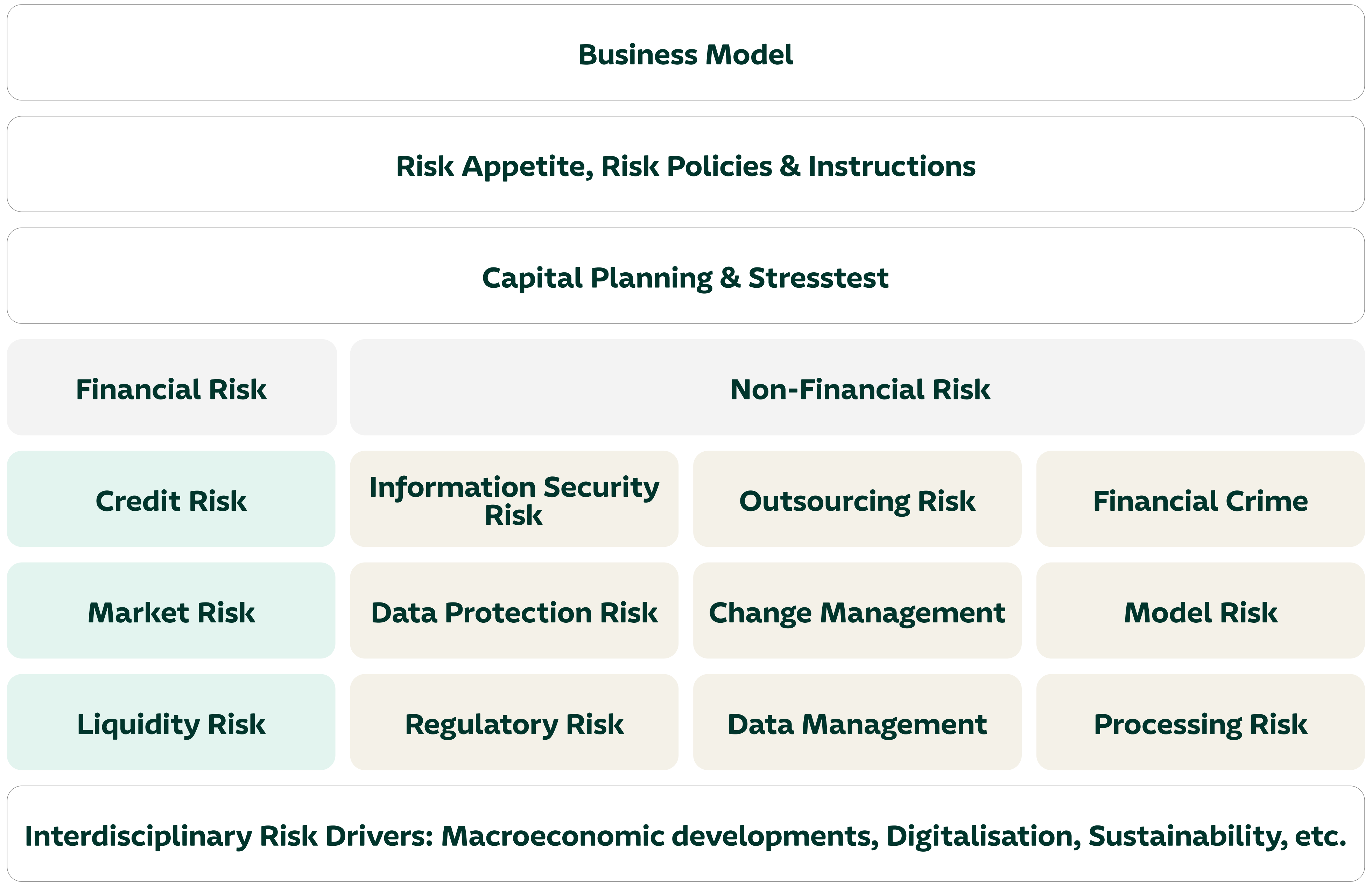
Risk organisation

In cooperation with the Executive Board, the Group Supervisory Board is responsible for ensuring that the Group has an organisational structure that will secure an appropriate separation of functions between units assuming risks and units controlling risks.

The Jyske Bank Group's work with risks and risk management is generally organised according to the model with three lines of defence.

Jyske Bank's approach to risk management

Jyske Bank's work with risks derives from the Group's business model and is outlined by the risk appetite of the Group Supervisory Board. This has been formulated in risk policies and instructions in all material areas. The derived risk profile is driven by a number of financial and non-financial risks. Jyske Bank's efforts to run a responsible and sustainable bank are also reflected in the bank's non-financial risk management. Risks in relation to employee and employment relationships, appropriate marketing/distribution and sufficient safety in the workplace are part of the bank's risk taxonomy and form part of the ongoing management of non-financial risks in the bank. Risks are analysed, monitored and reported on an ongoing basis in a continuous process.



Risk outlook 2023

Geopolitical instability

Integration of Handelsbanken Denmark

Economic slowdown

IT Risk management

Robust credit portfolio

Inflation and interest rates

Integration of Handelsbanken Denmark

The takeover of Svenska Handelsbanken's Danish business affected the risk picture for the Jyske Bank Group in 2023. The financing of the takeover reduced the Group's capital base by the goodwill payment of DKK 3 billion, while the balance sheet taken over increased risk-weighted assets by DKK 25 billion. The focus in 2023 was therefore on the year's earnings being used primarily for consolidation.

There are inevitably significant operational risks when taking over such a large portfolio. Throughout the process, the Jyske Bank Group has concentrated on being able to identify and mitigate these risks. So far, the integration has proceeded according to plan. The integration of systems and IT was successfully completed in November 2023.

The integration process and the quality of the portfolio taken over have lived up to expectations in all material respects.

Work on IT risks strengthened

The Group has worked intensively on expanding its IT risk management set-up in recent years. This work will continue in 2024. Against this background, the Group made a major contribution to the Danish FSA's extensive cyber risk stress-testing exercise, which included Jyske Bank's preparedness.

Slowdown in the Danish economy

The Danish economy has slowed, which is being reflected in lending activity. Despite the slowdown, the Group's loan portfolio has proved resilient, with losses and impairment charges still at low levels. This has to be expected to change in 2024, when we expect an increase in loan impairment charges.

Focus on inflation and interest rates

Inflation and interest rates were a focus area in 2023. The spring brought financial turmoil with a number of large American banks going under. This led to much wider credit spreads and so higher funding costs.

Inflation and interest rates were also in focus when it came to Jyske Bank's lending activities, because a large share of the Group's lending is for housing and other property. There are not yet any signs of either the personal or corporate portfolios being noticeably weaker, although higher interest rates will naturally affect customers.

Geopolitical unrest continues

Russia's invasion of Ukraine continued in 2023. In addition, we saw an escalation of the Israel-Palestine conflict, leading to unrest and attacks on commercial shipping in the Red Sea. The consequences include longer delivery times and higher freight rates. Freight rates climbed by around 70% in the last two weeks of 2023. This could create a risk scenario with supply chain issues and so further price inflation, and this is an element in the Group's stress scenarios in 2024.

Risk Unit reassured

All in all, the Group is satisfied with its current risk profile. Given the current environment of high interest rates and low economic activity, however, there are areas to which risk management will pay particular attention in the coming period. These are discussed below under "Risk outlook for 2024".

Risk outlook 2024

Housing and property pricese

Housing and property prices are a key focus area in the Group's risk management given Jyske Bank's business model with a large mortgage portfolio. Movements in housing and property prices will therefore continue to be monitored closely in the coming year. Market conditions had changed significantly at the end of 2023, with lower economic activity and higher interest rates which may not yet have been fully incorporated into prices. A new property tax was also introduced at the beginning of 2024 which is expected to have a particularly negative impact on apartment prices in the cities.

Sector-specific systemic risk buffer

As a consequence of the stagnant commercial property market, banks in Denmark will be subject to a sector-specific buffer of 7% of risk-weighted lending to real estate companies with effect from 30 June 2024. This has already been incorporated into the Group's capital planning and stress testing, and into the pricing of relevant loans.

Low economic growth and higher household expenditure

2024 will bring a special focus on the personal customer portfolio, as household finances are expected to be significantly affected by both higher interest rates and higher prices. The most cyclical business customers will also be monitored closely, including project financing and real estate companies.

Prospect of falling interest ratesd

Interest rates rose sharply in 2023, but the consequences for the Group's loan portfolio have been surprisingly limited so far. The composition of the bank's balance sheet means that the rise in interest rates entails a number of opposing and delayed effects. These are being followed and analysed closely – partly through the Group's stress tests.

Climate stress testing

ESG risk management and climate stress testing are a relatively young discipline, and we are constantly increasing our understanding of what the sustainability agenda and climate change mean for the Group's risk profile. One priority in 2024 will be further developing analytical tools and models and strengthening our data. The Jyske Bank Group will also take part in the Danish FSA's climate stress test and the European Banking Authority's one-off analysis of banks' resilience to the "Fit for 55" legislative package. Finally, Jyske Bank has reported in line with the TCFD recommendations since 2021.

Last year before CRR III

2024 will also be the last year before all banks are required to comply with the updated Capital Requirements Regulation (CRR III). The new rules will significantly affect the calculation of risk-weighted exposures, and so Jyske Bank has spent some time analysing and integrating the implications into the Group's capital planning.

Capital management

Capital ratios (%)

	2023	2022
Capital ratio	21.0	19.5
Core capital ratio incl. hybrid capital	18.3	16.7
Common equity tier 1 capital ratio	16.9	15.2

Weighted risk exposure (DKKm)

	2023	2022
Credit risk, etc.	197,866	195,379
Market risk	9,827	8,381
Operational risk	17,827	17,161
Total	**225,520**	**220,921**

Capital requirement

Capital requirement (%)

	Capital ratio		CET1 capital ratio	
	2023	2022	2023	2022
Pillar I	8.0	8.0	4.5	4.5
Pillar II	3.3	2.8	1.8	1.6
SIFI	1.5	1.5	1.5	1.5
Capital conservation buffer	2.5	2.5	2.5	2.5
Countercyclical buffer	2.4	1.9	2.4	1.9
Capital requirement	**17.7**	**16.7**	**12.8**	**12.0**

Excess capital relative to CET1 capital requirement (%)

	2023	2022
CET1 ratio	16.9	15.2
CET1 requirement	12.8	12.0
Excess capital	**4.1**	**3.2**

Jyske Bank's objective is to achieve a capital ratio of 20%-22% and a common equity tier 1 capital ratio of 15%-17%. At these levels, Jyske Bank can comfortably absorb the effects from future legislative changes while at the same time having the required strategic scope.

At the end of 2023, Jyske Bank had a capital ratio of 21.0% and a common equity tier 1 capital ratio of 16.9% against 19.5% and 15.2%, respectively, at the end of 2022. In 2023, the capital ratios increased due to the recognition of the profit for the year, which more than compensated for the effect from a higher weighted risk exposure and total distribution of dividends worth up to DKK 1bn, pending approval of DKK 500m dividend at the upcoming annual general meeting.

The total weighted risk exposure rose to DKK 225.5bn at the end of 2023 from DKK 220.9bn at the end of 2022. The increase was particularly caused by declining interest rates which triggered higher credit risk associated with mortgage loans stated at fair value. Moreover, market risk rose from a low level whereas operational risk rose as a result of a higher level of income.

In December 2023, Jyske Bank distributed an extraordinary dividend of DKK 500m or DKK 7.78 per share due to the solid earnings in 2023. For adoption at the annual general meeting on 21 March 2024, the Supervisory Board proposes distribution of a dividend at DKK 500m, or DKK 7.78 per share.

As of the financial year 2024, the Supervisory Board endeavours to distribute an annual dividend in the region of 30% of shareholders' result. The annual dividend is to be supplemented by ongoing share buy-backs contingent on Jyske Bank's capital situation.

The requirements of the total capital base consist of one Pillar I requirement of 8% of the weighted risk exposure with a capital addition for above-normal risk under Pillar II and buffers.

At the end of 2023, Jyske Bank's individual solvency requirement was 11.2% of the weighted risk exposure against 10.8% at the end of 2022. To this must be added a SIFI requirement of 1.5% and a capital conservation buffer of 2.5% as well as the countercyclical buffer of 2.4%. Hence, the total capital requirement is 17.7%, which is an increase compared with the end of 2022 when the capital requirement was 16.7%.

Both the SIFI requirement, the capital conservation buffer and the contra-cyclical buffer have been fully phased in. Moreover, we anticipate a sector-specific systemic buffer for corporate exposures against property companies to be implemented at mid-2024.

Compared with the common equity tier 1 capital ratio, the excess capital adequacy came to 4.1% of the weighted risk exposure, corresponding to DKK 9.3bn against 3.2% and DKK 7.0bn, respectively, at the end of 2022.

European stress test exercise

The European Banking Authority has carried out a stress test of the 70 largest European banks, including Jyske Bank. The participating institutions were subject to a base line scenario and a stress scenario which were considerably tougher than during previous crises.

In the stress test, the earnings contribution from the acquisition of Handelsbanken Denmark was limited considerably, and at the same time, it imposes a full capital charge on the acquired loan portfolio.

On this basis, the capital structure is challenged in the very tough stress test as the combined capital buffer requirements are breached. Despite the asymmetric inclusion of Handelsbanken Denmark the indispensable capital requirements are not breached.

Based on the present capital position and in case of full recognition of earnings from Handelsbanken Denmark, Jyske Bank would not breach the combined capital buffer requirements.

Future legislation

In line with previous years, Jyske Bank is well prepared to comply with all known future statutory requirements. Below is a brief description of the most important legislative changes that are expected to impact Jyske Bank the most in the years to come.

New legislation will most likely result in increasing capital requirements, where the strongest effects are expected in connection with credit risk due to a coming output floor. Jyske Bank is still endeavouring to obtain compliance with the EBA's guidelines which were published as part of the EBA's so-called IRB repair programme which came into force on 1 January 2022. Jyske Bank has already recognised significant add-ons to the Group's risk-weighted exposure which should offset the expected increases as a result of the higher requirements of the IRB repair programme.

In the autumn of 2023, the EU Commission finished its work on implementing the recent recommendations from the Basel Committee in the so-called CRR3/CRD6 regulations. Although the text is now final, it has not yet come into force since a final approval in the European Parliament has not yet taken place, which is, however, considered a formality. The final CRR3 text did not give rise to change Jyske Bank's expectations of the effect from new legislation. However, because of the temporary easing in relation to Basel III regarding calculation of the output floor, this is not expected to result in additional capital requirements before the expiry of temporary easing in 2032. CRR3 includes many limitations with respect to which models and methods advanced banks may use going forward in connection with the determination of their risk-weighted assets and hence their capital requirement. In the course of 2024, Jyske Bank anticipates to make an early application of several of the new limitations and due to these new limitations the Group's total model landscape will be reviewed again.

After the implementation of the EBA guidelines relating to the IRB repair programme, which after the first quarter of 2022 have been fully recognised, future regulation is expected to reduce the common equity tier 1 capital ratio by up to 1.5 percentage points. Uncertainty surrounding the final effect is due partly to the very long time horizon and partly to the fact that the new CRR3 text still includes certain elements which are not fully transparent. It is expected that the EBA through for instance its Q&A process will remove the present uncertainty. Jyske Bank's capital levels are still assessed to be at a comfortable distance to the capital requirements, inclusive of regulatory capital buffers, etc. for both expected and stressed scenarios for capital adequacy assessment.

Liquidity management

Liquidity Coverage Ratio (LCR)

	DKKbn	%
Level 1a assets	106.1	66
Level 1b assets	51.3	32
Level 2a + 2b assets	3.0	2
Total	**160.4**	**100**

Jyske Bank's biggest source of funding is covered bonds and mortgage bonds, which amounted to DKK 346bn, corresponding to 44% of the balance sheet at the end of 2023. The second-largest funding source is customer deposits, which amounted to DKK 200bn, of which a high proportion consists of deposits from small and medium-sized enterprises as well as private customers.

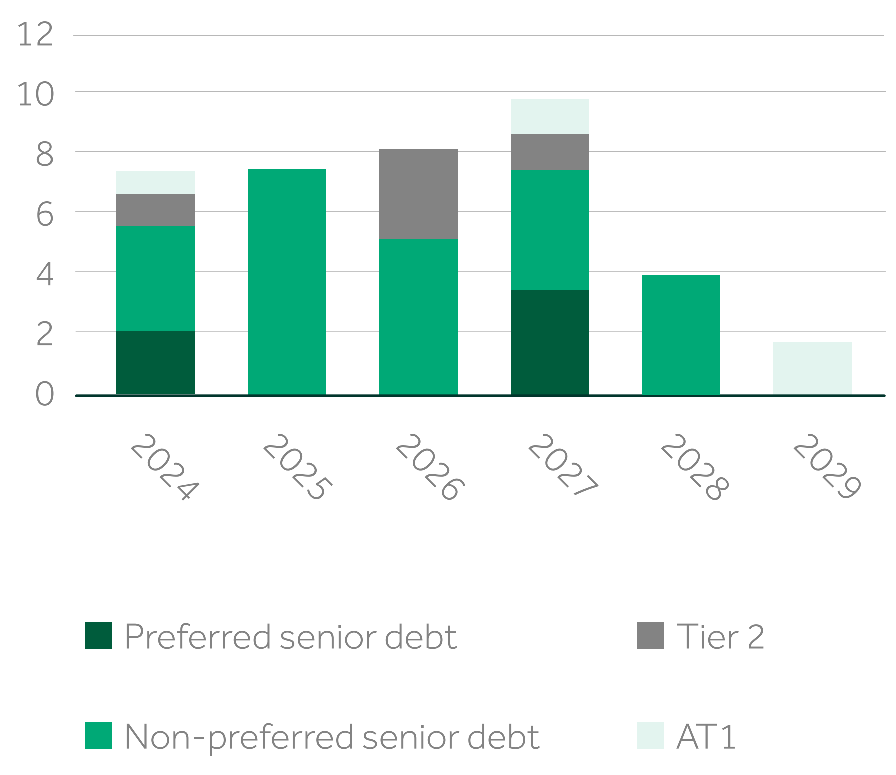
At the end of 2023, the Jyske Bank Group's liquidity coverage ratio (LCR) was 211%. The Group's internal exposure limit is a LCR of at least 120%. Nevertheless, the aim is that LCR is, under normal market conditions, above 150%.

The LCR buffer after haircuts at the end of 2023 is shown above.

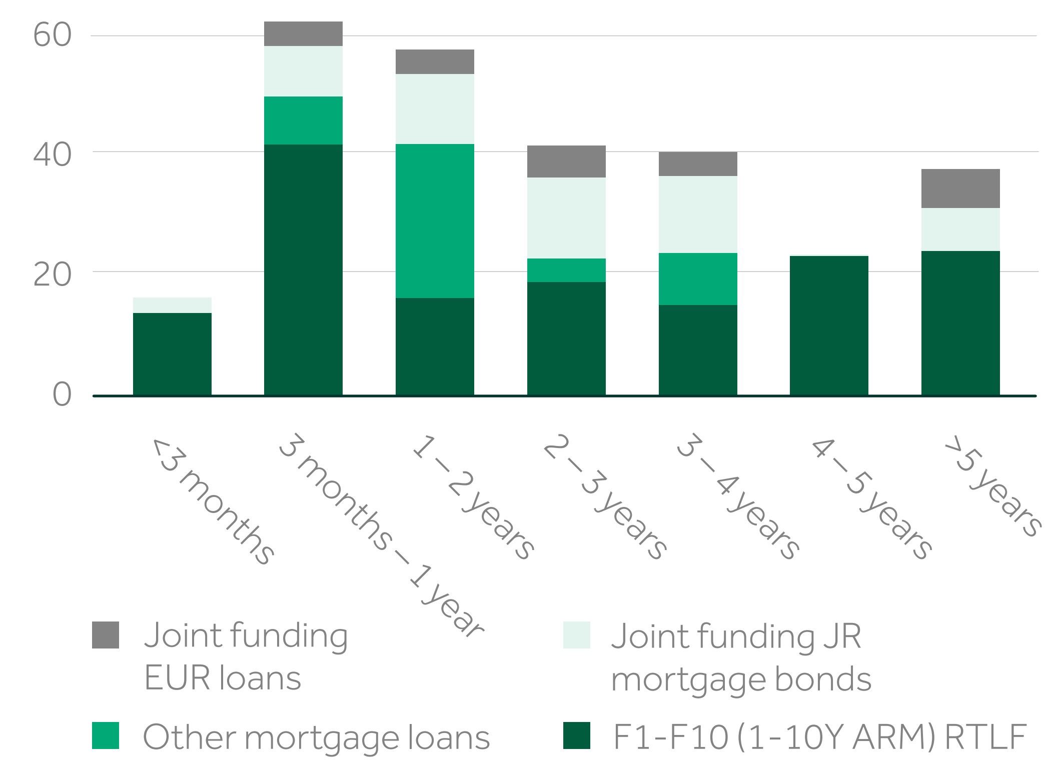
At the end of 2023, the Jyske Bank Group's Net Stable Funding Ratio (NSFR) was 136%, against 126% at the end of 2022.

Refinancing profile

Run-off and call date profile (DKKbn)



Run-off profile, covered bonds (DKKbn)



Jyske Bank is on an ongoing basis active in the French commercial paper (CP) market. At the end of 2023, the outstanding volume under the CP programme amounted to DKK 64bn against DKK 71bn at the end of 2022.

At the of 2023, outstanding unsecured senior debt amounted to DKK 33.5bn against DKK 27.8bn at the end of 2022. At the end of 2023, outstanding CRD-IV compliant tier 2 and AT1 capital instruments amounted to DKK 6.1bn and DKK 3.3bn, respectively, which is unchanged relative to the end of 2022.

The run-off profile for the Group's MREL eligible instruments, etc. determined at the end of 2023 is illustrated by the preceding chart.

At the end of 2023, covered bonds involving refinancing risk amounted to DKK 275bn, and the run-off profile of the underlying mortgage loans is shown in the above chart.

Issuance activity and funding plans

Issue activity

	Maturity	Equivalent rate
SEK 2.25bn non-preferred senior debt (value date 02.02.2023)	02.02.2027 (call 2026)	3M CIBOR +148 bp.
NOK 0.2bn non-preferred senior debt (value date 09.02.2023)	02.02.2027 (call 2026)	3M CIBOR +150 bp.
EUR 500m non-preferred senior debt (value date 26.04.2023)	26.10.2028 (call 2027)	3M CIBOR +150 bp.
EUR 750m covered bonds (value date 26.05.2023)	01.07.2030	3M CIBOR +18 bp.
EUR 500m non-preferred senior debt (value date 10.11.2023)	10.11.2029 (call 2028)	3M CIBOR +158 bp.
EUR 500m subordinated debt tier 2 (value date 01.02.2024)	01.05.2035 (call 2030)	3M CIBOR +224 bp.
EUR 750m covered bonds (value date 02.02.2024)	01.04.2031	3M CIBOR +22 bp.
EUR 300m additional tier 1 capital (value date 13.02.2024)	Call 13.08.2030	3M CIBOR +408 bp.

At the release of its Annual Report for 2023, the Jyske Bank Group had issued the above bonds on the international capital markets since early 2023.

Based on the expected trend in the weighted risk exposure and expectations of changed regulation relating to exposure against commercial property, Jyske Bank in 2024 anticipates a requirement of an outstanding volume of MREL-eligible debt instruments (inclusive of an internal buffer for statutory requirements) in an amount of DKK 29bn – 31bn, of which about DKK 6bn in the form of preferred senior debt and DKK 23bn – 25bn in the form of non-preferred senior debt.

At the end of 2023, the outstanding volume of MREL-eligible debt instruments totalled DKK 29.7bn, distributed by DKK 5.7bn and DKK 24.0bn on preferred senior debt and non-preferred senior debt, respectively, with a time to maturity of more than 12 months.

Jyske Bank anticipates that it will issue non-preferred senior debt in the second half of 2024, supplemented by a minor volume in senior debt.

Credit rating

S&P credit rating

	Rating	Outlook
Jyske Bank issuer rating		
Stand Alone Credit Profile (SACP)	A-	Stable
Issuer rating (Issuer Credit Rating)	A+	Stable
Short-term unsecured senior debt (preferred senior)	A-1	Stable
Long-term unsecured senior debt (preferred senior)	A+	Stable
Long-term non-preferred senior debt (non-preferred senior)	BBB+	Stable
Tier 2	BBB	Stable
Additional Tier 1 (AT1)	BB+	Stable
Jyske Realkredit bond issues		
Capital Centre E covered bonds	AAA	
Capital Centre B mortgage bonds	AAA	

Jyske Bank is being rated by Standard & Poor's (S&P). Jyske Realkredit has the same credit rating as Jyske Bank.

On 21 July 2023, Standard & Poor's upgraded Jyske Bank's issuer rating to 'A+' from 'A'. The higher rating was due to a higher level of eligible liabilities, improved profitability and a solid capital base. Outlook is considered stable.

Sustainability ratings

Sustainability ratings

	Rating
ESG raters	
MSCI (CCC to AAA)	AA
Sustainalytics (Negligible to Severe Risk)	Medium risk
ISS ESG (D- to A+)	C Prime
Moody's ESG Solutions (0 to 100)	47
CDP (D- to A)	B

Jyske Bank has chosen to work with certain ESG raters, whose ratings appear from the table above.

At the latest update of the ESG rating from MSCI, Jyske Bank obtained the score 'AA' against the previous 'AAA'.

At the latest update by CDP in February 2024, Jyske bank obtained the score 'B' against the previous 'C'.

Supervisory diamond

The supervisory diamond defines a number of special risk areas including specified limits that financial institutions should generally not exceed.

The supervisory diamond for Jyske Bank A/S

	2023	2022
Sum of large exposures <175% of common equity tier 1 capital	104%	116%
Increase in loans and advances <20% annually	-3%	51%
Exposures to property administration and property transactions <25% of total loans and advances	11%	12%
Liquidity benchmark >100%	142%	135%

Jyske Bank A/S meets all the benchmarks of the supervisory diamond.

The supervisory diamond for Jyske Realkredit A/S

	2023	2022
Concentration risk <100%	45,6%	47,8%
Increase in loans <15% annually in the segment:		
Owner-occupied homes and vacation homes	-1,5%	9,3%
Residential rental property	7,4%	6,5%
Other sectors	6,6%	6,6%
Borrower's interest-rate risk <25%		
Residential property	18,5%	17,4%
Instalment-free schemes <10%		
Owner-occupied homes and vacation homes	4,3%	4,8%
Loans with frequent interest-rate fixing:		
Refinancing (annually) <25%	18,6%	14,1%
Refinancing (quarterly) <12.5%	4,9%	1,6%

Jyske Realkredit A/S meets all the benchmarks of the supervisory diamond.

Risk and Capital Management 2023

Additional information about Jyske Bank's internal risk and capital management as well as the regulatory capital requirements is available in the report Risk and Capital Management 2023, available on jyskebank.dk/ir/rating.

Business Segments

Banking Activities

Banking activities cover advisory services relating to financial solutions targeting private customers, private banking customers as well as corporate customers and also trading and investment activities targeting large corporate customers and institutional customers, including trading in interest-rate products, currencies, equities, commodities and derivatives. The strategic balance sheet and risk management as well as the investment portfolio earnings of Jyske Bank are also allocated to Banking activities.

Profit

In 2023, pre-tax profit amounted to DKK 4,643m against DKK 2,216m in 2022. The increase was fuelled, in particular, by the acquisition of Handelsbanken Denmark and the impact from the higher interest-rate level and favourable financial markets.

Core income

Core income rose by 63% relative to 2022 boosted by net interest income. Net Interest income increased by 106% relative to 2022. The increase is due in particular to significant interest-rate increases. Nationalbanken's rate of interest on certificates of deposit was lifted to 3.6% at the end of 2023 from -0.6% at mid-2022. In addition, the higher interest-rate level has improved the return on Jyske Bank's bond holdings and placings with central banks, etc. In addition, the acquisition of Handelsbanken Denmark also contributed considerably to the increase in net interest income.

Net fee and commission income fell by 2% to DKK 3,122m. Exclusive of internal distribution fees received from Jyske Realkredit, net fee and commission income under banking activities rose by 2% relative to 2022. The increase is attributed to the impact from the acquisition of Handelsbanken Denmark which more than offset the impact from lower lending and trading activities.

Summary of income statement (DKKm)

	2023	2022	Index 23/22	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Net interest income	5,954	2,889	206	1,570	1,541	1,504	1,339	959
Net fee and commission income	3,122	3,193	98	892	756	665	809	867
Value adjustments	1,156	111	1,041	520	380	102	154	434
Other income	198	211	94	41	32	26	99	30
Core income	**10,430**	**6,404**	**163**	**3,023**	**2,709**	**2,297**	**2,401**	**2,290**
Core expenses	5,459	4,304	127	1,440	1,366	1,326	1,327	1,181
Core profit before loan impairment charges	**4,971**	**2,100**	**237**	**1,583**	**1,343**	**971**	**1,074**	**1,109**
Loan impairment charges	90	-391	–	-5	-22	-2	119	-15
Core profit	**4,881**	**2,491**	**196**	**1,588**	**1,365**	**973**	**955**	**1,124**
Investment portfolio earnings	-3	-131	2	-10	65	-89	31	-29
Profit before one-off costs	**4,878**	**2,360**	**207**	**1,578**	**1,430**	**884**	**986**	**1,095**
One-off costs relating to Handelsbanken DK	-235	-144	163	-79	-59	-59	-38	-66
Pre-tax profit	**4,643**	**2,216**	**210**	**1,499**	**1,371**	**825**	**948**	**1,029**

Summary of balance sheet, end of period (DKKbn)

	2023	2022	Index 23/22	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Loans and advances	180.5	184.6	98	180.5	176.5	180.2	180.1	184.6
– of which bank loans	126.4	132.1	96	126.4	127.4	130.2	131.4	132.1
– of which repo loans	54.1	52.5	103	54.1	49.1	50.0	48.7	52.5
Total assets	368.8	363.1	102	368.8	362.3	372.3	390.8	363.1
Deposits	218.1	208.2	105	218.1	215.6	215.6	228.2	208.2
– of which bank deposits	199.6	188.9	106	199.6	194.7	194.3	202.1	188.9
– of which repo and triparty deposits	18.5	19.3	96	18.5	20.9	21.3	26.1	19.3
Issued bonds	86.9	89.3	97	86.9	81.0	85.5	89.2	89.3

Value adjustments increased to DKK 1,156m from DKK 111m in the preceding year. The positive result can be attributed to a favourable development in the financial markets, including in particular the price development of Danish mortgage bonds.

Other income declined to DKK 198m from DKK 211m. 2022 showed a higher level of share dividends etc. as well as higher results on equity investments in associates.

Core expenses

Core expenses rose by 27% compared to 2022. The increase can primarily be attributed to the acquisition of Handelsbanken Denmark which contributed, among other things, to an increase in the number of full-time employees as well as higher expenses for data vendors and amortisation of acquired customers relations. The increase was also supported by a higher number of full-time employees relating to financial crime prevention as well as the acquisition of PFA Bank. In addition, the effect from wage adjustments relating to the collective agreement at 4.5%.

Non-recurring costs relating to the integration of Handelsbanken Denmark and PFA Bank rose to DKK 235m from DKK 144m in the preceding year.

Loan impairment charges

Loan impairment charges amounted to an expense of DKK 90m against an income of DKK 391m in 2022. The low expense can primarily be attributed to rising interest rates and expectations of a slowdown in the economy. The management's estimates relating to loan impairment charges rose as a result of the macroeconomic uncertainty. The credit quality is still solid with a low level of non-performing loans and the lowest level of write-offs for more than a decade.

Investment portfolio earnings

In 2023, investment portfolio earnings amounted to DKK -3m against DKK -131m in 2022. Positive return on Danish mortgage bonds was more than offset by rising internal funding costs due to a higher interest-rate level. The hedging of additional tier 1 capital instruments in SEK had a positive effect of DKK 14m in 2023 and was offset by a negative adjustment of shareholders' equity.

Business volume

Bank loans amounted to DKK 126.4bn against DKK 132.1bn at the end of 2022. The majority of the decline coincided with the deferral of tax and VAT payments.

Bank deposits amounted to DKK 199.6bn, corresponding to a 6% increase relative to the end of 2022. The development was fuelled by a higher amount of time deposits from corporate customers whereas private customers selected savings products with higher interest rates.

The fourth quarter of 2023 compared to the third quarter of 2023

In the fourth quarter, pre-tax profit amounted to DKK 1,499m against DKK 1,371m in the third quarter.

Core income was up by 12%, primarily caused by higher value adjustments.

Net interest income rose by 2% to DKK 1,570m. The increase is due to both continuously rising interest income relating to loans and higher income from excess liquidity due to the higher interest-rate level. These factors more than offset the effect from 0.25 percentage point higher deposit rates on transaction accounts as from 27 November 2023.

Net fee and commission income rose to DKK 892m from DKK 756m. Exclusive of distribution fees from Jyske Realkredit, net fee and commission income rose 34% over the quarter due to seasonally higher investment-related fee income and the acquisition of PFA Bank.

Value adjustments amounted to DKK 520m against DKK 380m in the preceding quarter. The increase can for instance be attributed to the price development of Danish mortgage bonds.

Core expenses rose to DKK 1,440m from DKK 1,366m. The development can primarily be attributed to the acquisition of PFA Bank. Non-recurring costs relating to the acquisition of Handelsbanken Denmark rose to DKK 79m from DKK 59m.

Loan impairment charges amounted to an income of DKK 5m against an income of DKK 22m in the preceding quarter. The credit quality is still solid with a low level of non-performing loans.

Investment portfolio earnings amounted to DKK -10m against DKK 65m in the preceding quarter. The development can be attributed both to lower net interest income and lower value adjustments.

Mortgage activities

Mortgage activities comprise financial solutions for the financing of real property carried out by Jyske Realkredit. Mortgage activities are aimed mainly at Danish private customers, corporate customers and subsidised rental housing.

Profit

In 2023, pre-tax profit amounted to DKK 2,672m against DKK 1,742m in 2022. The improved results can primarily be attributed to a higher return on Jyske Realkredit's bond portfolio due to the higher yield level.

Core income

Core income surged by 67% to DKK 3,105m in 2023. The increase was due in particular to higher net interest income relating to bonds and higher value adjustments.

Administration margin income, etc. increased by 6% to DKK 2,496m. The development was attributed to loans acquired from Handelsbanken Denmark in December 2022.

Other net interest income rose to DKK 795m from DKK 160m in 2022. The increase is due to higher interest income associated with Jyske Realkredit's bond portfolio as a result of the higher level of interest rates.

Net fee and commission income amounted to DKK -556m against DKK -653m in 2022. Exclusive of internal distribution fee paid, net fee and commission income fell by 23% due in particular to lower refinancing and lending activity.

Value adjustments increased to DKK 370m from DKK 2m in 2022. Short-term bonds acquired below par as well as bond issuances contributed to the positive value adjustments in 2023.

Summary of Income Statement (DKKm)

	2023	2022	Index 23/22	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Administration margin income, etc.*	2,496	2,355	106	627	617	625	627	599
Other net interest income	795	160	497	249	240	166	140	109
Net fee and commission income	-556	-653	85	-133	-158	-115	-150	-190
Value adjustments	370	2	–	143	76	64	87	88
Core income	**3,105**	**1,864**	**167**	**886**	**775**	**740**	**704**	**606**
Core expenses	445	394	113	113	110	116	106	99
Core profit before loan impairment charges	**2,660**	**1,470**	**181**	**773**	**665**	**624**	**598**	**507**
Loan impairment charges	-12	-272	4	11	14	9	-46	-167
Pre-tax profit	**2,672**	**1,742**	**153**	**762**	**651**	**615**	**644**	**674**

* Administration margin income, etc. covers administration margin income as well as interest rate margin on jointly funded loans.

Summary of balance sheet (DKKbn)

	2023	2022	Index 23/22	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Mortgage loans, nominal value	373.7	365.6	102	373.7	370.3	369.4	367.3	365.6
Mortgage loans, fair value	352.7	333.7	106	352.7	337.6	337.9	338.2	333.7
Total assets	383.0	359.6	107	383.0	369.2	366.8	367.7	359.6
Issued bonds	352.5	330.3	107	352.5	339.1	337.8	338.8	330.3

Core expenses

Core expenses amounted to DKK 445m against DKK 394m in 2022. The increase was due to higher employee costs acquired from Handelsbanken Denmark and higher contribution to the Danish Resolution Fund.

Loan impairment charges

Loan impairment charges amounted to an income of DKK 12m against an income of DKK 272m in 2022. The income in 2023 related primarily to a reversal of impairment charges on individual corporate commitments. At the end of 2023, post-model adjustments relating to primarily macroeconomic risks amounted to DKK 677m compared with DKK 585m at the end of 2022.

Business volume

Mortgage loans stated at nominal value rose by DKK 2% to DKK 373.7bn compared to the level at the end of 2022. The increase related to loans to corporate customers. Mortgage loans at fair value rose by 6% to DKK 352.7bn in the same period supported by lower interest rates.

For further details about Jyske Realkredit, please see Jyske Realkredit's Annual Report for 2023.

The fourth quarter of 2023 compared to the third quarter of 2023

In the fourth quarter of 2023, pre-tax profit amounted to DKK 762m against DKK 651m in the third quarter of 2023. Core income increased by 14% to DKK 886m. The progress can be attributed to value adjustments.

Administration margin income, etc., rose to DKK 627m from DKK 617m due to increased lending.

Other net interest income rose to DKK 249m from DKK 240m in the previous quarter. The increase was due, among other things, to higher net interest income from bonds.

Net fee and commission income amounted to DKK -133m against DKK -158m. Exclusive of internal distribution fee paid, net fee and commission income rose to DKK 127m from DKK 124m, due to slightly higher refinancing activity.

Value adjustments amounted to DKK 143m against DKK 76m in the preceding quarter. The increase can be attributed to higher value adjustments of bonds as well as value adjustments in connection with bond issues.

Core expenses amounted to DKK 113m against DKK 110m in the preceding quarter. The increase was due to settlement of the intra-group service agreement.

Loan impairment charges amounted to an expense of DKK 11m against an expense of DKK 14m in the preceding quarter. Lower model-based loan impairment charges were offset by higher post-model adjustments relating to loan impairment charges.

Leasing activities

Leasing activities cover financial solutions in the form of leasing and financing within car financing as well as leasing and financing of operating equipment for the corporate sector. The activities primarily target Danish private and corporate customers as well as dealer cooperation schemes and partnerships. Secondarily, the activities target car financing in Sweden.

Profit

In 2023, pre-tax profit amounted to DKK 573m against DKK 599m in 2022. The decline can primarily be attributed to lower income from operating lease (net) and higher core expenses. Net interest income was up by 6% to DKK 477m in 2023 fuelled by a higher business volume and rising lending rates due to the higher interest-rate level.

Net fee and commission income amounted to an income of DKK 13m against an expense of DKK 11m in the preceding year due to lower fees paid. In 2023, value adjustments amounted to DKK 13m against DKK 26m in 2022. The change related to value adjustments associated with hedging of currency risk.

Income from operating lease (net) fell to DKK 289m in 2023 from DKK 343m in 2022. Sales conditions in the used car market were still favourable although used car prices were on the decrease in the second half of 2023. Value adjustments increased to DKK 199m from DKK 181m in 2022. The increase was, among other things, attributed to higher employee costs and higher IT expenses.

Loan impairment charges amounted to an expense of DKK 49m against an expense of DKK 58m in 2022.

Business volume

Loans rose by 3% to DKK 24.2bn at the end of 2023. The advance was primarily fuelled by partnerships and loans to corporate customers.

Summary of Income Statement (DKKm)

	2023	2022	Index 23/22	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Net interest income	477	452	106	121	118	120	118	106
Net fee and commission income	13	-11	–	7	4	3	-1	4
Value adjustments	13	26	50	-2	-4	20	-1	1
Other income	29	28	104	21	3	0	5	14
Income from operating lease (net)	289	343	84	56	66	83	84	60
Core income	**821**	**838**	**98**	**203**	**187**	**226**	**205**	**185**
Core expenses	199	181	110	52	48	52	47	49
Core profit before loan impairment charges	**622**	**657**	**95**	**151**	**139**	**174**	**158**	**136**
Loan impairment charges	49	58	84	25	-5	6	23	24
Pre-tax profit	**573**	**599**	**96**	**126**	**144**	**168**	**135**	**112**

Summary of balance sheet, end of period (DKKbn)

	2023	2022	Index 23/22	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Loans and advances	24.2	23.4	103	24.2	24.3	23.8	23.7	23.4
Total assets	27.8	27.3	102	27.8	28.0	27.6	27.4	27.3
Deposits	0.2	0.2	100	0.2	0.2	0.2	0.2	0.2

The fourth quarter of 2023 compared to the third quarter of 2023

In the fourth quarter of 2023, pre-tax profit amounted to DKK 126m against DKK 144m in the preceding quarter.

Net interest income rose in the fourth quarter to DKK 121m from DKK 118m in the third quarter since higher lending rates were only partly offset by rising funding costs due to the higher interest-rate level.

Net fee and commission income rose to DKK 7m from DKK 4m, due, among other things, to higher administrative fees. Value adjustments showed a minor increase from DKK -4m to DKK -2m relating to hedging of currency risk.

Income from operating lease (net) fell to DKK 56m from DKK 66m. The development was due to lower income from the sale of cars returned after a terminated lease agreement.

Core expenses increased to DKK 52m from DKK 48m due, among other things, to higher payroll costs.

Loan impairment charges amounted to an expense of DKK 25m against an income of DKK 5m in the preceding quarter. The higher expense was due, among other things, to a higher post-model adjustments relating to impairment charges.

Other information

Events after the end of the accounting period

No events have taken place during the period prior to the publication of the Annual Report 2023 that have any material effect on the Group's financial position.

Negative interest rates

From 1 December 2019 to 1 October 2022, Jyske Bank charged negative interest rates on certain deposit accounts for private customers. Jyske Bank and most other banks did this for business reasons and based on a market situation where the central banks had charged negative interest rates for a number of years.

The Consumer Ombudsman has summoned Jyske Bank claiming that the bank was not entitled to introduce and charge negative interest rates on a number of specific savings accounts and certain specially regulated accounts.

Jyske Bank disagrees with the Consumer Ombudsman. Jyske Bank's general terms and conditions for private customers clearly stated that the interest rate was floating and could be changed under certain circumstances.

Financial calendar 2024

Jyske Bank anticipates releasing financial statements on the following dates in 2024.

27 Feb.	→ Annual Report 2023
27 Feb.	→ Risk and Capital Management 2023
7 May	→ Interim Financial Report, Q1 2024
20 Aug.	→ Interim Financial Report, H1 2024
29 Oct.	→ Interim Financial Report, Q1-Q3 2024

The Annual General Meeting of Jyske Bank will be held in Silkeborg on Thursday 21 March 2024.

Further information

For further information, please see jyskebank.dk. Here you will find an interview with Lars Mørch, Managing Director and CEO, detailed financial information as well as Jyske Bank's Annual Report 2023 and Risk and Capital Management 2023, which gives further information about Jyske Bank's internal risk and capital management as well as regulatory issues, including a description of the most important risks and elements of uncertainty that may affect Jyske Bank.

Also, please see jyskerealkredit.com. Here Jyske Realkredit's Annual Report for 2023 etc. is available.

Corporate Governance

Organisation and management

The organisation and management of Jyske Bank reflect the general requirements under the Danish legislation governing financial markets and companies as well as the special requirements ensuing from financial legislation and Jyske Bank's Articles of Association.

Management is undertaken by:

- General Meetings
- Shareholders' Representatives
- Supervisory Board and Executive Board

The Supervisory Board and the Executive Board are independent of each other and no person is a member of both the Supervisory Board and the Executive Board. The Supervisory Board and the Executive Board are accountable to the shareholders of Jyske Bank, but they seek also to consider the interests of customers and employees as well.

General meeting

Shareholders' right to pass resolutions shall be exercised at the Annual General Meeting. Jyske Bank's Articles of Association contain information about notice of the general meeting, the right to propose resolutions to the general meeting and right to participate and vote. The Articles of Association are available at jyskebank.dk/ir/generalforsamlinger.

Shareholders' Representatives

The Shareholders' Representatives consist of 135 members distributed on three geographical areas. The Shareholders' Representatives elect from its number six members of the Group Supervisory Board.

The purpose and tasks of the Shareholders' Representatives and the individual Representative are, among other things:

- To be informed about the bank's operations and development plans
- To contribute knowledge and viewpoints to the positive development of the bank
- To act as ambassadors based on the bank's set of values.
- To generate added value and cohesion between customers, employees and shareholders
- To support the bank's role and importance in society

Shareholders' representatives shall be elected at the bank's Annual General Meeting. Shareholders' Representatives shall be elected for terms of three years. Members can be re-elected.

Supervisory Board

The Supervisory Board shall be in charge of the overall management of the bank and supervise the decisions and arrangements made by the Executive Board.

The Supervisory Board shall on behalf of the shareholders determine the overall strategy and contribute actively to maintaining and developing Jyske Bank's position in the financial sector.

The Supervisory Board shall in written business procedures lay down provisions on the execution of its office and guidelines concerning Jyske Bank's essential activities as well as the distribution of work between the Supervisory Board and the Executive Board.

The Supervisory Board shall consist of:

- six members elected by and among the members of the Shareholders' Representatives,
- up to two members elected by members in General Meeting and who meet the requirements of the Danish FSA in respect of relevant knowledge and experience of supervisory board members of banks, and
- any additional members as required by law (members elected by employees).

Each one of the six members who are elected by and among the Shareholders' Representatives is elected for a three-year period. Additional members elected by members in general meeting to meet the requirements of the FSA in respect of relevant knowledge and experience of supervisory board members are elected for a one-year period. Re-elections shall be allowed. Employee-elected members of the Supervisory Board are elected for a term of four years.

The Supervisory Board shall elect its Chairman and Deputy Chairman.

The members of the Supervisory Board elected by the employees shall have the same rights, duties and responsibilities as the members elected by the shareholders.

At the Annual General Meeting held on 30 March 2023, two members of the Supervisory Board were up for election, and they were both re-elected.

Gender composition of management

At the end of the year, the Group Supervisory Board consisted of a total of nine members, hereof six members elected by the shareholders and three members elected by the employees.

There is special focus on achievement of equal gender distribution among the members of the Supervisory Board. At the end of 2023, the underrepresented gender (female) accounted for 33.33% of members elected by the shareholders. According to the guidelines of the Danish Business Authority this equates to an equal gender distribution.

2023

Senior management body	
Total number of members	6
Underrepresented gender (%)	33,3%
Other management levels	
Total number of members	28
Underrepresented gender (%)	10,7%
Target (%)	15%
Year of attainment of target	2025

[6] Defined as the Executive Board and persons with managerial responsibility, with reference to the Executive Board and the Head of the Internal Audit Division

Jyske Bank A/S' other management levels[6] consist of 28 members; hereof the underrepresented gender accounted for 10.7% at the end of 2023 (2022: 8%).

Over the year, efforts were made to increase the proportion through stronger focus on:

- The work with strategic potential and structural succession planning
- The underrepresented gender in recruitment efforts
- Inclusion and awareness of bias for instance through the work in the Jyske Bank Group's diversity committee.

The specific results of the efforts have, in addition to an increase in the proportion of the underrepresented gender at other management levels, also resulted in a rise in the proportion among both new employees and across all management levels of the Group.

In the course of the year, there have been few replacements among the members of the bank's other management levels, and despite the initiated efforts, there have been few applications and suitable candidates from the underrepresented gender for the vacant management positions. This means that we currently have a more equal gender distribution at the other management levels, but we have not yet achieved our target of 15%.

The Jyske Bank Group endeavours to attain the target of 15% before the end of 2025. This is done through a prioritization of the following activities:

- Focus on the issue on the part of Jyske Bank's senior management. This is created through a demand for formalised reporting and follow-up on gender diversity and prioritization of the work in the Jyske Bank Group's diversity committee whose objective is to remove barriers to diversity in the organisation.
- Retention of initiated activities to promote an equal gender distribution in the recruitment and selection process.
- The work with structural succession planning and development of strategic potential to Jyske Bank's senior management levels.
- Awareness of gender in connection with appointments
- Work with attitudes, knowledge and communication about diversity and inclusion.

At the end of 2023, the proportion of the underrepresented gender across all management levels in the Group was 28%. Jyske Bank's target is that in 2025, 30%-33% of the managers must be female.

The above accounts for Jyske Bank's reporting in accordance with §.135a of the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc. and §.79a of the Danish Financial Business Act.

Diversity in management

Jyske Bank wants to build a diversified culture, using targeted initiatives to be considered a representative of the society we are a part of. The goal is to include more perspectives and aspects in our decision-making basis based on a diverse management team at all levels.

The members of Jyske Bank's Supervisory Board are generally recruited from among the bank's Shareholders' Representatives, with due consideration to the qualifications and skills required. Consequently, emphasis is placed on ensuring sufficient diversity in relation to geography, professional background and age – both among the Shareholders' Representatives and the Supervisory Board members. Likewise, the gender composition is taken into account.

Recruitment for the senior management level usually takes place from among the underlying management levels. In addition to the reported initiatives aimed at increasing the share of the under-represented gender, the bank is pursuing various measures to ensure greater diversity among other things with respect to age, ethnic background, education and background in general. These factors are considered by the Group's diversity committee, which works to ensure focus on diversity at the bank's senior management level. In 2023, we also started to develop management training in diversity and inclusion, with bias awareness being one of the focus areas. The training activities will kick off during 2024.

Work of the Supervisory Board in 2023

The Supervisory Board will hold at least ten physical meetings a year. In addition, the Supervisory Board generally holds teleconferences every second week. In 2023, the Supervisory Board held a total of 44 board meetings.

In addition, meetings of the five committees established by the Supervisory Board. All in all, the attendance rate was 94% in 2023. Attendance in 2023 appears from the table below.

Participation and number of meetings in 2023

	Board meeting	Audit Committee	Nomination Committee	Remuneration Committee	Risk Committee	Digitization and Technology Committee/ Strategic Client Committee
Kurt Bligaard Pedersen, Chairman, former Man. Dir.	42/44	8/8	9/9	2/2	9/9	5/5
Keld Norup Deputy Chairman, Dir., Master of laws	42/44		9/9	2/2		
Rina Asmussen Consultant	37/44				9/9	5/5
Anker Laden-Andersen Attorney-at-Law	41/44	3/3	9/9			4/4
Bente Overgaard Director	42/44	5/5	9/9		2/2	5/5
Per Schnack Prof. board member	44/44	8/8			9/9	
Employee Representative:						
Marianne Lillevang District Chairman	42/44			2/2	8/9	
Michael Mariegaard Head of Large Corporates, CPH	44/44					5/5
Johnny Christensen Deputy District Chairman	39/44	8/8				

Committees under the Supervisory Board

The Supervisory Board has established five committees to supervise certain areas or prepare cases to be decided on subsequently by the entire Supervisory Board.

The Nomination Committee shall support the Supervisory Board in solving tasks ensuing from statutory requirements relating to the Supervisory Board's knowledge and experience, including the composition of the Supervisory Board, and the committee shall support the Supervisory Board in connection with nominations of candidates for the Supervisory Board and the Shareholders' Representatives, and the committee shall be responsible for overseeing that the Supervisory Board is evaluated. The Nomination Committee shall be responsible for ensuring that the composition of the Supervisory Board entails sufficient diversity as to qualifications and competences, which also entails that the Supervisory Board holds the relevant competences pursuant to the bank's business model and risk profile.

The Remuneration Committee is in charge of the preparatory work behind the decisions by the Supervisory Board regarding remuneration, including remuneration policy and other decisions in this respect which may affect the risk management of the enterprise.

The Audit Committee established under current legislation shall supervise the financial reporting and internal control and risk-management systems; it shall also check the independence of the auditors as well as their qualifications. The Supervisory Board considers Per Schnack the independent member of the committee as he possesses qualifications within accounting.

The Risk Committee shall carry out the preliminary consideration of risk-related issues before the final consideration by the Supervisory Board. The committee discusses, among other things, issues relating to regulatory requirements of the capital adequacy statement, the Group's capital base, solvency requirement, as well as capital and liquidity buffers, material changes of the model set-up for risk management, and the annual re-estimate and validation of models.

Strategic Customer Committee is an ad-hoc committee under the Supervisory Board that shall contribute with the strategic picture of what Jyske Bank's cooperation with its customers may look like in five years. The focus of the committee is on the cooperation with the customer and not on the contents of products.

Remuneration of the Supervisory Board

The Supervisory Board receives a regular cash payment, which is fixed by the Shareholders' Representatives of Jyske Bank. No member of the Supervisory Board is entitled to any kind of remuneration when he or she resigns from the Supervisory Board. The remuneration of the Supervisory Board is determined at the General Meeting. The remuneration report is available at jyskebank.com/investorrelations/governance.

Evaluation of the Supervisory Board

In 2023, the Supervisory Board for the first time carried out an evaluation of the Supervisory Board facilitated by an external consulting team. The focus of attention was on the three levels: the Supervisory Board, the committees and individual board members, and the key points of the evaluation were objective, structure, culture, members and composition and leadership.

All members of the Supervisory Board answered comprehensive questionnaires. The findings and conclusions as well as the identified improvement initiatives were subsequently presented to and discussed by the Supervisory Board.
The aim of the evaluation was to ensure, among other things, that the composition of the Supervisory Board and the special competencies of each board member enable the Supervisory Board – to perform its tasks as a collegial body.

The composition of the Supervisory Board aims to ensure the stable and satisfactory development of Jyske Bank for the benefit of its employees, customers and shareholders.

The composition of the Supervisory Board and further details about the individual board members are described at Jyske Bank's website under "Group Supervisory Board".

The results of the evaluation were satisfactory and showed a well-functioning Supervisory Board. The Supervisory Board will in 2024 work on identified improvement initiatives.

Jyske Bank's Supervisory Board

Name	Kurt Bligaard Pedersen	Keld Norup	Rina Asmussen	Bente Overgaard	Per Schnack	Anker Laden-Andersen	Marianne Lillevang	Johnny Christensen	Michael Mariegaard
Titel	Former Man. Dir.	Director	Consultant	Director	Prof. board member	Attorney-at-Law	District Chairman	Deputy District Chairman	Head of Large Corp., CPH.
Position	Chairman since 2020	Deputy Chairman since 2021	Member	Member	Member	Member	Employee representative	Employee representative	Employee representative
Committee	Nomination Committee (Chairman) Remuneration Committee (Chairman) Risk Committee Audit Committee Strategic Client Committee	Nomination Committee Remuneration Committee	Risk Committee (Chairman) Strategic Client Committee (Chairman)	Nomination Committee Audit Committee Strategic Client Committee	Audit Committee (Chairman) Risk Committee	Nomination Committee Strategic Client Committee	Remuneration Committee Risk Committee	Audit Committee	Strategic Client Committee
Elected	2014	2007	2014	2020	2019	2019	2006	2018	2022
Expiry of present term of office	2026	2025	2026	2024	2024	2025	2026	2026	2026
Date of birth	1959	1953	1959	1964	1961	1956	1965	1962	1970
Training and education	MSc Political Science	Master of Laws	MSc in Economics and Business Administration	MSc Political Science, Board Leadership Masterclass training from CBS Executive and Insead	Business economist, Graduate Diploma in Business Administration (Financing and International Economy), Board Leadership Masterclass training	Master of Laws and a Supreme Court Attorney	Comprehensive banking training and, Management Diploma Mediator	Comprehensive banking training combined with academy subjects in organisation/HR, coaching and management	Executive MBA, comprehensive banking training
Nationality	Danish, British	Danish	Danish	Danish	Danish	Danish	Danish	Danish	Danish
Number of Jyske Bank shares	2,697	1,100	1,715	3,262	3,668	5,471	2,441	871	5,508
Independence	Yes	No, seniority	Yes	Yes	Yes	Yes	No, employee elected	No, employee elected	No, employee elected

Executive Board

The Executive Board has four members. According to the Articles of Association the Executive Board shall consist of 2-6 members. The number shall be determined by the Supervisory Board.

The Executive Board undertakes the day-to-day management of the Group. The Executive Board strives continuously to ensure that the Group has efficient procedures and a clear organisational structure with a well-defined, transparent and consistent distribution of responsibilities.

Without having the right to vote, the Executive Board attends the meetings of the Shareholders' Representatives and the Supervisory Board. To ensure independence and objectivity, members of the Executive Board shall not participate in the discussions of questions concerning any of the members personally.

Name	Lars Mørch	Niels Erik Jakobsen	Peter Schleidt	Per Skovhus
Executive responsibility	CEO and Managing Director, Business Strategy, Personal Clients, Finance, Risk Management, Legal, Communications and Marketing, HR, Compliance and Group Support as well as Implementation	Capital Markets Wealth Management, Jyske Realkredit, Jyske Finans, Jyske Invest Fund Management A/S og Handelsinvest A/S	Business Concepts, Business Services, Property and Purchasing as well as Prevention of Financial Crime	Credits and Corporate Clients
Member of the Executive Board since	2023	2009	2017	2013
Employed since	2021	1987	2017	2013
Date of birth	1972	1958	1964	1959
Training and education	Master of Arts, Warwick Business School	MSc in Economics and Business Administration	MSc in Engineering and Graduate Diploma in Business Administration	Master of Laws
Nationality	Danish	Danish	Danish	Danish
Number of Jyske Bank shares	3,204	31,207	28,149	29,397

Corporate governance

The Supervisory Board has reviewed and monitors the development in the Recommendations issued by the Committee on Corporate Governance.

By and large, the Group's Supervisory Board adheres to the Recommendations for good corporate governance. In the event of deviations, these will often be based on the wish to uphold the balance between shareholders, customers and employees. It is assessed that this wish supports a long-term, balanced development of the Jyske Bank Group.

According to "Nordic Main Market Rulebook for Issuers of Shares" paragraph 2.15, Jyske Bank is under the obligation to give an account of how Jyske Bank addresses the Recommendations on Corporate Governance issued by the Committee on Corporate Governance. Further information about the Group's work on corporate governance is available at jyskebank.com/investorrelations/governance

Reports

See jyskebank.com/investorrelations/governance for *reports* on issues such as management remuneration and jyskebank.com/investorrelations/governance/code-of-conduct for *policies* such as *remuneration policy* and *policy for data ethics*.

Internal control and risk-management systems

The overall responsibility for the Group's internal control and risk-management systems in connection with the financial reporting rests with the Supervisory Board and the Executive Board. The process has been planned with a view to preparing and presenting an annual report in agreement with the regulatory requirements as well as preparing and presenting an annual report that is free from material misstatement, whether due to fraud or error.

Recognition and measurement

Recognition and measurement of certain assets and liabilities require an estimate of the influence of future events on the value of such assets and liabilities at the balance sheet date. Estimates of material importance to the presentation of the accounts are, among other things, based on the impairment of loans and advances, the fair value of unlisted financial instruments and provisions already made.

The estimates are based on assumptions which management finds reasonable, but which are inherently uncertain. It is the assessment of management that assets and liabilities offer a true and fair view of the financial position and that the control environment relating to the assessments made is satisfactory.

Control environment

The most important elements in the control environment are an expedient organisation, including separation of functions, as well as internal policies and business procedures.

The Supervisory Board, the Executive Board and the organisation involved in the presentation of the accounts have been organised in such a way that relevant competencies in respect of risk management and assessment of internal controls in relation to the presentation of the accounts have been established and work independently of each other.

The Supervisory Board has set up an Audit Committee which continuously monitors that the Group's internal controls are sufficient and assesses material risks in connection with the process relating to the presentation of the accounts, including the risk that fraud or error may result in material misstatement in the annual report.

Risk assessment

The details given in the annual report are continuously assessed with respect to risk and with a view to identifying elements associated with heightened risk because they are based on estimates and/or generated through complex or manual processes.

The Audit Committee is continuously informed about the assessment of the Group risks, including risks affecting the process relating to the presentation of the accounts. The Audit Committee and the Executive Board decide at least once a year whether new internal controls are to be initiated to counter identified risks. The Audit Committee examines, also at least once a year, particularly risky fields, including recognition and measurement of material assets and liabilities as well as any changes to accounting policies.

Control activities

Control activities have been set up with the purpose of preventing, detecting and correcting any errors and omissions in the data that form the basis of the accounts preparation. The activities include, among other things, certification, authorisation, approval, reconciliation, analyses of results, control of separation of functions, general IT controls and controls regarding IT applications.

Monitoring and reporting

The Group employs systems and manual resources for the monitoring of the data that form the basis of the accounts preparation. Any weaknesses and errors are corrected and reported on a continuous basis.

Reporting from subsidiaries is controlled continuously, and procedures have been established to ensure that any errors and omissions in data reported are communicated to and are rectified by the subsidiaries.

In connection with the accounts preparation further analyses and control activities are carried out to ensure that the presentation of the accounts takes place in compliance with legislation. The Audit Committee will follow up to ensure that established and reported weaknesses in the internal controls as well as material errors and omissions in the Parent's financial statements are rectified.

The Jyske Bank share

At the end of 2023, the share capital amounted unchanged to the nominal amount of DKK 643m. It consisted of 64.3 million shares at a nominal value of DKK 10 in one class of shares. All shares are listed on Nasdaq Copenhagen A/S (DK0010307958) and included in the OMX C25 index. The shares are freely transferable, always provided that the transfer of shares to an acquirer who holds or by the acquisition obtains 10% or more of the Group's share capital shall require the consent of the Group, cf. Art. 3 of Jyske Bank's Articles of Association. Each share represents one vote. No shareholder can cast more than 4,000 votes on his own behalf. Jyske Bank's Supervisory Board is authorised to acquire Jyske Bank shares for a sum not exceeding 1/10 of the share capital. According to Arts. 4(2) and (3) and Arts. 5(1) and (2), the Supervisory Board may increase the Group's share capital by no more than nominally DKK 200m (20 million shares of a face value of DKK 10).

Employee share scheme for 2024

In connection with the employees' choice of salary packages for 2024 the employees are expected to buy Jyske Bank shares worth approx. DKK 150m in 2024, distributed equally between monthly purchases implemented on randomly selected trading days. Employee-elected members of Jyske Bank's Supervisory Board and members of the Group Executive Board, who are part of the employee share scheme, participate on the same terms and principles as other employees.

Financial ratios and key figures

	2023	2022	2021	2020	2019
Issued shares, end of period ('000)	64,272	64,272	72,561	72,561	77,554
Outstanding shares in circulation, end of period ('000)	64,261	64,264	67,840	72,553	74,841
Dividends paid (DKKbn)	0.5	0.0	0.0	0.0	0.0
Share repurchases conducted (DKKbn)	0.0	1.3	1.5	0.5	1.6
Share price at end of period (DKK)	484	451	337	233	243
Market value, end of period (DKKbn)	31.1	29.0	24.5	16.9	18.9
Earnings per share (DKK)	89.3	55.4	42.4	19.8	29.0
Book value per share (DKK)	663	581	515	459	434
Price/book value per share (DKK)	0.73	0.78	0.65	0.51	0.56

Price development of the Jyske Bank share

Financial Statements

Jyske Bank Group

Note	DKKm	2023	2022
	Income statement		
6, 7	Interest income calculated according to the effective interest method	12,595	4,372
6, 7	Other interest income	12,378	6,926
6, 8	Interest expenses	15,325	5,401
	Net interest income	9,648	5,897
9	Fees and commission income	3,079	3,008
9	Fees and commission expenses	501	479
	Net interest and fee income	12,226	8,426
10	Value adjustments	1,640	-4
11	Other income	993	1,113
12	Employee and administrative expenses etc.	6,171	4,925
29, 30	Amortisation, depreciation and impairment charges	673	658
14	Loan impairment charges	127	-605
	Pre-tax profit	7,888	4,557
15	Tax	1,984	805
	Profit for the year	5,904	3,752
	Distributed to:		
	Jyske Bank A/S shareholders	5,741	3,605
	Holders of additional tier 1 capital (AT1)	163	147
	Total	5,904	3,752
	Earnings per share for the year		
16	Earnings per share, DKK	89.34	55.35
16	Earnings per share for the year, DKK, diluted	89.34	55.35
	Proposed dividend per share, DKK	7.78	0.00
	Statement of Comprehensive Income		
	Profit for the year	5,904	3,752
	Other comprehensive income:		
	Items that cannot be recycled to the income statement:		
	Revaluation of real property	7	13
	Tax on property revaluations over the year	-2	-3
	Actuarial losses and gains	30	86
	Tax on actuarial losses and gains	-8	-19
	Other comprehensive income after tax	27	77
	Comprehensive income for the year	5,931	3,829
	Distributed to:		
	Jyske Bank A/S shareholders	5,768	3,682
	Holders of additional tier 1 capital (AT1)	163	147
	Total	5,931	3,829

Note	DKKm	2023	2022
	BALANCE SHEET		
	ASSETS		
	Cash balance and demand deposits with central banks	74,737	58,519
18	Due from credit institutions and central banks	7,314	8,347
14,19,20	Loans and advances at fair value	355,177	337,632
14, 21	Loans and advances at amortised cost	202,135	204,050
23	Bonds at fair value	63,698	55,505
23, 24	Bonds at amortised cost	36,869	39,660
26	Shares, etc.	2,424	2,260
29	Intangible assets	3,395	3,328
30	Property, plant and equipment	3,937	4,193
37	Deferred tax assets	646	1,206
	Current tax assets	324	0
31	Assets held temporarily with a view to sale	84	65
32	Other assets	28,935	35,232
	Total assets	779,675	749,997
	EQUITY AND LIABILITIES		
	Liabilities		
33	Due to credit institutions and central banks	31,197	28,430
34	Deposits	218,309	208,405
35	Issued bonds at fair value	345,680	324,156
	Issued bonds at amortised cost	93,748	95,435
36	Other liabilities	37,695	45,590
37	Provisions	1,017	992
38	Subordinated debt	6,143	6,365
	Liabilities, total	733,789	709,373
	Equity		
39	Share capital	643	643
	Revaluation reserve	164	168
	Retained profit	41,266	36,512
	Proposed dividend	500	0
	Jyske Bank A/S shareholders	42,573	37,323
	Holders of additional tier 1 capital (AT1)	3,313	3,301
	Total equity	45,886	40,624
	Total equity and liabilities	779,675	749,997

DKKm

Statement of Changes in Equity

	Share capital	Revaluation reserve	Retained profit	Proposed dividend	Jyske Bank A/S shareholders	Additional tier 1 capital*	Total equity
Equity at 1 January 2023	643	168	36,512	0	37,323	3,301	40,624
Profit for the year	0	0	5,741	0	5,741	163	5,904
Other comprehensive income:							
Property revaluations for the year	0	7	0	0	7	0	7
Properties other movements	0	-8	8	0	0	0	0
Realised property revaluations	0	-1	1	0	0	0	0
Actuarial losses and gains	0	0	30	0	30	0	30
Tax on other comprehensive income	0	-2	-8	0	-10	0	-10
Other comprehensive income after tax	0	-4	31	0	27	0	27
Comprehensive income for the year	0	-4	5,772	0	5,768	163	5,931
Interest paid on additional tier 1 capital (AT1)	0	0	0	0	0	-165	-165
Currency translation adjustment	0	0	-14	0	-14	14	0
Proposed dividend	0	0	-500	500	0	0	0
Dividends paid	0	0	-500	0	-500	0	-500
Acquisition of own shares	0	0	-1,763	0	-1,763	0	-1,763
Sale of own shares	0	0	1,759	0	1,759	0	1,759
Transactions with owners	0	0	-1,018	500	-518	-151	-669
Equity at 31 December 2023	**643**	**164**	**41,266**	**500**	**42,573**	**3,313**	**45,886**
Equity on 1 January 2022	726	171	34,014	0	34,911	3,355	38,266
Profit for the year	0	0	3,605	0	3,605	147	3,752
Other comprehensive income:							
Property revaluations for the year	0	13	0	0	13	0	13
Properties other movements	0	-12	12	0	0	0	0
Realised property revaluations	0	-1	1	0	0	0	0
Actuarial losses and gains	0	0	86	0	86	0	86
Tax on other comprehensive income	0	-3	-19	0	-22	0	-22
Other comprehensive income after tax	0	-3	80	0	77	0	77
Comprehensive income for the year	0	-3	3,685	0	3,682	147	3,829
Interest paid on additional tier 1 capital (AT1)	0	0	0	0	0	-144	-144
Currency translation adjustment	0	0	57	0	57	-57	0
Reduction of share capital	-83	0	83	0	0	0	0
Acquisition of own shares	0	0	-3,316	0	-3,316	0	-3,316
Sale of own shares	0	0	1,989	0	1,989	0	1,989
Transactions with owners	-83	0	-1,187	0	-1,270	-201	-1,471
Equity at 31 December 2022	**643**	**168**	**36,512**	**0**	**37,323**	**3,301**	**40,624**

*Additional tier 1 capital (AT1) has no maturity. Payment of interest and repayment of principal are voluntary. Therefore, AT1 is recognised as equity. In September 2017, Jyske Bank issued AT1 amounting to EUR 150m with the possibility of early redemption in September 2027 at the earliest. The issue has a coupon of 4.75% until September 2027. In April 2019, Jyske Bank issued AT1 amounting to SEK 1bn with the possibility of early redemption in April 2024 at the earliest. The interest rate applicable to the issue until April 2024 is STIBOR+5%. In May 2021, Jyske Bank issued AT1 amounting to EUR 200m with the possibility of early redemption from 4 December 2028 at the earliest. The interest rate applicable to the issue until June 2029 is 3,625%. It applies to all AT1 issues that if the common equity tier 1 capital ratio of Jyske Bank A/S or Jyske Bank Group falls below 7%, the loans will be written down.

DKKm	2023	2022
Capital Statement		
Shareholders' equity	42,573	37,323
Proposed/expected dividends	-500	0
Intangible assets*	-3,395	-3,328
Prudent valuation	-292	-271
Insufficient coverage of non-performing loans and guarantees	-273	-75
Other deductions	-74	-93
Common equity tier 1 capital	38,039	33,556
Additional tier 1 capital (AT1) after reduction	3,257	3,272
Core capital	41,296	36,828
Subordinated loan capital after reduction	6,112	6,178
Capital base	47,408	43,006
Weighted risk exposure involving credit risk, etc.	197,866	195,379
Weighted risk exposure involving market risk	9,827	8,381
Weighted risk exposure involving operational risk	17,827	17,161
Total weighted risk exposure	225,520	220,921
Capital requirement, Pillar I	18,042	17,674
Capital ratio (%)	21.0	19.5
Tier 1 capital ratio (%)	18.3	16.7
Common equity tier 1 capital ratio (%)	16.9	15.2

*Intangible assets consist of goodwill and customer relations, cf. note 29.

The capital statement was calculated according to Regulation (EU) No. 575/2013 of 26 June 2013 of the European Parliament and of the Council (CRR) with subsequent amendments.

For the determination of the individual solvency requirement, please see the report Risk and Capital Management 2023 and www. jyske-bank.com/investorrelations/capitalstructure, which shows Jyske Bank's quarterly determination of the individual solvency requirement.

Risk and Capital Management 2023 was not covered by the audit.

DKKm	2023	2022
Cash Flow Statement		
Profit for the year	5,904	3,752
Adjustment for non-cash operating items, etc.		
Loan impairment charges	127	-605
Amortisation, depreciation and impairment charges	673	658
Unrealised value adjustment of securities	-549	900
Unrealised value adjustment of investments	-4	5
Interest not paid and received	695	412
Other outstanding operating items	158	-1,062
Tax charged to the income statement	1,984	805
Taxes paid	-1,873	-1,400
Total	7,115	3,465
Change in working capital		
Loans and advances	-15,757	9,280
Deposits	9,904	35,074
Issued bonds	19,837	6,127
Receivables from credit institutions	0	243
Due to credit institutions	2,767	13,205
Other assets and liabilities	-7,028	-7,231
Total	9,723	56,698
Cash flows from operating activities	16,838	60,163
Dividend	65	87
Acquisition of property, plant and equipment	-1,725	-1,666
Sale of property, plant and equipment	1,262	1,203
Acquisition of PFA Bank	-9	0
Acquisition of Danish activities from Svenska Handelsbanken*	0	-32,049
Cash flows from investment activities	-407	-32,425
Interest paid on additional tier 1 capital (AT1)	-165	-144
Dividends paid	-500	0
Acquisition of own shares	-1,763	-3,316
Sale of own shares	1,759	1,989
Addition and repayment of subordinated debt	-231	1,117
Repayment on lease commitment	-92	-91
Cash flows from financing activities	-992	-445
Cash flow for the year	15,439	27,293
Cash and cash equivalents, beginning of period	66,866	39,977
Foreign currency translation adjustment of cash at bank and in hand	-254	-404
Cash flow for the year, total	15,439	27,293
Cash and cash equivalents, end of period	82,051	66,866
Cash and cash equivalents, end of period, comprise:		
Cash balance and demand deposits with central banks**	74,737	58,519
Due in less than three months from credit institutions and central banks, cf. note 17	7,314	8,347
Cash and cash equivalents, end of period	82,051	66,866

Liabilities due to financing activities***	Subordinated debt	
Carrying amount, beginning of period	6,365	5,513
Change in exchange rates	-51	-139
Change in fair value of the hedged interest rate risk	60	-126
Cash flow from repayments	-231	-11
Cash flow from issues	0	1,128
Recognised value, end of period	6,143	6,365

* Acquisition of PFA Bank A/S has been booked at a purchase price of DKK 247m with deduction of the acquired liquid assets at DKK 238m. Acquisition of the Danish activities from Svenska Handelsbanken has been booked at a purchase price of DKK 34,428m with deduction of the acquired liquid assets at DKK 2,379m.
** Distributed on cash balance DKK 204m and demand deposits at central banks DKK 74,533m. (2022: cash balance DKK 193m and demand deposits at central banks DKK 58,326m).
***Lease commitments from financing activities, beginning of 2023: DKK 313m, repayments for the year: DKK 92m, remeasurement for the year: DKK 77m, additions during the year: DKK 7m, outflow for the year: DKK 16m, lease commitment, end of 2023: DKK 289m.
Lease commitments from financing activities, beginning of 2022: DKK 385m, interest for the year: DKK 6m, repayments for the year: DKK 91m, remeasurement for the year: DKK -74m, additions during the year: DKK 87m, lease commitment, end of 2022: DKK 313m.

Table of contents, notes section

		2023	2022	2021	2020	2019
1	Financial ratios and key figures					
	Pre-tax profit, per share (DKK)*	120.21	67.71	54.42	26.63	37.11
	Earnings per share (DKK)*	89.34	55.35	42.41	19.76	29.00
	Earnings per share (diluted) (DKK)*	89.34	55.35	42.41	19.76	29.00
	Core profit per share (DKK)*	123.92	71.95	53.57	27.40	37.79
	Share price at end of period (DKK)	484	451	337	233	243
	Book value per share (DKK)*	663	581	515	459	434
	Price/book value per share (DKK)*	0.73	0.78	0.65	0.51	0.56
	Price/earnings per share*	5.4	8.1	7.9	11.8	8.4
	Proposed dividend per share (DKK)	7.8	0	0	0	0
	Distributed dividend per share (DKK)	7.8	0	0	0	0
	Outstanding shares in circulation ('000)	64,254	64,264	67,840	72,553	74,841
	Average number of shares in circulation ('000)	64,261	65,128	70,748	72,911	78,771
	Capital ratio (%)	21.0	19.5	22.8	22.9	21.5
	Tier 1 capital ratio (%)	18.3	16.7	20.0	19.9	19.4
	Common equity tier 1 capital ratio (%)	16.9	15.2	18.2	17.9	17.4
	Pre-tax profit as a percentage of average equity*	19.3	12.2	11.3	5.9	9.1
	Net profit for the year as a percentage of average equity*	14.4	10.0	8.8	4.4	7.1
	Income/cost ratio (%)	2.1	1.9	1.8	1.3	1.6
	Interest rate risk (%)	2.9	2.4	1.3	0.8	0.5
	Currency position	3.7	3.0	2.5	4.7	12.8
	Currency risk (%)	0.0	0.0	0.0	0.1	0.0
	Liquidity Coverage Ratio (LCR) (%)	211	417	448	339	243
	Total large exposures (%)	122.4	134.6	122.9	96.6	95.1
	Accumulated impairment ratio (%)	0.8	0.8	1.0	1.1	1.0
	Impairment ratio for the year (%)	0.0	-0.1	0.0	0.2	0.0
	Increase in loans and advances for the year, excl. repo loans (%)	2.9	10.1	1.1	0.0	0.7
	Loans and advances in relation to deposits	2.6	2.6	3.7	3.6	3.5
	Loans relative to equity	12.1	13.3	12.7	13.4	13.6
	Return on capital employed	0.8	0.5	0.5	0.2	0.4
	Number of full-time employees, year-end**	3,956	3,873	3,257	3,349	3,614
	Average number of full-time employees in year	3,920	3,381	3,296	3,482	3,690

Reference is made to definitions of financial ratios, cf. note 69.

* Financial ratios are calculated as if additional tier 1 capital (AT1) is recognised as a liability, cf. note 2.

**The number of employees at the end of 2023, at the end of 2022, at the end of 2021, at the end of 2020 and at the end of 2019 inclusive of 16, 19, 15, 31 and 54 employees, respectively, who are financed externally.

DKKm

2 Segmental financial statements

	Banking activities	Mortgage activities	Leasing activities	Jyske Bank Group*
2023				
Net interest income	5,954	3,291	477	9,722
Net fee and commission income	3,122	-556	13	2,579
Value adjustments	1,156	370	13	1,539
Other income	198	0	29	227
Income from operating lease (net)	0	0	289	289
Core income	**10,430**	**3,105**	**821**	**14,356**
Core expenses	5,459	445	199	6,103
Core profit before loan impairment charges	**4,971**	**2,660**	**622**	**8,253**
Loan impairment charges	90	-12	49	127
Core profit	**4,881**	**2,672**	**573**	**8,126**
Investment portfolio earnings	-3	0	0	-3
Pre-tax profit before one-off costs	**4,878**	**2,672**	**573**	**8,123**
One-off costs relating to Handelsbanken DK	-235	0	0	-235
Pre-tax profit	**4,643**	**2,672**	**573**	**7,888**
Loans and advances	180,459	352,654	24,199	557,312
- of which mortgage loans	0	352,654	0	352,654
- of which bank loans	126,366	0	24,199	150,565
- of which repo loans	54,093	0	0	54,093
Total assets	368,825	383,021	27,829	779,675
Deposits	218,147	0	162	218,309
- of which bank deposits	199,688	0	162	199,850
- of which repo and triparty deposits	18,459	0	0	18,459
Issued bonds	86,888	352,540	0	439,428
2022				
Net interest income	2,889	2,515	452	5,856
Net fee and commission income	3,193	-653	-11	2,529
Value adjustments	111	2	26	139
Other income	211	0	28	239
Income from operating lease (net)	0	0	343	343
Core income	**6,404**	**1,864**	**838**	**9,106**
Core expenses	4,304	394	181	4,879
Core profit before loan impairment charges	**2,100**	**1,470**	**657**	**4,227**
Loan impairment charges	-391	-272	58	-605
Core profit	**2,491**	**1,742**	**599**	**4,832**
Investment portfolio earnings	-131	0	0	-131
Pre-tax profit before one-off costs	**2,360**	**1,742**	**599**	**4,701**
One-off costs relating to Handelsbanken DK	-144	0	0	-144
Pre-tax profit	**2,216**	**1,742**	**599**	**4,557**
Loans and advances	184,568	333,712	23,401	541,681
- of which mortgage loans	0	333,712	0	333,712
- of which bank loans	132,046	0	23,401	155,447
- of which repo loans	52,523	0	0	52,523
Total assets	363,067	359,621	27,309	749,997
Deposits	208,233	0	172	208,405
- of which bank deposits	188,892	0	172	189,064
- of which repo and triparty deposits	19,341	0	0	19,341
Issued bonds	89,312	330,279	0	419,591

* The relationship between income statement items under Group key financial data and the income statement page 95.

2 Segmental financial statements, cont.

Banking Activities
Banking activities cover advisory services relating to traditional financial solutions targeting personal and private banking customers as well as corporate customers and trading and investment activities targeting large corporate customers and institutional customers, including trading in interest rate products, currencies, equities, commodities and derivatives. Investment portfolio earnings are allocated to banking activities

Mortgage Activities
Mortgage activities comprise financial solutions for the financing of real property carried out by Jyske Realkredit. Mortgage activities are aimed mainly at Danish personal customers, corporate customers and subsidised rental housing.

Leasing Activities
Leasing activities cover financial solutions in the form of leasing and financing within car financing as well as leasing and financing of equipment for the corporate sector. The activities primarily target Danish personal and corporate customers as well as dealer cooperation schemes and partnerships.

Internal allocation
Internal transactions are based on market conditions, and services are allocated according to agreed volume of consumption and under reference to calculated unit prices in accordance with the rules about transfer pricing. Cash transactions are settled via intercompany accounts, follow the money-market rate and are adjusted accordingly.

Assets and liabilities are presented in the segments that obtain or lose the relevant financial advantages.

Core profit and investment portfolio earnings
The pre-tax profit for 2023 broken down by core earnings and investment portfolio earnings as well as one-off costs is stated below:

Breakdown of profit for the year
DKKm

	2023					2022				
	Core profit	Inv. portfolio earnings	One-off costs	Reclassification	Total	Core profit	Inv. portfolio earnings	One-off costs	Reclassification	Total
Net interest income	9,722	-163	0	89	9,648	5,856	33	0	8	5,897
Net fee and commission income	2,579	-1	0	0	2,578	2,529	0	0	0	2,529
Value adjustments	1,539	190	0	-89	1,640	139	-135	0	-8	-4
Other income	227	0	0	2	229	239	0	0	4	243
Income from operating lease (net)	289	0	0	475	764	343	0	0	528	871
Income	**14,356**	**26**	**0**	**477**	**14,859**	**9,106**	**-102**	**0**	**532**	**9,536**
Expenses	6,103	29	235	477	6,844	4,879	29	144	532	5,584
Profit before loan impairment charges	**8,253**	**-3**	**-235**	**0**	**8,015**	**4,227**	**-131**	**-144**	**0**	**3,952**
Loan impairment charges	127	0	0	0	127	-605	0	0	0	-605
Pre-tax profit	**8,126**	**-3**	**-235**	**0**	**7,888**	**4,832**	**-131**	**-144**	**0**	**4,557**

Alternative performance targets
The alternative performance targets applied in the management's review constitute valuable information for readers of financial statements as they provide a more uniform basis for comparison of accounting periods. No adjusting entries are made, and therefore the net profit or loss for the year will be the same in the alternative performance targets of the management's review and in the IFRS financial statements.

Core profit is defined as the pre-tax profit exclusive of investment portfolio earnings. Hence earnings from customers are expressed better than in the IFRS financial statements.

Investment portfolio earnings are defined as the return on the Group's portfolio of shares, bonds, derivatives and equity investments, yet exclusive of the liquidity buffer and certain strategic equity investments. Investment portfolio earnings are calculated after expenses for funding and attributable costs.

One-off costs are costs relating to the acquisition of Svenska Handelsbanken's Danish activities. These one-offs are included in the IFRS income statement under expenses for staff and administrative expenses, etc.

The above table illustrates relationships between income statement items under Group key financial data, page 7, and income statement items in the IFRS financial statements, page 95.

Reclassification relates to the following:
- Expenses of DKK 89m (2022: expenses of DKK 8m) due to value adjustments relating to the balance principle at Jyske Realkredit were reclassified from value adjustments to interest income.
- Income of DKK 2m. (2022: Income of DKK 4m) from external revenue was reclassified from income to offsetting against expenses.
- Depreciation and amortisation of DKK 475m (2022: DKK 528m) were reclassified from expenses to income from operating lease (net).

2 Segmental financial statements, cont.

Please see below for definitions of the additional financial ratios stated under Group, page 7.

"Earnings per share", "Earnings per share (diluted)", "Pre-tax profit as a percentage of average equity" and "Net profit as a percentage of average equity" are calculated as if additional tier 1 capital (AT1) is recognised as a liability. In the numerator, the profit is less interest expenses for additional tier 1 capital (AT1) of DKK 163m (2022: DKK 147m) and the denominator is calculated as equity exclusive of Additional tier 1 capital (AT1) of DKK 3,313m (2022: DKK 3,301m).

"Expenses as a percentage of income" is calculated as core expenses divided by core income.

"Book value per share" and "Price/book value per share" are calculated as if additional tier 1 capital (AT1) is accounted for as a liability. Book value was calculated exclusive of additional tier 1 capital (AT1) of DKK 3,313m. (2022: DKK 3,301m).

3 Segment information, income by product

DKKm	**2023**	2022
Corporate customers	**6,224**	3,908
Private customers	**2,922**	2,170
Trading income	**4,540**	1,565
Other	**1,163**	1,834
Total	**14,849**	9,477

The item Corporate customers consist of interest and fee income from activities with corporate customers. The item Private customers consists of interest and fee income from activities with personal customers. Trading income consists of earnings from interest rate and currency products as well as brokerage.

The Group has no single customer who contributes 10% or more of the total income.

4 Segment information, income by geography

The Group's sum of net interest and fee income and value adjustments amounted to DKK 13,866m. (2022: DKK 8,422m), which is distributed with DKK 13,845m (2022: DKK 8,407m) for Denmark and with DKK 21m (2022: DKK 15m) internationally.

Geographical segments are listed according to where transactions are booked.

5 Segment information, sales by country

2023	Revenue	Pre-tax profit	Tax	Profit/loss for the year	Public subsidies	Full-time employees, end of period
Denmark	28,951	7,876	1,981	5,895	0	3,933
Germany	19	12	3	9	0	7
Total	**28,970**	**7,888**	**1,984**	**5,904**	**0**	**3,940**

2022	Revenue	Pre-tax profit	Tax	Profit/loss for the year	Public subsidies	Full-time employees, end of period
Denmark	15,258	4,554	805	3,749	0	3,845
Germany	15	3	0	3	0	9
Total	15,273	4,557	805	3,752	0	3,854

Revenue is defined as interest income, fee and commission income and other operating income.

Activities in individual countries:
Denmark: Group has activities within banking and mortgage banking, trading and wealth management advice as well as leasing.
Germany: Group has activities within banking.

DKKm

6 Net interest income and value adjustments

	Interest income	Interest ex-penses	Net interest income	Dividends	Value adjustments	Total
2023						
Financial portfolios at amortised cost						
Due from and to credit institutions and central banks	2,683	905	1,778	0	-29	1,749
Loans, advances and deposits	8,925	3,541	5,384	0	0	5,384
Bonds	982	0	982	0	0	982
Issued bonds	0	3,144	-3,144	0	-408	-3,552
Subordinated debt	0	215	-215	0	-60	-275
Other financial instruments	4	21	-17	0	0	-17
Total	12,594	7,826	4,768	0	-497	4,271
Financial portfolios at fair value through profit or loss						
Bonds	1,446	0	1,446	0	1,382	2,828
Shares, etc.	0	0	0	65	202	267
Derivatives, etc.	457	223	234	0	1,093	1,327
Total	1,903	223	1,680	65	2,677	4,422
Financial portfolios designated at fair value margins through profit						
Loans and issued bonds	10,476	7,276	3,200	0	-813	2,387
Total	10,476	7,276	3,200	0	-813	2,387
Foreign currency translation adjustments	0	0	0	0	273	273
Total net interest income and value adjustments after offset-ting of negative interest	**24,973**	**15,325**	**9,648**	**65**	**1,640**	**11,353**
Negative interest income set off against interest income	0	0	0	0	0	0
Negative interest expenses set off against interest expenses	0	0	0	0	0	0
Total net interest income and value adjustments before off-setting of negative interest	**24,973**	**15,325**	**9,648**	**65**	**1,640**	**11,353**
2022						
Financial portfolios at amortised cost						
Due from and to credit institutions and central banks	193	126	67	0	80	147
Loans, advances and deposits	2,959	-63	3,022	0	0	3,022
Bonds	263	0	263	0	0	263
Issued bonds	0	762	-762	0	202	-560
Subordinated debt	0	141	-141	0	125	-16
Other financial instruments	0	7	-7	0	0	-7
Total	3,415	973	2,442	0	407	2,849
Financial portfolios at fair value through profit or loss						
Bonds	273	0	273	0	-2,071	-1,798
Shares, etc.	0	0	0	87	21	108
Derivatives, etc.	755	20	735	0	-382	353
Total	1,028	20	1,008	87	-2,432	-1,337
Financial portfolios designated at fair value margins through profit						
Loans and issued bonds	5,968	3,521	2,447	0	1,893	4,340
Total	5,968	3,521	2,447	0	1,893	4,340
Foreign currency translation adjustments	0	0	0	0	128	128
Total net interest income and value adjustments after offset-ting of negative interest	**10,411**	**4,514**	**5,897**	**87**	**-4**	**5,980**
Negative interest income set off against interest income	178	178	0	0	0	0
Negative interest expenses set off against interest expenses	709	709	0	0	0	0
Total net interest income and value adjustments before off-setting of negative interest	**11,298**	**5,401**	**5,897**	**87**	**-4**	**5,980**

	DKKm	2023	2022
7	Interest income		
	Due from credit institutions and central banks	2,683	193
	Loans and advances	17,390	6,897
	Administration margin	2,011	2,029
	Bonds	2,773	739
	Derivatives, total	457	756
	Of which currency contracts	476	620
	Of which interest rate contracts	-19	136
	Other	3	0
	Total	25,317	10,614
	Interest on own mortgage bonds, set off against interest on issued bonds	344	203
	Total after offsetting of negative interest	24,973	10,411
	Negative interest income set off against interest income	0	178
	Negative interest expenses set off against interest expenses	0	709
	Total before offsetting of negative interest income	24,973	11,298
	Of which Interest income calculated according to the effective interest method	12,595	4,372

Negative interest income amounted to DKK 0m (2022: DKK 178m) and related primarily to repo transactions. In the above table, negative interest income is set off against interest income. In the income statement, negative interest income is listed as interest expenses, and negative interest expenses are listed as interest income.

		2023	2022
8	Interest expenses		
	Due to credit institutions and central banks	905	126
	Deposits	3,541	-63
	Issued bonds	10,763	4,486
	Subordinated debt	215	141
	Other	245	27
	Total	15,669	4,717
	Interest on own mortgage bonds, set off against interest on issued bonds	344	203
	Total after offsetting of negative interest	15,325	4,514
	Negative interest expenses set off against interest expenses	0	709
	Negative interest income set off against interest income	0	178
	Total before offsetting of negative interest income	15,325	5,401

Negative interest expenses amounted to DKK 0m (2022: DKK 709m) related primarily to repo transactions as well as deposits and issued bonds. In the above table, negative interest expenses are set off against interest expenses. In the income statement, negative interest expenses are listed as interest income, and negative interest income is listed as interest expenses.

		2023	2022
9	Fees and commission income		
	Securities trading and custody services	1,515	1,437
	Money transfers and card payments	333	289
	Loan application fees	411	540
	Guarantee commission	101	104
	Other fees and commissions	719	638
	Fees and commissions received, total	3,079	3,008
	Fees and commissions paid, total	501	479
	Fee and commission income, net	2,578	2,529

Jyske Bank's fee and commission income was calculated at the end of the year, when the bank's obligation to deliver had been fulfilled and also the customer's payment had been effected. Hence there remains no material balances of contractual assets and liabilities. The fee income for the year amounting to DKK 3,079m less the fees and commissions paid for the year and commission expenses of DKK 501m constitute the net fee and commission income for the year in the amount of DKK 2,578m (2022: DKK 2,529m). These are recognised in the segmental financial statements for the bank's three business areas, cf. note 2. Loan application fees received relating to financial instruments measured at amortised cost amounted to DKK 231m (2022: DKK 214m). Fee and commission income from asset-management activities and other activities entrusted to the bank that entail management or investment of assets on behalf of individuals, funds, pension funds and other institutions amounted to DKK 894m. (2022: DKK 769m).

	DKKm	2023	2022
10	**Value adjustments**		
	Loans at fair value	10,504	-33,015
	Bonds	1,382	-2,071
	Shares, etc.	202	21
	Currency	273	128
	Currency, interest rate, share, commodity and other contracts as well as other derivatives	1,092	-398
	Issued bonds	-11,725	35,110
	Other assets and liabilities	-88	221
	Total	1,640	-4

11	**Other income**		
	Income on real property	50	41
	Profit on the sale of property, plant and equipment	2	6
	Income from operating lease[1]	764	871
	Dividends, etc.	65	87
	Profit/loss on investments in associates	10	59
	Other income	102	49
	Total	993	1,113

[1]) Expenses relating to operating leases affected the item amortisation, depreciation and impairment charges in the amount of DKK 475m in 2023 against DKK 528m in 2022.

12 **Employee and administrative expenses**

Employee expenses		
Wages and salaries, etc.	2,900	2,324
Pensions	364	284
Social security	437	340
Total	3,701	2,948

Salaries and remuneration to management bodies		
Executive Board*	49	38
Supervisory Board	7	7
Shareholders' Representatives	4	3
Total	60	48

*Salaries and remuneration to the Executive Board include value of company car, etc., commencement and severance pay as well as the retirement remuneration in the amount of DKK 2m (2022: DKK 3m). Variable remuneration to the Executive Board totalled DKK 9.5m (2022: DKK 0m).

Details of the individual remuneration of the members of the Executive Board and the Supervisory Board are stated in the remuneration report, pages 5-6, available at www.jyskebank.com/investorrelations/governance.

The members of the Supervisory Board and the Executive Board are not offered any incentive programmes. No member of the Supervisory Board or the Executive Board is specifically remunerated as a member of the board in any Group enterprise. Members of the Executive Board are not separately remunerated as members of supervisory boards or board of directors outside the Group (for instance, sector companies). Alternatively, such remuneration will be set off against the salary of the individual member of the Executive Board.

Members of the Executive Board as well as Jyske Bank can mutually terminate the employment subject to a term of notice of six months. Where Jyske Bank terminates the employment, a severance pays equalling the past 24 months' pay, inclusive of any retirement remuneration from Jyske Bank's Pensionstilskudsfond will also be given. For managing directors employed after 2017 the allowance may, however, amount to maximum 18 months' salary.

The Group does not pay any separate pension contribution for the members of the Supervisory Board and the Executive Board in addition to the remuneration stated in the financial statements.

Jyske Bank's Pensionstilskudsfond is a fund which offers supplementary pensions to current and former members of the Executive Board and their surviving relatives, if any. Payment will commence upon the resignation of the individual member of the Executive Board. Since 1 January 2011, members of the Executive Board do not qualify for any further rights to pension supplements from Jyske Bank's Pensionstilskudfond apart from a one-off payment in the form of a seniority-dependent retirement remuneration not exceeding 83.33% of the annual salary at the time of resignation, cf. the above table showing the total remuneration of the Executive Board. The retirement remuneration will be maximised when a member reaches 25 years of seniority, as regards Lars Mørch and as regards Peter Schleidt and Per Skovhus when they reach 10 years of seniority. In the event of lower seniority at the time of resignation, the retirement remuneration will be reduced proportionally according to the shorter seniority. The pension liabilities of Jyske Bank's Pensionstilskudsfond are calculated actuarially and based on a number of assumptions. To the extent the value of Jyske Bank's Pensionstilskudsfond's assets does not match the net present value of the liabilities, the remaining amount has been recognised as a liability in the financial statements. See notes 37 and 62 for further details.

DKKm		2023	2022
12	**Employee and administrative expenses, cont.**		
	Other administrative expenses	2,410	1,929
	Employee and administrative expenses, total	6,171	4,925
	Average number of employees for the financial year (full-time employees)	3,920	3,381
	Average number of members of the Executive Board	4.0	4.0
	Average number of members of the Supervisory Board	9.0	9.0
	Specification of wages and salaries, etc.		
	Wages and salaries and other short-term employee benefits	2,888	2,316
	Other long-term employee benefits	12	8
	Total	2,900	2,324
	Remuneration of material risk takers		
	Number of members over the year	142	122
	Number of members at year-end	134	111
	Contractual remuneration	178	139
	Variable remuneration	2	4
	Pension	19	14

The Group comprises employees (exclusive of the Executive Board) with a special impact on the Group's risk profile.
The Group does not participate in any incentive schemes. Remuneration is included in the period during which the employee was a material risk taker.

13	**Audit fees**	2023	2022
	Total fees inclusive of VAT to Jyske Bank A/S's auditors elected at the Annual General Meeting and to auditors elected at subsidiaries	12	15
	Breakdown of audit fees:		
	Fee for statutory audit of the financial statements	8	7
	Fee for other assurance services	3	2
	Fee for tax advice	0	0
	Fee for other services	1	6

In addition to fees to the auditors elected at the Annual General Meeting, expenses were recognised for Internal Audit.

Fees for non-audit services rendered in 2023 to the Group primarily cover review in connection with continual recognition of profit, submission of various statutory declarations, assistance for validation of Jyske Bank's credit models and declaration relating to selected ESG data.

DKKm		2023	2022
14	Loan impairment charges and provisions for guarantees		
	Loan impairment charges and provisions for guarantees recognised in the income statement		
	Loan impairment charges and provisions for guarantees for the year	352	-348
	Impairment charges on balances due from credit institutions for the year	0	-5
	Provisions for loan commitments and unutilised credit lines in the year	39	-100
	Recognised as a loss, not covered by loan impairment charges and provisions	68	112
	Recoveries	-22	-157
	Recognised discount for acquired loans*	-310	-107
	Loan impairment charges and provisions for guarantees recognised in the income statement	127	-605
	Balance of loan impairment charges and provisions for guarantees		
	Balance of loan impairment charges and provisions, beginning of period	4,741	5,443
	Loan impairment charges and provisions for the year	391	-447
	Recognised as a loss, covered by loan impairment charges and provisions	-238	-326
	Other movements	78	71
	Balance of loan impairment charges and provisions, end of period	4,972	4,741
	Loan impairment charges and provisions for guarantees at amortised cost	3,086	2,944
	Loan impairment charges at fair value	1,456	1,404
	Provisions for guarantees	210	212
	Provisions for credit commitments and unutilised credit lines	220	181
	Balance of loan impairment charges and provisions, end of period	4,972	4,741

* The discount for loans and advances taken over amounts to the expected credit losses at the initial recognition at fair value. The discount is recognised as income in step with refinancing and repayment of loans. The amount recognised as income over the year is essentially offset by loan impairment charges recognised as an expense on the facilities refinanced which is included in "Loan impairment charges and provisions for guarantees for the year".

The discount balance for loans and advances taken over is not included in the balance of loan impairment charges and provisions for guarantees.

The contractual balances outstanding for financial assets that were written off as losses in 2023 and that are still attempted to be recovered amounted to DKK 306m (2022: DKK 438m).

DKKm

14 Loan impairment charges and provisions for guarantees, cont.

Balance of loan impairment charges and provisions for guarantees by stage – total	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2023	1,312	1,073	2,355	1	**4,741**
Transfer of impairment charges at beginning of period to stage 1	640	-473	-167	0	**0**
Transfer of impairment charges at beginning of period to stage 2	-52	116	-64	0	**0**
Transfer of impairment charges at beginning of period to stage 3	-9	-141	150	0	**0**
Impairment charges on new loans, etc.	375	116	332	0	**823**
Impairment charges on discontinued loans and provisions for guarantees	-205	-167	-355	0	**-727**
Effect from recalculation	-538	498	408	5	**373**
Previously recognized as impairment charges, now final loss	-1	-2	-235	0	**-238**
Balance, end of 2023	1,522	1,020	2,424	6	**4,972**

Balance of loan impairment charges and provisions for guarantees by stage – total	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2022	1,081	923	3,439	0	**5,443**
Transfer of impairment charges at beginning of period to stage 1	327	-288	-39	0	**0**
Transfer of impairment charges at beginning of period to stage 2	-59	181	-122	0	**0**
Transfer of impairment charges at beginning of period to stage 3	-11	-66	77	0	**0**
Impairment charges relating to new portfolio	93	0	0	1	**94**
Impairment charges on new loans, etc.	360	141	214	0	**715**
Impairment charges on discontinued loans and provisions for guarantees	-304	-254	-543	0	**-1,101**
Effect from recalculation	-174	438	-345	0	**-81**
Previously recognized as impairment charges, now final loss	-1	-2	-326	0	**-329**
Balance, end of 2022	1,312	1,073	2,355	1	**4,741**

In general, impairment charges at the Group still developed favourably in 2023. This is also reflected in the stage migrations which showed a trend towards improving credit quality.

The transfer of impairment charges from stages 2 and 3 to stage 1 is fuelled by a few customer business groups. The balance of impairment charges rose marginally, driven, among other things, by an increase in impairment charges to property exposures in stage 3 and an update of the increases in impairment charges to macroeconomic risks.

The items of new loans and advances, etc. and discontinued loans and advances, etc. were affected by natural refinancing and remortgaging. The period only saw minor model adjustments, and the write-offs of losses are at a low level.

DKKm

14 Loan impairment charges and provisions for guarantees, cont.

Balance of impairment charges by stage - loans at amortised cost	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2023	506	780	1,658	0	2,944
Transfer of impairment charges at beginning of period to stage 1	461	-379	-82	0	0
Transfer of impairment charges at beginning of period to stage 2	-33	72	-39	0	0
Transfer of impairment charges at beginning of period to stage 3	-4	-127	131	0	0
Impairment charges on new loans, etc.	163	72	258	0	493
Impairment charges on discontinued loans and provisions for guarantees	-89	-119	-274	0	-482
Effect from recalculation	-386	422	318	5	359
Previously recognized as impairment charges, now final loss	0	0	-228	0	-228
Balance, end of 2023	618	721	1,742	5	3,086

Balance of impairment charges by stage - loans at amortised cost	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2022	575	407	2,138	0	3,120
Transfer of impairment charges at beginning of period to stage 1	173	-144	-29	0	0
Transfer of impairment charges at beginning of period to stage 2	-44	130	-86	0	0
Transfer of impairment charges at beginning of period to stage 3	-8	-31	39	0	0
Impairment charges relating to new portfolio	33	0	0	0	33
Impairment charges on new loans, etc.	174	61	108	0	343
Impairment charges on discontinued loans and provisions for guarantees	-143	-81	-276	0	-500
Effect from recalculation	-253	438	-80	0	105
Previously recognized as impairment charges, now final loss	-1	0	-156	0	-157
Balance, end of 2022	506	780	1,658	0	2,944

Balance of impairment charges by stage – loans at fair value	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2023	679	219	506	0	1,404
Transfer of impairment charges at beginning of period to stage 1	139	-69	-70	0	0
Transfer of impairment charges at beginning of period to stage 2	-14	32	-18	0	0
Transfer of impairment charges at beginning of period to stage 3	-5	-5	10	0	0
Impairment charges on new loans, etc.	146	35	20	0	201
Impairment charges on discontinued loans and provisions for guarantees	-53	-26	-25	0	-104
Effect from recalculation	-144	39	70	0	-35
Previously recognized as impairment charges, now final loss	0	-2	-8	0	-10
Balance, end of 2023	748	223	485	0	1,456

Balance of impairment charges by stage – loans at fair value	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2022	335	373	977	0	1,685
Transfer of impairment charges at beginning of period to stage 1	89	-83	-6	0	0
Transfer of impairment charges at beginning of period to stage 2	-11	35	-24	0	0
Transfer of impairment charges at beginning of period to stage 3	-1	-31	32	0	0
Impairment charges relating to new portfolio	39	0	0	0	39
Impairment charges on new loans, etc.	141	53	28	0	222
Impairment charges on discontinued loans and provisions for guarantees	-70	-139	-166	0	-375
Effect from recalculation	157	12	-275	0	-106
Previously recognized as impairment charges, now final loss	0	-1	-60	0	-61
Balance, end of 2022	679	219	506	0	1,404

DKKm

14 Loan impairment charges and provisions for guarantees, cont.

Balance of provisions by stage – guarantees and loan commitments, etc.	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2023	132	76	184	1	**393**
Transfer of impairment charges at beginning of period to stage 1	40	-25	-15	0	**0**
Transfer of impairment charges at beginning of period to stage 2	-5	12	-7	0	**0**
Transfer of impairment charges at beginning of period to stage 3	0	-9	9	0	**0**
Impairment charges on new loans, etc.	66	9	54	0	**129**
Impairment charges on discontinued loans and provisions for guarantees	-63	-23	-55	0	**-141**
Effect from recalculation	-7	37	20	-1	**49**
Previously recognized as impairment charges, now final loss	0	0	0	0	**0**
Balance, end of 2023	163	77	190	0	**430**

Balance of provisions by stage – guarantees and loan commitments, etc.	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2022	175	143	320	0	**638**
Transfer of impairment charges at beginning of period to stage 1	65	-60	-5	0	**0**
Transfer of impairment charges at beginning of period to stage 2	-4	16	-12	0	**0**
Transfer of impairment charges at beginning of period to stage 3	-1	-4	5	0	**0**
Impairment charges relating to new portfolio	21	0	0	1	**22**
Impairment charges on new loans, etc.	44	27	77	0	**148**
Impairment charges on discontinued loans and provisions for guarantees	-91	-33	-101	0	**-225**
Effect from recalculation	-77	-13	10	0	**-80**
Previously recognized as impairment charges, now final loss	0	0	-110	0	**-110**
Balance, end of 2022	132	76	184	1	**393**

DKKm

14 Loan impairment charges and provisions for guarantees, cont.

Gross loans, advances and guarantees by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross loans, advances and guarantees, 1 January 2023	529,761	18,789	8,749	84	557,383
Transfer of loans, advances and guarantees to stage 1	7,759	-6,762	-997	0	0
Transfer of loans, advances and guarantees to stage 2	-14,102	14,799	-697	0	0
Transfer of loans, advances and guarantees to stage 3	-1,712	-1,021	2,733	0	0
Other movements*	20,721	-5,276	-1,027	-9	14,409
Gross loans, advances and guarantees, 31 December 2023	542,427	20,529	8,761	75	571,792
Loan impairment charges and provisions for guarantees total	1,412	973	2,360	5	4,750
Net loans, advances and guarantees, 31 December 2023	541,015	19,556	6,401	70	567,042

Gross loans, advances and guarantees by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross loans, advances and guarantees, 1 January 2022	471,338	24,447	8,315	0	504,100
Additions relating to new portfolio	65,059	0	0	84	65,143
Transfer of loans, advances and guarantees to stage 1	9,925	-9,780	-145	0	0
Transfer of loans, advances and guarantees to stage 2	-8,156	8,603	-447	0	0
Transfer of loans, advances and guarantees to stage 3	-1,706	-774	2,480	0	0
Other movements*	-6,699	-3,707	-1,454	0	-11,860
Gross loans, advances and guarantees, 31 December 2022	529,761	18,789	8,749	84	557,383
Loan impairment charges and provisions for guarantees total	1,237	1,025	2,298	0	4,560
Net loans, advances and guarantees, 31 December 2022	528,524	17,764	6,451	84	552,823

Gross loans at amortised cost by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross loans, at 1 January 2023	194,207	8,579	4,124	84	206,994
Transfer of loans to stage 1	3,820	-3,288	-532	0	0
Transfer of loans to stage 2	-9,527	9,665	-138	0	0
Transfer of loans to stage 3	-984	-612	1,596	0	0
Other movements*	3,682	-4,842	-604	-11	-1,775
Gross loans, at 31 December 2023	191,198	9,502	4,446	73	205,219
Loan impairment charges and provisions for guarantees, total	615	719	1,745	5	3,084
Net loans, 31 December 2023	190,583	8,783	2,701	68	202,135

Gross loans at amortised cost by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross loans, at 1 January 2022	133,036	8,297	4,289	0	145,622
Additions relating to new portfolio	41,796	0	0	84	41,880
Transfer of loans to stage 1	3,358	-3,266	-92	0	0
Transfer of loans to stage 2	-4,451	4,671	-220	0	0
Transfer of loans to stage 3	-698	-332	1,030	0	0
Other movements*	21,166	-791	-883	0	19,492
Gross loans, at 31 December 2022	194,207	8,579	4,124	84	206,994
Loan impairment charges and provisions for guarantees, total	510	774	1,660	0	2,944
Net loans, 31 December 2022	193,697	7,805	2,464	84	204,050

* Other movements are new as well as redeemed exposures.

DKKm

14 Loan impairment charges and provisions for guarantees, cont.

Gross loans at fair value, by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross loans, at 1 January 2023	325,804	9,286	3,946	0	**339,036**
Transfer of loans to stage 1	3,708	-3,270	-438	0	**0**
Transfer of loans to stage 2	-4,235	4,781	-546	0	**0**
Transfer of loans to stage 3	-716	-292	1,008	0	**0**
Other movements*	18,199	-250	-352	0	**17,597**
Gross loans, at 31 December 2023	342,760	10,255	3,618	0	**356,633**
Loan impairment charges and provisions for guarantees, total	749	222	485	0	**1,456**
Net loans, 31 December 2023	342,011	10,033	3,133	0	**355,177**

Gross loans at fair value, by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross loans, at 1 January 2022	326,888	14,048	3,462	0	**344,398**
Additions relating to new portfolio	23,263	0	0	0	**23,263**
Transfer of loans to stage 1	5,454	-5,406	-48	0	**0**
Transfer of loans to stage 2	-3,479	3,693	-214	0	**0**
Transfer of loans to stage 3	-902	-419	1,321	0	**0**
Other movements*	-25,420	-2,630	-575	0	**-28,625**
Gross loans, at 31 December 2022	325,804	9,286	3,946	0	**339,036**
Loan impairment charges and provisions for guarantees, total	678	219	507	0	**1,404**
Net loans, 31 December 2022	325,126	9,067	3,439	0	**337,632**

Advances and guarantees by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross advances and guarantee as at 1 January 2023	9,750	924	679	0	**11,353**
Transfer of advances and guarantees to stage 1	231	-204	-27	0	**0**
Transfer of advances and guarantees to stage 2	-340	353	-13	0	**0**
Transfer of advances and guarantees to stage 3	-12	-117	129	0	**0**
Other movements*	-1,160	-184	-71	2	**-1,413**
Gross advances and guarantee as at 31 December 2023	8,469	772	697	2	**9,940**
Loan impairment charges and provisions for guarantees, total	48	32	130	0	**210**
Net advances and guarantees as at 31 December 2023	8,421	740	567	2	**9,730**

Advances and guarantees by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross advances and guarantee as at 1 January 2022	11,414	2,102	564	0	**14,080**
Transfer of advances and guarantees to stage 1	1,113	-1,108	-5	0	**0**
Transfer of advances and guarantees to stage 2	-226	239	-13	0	**0**
Transfer of advances and guarantees to stage 3	-106	-23	129	0	**0**
Other movements*	-2,445	-286	4	0	**-2,727**
Gross advances and guarantee as at 31 December 2022	9,750	924	679	0	**11,353**
Loan impairment charges and provisions for guarantees, total	49	32	131	0	**212**
Net advances and guarantees as at 31 December 2022	9,701	892	548	0	**11,141**

* Other movements are new as well as redeemed exposures.

DKKm

14 Loan impairment charges and provisions for guarantees, cont.

Loans, advances and guarantees by stage and internal rating – gross before impairment charges and provisions		31 December 2023					31 Dec. 2022
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total	Total
1	0.00 - 0.10	67,614	97	0	0	**67,711**	78,124
2	0.10 - 0.15	14,052	19	0	0	**14,071**	18,808
3	0.15 - 0.22	43,864	26	0	0	**43,890**	34,819
4	0.22 - 0.33	31,005	40	0	0	**31,045**	56,843
5	0.33 - 0.48	110,970	121	0	0	**111,091**	85,661
STY 1 – 5		267,505	303	0	0	**267,808**	274,255
6	0.48 - 0.70	87,786	210	0	0	**87,996**	86,329
7	0.70 - 1.02	80,996	291	0	0	**81,287**	68,349
8	1.02 - 1.48	35,437	615	0	0	**36,052**	50,265
9	1.48 - 2.15	36,301	777	0	0	**37,078**	24,312
10	2.15 - 3.13	15,967	2,015	0	0	**17,982**	13,205
11	3.13 - 4.59	8,565	3,397	0	1	**11,963**	7,792
STY 6 – 11		265,052	7,305	0	1	**272,358**	250,252
12	4.59 - 6.79	3,896	2,772	0	0	**6,668**	6,410
13	6.79 - 10.21	1,858	3,349	0	0	**5,207**	4,625
14	10.21 - 25.0	1,190	6,449	0	1	**7,640**	6,509
STY Ratings 12-14		6,944	12,570	0	1	**19,515**	17,544
Other		2,918	331	0	0	**3,249**	4,988
Non-performing loans		7	18	8,763	74	**8,862**	10,344
Total		542,426	20,527	8,763	76	**571,792**	557,383

Loan impairment charges and provisions for guarantees by stage and internal rating		31 December 2023					31 Dec. 2022
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total	Total
1	0.00 - 0.10	37	1	0	0	**38**	91
2	0.10 - 0.15	21	0	0	0	**21**	22
3	0.15 - 0.22	55	0	0	0	**55**	50
4	0.22 - 0.33	66	0	0	0	**66**	98
5	0.33 - 0.48	215	1	0	0	**216**	220
STY Ratings 1- 5		394	2	0	0	**396**	481
6	0.48 - 0.70	151	4	0	0	**155**	143
7	0.70 - 1.02	282	4	0	0	**286**	170
8	1.02 - 1.48	185	11	0	0	**196**	130
9	1.48 - 2.15	163	18	0	0	**181**	120
10	2.15 - 3.13	80	36	0	0	**116**	139
11	3.13 - 4.59	68	77	0	0	**145**	89
STY 6 – 11		929	150	0	0	**1,079**	791
12	4.59 - 6.79	29	139	0	0	**168**	107
13	6.79 - 10.21	20	122	0	0	**142**	137
14	10.21 - 25.0	21	532	0	0	**553**	634
STY Ratings 12-14		70	793	0	0	**863**	878
Other		18	26	0	0	**44**	41
Non-performing loans		0	2	2,361	5	**2,368**	2,369
Total		1,411	973	2,361	5	**4,750**	4,560

DKKm

14 Loan impairment charges and provisions for guarantees, cont.

Loan commitments and unutilised credit facilities by stage		31 December 2023					31 Dec. 2022
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total	Total
1	0.00 - 0.10	28,516	0	0	0	**28,516**	21,176
2	0.10 - 0.15	6,448	0	0	0	**6,448**	5,632
3	0.15 - 0.22	8,008	1	0	0	**8,009**	6,448
4	0.22 - 0.33	6,301	40	0	0	**6,341**	9,629
5	0.33 - 0.48	6,074	19	0	0	**6,093**	5,034
STY 1 – 5		55,347	60	0	0	**55,407**	47,919
6	0.48 - 0.70	9,711	36	0	0	**9,747**	13,901
7	0.70 - 1.02	4,929	31	0	0	**4,960**	5,166
8	1.02 - 1.48	6,340	370	0	0	**6,710**	8,662
9	1.48 - 2.15	3,384	303	0	0	**3,687**	1,674
10	2.15 - 3.13	3,018	180	0	0	**3,198**	2,199
11	3.13 - 4.59	1,338	101	0	0	**1,439**	765
STY 6 – 11		28,720	1,021	0	0	**29,741**	32,367
12	4.59 - 6.79	584	181	0	0	**765**	886
13	6.79 - 10.21	257	183	0	0	**440**	922
14	10.21 - 25.0	442	575	0	0	**1,017**	920
STY Ratings 12-14		1,283	939	0	0	**2,222**	2,728
Other		587	23	0	0	**610**	3,892
Non-performing loans		0	0	322	1	**323**	518
Total		85,937	2,043	322	1	**88,303**	87,424

Provisions for loan commitments and unutilised credit lines by stage		31 December 2023					31 Dec. 2022
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total	Total
1	0.00 - 0.10	2	1	0	0	**3**	2
2	0.10 - 0.15	6	0	0	0	**6**	4
3	0.15 - 0.22	8	0	0	0	**8**	6
4	0.22 - 0.33	11	0	0	0	**11**	7
5	0.33 - 0.48	13	0	0	0	**13**	8
STY 1 – 5		40	1	0	0	**41**	27
6	0.48 - 0.70	14	0	0	0	**14**	17
7	0.70 - 1.02	13	0	0	0	**13**	7
8	1.02 - 1.48	10	4	0	0	**14**	9
9	1.48 - 2.15	10	2	0	0	**12**	5
10	2.15 - 3.13	9	2	0	0	**11**	7
11	3.13 - 4.59	7	2	0	0	**9**	4
STY 6 – 11		63	10	0	0	**73**	49
12	4.59 - 6.79	2	5	0	0	**7**	4
13	6.79 - 10.21	4	6	0	0	**10**	16
14	10.21 - 25.0	1	24	0	0	**25**	15
STY Ratings 12-14		7	35	0	0	**42**	35
Other		3	1	0	0	**4**	8
Non-performing loans		0	0	60	0	**60**	62
Total		113	47	60	0	**220**	181

14 Loan impairment charges and provisions for guarantees, cont.

Post-model adjustments

In addition to the calculations of impairment charges, a management's assessment is performed of the impairment models and the ability of the expert-assessed impairment calculations to take into consideration the future economic development. In addition, a management's estimate must be made for process-related risks if for instance the quality of basic data is not satisfactory of if errors in the basic registrations are of importance to the impairment calculations. To the extent that it is assessed that circumstances and risks are not included in the models, an addition to the impairment calculations is made which is based a management's estimate. This estimate is based on specific observations and is calculated on the basis of the expected risks of the specific sub-portfolios.

At the end of 2023, the Group's post-model adjustments totalled DKK 1,934m (2022: DKK 1,425m).

DKKm	2023	2022
Corporate customers		
Macroeconomic risks	908	760
Non-linear impairment effects	117	121
Process-related risks	327	55
Corporate customers, total	1,352	936
Personal customers		
Macroeconomic risks	372	320
Non-linear impairment effects	43	34
Process-related risks	167	135
Personal customers, total	582	489
Post-model adjustments, total	1,934	1,425

It is essential that the basis of the post-model adjustments is well-founded on realistic circumstances and expectations that are not fully recognized in the impairment charges calculated. Documentation and determination will always consist of a coherent chain of reasoning between the well-founded circumstances and the expectation of loss. The determination is supported by data and is based on the specific portfolio, yet it may also be based on an estimate of the effect. On a quarterly basis, the post-model adjustments are reassessed on the basis of updated controls and analyses of the specific areas.

At the end of 2023, the Group's post-model adjustments totalled DKK 1,934m (2022: DKK 1,425m). The increase car primarily be attributed to the fact that after the migration of loans and advances taken over from Handelsbanken in November 2023, a management's estimate of this portfolio is made according to Jyske Bank's models in this respect. Previously, the credit loss was based on a simpler calculation outside the Group's loan impairment system as it has not been possible to separate the expected individual credit losses and the additions estimated by management. The increase in management's additions to the Handelsbanken portfolio was offset by a reduction of the expected credit losses at the take-over (discount), and therefore has no significant earnings impact. In addition, the increase in management's additions rose as a result of the macroeconomic development and expectations of higher uncertainty of prices of especially investment and rental property due to the higher interest rate level.

14 **Loan impairment charges and provisions for guarantees, cont.**

The table below elaborates on the rationale as well as the method of the individual estimates, also including a statement of which sub-portfolios the post-model adjustments relate to.

Area	*Rationale*	*Methods of accounting and material assumptions*	*Sub-portfolio*
Macroeconomic risks	At the end of 2023, management's estimated additions to macroeconomic risks covered expected losses relating to: • Cyclical slowdown following a period of energy crisis, high inflation, interest rate increases and rising housing burden. • In addition to the above, expectations indicate that the deterioration in the individual customers' financial affairs has not made its full impact yet, and also it has been difficult to identify risky customers. • Expectations of impact from ESG-related credit risks. • Commercial property with a higher probability of volatility in the required rate of return. Based on the fluctuations in economic conditions in recent years for both corporate and personal customers, it is at the present point in time difficult to identify all individual customers who will, over the coming period, face challenges relating to liquidity. Therefore, it is necessary to handle the risk based on a portfolio perspective.	Jyske Bank and Jyske Finans For Jyske Bank and Jyske Finans, the effect on impairment charges has been computed by stressing the input parameters for placement in stages for customers with a PD above 2% and reducing the value of property security by 15%-20%. It is estimated that the best part of the credit portfolio defined as PD<2% has a low credit risk and will not be materially affected by the macroeconomic risks. In addition, it has been decided to stress the value of property security since this is the most important security type that will be affected by macroeconomic risks. Jyske Realkredit The effects on impairment charges have for Jyske Realkredit been computed by assessing the scope of commercial property with LTV>100 in a middle stress scenario in which interest rates increase to 5% and the required rate of return increases by 1.5%-points whereas the cash flow is unchanged. For loans and advances to private homes at Jyske Realkredit the evaluation of the effects on impairment charges is based on expert estimates of the number of customers who may land in financial difficulties.	The Group's portfolio of corporate and personal customers in stages 1, 2 and 3.
Impairment effects derived from macroeconomic scenarios (quantification of non-linear impairment effects)	The calculation of impairment charges is associated with a number of assumptions about expectations of the future economic development. To take account of uncertainties relating to these assumptions the impairment effect is quantified in several economic scenarios. Therefore, at the end of 2023, additions to non-linear impairment effects estimated by management cover estimated loss associated with the non-linear correlation of the impairment effect in case of different economic scenarios (good, base-line, weak and hard economic scenarios).	The quantification of non-linear impairment effects (sensitivities relating to the base-line scenario) is for customers in stages 1 and 2 calculated by stressing input parameters for PD and the value of property security. In the Group's ordinary impairment model a probability-weighted expected loss based on several scenarios is calculated for credit-impaired loans and advances (stage 3). Consequently, the result hereof is not included under post-model adjustments. The method of accounting is described in detail under the table.	The Group's portfolio of corporate and personal customers in stages 1 and 2.

14 Loan impairment charges and provisions for guarantees, cont.

Area	*Rationale*	*Methods of accounting and material assumptions*	*Sub-portfolio*
Process-related risks	At the end of 2023, management's estimated additions to process-related risks covered expected losses relating to: • Misjudgements of risk indicator code on corporate and personal customers. • Expiry of instalment-free periods where it has not to a sufficient degree been possible to handle the higher risk at the time when the instalment-free period expires. • No scenario calculations for property customers in stage 3 (asset financing). • Uncertainty in connection with the take-over of less-known portfolio relating to the take-over of Handelsbanken's portfolio. The effect on impairment charges of these risks is reassessed on an ongoing basis and at least once a year based on controls performed and the size of the portfolio.	The extent of process-related risks is estimated on basis of on-going spot checks and controls for identification and registration of risks. Based on this, it has been experienced that the identified circumstances are in the nature of risks that have not yet been registered and risks that have been misinterpreted in manual processes. For each of the spot checks carried out, the impairment effect was calculated for the spot check, and subsequently the portfolio effect was estimated by scaling the results from the spot check to the portfolio.	The Group's portfolio of corporate and personal customers in stages 1 and 2.

Impairment effects derived from macroeconomic scenarios (quantification of non-linear impairment effects)

The macroeconomic forecasts are very much affected by the recent economic development and, in combination with the low, observed default rates in recent years, the uncertainty is considered high in relation to a projection disregarding derived economic effects. Therefore, analyses are performed of the indication of impairment in several scenarios. This is done with a view to assessment of the sensitivity relating to the most probable scenario (base line scenario) and with a view to quantification of non-linear effects from scenario-specific impairment calculations. Four scenarios are used, based on the Group's expectations of the macro-economic development (Good, Baseline, Weak and Hard). The scenarios are based on forecasts prepared by Jyske Markets, Macro Research, a unit that is independent of the impairment process. The 'Hard' scenario is in line with the scenario used in the Group's internal stress tests. For each scenario, the probability of default (PD) and the value of securities are re-calculated. Hence it is ensured that the results of the models are balanced. The impairment effect of the scenarios is calculated by weighting the results against the assessed event probability, which is defined by management. Macro-economic scenarios and event probability are reviewed at least once a year. The economic development over the recent period has affected the impairment model in the base line scenario and absorbed part of the scenario effects. Overall, derived from the scenario calculation, this results in impairment charges of DKK 162m (2022: DKK 155m).

	2023		2022	
Scenario	Probability	Weighted additional impairment charges	Probability	Weighted additional impairment charges
Good	30%	-7	30%	-7
Baseline	30%	0	30%	0
Weak	30%	98	30%	53
Hard	10%	69	10%	109
Total	100%	160	100%	155

The probability of the scenarios is maintained at an unchanged level relative to 2022. This is assessed to be a fair presentation based on the update of the base line scenario to the current macro-economic forecasts and that the uncertainty relating to the outcome space is subsequently considered unchanged. The results shown in the above table can be applied to a sensitivity assessment of the calculations for the portfolio.

For instance, the additional indication of impairment will increase to DKK 330m, if the scenario Weak is weighted 100% in the analysis. Likewise, the additional indication of impairment will increase to DKK 700m, if the scenario Hard is weighted 100% in the analysis.

14 Loan impairment charges and provisions for guarantees, cont.

The scenarios reflect the uncertainty involved in economic developments. Table 1 shows the expectations of the development in GDP, unemployment, deposit rate and property prices for baseline and hard scenario. These four selected key indicators are primarily macroeconomic indicators in the PD determination although the scenarios include additional macroeconomic indicators. The economic indicators were updated as at 31 December 2023, and consequently the indicators for 2023 reflect the realised figures with forecasts for Q4.

The base line scenario anticipates an increase in GDP growth at 0.19% and a decline in housing prices of 2.01% in 2024. In addition, unemployment is in 2024 expected to rise to 2.78%, whereas the deposit rate is maintained at the same level as in 2023. Expectations of GDP growth in 2025 reflect a continued increase in GDP growth of 1.26%. Unemployment is also expected to continue to rise and is expected to be at 3.25% in 2025. Moreover, expectations of housing prices will turn in 2025, and consequently an increase of 0.98% is expected. The deposit rate is expected to fall by 1%-point and therefore the deposit rate is in 2025 anticipated to be 2.23%.

The hard scenario anticipates a decline in GDP growth at 2.75% and a decline in housing prices of 19.42% in 2024. Moreover, the unemployment rate is expected to go up to 5.54% whereas the deposit rate is expected to reiterate the level from 2023. Anticipations of GDP growth are in 2025 expected to fall by 4.12% and housing prices are expected to decline by 3.95%. In the hard scenario, unemployment is expected to rise to 8.23% in 2025 whereas the deposit rate is expected to fall to 2.23%.

Table 1: Expectations of selected macroeconomic indicators in baseline and hard scenarios

	Basic scenario			Hard scenario		
	2023	2024	2025	2023	2024	2025
BNP[1]	0.71%	0.19%	1.26%	0.71%	-2.75%	-4.12%
Unemployment[2]	2.53%	2.78%	3.25%	2.53%	5.54%	8.23%
Deposit rate	3.23%	3.23%	2.23%	3.23%	2.23%	2.23%
Housing prices[1]	3.29%	-2.01%	0.98%	3.29%	-19.42%	-3.95%

[1] stated in the annual growth rate
[2] as a percentage of gross unemployed
Source: Jyske Markets Macro Research
Note: The figures for 2023 comprise forecasts for Q4.

DKKm	2023	2022
14 **Loan impairment charges and provisions for guarantees, cont.**		
Security provided for assets credit-impaired on the balance sheet date		
Cash deposits	32	58
Highly liquid securities	62	47
Bank guarantees	0	5
Real property, residential	2,838	3,073
Real property, commercial	2,747	2,371
Movable property, cars, rolling stock	493	323
Other movable property	272	333
Guarantees (financial institutions)	107	184
Total	6,551	6,394

Reference is made to note 22.

15 **Tax**		
Current tax for the year	1,440	1,650
Adjustment of deferred tax	550	-854
Adjustment of current tax for previous years	-6	405
Adjustment of deferred tax for previous years	0	-396
Total	1,984	805
Effective tax rate		
Corporation tax rate in Denmark	22.0	22.0
Surtax for financial services companies in Denmark	3.2	0.0
Adjustments as regards previous years	-0.1	0.2
Non-taxable income and non-deductible expenses, etc.	-0.1	-0.4
Change of corporate tax rate (conversion factor)	0.2	-4.1
Effective tax rate	25.2	17.7

The corporate tax rate for financial institutions etc. in Denmark will increase from 25.2% in 2023 to 26% in 2024 and subsequent years.

16 **Earnings per share**		
Profit for the year	5,904	3,752
Holders of additional tier 1 capital (AT1)	163	147
Proportion attributable to shareholders of Jyske Bank A/S	5,741	3,605
Average number of shares, 1,000 shares	64,272	68,115
Average number of own shares, 1,000 shares	-11	-2,987
Average number of shares in circulation, 1,000 shares	64,261	65,128
Number of shares outstanding, 1,000 shares	64,254	64,264
Earnings per share (EPS) DKK	89.34	55.35
Earnings per share diluted (EPS-D) DKK	89.34	55.35
Core earnings per share		
Core profit	8,126	4,832
Holders of additional tier 1 capital (AT1)	163	147
Core profit exclusive of holders of additional tier 1 capital (AT1)	7,963	4,685
Average number of shares in circulation, 1,000 shares	64,261	65,128
Core earnings (DKK) per share	123.92	71.95

DKKm

17 Contractual time to maturity, 2023	On demand	Up to 3 months	3 months - 1 year	1-5 yrs	Over 5 years	Total
Assets						
Claims on credit institutions and central banks	814	6,500	0	0	0	7,314
Loans at fair value	0	1,981	6,505	40,747	305,944	355,177
Loans and advances at amortised cost	16	96,546	40,668	26,605	38,300	202,135
Bonds at fair value	0	4,077	8,251	40,464	10,906	63,698
Bonds at amortised cost	0	938	4,825	21,801	9,305	36,869
Liabilities						
Due to credit institutions and central banks	7,088	15,622	5,506	2,981	0	31,197
Deposits, exclusive of Pooled deposits	145,919	47,827	9,314	2,765	4,968	210,793
Issued bonds at fair value	0	6,923	75,489	155,066	108,202	345,680
Issued bonds at amortised cost	0	55,270	8,657	26,094	3,727	93,748
Subordinated debt	0	0	11	22	6,110	6,143
Off-balance sheet items						
Guarantees, etc.	3,999	2,412	1,147	1,953	219	9,730
Loan commitments and unutilised credit facilities	7	42,177	17,766	11,622	16,731	88,303

Contractual time to maturity, 2022	On demand	Up to 3 months	3 months - 1 year	1-5 yrs	Over 5 years	Total
Assets						
Claims on credit institutions and central banks	1,337	7,010	0	0	0	8,347
Loans at fair value	0	1,709	6,487	39,866	289,570	337,632
Loans and advances at amortised cost	10	102,764	37,057	19,661	44,558	204,050
Bonds at fair value	0	637	13,412	32,908	8,548	55,505
Bonds at amortised cost	0	2,983	3,479	25,200	7,998	39,660
Liabilities						
Due to credit institutions and central banks	10,434	8,218	7,529	2,249	0	28,430
Deposits, exclusive of Pooled deposits	121,692	63,476	11,496	1,039	3,523	201,226
Issued bonds at fair value	0	1,664	74,364	135,972	112,156	324,156
Issued bonds at amortised cost	0	53,131	17,914	20,672	3,718	95,435
Subordinated debt	0	149	86	33	6,097	6,365
Off-balance sheet items						
Guarantees, etc.	4,923	2,328	1,663	1,997	229	11,140
Loan commitments and unutilised credit facilities	4	44,029	15,877	8,423	19,091	87,424

The above amounts are exclusive of paid interest rates.

17 Contractual time to maturity – cont.

Standard terms

Personal customers
Jyske Bank can call in floating-rate loans and credit facilities with a reasonable or usual notice of termination according to the rules on good business practice. Fixed-rate loans are non-callable. Customers can terminate their commitment with Jyske Bank without notice or, in the case of fixed-rate credit facilities, at two business days' notice. In case of default, Jyske Bank can terminate an agreement without notice.

As a main rule, the debtor undertakes to disclose financial information. Jyske Bank may dispense with such undertaking where other information on the commitment, on the repayment record and the collateral provided is deemed adequate to assess the credit risk.

Small and medium-sized corporate customers
Jyske Bank can call in floating-rate loans and credit facilities without notice. In respect of old agreements, a term of notice of four weeks may apply on the part of Jyske Bank. Fixed-rate loans are non-callable. In case of default, a customer relationship can be terminated without notice.

Unless collateral has been provided in full, the borrower is obliged to submit financial information.

Large corporate customers
Terms of notice are agreed upon on an individual basis and may correspond to the standard notice applicable to other corporate customers. For facilities that cannot be terminated at short notice, covenants regarding financial ratios and material changes in the position of the customer are standard.

Generally, financial information is submitted quarterly.

The table below comprises agreed payments, including principal and interest. The balances in the table are not directly comparable with those in the consolidated balance sheet since the table represents gross cash flows relating to principal payments and not the accounting value of the balance sheet which comprises discounted cash flows. For liabilities with variable cash flows, for instance floating-rate liabilities the information is based on the contractual issues at the balance sheet date.

Contractual time to maturity, 2023	On demand	Up to 3 months	3 months - 1 year	1-5 yrs	Over 5 years	Total
Liabilities						
Due to credit institutions and central banks	7,230	15,858	5,705	3,109	0	31,902
Deposits, exclusive of pooled deposits	146,008	48,162	9,492	2,767	4,968	211,397
Issued bonds at fair value	0	8,237	81,246	174,278	144,517	408,278
Issued bonds at amortised cost	0	55,716	9,722	28,826	3,908	98,172
Subordinated debt	0	110	167	722	6,556	7,555

Contractual time to maturity, 2022	On demand	Up to 3 months	3 months - 1 year	1-5 yrs	Over 5 years	Total
Liabilities						
Due to credit institutions and central banks	10,446	8,234	7,568	2,261	0	28,509
Deposits, exclusive of pooled deposits	121,728	63,564	11,694	1,039	3,523	201,548
Issued bonds at fair value	0	2,342	79,064	155,515	151,054	387,975
Issued bonds at amortised cost	0	53,287	18,596	22,210	3,727	97,820
Subordinated debt	0	253	245	818	6,771	8,087

	DKKm	2023	2022
18	**Claims on credit institutions and central banks**		
	Due from credit institutions	7,314	8,347
	Total	7,314	8,347

19	**Loans at fair value**		
	Mortgage loans, nominal value	373,667	365,580
	Adjustment for interest rate risk, etc.	-20,049	-30,839
	Adjustment for credit risk	-1,321	-1,371
	Mortgage loans at fair value, total	352,297	333,370
	Arrears and outlays, total	74	54
	Other loans and advances	2,806	4,208
	Loans and advances at fair value, total	355,177	337,632

20	**Loans and advances at fair value broken down by property category**		
	Owner-occupied homes	166,438	164,014
	Vacation homes	9,654	9,713
	Subsidised housing (rental housing)	47,547	44,819
	Cooperative housing	11,739	11,181
	Private rental properties (rental housing)	70,578	63,110
	Industrial properties	5,065	3,314
	Office and retail properties	36,259	33,937
	Agricultural properties	180	158
	Properties for social, cultural and educational purposes	7,678	7,344
	Other properties	39	42
	Total	355,177	337,632

21	**Loans and advances at amortised cost and guarantees broken down by sector**		
	Public authorities	13,041	13,402
	Agriculture, hunting, forestry, fishing	13,300	12,272
	Manufacturing, mining, etc.	13,933	13,928
	Energy supply	8,779	7,529
	Building and construction	6,328	6,184
	Commerce	10,659	11,151
	Transport, hotels and restaurants	6,649	5,915
	Information and communication	2,307	2,829
	Finance and insurance	56,074	59,106
	Real property	23,087	24,854
	Other sectors	16,058	14,953
	Corporates, total	157,174	158,721
	Personal customers, total	41,650	43,068
	Total	211,865	215,191

DKKm	2023	2022
22 **Fair value of collateral for loans, advances and guarantees**		
Cash deposits	1,867	2,973
Securities	6,759	8,193
Guarantees made out directly to the Group	41,518	41,152
Real property, residential	202,100	197,912
Real property, commercial	161,663	145,092
Movable property, cars and rolling stock	10,854	10,655
Other movable property	11,733	10,902
Other collateral	676	646
Guarantees whereby the guarantors assume primary liability	1,870	2,733
Total	439,040	420,258
Collateral for loans and advances by other guarantee types, including default and secondary guarantees as well as joint sureties.	7,672	4,300

The Group has not seen significant changes to the quality of the collateral or other credit protection due to deterioration or changes to the company's policy on provision of collateral during the accounting period. The collateral values were in 2023 dominated by IT migration of the portfolio from the acquisition of the Danish activities from Svenska Handelsbanken which primarily affect the collateral values for mortgage deeds.

The types of collateral are ranked with the most liquid types at the top. The collateral values have been reduced in order of priority according to liquidity if the collateral values exceed loans, advances and guarantees at customer level. Consequently, surplus collateral values from exposures that have been fully guaranteed are not included in the above note. For customers with fully guaranteed exposures in all impairment scenarios, the calculated indication of impairment will generally be DKK 0. This may be the case with exposures with a high surplus of fixed-value collateral such as cash, securities and properties. Therefore, exposure categories with a calculated indication of impairment of DKK 0 are typically mortgage loans, home loans, cooperative unit loans and investment credit facilities.

In the financial year 2023, no changes were made to the valuation principles. Collateral values are recognised according to the following principles:

Highly liquid securities
Basically, Jyske Bank applies the official listed price, adjusted where necessary for marketability, currency of denomination and maturity.

Real property, residential
The collateral value of a charge on real property is calculated on the basis of the expected fair value of the property less sales costs and any senior mortgages. The value of real property is regularly assessed on the basis of the price trend of comparable real property, among other things. Collateral values are assessed individually depending on the characteristics of the real property in question, inter alia, type of property, location and size less expenses for realisation. The collateral value is applied for various purposes and is therefore adjusted to specific requirements depending on its application.

Commercial Property
The collateral value of a charge on real property is calculated on the basis of the expected fair value of the property less sales costs and any senior mortgages. The value of real property is regularly assessed on the basis of the price trend of comparable real property, among other things. Collateral values are assessed individually depending on the characteristics of the real property in question, inter alia, the type of property in question, or by an independent assessment or the public land assessment. The collateral value is applied for various purposes and is therefore adjusted to specific requirements depending on its application.

Movable property
Jyske Bank's model is based on our historical loss experience of various asset types. Collateral value is reduced in accordance with the diminishing-balance method, which involves write-off of typically 10%-50% on acquisition and annual depreciation, typically of 10%-50% of the asset value, during the useful life of the asset.

Guarantees
The value of surety and guarantees is calculated by means of a 'double-default' model which takes into account that Jyske Bank only risks a loss if the debtor's and the guarantor's defaults are correlated. The effect of this is recognised by calculating an equivalent collateral value.

	DKKm	2023	2022
23	**Bonds at fair value and amortised cost, total, measured at fair value**		
	Own mortgage bonds	32,981	23,298
	Other mortgage bonds	86,571	80,289
	Government bonds	3,973	3,367
	Other bonds	9,133	9,723
	Total before offsetting of own mortgage bonds	132,658	116,677
	Own mortgage bonds offset against issued bonds	32,981	23,298
	Bonds, total, at fair value	99,677	93,379
	Bond holdings by rating (%)		
	AAA	96	95
	AA	2	2
	A	1	1
	BBB	0	0
	BB	0	0
	B	0	0
	CCC	0	0
	Non-rated	1	2
	Total	100	100

		2023	2022
24	**Bonds at amortised cost**		
	Carrying amount of bonds at amortised cost	36,869	39,660
	Fair value of bonds at amortised cost	35,979	37,874
	Fair value of bonds at amortised cost relative to carrying amount	-890	-1,786

Fair value of the "held-to-maturity portfolio" was lower than the carrying amount by DKK 890m against DKK 1,786m lower than the carrying amount at the end of 2022.

25 **Collateral**

The Group receives and provides collateral in connection with money and securities clearing, outstanding accounts with central banks, repo and reverse repo transactions, triparty agreements as well as fair value of derivatives covered by CSA agreements.

Provision of collateral is a regular part of business transactions and are carried out at market-consistent terms and conditions. Collateral is increased and reduced on an on-going basis as liabilities change.

Depending on agreements entered, collateral is provided and received with an owner's rights so that the recipient of collateral can sell this or use it to provide security for loans and other outstanding accounts.

The Group deposited bonds with central banks and clearing houses, etc. in connection with clearing and settlement of securities and currency transactions as well as triparty repo transactions totalling a market value of DKK 20,728m at the end of 2023 (2022: DKK 15,686m).

In addition, in connection with CSA agreements, the Group provided cash collateral of DKK 5,241m (2022: DKK 6,725m) and bonds worth DKK 3,087m (2022: DKK 6,566m).

The conclusion of repo transactions, i.e., sale of securities involving agreements to repurchase them at a later point in time, implies that bonds worth DKK 14,545m were provided as collateral at the end of 2023. (2022: DKK 18,042m) as collateral at end-2023 for the amount borrowed. See note 40 for further details.

Mortgage loans of DKK 352,279m (2022: DKK 333,370m) and other assets worth DKK 40,156m (2022: DKK 25,532m) were at the end of 2023 registered as collateral for issued mortgage bonds, including covered bonds. According to the Danish mortgage legislation, the issued mortgage bonds, including covered bonds, are secured against the underlying mortgage loans.

Due to reverse repos, i.e., purchase of securities involving agreements to resell them at a later point in time, the Group received the sold bonds as security for the amount that was lent. At the end of 2023, reverse repos amounted to DKK 57,544m (2022: DKK 54,902m).

In addition, in connection with CSA agreements, the Group has received provided cash collateral of DKK 6,907m (2022: DKK 10,848m) and bonds worth DKK 1,929m (2022: DKK 2,712m).

Please see note 22 on collateral received for loans, advances and guarantees.

	DKKm	2023	2022
26	**Shares, etc.**		
	Shares/investment fund units listed on Nasdaq Copenhagen A/S	990	717
	Shares/mutual fund certificates listed on other exchanges	7	10
	Unlisted shares are stated at fair value.	1,427	1,533
	Total	2,424	2,260

27	**Portfolio of own shares**		
	Own shares ('000)	18	8
	Nominal value of own shares	183	82
	Portfolio of own shares as a percentage of the share capital	0.03	0.01
	Acquisition of own shares		
	Own shares ('000)	3,518	8,744
	Nominal value of own shares	35,179	87,436
	Portfolio of own shares as a percentage of the share capital	5.47	13.60
	Sale of own shares		
	Own shares ('000)	3,508	5,168
	Nominal value of own shares	35,078	51,674
	Portfolio of own shares as a percentage of the share capital	5.46	8.04
	Cancellation of own shares		
	Own shares ('000)	0	8,289
	Nominal value of own shares	0	82,888
	Total purchase price	1,763	3,316
	Total selling price	1,759	1,989

The acquisition of own shares is primarily explained by the buy-back programme and transactions involving customers and other investors wishing to trade Jyske Bank shares.

28	**Subordinated receivables**		
	Loans	9	3
	Bonds	383	340
	Total	392	343

Subordinated receivables consist materially of listed subordinated and hybrid bonds issued by European SIFI institutions and Danish institutions. These are recognised in the balance sheet under bonds at fair value.

DKKm	2023	2022
29 **Intangible assets**		
Goodwill	2,841	2,841
Customer relations	552	485
Other intangible assets	2	2
Intangible assets, total	3,395	3,328

Goodwill

Goodwill consists of the additional value Jyske Bank paid for the acquisition of Svenska Handelsbanken's Danish activities as at 1 December 2022. Goodwill is allocated to banking activities.

Goodwill is tested on an annual basis and on indications of impairment. An impairment test has not given rise to impairment of goodwill as at 31 December 2023.

The impairment test compares the carrying amount of goodwill with the estimated net present value of expected future cash flows. The net present value is estimated in an equity/dividend model as the value of the expected capital distribution to shareholders is discounted back with cost of equity before tax at 13.4% p.a., or at 9.8% p.a. after tax. The cost of equity is based on the historical valuation of the earnings expectations of equity analysts.

The cash flow forecast consists of a five-year budget period based on approved strategies, earnings projections and capital targets. The budget period mirrors moderate growth in income inclusive of expectations of customer inflow and customer outflow as well as margin development. Expenses are affected in the budget period by integration and restructuring costs as well as an ongoing underlying cost inflation and realisation of synergies. The cash flow forecast for the subsequent terminal period mirrors long-term growth at 1.7% p.a.

An increase in the cost of equity or reduction of terminal growth by 1%-point will not give rise to goodwill depreciation. Likewise, an increase in the required common equity tier 1 capital ratio by 1%-point will not result in any impairment loss.

Cost, beginning of period	2,841	0
Additions	0	2,841
Cost, end of period	2,841	2,841
Amortisation, depreciation and impairment charges, end of period	0	0
Recognised value, end of period	2,841	2,841

Customer relations

Fair value of customer relations has been determined by means of the Multi-Period Excess Earnings method (MEEM). Customer relations are computed as the net present value of the expected future cash flows which are obtained through sale to the customers after deduction of a reasonable return on all other assets which contribute to generating the relevant cash flows.

The value of customer relations is depreciated by the straight-line method over the expected useful life of 7-10 years.
Additions during the year relate to the acquisition of PFA Bank A/S. See note 65.

Cost, beginning of period	489	0
Additions	120	489
Cost, end of period	609	489
Amortisation, depreciation and impairment charges, beginning of period	4	0
Depreciation and amortisation for the year	53	4
Amortisation, depreciation and impairment charges, end of period	57	4
Recognised value, end of period	552	485

	DKKm	2023	2022
30	**Property, plant and equipment**		
	Owner-occupied properties	1,589	1,591
	Owner-occupied properties, leasing	265	292
	Other property, plant and equipment	2,083	2,310
	Total	3,937	4,193
	Specification of property, plant and equipment, owner-occupied properties, exclusive of leasing		
	Restated value, beginning of period	1,591	1,601
	Additions during the year, including improvements	7	3
	Disposals for the year	12	17
	Depreciation and amortisation	9	9
	Positive changes in values recognised in other comprehensive income in the course of the year	9	13
	Negative changes in values recognised in other comprehensive income in the course of the year	2	0
	Positive changes in value recognised directly in the income statement during the year	8	0
	Negative changes in value recognised directly in the income statement during the year	3	0
	Restated value, end of period	1,589	1,591
	Cost less accumulated amortisation, depreciation and impairment charges	1,457	1,471
	Required rate of return	2%-10%	3%-10%
	Weighted average return applied	6.45%	6.43%
	Specification of property, plant and equipment, other property, plant and equipment		
	Total cost, beginning of period	4,367	4,276
	Additions	1,718	1,740
	Disposals	2,024	1,649
	Total cost, end of period	4,061	4,367
	Amortisation, depreciation and impairment charges, beginning of period	2,057	1,944
	Depreciation and amortisation for the year	500	542
	Impairment charges for the year	28	42
	Reversed amortisation and impairment charges at disposals	607	471
	Amortisation, depreciation and impairment charges, end of period	1,978	2,057
	Recognised value, end of period	2,083	2,310

Leases for which the Group acts as the lessor have been entered for machinery and equipment, including cars, vans and lorries. These are recognised in the amount of DKK 1,948m under other property, plant and equipment (2022: DKK 2,170m). Reference is made to note 64.

Jyske Bank is lessee in a number of lease contracts which have from 2019 been included in Jyske Bank's balance sheet as leasing assets under tangible assets by DKK 265m (2022: DKK 292m) under owner-occupied property and with DKK 9m (2022: DKK 9m) under other tangible assets. The lease commitment is recognised under other liabilities in the amount of DKK 289m (2022: DKK 313m). Reference is made to note 64.

		2023	2022
31	**Assets held temporarily**		
	Properties acquired through foreclosure	81	56
	Leased assets acquired through foreclosure	3	9
	Total	84	65

Attempts are made to sell, in the best possible way and within 12 months, assets held temporarily

The assets have been included in the business segments by DKK 41m (2022: DKK 15m) under banking activities, DKK 40m (2022: DKK 41m) under mortgage activities and by DKK 3m (2022: DKK 9m) under leasing activities.

DKKm	2023	2022
32 Other assets		
Positive fair value of derivatives	18,213	25,827
Assets in pooled deposits	7,444	7,125
Interest and commission receivable	1,188	537
Investments in associates and joint ventures	207	187
Deferred income	242	175
Investment properties	89	97
Other assets	1,552	1,284
Total	28,935	35,232
Netting		
Positive fair value of derivatives, gross	45,470	64,650
Netting of positive and negative fair value	27,257	38,823
Total	18,213	25,827

Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).

Specification of other assets, assets in pooled deposits		
Cash balance	72	53
Investment fund certificates	7,444	7,125
Assets	7,516	7,178
Elimination of cash	-72	-53
Total assets	7,444	7,125

Specification of other assets, investments in associates ventures and joint ventures		
Total cost, beginning of period	191	262
Additions	10	10
Disposals	0	81
Total cost, end of period	201	191
Revaluations and impairment charges, beginning of period	-4	-35
Dividend	0	5
Revaluations and impairment charges for the year	10	59
Reversed revaluations and impairment charges	0	-23
Revaluations and impairment charges, end of period	6	-4
Recognised value, end of period	207	187
Of which joint ventures, at end of period	15	9

See Group overview, note 66.

	DKKm	2023	2022
33	**Due to credit institutions and central banks**		
	Due to central banks	18	10
	Due to credit institutions	31,179	28,420
	Total	31,197	28,430

34	**Deposits**		
	Demand deposits	145,665	154,923
	Term deposits	7,282	748
	Time deposits	52,249	39,240
	Special deposits	5,597	6,316
	Pooled deposits	7,516	7,178
	Total	218,309	208,405

35	**Issued bonds at fair value**		
	Issued bonds at fair value, nominal value	400,674	380,506
	Adjustment to fair value	-22,013	-33,052
	Own mortgage bonds offset, fair value	-32,981	-23,298
	Total	345,680	324,156
	Pre-issued	19,813	7,885
	Drawn for redemption at next repayment date	22,404	7,989

On a daily basis, the Group issues and redeems a large number of mortgage bonds. Consequently, to some extent the change in the fair value of the issued mortgage bonds attributable to the change in credit risk can only be stated subject to some estimation. The model applied performs the calculation on the basis of the change in the option-adjusted spread (OAS) relative to the swap curve. The calculation allows for, among other things, the maturity of the issued bonds as well as the nominal holding at the beginning and at the end of the year, and also adjustments are made for the Group's own holding of Jyske Realkredit bonds, which are offset.

The change in the fair value of issued mortgage bonds that can be attributed to credit risk is then calculated so it implies a decline in the fair value by DKK 3.0bn in 2023 (2022: an increase of DKK 2.5bn). Since the issue, the accumulated change in fair value of the issued mortgage bonds at the end of 2023 attributable to credit risk is estimated to be an increase of DKK 0.5bn (2022: an increase of DKK 3.7bn).

The change in fair value of the issued mortgage bonds that can be attributed to credit risk can also be stated relative to corresponding mortgage bonds with the same rating (AAA) from other Danish issuers. In recent years these bonds have been traded at prices showing no measurable price differences between the various issuers' bonds with similar characteristics. Stated according to this method, no changes have taken place to the fair value that can be attributed to credit risk, neither in the course of the year, nor since issue.

Net profit for the year or equity was not affected by the change, since the value of mortgage loans changed correspondingly

The difference between the fair value of the issued bonds of DKK 346bn (2022: DKK 324bn) and the nominal value of the issued bonds at DKK 367bn (2022: DKK 357bn), corresponding to the value which is to be repaid via redemptions and/or maturity of the bonds amount to DKK -21bn. (2022: DKK -32bn).

36	**Other liabilities**		
	Set-off entry of negative bond holdings in connection with repos/reverse repos	6,475	5,799
	Negative fair value of derivatives	19,217	27,908
	Interest and commission payable	3,389	2,043
	Deferred income	121	156
	Lease commitment	289	313
	Other liabilities	8,204	9,366
	Total	37,695	45,585
	Netting		
	Negative fair value of derivatives, gross	46,474	66,731
	Netting of positive and negative fair value	27,257	38,823
	Total	19,217	27,908

Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).

	DKKm	2023	2022
37	Provisions		
	Provisions for pensions and similar liabilities	490	503
	Provisions for guarantees	210	212
	Provisions for losses on loan commitments and unutilised credit lines	222	181
	Other provisions	93	91
	Other provisions	2	5
	Total	1,017	992

Please see note 14 for provisions for losses on guarantees as well loan commitments and unused loan commitments.

Specification of provisions for pensions and similar liabilities

	2023	2022
Provisions for pensions and similar liabilities		
Provisions for defined benefit plans	425	443
Provisions for long-term employee benefits	65	60
Recognised in the balance sheet, end of period	490	503
Provisions for defined benefit plans		
Present value of pension plan obligations	495	516
Fair value of pension plan assets	70	73
Net liability recognised in the balance sheet	425	443
Change in provisions for defined benefit plans		
Provisions, beginning of period	516	614
Costs for the current financial year	23	2
Calculated interest expenses	15	18
Actuarial losses/gains	-27	-82
Pension payments	-32	-36
Provisions, end of period	495	516
Change in the fair value of pension plan assets		
Assets, beginning of period	73	77
Calculated interest on assets	2	3
Return ex calculated interest on assets	3	0
Pension payments	-8	-7
Assets, end of period	70	73
Costs for the current financial year	23	2
Calculated interest related to liabilities	15	18
Calculated interest on assets	-2	-3
Total recognised defined benefit plans	36	17
Total recognised defined contribution plans	328	267
Recognised in the income statement	364	284
Pension plan assets:		
Shares	19	16
Bonds	27	27
Liquidity, etc.	24	30
Pension plan assets, total	70	73

Pension plan assets include 40,000 Jyske Bank A/S shares (2022: 40,000 shares).
Measurement of all pension assets is based on quoted prices in an active market.

DKKm	2023	2022	2021	2020	2019
37 Provisions, cont.					
Specification of provisions for pensions and similar liabilities, cont.					
The Group's pension plan liabilities					
Present value of pension plan obligations	495	516	614	640	672
Fair value of pension plan assets	70	73	77	81	87
Surplus/deficit	425	443	537	559	585
Actuarial assumptions					
Defined benefit plans					
Retirement remuneration					
Discount rate	3.00%	3.00%	0.50%	0.25%	0.50%
Future general rate of wage increases	2.00%	2.00%	2.00%	2.00%	1.85%
Jyske Banks Pensionstilskudsfond					
Discounting rate	3.00%	3.00%	0.50%	0.25%	0.50%
Future general rate of wage increases	2.00%	2.00%	2.00%	2.00%	1.85%
Calculated interest on pension plan assets	3.00%	3.00%	2.00%	2.00%	2.00%
Long-term employee benefits					
Discounting rate	3.00%	3.00%	0.50%	0.25%	0.50%
Future general rate of wage increases	2.00%	2.00%	2.00%	2.00%	1.85%

The most important actuarial assumptions in the calculation of pension liabilities relate to interest rate level and the general rate of wage increases. If the discount rate falls by 0.25% to 2.75%, the pension provisions increase by DKK 7m. If the rate of wage increases rises by 0.25% to 2.25%, the pension provisions increase by DKK 7m.

For 2024, payments to defined contribution and defined benefit pension plans are expected to be DKK 334m.

Defined contribution pension plans
A large part of the Group's pension plans is defined contribution plans under which payments are made into pension funds, primarily PFA Pension. These payments are charged to the income statement as they occur.

Defined benefit plans
Retirement remuneration equalling a maximum of one year's salary is paid to employees on retirement. In 2023, total provisions in the balance sheet amounted to DKK 384m (2022: DKK 392m) recognised as the net present value of the part of the overall liability which relates to the term during which employees have been employed with the Group. Employees recruited not later than on 31 August 2005 are offered participation in the retirement remuneration plan. Please see note 12 for details on the terms and conditions for retirement remuneration for the Executive Board.

Jyske Bank A/S's Pensionstilskudsfond is a fund which offers supplementary pensions to current and former members of Jyske Bank's Executive Board and their surviving relatives. Provisions at end-2023 of DKK 41m (2022: DKK 51m) are computed as the net present value of the liabilities at DKK 111m (2022: DKK 124m) less the fair value of the assets at DKK 70m (2022: DKK 73m).

Long-term employee benefits
An anniversary bonus equalling one month's salary is paid when an employee has worked for the Group for 25 years and 40 years. Provisions at end-2023 of DKK 65m (2022: DKK 60m) are computed as the net present value of the expected future anniversary bonus payments.

DKKm	2023	2022
37 Provisions, cont.		
Specification of other provisions		
Provisions, beginning of period	91	95
Additions	46	20
Disposals inclusive of consumption	1	7
Disposals exclusive of consumption	43	17
Provisions, end of period	93	91

Other provisions relate to lawsuits.

Specification of deferred tax

Deferred tax	2023	2022
Deferred tax assets, recognised under tax assets	646	1,206
Deferred tax liabilities	0	0
Net deferred tax	-646	-1,206

Changes in deferred tax 2023	Beginning of period	Recognised in the net profit for the year	Recognised in other comprehensive income	Other adjustments	End of year
Bonds at amortised cost	-31	262	0	0	231
Intangible assets	-1	97	0	0	96
Property, plant and equipment	99	90	2	0	191
Loans and advances, etc.	-1,112	113	0	0	-999
Provisions for pensions	-130	-6	8	0	-128
Other	-31	-6	0	0	-37
Total	-1,206	550	10	0	-646
Changes in deferred tax 2022					
Bonds at amortised cost	-30	-1	0	0	-31
Intangible assets	0	-1	0	0	-1
Property, plant and equipment	246	-150	3	0	99
Loans and advances, etc.	-40	-1,072	0	0	-1,112
Provisions for pensions	-130	-19	19	0	-130
Other	-24	-7	0	0	-31
Total	22	-1,250	22	0	-1,206

DKKm	2023	2022
38 Subordinated debt		
Supplementary capital:		
Var. % bond loan NOK 1,000m 24.03.2031	663	707
Var. % bond loan SEK 1,000m 24.03.2031	672	669
1.25% bond loan EUR 200m 28.01.2031	1,491	1,487
2.25 % bond loan EUR 300m 05.04.2029	2,236	2,231
6.73% bond loan EUR 4.5m 2023-2026	34	45
Var. % bond loan EUR 10m 13.02.2023	0	74
5.65% bond loan EUR 10m 27.03.2023	0	74
5.67% bond loan EUR 10m 31.07.2023	0	74
Var. bond loan SEK 600m 31.08.2032	403	402
Var. bond loan NOK 400m 31.08.2032	265	283
Var. bond loan DKK 400m 31.08.2032	400	400
Subordinated debt, nominal	6,164	6,446
Hedging of interest rate risk, fair value	-21	-81
Total	6,143	6,365
Subordinated debt included in the capital base	6,112	6,178

Supplementary bond loans in the amount of EUR 200m fall due on 28 January 2031 at the latest but can, subject to permission by the FSA, be redeemed at par as of 28 January 2026. The loan bears a fixed rate of interest until 28 January 2026, after which date the interest rate will be set for the next five years.

Supplementary bond loans in the amount of EUR 300m fall due on 5 April 2029 at the latest but can, subject to permission by the FSA, be redeemed at par as of 5 April 2024. The loan bears a fixed rate of interest until 05 April 2024, after which date the interest rate will be set for the next five years.

Supplementary bond loans in the amount of NOK 1,000m fall due on 24 March 2031 at the latest but can, subject to permission by the FSA, be redeemed at par as of 24 March 2026. The loan is a floating-rate loan, and the rate of interest is 3M NIBOR + 128bps throughout the term of the loan.

Supplementary bond loans in the amount of SEK 1,000m fall due on 24 March 2031 at the latest but can, subject to permission by the FSA, be redeemed at par as of 24 March 2026. The loan is a floating-rate loan, and the rate of interest is 3M STIBOR + 125bps throughout the term of the loan.

Supplementary bond loans in the amount of DKK 400m fall due on 31 August 2032 at the latest but can, subject to permission by the FSA, be redeemed at par as of 31 August 2027. The loan is a floating-rate loan, and the rate of interest is 3M CIBOR + 245bps throughout the term of the loan.

Supplementary bond loans in the amount of SEK 600m fall due on 31 August 2032 at the latest but can, subject to permission by the FSA, be redeemed at par as of 31 August 2027. The loan is a floating-rate loan, and the rate of interest is 3M STIBOR + 300bps throughout the term of the loan.

Supplementary bond loans in the amount of NOK 400m fall due on 31 August 2032 at the latest but can, subject to permission by the FSA, be redeemed at par as of 31 August 2027. The loan is a floating-rate loan, and the rate of interest is 3M NIBOR + 305bps throughout the term of the loan.

Cost relating to the addition and repayment of subordinated debt amount to DKK 0m (2022: DKK 4m).

39 Share capital		
Opening share capital, 1,000 shares.	64,272	72,561
Capital reduction through cancellation of own shares	0	-8,289
Closing share capital, 1,000 shares	64,272	64,272

	DKKm	2023	2022
40	**Transferred financial assets recognised in the balance sheet**		
	Bonds in repo transactions	14,545	18,042
	Transferred financial assets, total	14,545	18,042
	Repo transactions are included in the following liability items as follows:		
	Debt to credit institutions in repo transactions	11,869	14,230
	Deposits and other debts in repo transactions	2,459	4,241
	Total	14,328	18,471
	Net positions	217	-429

Jyske Bank has not lent bonds that are still recognised in the balance sheet. Moreover, Jyske Bank has not borrowed bonds that are not recognised in the balance sheet.

Jyske Bank enters transactions transferring the ownership to financial assets to the counterparty, yet Jyske Bank maintains the material part of the risks on the assets in question. When the most material risks are maintained, the asset is still recognised in Jyske Bank's balance sheet. Such transactions include repo transactions. Repo transactions are sales of bonds where at the time of a sale an agreement is made on the repurchase at some later point in time at a certain price.

Jyske Bank has not entered into agreements on the transfer of financial assets, where the assets sold no longer are recognised in the balance sheet, but where after the sale material risk and continued involvement exist.

41 **Contingent liabilities**

Financial guarantees are primarily payment guarantees, and the risk equals that involved in credit facilities.

Guarantees for losses on mortgage loans are typically provided as security for the riskiest part of mortgage loans granted to personal customers and to a limited extent for loans secured on commercial real property. Guarantees for residential real property are within 80% and for commercial real property within 60%-80%, of the property value as assessed by a professional expert.

Registration and refinancing guarantees are provided in connection with the registration of new and refinanced mortgages. Such guarantees involve insignificant risk.

Other contingent liabilities include other forms of guarantees at varying degrees of risk, including performance guarantees. The risk involved is deemed to be less than the risk involved in, e.g., credit facilities subject to flexible drawdown.

The Group is also a party to a number of legal disputes arising from its business activities. The Group estimates the risk involved in each individual case and makes any necessary provisions which are recognised under contingent liabilities. The Group does not expect such liabilities to have material influence on the Group's financial position.

In 2021, the FSA performed a money-laundering inspection at Jyske Bank and in 2022, it published its report on the inspection relating primarily to a small number of home loans in Southern Europe.

Subsequently, the FSA informed Jyske Bank that it intended to file a police report for the violation of provisions of the Danish anti-money laundering act on customer due diligence procedures and duty of inspection. Jyske Banks estimates that there is a limited risk that the bank has been exploited for money laundering, and Jyske Bank assesses to have a good understanding of the customers and the origin of the funds. Jyske Bank will cooperate with the police on all issues of the matter.
Jyske Bank does not expect that the matter will materially influence the Group's financial position.

Because of its mandatory participation in the deposit guarantee scheme, the sector has paid an annual contribution of 2.5‰ of the covered net deposits until the assets of Pengeinstitutafdelingen (the financial institution fund) exceed 0.8% of the total net deposits covered, which level has been reached. According to Bank Package 3 and Bank Package 4, Pengeinstitutafdelingen bears the immediate losses attributable to covered net deposits and relating to the winding up of financial institutions in distress. Any losses in connection with the final winding up are covered by the Guarantee Fund's Afviklings- og Restruktureringsafdeling (settlement and restructuring fund), where Jyske Bank currently guarantees 7.91% of any losses.

The statutory participation in the resolution financing arrangements (Resolution Fund) as of June 2015 entailed that credit institutions pay an annual contribution over a 10-year period to a Danish national fund with a target size totalling 1% of the covered deposits. Credit institutions are to contribute according to their relative sizes and risk in Denmark, and the first contributions to the Resolution Fund were paid at the end of 2015. The Group expects having to pay a total of about DKK 650m over the 10-year period 2015 - 2024.

Due to Jyske Bank's membership of the Foreningen Bankdata, the bank is - in the event of its withdrawal - under the obligation to pay an exit charge to Bankdata in the amount of about DKK 1.9 bn.

Jyske Bank A/S is assessed for Danish tax purposes jointly with all domestic subsidiaries which are part of the Group. Jyske Bank A/S is the administration company of the joint taxation and has unlimited joint and several liability for the Danish corporation taxes of the joint taxation. Jyske Bank A/S and its most important subsidiaries are part of a joint VAT registration and is thus jointly and severally liable for the payment of VAT and payroll tax of the joint registration.

DKKm	2023	2022
Guarantees		
Financial guarantees	4,091	5,480
Guarantee for losses on mortgage credits	236	275
Registration and refinancing guarantees	272	10
Other contingent liabilities	5,131	5,376
Total	9,730	11,141

42 **Other contingent liabilities**

Loan commitments and unutilised credit facilities	88,303	87,424
Other	24	33
Total	88,327	87,457

43 Offsetting

2023	Carrying amount before offsetting	Financial instruments set off	Carrying amount after offsetting	Further offsetting, master netting agreement	Collateral	Net value
Financial assets						
Derivatives with positive fair value	45,470	27,257	18,213	9,182	5,370	3,661
Reverse repo transactions	57,544	0	57,544	0	57,544	0
Total	103,014	27,257	75,757	9,182	62,914	3,661
Financial liabilities						
Derivatives with negative fair value	46,474	27,257	19,217	9,182	7,187	2,848
Repo transactions	14,327	0	14,327	0	14,327	0
Total	60,801	27,257	33,544	9,182	21,514	2,848
2022						
Financial assets						
Derivatives with positive fair value	64,650	38,823	25,827	12,023	8,827	4,977
Reverse repo transactions	54,902	0	54,902	0	54,902	0
Total	119,552	38,823	80,729	12,023	63,729	4,977
Financial liabilities						
Derivatives with negative fair value	66,731	38,823	27,908	12,023	11,864	4,021
Repo transactions	18,471	0	18,471	0	18,471	0
Total	85,202	38,823	46,379	12,023	30,335	4,021

On the balance sheet, reverse repo transactions are classified as claims on credit institutions or loans at amortised cost. On the balance sheet, repo transactions are classified as debt to credit institutions or deposits.

Financial assets and liabilities are offset on the balance sheet when the Group and the counterparty has a legal right to offset and have also agreed to settle net or realise the asset and the liability at the same time. Positive and negative fair values of derivative financial instruments with the same counterparty are offset if net settlement of the contractual payments has been agreed and daily cash payments or provision of collateral for changes in the fair value take place. The Group's netting of positive and negative fair values of derivative financial instruments can be referred to clearing through a central clearing house (CCP clearing).

Master netting agreements and similar agreements entitles a party to further offsetting if a counterparty is in default, which lowers the exposure further when a counterparty is in default but does not meet the conditions for accounting offsetting on the balance sheet.

DKKm

44 Classification of financial instruments

2023	Amortised cost	Fair value through profit	Designated at fair value margins through profit	Total
Financial assets				
Cash balance and demand deposits with central banks	74,737	0	0	74,737
Due from credit institutions and central banks	7,314	0	0	7,314
Loans at fair value	0	0	355,177	355,177
Loans and advances at amortised cost	202,135	0	0	202,135
Bonds at fair value	0	63,698	0	63,698
Bonds at amortised cost	36,869	0	0	36,869
Shares, etc.	0	2,424	0	2,424
Assets in pooled deposits	0	7,444	0	7,444
Derivatives (Other assets)	0	18,213	0	18,213
Total	321,055	91,779	355,177	768,011
Financial liabilities				
Due to credit institutions and central banks	31,197	0	0	31,197
Deposits	218,309	0	0	218,309
Issued bonds at fair value	0	0	345,680	345,680
Issued bonds at amortised cost	93,748	0	0	93,748
Subordinated debt	6,143	0	0	6,143
Set-off entry of negative bond holdings	0	6,475	0	6,475
Derivatives (Other liabilities)	0	19,217	0	19,217
Total	349,397	25,692	345,680	720,769
2022				
Financial assets				
Cash balance and demand deposits with central banks	58,519	0	0	58,519
Due from credit institutions and central banks	8,347	0	0	8,347
Loans at fair value	0	0	337,632	337,632
Loans and advances at amortised cost	204,050	0	0	204,050
Bonds at fair value	0	55,505	0	55,505
Bonds at amortised cost	39,660	0	0	39,660
Shares, etc.	0	2,260	0	2,260
Assets in pooled deposits	0	7,125	0	7,125
Derivatives (Other assets)	0	25,827	0	25,827
Total	310,576	90,717	337,632	738,925
Financial liabilities				
Due to credit institutions and central banks	28,430	0	0	28,430
Deposits	208,405	0	0	208,405
Issued bonds at fair value	0	0	324,156	324,156
Issued bonds at amortised cost	95,435	0	0	95,435
Subordinated debt	6,365	0	0	6,365
Set-off entry of negative bond holdings	0	5,799	0	5,799
Derivatives (Other liabilities)	0	27,908	0	27,908
Total	338,635	33,707	324,156	696,498

45 Notes on fair value

Methods for measuring fair value

Fair value is the price that, at the time of measurement, would be obtained by selling an asset or paid for by transferring a liability in an ordinary transaction between independent market participants. The fair value may equal the book value where book value is recognised on the basis of underlying assets and liabilities measured at fair value.

For all assets listed on active markets, fair values are measured at official prices (the category "Quoted prices"). Where no price is quoted, a different official price is used which is taken to reflect most closely the fair value (the category "Observable prices"). Financial assets and liabilities of which quoted prices or other official prices are not available or are not taken to reflect the fair value are measured at fair value according to other evaluation techniques and other observable market information. In those cases where observable prices based on market information are not available or are not taken to be useful for measuring fair value, the fair value is measured by recognised techniques, including discounted future cash flows, and own expertise (category "non-observable prices"). The basis of the measurement may be recent transactions involving comparable assets or liabilities, interest rates, exchange rates, volatility, credit spreads, etc. Generally, the Group's unlisted shares are placed in this category.

Generally, quoted prices and observable input are obtained in the form of interest rates and equity and bond prices, exchange rates, volatilities, etc. from recognised stock exchanges and providers.

Specific details on methods for measuring fair value

Loans at fair value are predominantly mortgage loans and generally measured at prices of the underlying bonds quoted on a recognised stock exchange. If such a market price is not available for the preceding 7 days, a calculated price based on the official market rate will be applied for determining the value. If derivatives are part of the funding of the mortgage loans, the value of these will be integrated in the valuation of the loans. The fair value is reduced by the calculated impairment charge, which for loans at fair value is measured according to the same principles that apply to impairments of loans and advances at amortised cost.

Bonds at fair value, shares, assets linked to pooled deposits, and derivatives are measured at fair value in the accounts to the effect that the carrying amounts equal fair values.

Generally, bonds are measured at prices quoted on a recognised stock exchange. Alternatively, prices are applied that are calculated on the basis of Jyske Bank's own measurement models based on a yield curve with a credit spread. Essentially, the calculated prices are based on observable input.

Generally, equities, etc. are measured at prices quoted on a recognised stock exchange. Alternatively, prices are applied that are calculated on the basis of Jyske Bank's own valuation models based on observable input, shareholders' agreements, executed transactions, etc. Unlisted equities are valued on the basis of discounted cash flow models (DCF).

Derivatives are valued on the basis of a market-consistent yield curve set-up, credit models and option models such as Black-Scholes. The models applied are monitored on an ongoing basis to ensure robustness and a high quality of the output of the models. To ensure that the methods of valuation are always consistent with current market practice, the models are validated by units independent of the unit that develop the models.

To the greatest extent possible, the methods of valuation are based on observable market quotes, such as market rates, exchange rates, volatilities, market prices, etc. Often methods of interpolation will also be incorporated to value the specific contracts.

The fair value of derivatives is also adjusted for credit risk (CVA and DVA) and funding costs (FVA). Customer margins are amortised over the remaining time to maturity.

Assets related to pooled deposits are measured according to the above principles.

Information about differences between recognised value and measurement of fair value

Loans and advances exclusive of mortgage loans and certain other home loans are recognised at amortised cost. The difference to fair value is assumed to be fee and commission received, costs defrayed in connection with lending, plus interest rate-dependent value adjustment calculated by comparing current market rates with market rates at the time when the loans and advances were established. Changes in credit quality are assumed to be included under impairment charges both for carrying amounts and fair values.

Subordinated debt and issued bonds exclusive of issues of mortgage bonds are recognised at amortised cost supplemented with the fair value of the hedged interest rate risk. The difference to fair value was calculated on the basis of own-issue prices obtained externally.

Deposits are recognised at amortised cost. The difference to fair value is assumed to be the interest rate dependent value adjustment calculated by comparing current market rates with market rates at the time when the deposits were made.

Balances with credit institutions are recognised at amortised cost. The difference to fair value is assumed to be the interest rate dependent value adjustment calculated by comparing current market rates with market rates at the time when the transactions were established. Changes in the credit quality of balances with credit institutions are assumed to be included under impairment charges for loans, advances, and receivables. Changes in the fair values of balances due to credit institutions because of changes in Jyske Bank's own credit rating are not taken into account.

The calculated fair values of financial assets and liabilities recognised at amortised cost are materially non-observable prices (level 3) in the fair value hierarchy.

45 Notes on fair value, cont.

Information about changes in credit risk on derivatives with positive fair value.
In order to allow for the credit risk on derivatives for customers without credit impairment, the fair value is adjusted (CVA). Adjustments will also be made for customers with credit impairment, but on an individual basis.

For any given counterparty's total portfolio of derivatives, CVA is a function of the expected positive exposure (EPE), loss given default (LGD) as well as the probability of default (PD) of the counterparty.

When determining the EPE, a model is used to establish the expected positive exposure to the counterparty's portfolio over the maturity of the derivatives. The PDs that Jyske Bank has applied in the model so far were estimated on the basis of IRB (internal rating based) PDs. This method of estimating PDs was in 2021 replaced with a new method, which to a higher extent mirrors the likelihood of default, which can be seen in the market, as the likelihoods of default are inferred via market-observable CDS spreads. LGD is set at compliant with quotations of CDS spreads in connection with the calculation of likelihoods of default whereas the exposure profiles have been adjusted for the effect from any security and CSA agreements.

In addition to CVA, also an adjustment is made of the fair value of derivatives that have an expected future negative fair value. This takes place to allow for changes in the counterparties' credit risk against the Group (debt valuation adjustment - DVA). The DVA takes place according to the same principles that apply to the CVA, yet PD for Jyske Bank is determined on the basis of Jyske Bank's external rating by Standard & Poor's. At the end of 2023, CVA and DVA amounted, on an accumulated basis, to net DKK 26m, which accumulated amount was recognised as an expense under value adjustments, against an accumulated amount of DKK 9m at the end of 2022.

46 Fair value of financial assets and liabilities

The table shows the fair value of financial assets and liabilities and the carrying amounts. The re-statement at fair value of financial assets and liabilities shows a total non-recognised unrealised loss of DKK 888m at the end of 2023 against a total non-recognised unrealised loss of DKK 753m at the end of 2022. Unrealised gains and losses caused by changes in the fair values of shares in sector-owned undertakings are recognised in the income statement. The carrying amount of those shares in the balance sheet at the end of 2023 amounted to DKK 734m (2022: DKK 889m), and the recognised value adjustment in the income statement amounted to DKK 89m (2022: DKK 81m).

DKKm	2023		2022	
	Recog-nised value	Fair value	Recognised value	Fair value
FINANCIAL ASSETS				
Cash balance and demand deposits with central banks	74,737	74,737	58,519	58,519
Due from credit institutions and central banks	7,314	7,328	8,347	8,343
Loans at fair value	355,177	355,177	337,632	337,632
Loans and advances at amortised cost	202,135	201,756	204,050	203,008
Bonds at fair value	63,698	63,698	55,505	55,505
Bonds at amortised cost	36,869	35,979	39,660	37,874
Shares, etc.	2,424	2,424	2,260	2,260
Assets in pooled deposits	7,444	7,444	7,125	7,125
Derivatives	18,213	18,213	25,827	25,827
Total	768,011	766,756	738,925	736,093
FINANCIAL LIABILITIES				
Due to credit institutions and central banks	31,197	31,130	28,430	28,282
Deposits	210,793	210,812	201,227	201,198
Pooled deposits	7,516	7,516	7,178	7,178
Issued bonds at fair value	345,680	345,680	324,156	324,156
Issued bonds at amortised cost	93,748	93,597	95,435	94,007
Subordinated debt	6,143	5,975	6,365	5,891
Set-off entry of negative bond holdings	6,475	6,475	5,799	5,799
Derivatives	19,217	19,217	27,908	27,908
Total	720,769	720,402	696,498	694,419

The Group has non-financial assets at fair value through Other Comprehensive Income.

DKKm

47 The fair value hierarchy

2023 Financial assets	Quoted prices	Observable input	Non-observable input	Fair value, total	Recognised value
Loans at fair value	0	355,177	0	355,177	355,177
Bonds at fair value	56,567	7,131	0	63,698	63,698
Shares, etc.	819	591	1,014	2,424	2,424
Assets in pooled deposits	109	7,335	0	7,444	7,444
Derivatives	223	17,990	0	18,213	18,213
Total	57,718	388,224	1,014	446,956	446,956
Financial liabilities					
Pooled deposits	0	7,516	0	7,516	7,516
Issued bonds at fair value	245,521	100,159	0	345,680	345,680
Set-off entry of negative bond holdings	5,748	727	0	6,475	6,475
Derivatives	348	18,869	0	19,217	19,217
Total	251,617	127,271	0	378,888	378,888
2022					
Financial assets					
Loans at fair value	0	337,632	0	337,632	337,632
Bonds at fair value	43,641	11,864	0	55,505	55,505
Shares, etc.	626	466	1,168	2,260	2,260
Assets in pooled deposits	124	7,001	0	7,125	7,125
Derivatives	685	25,142	0	25,827	25,827
Total	45,076	382,105	1,168	428,349	428,349
Financial liabilities					
Pooled deposits	0	7,178	0	7,178	7,178
Issued bonds at fair value	246,294	77,862	0	324,156	324,156
Set-off entry of negative bond holdings	4,973	826	0	5,799	5,799
Derivatives	622	27,286	0	27,908	27,908
Total	251,889	113,152	0	365,041	365,041

The above table shows the fair value hierarchy for financial assets and liabilities recognised at fair value.

It is the practice of the Group that if prices of Danish bonds and shares are not updated for two days, transfers will take place between the categories quoted prices and observable input. This did not result in material transfers in 2023 and 2022.

NON-OBSERVABLE INPUT	2023	2022
Fair value, beginning of period	1,168	1,281
Transfers for the year	0	0
Capital gain and loss for the year reflected in the income statement under value adjustments	43	66
Sales or redemptions for the year	211	258
Purchases made over the year	14	79
Fair value, end of period	1,014	1,168

Non-observable input

Non-observable input at the end of 2023 referred to unlisted shares recognised at DKK 1,014m against unlisted shares recognised at DKK 1,168m at the end of 2022. These are primarily sector shares. The measurements, which are associated with some uncertainty, are made on the basis of the shares' book value, market trades, shareholders' agreements as well as own assumptions and extrapolations. In the cases where Jyske Bank calculates the fair value on the basis of the company's expected future earnings, a required rate of return of 15% p.a. before tax is applied. If it is assumed that the actual market price will deviate by +/-10% relative to the calculated fair value, the effect on the income statement would amount to DKK 101m on 31 December 2023 (0.24% of the shareholders' equity at the end of 2023). For 2022, the effect on the income statement is estimated at DKK 117m (0.31% of shareholders' funds at the end of 2022). Capital gain and loss for the year on unlisted shares recognised in the income statement is attributable to assets held at the end of 2023. Jyske Bank finds it of little probability that the application of alternative prices in the measurement of fair value would result in a material deviation from the recognised fair value.

47 Fair value hierarchy, cont.

Non-financial assets recognised at fair value

Investment properties were recognised at a fair value of DKK 89m (end of 2022: DKK 97m). Fair value belongs to the category of non-observable prices calculated on the basis of a required rate of return of 2%-10% (end of 2022: 3%-10%).

At the end of 2023, assets held temporarily included properties repossessed temporarily and cars etc. Assets held temporarily were recognised at the lower of cost and fair value less costs of sale. Assets held temporarily were recognised at DKK 84m (end of 2022: DKK 65m). Fair value belongs to the category of non-observable prices.

Owner-occupied properties, exclusive of leased properties, are recognised at the restated value corresponding to the fair value at the date of the revaluation less subsequent amortization, depreciation and impairment. The valuation of selected land and buildings is carried out with the assistance of external experts. Based on the returns method, the measurement takes place in accordance with generally accepted standards and with a weighted average required rate of return of 6.45% at the end of 2023. Owner-occupied properties, exclusive of leased properties, were recognised at DKK 1,589m (2022: DKK 1,591m). See note 30 for further details. The revalued amount belongs to the category of 'non-observable prices'. Leased properties were recognised at DKK 265m (end of 2022: DKK 292m).

48 Risk exposure

Jyske Bank assumes financial risks within established limits and to the extent the risk-adjusted return in this way contributes to the Group's financial goal. On the other hand, it is to the greatest possible extent attempted to minimise operational risks considering the related costs.

Jyske Bank's financial risks consist mainly of credit risks. The Group assumes credit risks if, through individual credit processing, it can be substantiated that the purpose lies within the Group's credit policy, that the debtor has the necessary ability to service debts and that it can be rendered probable that the debtor has the will and the ability to repay the credit granted. Failing that, the subject matter of the charge must have sufficient value as well as stability of value, and it must be substantiated that the subject matter of the charge can be realised and pay off the remaining credit. Finally, it is a requirement that the Group's expected earnings must match the associated credit risk and capital charge.

Moreover, Jyske Bank assumes market risks when a return matching the involved risk can be rendered probable. The Group's market risk consists chiefly of interest rate risk. Trading-related market risks occur mainly due to customer-related transactions. The Group has a very limited strategic trading-market risk position. The market risk profile is characterised by differentiated portfolios, where interest rate and currency risks are the most importing trading-related market risks. Balance sheet management drives the market risk, which does not relate to trading, where interest rate exposures are based on the bank's core activities, mortgage activities as well as liquidity management.

As a consequence of the Group's activities, liquidity risks arise when there is a funding mismatch in the balance sheet because the loan portfolio has a longer duration than its average funding sources. Active liquidity management will ensure that there is sufficient liquidity in the short and long term to meet the Group's payment obligations.

At any time, the total risks are adjusted to the Group's risk profile and capital structure according to the Group's capital management objective.

49 Risk management and risk organisation

Risk management is a key element in the Group's daily operations and is anchored in the Supervisory Board and the Executive Board.

The Supervisory Board lays down the general principles for risk and capital management as well as for the Group's risk profile and implement these in the Group by adopting a number of risk policies and instructions. Together with the Executive Board, the Supervisory Board is responsible for ensuring that the Group has an organisational structure that will secure a distinct allocation of responsibility and include an appropriate separation of functions between development units, operating units and control units in the daily monitoring and management of the Group's risks.

The Executive Board is responsible for the day-to-day risk management and the management of the Group and will ensure that policies and instructions are operationalized and complied with. The Executive Board has appointed a Group Chief Risk Officer, who is also the director of the Risk unit. The responsibilities of the unit include assets involving risks across areas of risk and organisational units, including:

- Present risk policies and risk management principles to the Executive Board and the Supervisory Board.
- Presentation of a comprehensive picture of risk for the decision-makers.
- Implementation of risk management principles and policies in order to improve risk management on an on-going basis.
- Quantification of the Group's risk exposure as well as monitoring and reporting to ascertain that the Group's risk exposure does not exceed the limits defined by the Supervisory Board.

49 **Risk management and risk organisation, cont.**

To achieve efficient risk management close to the mortgage-credit business, the Group has also appointed a risk officer at Jyske Realkredit. The risk officer and his employees form an integral part of the unit Risk to ensure that the Group Chief Risk Officer has a complete overview of the entire Group's risks.

Day-to-day management of credit risk is undertaken by account managers as well as the Credit Division with due regard to credit policies and credit instructions.

Jyske Bank has three business areas that manage market risk. Strategic market risks are managed by Group Treasury, and investments are in general based on a long-term perspective on the financial markets. Jyske Markets and Jyske Realkredit manage short-term market risks as part of the servicing of customers' trades with financial instruments and in the mortgage credit business.

Similarly, the strategic liquidity risks are managed by Group Treasury, and the short-term operational liquidity is managed at Jyske Markets.

The day-to-day management of operational risk is undertaken by the individual units of the Group.

ESG risks are considered transversal risks within the other risk types of the Group. Consequently, the risk management is an integrated part of the above-mentioned processes within the Group.

50 **Credit risk**

Credit risk is managed, among other things, on the basis of the Group's approved advanced credit risk models, The models are used for various purposes, from advisory services offered to the Group's customers to determination of risk and for management reporting.

Credit policy and responsibility

The Supervisory Board determines the general framework for the granting of credit in the Group. The authority structure relating to the granting of credit in the Group is determined by the Supervisory Board, which is also the granting authority in connection with the largest exposures. Granting authority in connection with other exposures has been delegated to the Executive Board.

Credit risk is managed through the credit policy, which defines objectives and framework for the credit risk of the Group with the objective of keeping the Group's risk at a satisfactory and balanced level in respect of the business model, capital base and business volume of the Group as well as the general trend in the Danish economy. Currently we see strong focus on the handling of derived economic effects from high inflation, rising interest rates, challenging supply chains and generally higher uncertainty.

Specific credit policies have been formulated for all areas in which the Group assumes credit risk, and credit risk levels and desired and undesirable types of business have been identified. In connection with this is also the Group's ongoing integration of ESG in its credit policy, where the company's ability to identify with and relate to risks relating to ESG in connection with credit rating should be pointed out. The policies are regularly adjusted to meet current requirements and adapted to the management tools available to account managers and the monitoring functions. In actual practice, the credit policy materialises through detailed business procedures for all material areas.

Customers' transactions with the Group must for the long term generate a satisfactory risk-adjusted return.

ESG risks

Jyske Bank recognises the importance of identifying and addressing ESG risks as an integrated part of the Group's risk management processes, which is in particular relevant when it comes to credit risk. Consequently, an ESG profile describing the customer's ESG risks is prepared in connection with credit grantings for corporate customers. The Group considers ESG risks on an ongoing basis and consequently any needs for changes to the credit policy are assessed.

The Group has a risk-based approach to giving priority to the work with ESG risks in the credit portfolio as weight is attached to both potential consequence and probability of materialisation in the short, medium and long term. For this purpose, the Group uses a framework for which a top-down assessment of relevant ESG issues is made on an ongoing basis for both internal and external qualitative and quantitative information.

The assessment of ESG risks involves both transitional risks, i.e., risks associated with the transfer to a low-emission economy and physical risks, i.e., risks associated with potential changes to climatic conditions. Currently, it is assessed that transitional risks involve the most substantial ESG risk for the credit portfolio whereas the assessment of physical risks shows that potential losses will be moderate even under restrictive assumptions. Sectors with high CO2 emission or high climate complexity are considered particularly material in this respect.

The work with ESG risks is an ongoing process, and the work will be refined as the accessibility of high-quality ESG data increases. So far, the assessments have not resulted in changes to for instance the expected credit loss from the Group's customers. This is either because the materialisation takes place over a longer period than the term of the loan, or because the risks are concentrated with customers for which the Group has already identified an increased risk, e.g., the agricultural sector – and also because the creditor is at the forefront and has dealt with possible ESG risks such as part of the total credit risk prior to measuring the offered financing.

Please see Risk and Capital Management 2023 for further information.

50 Credit risk

Limits and authorisation
The Group attaches great importance to its decentralised credit-authorisation process. The limit structure states which amounts can be granted and which instances and segments are covered. The main principle is that regularly occurring credit cases can be decided locally, and credit-related decisions for major or more complicated cases must be made centrally – in respect of leasing, bank loans as well as mortgage loans.

Limits are delegated to account managers individually on the basis of perceived competence and need. Decisions about applications over and above the limits delegated to account managers are made by the Credit unit. Credit-related decisions relating to Credit's limits are made by the Executive Board for credit cases at Jyske Bank, whereas the Supervisory Boards of the individual subsidiaries are the granting authority in connection with cases involving customers of the subsidiaries, including and primarily Jyske Realkredit and Jyske Finans. The Executive Board is represented on the Supervisory Boards of the individual subsidiaries. Finally, credit-related decisions exceeding the powers of the supervisory boards of the subsidiaries are taken by the Supervisory Board.

The credit process and monitoring
Together with policies and business procedures, the credit processes form the basis of ensuring that the granting of credit is based on sound risk taking and the highest degree of loss minimisation.

The basis of each authorisation of credit is the customer's ability to repay the loan. A central element in the assessment of the creditworthiness of corporate customers is their ability to service debt out of cash flows from operations in combination with their financial strength. In respect of personal customers, their debt servicing ability, as reflected in budgets and disposable income (before and after the raising of the loan), is decisive.

The extent of data and analyses depends on the customer's financial situation and the complexity of the case and may therefore vary from case to case.

The provision of collateral is a material element in credit granting in order to minimise the Group's future losses. In respect of mortgage loans, real property is always mortgaged, and in respect of leasing, the financed asset has always been provided as security.

Supervision of the Group's credit risk is made partly by the first line (the business) and the second line (Risk Management). The business performs supervision in connection with the ongoing work of account managers and/or credit specialists with the individual customers. Risk Management, which is fully independent on the processes of the business and without business responsibility, performs its supervision from a customer as well as a portfolio perspective. Risk Management is responsible for the ongoing monitoring and analysis of the exposures of the Group, by size, sector, type and geographical area with the main focus on reducing the risk and ensuring satisfactory diversification of the portfolio in accordance with the Group's risk targets. Monitoring takes place through quantitative models at portfolio level.

Credit assessment and PD
Credit procedures are adjusted to match the level of risk on individual exposures. One of the key elements is the ranking (classification) of the customer's credit quality through credit scores. The credit rating expresses the probability of the customer defaulting on his obligations in the coming year. The probability of default is expressed by allocating the customers a Probability of Default (PD). A customer in default is defined as a customer who is not expected to meet his obligations in full. Hence defaulted customers are exposures for which it is assessed more probable that the exposure will result in losses and/or forced sale of assets provided as security to the Group or other creditors.

By far, most customers are awarded a PD on the basis of statistical credit scoring models developed internally in the Group. Very large companies and companies within special sectors are awarded a PD on the basis of an assessment by an independent expert. Examples are financing companies, financial institutions and central governments. In those cases, external ratings, if available, will primarily form the basis of the internal credit rating of the customer.

Many factors are relevant for the calculation of a customer's PD. Specific factors relating to the customer and a large number of factors relating to the situation of the customer are taken into account when making the calculation. The calculation of PD therefore takes into account financial data, changes in transaction data, management and market circumstances, etc. Also included in the calculation are specific danger signals in relation to the customer's credit quality, payment and loss history.

In order to reach the best possible overview of customer credit quality, PD is mapped into internal credit ratings ("STY") at Jyske Bank and Jyske Finans. Jyske Bank's credit ratings are on a scale from 1 to 14, 1 being the best credit quality (the lowest PD) and 14 the poorest credit quality (the highest PD). The scale is constant over time so that customers migrate up or down depending on their PD.

The PD level is monitored quarterly relative to the actual development of the default rate. Adjustments are made with half of the fluctuations relative to the long-term average.

At Jyske Realkredit, the PD is translated into 9 rating classes, where rating class 9 designates customers in default. For customers from the acquired customer portfolio from Handelsbanken rating categories from 1 to 5 are allocated to personal customers and 1 to 9 to corporate customers. These rating categories have been mapped to the concept for Jyske Bank. Work is undergoing to harmonise the concepts relating to credit rating in the Group.

Below is shown the mapping between credit ratings, the Jyske Realkredit rating, PD as well as external ratings at the end of 2023 for customers that are not in default.

50 Credit risk, cont.

The Group's internal credit ratings and the Group's mapped Jyske Realkredit ratings aim to assess the credit risk in a one-year perspective, while external ratings (Aaa – C) aim to assess the credit risk in a longer perspective. The mapping between the internal credit ratings, the Jyske Realkredit rating and the external credit ratings is based on the currently observed default frequency for companies rated by Jyske Realkredit and Moody's. The mapping between the internal rating, the Jyske Realkredit ratings and external ratings is therefore dynamic. Observations are made on at least a quarterly basis to determine whether changes are to be made in the mapping.

If the credit rating calculated by the model is considered to be inadequate, independent credit experts may review the credit rating of corporate customers at the request of the relevant account manager.

INTERNAL RATINGS AND PD BAND AND MAPPING TO EXTERNAL RATING

Jyske Bank credit rating	Jyske Realkredit rating	PD band (%)	External rating equivalence
1		0.00 - 0.10	Aaa-A3
2	1	0.10 - 0.15	Baa1
3		0.15 - 0.22	Baa2
4		0.22 - 0.33	Baa3
5	2	0.33 - 0.48	Ba1
6		0.48 - 0.70	Ba2
7	3	0.70 - 1.02	Ba3
8		1.02 - 1.48	B1
9	4	1.48 - 2.15	B1-B2
10	5	2.15 - 3.13	B2
11		3.13 - 4.59	B3
12	6	4.59 - 6.79	Caa1
13		6.79 - 10.21	Caa2
14	7 and 8	>10.21	Caa3/Ca/C

Risk classification

At the Group exposures with objective evidence of impairment are divided into three categories: exposures with low, high and full risk. The latter two risk categories consist of defaulted customers.

Exposures with low risk are exposures for which it is assessed more probable that the exposure will again become sound, while exposures with high and full risk (defaulted customers) are exposures for which it is assessed more probable that the exposure will result in losses and/or forced sale of assets provided as security to the Group or other creditors.

The Group's definition of default is defined as customers with a high or full risk (unlikely to pay) and customers past due more than 90 days on payment of contractual interest and instalments. The definition of default is based on the requirements set forth in Article 178 of the EU Regulation No. 575/2013. For instance, customers are considered associated with high or full risk (defaulted customers) in the event of bankruptcy, restructuring, debt rescheduling, indication of current or expected future challenges establishing balance between income and expenditure, etc. The principles and the definitions of the risk classification have been applied for many years and are assessed to be a well-defined and robust element in the Group's risk management practice.

The classification of risk is monitored continuously by account managers and/or credit specialists and is reviewed at least once a year for solid accounts and at least twice a year for fragile accounts. In addition, automated monitoring of objective signs of danger is carried out and on an ongoing basis reported to account managers and/or credit specialists with a view to a review of the risk classification. For customers with limited financial insight, the objective signs of danger are applied directly in the risk classification.

The same requirement as to being updated applies to changes of the risk classification in the event of deterioration and improvement. This ensures a high level of assurance that the Group's statement of indication of impairment is true and fair, and that the solvency requirement has not been determined on an imprudent basis.

There is close correlation between the Group's risk classification principles and credit management in the business, reflected, among other things, in the credit policy and credit-related business procedures. Depending on the customer's risk classification, for instance requirements of frequency of credit follow-up, requirements of degree of collateral and requirements of pricing are made. The principles are generally applicable to the entire Group and apply to all categories of loans and customer segments.

There are only minor differences between the Group's application of the default definition, the accounting definition of credit-impaired loans (stage 3), and the definition of non-performing. As the Group has aligned the entry criteria for default, stage 3 and non-performing, only the different exit criteria and quarantine periods associated with the individual risk classification concepts constitute the difference.

The accounting treatment of loans and advances reflects very much the current financial assessments of customers' circumstances with a view to a true and fair estimation of the risk of loss in the financial report, while as a precautionary measure quarantine periods are used for default and non-performing in the capital statement.

50 Credit risk, cont.

Credit exposure
Credit exposures are quantified by means of Exposure at Default (EAD). EAD reflects the exposure at default in the event of the customer defaulting in the course of the next twelve months. A customer's overall EAD depends on customer-specific factors and the specific products held by the customer. For most product types, EAD is calculated on the basis of statistical models, while a few product types are based on expert models.

For loans with a fixed principal, the only element of uncertainty in the determination of EAD is the time until possible default. Uncertainty is higher, however, for credit facilities under which the customer may draw up to a maximum. In those cases, the amount drawn by the customer at the time of loss is decisive. This can be modelled by means of customer-specific factors and the circumstances surrounding the exposure.

Guarantees and credit commitments are special products inasmuch as a certain event must take place before they are utilised. It is therefore material to assess the probability and the extent of utilisation of the product in the event of the customer defaulting within the next twelve months. In this regard, the EAD parameters are based mainly on expert assessments as the Group has recorded very few default events over time, so the available data are too meagre for statistical modelling as such. In respect of guarantees, there is a sufficient body of data for statistical modelling.

In respect of financial instruments, EAD is measured according to the market-value method for regulatory calculation, while for internal management purposes, the more advanced EPE method is used.

Collateral
As a main rule, customers are required to provide full or partial collateral for their commitments with a view to limiting the credit risk and ensuring an adequate balance between risk and earnings. The Group's mortgage loans are always secured by mortgages on immovable property, and also in a large number of cases, guarantees are provided by third parties in connection with cooperation with other financial institutions. In connection with loans for social housing, guarantees are provided by municipalities and the state.

Collateral received is a main element of the Group's assessment of Loss Given Default (LGD). LGD is the part of the Group's total exposure to a customer which the Group expects to lose in the event the customer defaults within the next twelve months. A customer's LGD depends on specific factors, including the customer's commitment and the collateral provided. Overall, LGD also depends on Jyske Bank's ability to collect receivables and liquidate collateral.

The models relating to real and personal property and vehicles include on-going updating of the collateral value, taking into account, among other things, market-related changes in value, ranking as well as wear and tear. The on-going updating of the values of real property will also ensure compliance with the requirements relating to the monitoring of LTV limits of the SDO loans according to the rules on possible, further supplementary capital.

The calculation of impairment charges and solvency requirement uses LGD estimates which reflect the Group's expected loss rates. The loss levels for impairment purposes have been calibrated for the current expectations of loss given default, while LGD for solvency purposes have been calibrated for the period at the end of the 1980s and the beginning of the 1990s.

Loan impairment charges and provisions for guarantees
The Group recognises loan impairment charges and provisions for guarantees already as of the initial recognition. All loans are segmented into four stages, depending on the credit-impairment of the individual loans relative to the initial recognition:

- Stage 1: Loans with no significant increase in credit risk.
- Stage 2: Loans with significant increase in credit risk.
- Stage 3: Credit-impaired loans.
- Loans that were credit-impaired at first recognition.

On an on-going basis, it is secured that the credit rating and the risk classification are true and fair, including whether objective evidence of impairment has been established for the Group's customers. Where easier conditions have been granted to customers with financial problems, this will be regarded as individual objective evidence of impairment.
In the Group, all loans are assessed for objective evidence of impairment. Objective evidence of impairment exists if one or more of the following events have occurred:

- The borrower is facing considerable financial difficulties.
- The borrower is in serious breach of contract, for instance by failing to observe its liability to pay instalments and interest rates.
- The borrower is granted easier terms that would not be considered if the borrower was not facing financial difficulties.
- The borrower will go bankrupt or undergo some other financial restructuring.

Loans that were credit-impaired at first recognition are reported under this category until the loan has been repaid regardless that the credit risk since the first recognition has improved.

DKKm	2023	2022
51 **Maximum credit exposure**		
Loans at fair value	355,177	337,632
Loans and advances at amortised cost	202,135	204,050
Guarantees	9,730	11,141
Loan commitments and unutilised credit facilities	88,303	87,424
Loans, advances and guarantees, etc.	655,345	640,247
Demand deposits at central banks	74,533	58,326
Due from credit institutions and central banks	7,314	8,347
Bonds at fair value	63,698	55,505
Bonds at amortised cost	36,869	39,660
Positive fair value of derivatives	18,213	25,827
Total	855,972	827,912

%

52 Loans at amortised cost and guarantees by country and customer segment

	Customers	Banks	Central govts, etc.	Total
2023				
Denmark	89	47	0	88
The EU	7	23	0	8
Rest of Europe	4	16	0	4
USA + Canada	0	10	0	0
Other zone-A countries	0	1	0	0
South America	0	0	0	0
Rest of the world	0	3	0	0
Total	100	100	0	100
2022				
Denmark	90	13	0	87
The EU	6	55	0	8
Rest of Europe	4	19	0	4
USA + Canada	0	8	0	0
Other zone-A countries	0	0	0	0
South America	0	0	0	0
Rest of the world	0	5	0	1
Total	100	100	0	100

53 Market risk

Jyske Bank assumes market risk as a result of position-taking in the financial markets and general banking and mortgage banking operations. The measurement of market risk includes all products which involve interest rate, currency, equity or commodity risk. Certain financial instruments include elements of credit risk. This type of credit risk is managed and monitored in parallel with market risk. Every risk type has its own characteristics and is managed and monitored by means of individual risk measurements as well as through the Group's Value-at-Risk (VaR) model. Value at Risk expresses the maximum risk of loss over a period based on historical price and correlation developments of individual business types.

ESG risk

The assessment of ESG issues and risks is an integrated part of Jyske Bank's investment decisions and is comprised by Sustainability and Corporate Social Responsibility Policy. The majority of Jyske Bank's investment portfolio consists of asset classes such as mortgage bonds for which the ESG risks involved are assessed as being very low. In connection with investment in other asset classes such as corporate and mortgage bonds the individual investment is assessed according to Jyske Bank's policies and guidelines.

Sensitivity analyses

Jyske Bank extensively holds offsetting positions across markets. The worst-case scenario is one where the prices of all long (positive) positions decline, while the prices of short (negative) positions increase. A sensitivity analysis of the balance sheet at the end of the period is shown in the table below, from which the earnings impact from the stated negative development in prices and rates for the Group appears. The sensitivity analyses are based on 'other things being equal' observations and do not take into account changes in the balance sheet due to changes in the market development.

The Group's sensitivity to interest rate changes increased in 2023. The sensitivity of the balance of demand deposits increased on a whole due to expectations of an improvement of net interest rates in step with an increase in market rates. The Group has in step with the interest rate increases increased its hedging of the earnings risk in 2023.

53 Market risk, cont.

DKKm

Sensitivity analyses – effect on Income Statement*	2023	2022
A 0.5%-point increase in interest rates**	497	374
A 0.5%-point decrease in interest rates**	-547	-424
A general fall of 10% in equity prices	-39	-50
A negative 2% change in equity prices	-24	-20
A negative 5% change in commodity prices	0	0
A negative 5% change in exchange rates***	-30	-35

* The effect on the result has a similar impact on the equity capital after deduction of tax at 26%.
** Determined in the event of the Group's present value of both the trading portfolio and the banking book being under stress.
*** EUR is not included in the calculation
Equity risk was calculated for the trading portfolio.
"Negative" means that the prices of long positions fall, while those of short positions rise.

54 Interest rate risk by currency and duration

	<= 1 year	2 years	5 years	>= 10 years	Total	Of which interest rate risk outside the trading portfolio
2023						
DKK	339	6	-1,553	44	-1,164	-1,154
EUR	-53	54	-212	338	127	103
GBP	6	-3	3	2	8	-4
JPY	2	0	0	5	7	0
SEK	2	7	-1	-1	7	3
USD	-10	25	-9	18	24	9
Other	7	3	0	1	11	1
Total	**293**	**92**	**-1,772**	**407**	**-980**	**-1,042**
2022						
DKK	310	64	-1,277	130	-773	-792
EUR	-131	133	-118	26	-90	-90
GBP	-3	0	-2	5	0	-2
JPY	4	0	-3	10	11	2
SEK	4	3	11	-1	17	4
USD	6	7	-8	1	6	3
Other	4	-1	2	1	6	2
Total	194	206	-1,395	172	-823	-873

The interest rate risk is expressed as the change in market value in case of -1%-point shift to all interest rates.

DKKm

55 Interest rate risk by product and duration

	<= 1 year	2 years	5 years	>= 10 years	Total	Of which interest rate risk outside the trading portfolio
2023						
Assets						
Due from credit institutions and central banks	-15	-45	78	-3	15	15
Loans and advances	471	128	304	259	1,162	1,162
Bonds	224	122	533	707	1,586	1,248
Liabilities						
Due to credit institutions and central banks	-29	0	0	0	-29	-29
Deposits	-97	14	-2,238	0	-2,321	-2,321
Issued bonds	-84	-146	-535	0	-765	-765
Subordinated debt	-2	0	-100	0	-102	-102
Joint funding	-129	-12	-48	-126	-315	-314
Derivatives						
Interest rate and currency swaps	-39	72	331	-453	-89	191
Other derivatives	-11	-8	-80	29	-70	-68
Futures	4	-33	-17	-6	-52	-59
Total	**293**	**92**	**-1,772**	**407**	**-980**	**-1,042**
2022						
Assets						
Due from credit institutions and central banks	-21	-45	75	4	13	13
Loans and advances	422	310	395	294	1,421	1,421
Bonds	236	140	576	603	1,555	1,251
Liabilities						
Due to credit institutions and central banks	-28	0	0	0	-28	-28
Deposits	-112	-42	-1,694	0	-1,848	-1,848
Issued bonds	-105	-106	-438	-67	-716	-716
Subordinated debt	0	0	-112	0	-112	-112
Joint funding	-140	-20	-69	-163	-392	-392
Derivatives						
Interest rate and currency swaps	-60	16	-48	-531	-623	-324
Other derivatives	-1	-24	-69	-9	-103	-103
Futures	3	-23	-11	41	10	-35
Total	194	206	-1,395	172	-823	-873

The interest rate risk is expressed as the change in market value in case of -1%-point shift to all interest rates.

DKKm	2023	2022
56 **Currency risk**		
Total foreign-currency assets	108,742	77,196
Total foreign-currency liabilities	152,752	167,057
Currency-exposure indicator 1	1,514	1,110
Currency-exposure indicator 1 as a percentage of core capital	3.7	3.0
Exchange rate indicators are calculated according to FSA guidelines		
Exposure by currency		
EUR	-1,499	-1,060
SEK	22	163
CAD	73	71
MXN	10	22
NOK	182	86
USD	179	79
AUD	33	74
GBP	22	37
Other, long	59	108
Other, short	-15	-51
Total	-934	-471

57 **Equity risks**

Equity risk A		
Listed shares and derivatives	58	43
Unlisted shares	102	117
Total	160	160
Equity risk B		
Listed shares and derivatives	138	91
Unlisted shares	102	117
Total	240	208

Equity risk A is put at 10% of net equity exposure, net exposure being calculated as positive exposure less negative exposure. Equity risk A is therefore an indication of the loss/gain in the event of a 10% change in global equity prices.

Equity risk B is put at 10% of the numerical equity exposure. This risk measurement thus expresses the gross exposure, as it shows the loss at a 10% negative price change on total positive exposure and a simultaneous 10% positive price change on total negative exposure.

Besides equity risks A and B, the Group applies limits to individual exposures to shares with the objective of limiting concentration risk. There is also a limit to the proportion of Jyske Bank shares held.

58 Hedge accounting

2023	Amortised cost/ Nominal value	Carrying amount	Accumulated carrying amount fair value adjust-ment	Profit/loss for the year
Interest rate risk on fixed-rate liabilities				
Issued bonds	16,517	16,771	-254	-409
Subordinated debt	2,236	2,215	21	-61
Due to credit institutions	745	704	42	-29
Total	**19,498**	**19,690**	**-191**	**-499**
Derivatives, swaps				
Swaps, hedging issued bonds	16,517	232	232	393
Swaps, hedging subordinated debt	2,236	-22	-22	59
Swaps, hedging debt to credit institutions	745	-41	-41	27
Total	**19,498**	**169**	**169**	**479**
2022				
Interest rate risk on fixed-rate liabilities				
Issued bonds	12,459	12,304	155	202
Subordinated debt	2,380	2,298	82	126
Due to credit institutions	744	673	71	81
Total	**15,583**	**15,275**	**308**	**409**
Derivatives, swaps				
Swaps, hedging issued bonds	12,459	-161	-161	-207
Swaps, hedging subordinated debt	2,380	-81	-81	-122
Swaps, hedging debt to credit institutions	744	-68	-68	-77
Total	**15,583**	**-310**	**-310**	**-406**

	2023	2022
Hedging instruments, nominal value by yield curve		
EURIBOR	10,434	14,278
STIBOR	806	1,304
Total	11,240	15,582
Hedging instruments, nominal value by maturity		
Up to 12 months	3,042	4,369
1-5 years	8,198	11,213
Total	11,240	15,582

58 Hedge accounting, cont.

Interest rate exposure

Jyske Bank applies the rules for hedge accounting of fair value for certain fixed-rate issued bonds at amortised cost, subordinated debt and debt to credit institutions. The purpose is to avoid asymmetric fluctuations in the financial statements as both the hedging instruments as well as the hedged items will then be adjusted to market value in the income statement in the event of changes to the interest rate level. The hedging instruments used are interest rate swaps, which are used for hedging against changes in the interest rate level. The interest rate is the only material element of risk that is hedged in the hedged items, and not credit margins or similar.

For each secured bond issued, subordinated debt or debt to credit institutions, an interest rate swap is entered into with the same reference rate, same time to maturity and same nominal amount, and therefore the hedging relationship is 1:1.
The fixed interest rate on the hedged items is hedged directly on the fixed rate of the hedging instruments, which are swapped into a floating 3- to 6-month EURIBOR rate, which is included in the bank's normal risk management.
The carrying amount of the hedging instruments is recognised in the balance sheet under the item "Other assets" in the event of a positive fair value and under the item "Other liabilities" in the event of a negative fair value.

The hedge effectiveness is determined by comparing the interest element of the total fair value of the hedging instruments with the interest element of the total fair value of the hedged items. Moreover, the hedge effectiveness is calculated each month and each quarter for hedging instruments against the hedged items for the period's gain/loss on the element of interest of the fair value.

The current portfolio of hedged items will mature over the decade with the last transaction in 2029. There is an even distribution of major maturities over the years 2026-2029 (totalling approx. DKK 18.7bn) with an average run-off of approx. DKK 4.7bn a year.

A minor degree of inefficiency between the hedged items and the hedging instruments is due to the fact that costs from the issue of hedged items are accrued over the term to maturity where opposite effects are not recognised on the hedging instruments. In addition, inefficiency may occur when the recognised carrying amounts are very low. The hedge ineffectiveness recognised in the profit amounted to DKK 20m (2022: DKK 3m) as the loss for the year on hedging instruments amounted to DKK 479m (2022: DKK 406m) and the profit/loss for the year on hedged items at amortised cost was DKK 499m (2022: DKK 409m).

IBOR reform

IBOR rates are quoted in the interbank market for unsecured loans, which since the financial crisis has become an illiquid market where unsecured fixed-term loans and advances are actually not granted. IBOR rates are therefore often based on estimates. This is one of the reasons behind the global reform of the use of interest rate benchmarks, including the IBOR transition or the IBOR reform. In the EU, the EU Benchmark Regulation (EU BMR) forms the basis of the IBOR reform.

IBOR rates are used generally to determine cash flows in both derivatives agreements, floating-rate consumer and corporate loans as well as mortgage loans. In its entirety, the IBOR reform has the aim that derivatives and loan agreements to a higher degree are to be based on new alternative risk-free reference rates (RFR) instead of the current IBOR rates.

The new RFR rates are based on overnight transactions in the interbank market and are therefore, contrary to IBOR rates, not based on estimates, for derivatives transactions, the ISDA has published new definitions of fallback rates to replace the current IBOR rates if they are discontinued. Fallback rates are published by Bloomberg and are calculated as accumulated RFR rates plus a fixed credit spread. Among other things, the rates will be retrospective rather than forward-looking.

EURIBOR and scandi IBORs (CIBOR, STIBOR and NIBOR) are not expected to be discontinued for some time to come, but instead they have been reformed into a new and BMR-compliant version. Also, robust fallbacks for EURIBOR, STIBOR and NIBOR have been prepared based on the RFR rate in the relevant currency. In DKK, the transaction-based RFR rate, DESTR, was published for the first time on 4 April 2022 based on transactions as of 1 April 2022. In November 2022, ISDA defined fallback for CIBOR for derivative products. This follows the method for EURIBOR, STIBOR and NIBOR and is hence based on DESTR plus a spread.

Jyske Bank has endorsed the ISDA 2020 IBOR Fallbacks Protocol and the ISDA 2018 Benchmarks Supplement Protocol, which will ensure robust fallback mechanisms when the LIBOR rates are discontinued. With reference to these, Jyske Bank's non-cleared USD LIBOR-based derivatives transactions passed to refer to RFR-based fallback rates with effect as from 1 July 2023 when the publication of USD LIBOR rates was discontinued. A similar transition of cleared USD LIBOR derivatives transactions was implemented in May 2023. Consequently, Jyske Bank does not have any commitments based on USD LIBOR.

The table on page 152 shows the distribution of the hedging instruments according to current reference rates, where Jyske Bank is primarily in EURIBOR. The majority of the hedging instruments' nominal value is also EURIBOR, where the timing of these are mainly maturities of 1 - 5 years

DKKm

59 Derivatives

Both its customers and the Group use derivatives to hedge against and manage market risk. Market risk on derivatives is included in the Group's measurement of market risk. Credit risk in connection with derivatives is calculated for each counterparty and is included in Jyske Bank's overall credit risk management. Subject to specific bilateral agreement, netting of the credit risk associated with derivatives is undertaken for each counterparty.

2023	Net fair value				Fair value			Principal amounts, total
	Up to 3 months	Over 3 months and up to 1 year	Over 1 year and up to 5 years	Over 5 years	Assets	Liabilities	Net	Nominal value
Currency contracts								
Forwards/futures, bought	4,711	1,006	69	4	5,790	0	5,790	351,619
Forwards/futures, sold	-5,080	-1,154	-134	-15	3	6,386	-6,383	363,651
Swaps	-56	-375	-401	90	995	1,737	-742	115,216
Options, acquired	15	35	2	0	52	0	52	3,803
Options, issued	-10	-12	-2	0	4	28	-24	4,220
Total	-420	-500	-466	79	6,844	8,151	-1,307	838,509
Interest rate contracts								
Forwards/futures, bought	0	0	1	0	11	10	1	17,139
Forwards/futures, sold	-136	-1	0	0	2	139	-137	41,802
Forward Rate Agreements, bought	0	0	0	0	0	0	0	0
Forward Rate Agreements, sold	0	0	0	0	0	0	0	0
Swaps	-190	-221	656	462	37,499	36,792	707	1,427,404
Options, acquired	-1	21	151	8	180	1	179	5,621
Options, issued	1	12	7	15	35	0	35	1,304
Total	-326	-189	815	485	37,727	36,942	785	1,493,270
Share contracts								
Forwards/futures, bought	11	0	0	0	11	0	11	5
Forwards/futures, sold	-16	0	0	0	1	17	-16	16
Options, acquired	1	0	0	0	1	0	1	0
Options, issued	-1	0	0	0	0	1	-1	0
Total	-5	0	0	0	13	18	-5	21
Commodity contracts								
Forwards/futures, bought	-45	-12	-17	0	24	98	-74	17
Forwards/futures, sold	30	22	21	0	90	17	73	17
Swaps	-236	-246	-10	0	688	1,180	-492	4
Total	-251	-236	-6	0	802	1,295	-493	38
Total	-1,002	-925	343	564	45,386	46,406	-1,020	2,331,838
Outstanding spot transactions					84	68	16	35,870
CCP netting					-27,257	-27,257	0	0
Total after CCP netting					18,213	19,217	-1,004	2,367,708

DKKm

59 Derivatives – cont.

2022	Net fair value				Fair value			Principal amounts, total
	Up to 3 months	Over 3 months and up to 1 year	Over 1 year and up to 5 years	Over 5 years	Assets	Liabilities	Net	Nominal value
Currency contracts								
Forwards/futures, bought	6,648	3,735	314	0	10,700	3	10,697	393,479
Forwards/futures, sold	-7,326	-3,910	-322	-13	3	11,574	-11,571	434,596
Swaps	-239	-186	-1,067	-383	1,040	2,915	-1,875	114,842
Options, acquired	4	22	0	0	26	0	26	1,422
Options, issued	-4	-26	0	0	0	30	-30	1,271
Total	-917	-365	-1,075	-396	11,769	14,522	-2,753	945,610
Interest rate contracts								
Forwards/futures, bought	-36	0	0	0	7	43	-36	8,022
Forwards/futures, sold	37	0	0	0	37	0	37	28,397
Forward Rate Agreements, bought	0	-14	0	0	0	14	-14	2,002
Forward Rate Agreements, sold	0	0	0	0	0	0	0	0
Swaps	79	87	250	509	50,376	49,451	925	1,489,674
Options, acquired	-525	4	591	207	287	10	277	5,556
Options, issued	0	521	-347	-195	8	29	-21	965
Total	-445	598	494	521	50,715	49,547	1,168	1,534,616
Share contracts								
Forwards/futures, bought	-17	0	0	0	0	17	-17	24
Forwards/futures, sold	23	0	0	0	23	0	23	38
Options, acquired	3	0	0	0	3	0	3	0
Options, issued	-3	0	0	0	0	3	-3	0
Total	6	0	0	0	26	20	6	62
Commodity contracts								
Forwards/futures, bought	-14	-103	5	0	241	353	-112	52
Forwards/futures, sold	58	117	-4	0	331	160	171	52
Swaps	-36	-553	30	0	1,521	2,080	-559	5
Total	8	-539	31	0	2,093	2,593	-500	109
Year-end	-1,348	-306	-550	125	64,603	66,682	-2,079	2,480,397
Outstanding spot transactions					47	49	-2	30,377
CCP netting					-38,823	-38,823	0	0
Total after CCP netting					25,827	27,908	-2,081	2,510,774

60 **Liquidity risk**
Liquidity risk occurs due to funding mismatch in the balance sheet. The Group's liquidity risk can primarily be attributed to its bank lending activities as loans and advances have a longer contractual duration than its average funding sources. Liquidity risks at Jyske Realkredit are limited due to compliance with the balance principle for SDO issues as set out in the mortgage legislation. Note 17 states the remaining time to maturity for a number of assets and liabilities.

Objective and overall setup
The Supervisory Board determines the liquidity profile expressed as the balance between the risk level and the Group's costs of managing liquidity risk. The risk levels are re-assessed on an on-going basis in consideration of the current market-related and economic conditions in Denmark and the financial sector.

The overall development in lending and deposits in the Danish banking sector, the rating agencies' assessment of the Group's liquidity and funding risks as well as changes in statutory requirements will of course cause Jyske Bank to re-assess which risk levels can be deemed satisfactory.

Jyske Bank's liquidity management must ensure adequate short- and long-term liquidity so the Group can in due time honour its payment obligations by having reasonable funding costs. This is ensured through the following objectives and policies:

1. A strong and stable deposit base securing stability in the long-term financing of the Group's lending activities.
2. Continued high credit ratings by international rating agencies.
3. Permanent access to international capital markets, hence achieving access to a diversified and professional funding base.
4. Maintaining a substantial highly liquid liquidity buffer reconciled to the run-off profile of the capital-market financing. The liquidity buffer ensures that Jyske Bank can withstand the effect of several adverse liquidity scenarios.

Organisation, management and monitoring
The Supervisory Board has adopted a liquidity policy with relevant liquidity instructions, which among other things defines specific critical time horizons for the Group during various adverse stress scenarios. Other key ratios include an internal target for LCR, NSFR, requirements for the Group's liquidity buffer and the ratio between bank loans and bank deposits. On the basis of the general limits, the Executive Board has delegated specific operational limits to the operationally responsible officers at Jyske Bank, who on a daily basis follow and manage the Group's liquidity in line with limits and liquidity policies.

Jyske Realkredit is subject to liquidity-related restrictions in respect of investment profile in the securities portfolio and money-market placements outside the Group to ensure that transactions at Jyske Realkredit are in line with statutory requirements as well as internal guidelines at Jyske Realkredit and at Group level.

Liquidity positions are monitored daily by Market Risk & Models for observance of the delegated limits. Liquidity positions that exceed the authorised limits are reported immediately according to the business procedure relating to market risks.

Short-term liquidity management
Short-term operational liquidity is managed by Jyske Markets, which is active in the international money markets as a trader in all major currencies and related derivatives and as a market-maker in the Nordic interbank money markets. Short-term funding in these markets form part of the Group's overall financial structure and is hence integrated in the strategic liquidity management.

Strategic liquidity management
Strategic liquidity management is embedded in Group Treasury. This management is based on various balance sheet and financing-related targets and statements of the Group's liquidity position under various stress scenarios.

Under the stress scenarios applied, payments from the asset side of the liquidity balance sheet are grouped in order of liquidity, whereas payments from the financial liabilities side are grouped according to expected run-off risk in various scenarios. The analyses are based on the contractual maturity of each individual payment, but they make allowance for the fact that the actual maturities of a large part of the balance sheet deviate from the contractual maturities. The analyses therefore apply scenario-specific expectations of customer behaviour in those cases where contractual maturities are not considered to give a true and fair view of the actual maturities of deposits or loans. In relevant stress scenarios, the liquidity buffer is used to cover negative cash flows.

Under the various stress scenarios, both a survival horizon and a horizon regarding compliance with the mandatory LCR requirement are determined. The survival horizon is defined as the horizon with which the liquidity buffer will suffice to honour due dates relating to financing. Group Treasury is responsible for ensuring that the Group can at all times meet the critical survival horizons in the three scenarios used in strategic management:

- Institution-specific liquidity scenario (scenario 1): The scenario is based on an isolated incident in the Group, which will shake the surrounding world's confidence. Also, the incident may result in the loss of customers. The scenario also entails that Jyske Bank's rating is downgraded by one notch. It is, among other things, assumed that the Group is entirely cut off from access to the capital markets defined as CP, interbank as well as to issues of senior debt and capital instrument. In addition, the Group is fast losing a significant part of the credit-sensitive customer deposits, and it is also facing the risk that the bank must provide additional collateral as a derivative counterparty. *The target is a horizon of at least 24 months.*

60 Liquidity risk, cont.

- Capital market scenario (scenario 2): This scenario is, de facto, also a recession scenario. Following a long-lasting economic slowdown, banks are generally suffering from increasing credit losses and weak earnings. The property market is characterised by steep price declines. The surrounding world's confidence in the banking sector is seriously shaken, with the result that the capital market is frozen. The Group performs in line with the sector and avoids a downgrade on the part of the rating agencies. The Group is cut off from the capital markets defined as CP, interbank as well as issues of senior debt and capital instrument. On the other hand, deposits with Jyske Bank are only affected to a modest degree. A decline in property prices totalling 20% over two years may entail that Jyske Realkredit must provide higher collateral at the capital centres to meet the SDO requirement. Due to turmoil in the capital markets, the need for CSA collateral increases. Moreover, rising risk aversion in the market will have the result that the value of the liquidity reserve is lowered due to widening credit spreads. *The target is a horizon of at least 18 months.*

- Combination scenario (scenario 3): This scenario is a combination of the two above ones; in the middle of a deep financial crisis, the Group is affected by a specific incident that undermines the confidence in the bank, see scenario 1. As the Group is affected by two incidents at the same time, the rating will be downgraded by two notches, which again adds to a negative liquidity flow. The outflow of the scenario is the union of scenario 1 and scenario 2. In addition, it must be assumed that a downgrade by two notches in a general market crisis will make it more difficult to find new derivative counterparties. It is therefore anticipated that it may be necessary for the Group to provide significant (and of a more permanent nature) collateral to new derivative counterparties. *The target is a horizon of at least 9 months.*

In addition to the targets for survival horizons, the ongoing Group Reporting also includes the calculated horizon for compliance with the NSFR and the LCR statutory requirements in the scenarios.

Liquidity contingency plan
The liquidity contingency plan comes into force if the Group can only meet the internally delegated limits at very high costs or is ultimately unable to do so within the critical horizons. The contingency plan establishes a wide range of possible actions to strengthen the Group's liquidity situation.

In 2023, Jyske Bank had overcollateralisation of internally delegated limits and powers.

The Group's liquidity buffer
The Jyske Bank Group's liquidity buffer is determined as assets that can be sold quickly or put up as collateral for loans, and such assets are therefore an efficient source of liquidity. The procurement of secured funding does not depend on Jyske Bank's creditworthiness, but solely on the quality of the assets that can be offered as collateral. Only assets that are not applied for the Group's daily operations are included. The measurement of the Group's liquidity buffer takes into account haircuts of the relevant assets.

Jyske Bank's securities portfolio is, in the internal liquidity management, divided into three groups according to liquidity ratio:

1. Ultra liquid assets. Cash deposits placed with the Danish Central Bank or the ECB with intra-day liquidity effect according to the rules of the central banks.
2. Very liquid assets. Bonds eligible for borrowing transactions in the Danish central bank or the ECB. The liquidity value of Danish government and mortgage bonds as well as covered bonds is determined at market value less the Danish central bank's specific haircuts on bonds in connection with borrowing. To this must be added European mortgage bonds and government bonds. The liquidity value of these is determined at market value less the ECB's specific haircuts in connection with borrowing. The internal statement of liquidity reserves includes own mortgage bonds and small bond series in line with other mortgage bonds (contrary to the LCR buffer).
3. Non-eligible assets. Consist of other negotiable securities. The realisation period of such assets may vary considerably depending on the market – either in the form of sales or charging in the private repo market. Haircuts are determined at 25%. Securities in this group consist primarily of assets denominated in currencies other than DKK and EUR as well as securitization positions in the form of CLOs.

Additional information about liquidity risk is provided in the section 'Liquidity management' in the Management's review.

Asset encumbrance
Asset encumbrance is a natural and inevitable part of the Group's daily activities. A large asset encumbrance of the Group's assets will, however, entail structural subordination of the Group's unsecured creditors. To ensure that the Group at all times has access to unsecured funding, a policy has been established in the area to ensure that asset encumbrance is not extended to any inexpedient extent.

At Jyske Bank, the following types of asset encumbrance of material extent have been identified:

- Issuance of SDOs.
- Periodical short-term financing from Danmarks Nationalbank and the ECB.
- Repo financing.
- Derivatives and clearing activities.

Issuance of SDOs is the most important asset encumbrance of Jyske Realkredit A/S. Issuance of SDOs is a long-term and strategically important instrument to ensure stable and attractive funding.

60 Liquidity risk, cont.

The Group does not wish to be structurally dependent on funding of its activities from central banks, and the liquidity management is planned in such a way that private funding can be obtained in most cases. On the other hand, short-term loans cannot be ruled out in the event of major unexpected shifts in liquidity and the use of central banks is considered a natural last resort.

Participation in the repo market for institutional customers and other financial institutions forms an integral part of the business model of Jyske Markets. It is the policy that such repo transactions are covered by collateral agreements (CSA) so the Group does not assume credit risk through such transactions. Repo transactions are only carried out for very liquid assets. Also, repo transactions are included as a natural element of the management of the Group's liquidity buffer. Even though repo transactions form an important element in Jyske Markets, these can fairly quickly be scaled up or down.

Derivatives and clearing activities involve asset encumbrance via agreements on provision of financial collateral. The Group strives to ensure that collateral is primarily received and given through cash but also includes provision of collateral in the form of bonds.

61 Operational risk

The Group is exposed to potential losses as a result of operational risks, including inexpedient processes, human errors, IT errors as well as fraud. Operational risk relates to all internal processes and can therefore not be eliminated.

The Group monitors and actively manages operational risk to reduce the risk of operational events resulting in material loss and damage to the Group's reputation.

Objective and overall setup

Jyske Bank's Supervisory Board sets out a policy for operational risk, which states the framework for identification, assessment, monitoring and management of the operational risk as well as the Supervisory Board's risk targets for the area.

The purpose of the policy is to keep operational risks at an acceptable level in respect of the Group's overall objectives and the cost associated with reducing the risks. Therefore, the Supervisory Board has laid down a number of principles for the set-up and management of the Group where, among other things, attention must be paid to sufficient resources, IT support of material work processes, due separation of functions as well as stable development and operational processes.

Risks deriving from environmental, social and governance issues (ESG risks) which are of a non-financial nature will be managed in accordance with the guidelines of the Supervisory Board's policy for operational risk. Hence, the management of ESG risks is integrated in the overall set-up for operational risk management in the Group.

Management and monitoring

Developments in operational risk are monitored to ensure the best possible basis for risk management. Monitoring is based on continuous dialogue with management to ensure that all the material operational risks of the Group are identified, analysed and anchored in the Group's risk register. Risk scenarios, risk exposure and control environment are evaluated annually in cooperation with the business units.

In addition to the monitoring of potential risks, registration takes place in the Group of all operational errors or incidents that caused losses or gains in excess of DKK 5,000. Each registration includes information about the incident, for instance about product, work process and cause of error. Data are used for analysis and reporting with a view to optimising processes and reducing future losses.

The Executive Board and the relevant business unit directors are in charge of operational risk management. This management is an integral part of daily operations through business procedures and controls established with the object of securing the best possible processing environment. On the basis of risk analyses and regular reporting of the Group's operational risks, management considers the Group's risk exposure on an ongoing basis and decides whether to introduce initiatives to reduce operational risks.

Every quarter, the Executive Board and the Supervisory Board receive a comprehensive report that describes the development of the Group's operational risks accompanied by error statistics from the error registry. Non-compliance with established risk targets will also be reported.

DKKm	2023	2022
62 Transactions involving related parties		
Transactions with associates		
Other liabilities	75	71
Employee and administrative expenses	762	746
Transactions with joint ventures		
Loans	24	25
Interest income	3	3

	Members of the Supervisory Board and related parties		Members of the Executive Board and related parties	
	2023	2022	2023	2022
Short-term consideration	7	7	49	38
Guarantees provided	0	2	0	0
Guarantees received	34	34	11	9
Debt of the Jyske Bank Group	11	13	22	19
Account receivable, the Jyske Bank Group, amount drawn down	36	36	13	9
Account receivable, the Jyske Bank Group, credit facility	38	38	13	9
Interest income of the Jyske Bank Group	0	0	0	0
Interest expenses of the Jyske Bank Group	0	0	1	0
Changes in the present value of the pension liability	-	-	0	0
Interest rates for loans and advances (%)	6.0-9.3	0.3-7.0	3.9-4.2	1.3-1.4

Group enterprises and associates as well as joint ventures are considered related parties. Reference is made to the Group chart, note 66.

Jyske Bank's Executive Board and Supervisory Board as well as their related parties are also considered related parties.
No loans to related parties were credit impaired.

Jyske Bank does not consider the Shareholders' Representatives a restricted management body.

Transactions between related parties are characterised as ordinary financial transactions and services of an operational nature. Jyske Bank A/S and Jyske Realkredit A/S have entered into an agreement on joint funding and an agreement on outsourcing. Transactions related to these agreements are eliminated in the Group.

Transactions between Jyske Bank and Group enterprises and associates as well as joint ventures are entered into on an arm's length or at cost. The transactions are eliminated upon consolidation. Transactions between Jyske Bank and other related parties were executed on an arm's length basis. This also holds for the rates of interest and commission charges.

Jyske Bank A/S's Pensionstilskudsfond is a fund which offers supplementary pensions to current and former members of Jyske Bank's Executive Board and their surviving relatives. Pension liabilities are actuarial items based on a number of assumptions, cf. also note 37 on pension provisions. At an unchanged discount rate, Jyske Bank's Executive Board earned additional retirement remuneration of DKK 2m in 2023 (2022: DKK 2m), cf. note 12.

For Jyske Bank A/S' related party transactions, please see note 34 in Jyske Bank' A/S' financial statements.

DKKm

63 Leasing as lessee

2023

Leased assets	Real property	Cars	Total
Beginning of period	292	9	301
Additions	1	6	7
Remeasurement of lease liability	79	-2	77
Disposals	-14	0	-14
Depreciation and amortisation for the year	-93	-4	-97
Recognised value, end of period	265	9	274

Lease liabilities	
Termination of lease liabilities	
0-1 yrs	105
1-5 yrs	178
Over 5 years	26
Non-discounted lease liability, end of period	309
Recognised value, end of period	289

Amounts recognised in income statement as lessee	
Interest expenses relating to lease liabilities	15
Variable lease payments not recognised as part of the lease liability	0
Costs relating to short-term leased assets (less than 12 months) and for leasing activity with a low value	0

2022

Leased assets	Real property	Cars	Total
Beginning of period	370	5	375
Additions	72	12	84
Remeasurement of lease liability	-74	0	-74
Disposals	0	-3	-3
Depreciation and amortisation for the year	-76	-5	-81
Recognised value, end of period	292	9	301

Lease liabilities	
Termination of lease liabilities	
0-1 years	114
1-5 yrs	180
Over 5 years	30
Non-discounted lease liability, end of period	324
Recognised value, end of period	313

Amounts recognised in income statement as lessee	
Interest expenses relating to lease liabilities	6
Variable lease payments not recognised as part of the lease liability	0
Costs relating to short-term leased assets (less than 12 months) and for leasing activity with a low value	0

Information about not yet commenced leasing contracts of the lessee

In 2023, Jyske Bank entered into an agreement on rental of a new domicile at Kalvebod Brygge in Copenhagen at mid-2025.
It is expected that the leasing activities and the leasing liability at Jyske Bank will be affected by DKK 215m at the date of the first inclusion of the leasing contract.

DKKm	2023	2022
64 Leasing as lessor		
Income from finance and operating lease		
Finance income from finance leasing	485	269
Gain from sale of leased assets	9	17
Lease income from finance lease	494	286
Lease income and gains from sale from operating lease	764	871
Total	1,258	1,157

Income consists of finance income from finance leasing as well as lease income from operating lease. This includes any fees received and paid relating to finance leasing that is closely related to the financing.

No income from variable lease payments for finance leasing is included in the measurement of the net investment.

No variable lease payments from operating lease depend on an index or an interest rate.

As was the case in previous years, the main activity was object financing, which primarily includes capital investment in plant and equipment/movable property as well as certain loan purposes and secondarily administration and financing tasks for third parties relating to such investments, including finance arrangements under a third party's own brand.

Financing and leasing are primarily offered to Danish and Swedish personal customers, companies registered in Denmark and foreign private individuals or companies against commitment provided by a Danish company.

	2023	2022
Amortisation, depreciation and impairment charges on operating leased assets		
Depreciation and impairment charges on property, plant and equipment	454	501
Impairment charges on property, plant and equipment	21	26
Recognised losses attributed to non-current assets	1	1
Total	476	528
Operating leased assets		
Cost, beginning of period	3,131	3,094
Additions	1,677	1,682
Disposals	2,023	1,645
Cost, end of period	2,785	3,131
Depreciation and amortisation, beginning of period	917	860
Depreciation and amortisation for the year	453	500
Reversal of amortisation and depreciation on assets disposed of	576	443
Depreciation and amortisation, end of period	794	917
Depreciation and amortisation, beginning of period	44	27
Impairment charges for the year	28	42
Reversal of impairment charges in previous years	29	25
Depreciation and amortisation, end of period	43	44
Carrying amount, end of period	1,948	2,170
Maturity analyses leased assets		
Present value of future minimum lease payments that fall due as follows:		
Fall due within 1 year	331	409
Fall due within 1-2 years	157	181
Fall due within 2-3 years	61	49
Fall due within 3-4 years	13	8
Fall due within 4-5 years	1	1
Fall due after 5 years	0	0
Total	563	648

64 **Leasing as lessor, cont.**

In addition, there are non-guaranteed residual values related to operating leased assets that are not included in the lessee's minimum lease payments.

Operating leased assets consist mainly of vehicles.

Leased assets include repossessed assets totalling DKK 151m (2022: DKK 104m). It is expected that the assets will be realised to new customers or, alternatively, sold within the next 12 months.

Description of risks and uncertainty relating to estimation of residual values
The Group has assumed risks relating to the residual value of its holding of operating lease agreements.

The measurement of the Group's property, plant and equipment relating to operating lease agreements is subject to some uncertainty, which can be attributed to a number of external market effects as well as the Group's own estimates of future circumstances. This is in particular related to the expected cash flows from the lease agreements in connection with the assets, and in particular cash flows from the subsequent sale of the assets and the circumstances related to this.

The accounting residual values are set at the market value at which the object is expected to have at the expiry of the agreement. The actual market value is, however, only finally known at the time of sale, and therefore, to a great extent, the establishment of residual values relies on professional estimates based on experience, and market trends. Sales prices of the objects are strongly affected by the supply / demand situation in the Danish and European car market, including industry trends as regards fuel preferences, bodywork, and level of equipment.

In addition, the expected net sales price is affected by prepayment patterns for the Group's private lease agreements in Denmark, as expectations of these contribute to deciding the expected time of sale. Moreover, the net sales price is also affected by the rate of turnover measured from the time of the return of the object to the sale and possibly other future income as well as expenses relating to the realisation/contract expiry.

Risk management strategy
The Group monitors continuously whether the established residual values of the contracts in progress match the estimated realisation price, and whether other circumstances also indicate indication of impairment. This takes place in close connection with the ongoing pricing of new campaigns, and whether the residual values established for running campaigns are still appropriate and correct.

The above task has been assigned dedicated employee and management resources and also IT applications that assists in the ongoing monitoring of the picture of risk.

DKKm	2023	2022
Financial Lease Agreements		
Cost, beginning of year	10,360	9,792
Additions	4,413	5,766
Disposals	4,389	5,198
Cost, end of year	10,384	10,360
Depreciation and amortisation, beginning of year	167	172
Impairment charges for the year	95	102
Reversal of impairment charges in previous years	102	107
Depreciation and amortisation, end of year	160	167
Carrying amount, end of year	10,224	10,193

DKKm	2023	2022
64 **Leasing as lessor, cont.**		
Maturity analysis Nominal value of future lease payments.		
Fall due within 1 year	2,588	2,531
Fall due within 1-2 years	1,978	1,929
Fall due within 2-3 years	1,446	1,406
Fall due within 3-4 years	955	925
Fall due within 4-5 years	538	510
Fall due after 5 years	426	388
Total	7,931	7,689
Correlation between maturity analysis and net investment		
Nominal value of future minimum lease payments, cf. above	7,931	7,690
Of which unrecognised interest income (at the current interest rate level) included in the minimum lease payments	1,055	720
Net present value of guaranteed residual values at expiry of the agreements	487	407
Net present value of non-guaranteed residual values at expiry of the agreements	3,021	2,983
Total	10,384	10,360

Carrying amount of finance leasing is affected by inflow of new agreements, extensions, repayments as well as regulation of impairment charges for expected credit loss.

65 Business combinations

2023 - Acquisition of PFA Bank A/S

On 1 October 2023, Jyske Bank acquired PFA Bank A/S (hereinafter referred to as "PFA Bank"). As part of the transaction, an agreement was entered into with Investeringsforeningen PFA Invest on the management and portfolio management of the customers' funds.

PFA Bank was established in 2013 and offers holistic and investment advisory services with respect to investment products. The transaction comprised approx. 10,000 personal customers and private banking customers, deposits worth DKK 0.7bn and assets under management totalling DKK 16.1bn consisting of DKK 13.5bn invested in PFA Invest through PFA Bank and other banks and DKK 2.6bn invested in PFA Invest through PFA Pension's "Du investerer" (You invest). The acquisition will strengthen Jyske Bank's business volume within asset management and wealth management advice and will result in minor capital requirements for Jyske Bank.

The purchase price for PFA Bank amounts to DKK 247m which has been paid in cash. The purchase price is based on net assets acquired and an additional payment of DKK 120m.

Jyske Bank has paid transaction costs at DKK 5m associated with the acquisition to legal and financial advisers.

The net activities taken over will be part of the segment information for the Group under banking activities.

The preliminary distribution of the purchase price is shown in the table below:

DKKm	1 October 2023
Determination of fair value	
Assets	
Cash balance and demand deposits with central banks	183
Due from credit institutions and central banks	55
Bonds at fair value	636
Intangible assets (customer relations)	120
Current tax assets	1
Other assets	17
Total assets	**1,012**
Liabilities	
Deposits and other debt	732
Current tax liabilities	2
Other liabilities	31
Liabilities, total	**765**
Net assets acquired	247
Purchase price	247
Goodwill	**-**
Guarantees	2

The pre-acquisition balance sheet is based on the balance sheet of PFA Bank at 30 September 2023.

Fair value of customer relations has been determined by means of the Multi-Period Excess Earnings method (MEEM). Customer relations are computed at the net present value of the expected future cash flows which are obtained through sale to the customers after deduction of a reasonable return on all other assets which contribute to generating the relevant cash flows. The value of the intangible asset has been computed at DKK 120m. Customer relations will be capitalised and amortised over 7 years.

For the period since the acquisition, PFA Bank has contributed to the Group's net interest and fee income with DKK 16m and to the pre-tax profit with DKK -12m.

The Group's net interest and fee income for 2023, computed as if PFA Bank was taken over on 1 January 2023, was DKK 83m and the pre-tax profit was DKK -2m.

65 Business combinations, cont.

2022 - Acquisition of activities from Svenska Handelsbanken

On 1 December 2022, Jyske Bank acquired Svenska Handelsbanken's Danish activities (Handelsbanken Denmark).

Handelsbanken Denmark was established in 1992 and grew subsequently organically through the acquisition of Midtbank and Lokalbanken i Nordsjælland. Handelsbanken Denmark carries out nationwide banking operations within the personal customer as well as the corporate customer segment. The transaction comprises more than 130,000 customers, bank loans and advances of DKK 65.1bn and deposits of DKK 35.4bn. Add to this 42 locations and approx. 600 employees.

The acquisition of Handelsbanken will strengthen Jyske Bank's market position, and its business volume will increase significantly. The greater scale will also support the possibilities of developing and offering attractive products and services to Jyske Bank's present and future customers.

The purchase price for Handelsbanken Denmark amounts to DKK 34.4bn which has been paid in cash. The purchase price is based on net assets acquired and a goodwill payment of DKK 3.0bn.

Jyske Bank has paid transaction costs of DKK 60m associated with the acquisition to legal and financial advisers. The amount is included in the profit and loss account under expenses for staff and administrative expenses.

The activities acquired are included in segment information for the Group under Banking, Mortgage and Leasing activities.

After recognition of identifiable assets, liabilities and contingent liabilities at fair value, goodwill associated with the acquisition has been computed at DKK 2,841m.

The distribution of the purchase price on net assets is shown in the table below:

DKKm	1 December 2022
Determination of fair value	
Assets	
Cash balance and demand deposits with central banks	1,704
Due from credit institutions and central banks	675
Loans and advances	65,143
Shares, etc.	43
Equity investments in group enterprises	129
Assets in pooled deposits	3,727
Intangible assets (customer relations)	489
Owner-occupied properties	69
Other property, plant and equipment	8
Current tax	93
Other assets	86
Deferred income	307
Total assets	**72,473**
Liabilities	
Due to credit institutions and central banks	254
Deposits	35,392
Pooled deposits	3,727
Other liabilities	1,437
Deferred income	54
Provisions for pensions and similar liabilities	2
Provisions for guarantees and loan commitments	20
Liabilities, total	**40,886**
Net assets acquired	**31,587**
Purchase price, cash	34,428
Goodwill	**2,841**
Guarantees	1,451

65 Business combinations, cont.

2022 - Acquisition of activities from Svenska Handelsbanken, cont.

The pre-acquisition balance sheet is based on the balance of Handelsbanken Denmark at 30 November 2022. Fair value of loans and advances is based on an assessment of the market value of the acquired portfolio. The gross value of loans and advances before fair value adjustment amounted to DKK 67.6bn at the date of acquisition. Fair value adjustment of loans and advances relating to interest rate risk amounted to DKK -1.9bn and fair value adjustment of loans and advances relating to credit risk amounted to DKK -0.6bn, and total loans and advances after fair value adjustment amounted to DKK 65.1bn.

Fair value of customer relations has been determined by means of the Multi-Period Excess Earnings method (MEEM). Customer relations are computed at the net present value of the expected future cash flows which are obtained through sale to the customers after deduction of a reasonable return on all other assets which contribute to generating the relevant cash flows. The value of the intangible asset has been computed at DKK 489m. Customer relations will be capitalised and written off over 10 years.

Goodwill and customer relations form part of banking activities at Jyske Bank whereas Jyske Realkredit and Jyske Finans have taken over loans and advances of DKK 23.3bn and DKK 0.2bn.

For the period since the acquisition, Handelsbanken Denmark has contributed to the Group's net interest and fee income with DKK 173m and to the pre-tax profit with DKK -46m. The impact is, among other things, affected by one-offs involved in the integration as well as stage-1 loan impairment charges.

It is not practically possible to make a reliable calculation of the Group's net interest and fee income and pre-tax profit for 2022, computed as if Handelsbanken Denmark was taken over on 1 January 2022.

66 Group overview

31 December 2023	Currency	Share capital 1,000 units	Ownership share (%)	Voting share (%)	Assets DKKm, end of 2023	Liabilities DKKm, at end-2023	Equity DKKm, end of 2023	Earnings (DKKm) 2023	Profit or loss, DKKm 2023
Jyske Bank A/S[1]	DKK	642,721			429,114	383,228	45,886	20,995	5,904
Subsidiaries									
Jyske Realkredit, Kgs. Lyngby[2]	DKK	500,000	100	100	383,021	358,832	24,189	12,248	2,030
Jyske Bank Nominees Ltd., London[4]	GBP	0	100	100	0	0	0	0	0
Jyske Finans A/S, Silkeborg[3]	DKK	100,000	100	100	27,687	25,527	2,160	1,997	459
Ejendomsselskabet af 01.11.2017 A/S, Silkeborg[5]	DKK	500	100	100	49	46	3	4	2
Gl. Skovridergaard A/S, Silkeborg[5]	DKK	600	100	100	31	24	7	19	-1
Ejendomsselskabet af 01.10.2015 ApS, Silkeborg[5]	DKK	500	100	100	93	92	1	1	1
Jyske Invest Fund Management A/S, Silkeborg[4]	DKK	76,000	100	100	378	92	286	199	45
Jyske Vindmølle A/S, Hobro [5]	DKK	400	100	100	44	20	24	9	3
Ejendomsselskabet af 1. maj 2009 A/S, København [5]	DKK	54,000	100	100	100	3	97	7	6
Lokal Bolig A/S, Hillerød [6]	DKK	1,000	69	69	26	2	24	11	1
PFA Bank, Copenhagen [4]	DKK	100,500	100	100	1,056	938	118	33	-9

Activity:
1 Banking
2 Mortgage-credit activities
3 Leasing, financing and factoring
4 Investment and financing
5 Properties, wind turbine and course activities
6 Estate agency chain

All banks and mortgage credit institutions supervised by national financial supervisory authorities are subject to statutory capital requirements. Such capital requirements may limit intra-group facilities and dividend payments.

	Currency	Share capital 1,000 units	Ownership share (%)	Voting share (%)
Associates*				
Foreningen Bankdata, Fredericia	DKK	472,048	39	39
Greenbow A/S	DKK	1,246	32	32
Jointly controlled enterprises				
Netto Biler A/S	DKK	5,000	50	50

From associates and jointly controlled enterprises, the Group recognised a total of DKK 24m (2022: DKK 25m) under assets, DKK 75m (2022: DKK 71m) under liabilities, DKK 3m (2022: DKK 3m) under income, and DKK 762m (2022: DKK 746m) under expenses.

* Accounting figures according to the latest published Annual Report.

67 Investments in associates and jointly controlled companies

	Associates	
	Foreningen Bankdata	
	2023	2022
Equity interest, %	39	39
Dividend received	0	0
Income statement and comprehensive income		
Revenue	1,823	1,765
Expenses	1,594	1,582
Amortisation, depreciation and impairment	198	189
Financial income	3	3
Financial expenses	2	2
Tax on profit/loss for the year	19	1
Profit or loss from discontinuing activities	0	0
Profit/loss for the year	13	-6
Other comprehensive income	0	0
Comprehensive income	13	-6
Balance Sheet		
Property, plant and equipment	177	177
Intangible assets	206	388
Other long-term assets	118	112
Cash and cash equivalents	78	20
Other short-term assets	294	320
Total assets	873	1,017
Equity	485	472
Long-term liabilities	97	210
Short-term liabilities	292	335
Total equity and liabilities	874	1,017

The amounts stated are the latest published total figures from the financial statements of the individual material associates.

The Group's strategy includes strategic partnerships in key areas, including IT development through the Association Bankdata.

Greenbow A/S is 32%-owned. The carrying amount accounts for DKK 13m (2022: DKK 4m).

Netto Biler A/S is 50%-owned. The carrying amount accounts for DKK 15m (2022: DKK 9m).

68 Accounting Policies

General
The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. The financial statements of the parent company have been presented in accordance with the Danish Financial Business Act, including the Danish Executive Order on Financial Reports for Credit Institutions, Stockbrokers, etc. Furthermore, the Annual Report has been prepared in accordance with the Danish disclosure requirements for annual reports of listed financial institutions.

Additional Danish reporting requirements for the consolidated financial statements are laid down in the executive order on IFRS relating to financial institutions in accordance with the Danish Financial Business Act and in the rules laid down by Nasdaq Copenhagen A/S, and for the Parent's financial statements in accordance with the Danish Financial Business Act and in the rules laid down by Nasdaq Copenhagen A/S.

The rules applying to recognition and measurement at the Parent are consistent with IFRS.

Figures in the Annual Report are in Danish kroner, rounded to the nearest million in Danish kroner.

Changes to accounting policies, new and changed standards as well as interpretation
With effect as of 1 January 2023, Jyske Bank has implemented the following new or amended standards and interpretation:
- IAS 1 "Presentation of annual financial statements" and Practice Statement 2 "Assessment of materiality" relating to information about accounting policies.
- IAS 12 "Income taxes" relating to deferred tax concerning assets and liabilities deriving from one single transaction as well as "Pillar II" (international tax reform).
- IAS 8 "Accounting policies, amendment to accounting estimates and errors" concerning definition of accounting estimates.

The implementation has not had any material effect on the accounting policies and/or the consolidated financial statements, including the comparative figures, and are also not expected to impact present or future periods significantly.

Accounting standards and interpretation that have not taken effect
At the time of publication of this Financial Report, new or amended standards and interpretation relating to:
- IAS 1 (presentation of liabilities)
- IFRS 16 (sale and lease-back)
- IAS 7 and IFRS 7 (trade payables)
- IAS 21 (effect from changes to currency rates)

Not yet taken effect and/or been approved in the EU for the financial year which began on 1 January 2023.

It is not expected, that the above will affect Jyske Bank's financial reporting to any material degree.

Except for the above, accounting policies remain unchanged.

Recognition and measurement
At the initial recognition, assets and liabilities are measured at fair value, and for assets and liabilities that are subsequently measured at amortised cost, directly attributable transaction costs paid will be added, and directly attributable transaction costs received will be deducted. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account gains, losses and risks that occurred prior to the presentation date of the Annual

Report and that confirm or disprove conditions which existed on the balance sheet date.

Income is recognised in the income statement as earned. Incurred expenses that relate directly to the generation of the year's earnings are recognised in the income statement.

Financial assets are recognised at the date of settlement, and the recognition ceases when the right to receive or deliver cash flows from the financial asset has expired, or if the financial asset has been transferred, and the Group has essentially transferred all risks and returns associated with the ownership.

Accounting estimates
Measurement of the carrying value of certain assets and liabilities requires the management's estimate of the influence of future events on the value of such assets and liabilities on the balance sheet date. Estimates of material importance to the presentation of the accounts are, among other things, based on:

- Loans, including loan impairment charges.
- Fair value of financial instruments.
- Provisions, including provisions for defined benefit liabilities, losses on guarantees, lawsuits.
- Acquisitions, including statement of acquired assets and liabilities at fair value as well as measurement of goodwill.

The estimates are based on assumptions which management finds reasonable, but which are inherently uncertain. Besides, the Group is subject to risks and uncertainties which may cause results to differ from those estimates. Key assumptions and any specific risks to which the Group is exposed are stated in the Management's Review and the notes.

Loan impairment charges and provisions for guarantees are subject to significant estimates as regards the quantification of the risk that future payments may not all be received. Where it is established that not all future payments will be received, the determination of the extent of anticipated payments, including specification of scenarios, risk classification, realisable values of security provided and anticipated dividend payments by estates, will also be subject to significant estimates. The division of loans and advances, etc. into stages 1, 2 or 3 is subject to significant estimates, which is decisive when determining whether a loss expected in the 12-month term or an expected loss in the entire term of the loan is to be recognised. In a number of instances, it is necessary to supplement the model-calculated impairment charges in stages 1, 2 and 3 with a management's estimate.

This will typically be the case when social events are assessed to affect the level of impairment, yet these events have not yet been picked up by the Group's credit models. The war in Ukraine and high inflation have increased uncertainty involved in the estimates.

The measurement of the fair value of financial instruments is subject to significant estimates of the fair value in a non-active market. Fair value is recognised on the basis of observable market data and recognised value assessment techniques, which include discounted cash flow models and models for the pricing of options. Input variables include observable market data, including non-listed yield curves, exchange rates and volatility curves. Unlisted shares are recognised at an estimated fair value on the basis of the available budget and accounting figures of the issuer in question or at management's best estimate.

68 Accounting Policies, cont.

Provisions for defined benefit pension plans, etc. are subject to significant estimates with regard to the determination of future employee turnover, discount rate, the rate of wage and salary increase, and the return on associated assets. Provisions for pension liabilities, etc. are based on actuary calculations and estimates. Moreover, provisions for losses on guarantees are subject the uncertainty of assessing the extent to which guarantees may be called upon as a consequence of the financial collapse of the guarantee applicant. The calculation of other provisions is subject to significant estimates with regard to the determination of the probability and to which extent a possible obligating event may and will result in a future drain on Jyske Bank's economic resources.

In case of acquisitions, material estimates are associated with the calculation of the fair value of the acquired assets, liabilities and contingent liabilities, including in particular determination of the credit risk of acquired loans and advances. At recognition of customer relations, measured in connection with a recognised valuation method and based on future earnings and retention rate, presumptions and assumptions are also included which give rise to uncertainty relating to recognition and measurement. Goodwill is tested for impairment charges on an annual basis or in case of signs of impairment. The impairment test uses assessments when determining estimates of future cash flows, and in addition uncertainty when determining discount rate and market development.

Hedge accounting

The Group hedges the interest rate risk on a portfolio of liabilities. The Group applies the rules on hedge accounting as laid down in IAS 39.

Subsequent value adjustments of derivatives that are classified as and meet the requirements for hedging the fair value of a recognised fixed-rate liability are recognised in the income statement together with the value adjustment of the hedged liability, dependent of interest rate levels. If the criteria for hedging are no longer met, the accumulated valuation of the hedged item is amortised over the remaining maturity period.

The consolidated financial statements

The consolidated financial statements cover the financial statements for Jyske Bank A/S and the companies controlled by Jyske Bank A/S. Control is achieved when Jyske Bank A/S

- has control of another company,
- has the possibility of or the has the right to a variable return on its investment, and
- is able to use its control to obtain such return.

The consolidated financial statements have been prepared by adding up the financial statements of Jyske Bank A/S and those of its subsidiaries, which were prepared in accordance with the Group's accounting policies. Intra-group credit and debit items, intra-group share holdings, commitments and guarantees have been eliminated.

Intra-group transactions

Intra-group transactions are entered into on an arm's length basis or at cost.

Business combinations

Assets, including identifiable intangible assets, liabilities and contingent liabilities are measured at fair value on the date of acquisition. A positive difference between the cost and the fair value of the identifiable net assets is recognised as goodwill. A negative difference between the cost and the fair value of the identifiable net assets is recognised as negative goodwill under Other operating income in the income statement.

The results of subsidiaries acquired or disposed of are recognised in the consolidated income statement at the time when the controlling interest is transferred to the Group and cease to be consolidated from the time when the controlling interest ceases to exist. Transaction costs are recognised in the income statement.

Foreign currency transactions

Transactions in currencies other than Danish kroner are translated at the official exchange rates on the day of the transactions. Unsettled monetary transactions in foreign currencies on the balance-sheet date are translated at the official exchange rates on the balance sheet date. For listed currencies, the published bid and offer prices from external suppliers will be applied.

Non-monetary assets and liabilities acquired in a foreign currency, which are not restated at fair value, are not subject to translation adjustments.

In connection with a non-monetary asset, the fair value of which exceeds that stated in the income statement, unrealised translation adjustments are recognised in the income statement.

Foreign exchange gains and losses are included in the profit for the year, with the exception of exchange rate differences related to non-monetary assets and liabilities, where changes in the fair value are recognised in other comprehensive income.

Set-off

Assets and liabilities are offset when the Group has a legal right to offset the recognised amounts and also intends to net or realise the asset and settle the liability at the same time.

Leasing contracts

A leased asset and a lease liability is recognised in the balance sheet when, according to a lease agreement entered into, a leased asset is made available to the Group for a lease period, and when the Group has the right of practically all the economic benefits from the use of the identified asset and the right to decide on the use of this.

Lease liabilities are measured at the initial recognition at the net present value of the future leasing payments discounted at an alternative interest rate, which will amount to the cost relating externally financing of a corresponding asset. Subsequently, the lease liability is measured at amortised cost in accordance with the effective interest method. The lease liability is recalculated when changes take place in the underlying contractual cash flows, if changes take place in the estimate of the residual value guarantee, or if the Group changes its assessment of whether it is reasonably certain that an option to purchase, extend or cancel is expected to be utilised.

At initial recognition, the leased asset is measured at cost, which corresponds to the value of the lease liability adjusted for prepaid leasing payments plus directly related costs. Subsequently, the leased asset is measured at cost less accumulated impairment and depreciation. Leased assets are depreciated over the shorter of the leasing period or the useful life of the leased asset. The depreciation is recognised in the income statement by the straight-line method. Leased assets are adjusted for changes in the lease liability due to changes in the terms and conditions of the lease agreement or changes in the cash flows of the contract.

Leased assets are depreciated by the straight-line method over the expected lease period, which amounts to:

Properties	5-10 years
Cars	3-5 years

The leased asset and the lease liability are stated in the notes.

68 Accounting Policies, cont.

The Group does not recognise short-term lease agreements in the balance sheet. Instead lease payments relating to such lease agreements are recognised in the income statement by the straight-line method.

Assets that are leased at financial lease terms and conditions are recognised, measured and presented as loans and advances.

Hence assets that are leased at operating lease terms and conditions are recognised and presented like the Group's other assets of a similar type. Income from operating lease agreements is recognised by the straight-line method over the relevant leasing period under Other operating income.

Tax

Jyske Bank A/S is assessed for Danish tax purposes jointly with its Danish subsidiaries. Tax on the year's income is divided among the Danish enterprises according to the full costing method. Domestic corporation tax is paid in accordance with the Danish tax prepayment scheme.

Tax comprises calculated tax and any change in deferred tax as well as the readjustment of tax for previous years. Calculated tax is based on the year's taxable income. Deferred tax is recognised and measured in accordance with the balance-sheet liability method on the basis of the differences between the carrying amounts and tax values of assets and liabilities. Overall, deferred tax liabilities are recognised on the basis of temporary differences, and deferred tax assets are recognised to the extent that it is deemed probable that taxable income exists against which deductible temporary differences may be offset. Such assets and liabilities are not recognised where the temporary difference is due to goodwill.

Provisions are not made in the Balance Sheet for tax payable on the sale of an investment in subsidiaries where such an investment is not expected to be disposed of

within a short period of time, or where a sale is planned so that there is no tax liability.

Deferred tax is calculated at the tax rates applicable during the financial year in which the liability is settled, or the asset is realised. Deferred tax is recognised in the income statement, unless it is associated with items which are carried as expenses or income directly in other comprehensive income, in which case deferred tax is recognised in other comprehensive income as well. Deferred tax assets and liabilities are offset where attributable to tax levied by the same tax authority, and where it is the intention of the Group to net its current tax assets and liabilities.

Financial guarantees

Financial guarantees are contracts according to which the Group must pay certain amounts to the holder of the guarantee as compensation for a loss incurred, because a certain debtor did not make a payment on time according to the terms and conditions of the debt instrument.

Financial guarantee obligations are the first time recognised at fair value, and the initial fair value is accrued over the lifetime of the guarantee. Subsequently, the guarantee obligation will be recognised at the higher one of the value on an accrual basis or the present value of expected payments when a payment under the guarantee has become likely.

For the method for provisions for losses on guarantees, please see loans at amortised cost. Provisions for losses on loan commitments and unutilised loan commitments are made according to the same method.

Balance sheet

According to IFRS 9, classification and measurement of financial assets are based on the business model for the financial assets and related contractual cash flows. In consequence of this, financial assets must be classified as one of the following categories:

Financial assets that are held to generate the contractual cash flows and where the contractual cash flows solely consist of interest and instalments on the outstanding amounts are measured after the time of the initial recognition at amortised cost. As a typical example, this measurement category comprises loans, advances and bonds included in an investment portfolio that is in general held to maturity.

Financial assets held in a mixed business model where financial assets are held both with a view to generating the contractual cash flows and returns on sales and where the contractual cash flows on the financial assets in the mixed business model solely consist of interest and instalments on the outstanding amount are measured after the time of the initial recognition at fair value through other comprehensive income. In connection with a subsequent sale, recirculation of the change in fair value will take place to the income statement. As a typical example, this measurement category comprises bonds included in the day-to-day liquidity management, unless they are used by a risk management system or an investment strategy based on fair values, cf. below.

Financial assets that do not belong under one of the above-mentioned business models or where the contractual cash flows do not solely consist of interest and instalments on the outstanding amounts are measured after the time of the initial recognition at fair value through the income statement. As a typical example, this measurement category comprises shares, derivatives and financial assets, which are otherwise included in the trading portfolio or in a risk management system or an investment strategy based on fair values and, on this basis, are included in the bank's internal management reporting. Moreover, financial assets can be measured at fair value through the income statement if the measurement according to the two above-mentioned business models results in a recognition or accounting mismatch.

Jyske Bank has no financial assets that fall under the measurement category with recognition of financial assets at fair value through Other comprehensive income. Instead, Jyske Bank's bond portfolio is measured at fair value through the income statement either because they are included in a trading portfolio, or because they are used by a risk management system or an investment strategy based on fair values and are, on this basis, included in the bank's internal management reporting, except for a holding of bonds that is held under a business model where the bonds will be measured at amortised cost.

Due from credit institutions and central banks

Initially, balances due from credit institutions and central banks are recognised at fair value plus directly attributable transaction costs less fees and commissions received which are directly associated with the amount due. Subsequently, balances due from banks and central banks are measured at amortised cost in accordance with the effective interest method, less impairment charges, cf. below.

Loans at fair value

Mortgage loans are recognised according to the trade date approach and classified as 'Loans at fair value'. Mortgage loans are measured at fair value on initial and subsequent recognition through the income statement. This takes place to eliminate financial inconsistency resulting from the purchase and sale of own issued bonds. Index-linked loans are measured on the basis of the index value at the end of the year. The fair value is generally measured at prices of the underlying issued bonds quoted on a recognised stock exchange. If such a market price is not available for the preceding 7 days, a calculated price based on the official market rate will be applied for determining the value.

68 Accounting Policies, cont.

If derivatives are part of the funding of the mortgage loans, the value of these will be integrated in the valuation of the loans.

The market value is reduced by the calculated impairment charge which for loans at fair value is measured according to the same principles that apply to impairments of loans at amortised cost. In connection with all loans and advances at initial recognition and all loans and advances without any significant increase in credit risk, a calculation of expected losses over the coming 12 months is made, while in connection with all loans and advances with a significant increase in credit risk, impairment charges corresponding to the expected losses over the remaining term are recognised. Please see the description of accounting policies for impairment charges under loans and advances at amortised cost.

Loans and advances at amortised cost

Initially, loans and advances are recognised at fair value plus directly attributable transaction costs, less fees and commission received which are directly associated with the granting of loans. Subsequently, loans and advances are measured at amortised cost in accordance with the effective interest method.

Stages for development of credit risk

In connection with all loans and advances, impairment charges are recognised according to IFRS 9. The impairment model is based on calculations of expected losses where the loans are segmented into four categories depending on the individual loan's credit impairment relative to the initial recognition:

1. Loans with no significant increase in credit risk.
2. Loans with significant increase in credit risk.
3. Credit-impaired loans.
4. Loans that were credit-impaired at first recognition.

For loans in stage 1, impairment charges corresponding to the expected loss over the following 12 months are recognised, while for loans in stages 2 and 3, impairment charges corresponding to expected losses over the remaining life of the exposures are recognised. Loans that were credit-impaired at first recognition are, with respect to impairment charges, ranked in stages 1, 2, or 3 according to a principle corresponding to the one attributed to the loan on the balance sheet date, while the loan and the impairment are reported under the category "Loans that were credit-impaired at first recognition".

At the initial recognition, the individual loans are generally placed in stage 1, which means that impairment charges corresponding to the expected losses over the following 12 months are recognised.

Loans with a very low probability of default (PD below 0.2%) and without any other indications of significant increases in the credit risk are considered having a low credit risk and are placed in stage 1 regardless of the probability of default since the initial recognition.

Assessment of whether the credit risk has increased for individual loans and advances, the ranking of loans and advances into stages and the determination of expected losses take place on an on-going basis.

The ranking in the various stages will affect the calculation method, and it is determined, among other things, on the basis of the change in the probability of default (PD) over the expected remaining life of the loans. Loans and advances in stage 3 are considered credit-impaired and are classified with risk code 2 or 3, as, under the most likely scenario, a loss is expected.

The risk classification concepts are applied generally in the Group's risk reports, and there are only minor differences between the Group's accounting definition of credit-impaired loans (stage 3), the use of the default definition and the definition of non-performing.

As the Group has aligned the entry criteria for stage 3 default and non-performing, only the different exit criteria and quarantine periods associated with the individual risk classification concepts constitute the difference. The risk concepts of default and non-performing are used in the

Group's capital statement and in its reporting to the authorities.

For detailed definitions of default, credit deterioration and risk classifications applied, please see note 50, the section on risk classifications on page 146.

Assessment of significant increase in credit risk

In the event of a significant increase in credit risk, loans and advances will be transferred to stage 2. Assessment of whether any significant increase in credit risk has taken place since the initial recognition is based on the following circumstances:

1. An increase in the PD for the expected remaining life of the financial asset by 100% and an increase in the 12-month PD of 0.5%-point when, at the initial recognition, the 12-month PD was below 1.0%.

2. An increase in the PD for the expected remaining life of the financial asset by 100% or an increase in the 12-month PD of 2.0%-points when, at the initial recognition, the 12-month PD was 1.0% or above.

3. Loans in arrears by 30 days or more.

4. The risk classification of the customer, which among other things is based on an assessment of the customer's ability and will to honour his payment obligations, possible arrears and/or changes to the initial assumptions on which the customer relationship rests. For instance, the development of a customer's financial circumstances will be followed and assessed (income, assets/financial position, liquidity, leverage, any arrears, etc.) supplemented with monitoring of objective signs of danger.

Customers for which the credit risk has increased significantly and with a probability of default (PD above 5%) will be placed in the weak part of stage 2 together with loans and advances that have been classified with risk code 1 and with objective evidence of impairment. For loans and advances subject to objective evidence of impairment in stage 2, impairment charges will be calculated according to the principles applicable to loans and advances in stage 3.

If the Group's most likely scenario points to losses, the customer is considered credit-impaired and will be ranked in stage 3. Customers in stage 3 are typically characterised by being in considerable financial difficulties, by breach of contract or by probable bankruptcy. A customer is in considerable financial difficulties when, due to changes in its earnings, cash flow or capital/net assets, the most likely scenario assumes that the customer cannot meet its obligations to the Group. In addition, a customer may be in considerable financial difficulties if other negative information implies that the Group or other creditors must expect losses.

Hence, the Group's most important credit management tools are used directly in the segmentation and the determination of the expected future credit loss. Please see note 50 on risk classification, credit rating process and monitoring.

68 Accounting Policies, cont.

Statement of expected losses
The expected future loss is calculated on the basis of the probability of default (PD), the exposure at default (EAD) and the loss given default (LGD). These parameters rest on the Group's advanced IRB set-up, which is based on the Group's experience of loss history and early repayment, among other things. These parameters are adjusted to IFRS 9 in a number of specific areas. The purpose of the adjustments is to ensure that the parameters reflect a current as well as true and fair picture that comprises available information and expectations of the future, including the Group's expectations of the real economy trends in GDP, unemployment, house prices, etc. Hence the parameters are adjusted to cover a longer time horizon.

The projection allows for customer-specific circumstances such as customer segment, credit rating and industry.

Advanced quantitative credit models are applied to all customers in stages 1 and 2 for which there is no evidence of credit impairment.

For most loans, the expected time to maturity is limited to the contractual time to maturity. However, for mortgage loans, allowances are made for expected early repayment. For revolving credit facilities, the expected remaining term is based on analyses of the term for credit-impaired customers. If a loan is secured in full in all scenarios, the impairment charge will generally be zero. This will typically be the case with exposures with a high overcollateralization and/or fixed-value collaterals such as cash fixed properties.

The assessment of the indication of impairment for the weakest exposures in stages 2 and 3 is based on individual expert assessments of the probability-weighted expected loss. Expert assessments are made in sub-portfolios divided on Group units and relevant industry groups. In connection with the most important loans, an individual assessment of the scenarios is made, including definition of cash flows, security values and scenario probability. At the individual assessment, up to 13 scenarios are applied.

No significant changes were made to the impairment set-up during the financial year.

Write-offs
Loans are written off as a loss when there are no reasonable prospects of collecting the debt. Indications of this are, for instance bankruptcy and debt rescheduling. The Group still seeks to collect debts even though they are written off as losses.

Bonds at fair value
Bonds are recognised at fair value, which is the amount at which the bonds can be bought or sold in a transaction between independent parties. In an active market, the fair value is expressed in the form of a listed price. In a less active or inactive market, the fair value is determined on the basis of a value calculated by a model based on observable market data and recognised models, alternatively on the basis of the management's estimate corresponding to this.

Bonds at amortised cost
Bonds at amortised cost include investments that were acquired with the object of earning a return until maturity. They are measured initially at fair value corresponding to the sum paid plus directly attributable transaction costs and are subsequently measured at amortised cost.

Impairment charges are made in the same way as for loans and advances at amortised cost. If impairment charges cannot be measured reliably, fair value in the form of an observed market price is chosen.

Repos and reverse repos
Securities sold under repurchase agreements (repos) remain in the balance sheet under securities, carry interest and are subject to value adjustment. Amounts received are recognised as balances due to or from credit institutions.

Securities bought under reverse repurchase agreements (reverse repos) are recognised as loans and advances or balances due from credit institutions at amortised cost, and the return is recognised under interest income.

Shares
Upon initial as well as subsequent recognition, shares are recognised at fair value, which is the amount at which the shares can be bought or sold in a transaction between independent parties.

In an active market, the fair value is expressed in the form of a listed price. In a less active or inactive market, the fair value is determined on the basis of a value calculated by a model-based on observable market data and recognised models, alternatively on the basis of the management's estimate corresponding to this.

The fair value of unlisted shares and other equity investments is calculated on the basis of available information about transactions, expected cash flows, etc. If a reliable fair value cannot be determined, shares will be recognised at cost less any impairment.

Investments in associated undertakings
An associate is an enterprise in which the Group holds a significant but not controlling interest, by participating in the company's financial and operational decision-making process, and which does not qualify as a subsidiary. Typically, significant interest is achieved when holding between 20% and 50% of the voting rights.

Equity investments in associates are recognised and measured in the consolidated accounts and the accounts of the parent company according to the equity method. Accordingly, the equity investments are measured at the pro rata share of the associates' equity value calculated in accordance with the Group's accounting policies with deduction or addition of unrealised intra-group profits and losses, respectively, and with the addition of the carrying amount of goodwill.

The pro rata share of the associates' results after tax and elimination of unrealised intra-group profit and loss less write-down for impairment of goodwill is recognised in the income statement. The pro rata share of all transactions and events recognised in the equity of the relevant associate is recognised in Group's and parent company's other comprehensive income.

Equity investments in group enterprises
A group enterprise is an enterprise in which the Group holds a controlling interest, cf. the paragraph on the consolidated financial statements.

Investments in group enterprises are recognised in the parent company's financial statements according to the equity method. A positive difference between cost and the fair value of net assets at the time of acquisition of a group enterprise is recognised as goodwill under intangible assets.

Investments in joint ventures
A joint venture is a contractual relationship whereby the Group and other interested parties undertake a commercial activity of which they have joint control.

68 Accounting Policies, cont.

Investments in associates are recognised and measured in the consolidated accounts and the financial statements of the parent company according to the equity method, cf. the section on investments in associates.

Intangible assets

Intangible assets relate to the value of customer relations acquired in connection with acquisitions and goodwill and IT development costs.

Customer relations

The value of the acquired customer relations is measured at cost less accumulated depreciation and impairment loss. The value of the acquired customer relations is depreciated over the estimated useful lives which do not exceed 7-10 years.

Goodwill

At initial recognition, goodwill is recognised in the balance sheet at cost. Subsequently, goodwill is measured at cost less accumulated impairment. Goodwill is not amortised. Goodwill is tested on an annual basis for indication of impairment and is written down to the recoverable amount in the income statement if the carrying amount is higher. The recoverable amount is calculated as the present value of the expected future net cash flow from the activity associated with goodwill. Determination of cash-flow generating units follows the management structure and internal financial management. Management assesses the lowest level for cash-flow generating units to which the carrying amount of goodwill can be allocated.

Goodwill write-off is not reversed.

IT development costs

IT development costs are recognised at cost less accumulated amortisation and impairment. Amortisation is provided on a straight-line basis over an estimated useful life of maximum 3 years.

Sites and buildings

Investment properties

Investment properties held for rental income and/or capital gain are recognised at fair value on the balance sheet date. Gains and losses attributable to changes in the fair value of investment properties are included in the result for the period during which they arise. Fair value is measured on the basis of the return method, where the measurement of fair value is carried out with the assistance of external experts.

Owner-occupied properties

Land and buildings for own use are recognised in the balance sheet at the restated value corresponding to the fair value on the date of the revaluation less subsequent depreciation and impairment. Revaluation is made at a frequency deemed adequate to ensure that the carrying amount is not materially different from the presumed fair value on the balance sheet date. A reduction in the carrying amount as a result of the revaluation of land and buildings is charged to the income statement to the extent that the amount exceeds revaluation reserves under equity attributable to past revaluation of the asset. Any increase in value at revaluation of land and buildings is included in other comprehensive income, unless the increase offsets an impairment charge made earlier for the same asset which was previously recognised as an expense.

The valuation of selected land and buildings is carried out with the assistance of external experts. At the regular valuation of land and buildings, the value of a building is recognised on the basis of the return method in accordance with generally accepted standards. The value of the building is recognised at cash value before interest and depreciation. The operating income from the property includes rental income less maintenance costs, administrative costs and other operating costs. The required rate of return on a property is determined to best reflect the transactions undertaken until the date of valuation, and allowances are made for the individual property's location and level of maintenance as well as sales efforts within a reasonable time horizon. The required rate of return on property is discussed with local and national estate agents.

Initially, leased owner-occupied properties are recognised at the net present value of the lease liability inclusive of costs. Subsequently, leased owner-occupied properties are measured at cost less accumulated depreciation, amortisation and impairment.

Once a year, spot checks are made of a number of properties with the assistance of an external appraiser.

The depreciation of revalued buildings is recognised in the income statement. Upon the subsequent sale of a revalued building, any relevant revaluation reserves are transferred to Retained earnings.

Owner-occupied properties are depreciated on a straight-line basis over the estimated useful lives of the assets to the estimated residual value. Land is not depreciated. The following depreciation periods and residual values apply:

Buildings	max. 50 years
Residual value of buildings	max. 75%

Methods of depreciation, useful lives, residual values and indication of impairment are reviewed annually.

Other property, plant and equipment

Operating equipment, cars, tools and equipment and leasehold improvements are recognised at cost less accumulated impairment and depreciation. Depreciation and amortisation are provided on a straight-line basis over an estimated useful life of typically three years. Leasehold improvements are depreciated over the lease term, yet not more than five years.

Methods of depreciation, useful lives, residual values and indication of impairment are reviewed annually. In the event of indications of impairment, depreciation is provided at the recoverable amount, which is the higher of that asset's value in use and its selling price.

Assets held temporarily with a view to sale

Assets held temporarily with a view to sale comprise properties acquired through foreclosure, equity investment and cars, intended for sale shortly, as a sale is considered very likely. The item also covers owner-occupied properties, subsidiaries and disposal groups of assets, intended for sale shortly, and where a sale is very likely.

Assets held temporarily with a view to sale are recognised at the lower amount of the carrying amount at the time of the classification as assets held temporarily or the fair value less sales costs. No depreciation is recognised on the assets from the time when they are classified as assets held temporarily.

Other assets

Other assets comprise assets not recognised under other asset items, including positive fair value of derivatives, assets in pooled deposits as well as interest and commission receivable, etc. Assets in pooled deposits are recognised at fair value.

Due to credit institutions and central banks

Balances due to credit institutions and central banks are recognised at fair value equal to payments received less directly attributable transaction costs incurred. Subsequently, the item is measured at amortised cost according to the effective interest method.

68 Accounting Policies, cont.

Deposits

Deposits comprise amounts received, including liabilities relating to genuine repos from counterparties who are not credit institutions or central banks. Deposits are recognised at fair value equal to payments received less directly attributable transaction costs incurred. Subsequently, deposits are measured at amortised cost according to the effective interest method.

Issued bonds at fair value

Issued mortgage bonds are recognised according to the settlement approach and measured at fair value through the income statement (inclusive of the fair value adjustment of own credit risk) on initial and subsequent recognition. This takes place to eliminate financial inconsistency resulting from the purchase and sale of own mortgage bonds. Recognition in the income statement is made to eliminate accounting symmetry. The fair value is generally measured at prices of the underlying issued mortgage bonds quoted on a recognised stock exchange. If such a market price is not available for the preceding 7 days, a calculated price based on the official market rate will be applied for determining the value.

Mortgage bonds drawn for redemption and repayable immediately after the financial year end are measured at par.

The portfolio of own mortgage bonds is deducted.

Issued bonds and subordinated debt at amortised cost

Issued bonds and subordinated debt are recognised at fair value equal to payments received less directly attributable transaction costs incurred. Subsequently, issued bonds and subordinated debt are measured at amortised cost according to the effective interest method. When the interest rate risk on fixed rate issued bonds and subordinated debt has been hedged efficiently through derivatives, the amortised cost is supplemented with the fair value of the hedged interest rate risk.

Liabilities in disposal group with a view to sale

Liabilities in disposal groups are recognised at fair value and comprise the liabilities that are closely linked to disposal groups of assets awaiting sale within a short period of time and where a sale is very likely.

Other liabilities

Other liabilities comprise liabilities not recognised under other items under equity and liabilities, including liabilities from finance leases with lessees, acceptance of long-term letters of credit, negative fair value of derivatives as well as interest and commission payable, etc.

Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, where resources embodying financial benefits are required to settle an obligation, and where a reliable estimate of the obligation can be made.

Provisions are measured as the best estimates of the cost of meeting liabilities on the balance sheet date. Provisions for debt expected to be payable later than 12 months after the balance sheet date are measured at present value, if of material importance, otherwise at cost.

Provisions for pension liabilities and the like are based on the actuarial present value of the expected benefit payments. The present value is calculated, among other things, on the basis of expected employee turnover, discount rate and rate of wage increase as well as the return on associated assets. The difference between the expected and the actual development in pension benefits will generate actuarial loss and gain which will be recognised under other comprehensive income.

For provisions for guarantees, loan commitments and unutilised loan commitments, reference is made to the section on financial guarantees and the section on loans and advances at amortised cost.

For provisions for deferred tax, reference is made to the section on tax.

Equity

Share capital is classified as equity where there is no obligation to transfer cash or other assets.

A proposed dividend is recognised as a liability when the motion has been approved at the Annual General Meeting. Dividend for the year is stated separately under equity.

The revaluation reserve relates to the revaluation of property, plant and equipment less deferred tax on the revaluation. A reserve is dissolved once the assets are sold or lapse.

Reserves according to the equity method include value adjustment of investments in associates and group enterprises.

The reserve is reduced by the distribution of dividend to the parent company and adjusted by other changes in equity in associates and group enterprises.

Retained earnings include non-distributed dividends from previous years.

Additional tier 1 capital (AT1) with no maturity and with voluntary repayment of interest and principal is recognised under equity. Likewise, interest expenses relating to the issue are considered dividend. Interest is deducted from equity at the time of payment.

Own shares

Acquisition costs, consideration and dividend on own shares are recognised in retained earnings under equity. Capital reduction by cancellation of own shares reduces the share capital by an amount equal to the nominal value of the cancelled shares at the time of the registration of the capital reduction.

Contingent assets and contingent liabilities

Contingent assets and contingent liabilities comprise possible assets and liabilities originating from past events and the existence of which depends on the occurrence of future uncertain events not entirely within the control of the Group.

Contingency assets are disclosed when the occurrence of an economic benefit is likely.

Contingency liabilities that can but most likely will not require a drain on the resources of the Group are disclosed. Moreover, current liabilities that are not recognised as they are unlikely to cause a drain on the resources of the Group or the extent of the liability cannot be measured reliably are disclosed.

Income statement

Interest income and interest expenses

Interest income and expenses on all interest-bearing instruments are recognised in the income statement according to the accruals concept at the effective interest rate based on the expected useful life of the relevant financial instrument. For floating-rate assets and liabilities the rate of interest applied is the rate that applies until the next interest-fixing date.

Interest includes amortised fees which are an integral part of the effective return on a financial instrument at amortised cost, including front-end fees.

68 Accounting Policies, cont.

Interest income includes administrative contributions from mortgage loans.

Interest on mortgage loans and issued mortgage bonds that are governed by the specific balance principle is recognised at the nominal rate of interest on the outstanding bond debt.

Interest on mortgage loans, issued mortgage bonds and relating derivatives that are governed by the general balance principle is recognised at the yield to maturity. Interest relating to the related derivatives is presented together with the interest on the issued mortgage bonds so that the net interest expenses on these are recognised as a whole under Interest expenses.

Fees received and paid
Income related to services rendered over a given period of time accrues over the service period. This includes guarantee commission and portfolio management fees. Other fees are recognised in the income statement once the transaction has been completed. This includes securities transaction and safe-custody fees as well as money transfer fees.

Value adjustments
All realised and unrealised value adjustments of assets, liabilities and derivatives measured at fair value as well are recognised under value adjustments. Exempt from these are value adjustment of credit risk on loans and advances recognised under loan impairment charges and provisions for guarantees. Furthermore, the earnings impact of exchange rate adjustments and hedge accounting of fair value is recognised.

Other operating income
Other income not attributable to other income statement items, inclusive of income relating to operational leases and the proceeds from the sale of leased assets, is recognised under Other operating income.

Employee and administrative expenses
Salaries and remuneration to employees and management as well as administrative expenses, including rent for leased premises, are recognised under Employee and administrative expenses. The expenses comprise among other things salaries, holiday payments and retirement remuneration, anniversary bonuses, pension plans and other long-term employee benefits.

Pension plans and other long-term employee benefits
The Group has entered into defined contribution pension plans with the majority of its employees.

Under defined contribution pension plans, the Group makes fixed contributions to an independent pension fund. The Group is under no obligation to make further contributions. Contributions are included in the income statement over the vesting period.

Under defined benefit pension plans, the Group is obliged to pay a certain benefit when an employee retires. Liabilities in connection with defined benefit plans are automatically calculated by actuarially discounting pension liabilities to present value. The present value is calculated on the basis of assumptions relating to the future trend in interest rates, inflation, mortality and disablement.

Anniversary bonuses are recognised as the present value of the part of the overall liability which relates to the term during which the employees have been employed with the Group. Due consideration is paid to staff turnover, etc. The liability is recognised under Provisions for pensions and similar liabilities.

Other operating expenses
Other expenses not attributable to other income statement items, inclusive of Jyske Bank's proportionate share of statutory expenses for the Guarantee Fund for Depositors and Investors as well as the Resolution Fund, are recognised under Other operating expenses.

Earnings per share
Earnings per share is calculated by dividing the profit for the year exclusive of interest for additional tier 1 capital (AT1) by the weighted average number of shares in circulation during the financial year.

Diluted earnings per share are calculated in the same manner as earnings per share, but the decisive factors are adjusted to reflect the effect of all diluted share capital.

Comprehensive income
Comprehensive income comprises the profit for the period plus other comprehensive income relating to property revaluations, actuarial loss and gain and tax adjustments hereof.

Segment information
Information is stated for business sectors identified on the basis of internal management reports and accounting policies in accordance with IFRS 8.

The segment information is based on the information used by the Group's highest-ranking decision-making officer for assessing results and allocating resources. Internal management reporting comprises the segments banking activities, Mortgage activities, Leasing activities. Jyske Bank operates in the following geographical areas: Denmark and Germany

Core profit
Core profit is defined as the pre-tax profit exclusive of earnings from investment portfolios.

Investment portfolio earnings
The investment portfolio earnings consist of the return on the Group's own securities portfolio of tactical market risk positions (primarily interest rate and currency risk exposures) and a smaller amount of bond investments. Investment portfolio earnings are calculated after expenses for funding and directly attributable costs.

Cash Flow Statement
The cash flow statement shows Group cash flows relating to operating, investing and financing activities for the year, changes in cash and cash equivalents for the financial year, and cash and cash equivalents at the beginning and end of the year. The Cash Flow Statement is presented in accordance with the indirect method based on the profit for the year.

Cash flows derived from operating activities are calculated as the profit for the year adjusted for non-cash operating items, changes in operating capital and paid corporate tax. Cash flows relating to investing activities include dividend received, purchase and sale of enterprises and non-current assets. Cash flows relating to financing activities include distribution and movements in equity and subordinated debt as well as repayment on lease commitment.

Cash and cash equivalents include cash and free balances due from credit institutions and central banks with an original time to maturity of less than three months.

68 Accounting Policies, cont.

European Single Electronic Format

According to EU regulation – EU 2019/815 on European Single Electronic Format (ESEF Regulation) – companies that report results according to IFRS and that issue listed securities must publish the annual reports approved by their supervisory boards in the ESEF format. This is solely a technical format, which allows financial statement users to read the financial statements in a browser (XHTML format) and to retrieve digitally certain details from the financial statements in the XBRL format.

The following items in the consolidated financial statements have been marked up (iXBRL tags) for the ESEF taxonomy issued by the European Securities and Markets Authority (ESMA):

- Items in the income statement and other comprehensive income.
- Items on the balance sheet.
- Statement of changes in equity.
- Cash flow statement.

In addition, tagging comprises all notes of the consolidated financial statements and accounting policies. The mark-up has taken place in such a way that initially for each item, an assessment has been made of the relationship to the ESMA taxonomy, which is based on the IASB's IFRS taxonomy, and then a mark-up is made to the element in the taxonomy that is most relevant for the determination and assessment of the individual item. Mark-up requirements solely relate to items, notes and description of accounting policies at a consolidated level, and therefore these items in the parent company are not marked up. The financial statements have been published with the following file name:"3M5E1GQGKL17HI6CPN30-2023-12-31-da.zip"

ESEF Data

Company domicile	Denmark
Name of the Group's top parent company	Jyske Bank A/S
Description of the company's operations and primary activities	Financial business, banking operations
Country of registration	Denmark
Registered office	Denmark
Description of change of name of financial reporting company	N/A
Legal form of company	A/S
Name of financial reporting company	Jyske Bank A/S
Name of parent company	Jyske Bank A/S
Company's Head Office	Vestergade 8-16 DK-8600 Silkeborg

69 Definition of financial ratios

Financial ratios and key figures	Definition
Pre-tax profit, per share (DKK)	Pre-tax profit divided by the average number of outstanding shares during the year
Earnings per share (DKK)	Profit for the year divided by the average number of shares outstanding during the year
Profit for the year, per share (diluted) (DKK)	Profit for the year divided by the average number of shares outstanding during the year adjusted for the dilution effect of share options and conditional shares under share-based payment
Core profit per share (DKK)	Pre-tax profit, exclusive of the investment portfolio earnings, divided by the average number of outstanding shares during the year
Share price at year-end (DKK)	The closing price of the Jyske Bank share at year-end
Book value per share (DKK)	Equity at year-end exclusive of non-controlling interests divided by the number of shares outstanding at year-end
Price/book value per share (DKK)	The closing price of the Jyske Bank share at year-end divided by the book value per share at year-end
Price/earnings per share	The closing price of the Jyske Bank share at year-end divided by the earnings per share at year-end
Proposed dividend per share (DKK)	Proposed dividend divided by number of shares, year-end
Distributed dividend per share (DKK)	Distributed dividend divided by number of shares, year-end
Capital ratio (%)	Capital base divided by weighted risk exposure
Tier 1 capital ratio (%)	Core capital including Additional tier 1 capital after deductions divided by weighted risk exposure
Common equity tier 1 capital ratio (%)	Core capital excluding Additional tier 1 capital after deductions divided by weighted risk exposure
Pre-tax profit as a pct. of average equity	Pre-tax profit divided by average equity during the year
Net profit as a percentage of average equity	Net profit divided by average equity during the year
Income/cost ratio (%)	Income divided by expenses inclusive of loan impairment charges and provisions for loss on guarantees
Interest rate risk (%)	Interest rate risk at year-end divided by core capital at year-end
Foreign-currency position (%)	Currency exposure indicator 1 at year-end divided by core capital after deductions at year-end
Currency risk (%)	Currency exposure indicator 2 at year-end divided by core capital after deductions at year-end
Liquidity Coverage Ratio (LCR) (%)	Liquid assets as a percentage of the net value of incoming and outgoing cash flows over a 30-day period in a stress situation
Total large exposures (%)	The sum of the 20 largest exposures at year-end divided by the common equity tier 1 capital at year-end
Accumulated impairment ratio (%)	Total of loan impairment charges and provisions for loss on guarantees at year-end divided by total loans, advances, guarantees, provisions and impairment charges at year-end Discount for acquired loans and advances is not included
Impairment ratio for the year (%)	The year's loan impairments charges and provisions for loss on guarantees divided by total loans, advances, guarantees, provisions and impairment charges at year-end
Increase in loans and advances for the year, excl. repo loans (%)	The increase in loans divided by opening loans. Recognised exclusive of repo loans
Loans and advances in relation to deposits	Total loans and advances at year-end divided by total deposits at year-end
Loans relative to equity	Loans and advances at year-end divided by equity at year-end
Return on capital employed	Net profit for the year divided by average total average assets
Number of full-time employees, year-end	Number of full-time employees (part-time employees translated into full-time employees) at year-end
Number of full-time employees, average for the year	The average number of full-time employees (part-time employees translated into full-time employees) determined on the basis of the end-of-quarter statements

The financial ratios are based on the definitions and guidelines laid down by the Danish Financial Supervisory Authority.
Ratios are calculated as if additional tier 1 capital (AT1) is recognised as a liability.

Jyske Bank A/S

Note	DKKm	2023	2022
	Income statement		
2	Interest income	13,831	4,715
3	Interest expenses	8,016	1,797
	Net interest income	5,815	2,918
	Dividends, etc.	65	87
4	Fees and commission income	3,178	3,243
	Fees and commission expenses	220	180
	Net interest and fee income	8,838	6,068
5	Value adjustments	1,344	-23
6	Other operating income	469	429
7	Employee and administrative expenses	5,740	4,525
21, 22	Amortisation, depreciation and impairment charges	194	127
	Other operating expenses	53	101
9	Loan impairment charges	91	-390
	Profit on investments in associates and group enterprises	2,542	2,107
	Pre-tax profit	7,115	4,218
12	Tax	1,211	466
	Profit for the year	5,904	3,752
	Distributed to:		
	Proposed dividends	500	0
	Total appropriation to shareholders' equity	5,241	3,605
	Holders of additional tier 1 capital (AT1)	163	147
	Total	5,904	3,752

	2023	2022
Statement of Comprehensive Income		
Profit for the year	5,904	3,752
Other comprehensive income:		
Items that cannot be recycled to the income statement:		
Revaluation of real property	7	13
Tax on property revaluations over the year	-2	-3
Actuarial losses and gains	28	86
Tax on actuarial losses and gains	-6	-19
Other comprehensive income	27	77
Comprehensive income for the year	5,931	3,829

Note	DKKm	2023	2022
	BALANCE SHEET		
	ASSETS		
	Cash balance and demand deposits with central banks	67,420	47,184
15	Due from credit institutions and central banks	4,833	8,599
9, 10	Loans at fair value	2,523	3,919
9, 10	Loans and advances at amortised cost	203,009	204,645
16	Bonds at fair value	50,409	47,811
16	Bonds at amortised cost	37,619	40,411
18	Shares, etc.	2,236	2,080
19	Investments in associates	179	174
20	Equity investments in group enterprises	26,899	24,492
	Assets in pooled deposits	7,444	7,125
21	Intangible assets	3,394	3,326
22	Owner-occupied properties	1,566	1,569
22	Owner-occupied properties, leasing	265	292
23	Other property, plant and equipment	88	92
	Current tax assets	558	1,030
30	Deferred tax assets	0	20
	Assets held temporarily	40	10
24	Other assets	20,519	28,774
	Deferred income	113	122
	Total assets	429,114	421,675
	EQUITY AND LIABILITIES		
	Debt and payables		
25	Due to credit institutions and central banks	31,498	28,665
26	Deposits	209,852	201,339
	Pooled deposits	7,516	7,178
	Issued bonds at amortised cost	93,748	95,435
27	Other liabilities	33,275	41,081
	Deferred income	20	22
	Total debt	375,909	373,720
	Provisions		
28	Provisions for pensions and similar liabilities	462	477
	Provisions for deferred tax	190	0
9	Provisions for guarantees	220	227
9	Provisions for credit commitments and unutilised credit lines	211	171
29	Other provisions	93	91
	Provisions, total	1,176	966
31	**Subordinated debt**	6,143	6,365
	Equity		
	Share capital	643	643
	Revaluation reserve	164	168
	Reserve according to the equity method	12,185	9,805
	Retained profit	29,081	26,707
	Proposed dividend	500	0
	Jyske Bank A/S shareholders	42,573	37,323
	Holders of additional tier 1 capital (AT1)	3,313	3,301
	Total equity	45,886	40,624
	Total equity and liabilities	429,114	421,675
	OFF-BALANCE SHEET ITEMS		
9, 32	Guarantees, etc.	15,503	16,368
33	Other contingent liabilities	74,982	72,688
	Total guarantees and other contingent liabilities	90,485	89,056

DKKm

Statement of Changes in Equity

	Share capital	Revaluation reserve	Reserve according to the equity method	Retained profit	Proposed dividend	Shareholders of Jyske Bank A/S	Additional tier 1 capital*	Total equity
Equity on 1 January 2023	643	168	9,805	26,707	0	37,323	3,301	40,624
Profit for the year	0	0	2,380	3,361	0	5,741	163	5,904
Other comprehensive income	0	-4	0	31	0	27	0	27
Comprehensive income for the year	0	-4	2,380	3,392	0	5,768	163	5,931
Interest paid on additional tier 1 capital (AT1)	0	0	0	0	0	0	-165	-165
Currency translation adjustment	0	0	0	-14	0	-14	14	0
Proposed dividend	0	0	0	-500	500	0	0	0
Dividends paid	0	0	0	-500	0	-500	0	-500
Dividends, own shares	0	0	0	0	0	0	0	0
Acquisition of own shares	0	0	0	-1,763	0	-1,763	0	-1,763
Sale of own shares	0	0	0	1,759	0	1,759	0	1,759
Transactions with owners	0	0	0	-1,018	500	-518	-151	-669
Equity at 31 December 2023	**643**	**164**	**12,185**	**29,081**	**500**	**42,573**	**3,313**	**45,886**
Equity on 1 January 2022	726	171	8,170	25,844	0	34,911	3,355	38,266
Profit for the year	0	0	1,632	1,973	0	3,605	147	3,752
Other comprehensive income	0	-3	3	77	0	77	0	77
Comprehensive income for the year	0	-3	1,635	2,050	0	3,682	147	3,829
Interest paid on additional tier 1 capital (AT1)	0	0	0	0	0	0	-144	-144
Currency translation adjustment	0	0	0	57	0	57	-57	0
Reduction of share capital	-83	0	0	83	0	0	0	0
Acquisition of own shares	0	0	0	-3,316	0	-3,316	0	-3,316
Sale of own shares	0	0	0	1,989	0	1,989	0	1,989
Transactions with owners	-83	0	0	-1,187	0	-1,270	-201	-1,471
Equity at 31 December 2022	**643**	**168**	**9,805**	**26,707**	**0**	**37,323**	**3,301**	**40,624**

*Additional tier 1 capital (AT1) has no maturity. Payment of interest and repayment of principal are voluntary. Therefore, AT1 is recognised as equity. In September 2017, Jyske Bank issued AT1 amounting to EUR 150m with the possibility of early redemption in September 2027 at the earliest. The issue has a coupon of 4.75% until September 2027. In April 2019, Jyske Bank issued AT1 amounting to SEK 1bn with the possibility of early redemption in April 2024 at the earliest. The interest rate applicable to the issue until April 2024 is STIBOR+5%. In May 2021, Jyske Bank issued AT1 amounting to EUR 200m with the possibility of early redemption from 4 December 2028 at the earliest. The interest rate applicable to the issue until June 2029 is 3,625%. It applies to all AT1 issues that if the common equity tier 1 capital ratio of Jyske Bank A/S or the Group falls below 7%, the loans will be written down.

DKKm	2023	2022
Capital Statement		
Shareholders' equity	42,573	37,323
Proposed/expected dividends	-500	0
Intangible assets*	-3,394	-3,326
Prudent valuation	-274	-242
Insufficient coverage of non-performing loans and guarantees	-163	-48
Other deductions	-74	-93
Common equity tier 1 capital	38,168	33,614
Additional tier 1 capital (AT1) after reduction	3,257	3,272
Core capital	41,425	36,886
Subordinated loan capital after reduction	6,112	6,178
Capital base	47,537	43,064
Weighted risk exposure involving credit risk, etc.	139,779	150,264
Weighted risk exposure involving market risk	10,321	8,903
Weighted risk exposure involving operational risk	13,486	12,865
Total weighted risk exposure	163,586	172,032
Capital requirement, Pillar I	13,087	13,763
Capital ratio (%)	29.1	25.0
Tier 1 capital ratio (%)	25.3	21.4
Common equity tier 1 capital ratio (%)	23.3	19.5

*Intangible assets consist of goodwill and customer relations, cf. note 29 to the consolidated accounts.

The capital statement was calculated according to Regulation (EU) No. 575/2013 of 26 June 2013 of the European Parliament and of the Council (CRR) with subsequent amendments.

For the determination of the individual solvency requirement, please see the report Risk and Capital Management 2023 and www. jyske-bank.com/investorrelations/capitalstructure, which shows Jyske Bank's quarterly determination of the individual solvency requirement.

Risk and Capital Management 2023 was not covered by the audit.

Table of contents, notes section

1 Accounting policies

Basis of accounting

The financial statements of Jyske Bank A/S have been prepared in accordance with the Danish Financial Business Act, including the Danish Executive Order on Financial Reports for Credit Institutions, Stockbrokers, etc. The rules applying to recognition and measurement at Jyske Bank A/S are consistent with IFRS.

With respect to classification and extent, the preparation for Jyske Bank A/S differs from the preparation for the Group. Please see the full description of the Group's accounting policies in note 68.

Figures in the financial statements are in Danish kroner, rounded to the nearest million in Danish kroner.

For a 5-year summary of financial ratios and key figures, please see pages 208-209.

The accounting policies are identical to those applied to and described in the financial statements 2022.

Financial situation and risk information

Jyske Bank A/S is affected by the financial situation and the risk factors that are described in the management's review for the Group and reference is made to this.

	DKKm	2023	2022
2	**Interest income**		
	Due from credit institutions and central banks	2,709	171
	Loans and advances	8,485	2,501
	Bonds	2,029	530
	Derivatives, total	703	666
	Of which currency contracts	476	620
	Of which interest rate contracts	227	46
	Other	-95	0
	Total after offsetting of negative interest	13,831	3,868
	Negative interest income set off against interest income	0	175
	Negative interest expenses set off against interest expenses	0	672
	Total before offsetting of negative interest income	13,831	4,715
	Of which interest income on reverse repos carried under:		
	Due from credit institutions and central banks	69	1
	Loans and advances	1,538	84

Negative interest income amounted to DKK 0m (2022: DKK 175m) and related primarily to repo transactions. In the above table, negative interest income is set off against interest income. In the income statement, negative interest income is listed as interest expenses, and negative interest expenses are listed as interest income.

	DKKm	2023	2022
3	**Interest expenses**		
	Due to credit institutions and central banks	1,103	107
	Deposits	3,533	-66
	Issued bonds	3,144	762
	Subordinated debt	215	141
	Other interest expenses	21	7
	Total after offsetting of negative interest	8,016	951
	Negative interest expenses set off against interest expenses	0	672
	Negative interest income set off against interest income	0	175
	Total before offsetting of negative interest income	8,016	1,798
	Of which interest expenses on reverse repos carried under:		
	Due to credit institutions and central banks	361	-9
	Deposits	125	-2

Negative interest expenses amounted to DKK 0m (2022: DKK 672m) and related primarily to repo and triparty transactions. In the above table, negative interest expenses are set off against interest expenses. In the income statement, negative interest expenses are listed as interest income, and negative interest income is listed as interest expenses.

		2023	2022
4	**Fees and commission income**		
	Securities trading and custody services	1,176	1,078
	Money transfers and card payments	333	289
	Loan application fees	115	167
	Guarantee commission	101	104
	Other fees and commissions	1,453	1,605
	Total	3,178	3,243

		2023	2022
5	**Value adjustments**		
	Loans at fair value	132	-2
	Bonds	816	-1,645
	Shares, etc.	186	-2
	Currency	275	118
	Currency, interest rate, share, commodity and other contracts as well as other derivatives	431	1,085
	Assets in pooled deposits	742	-674
	Pooled deposits	-742	674
	Other assets	1	15
	Issued bonds	-408	202
	Other liabilities	-89	206
	Total	1,344	-23

		2023	2022
6	**Other operating income**		
	Income on real property	49	46
	Profit on the sale of property, plant and equipment	2	6
	Other ordinary income	418	377
	Total	469	429

DKKm	2023	2022
7 Employee and administrative expenses		
Employee expenses		
Wages and salaries, etc.	2,704	2,164
Pensions	344	267
Social security	409	319
Year-end	3,457	2,750
Salaries and remuneration to management bodies		
Executive Board	49	38
Supervisory Board	7	7
Shareholders' Representatives	4	3
Total	60	48

For further details on and remuneration to the Supervisory Board and the Executive Board, please see note 12 in the consolidated financial statements, including the comments on the retirement remuneration for the Executive Board earned over the year.

Other administrative expenses	2,223	1,727
Employee and administrative expenses, total	5,740	4,525
Wages and salaries, etc.		
Wages and salaries and other short-term employee benefits	2,692	2,156
Other long-term employee benefits	12	8
Total	2,704	2,164
Number of employees		
Average number of employees for the financial year (full-time employees)	3,671	3,146
Remuneration of material risk takers		
Number of members	100	89
Number of members at year-end	95	79
Contractual remuneration	131	103
Variable remuneration	1	3
Pension	14	10

The group of material risk takers comprises employees (exclusive of the Executive Board) with a special impact on the bank's risk profile. The Group does not participate in any incentive schemes. Remuneration is included in the period during which the employee was a material risk taker.

8 Audit fees		
Total fee inclusive of VAT to Jyske Bank A/S' auditors elected at the Annual General Meeting	9	12
Breakdown of audit fees:		
Fee for statutory audit of the financial statements	5	5
Fee for other assurance services	3	1
Fee for tax advice	0	0
Fee for other services	1	6

In addition to fees to the auditors elected at the Annual General Meeting, expenses were recognised for Internal Audit.

Fees for non-audit services rendered in 2023 primarily cover review in connection with continual recognition of profit, submission of various statutory declarations, assistance for validation of Jyske Bank's credit models and declaration relating to selected ESG data.

DKKm	2023	2022
9 Loan impairment charges and provisions for guarantees		
Loan impairment charges and provisions for guarantees recognised in the income statement		
Loan impairment charges and provisions for guarantees for the year	235	-195
Impairment charges on balances due from credit institutions for the year	0	-5
Provisions for loan commitments and unutilised credit lines in the year	40	-100
Recognised as a loss, not covered by loan impairment charges and provisions	39	68
Recoveries	-8	-136
Recognised discount for acquired loans*	-215	-22
Loan impairment charges and provisions for guarantees recognised in the income statement	91	-390
Balance of loan impairment charges and provisions for guarantees		
Balance of loan impairment charges and provisions, beginning of period	2,984	3,471
Loan impairment charges and provisions for the year	275	-295
Recognised as a loss, covered by loan impairment charges and provisions	-217	-260
Other movements	72	68
Balance of loan impairment charges and provisions, end of period	3,114	2,984
Loan impairment charges and provisions for guarantees at amortised cost	2,678	2,581
Loan impairment charges at fair value	4	5
Provisions for guarantees	221	227
Provisions for credit commitments and unutilised credit lines	211	171
Balance of loan impairment charges and provisions, end of period	3,114	2,984

* The discount for loans and advances taken over amounts to the expected credit losses at the initial recognition at fair value. The discount is recognised as income in step with refinancing and repayment of loans. The amount recognised as income over the year is essentially offset by loan impairment charges recognised as an expense on the facilities refinanced which is included in "Loan impairment charges and provisions for guarantees for the year". The discount balance for loans and advances taken over is not included in the balance of loan impairment charges and provisions for guarantees.

DKKm

9 **Loan impairment charges and provisions for guarantees, cont.**

Balance of loan impairment charges and provisions for guarantees by stage – total	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2023	518	760	1,705	1	**2,984**
Transfer of impairment charges at beginning of period to stage 1	441	-354	-87	0	**0**
Transfer of impairment charges at beginning of period to stage 2	-32	69	-37	0	**0**
Transfer of impairment charges at beginning of period to stage 3	-3	-131	134	0	**0**
Impairment charges on new loans, etc.	181	47	236	0	**464**
Impairment charges on discontinued loans and provisions for guarantees	-133	-126	-305	0	**-564**
Effect from recalculation	-302	448	296	5	**447**
Previously recognized as impairment charges, now final loss	0	0	-217	0	**-217**
Balance, end of 2023	670	713	1,725	6	**3,114**

Balance of loan impairment charges and provisions for guarantees by stage – total	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2022	663	462	2,346	0	**3,471**
Transfer of impairment charges at beginning of period to stage 1	204	-175	-29	0	**0**
Transfer of impairment charges at beginning of period to stage 2	-45	125	-80	0	**0**
Transfer of impairment charges at beginning of period to stage 3	-9	-30	39	0	**0**
Impairment charges relating to new portfolio	54	0	0	1	**55**
Impairment charges on new loans, etc.	160	41	158	0	**359**
Impairment charges on discontinued loans and provisions for guarantees	-215	-100	-348	0	**-663**
Effect from recalculation	-293	437	-122	0	**22**
Previously recognized as impairment charges, now final loss	-1	0	-259	0	**-260**
Balance, end of 2022	518	760	1,705	1	**2,984**

In general, impairment charges at Jyske Bank A/S still developed favourably in 2023. This is also reflected in the stage migrations which showed a trend towards improving credit quality.

The transfer of impairment charges from stages 2 and 3 to stage 1 is fuelled by a few customer business groups. The balance of impairment charges rose marginally, driven, among other things, by an increase in impairment charges to property exposures in stage 3 and an update of the increases in impairment charges to macroeconomic risks.

The items of new loans and advances, etc. and discontinued loans and advances, etc. were affected by natural refinancing and remortgaging. The period only saw minor model adjustments, and the write-offs of losses are at a low level.

DKKm

9 Loan impairment charges and provisions for guarantees, cont.

Balance of impairment charges by stage - loans at amortised cost	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2023	381	687	1,513	0	2,581
Transfer of impairment charges at beginning of period to stage 1	399	-330	-69	0	0
Transfer of impairment charges at beginning of period to stage 2	-28	57	-29	0	0
Transfer of impairment charges at beginning of period to stage 3	-3	-122	125	0	0
Impairment charges on new loans, etc.	115	36	183	0	334
Impairment charges on discontinued loans and provisions for guarantees	-70	-103	-245	0	-418
Effect from recalculation	-294	411	276	5	398
Previously recognized as impairment charges, now final loss	0	0	-217	0	-217
Balance, end of 2023	500	636	1,537	5	2,678

Balance of impairment charges by stage - loans at amortised cost	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2022	484	316	2,014	0	2,814
Transfer of impairment charges at beginning of period to stage 1	139	-115	-24	0	0
Transfer of impairment charges at beginning of period to stage 2	-41	109	-68	0	0
Transfer of impairment charges at beginning of period to stage 3	-7	-26	33	0	0
Impairment charges relating to new portfolio	33	0	0	0	33
Impairment charges on new loans, etc.	114	17	75	0	206
Impairment charges on discontinued loans and provisions for guarantees	-125	-62	-236	0	-423
Effect from recalculation	-215	448	-131	0	102
Previously recognized as impairment charges, now final loss	-1	0	-150	0	-151
Balance, end of 2022	381	687	1,513	0	2,581

Balance of impairment charges by stage – loans at fair value	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2023	2	1	2	0	5
Transfer of impairment charges at beginning of period to stage 1	2	0	-2	0	0
Transfer of impairment charges at beginning of period to stage 2	0	0	0	0	0
Transfer of impairment charges at beginning of period to stage 3	0	0	0	0	0
Impairment charges on new loans, etc.	2	0	1	0	3
Impairment charges on discontinued loans and provisions for guarantees	-2	0	0	0	-2
Effect from recalculation	-2	0	0	0	-2
Previously recognized as impairment charges, now final loss	0	0	0	0	0
Balance, end of 2023	2	1	1	0	4

Balance of impairment charges by stage – loans at fair value	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Year-end
Balance, beginning of 2022	1	1	0	0	2
Transfer of impairment charges at beginning of period to stage 1	0	0	0	0	0
Transfer of impairment charges at beginning of period to stage 2	0	0	0	0	0
Transfer of impairment charges at beginning of period to stage 3	0	0	0	0	0
Impairment charges relating to new portfolio	0	0	0	0	0
Impairment charges on new loans, etc.	2	0	2	0	4
Impairment charges on discontinued loans and provisions for guarantees	-1	0	0	0	-1
Effect from recalculation	0	0	0	0	0
Previously recognized as impairment charges, now final loss	0	0	0	0	0
Balance, end of 2022	2	1	2	0	5

DKKm

9 Loan impairment charges and provisions for guarantees, cont.

Balance of provisions by stage – guarantees and loan commitments, etc.	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2023	135	71	191	1	**398**
Transfer of impairment charges at beginning of period to stage 1	40	-24	-16	0	**0**
Transfer of impairment charges at beginning of period to stage 2	-4	12	-8	0	**0**
Transfer of impairment charges at beginning of period to stage 3	0	-9	9	0	**0**
Impairment charges on new loans, etc.	63	11	53	0	**127**
Impairment charges on discontinued loans and provisions for guarantees	-62	-22	-60	0	**-144**
Effect from recalculation	-6	37	21	-1	**51**
Previously recognized as impairment charges, now final loss	0	0	0	0	**0**
Balance, end of 2023	166	76	190	0	**432**

Balance of provisions by stage – guarantees and loan commitments, etc.	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Balance, beginning of 2022	176	145	334	0	**655**
Transfer of impairment charges at beginning of period to stage 1	66	-61	-5	0	**0**
Transfer of impairment charges at beginning of period to stage 2	-4	16	-12	0	**0**
Transfer of impairment charges at beginning of period to stage 3	-1	-4	5	0	**0**
Impairment charges relating to new portfolio	21	0	0	1	**22**
Impairment charges on new loans, etc.	44	24	83	0	**151**
Impairment charges on discontinued loans and provisions for guarantees	-89	-38	-112	0	**-239**
Effect from recalculation	-78	-11	8	0	**-81**
Previously recognized as impairment charges, now final loss	0	0	-110	0	**-110**
Balance, end of 2022	135	71	191	1	**398**

DKKm

9 Loan impairment charges and provisions for guarantees, cont.

Gross loans, advances and guarantees by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross loans, advances and guarantees, 1 January 2023	215,835	7,499	4,328	83	227,745
Transfer of loans, advances and guarantees to stage 1	3,022	-2,491	-531	0	0
Transfer of loans, advances and guarantees to stage 2	-9,080	9,198	-118	0	0
Transfer of loans, advances and guarantees to stage 3	-917	-672	1,589	0	0
Other movements*	1,991	-4,907	-886	-5	-3,807
Gross loans, advances and guarantees, 31 December 2023	210,851	8,627	4,382	78	223,938
Loan impairment charges and provisions for guarantees, total	560	668	1,670	5	2,903
Net loans, advances and guarantees, 31 December 2023	210,291	7,959	2,712	73	221,035

Gross loans, advances and guarantees by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross loans, advances and guarantees, 1 January 2022	156,186	7,695	4,561	0	168,442
Additions relating to new portfolio	41,796	0	0	83	41,879
Transfer of loans, advances and guarantees to stage 1	3,687	-3,609	-78	0	0
Transfer of loans, advances and guarantees to stage 2	-4,076	4,252	-176	0	0
Transfer of loans, advances and guarantees to stage 3	-466	-278	744	0	0
Other movements*	18,708	-561	-723	0	17,424
Gross loans, advances and guarantees, 31 December 2022	215,835	7,499	4,328	83	227,745
Loan impairment charges and provisions for guarantees, total	444	716	1,653	0	2,813
Net loans, advances and guarantees, 31 December 2022	215,391	6,783	2,675	83	224,932

Gross loans at amortised cost by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross loans	196,929	6,625	3,591	81	207,226
Transfer of loans to stage 1	2,771	-2,297	-474	0	0
Transfer of loans to stage 2	-8,759	8,863	-104	0	0
Transfer of loans to stage 3	-898	-555	1,453	0	0
Other movements*	4,041	-4,764	-810	-7	-1,540
Gross loans as at 31 December 2023	194,084	7,872	3,656	74	205,686
Loan impairment charges and provisions for guarantees, total	501	634	1,537	5	2,677
Net loans, 31 December 2023	193,583	7,238	2,119	69	203,009

Gross loans at amortised cost by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross loans	135,960	5,680	3,977	0	145,617
Additions relating to new portfolio	41,796			81	41,877
Transfer of loans to stage 1	2,558	-2,485	-73	0	0
Transfer of loans to stage 2	-3,863	4,025	-162	0	0
Transfer of loans to stage 3	-353	-255	608	0	0
Other movements*	20,831	-340	-759	0	19,732
Gross loans, at 31 December 2022	196,929	6,625	3,591	81	207,226
Loan impairment charges and provisions for guarantees total	385	681	1,515	0	2,581
Net loans, 31 December 2022	196,544	5,944	2,076	81	204,645

* Other movements are new as well as redeemed exposures.

DKKm

9 Loan impairment charges and provisions for guarantees, cont.

Gross loans at fair value, by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross loans	3,785	85	53	0	3,923
Transfer of loans to stage 1	64	-34	-30	0	0
Transfer of loans to stage 2	-19	20	-1	0	0
Transfer of loans to stage 3	-7	0	7	0	0
Other movements*	-1,396	0	0	0	-1,396
Gross loans at 31 December 2023	2,427	71	29	0	2,527
Loan impairment charges and provisions for guarantees, total	3	0	1	0	4
Net loans, 31 December 2023	2,424	71	28	0	2,523

Gross loans at fair value, by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross loans	1,677	77	20	0	1,774
Transfer of loans to stage 1	11	-11	0	0	0
Transfer of loans to stage 2	-16	17	-1	0	0
Transfer of loans to stage 3	-7	0	7	0	0
Other movements*	2,120	2	27	0	2,149
Gross loans at 31 December 2022	3,785	85	53	0	3,923
Loan impairment charges and provisions for guarantees, total	2	0	2	0	4
Net loans, 31 December 2022	3,783	85	51	0	3,919

Advances and guarantees by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross advances and guarantees	15,121	789	684	2	16,596
Transfer of advances and guarantees to stage 1	187	-160	-27	0	0
Transfer of advances and guarantees to stage 2	-302	315	-13	0	0
Transfer of advances and guarantees to stage 3	-12	-117	129	0	0
Other movements*	-654	-143	-76	2	-871
Gross advances and guarantee at 31 December 2023	14,340	684	697	4	15,725
Loan impairment charges and provisions for guarantees, total	56	34	132	0	222
Net advances and guarantees at 31 December 2023	14,284	650	565	4	15,503

Advances and guarantees by stage	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total
Gross advances and guarantees	18,549	1,938	564	0	21,051
Additions relating to new portfolio	0	0	0	2	2
Transfer of advances and guarantees to stage 1	1,118	-1,113	-5	0	0
Transfer of advances and guarantees to stage 2	-197	210	-13	0	0
Transfer of advances and guarantees to stage 3	-106	-23	129	0	0
Other movements*	-4,243	-223	9	0	-4,457
Gross advances and guarantee at 31 December 2022	15,121	789	684	2	16,596
Loan impairment charges and provisions for guarantees, total	57	35	136	0	228
Net advances and guarantees at 31 December 2022	15,064	754	548	2	16,368

* Other movements are new as well as redeemed exposures.

DKKm

9 Loan impairment charges and provisions for guarantees, cont.

Loans, advances and guarantees by stage and internal rating – gross before impairment charges and provisions

		31 December 2023					31 Dec. 2022
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Purchased or Origi-nated Credit Im-paired	Total	Total
1	0.00 - 0.10	54,410	65	0	0	**54,475**	54,062
2	0.10 - 0.15	12,601	9	0	0	**12,610**	16,815
3	0.15 - 0.22	31,883	8	0	0	**31,891**	21,488
4	0.22 - 0.33	17,012	33	0	0	**17,045**	27,561
5	0.33 - 0.48	11,595	91	0	0	**11,686**	14,914
STY 1 – 5		127,501	206	0	0	**127,707**	134,840
6	0.48 - 0.70	24,415	161	0	0	**24,576**	26,401
7	0.70 - 1.02	16,060	246	0	0	**16,306**	16,068
8	1.02 - 1.48	10,969	443	0	0	**11,412**	19,743
9	1.48 - 2.15	13,250	540	0	0	**13,790**	7,604
10	2.15 - 3.13	10,459	957	0	0	**11,416**	6,905
11	3.13 - 4.59	4,049	1,038	0	0	**5,087**	2,030
STY 6 – 11		79,202	3,385	0	0	**82,587**	78,751
12	4.59 - 6.79	1,229	1,192	0	0	**2,421**	2,040
13	6.79 - 10.21	630	666	0	0	**1,296**	1,651
14	10.21 - 25.0	536	3,145	0	0	**3,681**	2,979
STY Ratings 12-14		2,395	5,003	0	0	**7,398**	6,670
Other		1,754	32	0	0	**1,786**	2,777
Non-performing loans		0	0	4,384	76	**4,460**	4,707
Total		210,852	8,626	4,384	76	**223,938**	227,745

Loan impairment charges and provisions for guarantees by stage and internal rating

		31 December 2023					31 Dec. 2022
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Purchased or Origi-nated Credit Im-paired	Total	Total
1	0.00 - 0.10	4	0	0	0	**4**	9
2	0.10 - 0.15	18	0	0	0	**18**	17
3	0.15 - 0.22	37	0	0	0	**37**	25
4	0.22 - 0.33	51	0	0	0	**51**	49
5	0.33 - 0.48	43	1	0	0	**44**	41
STY Ratings 1- 5		153	1	0	0	**154**	141
6	0.48 - 0.70	58	4	0	0	**62**	62
7	0.70 - 1.02	60	4	0	0	**64**	56
8	1.02 - 1.48	79	8	0	0	**87**	61
9	1.48 - 2.15	80	14	0	0	**94**	41
10	2.15 - 3.13	57	23	0	0	**80**	94
11	3.13 - 4.59	42	39	0	0	**81**	31
STY 6 – 11		376	92	0	0	**468**	345
12	4.59 - 6.79	9	110	0	0	**119**	55
13	6.79 - 10.21	5	51	0	0	**56**	48
14	10.21 - 25.0	9	404	0	0	**413**	512
STY Ratings 12-14		23	565	0	0	**588**	615
Other		5	11	0	0	**16**	17
Non-performing loans		0	0	1,671	6	**1,677**	1,695
Total		557	669	1,671	6	**2,903**	2,813

DKKm

9 Loan impairment charges and provisions for guarantees, cont.

Loan commitments and unutilised credit facilities by stage and internal rating

		31 December 2023					31 Dec. 2022
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total	Total
1	0.00 - 0.10	28,658	0	0	0	**28,658**	21,272
2	0.10 - 0.15	5,579	0	0	0	**5,579**	4,650
3	0.15 - 0.22	7,985	1	0	0	**7,986**	6,429
4	0.22 - 0.33	4,989	40	0	0	**5,029**	8,161
5	0.33 - 0.48	6,002	19	0	0	**6,021**	5,018
STY 1 – 5		53,213	60	0	0	**53,273**	45,530
6	0.48 - 0.70	4,094	36	0	0	**4,130**	7,602
7	0.70 - 1.02	4,891	31	0	0	**4,922**	5,103
8	1.02 - 1.48	3,222	370	0	0	**3,592**	5,218
9	1.48 - 2.15	3,222	303	0	0	**3,525**	1,617
10	2.15 - 3.13	2,081	180	0	0	**2,261**	1,180
11	3.13 - 4.59	1,320	100	0	0	**1,420**	758
STY 6 – 11		18,830	1,020	0	0	**19,850**	21,478
12	4.59 - 6.79	298	179	0	0	**477**	565
13	6.79 - 10.21	252	183	0	0	**435**	935
14	10.21 - 25.0	47	568	0	0	**615**	478
STY Ratings 12-14		597	930	0	0	**1,527**	1,978
Other		2	0	0	0	**2**	3,177
Non-performing loans		0	0	314	1	**315**	510
Total		72,642	2,010	314	1	**74,967**	72,673

		31 December 2023					31 Dec. 2022
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Purchased or Originated Credit Impaired	Total	Total
1	0.00 - 0.10	2	1	0	0	**3**	2
2	0.10 - 0.15	6	0	0	0	**6**	4
3	0.15 - 0.22	8	0	0	0	**8**	6
4	0.22 - 0.33	11	0	0	0	**11**	7
5	0.33 - 0.48	13	0	0	0	**13**	8
STY 1 – 5		40	1	0	0	**41**	27
6	0.48 - 0.70	14	0	0	0	**14**	17
7	0.70 - 1.02	13	0	0	0	**13**	7
8	1.02 - 1.48	10	4	0	0	**14**	8
9	1.48 - 2.15	9	2	0	0	**11**	5
10	2.15 - 3.13	9	2	0	0	**11**	7
11	3.13 - 4.59	7	2	0	0	**9**	4
STY 6 – 11		62	10	0	0	**72**	48
12	4.59 - 6.79	3	5	0	0	**8**	4
13	6.79 - 10.21	3	6	0	0	**9**	14
14	10.21 - 25.0	1	23	0	0	**24**	15
STY Ratings 12-14		7	34	0	0	**41**	33
Other		1	0	0	0	**1**	1
Non-performing loans		0	0	56	0	**56**	62
Total		110	45	56	0	**211**	171

DKKm

10 Loans, advances and guarantees as well as loan impairment charges and provisions for guarantees by sector

Sector	Loans, advances and guarantees				Balance of loan impairment charges and provisions for guarantees		Loan impairment charges and provisions for guarantees for the year		Losses for the year	
	% 2023	% 2022	End of 2023	End of 2022	End of 2023	End of 2022	2023	2022	2023	2022
Public authorities	6	6	13,037	13,399	0	0	0	0	0	0
Agriculture, hunting, forestry, fishing	6	6	12,476	11,463	84	138	-48	-159	14	26
Fishing	2	2	5,019	4,147	13	18	-6	15	0	0
Dairy farmers	0	0	692	443	19	58	-39	-88	0	25
Plant production	2	2	3,953	3,590	35	29	1	-30	0	0
Pig farming	1	1	1,607	1,741	12	27	-1	-39	14	1
Other agriculture	1	1	1,205	1,542	5	6	-3	-17	0	0
Manufacturing, mining, etc.	6	5	12,294	12,259	269	176	49	-221	1	0
Energy supply	4	3	8,332	7,275	37	20	17	-23	0	0
Building and construction	2	2	4,769	4,465	59	56	-24	0	1	8
Commerce	4	4	8,200	9,156	410	265	135	-1	3	2
Transport, hotels and restaurants	2	1	4,091	3,245	87	72	10	-17	0	0
Information and communication	1	1	2,283	2,815	29	140	-15	-5	103	0
Finance and insurance	39	39	86,070	87,515	741	851	-150	359	10	44
Real property	10	12	22,980	24,615	201	109	34	-72	0	114
Lease of real property	5	7	12,892	14,793	137	62	18	-69	0	114
Buying and selling of real property	2	2	3,926	3,639	18	12	5	-1	0	0
Other real property	3	3	6,162	6,183	46	35	11	-2	0	0
Other sectors	5	4	10,295	10,107	264	181	75	54	13	18
Corporate customers	79	77	171,790	172,915	2,181	2,008	83	-85	145	212
Personal customers	15	17	36,208	38,618	722	804	-32	-205	111	116
Unutilised credit lines and loan commitments	0	0	0	0	211	172	40	-100	0	0
Total	100	100	221,035	224,932	3,114	2,984	91	-390	256	328

Under loans and advances, reverse repo transactions amount to DKK 54,093m (2022: DKK 52,523m).

	DKKm	2023	2022
11	**Profit on investments in associates and group enterprises**		
	Profit/loss on investments in associates	4	55
	Profit/loss on investments in group enterprises	2,538	2,052
	Total	2,542	2,107

12	**Tax**		
	Current tax	1,207	477
	Change in deferred tax	-35	-20
	Readjustment of current and deferred tax for previous years, net	39	9
	Total	1,211	466
	Effective tax rate		
	Danish tax rate	22.0	22.0
	Surtax for financial services companies in Denmark	3.2	0.0
	Adjustments as regards previous years	0.6	0.2
	Non-taxable income and non-deductible expenses, etc.	0.2	0.0
	Change in tax rate	0.0	-0.1
	Effective tax rate	26.0	22.1
	Proportion included in income from subsidiaries	-9.0	-11.0
	Total	17.0	11.1

13	**Earnings per share**		
	Profit for the year	5,904	3,752
	Holders of additional tier 1 capital (AT1)	163	147
	Proportion attributable to shareholders of Jyske Bank A/S	5,741	3,605
	Average number of shares, 1,000 shares	64,272	68,115
	Average number of own shares, 1,000 shares	-11	-2,987
	Average number of shares in circulation, 1,000 shares	64,261	65,128
	Average number of shares in circulation at end of period, 1,000 shares	64,254	64,264
	Earnings per share (EPS) DKK	89.34	55.35
	Earnings per share diluted (EPS-D) DKK	89.34	55.35
	Core earnings per share		
	Core profit	8,126	4,832
	Holders of additional tier 1 capital (AT1)	163	147
	Core profit ex holders of additional tier 1 capital (AT1)	7,963	4,685
	Average number of shares in circulation, 1,000 shares	64,261	65,128
	Core earnings (DKK) per share	123.92	71.95

DKKm

14 Contractual time to maturity, 2023

	On demand	Up to 3 months	3 months - 1 year	1-5 years	Over 5 years	Total
Assets						
Due from credit institutions and central banks	815	4,018	0	0	0	4,833
Loans at fair value	0	8	21	153	2,341	2,523
Loans and advances at amortised cost	16	98,104	48,870	19,758	36,261	203,009
Bonds at fair value	0	1,014	5,977	30,178	13,240	50,409
Bonds at amortised cost	0	938	5,575	21,801	9,305	37,619
Liabilities						
Due to credit institutions and central banks	7,406	15,601	5,510	2,981	0	31,498
Deposits	146,034	47,827	9,314	2,765	3,912	209,852
Issued bonds at amortised cost	0	55,270	8,657	26,094	3,727	93,748
Subordinated debt	0	0	11	22	6,110	6,143

Contractual time to maturity, 2022

	On demand	Up to 3 months	3 months - 1 year	1-5 years	Over 5 years	Total
Assets						
Due from credit institutions and central banks	1,375	7,221	3	0	0	8,599
Loans at fair value	0	18	51	335	3,515	3,919
Loans and advances at amortised cost	10	93,204	46,050	23,074	42,307	204,645
Bonds at fair value	0	0	12,095	26,279	9,437	47,811
Bonds at amortised cost	0	2,983	3,479	25,950	7,999	40,411
Liabilities						
Due to credit institutions and central banks	10,511	8,376	7,529	2,249	0	28,665
Deposits	121,977	63,476	11,496	1,039	3,351	201,339
Issued bonds at amortised cost	0	53,131	17,914	20,672	3,718	95,435
Subordinated debt	0	149	86	33	6,097	6,365

The above amounts are exclusive of paid interest rates.

		2023	2022
15	**Due from credit institutions and central banks**		
	Due from credit institutions	4,833	8,599
	Total	4,833	8,599
	Of which reverse repo transactions	1,053	2,380
16	**Bonds at fair value and amortised cost, total, measured at fair value**		
	Mortgage credit bonds	73,341	73,345
	Government bonds	3,913	3,367
	Other bonds	9,884	9,724
	Total	87,138	86,436
	Of which recognised at amortised cost	37,619	40,411
	Fair value of bonds recognised at amortised cost	36,729	38,625

17 Collateral

Jyske Bank receives and provides collateral in connection with money and securities clearing, outstanding accounts with central banks, repo and reverse repo transactions, triparty agreements as well as fair value of derivatives covered by CSA agreements.

Provision of collateral is a regular part of business transactions and are carried out at market-consistent terms and conditions. Collateral is increased and reduced on an on-going basis as liabilities change.

Depending on agreements entered, collateral is provided and received with an owner's rights so that the recipient of collateral can sell this or use it to provide security for loans and other outstanding accounts.

Jyske Bank has deposited bonds with central banks and clearing houses, etc. in connection with clearing and settlement of securities and currency transactions as well as triparty repo transactions totalling a market value of DKK 20,728m at the end of 2023 (2022: DKK 15,686m).

In addition, in connection with CSA agreements, Jyske Bank has provided cash collateral of DKK 5,214m (2022: DKK 6,836m) and bonds worth DKK 3,087m (2022: DKK 6,566m).

The conclusion of repo transactions, i.e., sale of securities involving agreements to repurchase them at a later point in time, implies that bonds with a market value of DKK 14,545m were provided (2022: DKK 18,042m) as collateral at end-2023 for the amount borrowed.

Due to reverse repos, i.e., purchase of securities involving agreements to resell them at a later point in time, Jyske Bank received the sold bonds as security for the amount that was lent. At the end of 2023, reverse repos amounted to DKK 55,146m (2022: DKK 54,902m).

In addition, in connection with CSA agreements, Jyske Bank received cash collateral of DKK 6,885m (2022: DKK 10,690m) and bonds worth DKK 1,929m (2022: DKK 2,712m).

	DKKm	2023	2022
18	**Shares, etc.**		
	Shares/investment fund units listed on Nasdaq Copenhagen A/S	979	717
	Shares/mutual fund certificates listed on other exchanges	7	10
	Unlisted shares are stated at fair value.	1,250	1,353
	Total	2,236	2,080

19	**Investments in associates and jointly controlled companies**		
	Total cost, beginning of period	182	257
	Additions	1	6
	Disposals	0	81
	Total cost, end of period	183	182
	Revaluations and impairment charges, beginning of period	-8	-40
	Revaluations and impairment charges for the year	4	55
	Reversed write-ups and write-downs	0	-23
	Revaluations and impairment charges, end of period	-4	-8
	Recognised value, end of year	179	174

	DKKm	2023	2022
20	Equity investments in group enterprises		
	Total cost, beginning of period	14,572	14,448
	Additions	131	124
	Disposals	89	0
	Total cost, end of year	14,614	14,572
	Revaluations and impairment charges, beginning of period	9,920	8,318
	Profit	2,538	2,052
	Dividend	243	453
	Other capital movements	1	3
	Reversed write-ups and write-downs	69	0
	Revaluations and impairment charges, end of period	12,285	9,920
	Recognised value, end of year	26,899	24,492
	of which credit institutions	24,306	22,159

21	Intangible assets		
	Goodwill	2,841	2,841
	Customer relations	553	485
	Intangible assets, total	3,394	3,326

Reference is made to note 29 to the consolidated financial statements.

22	Owner-occupied properties, exclusive of leasing		
	Restated value, beginning of period	3,138	1,578
	Additions during the year, including improvements	10	3
	Disposals for the year	22	17
	Depreciation and amortisation	16	8
	Positive changes in values recognised in other comprehensive income in the course of the year	18	13
	Negative changes in values recognised in other comprehensive income in the course of the year	3	0
	Positive changes in value recognised directly in the income statement during the year	16	0
	Negative changes in value recognised directly in the income statement during the year	8	0
	Restated value, end of year	3,133	1,569
	Cost less accumulated amortisation, depreciation and impairment charges	2,689	1,353
	Required rate of return	2%-10%	3%-10%
	Weighted average return applied	6.45%	6.43%

For leased owner-occupied properties, reference is made to note 63 to the consolidated financial statements.

23	Other property, plant and equipment		
	Total cost, beginning of period	1,145	1,092
	Additions	40	56
	Disposals	0	3
	Total cost, end of year	1,185	1,145
	Amortisation, depreciation and impairment charges, beginning of period	1,053	1,014
	Depreciation and amortisation for the year	44	39
	Reversed amortisation, depreciation and impairment	0	0
	Amortisation, depreciation and impairment charges, end of year	1,097	1,053
	Recognised value, end of year	88	92

	DKKm	2023	2022
24	**Other assets**		
	Positive fair value of derivatives	18,741	26,879
	Interest and commission receivable	1,055	518
	Other assets	723	1,377
	Total	20,519	28,774
	Netting		
	Positive fair value of derivatives, etc., gross	45,998	65,702
	Netting of positive and negative fair value	27,257	38,823
	Total	18,741	26,879

Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).

		2023	2022
25	**Due to credit institutions and central banks**		
	Due to central banks	18	10
	Due to credit institutions	31,480	28,655
	Total	31,498	28,665
	Of which repo transactions	11,869	14,230

		2023	2022
26	**Deposits**		
	Demand deposits	144,725	155,035
	Term deposits	7,282	748
	Time deposits	52,249	39,240
	Special deposits	5,596	6,316
	Total	209,852	201,339
	Of which repo transactions	2,459	4,241

		2023	2022
27	**Other liabilities**		
	Set-off entry of negative bond holdings in connection with repos/reverse repos	6,475	5,799
	Negative fair value of derivatives	18,821	27,412
	Lease commitment	289	313
	Other liabilities	7,690	7,557
	Total	33,275	41,081
	Netting		
	Negative fair value of derivatives, etc., gross	46,078	66,235
	Netting of positive and negative fair value	27,257	38,823
	Total	18,821	27,412

Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).

DKKm	2023	2022
28 Provisions for pensions and similar liabilities		
Provisions for pensions and similar liabilities		
Provisions for defined benefit plans	400	419
Provisions for long-term employee benefits	62	58
Recognised in the balance sheet, end of year	462	477
Provisions for defined benefit plans		
Present value of pension plan obligations	470	492
Fair value of pension plan assets	70	73
Net liability recognised in the balance sheet	400	419
Change in provisions for defined benefit plans		
Provisions, beginning of period	492	584
Costs for the current financial year	20	1
Calculated interest expenses	15	18
Actuarial losses/gains	-26	-78
Pension payments	-31	-33
Provisions, end of year	470	492
Change in the fair value of pension plan assets		
Assets, beginning of period	73	77
Calculated interest on assets	2	3
Return ex calculated interest on assets	3	0
Pension payments	-8	-7
Assets, end of year	70	73
Pension costs recognised in the income statement		
Costs for the current financial year	20	1
Calculated interest related to liabilities	15	18
Calculated interest on assets	-2	-2
Total recognised defined benefit plans	33	17
Total recognised defined contribution plans	311	250
Recognised in the income statement	344	267

The expense is recognised under Employee and administrative expenses.

Pension plan assets:	2023	2022
Shares	19	16
Bonds	27	27
Cash and cash equivalents	24	30
Pension plan assets, total	70	73

Pension plan assets include 40,000 Jyske Bank shares (2022: 40,000 shares).
Measurement of all pension assets is based on quoted prices in an active market.

For further details, please see note 37 in the consolidated financial statements.

DKKm	2023	2022
29 Other provisions		
Provisions for litigation, beginning of period	91	95
Additions	46	20
Disposals inclusive of consumption	1	7
Disposals exclusive of consumption	43	17
Provisions for litigation, end of year	93	91

Other provisions relate to lawsuits.

DKKm	2023	2022
30 Provisions for deferred tax		
Deferred tax		
Deferred tax assets	0	20
Deferred tax liabilities	190	0
Net deferred tax	190	-20

Change in deferred tax 2023	Beginning of period	Recognised in the net profit for the year	Recognised in other comprehensive income	Other adjustments	End of year
Bonds at amortised cost	-31	262	0	0	231
Intangible assets	-1	98	0	0	97
Property, plant and equipment	186	3	2	0	191
Loans and advances, etc.	-20	-153	0	0	-173
Provisions for pensions	-123	-4	7	0	-120
Other	-31	-5	0	0	-36
Total	-20	201	9	0	190

Change in deferred tax 2022					
Bonds at amortised cost	-30	-1	0	0	-31
Intangible assets	0	-1	0	0	-1
Property, plant and equipment	173	10	3	0	186
Loans and advances, etc.	-15	-5	0	0	-20
Provisions for pensions	-124	-17	18	0	-123
Other	-25	-6	0	0	-31
Total	-21	-20	21	0	-20

The corporate tax rate for financial institutions etc. in Denmark will increase from 25.2% in 2023 to 26% in 2024 and subsequent years.

	2023	2022
31 Subordinated debt		
Supplementary capital:		
Var. % bond loan NOK 1,000m 24.03.2031	663	707
Var. % bond loan SEK 1,000m 24.03.2031	672	669
1.25% bond loan EUR 200m 28.01.2031	1,491	1,487
2.25% bond loan EUR 300m 05.04.2029	2,236	2,231
6.73% bond loan EUR 4.5m 2024-2026	34	45
Var. % bond loan EUR 10m 13.02.2023	0	74
5.65% bond loan EUR 10m 27.03.2023	0	74
5.67% bond loan EUR 10m 31.07.2023	0	74
Var. bond loan SEK 600m 31.08.2032	403	402
Var. bond loan NOK 400m 31.08.2032	265	283
Var. bond loan DKK 400m 31.08.2032	400	400
Subordinated debt, nominal	6,164	6,446
Hedging of interest rate risk, fair value	-21	-81
Total	6,143	6,365
Subordinated debt included in the capital base	6,112	6,178

Supplementary bond loans in the amount of EUR 200m fall due on 28 January 2031 at the latest but can, subject to permission by the FSA, be redeemed at par as of 28 January 2026. The loan bears a fixed rate of interest until 28 January 2026, after which date the interest rate will be set for the next five years.

Supplementary bond loans in the amount of EUR 300m fall due on 05 April 2029 at the latest but can, subject to permission by the FSA, be redeemed at par as of 5 April 2024. The loan bears a fixed rate of interest until 05 April 2024, after which date the interest rate will be set for the next five years.

Supplementary bond loans in the amount of NOK 1,000m fall due on 24 March 2031 at the latest but can, subject to permission by the FSA, be redeemed at par as of 24 March 2026. The loan is a floating-rate loan, and the rate of interest is 3M NIBOR + 128 bps throughout the term of the loan.

Supplementary bond loans in the amount of SEK 1,000m fall due on 24 March 2031 at the latest but can, subject to permission by the FSA, be redeemed at par as of 24 March 2026. The loan is a floating-rate loan, and the rate of interest is 3M STIBOR + 125 bps throughout the term of the loan.

Supplementary bond loans in the amount of DKK 400m fall due on 31 August 2032 at the latest but can, subject to permission by the FSA, be redeemed at par as of 31 August 2027. The loan is a floating-rate loan, and the rate of interest is 3M CIBOR + 245 bps throughout the term of the loan.

Supplementary bond loans in the amount of SEK 600m fall due on 31 August 2032 at the latest but can, subject to permission by the FSA, be redeemed at par as of 31 August 2027. The loan is a floating-rate loan, and the rate of interest is 3M STIBOR + 300 bps throughout the term of the loan.

31 Subordinated debt, cont.

Supplementary bond loans in the amount of NOK 400m fall due on 31 August 2032 at the latest but can, subject to permission by the FSA, be redeemed at par as of 31 August 2027. The loan is a floating-rate loan, and the rate of interest is 3M NIBOR + 305 bps throughout the term of the loan.

Cost relating to the addition and repayment of subordinated debt amount to DKK 0m (2022: DKK 4m).

32 Contingent liabilities

Financial guarantees are primarily payment guarantees, and the risk equals that involved in credit facilities.

Guarantees for losses on mortgage loans are typically provided as security for the riskiest part of mortgage loans granted to personal customers and to a limited extent for loans secured on commercial real property. Guarantees for residential real property are within 80% and for commercial real property within 60%-80%, of the property value as assessed by a professional expert.

Registration and refinancing guarantees are provided in connection with the registration of new and refinanced mortgages. Such guarantees involve insignificant risk.

Other contingent liabilities include other forms of guarantees at varying degrees of risk, including performance guarantees. The risk involved is deemed to be less than the risk involved in, e.g., credit facilities subject to flexible drawdown.

Jyske Bank is also a party to a number of legal disputes arising from its business activities. Jyske Bank estimates the risk involved in each individual case and makes any necessary provisions which are recognised under contingent liabilities. Jyske Bank does not expect such liabilities to have material influence on Jyske Bank's financial position.

In 2021, the FSA performed a money-laundering inspection at Jyske Bank and in 2022, it published its report on the inspection relating primarily to a small number of home loans in Southern Europe.
Subsequently, the FSA informed Jyske Bank that it intended to file a police report for the violation of provisions of the Danish anti-money laundering act on customer due diligence procedures and duty of inspection. Jyske Banks estimates that there is a limited risk that Jyske Bank has been exploited for money laundering, and Jyske Bank assesses to have a good understanding of the customers and the origin of the funds. Jyske Bank will cooperate with the police on all issues of the matter.
Jyske Bank does not expect that the matter will have any material influence on Jyske Bank's financial position.

Because of its mandatory participation in the deposit guarantee scheme, the sector has paid an annual contribution of 2.5‰ of the covered net deposits until the assets of Pengeinstitutafdelingen (the Financial Institution Fund) exceed 0.8% of the total net deposits covered, which level has been reached. According to Bank Package 3 and Bank Package 4, Pengeinstitutafdelingen bears the immediate losses attributable to covered net deposits and relating to the winding up of financial institutions in distress. Any losses in connection with the final winding up are covered by the Guarantee Fund's Afviklings- og Restruktureringsafdeling (Settlement and Restructuring Fund), where Jyske Bank currently guarantees 7.91% of any losses.

The statutory participation in the resolution financing arrangements (Resolution Fund) as of June 2015 entailed that credit institutions pay an annual contribution over a 10-year period to a Danish national fund with a target size totalling 1% of the covered deposits. Credit institutions are to contribute according to their relative sizes and risk in Denmark, and the first contributions to the Resolution Fund were paid at the end of 2015. Jyske Bank expects having to pay a total of about DKK 400m over the 10-year period 2015-2024.

Due to Jyske Bank's membership of the Foreningen Bankdata, the bank is - in the event of its withdrawal - under the obligation to pay an exit charge to Bankdata in the amount of about DKK 1.9bn.

Jyske Bank A/S is assessed for Danish tax purposes jointly with all domestic subsidiaries which are part of the Group. Jyske Bank A/S is the administration company of the joint taxation and has unlimited joint and several liability for the Danish corporation taxes of the joint taxation. Jyske Bank A/S and its most important subsidiaries are part of a joint VAT registration and is thus jointly and severally liable for the payment of VAT and payroll tax of the joint registration.

DKKm	2023	2022
Guarantees		
Financial guarantees	9,381	10,245
Guarantee for losses on mortgage credits	650	689
Registration and refinancing guarantees	341	58
Other contingent liabilities	5,131	5,376
Total	15,503	16,368

33 Other contingent liabilities

Loan commitments and unutilised credit facilities	74,967	72,673
Other	15	15
Total	74,982	72,688

DKKm	2023	2022
34 **Transactions involving related parties**		
Transactions with group enterprises		
Guarantees provided	414	414
Due from credit institutions	57	369
Loans and advances	25,064	23,975
Bonds	6,860	6,122
Due to credit institutions	323	283
Deposits	145	315
Other liabilities	0	0
Derivatives, fair value	1,303	1,907
Interest income	925	153
Interest expenses	0	3
Fee income	1,721	1,964
Fee expenses	0	0
Other operating income	357	362
Employee and administrative expenses	18	17
Transactions with associates		
Other liabilities	75	71
Employee and administrative expenses	762	746
Transactions with joint ventures		
Loans	24	0
Interest income	3	0

Group enterprises and associates as well as joint ventures are considered related parties. Reference is made to the Group chart, cf. note 66 to the consolidated financial statements.

Jyske Bank's Executive Board and Supervisory Board as well as their related parties are also considered related parties. Reference is made to note 62 to the consolidated financial statements.

Jyske Bank does not consider the Shareholders' Representatives a restricted management body.

Jyske Bank is the banker of a number of related parties, and Jyske Bank is part of a joint funding cooperation scheme with Jyske Realkredit. Other transactions between related parties are characterised as ordinary financial transactions and services of an operational nature.

Transactions between Jyske Bank and group enterprises and associates as well as joint ventures are entered into on an arm's length or at cost.

Transactions between Jyske Bank and other related parties were executed on an arm's length basis. This also holds for the rates of interest and commission charges.

DKKm

35 Hedge accounting

2023	Amortised cost/ Nominal value	Carrying amount	Accumulated carrying amount fair value adjust-ment	Profit/loss for the year
Interest rate risk on fixed-rate liabilities				
Issued bonds	16,517	16,771	-254	-409
Subordinated debt	2,236	2,215	21	-61
Due to credit institutions	745	704	42	-29
Total	**19,498**	**19,690**	**-191**	**-499**
Derivatives, swaps				
Swaps, hedging issued bonds	16,517	232	232	393
Swaps, hedging subordinated debt	2,236	-22	-22	59
Swaps, hedging debt to credit institutions	745	-41	-41	27
Total	**19,498**	**169**	**169**	**479**
2022				
Interest rate risk on fixed-rate liabilities				
Issued bonds	12,459	12,304	155	202
Subordinated debt	2,380	2,298	82	126
Due to credit institutions	744	673	71	81
Total	**15,583**	**15,275**	**308**	**409**
Derivatives, swaps				
Swaps, hedging issued bonds	12,459	-161	-161	-207
Swaps, hedging subordinated debt	2,380	-81	-81	-122
Swaps, hedging debt to credit institutions	744	-68	-68	-77
Total	**15,583**	**-310**	**-310**	**-406**

Reference is made to note 58 to the consolidated financial statements.

DKKm

36 Derivatives

Both its customers and Jyske Bank itself use derivatives to hedge against and manage market risk. Market risk on derivatives is included in the Group's measurement of market risk. Credit risk in connection with derivatives is calculated for each counterparty and is included in Jyske Bank's overall credit risk management. Subject to specific bilateral agreement, netting of the credit risk associated with derivatives is undertaken for each counterparty.

2023	Net fair value				Fair value			Principal amounts, total
	Up to 3 months	Over 3 months and up to 1 year	Over 1 year and up to 5 years	Over 5 years	Assets	Liabilities	Net	Nominal value
Currency contracts	-420	-505	-434	50	6,659	7,968	-1,309	834,730
Interest rate contracts	-221	5	1,678	250	38,441	36,729	1,712	1,486,708
Share contracts	-5	0	0	0	13	18	-5	21
Commodity contracts	-251	-236	-6	0	802	1,295	-493	38
Total	-897	-736	1,238	300	45,915	46,010	-95	2,321,497
Outstanding spot transactions					83	68	15	36,164
CCP netting					-27,257	-27,257	0	0
Total after CCP netting					18,741	18,821	-80	2,357,661

2022	Net fair value				Fair value			Principal amounts, total
	Up to 3 months	Over 3 months and up to 1 year	Over 1 year and up to 5 years	Over 5 years	Assets	Liabilities	Net	Nominal value
Currency contracts	-917	-356	-980	-61	11,841	14,155	-2,314	952,975
Interest rate contracts	43	70	1,924	243	51,695	49,415	2,280	1,528,857
Share contracts	6	0	0	0	26	20	6	62
Commodity contracts	9	-539	31	0	2,093	2,593	-500	109
Total	-859	-825	975	182	65,655	66,183	-528	2,482,003
Outstanding spot transactions					47	52	-5	30,768
CCP netting					-38,823	-38,823	0	0
Total after CCP netting					26,879	27,412	-533	2,512,771

DKKm

37 Key figures and ratios, 5 years

SUMMARY OF INCOME STATEMENT	2023	2022	Index 23/22	2021	2020	2019
Net interest income	5,815	2,918	199	2,224	2,232	2,357
Dividends, etc.	65	87	75	50	41	36
Net fee and commission income	2,958	3,063	97	2,920	2,578	2,809
Net interest and fee income	8,838	6,068	146	5,194	4,851	5,202
Value adjustments	1,344	-23	-	821	307	176
Other operating income	469	429	109	458	380	395
Operating expenses, depreciation and amortisation	5,987	4,753	126	4,653	4,590	4,683
Of which staff and administrative expenses	5,740	4,525	127	4,482	4,397	4,542
Loan impairment charges	91	-390	-	-275	361	-123
Profit on investments in associates and group enterprises	2,542	2,107	121	1,531	1,184	1,453
Pre-tax profit	7,115	4,218	169	3,626	1,771	2,666
Tax	1,211	466	260	450	162	226
Profit for the year	5,904	3,752	157	3,176	1,609	2,440

BALANCE SHEET, END OF PERIOD						
Loans	205,532	208,564	99	144,575	147,987	149,397
- bank loans	151,439	156,041	97	103,531	96,028	103,134
- repo loans	54,093	52,523	103	41,044	51,959	46,263
Deposits	217,368	208,517	104	134,057	136,771	140,040
- bank deposits	191,393	181,998	105	117,026	123,208	122,542
- repo deposits and triparty deposits	18,459	19,341	95	12,694	9,492	13,296
- pooled deposits	7,516	7,178	105	4,337	4,071	4,202
Issued bonds	93,748	95,435	98	73,124	63,697	38,556
Subordinated debt	6,143	6,365	97	5,513	5,821	4,327
Holders of additional tier 1 capital (AT1)	3,313	3,301	100	3,355	3,307	3,257
Shareholders' equity	42,573	37,323	114	34,911	33,325	32,453
Total assets	429,114	421,675	102	314,879	335,402	304,100

DKKm

37	Key figures and ratios, 5 years, cont.	2023	2022	2021	2020	2019
	Pre-tax profit, per share (DKK)*	108.18	62.51	48.77	21.98	31.87
	Earnings per share (DKK)*	89.34	55.35	42.41	19.76	29.00
	Earnings per share (diluted) (DKK)*	89.34	55.35	42.41	19.76	29.00
	Core profit per share (DKK)*	123.92	71.95	53.57	27.40	37.79
	Share price at end of period (DKK)	484	451	337	233	243
	Book value per share (DKK)*	663	581	515	459	434
	Price/book value per share (DKK)*	0.73	0.78	0.65	0.51	0.56
	Price/earnings per share*	5.4	8.1	7.9	11.8	8.4
	Proposed dividend per share (DKK)	7.8	0	0	0	0
	Distributed dividend per share (DKK)	7.8	0	0	0	0
	Capital ratio (%)	29.1	25.0	31.5	32.8	31.5
	Tier 1 capital ratio (%)	25.3	21.4	27.6	28.6	28.4
	Common equity tier 1 capital ratio (%)	23.3	19.5	25.2	25.7	25.5
	Pre-tax profit as a percentage of average equity*	17.4	11.3	10.1	4.9	7.8
	Net profit for the year as a percentage of average equity*	14.4	10.0	8.8	4.4	7.1
	Income/cost ratio (%)	2.2	2.0	1.8	1.4	1.6
	Interest rate risk (%)	2.7	2.4	1.0	0.6	0.4
	Currency position	3.6	3.2	2.7	5.0	13.1
	Currency risk (%)	0.0	0.0	0.0	0.1	0.0
	Liquidity Coverage Ratio (LCR) (%)	190	430	416	385	228
	Total large exposures (%)	104	116	110	82	84
	Accumulated impairment ratio (%)	1.3	1.2	1.9	2.1	2.1
	Impairment ratio for the year (%)	0.0	-0.2	-0.2	0.2	-0.1
	Increase in loans and advances for the year, excl. repo loans (%)	-2.9	50.7	7.8	-6.9	-6.8
	Loans and advances in relation to deposits	1.0	1.0	1.1	1.1	1.1
	Loans relative to equity	4.5	5.1	3.8	4.0	4.2
	Return on capital employed	1.4	0.9	1.0	0.5	0.8
	Number of full-time employees, year-end	3,669	3,642	3,020	3,109	3,300
	Average number of full-time employees in year	3,671	3,146	3,060	3,210	3,353

The financial ratios are based on the definitions and guidelines laid down by the Danish Financial Supervisory Authority, cf. note 69 to the consolidated financial statements.
* Ratios are calculated as if additional tier 1 capital (AT1) is recognised as a liability.

Management's Review continued

ESG data

ESG KPIs

		Unit	2023	2022	2021	2020	2019
Environment	Scope 1	Tonnes of CO_2e	639	603	655	679	703
	Scope 2 - location-based	Tonnes of CO_2e	1,411	1,527	1,841	1,957	2,179
	Scope 3	Tonnes of CO_2e	2,007,620	1,848,817	2,050,284	2,648	3,264
	Water consumption	M3	26,681	20,586*	17,357	-	
	Waste	kg	462,718	559,408			
	Energy consumption	GJ	66,839	68,752	78,957	72,532	78,431
	Energy intensity per FTE	GJ/FTE	17	21	24	22	22
	Renewable energy share	%	77.0	75.5*	73.7	75.3	74.1
Social	Full-time workforce	FTE	3,952	3,284	3,257	3,349	3,614
	Gender diversity	%	47.0	46.8	47.3	48.0	49.3
	Gender diversity in management	%	28.5	27.2	25.8	26.4	29.4
	Gender pay gap	Times	1.16	1.18	1.18	1.18	1.18
	Employee turnover rate	%	9.2	10.6	11.8	14.7	10.7
	Job satisfaction	1-100	79	78.0	76.0	74.0	-
	Absence due to illness	Days/FTE	7.2	7.0	5.9	5.3	5.5
	Total tax contribution	DKKm	2,022	2,042	1,312	1,153	1,378
	Current tax recognised	DKKm	1,434	1,566	842	730	937
	Payroll tax	DKKm	408	318	320	308	314
	VAT	DKKm	170	149	140	105	116
	Property tax	DKKm	10	9	10	10	11
Governance	Supervisory Board gender diversity	%	33.3	33.3	44.4	36.4	27.3
	Board meeting attendance	%	94.2	97.4	97.7	97.3	93.4
	CEO to employee pay ratio	Times	15.7	14.9	14.9	14.9	13.8

* Comparable figures have been restated. Please refer to Changes in practice in Accounting policies page 238

CO_2e accounts

Tonnes of CO_2e

	2023	2022	2021	2020	2019
Scope 1	**639**	**603**	**655**	**679**	**703**
Vehicles	321	256	189	204	290
Heating	318	347	467	475	413
Scope 2 - location-based	**1,411**	**1,527**	**1,841**	**1,957**	**2,179**
Scope 2 - market-based	**358**	**404**	**529**	**513**	**672**
Electricity - location-based	1,053	1,123	1,312	1,444	1,507
Electricity - market-based	-	-	-	-	-
District heating	358	404	529	513	672
Scope 3	**2,007,620**	**1,848,817**	**2,050,284**	**2,648**	**3,264**
Category 1: Purchase of goods and services	82	98	103	73	117
Category 3: Fuel- and energy-related activities	809				
Category 4: Upstream transportation og distribution	26				
Category 5: Waste generated in operations	93	108			
Category 6: Business travel	992	846	471	559	1,156
Category 7: Employee commuting	3,361	3,018			
Category 13: Downstream leased assets	291,984	255,464	218,775	-	-
Category 15: Investments	1,710,273	1,589,283	1,830,935	2,016	1,991
Financed emissions	1,709,922	1,588,916	1,830,582	-	-
Bankdata and JN Data	352	367	353	2,016	1,991

Impact

Total loans, advances and investment

Business volume with emission
DKKbn

	2023	2022	2021	2020	2019
Loans and advances	**503.5**	**496.3**	**427.6**	**418.4**	**417.2**
Personal customers	213.0	217.4	186.0	195.9	197.6
Corporate customers	290.5	278.9	241.6	222.5	219.6
Investment	**211.9**	**184.7**	**202.6**	**182.0**	**179.2**
Asset management	136.7	113.4	128.0	110.5	114.4
Investment portfolio	75.2	71.3	74.6	71.4	64.8
Total	**715.4**	**681.0**	**630.2**	**600.3**	**596.4**

Emission
Tonnes of CO_2e

	2023	2022	2021	2020	2019
Loans and advances	**1,255,991**	**1,258,703**	**1,219,528**	**1,479,629**	**1,607,617**
Personal customers	222,830	252,775	299,427	478,391	499,917
Corporate customers	1,033,161	1,005,928	920,101	1,001,238	1,107,700
Investment	**798,701**	**638,186**	**916,698**	**869,448**	**1,097,309**
Asset management	627,785	490,783	705,916	619,248	914,095
Investment portfolio	170,916	147,403	210,782	250,200	183,214
Total	**2,054,692**	**1,896,889**	**2,136,226**	**2,349,077**	**2,704,926**

Emission intensity
Tonnes of CO_2e per DKKm

	2023	2022	2021	2020	2019
Loans and advances	**2.49**	**2.54**	**2.85**	**3.54**	**3.85**
Personal customers	1.05	1.16	1.61	2.44	2.53
Corporate customers	3.56	3.61	3.81	4.50	5.04
Investment	**3.77**	**3.45**	**4.52**	**4.78**	**6.12**
Asset management	4.59	4.33	5.51	5.60	7.99
Investment portfolio	2.27	2.07	2.83	3.50	2.83
Total	**2.87**	**2.79**	**3.39**	**3.91**	**4.54**

Loans

Business volume with emission
DKKbn

	2023	2022	2021	2020	2019
Corporate customers	**290.5**	**278.9**	**241.6**	**222.5**	**219.6**
Transportation	6.7	5.5	5.4	5.2	4.3
Agriculture and fishing	15.3	14.5	12.2	13.2	15.9
Mortgage loans	191.2	180.3	169.4	162.6	163.3
Manufacturing industry	12.3	12.6	8.8	7.3	8.5
Construction	4.2	4.1	1.9	1.9	2.1
Mining and quarrying	0.1	0.1	0.6	0.1	0.1
Electricity, gas and heating supply	4.5	4.0	6.3	4.4	2.9
Other	56.2	57.8	37.1	27.9	22.5
Personal customers	**213.0**	**217.4**	**186.0**	**195.9**	**197.6**
Car loans	10.4	10.9	12.1	10.1	10.2
Home loans	202.6	206.5	173.9	185.8	187.4
Total	**503.5**	**496.3**	**427.6**	**418.4**	**417.2**

Emission
Tonnes of CO_2e

	2023	2022	2021	2020	2019
Corporate customers	**1,033,161**	**1,005,928**	**920,101**	**1,001,238**	**1,107,700**
Transportation	398,900	353,220	384,562	444,581	484,425
Agriculture and fishing	323,905	284,207	264,056	284,800	341,739
Mortgage loans	100,085	110,460	116,105	149,970	154,357
Manufacturing industry	109,071	144,063	70,657	63,663	74,245
Construction	24,544	21,655	11,824	14,138	15,921
Mining and quarrying	5,215	2,261	10,722	2,679	2,374
Electricity, gas and heating supply	2,296	815	1,308	435	495
Other	69,145	89,248	60,868	40,972	34,142
Personal customers	**222,830**	**252,775**	**299,427**	**478,391**	**499,917**
Car loans	116,271	130,906	175,612	251,995	268,014
Home loans	106,559	121,868	123,815	226,396	231,903
Total	**1,255,991**	**1,258,703**	**1,219,528**	**1,479,629**	**1,607,617**

Emission intensity
Tonnes of CO_2e per DKKm

	2023	2022	2021	2020	2019
Corporate customers	**3.56**	**3.61**	**3.81**	**4.50**	**5.04**
Transportation	59.46	63.87	71.51	85.77	112.23
Agriculture and fishing	21.17	19.61	21.67	21.64	21.45
Mortgage loans	0.52	0.61	0.69	0.92	0.95
Manufacturing industry	8.87	11.40	8.04	8.75	8.73
Construction	5.83	5.30	6.25	7.62	7.62
Mining and quarrying	40.48	22.30	19.46	25.67	24.47
Electricity, gas and heating supply	0.51	0.20	0.21	0.10	0.17
Other	1.23	1.55	1.64	1.47	1.52
Personal customers	**1.05**	**1.16**	**1.61**	**2.44**	**2.53**
Car loans	11.18	11.97	14.48	25.04	26.36
Home loans	0.53	0.59	0.71	1.22	1.24
Total	**2.49**	**2.54**	**2.85**	**3.54**	**3.85**

Investment

Business volume with emission
DKKbn

	2023	2022	2021	2020	2019
Asset management	**136.7**	**113.4**	**128.0**	**110.5**	**114.4**
Equities	49.9	36.8	48.2	38.0	
Corporate bonds	12.3	11.7	16.6	9.7	
Covered bonds	74.5	65.0	63.3	62.8	
Investment portfolio	**75.2**	**71.3**	**74.6**	**71.4**	**64.8**
Total	**211.9**	**184.7**	**202.6**	**182.0**	**179.2**

Emission
Tonnes of CO_2e

	2023	2022	2021	2020	2019
Asset management	**627,785**	**490,783**	**705,916**	**619,248**	**914,095**
Equities	259,943	262,953	351,272	293,744	
Corporate bonds	156,130	81,197	201,437	171,093	
Covered bonds	211,712	146,633	153,205	154,412	
Investment portfolio	170,916	**147,403**	**210,782**	**250,200**	**183,214**
Total	**798,701**	**638,186**	**916,698**	**869,448**	**1,097,309**

Emission intensity
Tonnes of CO_2e per DKKm

	2023	2022	2021	2020	2019
Asset management	**4.59**	**4.33**	**5.51**	**5.60**	**7.99**
Equities	5.21	7.15	7.29	7.74	
Corporate bonds	12.69	6.96	12.16	17.57	
Covered bonds	2.84	2.26	2.42	2.46	
Investment portfolio	**2.27**	**2.07**	**2.83**	**3.50**	**2.83**
Total	**3.77**	**3.45**	**4.52**	**4.78**	**6.12**

Data quality
PCAF score

	Score 1	Score 2	Score 3	Score 4	Score 5	Weighted data quality
Loans and advances	**<1%**	**4%**	**50%**	**<1%**	**44%**	**3.83**
Transportation	0%	18%	0%	2%	80%	4.43
Agriculture and fishing	0%	11%	0%	0%	89%	4.66
Mortgage loans	0%	0%	78%	0%	22%	3.44
Manufacturing industry	7%	24%	0%	0%	69%	4.01
Construction	0%	1%	0%	0%	99%	4.98
Mining and quarrying	0%	0%	0%	0%	100%	5.00
Electricity, gas and heating supply	0%	0%	0%	0%	100%	5.00
Other, corporate customers	4%	13%	0%	0%	83%	4.46
Car loans, personal customers	0%	87%	0%	13%	0%	2.25
Home loans, personal customers	0%	0%	52%	0%	48%	3.96
Investment	**0%**	**32%**	**0%**	**0%**	**68%**	**4.03**
Asset management	0%	46%	0%	0%	54%	3.62
Equities	0%	86%	0%	0%	14%	2.41
Corporate bonds	0%	61%	0%	0%	39%	3.18
Covered bonds	0%	17%	0%	0%	83%	4.50
Investment portfolio	0%	8%	0%	0%	92%	4.77
Total	**<1%**	**13%**	**35%**	**<1%**	**51%**	**3.89**

EU taxonomy reporting

Reporting pursuant to the delegated act (EU 2021/2178) supplementing Article 8 of the Taxonomy Regulation (EU 2020/852) for the Jyske Bank Group can be found on the following pages.

The set of templates for the reporting is so voluminous that the readability of the templates is considerably reduced when they are placed on one page of this reporting. Therefore, the set of templates is available in an excel version in Jyske Bank's ESG Fact Book at the website jyskebank.dk/esgfactbook2023

Rapportering i henhold til anneks VI

0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

Year 2023		Total environmentally sustainable assets, turnover* DKK millions	KPI turnover (%)	KPI CapEx (%)	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	**Green asset ratio (GAR) stock**	**24,280**	**3.70**	**3.67**	**83.72**	36.00	16.28

		Total environmentally sustainable activities, turnover DKK millions	KPI turnover (%)	KPI CapEx (%)	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	5,523	4.57	4.55	15.43	NA	NA
	Trading book						
	Financial guarantees	0	0	0			
	Assets under management	1,039	0.71	0.71			
	Fees and commissions income						

* Total environmentally sustainable assets, CapEx amount to DKK 24,080 millions

1. Assets for the calculation of GAR based on turnover KPIs

31.12.2023

	Millions DKK	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	373,657	226,480	24,280	19	-	10	-	-	-	-																	226,480	24,280	19	-	10
2	**Financial undertakings**	121,374	13,543	-	-	-	-	-	-	-	-																	13,543	-	-	-	-
3	Credit institutions	58,434	9,609	-	-	-	-	-	-	-	-																	9,609	-	-	-	-
4	Loans and advances	3,501	691	-	-	-	-	-	-	-	-																	691	-	-	-	-
5	Debt securities, including UoP	53,874	8,918	-	-	-	-	-	-	-	-																	8,918	-	-	-	-
6	Equity instruments	1,059	-	-		-	-	-	-		-																	-	-		-	-
7	Other financial corporations	62,940	3,934	-	-	-	-	-	-	-	-																	3,934	-	-	-	-
8	of which investment firms	35,122	2,169	-	-	-	-	-	-	-	-																	2,169	-	-	-	-
9	Loans and advances	35,092	2,169	-	-	-	-	-	-	-	-																	2,169	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
11	Equity instruments	30	-	-		-	-	-	-		-																	-	-		-	-
12	of which management companies	9,619	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
13	Loans and advances	9,474	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
15	Equity instruments	145	-	-		-	-	-	-		-																	-	-		-	-
16	of which insurance undertakings	18,199	1,765	-	-	-	-	-	-	-	-																	1,765	-	-	-	-
17	Loans and advances	18,194	1,765	-	-	-	-	-	-	-	-																	1,765	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
19	Equity instruments	5	-	-		-	-	-	-		-																	-	-		-	-
20	**Non-financial undertakings**	29,650	8,636	921	-	-	10	-	-	-	-																	8,636	921	-	-	10
21	Loans and advances	29,618	8,636	921	-	-	10	-	-	-	-																	8,636	921	-	-	10
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
23	Equity instruments	32	-	-		-	-	-	-		-																	-	-		-	-
24	**Households**	222,534	204,202	23,340	-	-	-	-	-	-	-																	204,202	23,340	-	-	-
25	of which loans collateralised by residential immovable property	199,665	199,665	23,279	-	-	-	-	-	-	-																	199,665	23,279	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
27	of which motor vehicle loans	8,013	3,990	-	-	-	-																					3,990	-	-	-	-
28	**Local governments financing**	19	19	19	19	-	-	-	-	-	-																	19	19	19	-	-
29	Housing financing	19	19	19	19	-	-	-	-	-	-																	19	19	19	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	80	80	-	-	-	-	-	-	-	-																	80	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	281,884	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
33	**Financial and Non-financial undertakings**	240,798																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	237,584																														
35	Loans and advances	231,166																														
36	of which loans collateralised by commercial immovable property	64,146																														
37	of which building renovation loans	-																														
38	Debt securities	6,259																														
39	Equity instruments	158																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	3,214																														
41	Loans and advances	1,082																														
42	Debt securities	2,131																														
43	Equity instruments	0																														
44	**Derivatives**	18,213																														
45	**On demand interbank loans**	3,835																														
46	**Cash and cash-related assets**	1,125																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	17,914																														
48	**Total GAR assets**	655,540	226,480	24,280	19	-	10	-	-	-	-																	226,480	24,280	19	-	10
49	**Assets not covered for GAR calculation**	127,444																														
50	**Central governments and Supranational issuers**	19,098																														
51	**Central banks exposure**	73,686																														
52	**Trading book**	34,660																														
53	**Total assets**	782,985	226,480	24,280	19	-	10	-	-	-	-																	226,480	24,280	19	-	10
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																															
54	Financial guarantees	9,862	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
55	Assets under management	137,240	18,374	1,036	-	12	664	3	3.322	-	3																	18,378	1,039	-	12	667
56	Of which debt securities	62,599	11,775	210	-	1	116	-	-	-	-																	11,775	210	-	1	116
57	Of which equity instruments	74,641	6,599	826	-	11	548	3	3.322	-	3																	6,602	829	-	11	551

1. Assets for the calculation of GAR based on CapEx KPIs

31.12.2023

	Millions DKK	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	373,657	226,208	24,080	19	13	66	-	-	-	-																	226,208	24,080	19	13	66
2	**Financial undertakings**	121,374	12,774	-	-	-	-	-	-	-	-																	12,774	-	-	-	-
3	Credit institutions	58,434	9,609	-	-	-	-	-	-	-	-																	9,609	-	-	-	-
4	Loans and advances	3,501	691	-	-	-	-	-	-	-	-																	691	-	-	-	-
5	Debt securities, including UoP	53,874	8,918	-	-	-	-	-	-	-	-																	8,918	-	-	-	-
6	Equity instruments	1,059	-	-		-	-	-	-		-																	-	-		-	-
7	Other financial corporations	62,940	3,165	-	-	-	-	-	-	-	-																	3,165	-	-	-	-
8	of which investment firms	35,122	2,706	-	-	-	-	-	-	-	-																	2,706	-	-	-	-
9	Loans and advances	35,092	2,706	-	-	-	-	-	-	-	-																	2,706	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
11	Equity instruments	30	-	-		-	-	-	-		-																	-	-		-	-
12	of which management companies	9,619	382	-	-	-	-	-	-	-	-																	382	-	-	-	-
13	Loans and advances	9,474	382	-	-	-	-	-	-	-	-																	382	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
15	Equity instruments	145	-	-		-	-	-	-		-																	-	-		-	-
16	of which insurance undertakings	18,199	77	-	-	-	-	-	-	-	-																	77	-	-	-	-
17	Loans and advances	18,194	77	-	-	-	-	-	-	-	-																	77	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
19	Equity instruments	5	-	-		-	-	-	-		-																	-	-		-	-
20	**Non-financial undertakings**	29,650	9,132	721	-	13	66	-	-	-	-																	9,132	721	-	13	66
21	Loans and advances	29,618	9,132	721	-	13	66	-	-	-	-																	9,132	721	-	13	66
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
23	Equity instruments	32	-	-		-	-	-	-		-																	-	-		-	-
24	**Households**	222,534	204,204	23,340	-	-	-	-	-	-	-																	204,204	23,340	-	-	-
25	of which loans collateralised by residential immovable property	199,665	199,665	23,279	-	-	-	-	-	-	-																	199,665	23,279	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
27	of which motor vehicle loans	8,013	3,990	-	-	-	-																					3,990	-	-	-	-
28	**Local governments financing**	19	19	19	19	-	-	-	-	-	-																	19	19	19	-	-
29	Housing financing	19	19	19	19	-	-	-	-	-	-																	19	19	19	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	80	80	-	-	-	-	-	-	-	-																	80	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	281,884	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
33	**Financial and Non-financial undertakings**	240,798																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	237,584																														
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46	**Cash and cash-related assets**	1,125																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	17,914																														
48	**Total GAR assets**	655,540	226,208	24,080	19	13	66	-	-	-	-																	226,208	24,080	19	13	66
49	**Assets not covered for GAR calculation**	127,444																														
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51	**Central banks exposure**	73,686																														
52	**Trading book**	34,660																														
53	**Total assets**	782,985	226,208	24,080	19	13	66	-	-	-	-																	226,208	24,080	19	13	66
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																															
54	Financial guarantees	9,862	16	-	-	-	-	-	-	-	-																	16	-	-	-	-
55	Assets under management	137,240	18,374	1,036	-	12	664	3	3	-	3																	18,378	1,039	-	12	667
56	Of which debt securities	62,599	11,775	210	-	1	116	-	-	-	-																	11,775	210	-	1	116
57	Of which equity instruments	74,641	6,599	826	-	11	548	3	3	-	3																	6,602	829	-	11	551

2. GAR sector information based on turnover KPIs

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn DKK	Of which environmentally sustainable (CCM)	Mn DKK	Of which environmentally sustainable (CCM)	Mn DKK	Of which environmentally sustainable (CCA)	Mn DKK	Of which environmentally sustainable (CCA)	Mn DKK	Of which environmentally sustainable (WTR)	Mn DKK	Of which environmentally sustainable (WTR)	Mn DKK	Of which environmentally sustainable (CE)	Mn DKK	Of which environmentally sustainable (CE)	Mn DKK	Of which environmentally sustainable (PPC)	Mn DKK	Of which environmentally sustainable (PPC)	Mn DKK	Of which environmentally sustainable (BIO)	Mn DKK	Of which environmentally sustainable (BIO)	Mn DKK	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn DKK	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	10.51 Operation of dairies and cheese making	1,014	-			1,014	-																			1,014	-		
2	10.91 Manufacture of prepared feeds for farm animals	256	0			256	-																			256	0		
3	11.05 Manufacture of beer	948	-			948	-																			948	-		
4	13.20 Weaving of textiles	120	-			120	-																			120	-		
5	13.93 Manufacture of carpets and rugs	31	-			31	-																			31	-		
6	13.95 Manufacture of non-wovens and articles made from non-wovens, except apparel	133	2			133	-																			133	2		
7	17.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	7	-			7	-																			7	-		
8	20.14 Manufacture of other organic basic chemicals	300	-			300	-																			300	-		
9	21.20 Manufacture of pharmaceutical preparations	0	-			0	-																			0	-		
10	22.22 Manufacture of plastic packinggoods	30	-			30	-																			30	-		
11	22.29 Manufacture of other plastic products	666	-			666	-																			666	-		
12	23.61 Manufacture of concrete products for construction purposes	12	-			12	-																			12	-		
13	25.99 Manufacture of other fabricated metal products n.e.c.	37	-			37	-																			37	-		
14	28.11 Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	24	-			24	-																			24	-		
15	28.14 Manufacture of other taps and valves	1	-			1	-																			1	-		
16	35.11 Production of electricity	168	122			168	-																			168	122		
17	35.12 Transmission of electricity	501	-			501	-																			501	-		
18	35.14 Trade of electricity	0	-			0	-																			0	-		
19	38.21 Treatment and disposal of non-hazardous waste	70	-			70	-																			70	-		
20	41.10 Development of building projects	964	17			964	-																			964	17		
21	41.20 Construction of residential and non-residential buildings	643	-			643	-																			643	-		
22	42.22 Construction of utility projects for electricity and telecommunications	7	-			7	-																			7	-		
23	46.21 Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	81	-			81	-																			81	-		
24	46.38 Wholesale of other food, including fish, crustaceans and molluscs	696	-			696	-																			696	-		
25	46.39 Non-specialised wholesale of food, beverages and tobacco	0	-			0	-																			0	-		
26	46.42 Wholesale of clothing and footwear	0	-			0	-																			0	-		
27	46.65 Wholesale of office furniture	0	-			0	-																			0	-		
28	46.69 Wholesale of other machinery and equipment	0	-			0	-																			0	-		
29	46.74 Wholesale of hardware, plumbing and heating equipment and supplies	2	-			2	-																			2	-		
30	47.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating	30	-			30	-																			30	-		
31	47.29 Other retail sale of food in specialised stores	1	-			1	-																			1	-		
32	47.59 Retail sale of furniture, lighting equipment and other household articles in specialised stores	270	-			270	-																			270	-		
33	49.41 Freight transport by road	24	-			24	-																			24	-		
34	50.10 Sea and coastal passenger water transport	0	-			0	-																			0	-		
35	50.20 Sea and coastal freight water transport	1,211	-			1,211	-																			1,211	-		
36	52.21 Service activities incidental to land transportation	491	19			491	-																			491	19		
37	52.29 Other transportation support activities	40	-			40	-																			40	-		
38	61.10 Wired telecommunications activities	1,004	-			1,004	-																			1,004	-		
39	62.03 Computer facilities management activities	218	-			218	-																			218	-		
40	68.10 Buying and selling of own real estate	2,584	112			2,584	-																			2,584	112		
41	68.20 Renting and operating of own or leased real estate	11,626	598			11,626	-																			11,626	598		
42	68.31 Real estate agencies	99	3			99	-																			99	3		
43	68.32 Management of real estate on a fee or contract basis	212	33			212	-																			212	33		
44	71.12 Engineering activities and related technical consultancy	14	0			14	-																			14	0		

2. GAR sector information based on CapEx KPIs

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn DKK	Of which environmentally sustainable (CCM)	Mn DKK	Of which environmentally sustainable (CCM)	Mn DKK	Of which environmentally sustainable (CCA)	Mn DKK	Of which environmentally sustainable (CCA)	Mn DKK	Of which environmentally sustainable (WTR)	Mn DKK	Of which environmentally sustainable (WTR)	Mn DKK	Of which environmentally sustainable (CE)	Mn DKK	Of which environmentally sustainable (CE)	Mn DKK	Of which environmentally sustainable (PPC)	Mn DKK	Of which environmentally sustainable (PPC)	Mn DKK	Of which environmentally sustainable (BIO)	Mn DKK	Of which environmentally sustainable (BIO)	Mn DKK	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn DKK	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	10.51 Operation of dairies and cheese making	1,014	-			1,014	-																			1,014	-		
2	10.91 Manufacture of prepared feeds for farm animals	256	0			256	-																			256	0		
3	11.05 Manufacture of beer	948	-			948	-																			948	-		
4	13.20 Weaving of textiles	120	-			120	-																			120	-		
5	13.93 Manufacture of carpets and rugs	31	-			31	-																			31	-		
6	13.95 Manufacture of non-wovens and articles made from non-wovens, except apparel	133	1			133	-																			133	1		
7	17.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	7	-			7	-																			7	-		
8	20.14 Manufacture of other organic basic chemicals	300	-			300	-																			300	-		
9	21.20 Manufacture of pharmaceutical preparations	0	-			0	-																			0	-		
10	22.22 Manufacture of plastic packinggoods	30	-			30	-																			30	-		
11	22.29 Manufacture of other plastic products	666	-			666	-																			666	-		
12	23.61 Manufacture of concrete products for construction purposes	12	-			12	-																			12	-		
13	25.99 Manufacture of other fabricated metal products n.e.c.	37	-			37	-																			37	-		
14	28.11 Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	24	-			24	-																			24	-		
15	28.14 Manufacture of other taps and valves	1	-			1	-																			1	-		
16	35.11 Production of electricity	168	166			168	-																			168	166		
17	35.12 Transmission of electricity	501	-			501	-																			501	-		
18	35.14 Trade of electricity	0	-			0	-																			0	-		
19	38.21 Treatment and disposal of non-hazardous waste	70	-			70	-																			70	-		
20	41.10 Development of building projects	964	7			964	-																			964	7		
21	41.20 Construction of residential and non-residential buildings	643	-			643	-																			643	-		
22	42.22 Construction of utility projects for electricity and telecommunications	7	-			7	-																			7	-		
23	46.21 Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	81	-			81	-																			81	-		
24	46.38 Wholesale of other food, including fish, crustaceans and molluscs	696	-			696	-																			696	-		
25	46.39 Non-specialised wholesale of food, beverages and tobacco	0	-			0	-																			0	-		
26	46.42 Wholesale of clothing and footwear	0	-			0	-																			0	-		
27	46.65 Wholesale of office furniture	0	-			0	-																			0	-		
28	46.69 Wholesale of other machinery and equipment	0	-			0	-																			0	-		
29	46.74 Wholesale of hardware, plumbing and heating equipment and supplies	2	-			2	-																			2	-		
30	47.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating	30	-			30	-																			30	-		
31	47.29 Other retail sale of food in specialised stores	1	-			1	-																			1	-		
32	47.59 Retail sale of furniture, lighting equipment and other household articles in specialised stores	270	-			270	-																			270	-		
33	49.41 Freight transport by road	24	-			24	-																			24	-		
34	50.10 Sea and coastal passenger water transport	0	0			0	-																			0	0		
35	50.20 Sea and coastal freight water transport	1,211	61			1,211	-																			1,211	61		
36	52.21 Service activities incidental to land transportation	491	13			491	-																			491	13		
37	52.29 Other transportation support activities	40	-			40	-																			40	-		
38	61.10 Wired telecommunications activities	1,004	-			1,004	-																			1,004	-		
39	62.03 Computer facilities management activities	218	-			218	-																			218	-		
40	68.10 Buying and selling of own real estate	2,584	57			2,584	-																			2,584	57		
41	68.20 Renting and operating of own or leased real estate	11,626	383			11,626	-																			11,626	383		
42	68.31 Real estate agencies	99	-			99	-																			99	-		
43	68.32 Management of real estate on a fee or contract basis	212	23			212	-																			212	23		
44	71.12 Engineering activities and related technical consultancy	14	0			14	-																			14	0		

3. GAR KPI stock based on turnover KPIs

31.12.2023

	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	34.55	3.70	0.003	-	0.001	-	-	-	-																	34.55	3.70	0.003	-	0.001	47.72
2	**Financial undertakings**	2.07	-	-	-	-	-	-	-	-																	2.07	-	-	-	-	15.50
3	Credit institutions	1.47	-	-	-	-	-	-	-	-																	1.47	-	-	-	-	7.46
4	Loans and advances	0.11	-	-	-	-	-	-	-	-																	0.11	-	-	-	-	0.45
5	Debt securities, including UoP	1.36	-	-	-	-	-	-	-	-																	1.36	-	-	-	-	6.88
6	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	0.14
7	Other financial corporations	0.60	-	-	-	-	-	-	-	-																	0.60	-	-	-	-	8.04
8	of which investment firms	0.33	-	-	-	-	-	-	-	-																	0.33	-	-	-	-	4.49
9	Loans and advances	0.33	-	-	-	-	-	-	-	-																	0.33	-	-	-	-	4.48
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	0.004
12	of which management companies	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	1.23
13	Loans and advances	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	1.21
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	0.02
16	of which insurance undertakings	0.27	-	-	-	-	-	-	-	-																	0.27	-	-	-	-	2.32
17	Loans and advances	0.27	-	-	-	-	-	-	-	-																	0.27	-	-	-	-	2.32
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	0.001
20	**Non-financial undertakings**	1.32	0.14	-	-	0.001	-	-	-	-																	1.32	0.14	-	-	0.001	3.79
21	Loans and advances	1.32	0.14	-	-	0.001	-	-	-	-																	1.32	0.14	-	-	0.001	3.78
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
23	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	0.004
24	**Households**	31.15	3.56	-	-	-	-	-	-	-																	31.15	3.56	-	-	-	28.42
25	of which loans collateralised by residential immovable property	30.46	3.55	-	-	-	-	-	-	-																	30.46	3.55	-	-	-	25.50
26	of which building renovation loans	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
27	of which motor vehicle loans	0.61	-	-	-	-																										
28	**Local governments financing**	0.003	0.003	0.003	-	-	-	-	-	-																	0.003	0.003	0.003	-	-	0.002
29	Housing financing	0.003	0.003	0.003	-	-	-	-	-	-																	0.003	0.003	0.003	-	-	0.002
30	Other local government financing	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0.01	-	-	-	-	-	-	-	-																	0.01	-	-	-	-	0.01
32	**Total GAR assets**	34.55	3.70	0.003	-	0.001	-	-	-	-																	34.55	3.70	0.003	-	0.001	83.72

3. GAR KPI stock based on CapEx KPIs

31.12.2023

	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	34.51	3.67	0.003	0.002	0.01	-	-	-	-																	34.51	3.67	0.003	0.002	0.01	47.72
2	**Financial undertakings**	1.95	-	-	-	-	-	-	-	-																	1.95	-	-	-	-	15.50
3	Credit institutions	1.47	-	-	-	-	-	-	-	-																	1.47	-	-	-	-	7.46
4	Loans and advances	0.11	-	-	-	-	-	-	-	-																	0.11	-	-	-	-	0.45
5	Debt securities, including UoP	1.36	-	-	-	-	-	-	-	-																	1.36	-	-	-	-	6.88
6	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	0.14
7	Other financial corporations	0.48	-	-	-	-	-	-	-	-																	0.48	-	-	-	-	8.04
8	of which investment firms	0.41	-	-	-	-	-	-	-	-																	0.41	-	-	-	-	4.49
9	Loans and advances	0.41	-	-	-	-	-	-	-	-																	0.41	-	-	-	-	4.48
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	0.004
12	of which management companies	0.06	-	-	-	-	-	-	-	-																	0.06	-	-	-	-	1.23
13	Loans and advances	0.06	-	-	-	-	-	-	-	-																	0.06	-	-	-	-	1.21
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	0.02
16	of which insurance undertakings	0.01	-	-	-	-	-	-	-	-																	0.01	-	-	-	-	2.32
17	Loans and advances	0.01	-	-	-	-	-	-	-	-																	0.01	-	-	-	-	2.32
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	0.001
20	**Non-financial undertakings**	1.39	0.11	-	0.002	0.01	-	-	-	-																	1.39	0.11	-	0.002	0.01	3.79
21	Loans and advances	1.39	0.11	-	0.002	0.01	-	-	-	-																	1.39	0.11	-	0.002	0.01	3.78
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
23	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	0.004
24	**Households**	31.15	3.56	-	-	-	-	-	-	-																	31.15	3.56	-	-	-	28.42
25	of which loans collateralised by residential immovable property	30.46	3.55	-	-	-	-	-	-	-																	30.46	3.55	-	-	-	25.50
26	of which building renovation loans	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
27	of which motor vehicle loans	0.61	-	-	-	-																										
28	**Local governments financing**	0.003	0.003	0.003	-	-	-	-	-	-																	0.003	0.003	0.003	-	-	0.002
29	Housing financing	0.003	0.003	0.003	-	-	-	-	-	-																	0.003	0.003	0.003	-	-	0.002
30	Other local government financing	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0.01	-	-	-	-	-	-	-	-																	0.01	-	-	-	-	0.01
32	**Total GAR assets**	34.51	3.67	0.003	0.002	0.01	-	-	-	-																	34.51	3.67	0.003	0.002	0.01	36.00

4. GAR KPI flow based on turnover KPIs

31.12.2023

	% (compared to flow of total eligible assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total new assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	34.86	4.57	0.02	-	0.49	-	-	-	-																	34.86	4.57	0.02	-	35.36	100.00
2	**Financial undertakings**	3.86	-	-	-	-	-	-	-	-																	3.86	-	-	-	3.86	57.45
3	Credit institutions	0.73	-	-	-	-	-	-	-	-																	0.73	-	-	-	0.73	6.76
4	Loans and advances	0.57	-	-	-	-	-	-	-	-																	0.57	-	-	-	0.57	2.88
5	Debt securities, including UoP	0.16	-	-	-	-	-	-	-	-																	0.16	-	-	-	0.16	3.88
6	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	-
7	Other financial corporations	3.13	-	-	-	-	-	-	-	-																	3.13	-	-	-	3.13	50.69
8	of which investment firms	1.67	-	-	-	-	-	-	-	-																	1.67	-	-	-	1.67	34.25
9	Loans and advances	1.67	-	-	-	-	-	-	-	-																	1.67	-	-	-	1.67	34.25
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	1.80
13	Loans and advances	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	1.80
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	-
16	of which insurance undertakings	1.46	-	-	-	-	-	-	-	-																	1.46	-	-	-	1.46	14.64
17	Loans and advances	1.46	-	-	-	-	-	-	-	-																	1.46	-	-	-	1.46	14.64
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	-
20	**Non-financial undertakings**	1.31	0.51	-	-	0.49	-	-	-	-																	1.31	0.51	-	-	1.81	9.48
21	Loans and advances	1.31	0.51	-	-	0.49	-	-	-	-																	1.31	0.51	-	-	1.81	9.48
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
23	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	-
24	**Households**	29.67	4.05	-	-	-	-	-	-	-																	29.67	4.05	-	-	29.67	33.06
25	of which loans collateralised by residential immovable property	27.56	4.05	-	-	-	-	-	-	-																	27.56	4.05	-	-	27.56	27.56
26	of which building renovation loans	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
27	of which motor vehicle loans	2.08	-	-	-	-	-	-																			2.08	-	-	-	2.08	2.09
28	**Local governments financing**	0.02	0.02	0.02	-	-	-	-	-	-																	0.02	0.02	0.02	-	0.02	0.02
29	Housing financing	0.02	0.02	0.02	-	-	-	-	-	-																	0.02	0.02	0.02	-	0.02	0.02
30	Other local government financing	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
32	**Total GAR assets**	34.86	4.57	0.04	-	0.49	-	-	-	-																	34.86	4.57	0.04	-	35.36	100.00

4. GAR KPI flow based on CapEx KPIs

31.12.2023

	% (compared to flow of total eligible assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total new assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which enabling	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)	Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	34.27	4.55	0.02	-	0.47	-	-	-	-																	34.27	4.55	0.02	-	34.74	100.00
2	**Financial undertakings**	3.02	-	-	-	-	-	-	-	-																	3.02	-	-	-	3.02	57.45
3	Credit institutions	0.73	-	-	-	-	-	-	-	-																	0.73	-	-	-	0.73	6.76
4	Loans and advances	0.57	-	-	-	-	-	-	-	-																	0.57	-	-	-	0.57	2.88
5	Debt securities, including UoP	0.16	-	-	-	-	-	-	-	-																	0.16	-	-	-	0.16	3.88
6	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	-
7	Other financial corporations	2.30	-	-	-	-	-	-	-	-																	2.30	-	-	-	2.30	50.69
8	of which investment firms	2.23	-	-	-	-	-	-	-	-																	2.23	-	-	-	2.23	34.25
9	Loans and advances	2.23	-	-	-	-	-	-	-	-																	2.23	-	-	-	2.23	34.25
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	1.80
13	Loans and advances	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	1.80
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	-
16	of which insurance undertakings	0.06	-	-	-	-	-	-	-	-																	0.06	-	-	-	0.06	14.64
17	Loans and advances	0.06	-	-	-	-	-	-	-	-																	0.06	-	-	-	0.06	14.64
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	-
20	**Non-financial undertakings**	1.56	0.49	-	-	0.47	-	-	-	-																	1.56	0.49	-	-	2.03	9.48
21	Loans and advances	1.56	0.49	-	-	0.47	-	-	-	-																	1.56	0.49	-	-	2.03	9.48
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
23	Equity instruments	-	-		-	-	-	-		-																	-	-		-	-	-
24	**Households**	29.67	4.05	-	-	-	-	-	-	-																	29.67	4.05	-	-	29.67	33.06
25	of which loans collateralised by residential immovable property	27.56	4.05	-	-	-	-	-	-	-																	27.56	4.05	-	-	27.56	27.56
26	of which building renovation loans	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
27	of which motor vehicle loans	2.08	-	-	-	-	-	-																			2.08	-	-	-	2.08	2.09
28	**Local governments financing**	0.02	0.02	0.02	-	-	-	-	-	-																	0.02	0.02	0.02	-	0.02	0.02
29	Housing financing	0.02	0.02	0.02	-	-	-	-	-	-																	0.02	0.02	0.02	-	0.02	0.02
30	Other local government financing	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	-
32	**Total GAR assets**	34.27	4.55	0.02	-	0.47	-	-	-	-																	34.27	4.55	0.02	-	34.74	100.00

5. KPI off-balance sheet exposures based on turnover KPIs

31.12.2023

	% (compared to total eligible off-balance sheet assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-																	-	-	-	-	-
2	Assets under management (AuM KPI)	12.49	0.70	-	0.01	0.45	0.002	0.002	-	0.002																	12.49	0.71	-	0.01	12.94

5. KPI off-balance sheet exposures based on CapEx KPIs

31.12.2023

	% (compared to total eligible off-balance sheet assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0.01	-	-	-	-	-	-	-	-																	0.01	-	-	-	0.01
2	Assets under management (AuM KPI)	12.49	0.70	-	0.01	0.45	0.002	0.002	-	0.002																	12.49	0.71	-	0.01	12.94

5. KPI flow off-balance sheet exposures based on turnover KPIs

31.12.2023

	% (compared to total eligible off-balance sheet assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0	0	0	0	0	0	0	0	0																	0	0	0	0	0
2	Assets under management (AuM KPI)																														

5. KPI flow off-balance sheet exposures based on CapEx KPIs

31.12.2023

	% (compared to total eligible off-balance sheet assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0	0	0	0	0	0	0	0	0																	0	0	0	0	0
2	Assets under management (AuM KPI)																														

Rapportering i henhold til anneks XII

Template 1 Nuclear and fossil gas related activities

	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Template 2 Taxonomy-aligned economic activities (denominator) turnover

	Economic activities DKK millions	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	24,280	3.70	24,280	3.70	0	0
8	**Total applicable KPI**	24,280	3.70	24,280	3.70	0	0

Template 2 Taxonomy-aligned economic activities (denominator) CapEx

	Economic activities DKK millions	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	24,080	3.67	24,080	3.67	0	0
8	**Total applicable KPI**	24,080	3.67	24,080	3.67	0	0

Template 3 Taxonomy-aligned economic activities (numerator) turnover

	Economic activities DKK millions	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	24,280	100	24,280	100	0	0
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	24,280	100	24,280	100	0	0

Template 3 Taxonomy-aligned economic activities (numerator) CapEx

	Economic activities DKK millions	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	24,080	100	24,080	100	0	0
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	24,080	100	24,080	100	0	0

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities turnover

	Economic activities DKK millions	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI"	0	0	0	0	0	0
2	Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI"	0	0	0	0	0	0
3	Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
4	Aount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
7	**Amount and proportion of other taxonomy eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	202,199	89.28	202,199	89.28	0	0
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	202,199	89.28	202,199	89.28	0	0

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities CapEx

	Economic activities DKK millions	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI"	0	0	0	0	0	0
2	Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI"	0	0	0	0	0	0
3	Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
4	Aount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
7	**Amount and proportion of other taxonomy eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	202,128	89.36	202,128	89.36	0	0
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	202,128	89.36	202,128	89.36	0	0

Template 5 Taxonomy non-eligible economic activities turnover

	Economic activities DKK millions	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	429,061	65.45
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI'**	429,061	65.45

Template 5 Taxonomy non-eligible economic activities CapEx

	Economic activities DKK millions	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	429,333	65.49
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI'**	429,333	65.49

Accounting policies

General

ESG KPIs have been worked out in line with the guidance from FSR – Danish Auditors, CFA Society Denmark and Nasdaq, which was published in June 2019 (updated in January 2022).

Changes in practice

I In the statement for 2023, the following changes have been introduced compared to previous statements.

Calculating emissions from the Group's company cars, fuel consumption is now used instead of WLTP per kilometre travelled.

Scope 3 has been expanded with category 3: Fuel and energy-related activities and category 4: Upstream transportation and distribution. In the latter category, supplier-specific data are used.

Renewable energy shares for 2022 have been restated (reduction of 9.9%), as we observed that natural gas had not previously been included in the calculation of renewable energy shares.

When calculating water consumption for 2023, we observed that our supplier had made a correction of data for 2022. Consequently, consumption for 2022 has been restated, resulting in an increase of 16%.

Environmental data

Reporting and calculation of CO_2 emissions are divided according to the GHG Protocol's definitions of scopes 1 to 3.

CO_2 emissions factors set out in the Danish Business Authority's Climate Compass ('Klimakompasset') have been used to calculate emissions unless otherwise stated.

Consumption data have been calculated for the period 1 January 2023 – 31 December 2023 unless otherwise stated.

Scope 1

The CO_2 emissions come from heating with natural gas and the use of the bank's own vehicles.

Vehicles

The category includes the bank's own vehicles, including loan and company cars. Emissions from loan cars are calculated based on kilometres travelled and the WLTP emissions factor for the individual car model. From 2023, fuel consumption is applied instead of kilometres travelled for calculating emissions from company cars. No distinction is made between business and private driving in company cars, which means that all fuel consumption by company cars is recognised in scope 1.

Heating

The heating category includes heating with natural gas, which is calculated using the emissions factor for emissions per m^3.

Scope 2

CO_2 emissions for electricity and district heating from external suppliers.

Electricity

Emissions are calculated according to the two accounting methods required under the GHG Protocol: the market-based method and the location-based method. In the market-based method, the Group's electricity consumption is offset by the electricity produced by Jyske Bank Vindmølle. If the consumption of electricity exceeds the production of electricity, the emissions factor from Energinet's electricity declaration is used. Under the location-based method, the average emissions factors from Energinet's environmental declaration are used.

District heating

18% of Jyske Bank's district heating consumption for 2023 is estimated based on consumption in 2022 as this percentage concerns properties Jyske Bank rents, and final heating statements 2023 are not yet available. The emissions factor is based on data from the Danish Energy Agency.

Scope 3

Scope 3 CO_2 emissions are divided into the 15 categories of the GHG Protocol. As of 2023, we have included emissions from fuel- and energy-related activities as well as upstream transportation and distribution. Thus CO_2 emissions from the following categories are included in scope 3 for 2023: category 1: Purchased goods and services, category 3: Fuel- and energy-related activities, category 4: Upstream transportation and distribution, category 5: Waste generated in operations, category 6: Business travel, category 7: Employee commuting, category 13: Downstream leased assets, and category 15: Investments.

Purchased goods and services

This category includes paper consumption calculated as kilos of printed paper, which is converted to emissions using an emissions factor.

Fuel- and energy-related activities

This category concerns emissions from extraction, production and transportation of fuel and energy used in scopes 1 and 2.

Upstream transportation and distribution

This category includes CO_2 emissions from fuel consumption in connection with servicing of the bank's ATMs.

Waste generated in operations

Waste data are received from the Danish Environmental Protection Agency and converted to CO_2 emissions using emissions factors. Waste volumes from 2022 is used as data for 2023 are not yet available. The Danish Business Agency's emissions factors for waste fractions are used to calculate CO_2 emissions.

Business travel

Business travel includes the Jyske Bank Group's travel by air, public transport, work-related driving in employee cars, taxi rides and transport by ferry. In calculating CO_2 emissions from air travel, a distinction is made between domestic and international flights when choosing emissions factors. Emissions from train and taxi journeys as well as transport by ferry are based on cost incurred (spend-based method) divided by random sample-based DKK per kilometre. Emissions from driving employee cars are based on recorded kilometres travelled and Statistics Denmark's average WLTP emissions factor for 2021.

Employee commuting

Data on employee commuting were collected via a questionnaire sent to all employees in the Group. The response rate was 84%. For commuting by car, the car's WLTP emissions factor is used, for commuting by public transport, the average emissions factor for the means of transport (bus/train/metro) from the Climate Compass (Klimakompasset) is used. Commuting for unanswered questionnaires is estimated as an average of the responses received.

Downstream leased assets

Jyske Bank leases properties in whole or in part to several companies. Consumption data are received from lessees and include the companies' consumption of natural gas, district heating and electricity. Emissions are calculated using the same emissions factors as used for the Group's scopes 1 and 2 emissions.

The category also includes emissions from the leasing portfolio (both operating and finance leases) with Jyske Finans. Emissions are calculated in accordance with Finance Denmark's CO_2 model. For leases to corporate customers, emissions factors are based on data from Statistics Denmark and company-specific data where available. For leasing to personal customers, the WLTP emissions factor for the individual vehicle is used.

Investments

Financed emissions

This category consists of the Jyske Bank Group's financed CO_2 emissions from assets under management, own investment portfolio, business loans, mortgage loans and car loans to personal customers. Emissions are calculated in accordance with Finance Denmark's CO_2 model.

Loans

Emissions have been estimated for 89% of the Group's on-balance sheet loans. For business loans, emissions factors are based on data from Statistics Denmark and company-specific data where available. For mortgage loans, emissions are estimated based on the property's EPC. If not available, the estimate is based on other information about the individual property. For car loans to personal customers, the WLTP emissions factor for the specific vehicle is used.

Assets under management

Emissions have been estimated for 88% of assets under management excluding funds of funds and advisory solutions. For equities and corporate bonds, emission data from MSCI are used. For mortgage bonds, data from the individual mortgage credit institution or estimated data are used for estimation of emissions. For other holdings, emissions factors are based on data from Statistics Denmark.

Own investment portfolio

Emissions have been estimated for 74% of Jyske Bank's own investment portfolio. Emissions have been estimated on the same basis as used for assets under management.

For further information on the method for estimating financed emissions, please refer to the methodology document on impact analysis on our website.

Bankdata and JN Data

Category 15 includes JN Data and Bankdata's scopes 1 and 2 emissions minus emissions from Jyske Bank's properties leased to Bankdata and JN Data (category 13) weighted by Jyske Bank's ownership interest in Bankdata and JN Data.

Water consumption

Water consumption is estimated based on average m3 per full-time equivalent (FTE) for five Jyske Bank Group locations. The five locations are: Helsingør, Sønderborg, Horsens, Hillerød and Svendborg. The locations are all properties owned by Jyske Bank and bank branches with customer access. The average m3 per FTE is then multiplied by the total number of FTEs of the Group.

Waste

Waste volumes are estimated based on waste per employee for the locations: Hirtshals, Risskov, Roskilde, Svendborg and Holbæk. The reported waste volumes for these locations includes only waste from Jyske Bank, while other Jyske Bank locations share waste containers with other companies or private households. Waste data are retrieved from the Danish Environmental Protection Agency's data hub. The average waste per employee for the five locations is then multiplied by the total number of employees in the Group. Waste data have been calculated for the period 01/01/2022 – 31/12/2022.

Energy consumption

Total energy consumption in gigajoule from gas, district heating and electricity.

Energy intensity per FTE

Total energy consumption for 2023 divided by the number of FTEs as of 31/12/2023.

Renewable energy share
The renewable energy share is calculated based on the share of renewable electricity and district heating relative to total energy consumption. The renewable energy share of district heating is calculated annually by the Danish Energy Agency and published in energy statistics. The calculation of the renewable energy share of electricity has factored in the production of renewable energy by Jyske Bank Vindmølle A/S from 01/01/2023 to 31/12/2023, which covers the Group's total consumption of electricity.

Social data

Social data concerning employees, management, salaries, etc. covers the Jyske Bank Group only. Unless otherwise stated, social data have been calculated as of 31/12/2023.

Full-time workforce (FTEs)
Full-time equivalents include permanent and temporary employees.

Gender diversity
Number of women relative to the total number of employees. The calculation includes both permanent and temporary employees.

Gender diversity in management
Number of female managers relative to the total number of managers at the bank. Managers are defined as members of the Executive Board and employees with staff responsibility and/or professional responsibility.

Gender pay gap
Median salary for men relative to the median salary for women. The median salary includes salary, special holiday allowance, pensions, care days and, if applicable, other allowances and value of company-paid car.

Employee turnover rate
Number of resignations in the year relative to the average number of employees as at 01/01/2023 and 31/12/2023.

Job satisfaction
Calculation based on an employee survey conducted by Ennova. The index score is an average of four questions about satisfaction and motivation. The survey covers all employees in the Group.

Absence due to illness
The number of registered employee sickness days relative to FTEs. Employee sickness days include an employee's absence due to own sickness, child's sickness and partial sickness. Maternity/paternity leave is not included.

Total tax contribution
Current tax recognised, property tax, VAT and payroll tax.

Management data

Management data covers data for the Jyske Bank Group only. Data have been calculated as of 31/12/2023.

Supervisory Board gender diversity
Proportion of female board members relative to the total number of board members. Members elected by employees are included in the calculation.

Board meeting attendance
Number of board meetings attended by each individual board member relative to the total number of board meetings held.

CEO to employee pay ratio
The CEO's total remuneration (incl. senior allowance, excl. variable wage cost) relative to the median salary of employees

EU Taxonomy Regulation

This reporting has been prepared in accordance with the Delegated Act (EU 2021/2178) issued in accordance with article 8 of the EU Taxonomy Regulation (EU 2020/852) and covers the Jyske Bank Group.

The reporting has been prepared in accordance with Annexes V, VI, XI and XII of the Delegated Act as well as the European Commission's FAQs of 20 December 2021 and 21 December 2023 and Commission Notice on interpretation (2022/C 385/01).

Calculation of the key ratios is based on the same data as the Group's reporting under (EU) 2021/451 (FINREP) as well as reported data from the Group's financial and non-financial customers which are subject to reporting under the EU Taxonomy Regulation (NFRD undertakings).

NFRD undertakings

The calculation of eligibility and alignment is based on counterparties' KPIs for 2022 as the disclosures for 2023 have not yet been published. Several of the bank's counterparties have not broken down their eligibility KPIs by environmental objectives. In such cases, the reported eligibility KPI is assumed exclusively to relate to environmental objective 1: Climate Change Mitigation.

Financial institutions

The calculation is based on counterparties' KPIs for 2022 as the disclosures for 2023 have not yet been published. Financial institutions have only reported the total KPI for eligibility in 2022, which is not broken down by turnover, CapEx or environmental objectives. It is assumed that the eligibility KPI for financial counterparties are identical for turnover and CapEx, and that 100% of the reported KPI relates to environmental objective 1: Climate Change Mitigation.

Personal customers

The eligibility and alignment of exposures to personal customers are assessed by Jyske Bank. All mortgage and bank loans for real estate are assessed as eligible, cf 7.7. Acquisition and ownership of buildings of the technical screening criteria, whereas alignment of mortgage and bank loans for real estate where the building was built before 31 December 2020 is assessed based on:

- The building's EPC.
- Analysis of physical risks, storm surge and water level rise for the building[7]
- Jyske Realkredit analysis: Top 15% energy-efficient buildings under the EU Taxonomy, Feb. 2022[8]

Based on Jyske Realkredit's analysis showing that all homes with EPC class A and B as well as the majority of homes with a class C are in the top 15% of the most energy-efficient buildings in Denmark, homes with valid EPC class A and B that are not exposed to physical risk in an RCP8.5 scenario in the period 2041-2070 are assessed taxonomy-aligned.

Homes built after 31 December 2020 are assessed taxonomy-aligned if the building is 10% better than NZEB in terms of energy-efficiency, corresponding to energy label A2015.

Car loans to personal customers established after 1 January 2022 are included as taxonomy-eligible, cf 6.5 Transport by motorbikes, passenger cars and light commercial vehicles of the technical screening criteria, while no car loans are assessed taxonomy-aligned as no information is available for assessing the DNSH criteria.

Compliance with minimum safeguards is not assessed in relation to personal customers.

Local governments

The assessment of whether exposures to local governments qualify as aligned is made in the same way as for mortgage loans to personal customers (see above). Only exposures to buildings assessed as aligned are included in GAR, while other exposures to local governments are included in the denominator but not in the numerator for calculating GAR.

Repossessed collaterals

The assessment of whether repossessed collaterals qualify as aligned, where the collateral is residential and commercial real estate, is made in the same way as for mortgage loans to personal customers (see above).

Assets under management

The calculation of eligibility and alignment is based on data from MSCI. As several undertakings have not broken down eligibility by environmental objectives in their reporting, no eligibility KPIs appear from MSCI's data. In these cases, the alignment KPI for the investee undertakings are applied as eligibility KPI. This is the case for all records of eligibility under environmental objective 2: Climate Change Adaptation, for which reason eligibility is equal to alignment in relation to environmental objective 2.

7) See the methodology and results of the analysis in the Risk and Capital Management report 2022
8) Link to analysis (pdf)

Templates in accordance with Annex VI to the Delegated Act

General

Columns concerning the reporting period T-1 have been left out from the templates as reporting on these disclosures is not required until 2025.

Columns for the environmental objectives Water and marine resources, Circular economy, Pollution, and Biodiversity and Ecosystems have not been filled in as no NFRD undertakings had reported KPIs for these environmental objectives at the time of calculation and thereforeJyske Bank's exposures cannot be broken down by these environmental objectives.

Template 6 F&C KPI and template 7 Trading KPI have been left out from the templates reported as reporting on these disclosures is not required until 2026.

Template 0. Summary of KPIs

Main KPI

Total environmentally sustainable assets, turnover: Exposures weighted by the counterparty's turnover KPI and buildings with valid EPC class A and B with no climate risks where the counterparty is a personal customer or local government.

KPI turnover (%): Total environmentally sustainable assets weighted by turnover divided by Total GAR assets turnover

KPI CapEx (%): Total environmentally sustainable assets weighted by CapEx divided by Total GAR assets CapEx

% coverage: Total GAR assets divided by Total assets

% of assets excluded from the numerator of the GAR: Exposures to non-NFRD and non-EU customers as well as derivatives, on demand interbank loans, cash and cash-related assets, and other assets divided by Total assets

% of assets excluded from the denominator of the GAR: Exposures to Central governments and Supranational issuers, Central banks exposures and the trading book divided by Total assets

Additional KPIs

Gar(flow)

Total environmentally sustainable activities, turnover: New exposures or loans considered to be new based on an increase of the loan to NFRD undertakings or personal customers which are assessed as aligned. Exposures to NFRD undertakings are weighted by turnover KPI.

KPI turnover (%): New aligned exposures weighted by turnover KPI divided by Total gross carrying amount for new exposures.

KPI CapEx (%): New aligned exposures weighted by CapEx KPI divided by Total gross carrying amount for new exposures.

% coverage: Total gross carrying amount for new exposures divided by Total assets.

Trading book

Reporting on KPIs for the trading book is not required until 2026.

Financial guarantees

Financial guarantees weighted by the counterparty's KPI for turnover and CapEx. Jyske Bank has provided no financial guarantees to NFRD undertakings which have reported alignment KPIs, so KPIs for financial guarantees have been stated as 0.

Assets under management

Total environmentally sustainable activities, turnover: Assets under management weighted by the investee undertaking's turnover KPI.

KPI turnover (%): Aligned assets under management weighted by turnover KPI divided by Total gross carrying amount for off-balance sheet exposures (financial guarantees and assets under management).

KPI CapEx (%): Aligned assets under management weighted by CapEx KPI divided by Total gross carrying amount for off-balance sheet exposures (financial guarantees and assets under management).

Fees and commissions income

Reporting on KPIs for fees and commissions is not required until 2026.

Template 1. Covered assets (GAR, off-bal)

The Jyske Bank Group's assets in DKK million broken down by counterparty and exposures included in the numerator and denominator for GAR.

None of the Jyske Bank Group's NFRD counterparties have reported KPIs for the environmental objective 'Climate Change Adaptation', and according to Annex V to the Delegated Act, financing of homes and cars for personal customers can only be reported under environmental objective 1: Climate Change Mitigation.

Jyske Bank collects information on counterparties' KPIs for all borrowers, while data from MSCI are applied for investee undertakings for calculating assets under management. As regards both data sources, several undertakings have not broken down eligibility KPIs by environmental objectives. As regards the data collected by Jyske Bank and applied for on-balance sheet assets, it is assumed that the reported eligibility KPI only relates to environmental objective 1, while alignment KPI is applied as eligibility KPI in relation to assets under management. Template 1 is duplicated and published at weighted values for both the NFRD undertakings' turnover KPI and CapEx KPI.

Template 2. GAR – sector information

Exposures to NFRD undertakings broken down by 4 digits NACE codes. NACE codes referred to in the technical screening criterias for all environmental objectives are stated in the template.
Template 2 is duplicated and published at weighted values for both the NFRD undertakings' turnover KPI and CapEx KPI.

Template 3. GAR KPIs Stock

GAR numerator broken down into shares of Total GAR assets from template 1.
Template 3 is duplicated and published at weighted values for both the NFRD undertakings' turnover KPI and CapEx KPI.

Template 4. GAR KPIs flow

New exposures or loans considered to be new based on an increase of the loan in 2023 as a proportion of Total gross carrying amount (GAR) for new exposures.
Template 4 is duplicated and published at weighted values for both the NFRD undertakings' turnover KPI and CapEx KPI.

Template 5. FinGar, AuM KPIs

Proportions of financial guarantees and assets under management of the sum of Total gross carrying amount for financial guarantees and assets under management from template 1.
Template 5 is also published for flows, but as no flow data are available for assets under management, only flow data for financial guarantees are disclosed in template 5 flow.
Template 5 for both stock and flow is duplicated and published at weighted values for both the NFRD undertakings' turnover KPI and CapEx KPI.

Annex XII templates

General

The Jyske Bank Group has no exposures to research in nuclear power, construction or operation of nuclear facilities.
The Jyske Bank Group has lending to counterparties that produce electricity, heating/cooling partially on the basis of non-renewable fossil gas, but all these counterparties are non-NFRD undertakings. Accordingly, zero has been entered in templates 2-5 according to Annex XII except for rows 7 and 8, where amounts from template 1 under to Annex VI have been entered.

Policies and principles

Our policies are central to our work on sustainability. The policies listed below have a particularly great impact on our work.

General

- Sustainability and Corporate Social Responsibility Policy

Sustainable business

- Credit policy
- Policy on responsible and sustainable investment
- Sustainability considerations for Jyske Bank's own investment

Responsible banking operations

- Anti-bribery and corruption policy
- Diversity policy
- Policy for responsible marketing
- Policy on the prevention of money laundering, financing of terrorism and violation of sanctions
- Whistleblower policy
- Tax policy
- Data ethics policy
- Policy on sound corporate culture
- Policy for handling of conflicts of interest
- Policy on employee conditions
- IT security policy
- Privacy policy
- Remuneration policy
- Freedom of association and collective agreement policy
- Procurement policy
- Company car policy

Principles

Our work on sustainability and corporate social responsibility is based on a number of national and international initiatives and associations.

UN environment programme finance initiative
Principles for Responsible Banking

Signatory of: PRI Principles for Responsible Investment

WE SUPPORT UN GLOBAL COMPACT

Since 2016, Jyske Bank has been committed to the UN Global Compact's corporate responsibility initiative and its principles in the areas of human rights, employee rights, the environment and anti-corruption

FINANS DANMARK

20 recommendations from Forum for Sustainable Finance

Dansif

A proud participant of: Climate Action 100+ Global Investors Driving Business Transition

RACE TO ZERO

Statements

Statement by the Executive and Supervisory Board

We have today discussed and approved the Annual Report of Jyske Bank A/S for the financial year 1 January to 31 December 2023.

The consolidated financial statements have been prepared and are presented in accordance with statutory requirements, including IFRS Accounting Standards as adopted by the EU. The Parent's financial statements have been prepared and are presented in accordance with statutory requirements, including the Danish Financial Business Act. Further, the Annual Report has been prepared in accordance with the additional Danish disclosure requirements for listed financial companies.

In our opinion, the consolidated financial statements and the Parent's financial statements give a true and fair view of the Group's and the Parent's financial position as at 31 December 2023 and of their financial performance and cash flows for the financial year 1 January to 31 December 2023.

In our opinion, the Management's Review gives a fair presentation of the development in the Group's and the Parent's performance and financial position, the net profit or loss for the year and the Group's and the Parent's financial position as a whole as well as a description of the most material risks and elements of uncertainty that may affect the Group and the Parent.

In our opinion, the Annual Report for the financial year 1 January to 31 December 2023, with the following file name: "3M5E1GQGKL17HI6CPN30-2023-12-31-da.zip", has in all material respects been prepared in accordance with the ESEF regulation.

In our opinion, ESG KPIs, CO2 accounts and reporting in accordance with the EU taxonomy ("selected ESG data") on pages 211-212 and 218-237 for the period 1 January to 31 December 2023 have in all material respects been prepared in accordance with accounting policies as described on pages 238-243.

The Annual Report is recommended for approval by the Annual General Meeting.

Silkeborg, 27 February 2024

Executive Board

Lars Mørch
CEO and Managing Director

Niels Erik Jakobsen

Peter Schleidt

Per Skovhus

/Jens Borum
Director, Finance

Supervisory Board

Kurt Bligaard Pedersen
Chairman

Keld Norup
Deputy Chairman

Rina Asmussen

Anker Laden-Andersen

Bente Overgaard

Per Schnack

Johnny Christensen
Employee Representative

Marianne Lillevang
Employee Representative

Michael C. Mariegaard
Employee Representative

Independent auditor's report

To the shareholders of Jyske Bank A/S

Independent auditor's report on the consolidated financial statements and the parent company financial statements

Audit opinion

We have audited the consolidated financial statements and the parent company financial statements of Jyske Bank A/S for the financial year 1 January – 31 December 2023, which comprise statement of comprehensive income, balance sheet, statement of changes in equity and notes, including material accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional Danish disclosure requirements for listed financial institutions, and the Parent's financial statements are prepared in accordance with the Danish Financial Business Act.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group at 31 December 2023 and of the results of the Group's operations and cash flows for the financial year 1 January – 31 December 2023 in accordance with IFRS Accounting Standards as adopted by the EU and additional Danish disclosure requirements for listed financial companies.

Further, in our opinion, the financial statements give a true and fair view of the Parent Company's financial position at 31 December 2023 and of the results of the Parent Company's operations for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Business Act.

Our audit opinion is consistent with our long-form audit report to the Audit Committee and the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

To the best of our knowledge, we have not provided any prohibited non-audit services as described in article 5(1) of Regulation (EU) no. 537/2014.

Appointment of auditor

We were initially appointed as auditor of Jyske Bank A/S on 16 June 2020 for the financial year 2020. We have been reappointed annually by resolution of the general meeting for a total consecutive period of 4 years up until the financial year 2023.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year 2023. These matters were addressed during our audit of the financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section, including in relation to the key audit matters below. Our audit included the design and performance of procedures to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Key audit matters

Measurement of loans, advances and guarantees

A material part of the Group's assets consists of loans and advances, which are associated with risks of loss in the event of the customer's inability to pay. In addition, guarantees and other financial products are also associated with risks of loss.

The Group's total loans amounted to DKK 557,312m at 31 December 2023 (DKK 541,682m at 31 December 2022), and the total impairment charges and provisions for expected credit losses amounted to DKK 4,972m at 31 December 2023 (DKK 4,741m at 31 December 2022).

In our assessment, the Group's statement of loan impairment charges and provisions for losses on guarantees, etc. constitute a key audit matter, as the statement involves material amounts and management's estimates. This relates in particular to the determination of the probability of default, staging assessment and an assessment of indication of credit impairment, realisable value of collateral received as well as the customer's ability to pay in case of default.

Large exposures and exposures with high risk are assessed individually, while small exposures and exposures with low risk are determined on the basis of models for expected credit losses that involve management's estimates in connection with the establishment of methods and parameters for the determination of the expected loss. The Group recognizes additional impairment charges based on management's estimates in such situations where the impairment charges calculated by models and determined individually have not yet been estimated to reflect specific risks of loss.

Reference is made to the notes 14, 50 and 68 of the financial statements, where the Group's and the bank's credit risks, accounting policies as well as uncertainties and estimates that may affect the statement of expected credit losses are described.

How our audit addressed the key audit matter

Based on our risk assessment and knowledge of the industry, we have performed the following audit procedures relating to measurement of loans, advances and guarantees:

- Assessment of the Group's methods for stating expected credit losses, including an assessment as to whether methods applied for model-based and individual statements of expected credit losses are in accordance with the accounting rules.
- Test of the Group's procedures and internal controls, including tests relating to the monitoring of exposures, staging assessment, registration of indication of credit impairment as well as registration and valuation of collateral values.
- Sample testing among the largest and most risky exposures, including credit-impaired exposures, for i.a. correct risk classification and identification of objective evidence of credit impairment as well as test of the methods applied, collateral values and future cash flows in impairment calculations.
- As regards model-calculated charges, we tested the completeness and accuracy of input data, determination of model parameters, adjustment for expectations of future economic circumstances, the models' calculations of expected credit losses as well as the Group's validation of models and methods for the determination of expected credit losses.
- As regards management overlays to individual and model-based impairments charges, we assessed whether the methods applied are relevant and suitable and assessed and tested the Group's basis for the applied preconditions, including whether these are reasonable and well-founded relative to relevant bases of comparison.

Furthermore, we assessed whether the disclosures in the notes relating to exposures, credit loss and credit risks comply with the relevant accounting rules and tested the numerical information in these notes (14, 19, 20 and 21).

Statement on the Management's Review

Management is responsible for the Management' review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required by relevant law and regulations.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of relevant law and regulations. We did not identify any material misstatement of the Management's review.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional disclosure requirements for listed financial institutions and for the preparation of parent company financial statements that give a true and fair view in accordance with the Danish Financial Business Act.

Moreover, Management is responsible for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, safeguards used or actions taken to eliminate those threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure.

Report on compliance with the ESEF Regulation

As part of our audit of the Consolidated Financial Statements and Parent Company Financial Statements of Jyske Bank A/S, we performed procedures to express an opinion on whether the annual report of Jyske Bank A/S for the financial year 1 January – 31 December 2023 with the file name "3M5E1GQGKL17HI6CPN30-2023-12-31-da.zip" is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the Consolidated Financial Statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for all financial information required to be tagged using judgement where necessary
- Ensuring consistency between iXBRL tagged data and the Consolidated Financial Statements presented in human readable format, and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process
- Evaluating the completeness of the iXBRL tagging of the Consolidated Financial Statements including notes
- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy, and
- Reconciling the iXBRL tagged data with the audited Consolidated Financial Statements.

In our opinion, the annual report of Jyske Bank A/S for the financial year 1 January – 31 December 2023 with the file name "3M5E1GQGKL17HI6CPN30-2023-12-31-da.zip" is prepared, in all material respects, in compliance with the ESEF Regulation.

Aarhus, 27 February 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Lars Rhod Søndergaard	Michael Laursen
State Authorised	State Authorised
Public Accountant	Public Accountant
mne28632	mne26804

Independent auditor's report on selected ESG data

To the stakeholders of Jyske Bank A/S

As agreed, we performed an examination providing limited assurance, as defined by the International Standard on Assurance Engagements, of the Jyske Bank A/S Group's (Jyske Bank) ESG financial highlights, reported CO_2 emissions and reporting in accordance with the EU Taxonomy (the "selected ESG data") on pages 211-212 and 218-237 for the period 1 January to 31 December 2023.

When preparing the selected ESG data, Jyske Bank used the criteria "accounting policies" described on pages 238-243. The selected ESG data should be read and understood in the context of the accounting policies, which are the sole responsibility of Management to select and apply. The absence of an established practice to derive, evaluate and measure the selected ESG data allows for different but acceptable measurement techniques and may affect comparability between entities and over time.

Management's responsibilities

Jyske Bank A/S' Management is responsible for determining the accounting policies and for presenting, in all material respects, the selected ESG data in accordance with the accounting policies. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the selected ESG data, such that they are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express a conclusion on the presentation of the selected ESG data, based on our examinations and the evidence we have obtained.

We performed our work in accordance with ISAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and additional requirements under Danish audit regulation to obtain limited assurance for our conclusion. EY Godkendt Revisionspartnerselskab applies the International Standard on Quality Management 1, ISQM1, which requires that we design, implement and operate a quality control system, including policies and procedures regarding compliance with ethical requirements, professional standards and applicable requirements of Danish law and other regulations.

We have complied with the requirements for independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional conduct as well as ethical requirements applicable in Denmark.

Description of procedures performed

Our procedures were designed to obtain sufficient and appropriate evidence for purposes of expressing a conclusion providing limited assurance on the selected ESG data.

The procedures performed in connection with our examination are less than those performed in connection with a reasonable assurance engagement. Consequently, the degree of assurance for our conclusion is substantially less than the assurance that would be obtained had we performed a reasonable assurance engagement.

As part of our examinations, we performed the below procedures:

- Interviewed those in charge of the selected ESG data to develop an understanding of the process for the statement of the selected ESG data and for performing internal control procedures.
- Analytical review procedures regarding data and trends to identify areas within the selected ESG data subject to a material risk of misleading information or material misstatement and obtained an understanding of possible explanations of major variances.
- Based on queries, we assessed whether the accounting policies applied are expedient and consistently applied and assessed related information in the selected ESG data. This also includes whether Management's assessments are fair and reasonable.
- Designed and performed additional procedures responsive to risks, and obtained evidence that is sufficient and appropriate to provide a basis for our conclusion.

We believe that our work provides a reasonable basis for our conclusion.

Conclusion

Based on our examinations and the evidence obtained, nothing has come to our attention that causes us to believe that Jyske Bank's ESG financial highlights, CO_2 emissions and reporting in accordance with the EU Taxonomy (the "selected ESG data") on pages 211-212 and 218-237 for the period 1 January – 31 December 2023 have not been prepared, in all material respects, in accordance with the accounting policies described on pages 238-243.

Other Disclosures than the selected ESG data

Management is responsible for Other Disclosures. Other Disclosures comprise the remaining pieces of information included in the Management's review and which are not included in the selected ESG data on pages 211-212 and 218-237 and our auditor's report thereon.

Our conclusion on the selected ESG data does not extend to Other Disclosures and we do not express an opinion providing assurance thereon.

Aarhus, 27 February 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Michael Laursen
State Authorised
Public Accountant
mne26804

Esben Hansen
Associate Partner

Directorships

Directorships held by members of the Supervisory Board in other commercial enterprises at 31 December 2023

Former CEO and Director Kurt Bligaard Pedersen, Copenhagen Ø, Chairman
- CEO of Bligaard Consult

Director, LL.M Keld Norup, Vejle, Deputy Chairman
- Chairman of the supervisory board/board member, Holmskov-gruppen, Vejle including
  - Chairman of the supervisory board, Holmskov & Co. A/S
  - Chairman of the supervisory board, Holmskov Finans A/S
  - Chairman of the supervisory board, Holmskov Invest A/S
- Managing director, Keld Norup Holding ApSS

Rina Asmussen, Consultant, Klampenborg
- Board member of PFA Invest
- Board member and Deputy Chairman, BRFfonden, and on the board of a fully owned subsidiary
- Deputy Chairman of Fonden for Håndværkskollegier
- Director, RA-Consulting

Anker Laden-Andersen, Attorney-at-Law, Frederikshavn
- Chairman of the supervisory board of Gisselfeld Kloster
- Chairman of the supervisory board of Hirtshals Havn and on the board of a fully owned subsidiary
- Chairman of the supervisory board of DEN GREVELIGE OBERBECH-CLAUSEN-PEANSKE FAMILIEFOND (Voergaard Slot)
- Chairman of the supervisory board of Hjerl Fonden
- Chairman of the supervisory board, Olga og Peter Dudeks Fond
- Chairman of the supervisory board, Grøngas Partner A/S and two fully owned subsidiaries
- Board member, Thoraso ApS
- Board member, Vanggaard Fonden (Sæby Fiskeindustri)
- Director of ALA Advokatpartner anpartsselskab

Per Schnack, prof. board member, Holte
- Board member, MFT Energy A/S
- Director, Talk Management

Bente Overgaard, Managing Director, Hellerup
- Board member, Tømmerhandler Johannes Fogs Fond
- Board member, SP Group A/S
- Deputy Chairman, the Danish Nature Fund
- Director at Overgaard Advisory ApS
- Director of Bestyrelsesforeningen, CBS
- Board member, Fellowmind Company AB

Directorships held by members of the Executive Board in other commercial enterprises[9] as at 31 December 2023

Lars Mørch
- Board member (Deputy Chairman), Foreningen Bankdata F.m.b.a.

Niels Erik Jakobsen
- Board member (Deputy Chairmen), Letpension Forsikringsformidling A/S
- Board member, BI Holding A/S as well as the fully owned subsidiary BI Asset Management Fondsmæglerselskab A/S

Peter Schleidt
- Board member (Deputy Chairman), JN Data A/S

[9] To this must be added the directorships held by members of the Executive Board in wholly owned subsidiaries.

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