



UN Principles for Responsible Banking

Reporting and Self-Assessment

2022

February 2023

UN Principles for Responsible Banking Reporting and Self-Assessment 2022

Introduction	2
Reporting and Self-Assessment Template	
Principle 1: Alignment	3
Principle 2: Impact and Target Setting	5
Principle 3: Client and Customers	15
Principle 4: Stakeholders	17
Principle 5: Governance and Culture	18
Principle 6: Transparency and Accountability	21
Basis of preparation	24
Statement by the Management	28
Independent Auditor's Assurance Report	29

Introduction

Jyske Bank became a founding signatory of the UN's Principles for Responsible Banking in 2019, signalling our commitment to contribute to and facilitate the sustainable growth our society needs.

Based on the UN's 17 Sustainable Development Goals and Principles for Responsible Banking, we are working to integrate sustainability into both business activities and the operation of the bank. This ensures a holistic approach, and it enables us to target our efforts to the areas where they will have the greatest impact.

The Principles for Responsible Banking are used as an overarching approach to our work on integrating sustainability.

This Self-Assessment forms part of Jyske Bank's requirements as a signatory to report on our impact, how we are implementing the principles, the targets we have set, and the progress we have made.

In accordance with the principles selected sections have been subject to limited assurance by our auditors.

**Principle 1:
Alignment**



We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Response

Jyske Bank places Denmark at the centre of the Group's business model and conducts only limited business activities with clients outside Denmark. However, the underlying investing activities for Jyske Bank's clients are inherently global.

Jyske Bank has a full-service set-up for Danish clients and a nationwide network of branches.

Jyske Bank's main activities comprise: Banking, mortgage and investing activities for private clients, private banking clients and corporate clients, trading and investing activities aimed at major corporate clients and institutional clients, and automotive and equipment leasing and financing activities.

Jyske Bank is Denmark's second largest bank, with a balance sheet total of DKK 750 billion and a market share of approx. 12% (measured on loans).

The business volume in assets under management amounted to DKK 190 billion at the end of 2022.

Links and references

Sustainability Report 2022,

About Jyske Bank, p. 4

Our business and role in society, p. 5

Simplifies sustainable investment, p 16

www.jyskebank.com/investorrelations/sustainability/reports

PRB impact analysis – December 2020, p. 5

www.jyskebank.com/investorrelations/sustainability/impact

Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

Yes

No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

UN Guiding Principles on Business and Human Rights

International Labour Organization fundamental conventions

UN Global Compact

UN Declaration on the Rights of Indigenous Peoples

Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones: -----

Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: -----

None of the above

Response

Jyske Bank's overall approach to sustainability is that "All progress counts".

Jyske Bank is committed to integrating sustainability into its business activities and operation of the bank. Our holistic approach ensures that we take initiatives in the areas where they will have the greatest impact.

The Sustainable Development Goals support and qualify our initiatives within sustainability now and in the future. Through our business activities, we influence most of the Sustainable Development Goals to one degree or another. We do not just want to match existing activities to Sustainable Development Goals. Instead, we focus on areas where we need to do something different tomorrow than we do today.

We follow the 20 recommendations given by the Forum for Sustainable Finance.

Through advice and the Group's range of products and services, we support clients in their transition. We focus on the opportunities of individual clients to carry out a sustainable transition rather than selecting clients on the basis of the general sustainability conditions in an industry, for example, but we expect our clients to want to and try to move in a more sustainable direction.

Our operation of the bank must reflect that what we recommend to clients, we do ourselves. In line with our identity, responsibility is the defining characteristic of all our operations, from preventing financial crime to being an attractive place to work to reducing the carbon emissions from our banking operations.

Climate is Jyske Bank's most significant impact area and the centre of our business-focused initiatives.

Links and references
Sustainability Report 2022,

The climate calls for action, pp.8-9

www.jyskebank.com/investorrelations/sustainability/reports

www.epaper.dk/finansda_nmark/forum-for-sustainable-finance-20-recommendations-to-finance-denmark/

Policy on sustainability and corporate social responsibility pp. 5-6

www.jyskebank.com/investorrelations/governance/code-of-conduct

**Principle 2:
Impact and Target Setting**



We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis (Key Step 1)

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly¹ and fulfil the following requirements/elements (a-d)²:

a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

Response

Since our last self-assessment, Jyske Bank has published another impact analysis for Climate, which includes the fourth estimate of financed carbon emissions for loans and investments.

The impact analyses have, since the very beginning (in 2019), materially covered our entire business volume of loans and investments on behalf of ourselves and our customers.

Jyske Bank's impact analysis method is based on the UN Portfolio Impact Analysis Tool for Banks and is described in more detail in our methodology document.

Links and references

Impact analysis – Climate, February 2023, p. 2

PRB Impact analysis – Method, June 2021 pp. 2-7

www.jyskebank.com/investorrelations/sustainability/impact

b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope

i) by sectors & industries³ for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or

ii) by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

Response

The latest analysis is based on a business volume of DKK 681 billion, comprising loans and investments on behalf of ourselves and our clients. As mentioned above, the business volume materially corresponds to the total business volume of Jyske Bank.

At the end of 2022, loans included in the analysis amounted to DKK 496 billion, of which 44% to private individuals and 56% to businesses/corporates (incl. public authorities). Of the total loans, financing of properties across client segments is DKK 387 billion, or 78%.

Links and references

Impact analysis – Climate, February 2023, p. 2

www.jyskebank.com/investorrelations/sustainability/impact

¹ That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.

² Further guidance can be found in the [Interactive Guidance on impact analysis and target setting](#).

³ "Key sectors" relative to different impact areas, i.e. those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.

<p>c) Context. What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate?⁴ Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.</p>	
<p><i>Response</i></p> <p>Jyske Bank operates almost exclusively in a Danish context, and the sustainability agenda in Denmark is focused on greenhouse gas emissions and achieving the targets in the Paris Agreement. We aim to reduce greenhouse gas emissions by 70% in the period up to 2030 (compared to 1990). In addition, the new Danish government has established a target for Denmark of net zero carbon emissions by 2045, and a 110% reduction by 2050.</p> <p>In the financial sector, this is supported by the Forum for Sustainable Finance recommendation for banks to publish action plans and any quantitative carbon reduction targets no later than their annual reporting for 2022.</p> <p>Similarly, Danish asset managers have set a 75% target for CO₂e reduction (in 2020) via Investment Denmark (INDA).</p> <p>Waste is also a relevant impact area for Denmark in particular. This is supported by the Sustainable Development Report, which states that, although Denmark is in first place globally in the SDG Index, it has challenges with SDG 12 (Responsible Consumption and Production) in common with a number of other high-income countries. In Denmark, new waste-sorting legislation is being implemented with effect from 1 January 2023.</p>	<p><i>Links and references</i></p> <p>PRB Impact analysis – Method, June 2021 pp. 2-7</p> <p>Impact analysis – Waste, June 2021 p. 3</p> <p>www.jyskebank.com/investorrelations/sustainability/impact</p> <p>Sustainability Report 2022, The climate calls for action, p.8</p> <p>Long-term target of net-zero CO₂ emissions, p. 14</p> <p>www.jyskebank.com/investorrelations/sustainability/reports</p>
<p>Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)⁵? Please disclose.</p>	
<p><i>Response</i></p> <p>Significant impact areas were identified in Jyske Bank's first impact analysis, published in December 2020.</p> <p>Climate, Waste and Soil Quality were identified as significant negative impact areas, and Housing, Climate and Inclusive, Healthy Economies as the most significant positive impact areas.</p> <p>It is Jyske Bank's assessment that the impact areas identified in the first impact analysis in 2020 continue to apply, because Jyske Bank's business model and portfolio composition have not undergone any significant changes since then.</p> <p>Accordingly, Climate remains the most significant negative impact area.</p>	<p><i>Links and references</i></p> <p>PRB Impact analysis – Method, June 2021 p. 4</p> <p>www.jyskebank.com/investorrelations/sustainability/impact</p>

⁴ Global priorities might alternatively be considered for banks with highly diversified and international portfolios.

⁵ To prioritise the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

d) Performance measurement. Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health & inclusion as your most significant impact areas, please also refer to the applicable indicators in the [Annex](#).

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.

Response

Financed emissions for 2022 are estimated at 1.9 million tonnes, corresponding to a reduction of 11%, and a reduction in emission intensity of 18% since 2021. In 2022, data quality saw a minor improvement as more client-specific CO₂ data was collected for corporate clients.

Emission intensity for both loans and investments fell from 2021 to 2022. For investments, low exposure to carbon-intensive sectors and continuous focus on gradual reductions in CO₂ emissions can be highlighted as reasons for the development. For loans, the positive development was driven by lower emission intensity for car loans and home loans for private individuals.

The majority of the estimated indirect CO₂ emissions are included in Jyske Bank's CO₂ accounts under scope 3 (categories 13 and 15).

We continue to focus on increasing positive impact through increased lending to the five lending areas in the Jyske Bank Green Finance Framework, which contributes to mitigating climate change. At the end of 2022, loans for sustainable lending activities amounted to DKK 119 billion, compared to DKK 88 billion at the end of 2021. In 2022, there has been positive development in all three areas covered by targets: renewable energy, low-energy commercial properties and low-emission vehicles and equipment.

Sustainability-linked loans were granted to major corporate clients in 2022 (DKK 6 billion in total). This type of loan is expected to increase in relevance in the long term and become available to more of our corporate clients.

We are working continuously to make it easy for our clients to invest sustainably. Funds classified as Article 8, which makes use of sustainability criteria, account for DKK 96 billion. Article 9 funds from selected external asset managers are offered. Since August 2022, sustainability preferences have been identified when providing investment advice.

No further analysis has been carried out on impact area 2, Waste, as the conditions surrounding unspecified indicators for the area and limited data availability continue to limit Jyske Bank's ability to promote dialogue and customer information. It is expected that data for the area of Waste will be improved in the coming years in the light of the new Waste Framework Directive, which entered into force on 1 January 2023.

Internally, Jyske Bank ran a pilot project in 2022 dealing with waste management. A new waste management concept will be rolled out in 2023.

Links and references

Impact analysis – Climate, February 2023, p. 2

www.jyskebank.com/investorrelations/sustainability/impact

Sustainability Report 2022, Highlights, p. 3

Long-term target of net-zero CO₂ emissions, p. 14

Simplifies sustainable investment, p. 16

Financing solutions that support a sustainable transition, pp. 19-20

We are saving energy, naturally, p. 24

www.jyskebank.com/investorrelations/sustainability/reports

Green Finance Framework Impact Report 2023 p. 5

www.jyskebank.com/investorrelations/sustainability/gff

Impact analysis – Waste, June 2021 pp. 2

www.jyskebank.com/investorrelations/sustainability/impact

Self-assessment summary:

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?⁶

Scope:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Portfolio composition:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Context:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Performance measurement:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

*Climate change mitigation, climate change adaptation, resource efficiency & circular economy, biodiversity, financial health & inclusion, human rights, gender equality, decent employment, water, pollution, other: **Waste, Soil, Healthy and inclusive economies, Housing***

How recent is the data used for and disclosed in the impact analysis?

- Up to 6 months prior to publication
- Up to 12 months prior to publication
- Up to 18 months prior to publication
- Longer than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc.: *(optional)*

Both average CO2 emission factors per sector from Denmark's Statistics and company-specific CO2 data are subject to a considerable time lag. For further description of the data quality please refer to the data quality assessment in the impact analysis (Impact analysis – Climate, February 2023, p. 6, www.jyskebank.com//investorrelations/sustainability/impact).

⁶ You can respond "Yes" to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.

2.2 Target Setting (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) *Alignment:* which international, regional or national policy frameworks to align your bank's portfolio with⁷ have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

Response

Jyske Bank supports Denmark's climate objectives and has a long-term goal to achieve net zero emissions.

By joining the Net Zero Asset Managers Initiative, Jyske Bank has committed to net carbon neutral investments for its clients by 2050.

Links and references

Sustainability Report 2022

The climate calls for action, p. 9

Long-term target of net-zero CO2 emissions, p. 14

www.jyskebank.com/investorrelations/sustainability/reports

⁷ Your bank should consider the main challenges and priorities in terms of sustainable development in your main country/ies of operation for the purpose of setting targets. These can be found in National Development Plans and strategies, international goals such as the SDGs or the Paris Climate Agreement, and regional frameworks. Aligning means there should be a clear link between the bank's targets and these frameworks and priorities, therefore showing how the target supports and drives contributions to the national and global goals.

b) **Baseline:** Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes:

Impact area	Indicator code	Response
Climate change mitigation	...	
	...	
	...	

In case you have identified other and/or additional indicators as relevant to determine the baseline and assess the level of alignment towards impact driven targets, please disclose these.

Response			Links and references
Impact area	Indicator code	Response & metrics used	
Climate change mitigation	A.1.1.	Yes. Our bank has a climate strategy in place.	Sustainability Report 2022
	A.2.1	Yes. We engage actively with both our business and retail clients. E.g. via webinars, direct mailings and 1:1 meetings.	The climate calls for action, p. 8
	A.3.1	DKK 119 bn in lending to areas that contribute to mitigating climate change as defined in Jyske Bank Green Finance Framework.	Progress and efforts, p.13
	A.4.1	Approx. 39% reduction in tonnes CO2 per DKKm for loans and investments since 2019 (2.79 tonne CO2 per DKKm vs. 4.54 tonne CO2 per DKKm).	Long-term target of net-zero CO2 emissions, p. 14
	A.1.2	Yes. We have a long-term goal of becoming net zero. Loans in 2045 and investments in 2050. Baseline as described below this table.	www.jyskebank.com/investorrelations/sustainability/reports
	A.2.2	Absolute financed emissions of 1.9m tonnes CO2 (impact analysis)	Green Finance Framework Impact Report 2023 p. 5 www.jyskebank.com/investorrelations/sustainability/gff
	A.3.2	Loan volume in carbon intensive sectors: Loans (agriculture, commercial and residential real estate, power generation and road transport): DKK 114 bn ~ 23% of loans included in the analysis. For investments this information, among others, will be disclosed in our PAI statement reporting to be released in Q2 2023.	Impact analysis – Climate, February 2023, p. 3 www.jyskebank.com/investorrelations/sustainability/impact

<p>c) <i>SMART targets</i> (incl. key performance indicators (KPIs)⁸): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.</p>	
<p><i>Response</i></p> <p>In addition to our long-term net zero emissions target, we have established sub-targets with shorter time horizons (2025 and 2030).</p> <p>Target:</p> <ol style="list-style-type: none"> 1. Financing production of 5 TWh of renewable energy by 2025 2. Financing of DKK 50 billion for low-energy commercial properties by 2025 3. 30% of loans for the financing of vehicles and equipment to be for low-emission vehicles and equipment by 2025 4. 75% reduction of the carbon footprint of our equity investments under management by 2030 compared to 2019 (target set) 5. 40% reduction of the carbon footprint of our funds with investments in Danish mortgage bonds by 2030 compared to 2019 <p>In 2022, the following new carbon reduction targets were set for lending to the sectors with the highest emissions in Jyske Bank's loan portfolio in:</p> <ol style="list-style-type: none"> 6. Energy supply (Electricity and District Heating): 30% reduction in CO₂ per kWh produced by 2030 7. Residential rental properties: 65% reduction in CO₂ per m² by 2030 8. Office and business properties: 50% reduction in CO₂ per m² by 2030 9. Road transport (lorries, vans and buses): Min. 15% reduction in CO₂ per tonne/km by 2030 10. Agriculture: Min. 40% reduction in CO₂ per DKK lent by 2030 <p>For targets 6–8 and 10, baseline = 2020. For target 9, 2019 is used as a baseline because 2020 was significantly affected by COVID-19. Thus, 2019 provides a better true and fair baseline.</p> <p>In 2022, an absolute reduction target has also been set for banking operations:</p> <ol style="list-style-type: none"> 11. 65% reduction in CO₂ emissions (scopes 1 and 2) by 2030 compared to 2020 	<p><i>Links and references</i></p> <p>Sustainability Report 2022</p> <p>The climate calls for action, p. 8</p> <p>Progress and efforts, p.13</p> <p>Long-term target of net-zero CO₂ emissions, p. 14</p> <p>Our first solar photovoltaic system has been installed in Silkeborg, p. 23</p> <p>www.jyskebank.com/investorrelations/sustainability/reports</p>

⁸ Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.

d) **Action plan:** which actions including milestones have you defined to meet the set targets? Please describe.

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

Response

We have drawn up action plans for the targets in order to specify first steps towards achieving the above reduction targets for lending. The action plans include initiatives such as increased cooperation with trade organisations on standards and increased calls for corporate clients to prepare climate accounts and invest in climate-friendly solutions. The action plans also contain targets for the proportion of loans and customers preparing climate accounts in 2025 and 2030 respectively.

Our reduction target for equity investments under management is supported by the built-in criteria in a number of the equity funds specifying an annual CO₂ reduction of 7%. On a day-to-day basis, the portfolio manager in the individual equity funds can be seen as having a carbon budget that is reduced annually and that must be used as efficiently as possible. This leads to an incentive to invest in companies that are working actively on CO₂ reduction. Particularly high-emitting companies are also identified. In this way, general awareness is increased, which influences the portfolio managers' investment decisions.

We acknowledge that our targets within climate can have a potential indirect impact on other impact areas and discuss it on an on-going basis internally. With the approach "All progress counts" our starting point is the individual customer's opportunities for sustainable transition and we do not reject customers as a result of general sustainability conditions in, for example, a given industry, but we expect our customers to want and work to move in a more sustainable direction. Thus, we play an important role through active ownership and engagement with our lending customers.

In 2022, we have experienced how the war in Ukraine affected energy supply and prices, and how other criteria (e.g. supply security) than climate took the centre stage. It emphasised the importance of ensuring the societies' ability to make an orderly transition.

Both targets and planned actions will need to be updated on an ongoing basis to reflect, for example, new knowledge or better methods and data, and we will give our stakeholders the opportunity to follow along by being transparent about our work and approach.

Links and references

Sustainability Report 2022

The climate calls for action, p. 9

Long-term target of net-zero CO₂ emissions, pp. 14-15

www.jyskebank.com/investorrelations/sustainability/reports

Self-assessment summary

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...

	... first area of most significant impact: Climate	... second area of most significant impact: Waste	<i>(If you are setting targets in more impact areas) ...your third (and subsequent) area(s) of impact: ... (please name it)</i>
Alignment	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Baseline	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
SMART targets	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Action plan	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No

2.3 Target implementation and monitoring (Key Step 2)

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

Response

Sustainable business:

1. Jyske Bank financed a further 0.4 TWh of renewable energy in 2022
2. Loans for the financing of low-energy business properties rose by DKK 8.3billion in 2022
3. 18.3% of loans for the financing of vehicles and equipment were for low-emission vehicles and equipment at the end of 2022
4. The carbon footprint of our equity investments under management was reduced by 46% compared to 2019, as compared to 50% in 2021.
5. The carbon footprint of our funds invested in Danish mortgage bonds was reduced by 49% compared to 2019.

Examples of activities that have contributed to the above progress:

- Comprehensive training course on sustainability for all employees in Corporate Banking, more than 80% has completed the course
- Training of 802 advisers to engage in dialogue with private clients about energy renovations at home
- Held 22 events on energy renovation and energy saving at home together with energy consultants. More than 1,100 clients participated
- Webinars on climate reporting and inspiration for working with sustainability in companies
- Establishment of an organisational structure that supports increased financing of renewable energy solutions

In 2022, Jyske Bank's wind turbine produced 16 GWh, offsetting the bank's emissions associated with electricity, heat and driving of the bank's vehicles. Thus, banking operations (scope 1 and 2) are therefore net carbon neutral.

Links and references

Sustainability Report 2022

Progress and efforts, p.13

Our first solar photovoltaic system has been installed in Silkeborg, p. 23

Progress and efforts, p. 25

www.jyskebank.com/investorrelations/sustainability/reports

**Principle 3:
Clients and Customers**



We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers⁹ in place to encourage sustainable practices?

Yes In progress No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

Yes In progress No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices¹⁰ and enable sustainable economic activities¹⁰). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

Response

Through our policies and our approach to our clients, we build a relationship based on responsibility by emphasising a high level of expertise on the part of our employees, transparency in our products and financial solutions, a healthy corporate culture and a continuous focus on combatting financial crime and misuse of the bank.

Sustainability has become a key theme of investment advice as a result of Jyske Bank implementing the identification of our investment clients' sustainability preferences in 2022. In order to equip our investment advisors for the dialogue with clients, we conducted extensive training activities in 2022.

In the autumn, we invited personal clients to events on energy savings in 22 locations across the country. The energy crisis and resultant rising energy prices, as well as the need for increased knowledge about energy renovation in private homes, were some of the reasons why, together with BoTjek, we invited clients to an evening of inspiration on energy renovation, optimisation and savings.

In Corporate Banking, relationship managers and business partners engage in strategic dialogue with clients on sustainability. For many corporate clients, the road to transition is still unknown and difficult to start along. A good place to start the dialogue and transition, both for the client and for us, is knowing what the baseline is.

In partnership with the Danish food bank FødevarerBanken, we have put sustainable investment on the menu along with social engagement. Together, we have invited customers to dinners as part of the Danmark Spiser Sammen (Denmark Eats Together) campaign. Among other things, clients heard about our partnerships, the importance of the meal for communities, and also a presentation about sustainable investment opportunities.

Links and references

Sustainability Report 2022,

The climate calls for action, p. 11

Simplifies sustainable investment, p. 16

Financing solutions that support a sustainable transition, p. 19

Partnerships for well-being and community, p. 34

Healthy corporate culture, p. 40

www.jyskebank.com/investorrelations/sustainability/reports

www.jyskebank.com/investorrelations/sustainability/social-involvement

<p>We also took the initiative to start up a network for institutional clients, where the focus is on developing sustainable investment solutions in Danish mortgage bonds. The network is intended as a professional platform where our experience and knowledge create value for the institutional clients through collaboration and dialogue.</p> <p>In 2022, as in previous years, we used our various platforms to communicate with our clients about sustainability over a broad cross section of topics such as energy renovation, sustainable investment and pensions as well as financing low-energy commercial properties.</p>	
<p>3.2 Business opportunities</p> <p>Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).</p>	
<p><i>Response</i></p> <p>We consider it essential to have a commercial basis for our sustainability work.</p> <p>We want to increase our business volume in areas that can contribute to mitigating climate change. In the Jyske Bank Green Finance Framework, we have identified five lending areas that can help mitigate climate change. At the end of 2022, loans in these areas amounted to DKK 119 billion, corresponding to approx. 24% of total loans (excl. repo loans).</p> <p>DKK 9 billion was financed through green mortgage bonds issued by Jyske Realkredit A/S. In addition to this, green bonds totalling EUR 1 billion were issued by Jyske Bank A/S.</p> <p>Sustainability-linked loans with KPIs (typically related to climate) are becoming increasingly popular, with DKK 6 billion granted for this type of loan in 2022.</p> <p>In addition to the above, we also fund subsidized housing. At the end of 2022, loans of this type amounted to DKK 45 billion.</p>	<p><i>Links and references</i></p> <p>Sustainability Report 2022</p> <p>We are taking responsibility in a world in flux, p. 6</p> <p>Financing solutions that support a sustainable transition, p. 20</p> <p>www.jyskebank.com/investorrelations/sustainability/reports</p> <p>Green Finance Framework Impact Report 2023 p. 5 and p. 10</p> <p>www.jyskebank.com/investorrelations/sustainability/gff</p> <p>Jyske Bank Annual Report 2022, note 20, p. 54</p> <p>www.jyskebank.com/investorrelations/financialstatements</p>

⁹ A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

¹⁰ Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

Principle 4:
Stakeholders



We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups¹¹) you have identified as relevant in relation to the impact analysis and target setting process?

Yes In progress No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Response

We are in continuous contact and interact with various external stakeholders within and across industries. This interaction has been formalised in selected areas, for example in Jyske Bank's participation in sector work through Finance Denmark.

Jyske Bank is part of many committees and working groups at Finance Denmark, including the Sustainable Finance Working Group, which focuses on the overall sustainability agenda. In 2022, we were also active in working groups focusing on the EU taxonomy and the CSRD, to highlight a few.

In 2022, we also partnered with different stakeholders on various sustainability-related topics. Examples included data, tools, training activities and transition plans. Our partners ranged from trade organisations, the public sector and climate partnerships to clients. This applies especially within the industries where we have set CO₂ reduction targets and where the need to gather knowledge has been greatest.

We have also initiated dialogues with six Danish mortgage credit institutions. We see a need for mortgage credit institutions and investors to discuss transparency in relation to financed emissions, data methodologies and specific action to contribute to the fulfilment of the Paris Agreement. We want to create a forum where we can address other relevant sustainability issues over time.

Links and references

Sustainability Report 2022

Simplifies sustainable investment, p. 18

Financing solutions that support a sustainable transition, p. 19

www.jyskebank.com/investorrelations/sustainability/reports

¹¹ Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous populations and non-profit organisations

**Principle 5:
Governance & Culture**



We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

Yes In progress No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

Response

Jyske Bank has a policy on sustainability and corporate social responsibility. This policy has been approved by the Board of Directors and is publicly available on Jyske Bank's website.

The Board has overall responsibility for the strategy and policy on sustainability and corporate social responsibility. The audit committee and risk committee act as preparatory committees.

The Board follows up on sustainability on a quarterly basis.

The Executive Board has day-to-day responsibility across the Group and ensures implementation and compliance with the policy. In practice, follow-up on this responsibility is delegated to the Sustainability Committee, which holds quarterly meetings.

The IR and Sustainability department is responsible for driving and coordinating the overall agenda.

Sustainability is an integral part of operations and business development in all parts of the Group, and all the units in the organisation play a part in implementing the strategy and meeting Jyske Bank's sustainability objectives.

Decisions on sustainable lending areas are handled by the Green Finance Framework Committee.

We do not have direct performance-related remuneration at Jyske Bank, that also applies to the area of sustainability/ESG.

Links and references

Policy on sustainability and corporate social responsibility pp. 6-7, www.jyskebank.com/investorrelations/governance/code-of-conduct

Sustainability Report 2022,

Healthy corporate culture, pp. 40-41

Risk management, p. 43

Governance, p. 44

Policies and principles, p. 56

www.jyskebank.com/investorrelations/sustainability/reports

Jyske Bank Group Green Finance Framework – November 2022, p. 11 www.jyskebank.com/investorrelations/sustainability/gff

5.2 Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

<p><i>Response</i></p> <p>More than 95% of all employees have completed one or more sustainability training modules at Jyske Bank. We have a holistic approach that recognises the well-known disciplines of responsible banking and focuses on what is new in sustainable business – those areas where we need to change behaviours and make a difference.</p> <p>In internal news and TV shows over the course of the year, we focused on social partnerships, installation of solar panels, waste management, employee commuting and the assessment of Jyske Bank’s sustainability efforts (e.g. ESG ratings and image surveys).</p> <p>As a result of the geopolitical situation in Europe, in 2022 there was particular focus on energy consumption – including internally at Jyske Bank. Our awareness of our role has been intensified through employee contributions to identifying energy initiatives and internal news on the status of our energy saving.</p>	<p><i>Links and references</i></p> <p>Sustainability Report 2022</p> <p>Highlights, p. 5</p> <p>The climate calls for action, p. 8</p> <p>We are saving energy, naturally, p. 24</p> <p>Progress and efforts, p. 25</p> <p>www.jyskebank.com/investorrelations/sustainability/reports</p>
--	---

5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio?¹² Please describe.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

<p><i>Response</i></p> <p>Our overall approach to sustainability is outlined in the policy on sustainability and corporate social responsibility. ESG matters, especially climate risks, are also included in a number of other policies, e.g. credit policy, sustainable and responsible investment policy and operational risk policy.</p> <p>Jyske Bank has a Group framework for managing non-financial risks. This is used to identify, assess and manage non-financial risks across the Group on an ongoing basis. Regular reports are submitted to the Group management. The reports ensure that the Board of Directors is kept continuously informed as to whether or not the risk appetite expressed for non-financial risks has been complied with.</p>	<p><i>Links and references</i></p> <p>Sustainability Report 2022,</p> <p>Climate risks, p. 22</p> <p>Progress and efforts, p. 25</p> <p>Risk management, p. 43</p> <p>Policies and principles, p. 56</p>
---	--

¹² Applicable examples of types of policies are: exclusion policies for certain sectors/activities; zero-deforestation policies; zero-tolerance policies; gender-related policies; social due diligence policies; stakeholder engagement policies; whistle-blower policies etc., or any applicable national guidelines related to social risks.

<p>The work with climate risks includes portfolio analyses, development of heatmaps, data development and identification of both transition risks and physical risks.</p> <p>The Board of Jyske Bank regularly reviews climate risks through the quarterly risk reporting.</p>	<p>www.jyskebank.com/investorrelations/sustainability/reports</p>
--	---

**Principle 6:
Transparency & Accountability**



We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

Yes

Partially

No

If applicable, please include the link or description of the assurance statement.

Response

Our Reporting and Self-Assessment for 2021 was included in the 2021 Sustainability Report. The report was covered in its entirety by the external auditor's assurance report (limited assurance).

For 2022, we report in the revised Reporting and Self-Assessment Template, and it is disclosed in this report. A summary is included in our sustainability report.

This report is covered by an assurance report from the external auditor that specifically addresses the four areas covered by limited assurance requirement. Please refer to the assurance report on p. 29 of this document.

A summary of this template is included in Jyske Bank's Sustainability Report 2022.

Links and references

Sustainability Report 2022,
Principles for Responsible Banking, p. 54

[www.jyskebank.com/
investorrelations/sustainability/reports](http://www.jyskebank.com/investorrelations/sustainability/reports)

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- GRI
- SASB
- CDP
- IFRS Sustainability Disclosure Standards (to be published)
- TCFD
- Other:

Response

Jyske Bank has not signed up to further initiatives in 2022.

In addition to PRB, Jyske Bank is part of the Global Compact, PRI, the Net Zero Asset Managers Initiative, Climate Action 100+ and TCFD.

The ESG fact book for 2022 includes SASB index reporting.

Links and references

Sustainability Report 2022,
Policies and principles, p. 56

[www.jyskebank.com/
investorrelations/sustainability/reports](http://www.jyskebank.com/investorrelations/sustainability/reports)

ESG Fact Book, 'SASB'
[www.jyskebank.com/investorrelations/
sustainability/reports](http://www.jyskebank.com/investorrelations/sustainability/reports)

6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis¹³, target setting¹⁴ and governance structure for implementing the PRB)? Please describe briefly.

Response

Among other things, in 2023 we will focus on:

- Anchoring the follow-up of our targets
- Expanding reduction targets to include a greater proportion of funds under management
- Publishing a climate position paper
- Encouraging corporate clients to prepare climate accounts, take specific measures and consider new, climate-friendly investments
- Continuing to focus on adding knowledge through webinars and the participation of a sustainability specialist at client meetings
- Maintaining and developing close cooperation with trade organisations regarding the industry's development within sustainability

Links and references

Sustainability Report 2022,
Progress and efforts, p. 25

[www.jyskebank.com/
investorrelations/sustainability/reports](http://www.jyskebank.com/investorrelations/sustainability/reports)

¹³ For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement

¹⁴ For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

- | | |
|--|--|
| <input type="checkbox"/> Embedding PRB oversight into governance | <input type="checkbox"/> Customer engagement |
| <input type="checkbox"/> Gaining or maintaining momentum in the bank | <input type="checkbox"/> Stakeholder engagement |
| <input type="checkbox"/> Getting started: where to start and what to focus on in the beginning | <input checked="" type="checkbox"/> Data availability |
| <input type="checkbox"/> Conducting an impact analysis | <input type="checkbox"/> Data quality |
| <input type="checkbox"/> Assessing negative environmental and social impacts | <input type="checkbox"/> Access to resources |
| <input checked="" type="checkbox"/> Choosing the right performance measurement methodology/ies | <input type="checkbox"/> Reporting |
| <input checked="" type="checkbox"/> Setting targets | <input type="checkbox"/> Assurance |
| <input type="checkbox"/> Other: ... | <input type="checkbox"/> Prioritizing actions internally |

If desired, you can elaborate on challenges and how you are tackling these:

Basis of preparation

Jyske Bank's 2022 reporting and self-assessment for the implementation of the UN Principles for Responsible Banking has been prepared in accordance with the Principles for Responsible Banking Guidance document (November 2021) and the Reporting and Self-assessment Template (September 2022) by UNEP FI.

With this report we aim to provide an overview of our progress and stage of implementation of each of the six principles under the UN Principles for Responsible Banking as per 31 December 2022 in a transparent and balanced manner.

The answers provided are based on other publicly available reporting from and information about Jyske Bank such as our website, relevant policies, impact analyses, Sustainability Report 2022, Jyske Bank Green Finance Framework Impact Report 2022 and Annual Report 2022, to which we refer throughout this report.

The following sections provide supplementary information about the basis and methodologies used to prepare selected responses, which to a large extent are excerpts from our methodology document for impact analysis.

For further details please refer to Jyske Bank PRB impact analysis - methodology¹⁵ as well as the reporting template principles above.

Principle 2.1: Impact analysis

The method applied in Jyske Bank's impact analyses is based on the UN Portfolio Impact Analysis Tool for Banks ("Portfolio Impact Tool") and the four elements, scope, scale of exposure (portfolio composition), context & relevance, and scale & intensity/salience, contained in the UN guidelines for the implementation of PRB.

Principle 2.1.a: Scope

The scope forms the basis for impact analysis. Our impact analysis covers business volume associated with Jyske Bank's main activities listed below. In some cases, it may be necessary to leave out small parts of the business volume due to data-related challenges.

Jyske Bank's main activities:

- Banking and investing activities targeting personal and corporate clients, as well as private banking clients and also trading and investment activities targeting large corporate and institutional clients
- Mortgage activities aimed mainly at personal clients, corporate clients and subsidised rental housing
- Leasing and financing activities for cars and equipment for the corporate sector
- Management of the Bank's investment portfolio

Principle 2.1.b: Portfolio composition

The business volume encompassed by the impact analysis is based on a selection criterion of whether Jyske Bank has direct access to or a direct influence on the composition of those business activities. E.g. by being responsible for the overall allocation decisions or assumes the real credit risk by providing guarantees.

For loans, the business volume included consists of 93% of all on-balance loans in the Jyske Bank Group as well as loans referred to other providers where Jyske Bank assumes the real credit risk by providing guarantees. For investments, the analysis includes 87% of assets under management excluding funds of funds and advisory solutions, and 91% of own investment portfolio.

Consequently, the business volume is not directly comparable to assets in the Jyske Bank Group's financial statements.

Principle 2.1.c: Context

The Portfolio Impact Tool is used to provide an indication of the impact areas with the most important negative and positive impacts considering the composition of Jyske Bank's business volume.

¹⁵ www.jyskebank.com/investorrelations/sustainability/impact

On the basis of the output from the Portfolio Impact Tool, the overall assessment is that Climate is the first negative impact area that Jyske Bank should first subject to a closer analysis. In addition, Waste and Soil Quality have also been identified as important negative impact areas. The most important positive impact areas are Housing, Climate and Inclusive, healthy economies.

However, the Portfolio Impact Tool is developed for application at a global level and does not allow for the differences that exist, for instance between the agricultural sectors globally. This underlines the need to assess context and relevance for the business environment in which Jyske Bank operates.

Climate as a relevant negative impact area is confirmed when considering that Jyske Bank operates almost exclusively in a Danish context, and the sustainability agenda in Denmark is focused on greenhouse gas emissions and achieving the targets in the Paris Agreement.

Waste is also a relevant impact area for Denmark in particular. This is supported by the Sustainable Development Report, which states that, although Denmark is in first place globally in the SDG Index, it has challenges with SDG 12 (Responsible Consumption and Production) in common with a number of other high-income countries.

Principle 2.1.d: Performance measurement

Jyske Bank has chosen to assess the intensity of impact on Climate resulting from the bank's activities by estimating financed CO₂ emissions for the business volume in scope. Financed CO₂ emissions are estimated yearly, starting in 2019.

The common CO₂ model prepared by Finance Denmark is used for estimation of financed CO₂ emissions. The model describes the fundamental principles for statement of CO₂ emission and detailed methods of estimation for 10 asset classes.

The estimation of the financed CO₂ emissions is subject to significant estimates and judgements related to the data quality, which varies from sector to sector.

Principle 2.2: Target setting

Principle 2.2.b: Baseline

Establishing the baseline for financed emissions is subject to significant estimates and judgements related to the data quality, which varies from sector to sector. Please refer to our impact analyses for further description of methodology, estimates and data quality.

UNEP FI has provided a set of indicators for the impact area of climate mitigation. These indicators are used for support in our reporting and in showing progress against PRB implementation. We report on these indicators in order to measure our performance and baseline.

The indicators for climate mitigation are shown in the table below (as provided by PRB/UNEP FI).

Impact area	Practice ¹⁹ (pathway to impact)									Impact ²⁰		
	1. Action indicators			2. Output indicators			3. Outcome indicators			4. Impact indicators		
	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics
A. Climate change mitigation	A.1.1	Climate strategy: Does your bank have a climate strategy in place?	Yes / In progress / No	A.2.1	Client engagement process: Is your bank in an engagement process with clients regarding their strategy towards a low(er)-carbon business model (for business clients), or towards low(er)-carbon practices (for retail clients)?	Yes / Setting it up / No; If yes: Please specify for which clients (types of clients, sectors, geography, number of clients etc.)	A.3.1	Financial volume of green assets/low-carbon technologies: How much does your bank lend to/invest in green assets / loans and low-carbon activities and technologies?	bn/mn USD or local currency, and/or % of portfolio; please specify the definition of green assets and low-carbon technologies used	A.4.1	Reduction of GHG emissions: how much have the GHG emissions financed been reduced?	% over time; baseline and tracking GHG emissions in kg of CO ₂ e (or applicable metrics) ²¹
	A.1.2	Paris alignment target: Has your bank set a long-term portfolio-wide Paris-alignment target? To become net zero by when?	Yes / In progress / No; If yes: - please specify: to become net zero by when? - Emissions baseline / base year: What is the emissions baseline / base year for your target? - Climate scenario used: What climate	A.2.2	Absolute financed emissions: What are your absolute emissions (financed emissions = scope 3, category 1.5) in your lending and/or investment portfolio?	Total GHG emissions or CO ₂ e (please also disclose what is excluded for now and why)	A.3.2	Financial volume lent to / invested in carbon intensive sectors and activities and transition finance: How much does your bank lend to / invest in carbon-intensive sectors and activities ²² ? How much does your bank invest	bn/mn USD or local currency, and/or % of portfolio	A.4.2	Portfolio alignment: How much of your bank's portfolio is aligned with Paris (depending on the target set [A.1.2] either 1.5 or 2 degrees)?	% of portfolio (please specify which portfolio; for corporate and business clients: % of sectors financed)

¹⁹ Practice: the bank's portfolio composition in terms of key sectors, its client engagement, and its relevant policies and processes, and, if applicable, its advocacy practices

²⁰ Impact: the actual impact of the bank's portfolio

²¹ If possible and/or necessary, please contextualize the progress: Greenhouse gas emissions might even increase initially because the scope of measurements is extended and financed emissions from a growing proportion of the portfolio are measured, emission factors are updated etc. Emission reductions made by the clients should over time lead to a decrease in GHG emissions financed.

²² A list of carbon-intensive sectors can be found in the [Guidelines for Climate Target Setting](#).

			scenarios) aligned with the Paris climate goals has your bank used?					in transition finance ²³ ?				
	A.1.3	Policy and process for client relationships: has your bank put in place rules and processes for client relationships (both new clients and existing clients), to work together towards the goal of transitioning the clients' activities and business model?	Yes / In progress / No	A.2.3	Sector-specific emission intensity (per clients' physical outputs or per financial performance): What is the emission intensity within the relevant sector?	Please specify which sector (depending on the sector and/or chosen metric): kg of CO ₂ e/ kWh, CO ₂ e / m ² ; kg of CO ₂ e/USD invested, or kg of CO ₂ e/revenue or profit						
	A.1.4	Portfolio analysis: Has your bank analyzed (parts of) its lending and/or investment portfolio in terms of financed emissions (Scope 3, category 15); technology mix or carbon-intensive sectors in the portfolio?	Yes / In progress / No; If yes: please specify which parts of the lending and investment portfolio you have analyzed	A.2.4	Proportion of financed emissions covered by a decar-bonization target: What proportion of your bank's financed emissions is covered by a decar-bonization target, i.e. stem from clients with	% (denominator: financed emissions in scope of the target set)						

²³ Transition finance is defined as financing the transition towards a low-carbon future in alignment with the Paris climate goals. It entails any form of financial support for non-pure play green activities to become greener and reduce emissions.

Statement by the Management on the Responsible Banking Reporting and Self-Assessment 2022

We have today discussed and approved the Jyske Bank Group's UN Principles for Responsible Banking Reporting and Self-Assessment for 2022.

The UN Principles for Responsible Banking Reporting and Self-Assessment 2022 have been prepared in accordance with the Principles for Responsible Banking Guidance document and Self-assessment Template, published in April 2022 and September 2022 respectively by the United Nations Environment Programme Finance Initiative ('UNEP FI').

In our opinion, the UN Principles for Responsible Banking Reporting and Self-Assessment 2022, as a whole, gives a true and fair view of the Jyske Bank Group's stage of implementation of the six principles under the Principles for Responsible Banking Framework at 31 December 2022.

Silkeborg, 28 February 2023

Anders Dam
CEO

Trine Lysholt Nørgaard
Head of IR and Sustainability

Independent auditor's Assurance Report on selected responses in Jyske Bank A/S' UN Principles for Responsible Banking Reporting and Self-Assessment 2022

To Management of Jyske Bank A/S

As agreed, we have performed an examination with a limited assurance, as defined by the International Standards on Assurance Engagements, on selected responses included in Jyske Bank Group's ('Jyske Bank') UN Principles for Responsible Banking ('PRB') Reporting and Self-Assessment report for 2022 ('selected responses'). Specifically, we are to conclude on the following selected responses:

- ▶ 2.1 Impact Analysis, page 5-8
- ▶ 2.2 Target Setting, pages 9-13
- ▶ 2.3 Plans for Target Implementation and Monitoring, page 14
- ▶ 5.1 Governance Structure for Implementation of the Principles, page 18

In preparing the selected responses Jyske Bank applied the basis of preparation described on pages 24-27. The selected responses should be read and understood together with the basis of preparation, which Management is solely responsible for selecting and applying. The absence of an established practice on which to derive, evaluate, and measure the selected responses allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in UN Principles for responsible Banking Reporting and Self-Assessment 2022, and accordingly, we do not express an opinion on this information.

Management's responsibilities

Jyske Bank's Management is responsible for preparing and reporting the selected responses in accordance with the Principles for Responsible Banking Guidance Document, published by UNEP FI in November 2021, the PRB Reporting and Self-Assessment Template, published by UNEP FI September 2022 and basis of preparation included on pages 24-27. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the selected responses such that it is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express a conclusion based on our examinations on the presentation of the selected responses in accordance with the scope defined above.

We conducted our examinations 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 the purposes of our conclusion.

EY Godkendt Revisionspartnerselskab is subject to the International Standard on Quality Control (ISQC) 1 and thus uses a comprehensive quality control system, documented policies and procedures regarding compliance with ethical requirements, professional standards, applicable requirements in Danish law and other regulations.

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour as well as ethical requirements applicable in Denmark.

Description of procedures performed

In obtaining limited assurance over the selected responses, our objective was to perform such procedures as to obtain information and explanations which we consider necessary in order to provide us with sufficient appropriate evidence to express a conclusion with limited assurance.

Our procedures were based on the Guidance for assurance providers – Providing Limited Assurance for Reporting - Version 2 (October 2022) published by the United Nations Environment Programme Finance Initiative ("UNEP FI") in November 2022. We have performed the procedures as outlined in the Work performed section below which do not necessarily obtain the confidence level as outlined by UNEP FI's Guidance for

assurance providers, but what is normally obtained by a practitioner in a limited assurance engagement under ISAE 3000 (Revised).

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 which 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 responses to develop an understanding of the process for the preparation of the selected responses.
- ▶ In respect of Principle 2.1 (Impact analysis), based on inquiries made and information obtained and reviewed, we checked that Jyske Bank's business areas and scope are clearly described, reconciled portfolio composition to management information and checked that challenges and priorities have been analysed, including the rationale for business areas where the analysis was not performed. Furthermore, we checked that Jyske Bank has disclosed the method for determining its impact areas and has selected what was determined as the two most significant areas of impact. For the one impact area where performance has been measured (Climate), we reconciled to published information referenced in the response and to supporting management information. Finally, we checked to supporting evidence, including meeting minutes, that the stated governance process was followed;
- ▶ In respect of Principle 2.2 (Target setting), based on inquiries made, information obtained and reviewed, checked that Jyske Bank sets targets for one of its three significant impact areas (Climate) and that the targets are linked to that impact area. We checked that Jyske Bank has identified frameworks to align with and explained how targets contribute to relevant goals. For the one impact area where targets have been set (Climate), we checked that the base year is no more than two full reporting years prior to the year when the targets have been set and that the targets are Specific, Measurable, Achievable, Relevant and Time-bound;
- ▶ In respect of Principle 2.3 (Target Implementation and Monitoring), based on inquiries made with process owners and internal stakeholders, we obtained and reviewed supporting evidence to assess whether disclosures within the selected responses in the PRB Reporting and Self -Assessment Template reflect the Bank's assessment of the stage of implementation of the Principle;
- ▶ In respect of Principle 5.1 Governance Structure for Implementation of the Principles, based on inquiries made and information obtained and reviewed, we checked consistency to supporting evidence, including organisation charts and meeting minutes. Further we have reviewed the oversight of the disclosures of the Bank's governance structure in relation to the implementation and monitoring of the Principles with existing governance structures as defined by Jyske Bank.

In our opinion, the examinations performed provide a sufficient 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 selected responses in Jyske Bank's Self-Assessment of its fulfilment and commitment as a signatory of the Principles for Responsible Banking (2.1 Impact Analysis, 2.2 Target Setting, 2.3 Plans for Target Implementation and Monitoring, 5.1 Governance Structure for Implementation of the Principles) for 2022 have not been prepared, in all material respects, in accordance with the basis of preparation included on pages 24-27.

Aarhus, 28 February 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Michael Laursen
State Authorised Public Accountant
mne26804

Lars Fermann
State Authorised Public Accountant
mne45879