
Policy on sustainability and corporate social responsibility

1. Background

The vision of the Jyske Bank Group is to "Make difference". Our vision is a promise to the market as well as a call to all of us that we endeavour to make a positive difference through our daily work, to each other, to our clients and to anyone who is in contact with us. Therefore, when it comes to the Jyske Bank Group, to be or not to be will always make a difference.

The Jyske Bank Group wants to run a company that conducts itself responsibly and promotes sustainability in line with the values of the Group. We believe that the best long-term results are achieved when the necessary balancing of the interests of clients, employees, shareholders and the surrounding community is in place. Hence the Jyske Bank Group's vision also encompasses sustainability and corporate social responsibility.

The Jyske Bank Group works with a broad definition of responsibility, which includes what the Jyske Bank Group does in its own right, but also areas on which the Jyske Bank Group has an effect and can affect through its business activities.

Through responsible banking, the Jyske Bank Group endeavours to promote sustainability as expressed through the 17 UN's Sustainable Development Goals.

Being a large financial services company in Denmark, the Jyske Bank Group will be a significant player in respect of supporting and facilitating a sustainable development on a long-term commercial basis.

2. Purpose and scope

To be a material player in supporting and facilitating the sustainable development requires, among other things, that climate and environmental considerations, social considerations, respect for human rights and economic responsibility have been incorporated in own as well as business-oriented activities throughout the Group.

In both a European and a Danish context, the sustainability agenda focuses strongly on climate and environment in the form of the need to reduce CO₂ emissions, which has a spill-over effect on the Jyske Bank Group's work and focus areas. Therefore, in connection with the work on sustainability in relation to clients and internally in the Group, focus will primarily be on climate and environment for the time being.

This policy on sustainability and corporate social responsibility will lay down the overall framework, norms and guidelines on how we work with sustainability and corporate social responsibility in all the Group's own as well as business-oriented activities.

The principles of the policy apply across employees, functions and units.

3. Principles

The Jyske Bank Group endeavours to make a positive contribution to the sustainable development of the international community through the Group's business activities and own activities. This also means that focus is on the minimisation of negative derived effects from the activities. The Jyske Bank Group will work on the basis of a principle that "all progress counts", and therefore the movement towards a better and higher level of sustainability will on an ongoing basis be in focus. We do not consider sustainability a target with a 'deadline' - rather as a continuous process, where we cooperate with clients and suppliers in order to move in the right direction.

The Jyske Bank Group's work on responsible banking rests on foundation that we have termed "responsible banking operations" which covers areas such as the fight against financial crime, IT and data security as well as being a responsible employer.

In addition, we work with "sustainable business", i.e. business ambitions as how the Jyske Bank Group can promote sustainability in its interaction with our clients through, for instance loans and investments.

Efforts are based on an assessment of what is of the most significant importance to the Jyske Bank Group's business model as well as the Group's stakeholders. Ongoing impact analysis of the Group's business-related areas of activity based on a principle of sustainability contributes to the definition of the three or four most significant areas of activity (so-called "negative impacts") and, on the other hand, also the three or four most significant sustainable areas of activity ("positive impacts"). The activity areas defined will form a basis when determining the Group's efforts and targets.

3.1 Sustainable business

The Jyske Bank Group focuses on support of its clients' progress in the implementation of sustainability, "all progress counts", and facilitating sustainable choices and decisions on the part of the clients in accordance with the Group strategy, "we are where our clients are".

This materialises through our advice and the Group's offer of products and services. The Jyske Bank Group endeavours on an ongoing basis to offer sustainable products, services and advisory solutions to clients in all the Group's most material business areas.

The Jyske Bank Group has three business objectives:

- To offer financing solutions that support sustainable transition
- To simplify sustainable investment
- To provide knowledge of sustainability

To offer financing arrangements that support sustainable transition

The Jyske Bank Group offers loan products, advisory services and services that support financing of the changes that our clients wish to make in order to move their activities into an increasingly sustainable direction. For a number of clients - not least corporate clients - it will be necessary to move the activities in a

more sustainable direction in order to secure that the client has a sustainable business model going forward. Jyske Bank does not in advance leave out of consideration industries on the basis of a general assessment of the industry's sustainability. As part of the partnership, Jyske Bank wishes to take part in the transition together with our clients. We do that inasmuch as the Jyske Bank Group relates to the future sustainability of our clients' current business models and activities and to whether the necessary transition can take place on a sound commercial basis. Finally, the Jyske Bank Group attempts to provide its client with knowledge of sustainability, cf. the section "To provide knowledge of sustainability".

Lending takes place in accordance with the Jyske Bank Group's credit policy in force at any given time.

The Jyske Bank Group defines criteria and targets for the types of financing that contribute to a green and sustainable transition in society and reports on the portfolio that meet the sustainability criteria.

The Jyske Bank Group's definition of sustainable financing, targets and initiatives will be updated in line with the development of the sustainability agenda and the technological development.

To simplify sustainable investment

The Jyske Bank Group offers products, advisory services and services that make it easy and transparent for clients who wish so to make sustainable investments based on their individual ESG preferences and choices.

The Jyske Bank Group considers it its primary responsibility, in the best way possible, to give advice about and optimise the return for its investors. Therefore environmental, social and governance issues (ESG) are naturally incorporated in the advice and selection of investment opportunities as well as in the investment processes that Jyske Bank's portfolio managers apply in connection with Jyske Bank's investment solutions.

Generally Jyske Bank does not leave out of consideration assets as investment opportunities solely on the basis of the current level of sustainability of the individual assets and/or on the basis of industry, for instance. However, for many years, Jyske Bank has avoided such investment assets that are inconsistent with, for instance, adopted UN/EU sanctions and treaties acceded to by Denmark. Such screening to avoid certain assets takes place in connection with advisory solutions as well as Jyske Bank's portfolio managers, who must therefore not or cannot invest directly in these assets.

The basis of Jyske Bank's work with responsible investment is the UN Principles for Responsible Investment.

To provide knowledge of sustainability

The Jyske Bank Group endeavours to provide knowledge of sustainability in the market areas in which we operate. Therefore the Jyske Bank Group's communication on sustainability aims to make clients and other stakeholders wiser and enable them to make sustainable choices and support our position as a trusted advisor/preferred partner. It will, as always, be characteristic of our communication that we aim to serve the target group and that we present unexpected formats of high quality - often in strategic cooperation with relevant partners.

3.2 Responsible banking operations

To the operations of the bank, the Jyske Bank Group's wish to act responsibly and to promote sustainability means the following:

- The Jyske Bank Group operates a profitable business ensuring that the Group can still play a material role in society by providing financial infrastructure, offer advice and financing and hence contribute to the financial stability of society;
- The Jyske Bank Group protects the Group value of being *Open and honest*, which forms the basis of a culture that generally invites open and unpretentious dialogue. It is expected that our employees act honestly and with integrity and offer our clients financial advice based on individual considerations, cover their needs and provide added value, hence enabling them to make choices on a well-informed basis.
- The Jyske Bank Group inspires confidence in and builds credibility with clients and other stakeholders through conduct and transparency and ensures that all current legislation is complied with across business activities and also secures a high degree of data and information security.
- The Jyske Bank Group does not accept that the Group is abused for financial crime, including money laundering, financing of terrorism, tax evasion, dividend fraud, social security fraud and other unlawful acts.
- The Jyske Bank Group creates a workplace which ensures welfare and equal rights for our employees;. The Group's employees are given the opportunity for professional, personal and managerial development.
- The Jyske Bank Group strives to identify and reduce the Group's negative effect on climate and environment through targets for its own CO₂ emission (scope 1 and 2) as well as focus on responsible purchases;
- Focusing on the question whether the Jyske Bank Group's suppliers demonstrate responsible supplier conduct, among other things by complying with national legislation, human rights, work standards as well as environmental requirements.

- The Jyske Bank Group takes social responsibility and contributes through business-driven social initiatives to the solution of social problems.
- The Jyske Bank Group fulfils in the management of its own investment portfolios, as a minimum, the Group's general targets regarding sustainability and responsible banking. The Group's strategic investments adheres to Jyske Bank's "Policy for Responsible Investment".

4. National and international obligations

Jyske Bank supports the following international and national organisations and initiatives:

- UN Principles for Responsible Banking
- UN Global Compact
- 2030 Agenda and UN Sustainable Development Goals
- UN Environment Programme Finance Initiatives
- UN Principles for Responsible Investment
- ILO Declaration on Fundamental Principles and Rights at Work
- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- Forum for Sustainable Finance's 20 recommendation
- Dansif

5. Organisation

The Supervisory Board has the overall responsibility for the strategy and policies relating to sustainability and corporate social responsibility. The Supervisory Board discusses and decides on strategic and tactical issues relating to sustainability.

The Group Executive Board has the day-to-day responsibility for sustainability across the Jyske Bank Group and ensures implementation of and compliance with the policy in all parts of the Jyske Bank Group and is responsible for the general prioritization of efforts. In actual practice, follow-up on this responsibility is delegated to the Sustainability Committee, consisting of two members of the Group Executive Board, the CFO and the Head of IR and Sustainability.

Sustainability forms an integral part of operations and the business development in all parts of the Jyske Bank Group, and all units in the organisation contribute to the fulfilment of Jyske Bank's sustainability objectives. The individual units and areas in the Group are responsible for the implementation of development tasks related to this, and they adhere to the usual governance for prioritisation and execution of development tasks subject to the general prioritisation of the Sustainability Committee.

The department IR and Sustainability, which reports to the Group CFO, is responsible for coordinating and ensuring consistency between strategic sustainability initiatives in the Jyske Bank Group.

The responsibility for the Jyske Bank Group's sustainability and corporate social responsibility reporting also lies with IR and Sustainability.

On an as-needed basis and at least quarterly, Group Management will receive an update on the work on sustainability.

6. Reporting

In the annual Sustainability Report, the Jyske Bank Group publishes an account of the Group's work with sustainability and corporate social responsibility. The report also constitutes Jyske Bank's reporting on non-financial information, cf. Danish and international legislation, the principles in the UN Global Compact and Principles for Responsible Banking.

The report is published on Jyske Bank's website:
investor.jyskebank.com/investorrelations/sustainability/reports.

7. Policies that contribute to the realisation of the policy on sustainability and corporate social responsibility

The below table illustrates that this policy is realised through a number of other policies.

POLICY
Sustainable business
Credit policy
Policy for responsible investment
Responsible banking operations
Anti-bribery and anti-corruption policy
Diversity policy
Policy on the prevention of money laundering, financing of terrorism and violation of sanctions
Whistleblower policy
Tax policy
Policy promoting a healthy corporate culture
HR policy
IT security policy
Privacy policy
Remuneration policy
Policy for freedom of association and collective agreements
Supplier Code of Conduct

The policies are available on Jyske Bank's website:
investor.jyskebank.com/investorrelations/governance/code-of-conduct.