



**Jyske Bank Group
Capital Requirement
Third quarter of 2020**

To comply with Danish financial legislation, this report discloses the capital requirement of the Jyske Bank Group for the third quarter of 2020.

The report serves as a quarterly follow-up to the publication "Risk and Capital Management 2019", which was published in February 2020 along with the annual report of the Group.

Capital requirement, 2020 3rd quarter DKKm/pct.	Jyske Bank Group		Jyske Bank A/S	
	Capital requirement	Pct. of REA	Capital requirement	Pct. of REA
Credit risk	17,103	9.3%	12,893	10.1%
Market risk	2,087	1.1%	2,117	1.7%
Operational risk	1,530	0.8%	1,231	1.0%
Other	0	0.0%	0	0.0%
Capital requirement	20,720	11.3%	16,240	12.8%
Capital requirement + combined buffer requirement*	28,056	15.3%	21,336	16.8%
Capital Base	40,848	22.3%	40,851	32.1%
Capital buffer	12,792	7.0%	19,515	15.3%
Core tier 1 capital buffer	13,081	7.1%	17,844	14.0%
Additional tier 1 capital buffer	12,657	6.9%	18,260	14.4%

*Combined buffer requirement: Systemic risk buffer 1.5% + Capital conservation buffer 2.5%

The individual capital requirement makes up 11.3% of the risk exposure assets (REA). Moreover, the total capital requirement encompasses the regulatory buffers, which due to the release of the countercyclical capital buffer remains 4% of REA. Hence, the total capital requirement of the Group amounts to 15.3% of REA. However, the Additional Tier 1 capital requirement remains the binding requirement. The Additional Tier 1 capital requirement amounts to 12.5% of REA, which results in a capital buffer of 6.9% of REA.

The capital requirement of the parent company (Jyske Bank A/S) is based on 8% of REA of the parent company, representing pillar 1 requirements. As a conservative assumption, the pillar 2 capital additions of the parent company are identical to those of the Group, as the parent is liable for all risk in the subsidiaries. At the end of the third quarter of 2020, the core tier 1 capital buffer of the parent company amounted to 14.0% of REA.