

ESG Fact Book 2019



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Financial Key Figures

Jyske Bank in numbers	
Full-time employees	3,593
Loans and advances (DKKbn)	485.9
Assets under management (DKKbn)	171
Income (DKKm)	8,060
Cost (DKKm)	5,029
Impairments (DKKm)	-101
Pre-tax profit (DKKm)	3,079
Tax (DKKm)	639
Profit for the period (DKKm)	2,440
Return on equity (%)	7.1
Common equity tier 1 ratio (%)	17.4
Total capital ratio (%)	21.5

See Jyske Bank's [Annual Report 2019](#)

Environment

E - Our workplace

CO₂ emission by source

The following table shows direct and indirect emissions and contains data from Jyske Bank Group and the companies of which we are partial owners, unless otherwise stated.

Our greenhouse gas emissions are divided into the following three categories:

- Scope 1 – Direct greenhouse gas emissions from sources, such as combustion of fuels and our vehicle fleet, that are owned or controlled by the companies.
- Scope 2 – Indirect greenhouse gas emissions result from the consumption of the electricity and district heating we purchase.
- Scope 3 – Other indirect greenhouse gas emissions from sources that are not owned or controlled by the companies. They include third-party deliveries, business travel and use of products and services sold. The following elements are included: CO₂ emissions from air and rail travel, work-related own car travel, taxi travel and printing.

	Data	CO ₂ tonnes	Note/link
Scope 1			
Company cars (km)	2,455,985	322	Jyske Bank Group included direct and indirect ownership of JN Data and Bankdata
Heating:			Jyske Bank Group included direct and indirect ownership of JN Data and Bankdata
oil (l)	6,553	19	
gas (m3)	186,610	418	
Scope 2			
Electricity (kWh)	15,330,034	5,871	Jyske Bank Group included direct and indirect ownership of JN Data and Bankdata. However, Jyske Bank has a 100% renewable energy consumption (for electricity and cooling across all Group units) through purchasing Renewable Energy Certificates. See p. 20 in the CSR Report 2019
District heating (MWh)	8,053	696	Jyske Bank Group included direct and indirect ownership of JN Data and Bankdata
Scope 3			
Flights (km)	3,354,759	462	Jyske Bank Group included direct and indirect ownership of JN Data and Bankdata
Public transport, primarily train (km)	1,038,252	42	Jyske Bank Group included direct and indirect ownership of Bankdata
Employees' cars (km)	6,201,968	837	Jyske Bank Group included direct and indirect ownership of JN Data and Bankdata
Taxi (km)	23,944	3	Jyske Bank Group
Cycling, number of electric bicycles owned by Jyske Bank Group	5	0	Jyske Bank Group See p. 21 in the CSR Report 2019
Printing and paper (kg)	90,444	120	Jyske Bank Group included direct and indirect ownership of JN Data and Bankdata. See p. 19 in the CSR Report 2019
Food waste and the <u>reduction</u> of carbon emissions as the food waste is processed into biofuel (kg)	85,652	- 61	Jyske Bank's food waste scheme encompassed all the large canteen kitchens in Silkeborg and Copenhagen. See p. 19 in the CSR Report 2019
CDP disclosure, score	D		Jyske Bank reports to CDP, and stakeholders have access to the most recent report on Jyske Bank's website

E - Our business

	Data	Note/Link
Investment		
Total assets in Socially Responsible Investment (SRI) funds (DKKkM)	2,582	Assets of the four SRI funds at end- 2019, an increase of 53% compared with end- 2018. See p. 27 in the CSR Report 2019
Lending		
Mortgage loans, lending activities (%)	69	See The Danish Mortgage-Credit System or The Danish Mortgage Model from Finance Denmark for full understanding. See also p. 2 in the Annual Report 2019 .
Financing renewable energy, outstanding balance (DKKkM)	2,915	See Jyske Bank's Green Finance Framework
Financing buildings (EPC A & B), outstanding balance (DKKkM)	64,799	See Jyske Bank's Green Finance Framework
Financing low emission transportation and infrastructure, outstanding balance (DKKkM)	557	See Jyske Bank's Green Finance Framework
Financing sustainable management of natural resources, outstanding balance (DKKkM)	2,092	See Jyske Bank's Green Finance Framework
Financing recycling and sustainable production, outstanding balance (DKKkM)	289	See Jyske Bank's Green Finance Framework

Social

S - Our workplace

2019		Note/Link
Employees and turnover		
Number of employees	3,711	
Number of FTEs	3,593	
Turnover (%)	10.7	
Education and development		
Job-specific development training programmes	✓	See Competence Requirements, Good Practice and Ethical Conduct where job-specific development training programmes are described
Managerial development training	✓	The Human Resources Unit has allocated three employees to support managers in their decisions about degree programmes and certification and for the administration of these activities. The investment in human capital development is essential for Jyske Bank. Hence, certification tests and preparation for the tests take place during working hours. Degree programmes such as B.Sc., MBA or similar are paid by the bank and are carried out in a combination of working hours and the employee's own time. The managers of Jyske Bank have their own learning universe so that their leadership competencies can be trained on an ongoing basis – both hands-on and online
Talent development programme	✓	Several business units offer adjusted development activities for talents. Special focus and activities for managers with potential for the upper strategic leadership level
Graduate programme	✓	See Jyske Bank's Graduate Programme (in Danish) and also p. 14 in the CSR Report 2019
Job satisfaction		
Survey to monitor employee engagement	✓	Every second year, the Jyske Bank Group performs a comprehensive survey in cooperation with an external firm of consultants. Most recent survey in 2018 showed that Jyske Bank is best in class (top 25%) in the financial sector in Denmark in terms of employee engagement. See p. 13 in the CSR Report 2019
Health and safety management system	✓	Jyske Banks offers professional and centralised support to all units. See p. 13 in the CSR Report 2019
Safety precautions for employees	✓	Safety precautions protect employees from criminal acts as described in Jyske Bank's Security Policy. The (internal) policy lays down the overall framework and principles for physical safety for all employees
Health insurance	✓	All employees enjoy health-care coverage. See section 5, p. 42: Health insurance between FA and the Financial Services Union in the Standard Collective Agreement or section 5 in Jyske Bank's Overenskomst (in Danish)
Sick leave	4.7	Average days of sick leave per employee
Strategy to prevent and reduce stress and other issues around psycho-social work environment	✓	Jyske Bank has relevant management tools for prevention and provides external counseling when needed. See p. 14 in the CSR Report 2019

Grievance reporting	✓	See Grievance reporting in Competence Requirements, Good Practice and Ethical Conduct
Non-discrimination	✓	All competent candidates may come into play when filling vacancies without regard to gender, age, ethnicity, religion or other factors that have no bearing on the candidate's ability to perform the duties of the job. See The Jyske Bank Group's Policy on Diversity
Work-life balance		
Number of part-time employees incl. senior part-time employees	592	
Remote work and flexible hours	✓	It is stipulated in the Standard Collective Agreement , see Part II, section 12, p. 5. For instance Jyske Bank currently has 1,900 laptops in use. Thus, a relatively large group of the 3,593 employees have the possibility of benefitting from flexible and remote work
Paid maternity/paternity leave	77.1 M: 39.56 W: 134.45	Average number of days of maternity/paternity leave, for men and women, respectively
Number of employees on leave of absence	255	Paid maternity/paternity leave and other leaves, per head
Women in employment after 12 months of leave (%)	83.6	
New employees in 2019	272	
Diversity		
Diversity programme	✓	See The Jyske Bank Group's Policy on Diversity
Age, average of employees and percentage in various age groups	46.6 Under 30: 7.7 30-39: 21.0 40-49: 27.4 50-59: 34.6 60+: 9.3	
Seniority distribution, average and percentage in various groups	15.4 0-2: 15.9 3-5: 10.2 6-10: 12.9 11-20: 32.0 20+ : 29.0	
Women in workforce (%)	49.3	
Women in entry-level positions (%)	52.4	
Line positions held by women (%)	42.6	
Women working in IT and Engineering (%)	33.1	
Women in management positions (%)	30.7	
Women in executive management team (%)	0	
Women in board of directors (%)	27.3	
Women resigned (%)	51	
Retention rate, by gender (%)	W:89.2 M:89.7	

Salary		
Employee stock ownership	✓	All permanent employees are eligible for the Group's stock ownership scheme as well as non-salary benefits. See p. 1 in the Report on Remuneration 2019
Women's share of salary in quartiles (%)	Lower Pay Quartile: 60.1 Lower Middle Pay Quartile: 52.4 Upper Middle Pay Quartile: 37.3 Top Pay Quartile: 19.4	
Gender pay gap, median (%)	15.36	
Gender pay gap, average (%)	19.85	
Women in top 100 salary (%)	6	
Audit on equal pay	✓	In cooperation with Finansforbundet's (Financial Services Union) local union in Jyske Bank, HR conducts an annual audit of equal pay. This audit consists of an analysis of gender pay differences within selected job types, and the aim is to ensure that legal requirements on equal pay as well as requirements in the remuneration policy are complied with. See p. 3 in the Report on Remuneration 2019
Corrections as a result of unequal pay	No corrections made	Jyske Bank conducts an annual audit of equal pay (see above). The result of the audit in 2019 was that no differences were found that would require correction. See p. 3 in the Report on Remuneration 2019
Freedom of association and the right to collective bargaining	✓	See the Standard Collective Agreement between the Danish Employers' Association for the Financial Sector (FA) and the Financial Services Union on salary and working conditions in the banking and mortgage credit sector. See also Jyske Bank's Overenskomst (in Danish) for more details
Jyske Bank employees in Denmark covered by the collective agreement (%)	88	The vast majority of the employees of Jyske Bank in Denmark are covered by the collective agreement which describes employees' basic rights and deals with issues such as working hours, salary compensation, holiday leave, illness, etc. Additional 8% of the employees have conditions in their individual contracts which refer to the collective agreement. See p. 25 in the CSR Report 2019
Number of hourly paid employees	257	

S – Our clients

	2019	Note/Link
Data protection	✓	All employees have completed a relevant and mandatory course on the General Data Protection Regulation. See processing of personal data in Competence Requirements, Good Practice and Ethical Conduct
IT security	✓	See IT Security Policy
Employee training on data security and privacy-related risks and procedures	✓	See IT security and IT Risk Management and Processing of Personal Data in Competence Requirements, Good Practice and Ethical Conduct
Consumer charter	✓	See Regulations on Good Practice for Financial Enterprises (in Danish). Jyske Bank's strategy rests on the intention that through our activities we will meet our clients and make a positive difference – our approach is embedded in our Foundation
Responsible marketing	✓	Jyske Bank carefully informs its clients about (in Danish) risk on mortgages , information on mortgages , risk on investment products , price policy and price lists as well as information for the youngest and those who plan the future and much more on our websites
Responsible investment	✓	See p. 26 in the CSR Report 2019
Responsible sales methods	✓	Jyske Bank Group's values are the most immutable part of our business and they help ensure that we exhibit responsible conduct in our daily work. Naturally, Jyske Bank also follows the Danish legislation: see Regulations on Good Practice for Financial Enterprises (in Danish) which states that a financial enterprise, such as Jyske Bank, may not use misleading or incorrect information or omit important information if it is capable of noticeably distorting clients' financial behaviour in the market
Pay linked to sales performance	No	Jyske Bank does not use direct performance fees, for instance commission. See section 2, p. 1 in Remuneration Policy
Client complaints	✓	Dialogue is often the best way to solve a problem or correct a misunderstanding. If it is not possible to find a solution, clients can complain here: Are you dissatisfied?
Access to basic financial services	✓	As stipulated by law, all citizens, irrespective of age, living conditions, or financial situation, are entitled to a deposit account: a NemKonto "Easy Account". See the relevant act (in Danish) Nemkontoordningen . See also Regulations on Good Practice for Financial Enterprises (in Danish) regarding the right to an account
Financial inclusion	✓	Jyske Bank provides its clients with financial counseling as an integrated part of our advisory services and take all aspects of the client's life into consideration – that is what makes us Out of the Ordinary . We also support 'Money Week' (Pengeugen) in teaching children and young people financial understanding. Furthermore, the Jyske Bank Group cooperates with Finance Denmark to provide advisory services to particularly vulnerable citizens, who are in an incalculable debt situation. The Group reimburses the employee half of the time spent on voluntary debt counseling. See pages 6 and 15 in the CSR Report 2019

S – Our business

	2019	Note/Link
SME lending (DKKbn)	74	The Group's total exposure towards SME corporates at the end of Q4 2019. See p. 20 in the Risk and Capital Management Report 2019
Subsidised housing (DKKbn)	54	Jyske Bank has a long tradition of financing subsidised housing in Denmark. At the end of Q4 2019, the Group's total loans and advances amounted to DKK 337.5bn of which mortgage loans for subsidised housing accounted for about DKK 54bn. See p. 64 in the Annual Report 2019 .
Financing public schools, outstanding balance (DKKm)	3,926	Financed by Jyske Realkredit
Financing social institutions, outstanding balance (DKKm)	1,451	Financed by Jyske Realkredit
Community involvement	✓	Jyske Bank has a long tradition of engaging in social projects. In our social initiatives we focus on three dimensions: A social dimension, a partnership dimension and an urban renewal dimension. See p. 33 in the CSR Report 2019

Governance

G - Our workplace

	2019	Note/Link
Layoffs and restructuring events		
Major mergers or acquisitions in the last three years	No	We had no major mergers or acquisitions in the last three years, the last merger took place back in 2014. Please see About Jyske Bank 2014
Major layoffs in the last three years (affecting 10% of employees or more than 1,000 employees)	No	We don't publish the number of layoffs per year. However, if we are having major layoffs affecting 10% of employees, we are obliged by legislation to make an announcement to the Danish Labour Council, and we have had no such announcement in the last three years (or ever for that matter)
Business ethics		
Bribery and corruption programme	✓	See Jyske Bank's Anti-Bribery and Anti-Corruption Policy
Whistleblower scheme	✓	See Whistleblower policy on p. 10 in the CSR Report 2019
Training KYC and AML	✓	100% of Jyske Bank's employees have completed and passed AML certification – however, exclusive of leave, etc. See Competence Requirements, Good Practice and Ethical Conduct and Extract of Policy on Prevention of Money Laundering and Financing of Terrorism
Remuneration		
CEO salary	✓	See description on p. 3 and individual remuneration p. 5 in the Report on Remuneration 2019
Executive Pay Disclosure	✓	Regarding remuneration of the Executive Board, see p. 5 in the Report on Remuneration 2019
Director Equity policy	✓	All transactions by persons discharging managerial responsibilities and persons closely associated with them are made publicly available here . In the Annual Report 2019 on p. 170 the number of Jyske Bank shares held by the members of the Supervisory Board is published.
Remuneration of the Executive Board	✓	See description on p. 3 in the Report on Remuneration 2019
Remuneration policy	✓	See Remuneration Policy
Pay linked to sustainability	No	Executive compensation is not explicitly tied to ESG performance, since the executive remuneration does not include any variable remuneration. See section 2 in Remuneration Policy
CEO to average employee compensation, pay ratio	13.8	
Tenure and independence		
Separate Chair and CEO roles	✓	Jyske Bank follows the recommendations from the Committee on Corporate Governance . The Supervisory Board and the Executive Board are independent of each other and no person is a member of both boards, see p. 2 in Organisation and Management 2019 . The Supervisory Board elects its Chairman and Deputy Chairman as described on p. 4 in Organisation and Management 2019
Leadership tenure and independence	✓	See Group Management in Jyske Bank
Chair tenure	✓	See Group Management in Jyske Bank Also, please see Jyske Bank's Articles of Association , Art. 14(6) and the Corporate Announcement regarding Chairman succession in 2020

Composition of Group Supervisory Board and Group Executive Board: name, independence, special competencies, term of office, and tenure	✓	See Group Management in Jyske Bank
Group Supervisory Board and Group Executive Board: salary and shares held	✓	See pages 7, 8, and 11 in the Organisation and Management 2019
Independent Supervisory Board members (%)	36	See Group Management in Jyske Bank
Independent Board Chair	No	See Group Management in Jyske Bank and p. 7 in the Organisation and Management 2019
Independent board members in the Audit Committee (%)	20	See Group Management in Jyske Bank and p. 7 in the Organisation and Management 2019
Independent board members in the Remuneration Committee (%)	33	See Group Management in Jyske Bank and p. 7 in the Organisation and Management 2019
Independent board members in the Nomination Committee (%)	25	See Group Management in Jyske Bank and p. 7 in the Organisation and Management 2019
Competencies and diversity		
Group Supervisory Board, competencies	✓	See Group Management in Jyske Bank
Board diversity	✓	See Group Management in Jyske Bank
Audit and Financial Reporting		
Non-financial communication integrated in annual report	✓	See Jyske Bank's Annual Report 2019
Independent auditor	✓	Art. 21 of Jyske Bank's Articles of Association states that the Annual General Meeting shall, in accordance with current legislation, appoint one or more auditors to audit Jyske Bank's financial statements every year
Auditor fees	✓	See Jyske Bank's Annual Report 2019 p. 53.

G - Our clients

	2019	Note/Link
Ownership and shareholder rights	✓	See primarily Shareholders' Representatives: Art. 11, Arts. 14 and 15 of Jyske Bank's Articles of Association
Policy on conflict of interest	✓	See Jyske Bank's Policy for Handling Conflicts of Interest

G - Our business

	2019	Note/Link
Board type	Regulated by legislation	Danish legislation states that it is not possible to be a member of both the Supervisory Board and the Executive Board, please see Art. 73(1) in Financial Business Act (in Danish)
ESG governance structure	✓	Organizationally, Jyske Bank's CSR and sustainability activities are anchored in the Investor Relations and Sustainability department. The department is also responsible for the Group's Sustainability Programme, with Jyske Bank's CEO as the chief responsible. The Sustainability Programme's Steering Group is responsible for developing and coordinating strategic initiatives for CSR and Sustainability at Jyske Bank. See p. 3 in the CSR Report 2019
Implementation and monitoring programmes on ESG aspects	✓	The Investor Relations and Sustainability department is responsible for all CSR and Sustainability activities. The programme is responsible for developing and coordinating strategic initiatives for CSR and Sustainability at Jyske Bank. The implementation of the programme's initiatives is ongoing in the respective business units. See p. 3 in the CSR Report 2019
Tax	✓	Jyske Bank is an important tax payer in Denmark, please see the section about Corporate Social Responsibility and Sustainability in the Annual Report 2019 . You can also find some basic tax figures on p. 1 in the present document
Stakeholder dialogue	✓	Employees' dialogue with clients and other stakeholders is essential for Jyske Bank. The dialogue with Jyske Bank's stakeholders is also covered in the CSR Report 2019
Financial system stability	✓	Jyske Bank is a systemically important financial institution (SIFI) which means that there are special rules and regulations because of the bank's size and importance for societal economy. See also Jyske Bank's Annual Report 2019 as well as the Risk Management section p. 4 in the Risk and Capital Management Report 2019
Ownership structure and shareholder democracy	✓	In order to see votes per share, shareholder voting rights and other relevant information regarding ownership structure, please see Art. 10: General Meetings, procedures and admission and Art. 11: Voting rights in Jyske Bank's Articles of Association . Also see p. 2 in the Organisation and Management 2019 and Jyske Bank's Annual Report 2019
Takeover provisions	✓	See Art. 11: Voting Rights, Art. 12: Amendments to the Articles of Association, and Art. 13: Winding up/Merger in Jyske Bank's Articles of Association
Policy on Prevention of Money Laundering and Financing of Terrorism	✓	We aim in all respects to prevent money laundering and financing of terrorism in order to fulfil the expectations of our clients, government authorities and society in this area. See Extract of Policy on Prevention of Money Laundering and Financing of Terrorism