

Jyske Bank A/S as a systemically important financial institution (SIFI)

Finanstilsynet
(Danish Financial Supervisory Authority)

21 June 2023

Pursuant to S. 308 of the Danish Financial Business Act, the Danish Financial Supervisory Authority annually designates financial institutions that can be characterised as systemically important financial institutions (SIFIs) because they exceed a threshold for determined systemic importance of 100 basis points.

According to S.308(6) of the Danish Financial Business Act. As well as the Executive Order No. 2515 of 14 December 2021 on the determination of indicators and factors for the designation of systemically important financial institutions, etc., the FSA has calculated Jyske Bank A/S' systemic importance on consolidated basis at 878 basis points.

Factors and systemic importance 2022

	<i>Weighting</i>	<i>Indicator value (%)¹</i>	<i>Weighed indicator value (%)</i>
Total assets	6/24	9.6	2.4
Value of national payment transactions	2/24	3.7	0.3
Deposits in Denmark	2/24	10.1	0.8
Lending in Denmark	2/24	12.4	1.0
Nominal value of derivatives not listed on a regulated market (OTC derivatives)	2/24	5.4	0.5
Cross-jurisdictional liabilities	2/24	7.2	0.6
Cross-jurisdictional assets	2/24	5.6	0.5
Outstanding debt issues	2/24	12.5	1.0
Liabilities within the financial system (globally)	1/24	4.2	0.2
Assets within the financial system (globally)	1/24	9.4	0.4
Liabilities within the financial system (Denmark)	1/24	13.5	0.6
Assets within the financial system (Denmark)	1/24	11.8	0.5
Systemic importance determined by basis points ²			878

1. The value in percentage terms of each indicator has been calculated as the group's share of the total value of all Danish financial and mortgage credit institutions and significant branches in Denmark of foreign financial and mortgage credit institutions. 2. Calculated as the total of weighted indicator values in percentage terms converted into basis points.

The FSA establishes that the systemic importance determined for Jyske Bank A/S on a consolidated basis exceeds 100 basis points, cf. the calculation above).

Jyske Realkredit A/S is included in the designation of Jyske Bank A/S on a consolidated basis.

The systemic importance of a systemically important financial institution (SIFI) must be calculated at a level below 100 basis points for three consecutive years in order for the financial institution to cease being a SIFI, cf. S.308(4) of the Danish Financial Business Act.

On the basis of the calculation of the systemic importance, the institution is categorised in categories of systemic importance, cf. S.308(7) of the Danish Financial Business Act. Jyske Bank A/S will be categorised in category 2, cf. the table below.

Categories of systemic importance

	<i>Systemic importance determined by basis points</i>
Category 1	$\leq 100-300[$
Category 2	$[300-1000[$
Category 3	$[1000-2000[$
Category 4	$[2000-4000[$
Category 5	$4000 \leq$

Jyske Bank A/S must comply with a capital requirement in the form of a SIFI buffer requirement of 1.5% reflecting the systemic importance of the institution, cf. S.309(3), cf. S.125 g, cf. S.125 a(7) of the Danish Financial Business Act. The SIFI buffer requirement must be met in the form of Common Equity Tier 1 capital (CET1). The SIFI buffer requirement is the same percentage requirement at the consolidated level for the group and at the individual level for each financial institution and mortgage credit institution included in the group, cf. S.309(2) of the Danish Financial Business Act.

The Minister for Industry, Business and Financial Affairs determines the SIFI buffer requirements, cf. S.125 g, cf. S.125 a(7) of the Danish Financial Business Act.