

Corporate Announcement

Jyske Bank launches strategy and long-term financial targets

"Earlier in the month, Jyske Bank upgraded its outlook for 2024 due to a continued positive development. We are now launching a strategy to become an even better bank for our customers," says Lars Mørch, CEO and Managing Director, and continues:

"With a strong foundation in the Danish market and a number of positions of strength in servicing both personal and corporate customers, Jyske Bank will over the coming years do more of what we have shown that we are good at and accelerate development in the areas where we want to do better."

"We support customers, e.g., in their sustainable transition and use digitization proactively to the benefit of the customers and to increase efficiency. Based on the strategy, we have set financial targets according to which we aim to obtain a return on tangible equity of 10% based on a cost/income ratio below 50 supplemented by an attractive distribution to shareholders," says Lars Mørch, CEO and Managing Director.

Jyske Bank utilizes the opportunities that arise to create value for customers, and the Group will seek out opportunities for cooperation and, in doing so, be an attractive partner for other players in the sector.

In the lead up to the strategy announcement, the Group has set up the organisation so that customer orientation is strengthened throughout the value chain and efforts and resources are efficiently channelled to where it benefits the customers the most and contributes the most to the Group's profitability. At the same time, risk management and digitization have been strengthened.

Jyske Bank expects a return on tangible equity of 10% in 2028 based on a presupposed common equity tier 1 capital ratio at the lower end of 15%-17%, a cost/income ratio below 50, and a normalised cost of risk of 8bp p.a. The ambition to distribute approx. 30% of shareholders' result supplemented by share buy-backs is maintained. In the coming years, the Danish economy is expected to be dominated by lower interest rates and balanced growth with high levels of employment and moderate inflation.

The targets reflect an underlying improvement in profitability aimed at mitigating expectations of significantly lower interest rates over the coming years. The targets will be achieved through stronger customer-orientation and focus on capital-light income as well as structural cost measures, ensuring continued investment in new technology and higher efficiency.

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

In connection with the release of its Interim Report for Q1-Q3 2024, Jyske Bank will publish an update of the strategy that expands on the above. Otherwise, reference is made to [jyskebank.com/investorrelations](https://www.jyskebank.com/investorrelations), which also provides access to today's conference call at 2.00 p.m.

Yours faithfully,
Jyske Bank

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