Green Finance Framework
Impact Report

February 2025

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Jyske Bank Green finance development

Green Finance Framework

Jyske Bank Group introduced the first Group Green Finance Framework in February 2020. The framework was created to set standards for identification, selection, verification and reporting of green financing. With the definitions under the framework, Jyske Bank can direct financing more directly to the green activities defined in the framework.

To set an ambition for the future green financing from Jyske Bank, targets within different areas, was set up in the framework. The targets are not fixed and can be revised on a regularly basis.

For Green commercial buildings, Jyske Bank already achieved the 2025 target in 2024. Jyske Bank has set a new 2030-target of additional financing of green commercial buildings of DKK 20bn.

Since the first reporting in 2020 Jyske Bank has further developed the Green Finance Framework. In November 2024 Jyske Bank published a new version of the framework. With this update the activities in the framework are now aligned with the substantial contribution criteria for EU environmental objective "Climate change mitigation" defined in EU Taxonomy Climate Delegated Act published in June 2021. The framework has a second party opinion from Sustainalytics, published in November 2024.

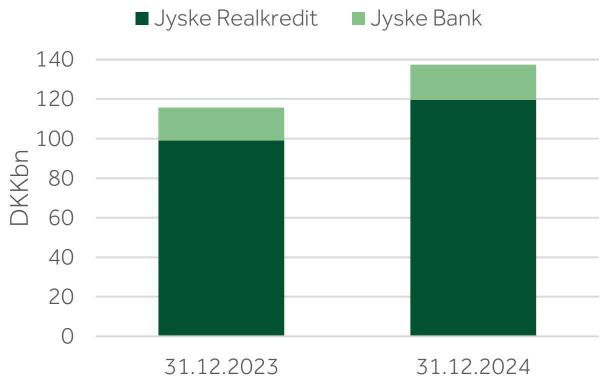
Green bonds

With the increased focus on financing of green activities the Jyske Bank Group was in 2024 able to issue one new green bond – a covered bond from Jyske Realkredit The bonds has been very well received by the market. Jyske Bank did not issue any bonds in 2024 but issued instead EUR 750m green bond in January 2025.

Development in financing 2024 and outlook for 2025

The increased focus on financing of green activities continued in 2024. In Jyske Bank A/S the financing of green activities, aligned with criteria in framework published in 2024 was increased from DKKm 16,699 in 2023 to DKKm 17,835. This increase is primarily due to growth within financing of renewable energy, clean transportation and green buildings.

The green financing is mainly provided to activities in Denmark. For renewable energy and clean transportation financing is also provided to activities located in Germany, Sweden and Poland.



With the increased focus on green financing from both the society and Jyske Bank Group, the green activities are expected to increase in the following years. Jyske Bank finances green companies that are some of the leading within their field of expertise – see examples in the below sections.

EU taxonomy

In 2024 Jyske Bank updated the framework to aligned with the substantial contribution criteria for EU environmental objective "Climate change mitigation" defined in EU Taxonomy.

In Jyske Bank we are working on also aligning our Green Finance Framework with the Minimum Safeguard and Do No Significant Harm criteria of the taxonomy.

Green financing in Jyske Bank Green Finance Framework

The categories Jyske Bank has defined as supporting the green transition, including the relevant UN SDG they support are listed below. A further specification of the categories can be found in the framework (jyskebank.com/gff).

Category	Project types	UN SDG
Renewable energy	Renewable energy includes generation from renewable sources, transition and transmission and activities relating to production: • Wind energy • Solar energy • Geothermal energy • Electricity or heating based on biomass	
Energy transmission, distribution and storage	Energy transmission, distribution and storage include transmission, distribution, and storage of low emission energy: • Transmission, distribution, and storage of electricity • District heating/cooling distribution • Installation of electric heat pumps • Transport and storage of CO_2	
Green buildings	Green buildings include buildings with low energy consumption and renovations for reduction of energy consumption: • Buildings build after 2021 with energy consumption et least 10% lower than NZEB. • Buildings with Energy Performance Certificate A or belonging to top-15% most energy efficient. • Renovation of buildings • Energy efficiency measures in existing properties	 
Clean transportation	Clean transportation includes transportation with low CO_2e emissions - electric, hybrid and hydrogen: • Low-emission passenger cars and vans • Low-emission passenger transport • Low-emission goods transport • Infrastructure to support clean transportation	
Manufacture and production	Manufacture and production include activities supporting green energy: • Manufacturing, installation, and repair of renewable energy facilities • Manufacture of hydrogen and anhydrous ammonia • Production of biogas and digestate	 
Sustainable water and waste management	Sustainable water and waste management: • Waterworks and wastewater management and treatment • Waste management • Pollution prevention and control	  

Green Finance Impact Reporting

In the following section the financing by Jyske Bank Group to the selected five areas defined in Jyske Bank Group Green Finance Framework is presented. For these areas, increased focus and finance from the Jyske Bank Group will support the transition for green and sustainable developments. Since green bonds are issued from both Jyske Bank A/S and Jyske Realkredit A/S impact reporting are performed separately for the two entities.

Jyske Bank A/S

Green category	Financing DKKm	Annual energy production GWh	Annual energy use avoided GWh	Annual emissions avoided (tCO_2e)
Renewable energy	4,550	3,790		734,581
Green buildings[1,2,3]	5,865		120	2,081
Clean transportation[4]	7,228			74,273
Manufacture and production	194			-
Total	17,837	3,790	120	810,935

Jyske Realkredit A/S[5]

Green category	Financing DKKm	Annual energy production GWh	Annual energy use avoided GWh	Annual emissions avoided (tCO_2e)
Renewable energy	1,535	633		120,953
Green buildings[6]	105,471		2,149	38,928
Energy transmission, distribution and storage	3,058			-
Total	110,064	633	2,149	159,881

[1] Only including mortgage loans for financing of housing activities. Cash-out loans based on housing collateral are not included.
[2] Includes financing of DKKm 2,060 green buildings for public housing
[3] Includes financing of green buildings under construction.
[4] Includes financing of DKKm 1,318 green public transportation
[5] Financing from Jyske Realkredit is reported as nominal lending volume.
[6] Includes financing of DKKm 27,300 green buildings for public housing

Methodology

This reporting for Jyske Bank Group Green Finance Framework includes all green activities[7], that live up the criteria stated in Jyske Bank Group Green Finance Framework, as of the end of 2024.

The reporting distinguishes between actual and expected impact and includes only Jyske Bank's share of the financed activity.

Avoided emission are calculated as avoided in-use emissions. The calculations are not based on Life cycle assessment (LCA). Jyske Bank will work on including LCA in calculations of avoided emissions.

This report aggregates activities into six green categories, defined in the framework, and not on individual projects. Reporting on Green Bonds reflects all the green activities in the loan portfolio. Changes in asset composition will drive the developments of the impact.

To the extend available, the impact is based on data reported from the projects or by companies or available public data on the specific sector. The impact depends on the baselines for each green category. The baseline numbers for buildings and transportation are based on the Danish banking sector model[8] while renewable energy follows the reporting from Nordic Public Sector Issuers (March 2024).

Since electricity is traded cross-border, production of renewable electricity will not only be used in the county it is produced but transported to multiple countries. Therefor a European energy mix is used as baseline.

Jyske Bank calculate energy consumption and emissions for each individual building using EPCs, floor area and heating source. Energy reduction and avoided emissions for green buildings are calculated relative to buildings not aligned with criteria in the framework, financed by Jyske Bank Group.

Avoided emissions for clean transportation are calculated relative to alternative comparable transportation based on fossil fuel. The calculations are based on DCE's (Danish Centre for Environment and Energy) model for transportation and on Yearly Energy Statistics (2021) from Danish Energy Agency. The Danish mix of electricity leads to emissions of 26 g CO_2/km for electric cars, 83 g CO_2/km for hybrid cars and 80 g CO_2/km for an electric bus. Reduction in emissions is based on the full reduction for the vehicle.

Baseline

Green category	Subcategory	Method/source	Baseline
Renewable energy	Electricity	NPSI - Position Paper on Green Bonds Impact Reporting	191 CO_2e /kWh
	Renewable district heating	Fossil fuel alternatives	178g CO_2e /kWh
Green buildings		Finance Denmark CO_2-model	7-14[9]kg CO_2e /m^2 per year 136-167 kWh /m^2 per year
Clean transportation	Cars and vans	Finance Denmark CO_2-model	2.5t CO_2e per year
	Passenger transport (bus)	Danish Road Traffic Authority (Færdselsstyrelsen)	64.0t CO_2e per year

[7] Guarantees provided to green activities by Jyske Bank are not included.
[8] https://finansdanmark.dk/media/c4ghdxm5/framework-for-financed-emissions-accounting.pdf
[9] The CO_2e-emissions and energy consumption depend on building type.

Sustainability in Jyske Finans

Sustainability is a growing focus for Jyske Finans, and our aim is to be our clients' trusted adviser and inspiration in this area too. We are therefore keen to help our clients and partners to think – and especially to act – more sustainably. We are doing this by:

- Hosting webinars on climate accounting, CSRD reporting, energy efficiency grants and more
- Serving as a sparring partner for clients looking to get started in areas such as climate accounting and green asset finance.
- Providing loans and leasing products for electric vehicles and the infrastructure to support them.
- Publishing inspiring case stories highlighting both successes and challenges as businesses make the green transition.
- Increasing our own employees' knowledge and understanding of sustainability so that we have more specialists in the sustainability area.

Jyske Finans has ambitious plans for growth in sustainable asset finance. We will achieve this by working actively on a clear objective: profitable sustainability.

This means delivering profitable growth by achieving the following new environmental targets for 2028 (update from 2025 targets):

- Cars and vans: 60% of our balance sheet to consist of low-emission vehicles (electric/hybrid)
- Passenger transport: 75% of our balance sheet to be low-emission
- Freight transport: 20% of our balance sheet to be low-emission
- Agriculture: Support sustainable farming with sustainable asset finance

We know it can be hard for many businesses to move from thinking green to taking effective action. We therefore want to make it easier for our clients to act more sustainably, enabling them to contribute to the green transition whilst also enhancing their own competitiveness. We want our clients to know that we can help make their green ideas and ambitions reality, supporting them with finance for newer and greener technology, machinery, equipment, vehicles and more.

It is important both for Jyske Finans and for our clients that sustainability is not just an add-on or an afterthought, but part of our mindset and our DNA.

Allan Mortensen
Managing director
Jyske Finans

Jyske Bank green loans financing green projects to reduce CO_2e-emissions

Green buildings: Ammendrup Park

In the outskirts of the Danish city Helsinge a new residential neighborhood with a special focus on biodiversity has been constructed over the last four years. The new area consists of 164 residential units and is a combination of terraced and detached houses.

In Ammendrup Park there is a special focus on biodiversity, since Ammendrup Park is one of the first partners under The Danish Society for Nature Conservations (Danmarks Naturfredningsforening) butterfly program. As a partner under the program, you are creating better living conditions for butterflies and other insects, by securing that certain areas are a created as suitable living area for butterflies and other insects.

The owner of the buildings – Stensdals Group – have since 2020 been a partner under the program and besides from the areas in Helsinge they have also transformed some of the areas around their other existing buildings into butterfly-friendly nature to support biodiversity.

The buildings have EPC of A2015 and A2020. All the buildings have a primary energy demand which is at least 10 % under the Danish Nearly Zero Emission (NZEB) buildings, hence the buildings are aligned with the substantial contribution criteria 7.7 in the EU taxonomy. Also, the buildings are not exposed to any direct climate risk and therefor also lives up to the Do No significant Harm (DNSH) criteria for buildings under the EU taxonomy.

Renevable energy: Give Fjernvarme

If the Danish society is going to reach the target of a net-zero building stock in 2050 the central heating sector plays an important role in achieving this target.

One of the central heating producers already producing green heating is Give Fjernvarme. Their production is based on locally sourced certified wood chips. By using local certified wood chips, they are not transporting wood from outside of Denmark. The sourcing of local wood chips reduces the carbon footprint from transportation and thereby the total carbon footprint of the heating.

Even though Give Fjernvarme already have a green production of heating, they want it to be even greener. Therefore, they have started to phase out biofuel as input to their production of heating and are instead replacing it with waste heat from the local industry. When waste heat is used for central heating, it also reduces the energy consumption by the local industry who no longer need to use electricity, water and chemistry to cool down their production.

The activity is at the moment aligned with substantial contribution criteria 4.24 - Production of heat/cool from bioenergy. With investments made by Give Fjernvarme the activity will over time be aligned with 4.25 - Production of heat/cool using waste heat.

Jyske Bank is financing the construction of the production-facility to use waste heat.

Renewable energy: Mesballe Energypark

The global market for buying renewable energy via power purchase agreements (PPA) have been growing. But the PPAs have only been accessible for larger companies and not for SMEs.

In the city Mesballe on Djursland a new solar park is making PPAs accessible for smaller companies – one of them is the local church. Here, 25 companies have in a corporation agreed to buy electricity from the park. With this new park green energy is becoming available and attractive for all companies, independent on the size of the company.

In the park there is also a focus on biodiversity. A part of the park is kept free from solar panels to promote local and wild plants. Also, wildflowers are planted under the solar panels and the ground is kept accessible for local animals.

When the park is finalized in March 2025 it will reduce carbon emissions of around 300 ton each year.

The activity is aligned with the substantial contribution criteria in 4.1 Electricity generation using solar photovoltaic technology. An environmental screening has been completed before the construction of the park, in alignment with the DNSH-criteria from the taxonomy.

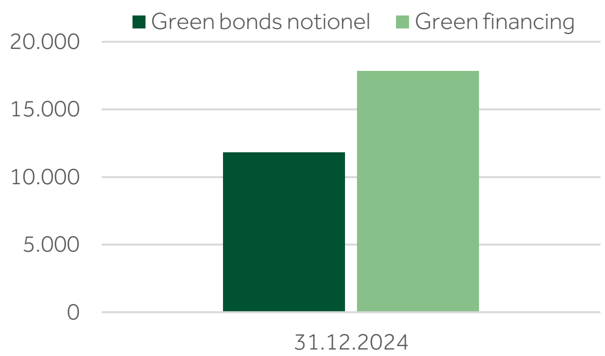
The construction of the park is financed with a loan from Jyske Bank.

Green Bonds

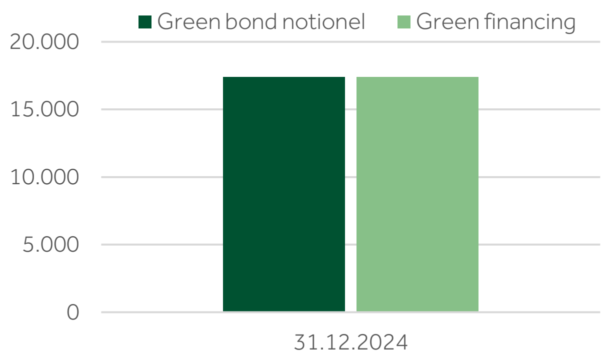
In 2024 the Jyske Bank Group issued one new green covered bond from Jyske Realkredit in April 2024. The green bonds were issued to finance a combination of activities under the framework. Jyske Realkredit also tab issued into their existing green bonds during the year.

The green bonds from the Jyske Bank Group comply with the guidelines set up in the Green Bond Principles by International Capital Markets Association (ICMA). The green bonds follow the guidelines from ICMA on use of proceeds, project evaluation and selection, management of proceeds, reporting and external review.

Jyske Bank green financing and bonds (DKKm)



Jyske Realkredit green loans and green bonds (DKKm)



The investments in green bonds from Jyske Bank leads to a reduction 41 tonnes CO_2e per DKK million invested and 2.5 tonnes CO_2e per DKK million invested in green covered bonds from Jyske Realkredit.

Impact of Jyske Bank green bonds

Bond notional DKKm	Green financing DKKm	Proportion financed by green bonds	Impact tCO_2e per DKKm
11,800	17,837	66%	46

Impact of Jyske Realkredit green bonds

Bond notional DKKm	Green financing DKKm	Proportion financed by green bonds	Impact tCO2e per DKKm
17,400	17,400	100%	2.5

We are committed to report the impact of our green bond issuances and will continue to develop the methodology for calculating impact.

For further details on outstanding green bonds from the Jyske Bank Group look at appendix 1.

Targets in Jyske Bank Green Finance Framework

Jyske Bank has since the publication of the first Green Finance Framework in 2020 set up several targets within the categories in the framework. These targets define the direction in which Jyske Bank wants to develop the portfolio over the coming years, while at the same time contributing to ensuring that Jyske Bank supports the 17 UN Sustainable Development Goals.

In 2024 Jyske Bank reached the 2025-target of 25bn financing of green commercial building. A new 2030-target has been set.

Renewable energy

Target	Target start	Target end	Status end-2024
Financing of a further production of 3 TWh of renewable energy to a total financing of 5 TWh	2020	2025	2.4 TWh

Green buildings

Target	Target start	Target end	Status end-2024
Increase financing of commercial green buildings by DKK 25bn to total lending of DKK 60bn	2020	2025	29.3bn
Increase financing of commercial green buildings by DKK 20bn to total lending of DKK 80bn	2024	2030	4,3bn
Reduce the proportion of private houses financed heated with fossil fuels, by replacement of heat source, by 3.5%-points out of the total private residential properties financed	2023	2025	2.5%
Refer 6,500 private homeowners to Jyske Banks external energy consultants	2023	2025	2,402

Clean transportation

Target	Target start	Target end	Status end-2024
40% of Jyske Bank's financing of passenger cars/vans must be for low-emission vehicles	2020	2025	38.1%
75% of Jyske Bank's financing of passenger transportation must be for low-emission vehicles in 2025	2023	2025	64.8%
5% of Jyske Bank's new financing of goods transport must be for low-emission vehicles in 2025	2023	2025	0.6%

Appendix 1 – Outstanding green bonds from Jyske Bank Group by the end of 2024

Outstanding green bonds from Jyske Bank

Bond	Rating	Nominal amount	Issue date	Maturity date	Potential redemption date	Listing	ISIN
Green bond EUR 500m, senior non preferred, 5NC4	BBB+ (S&P)	EURm 500	2 Sep 2021	2 Sep 2026	2 Sep 2025	Irish Stock Exchange	XS2382849888
Green bond EUR 500m, senior non preferred, 5NC4	BBB+ (S&P)	EURm 500	16 Nov. 2022	16 Nov. 2027	16 Nov 2026	Irish Stock Exchange	XS2555918270
Green bond SEK 1bn, non preferred senior, 4NC3	BBB+ (S&P)	SEKm 1,000	2 Feb. 2023	2 Feb 2027	2 Feb 2026	Irish Stock Exchange	XS2582406935
Green bond SEK 1.25bn, non preferred senior, 4NC3	BBB+ (S&P)	SEKm 1,250	2 Feb. 2023	2 Feb 2027	2 Feb 2026	Irish Stock Exchange	XS2582407156
Green bond EUR 500m, senior non preferred, 6NC5	BBB+ (S&P)	EURm 500	10 Nov. 2023	10 Nov. 2029	10 Nov. 2028	Irish Stock Exchange	XS2715957358

Outstanding green bonds from Jyske Realkredit

Bond	Rating	Nominal amount (31 Dec. 2024)	Issue date	Maturity date	Listing	ISIN
Green covered bond Jul. 2025	AAA (S&P)	DKKm 8,071	11 Feb. 2021	1 Jul. 2025	Nasdaq OMX	DK0009405425
Green covered bond Jul. 2025	AAA (S&P)	DKKm 1,597	22 Apr. 2022	1 Jul. 2025	Nasdaq OMX	DK0009408601
Green covered bond Jul. 2027	AAA (S&P)	DKKm 6,356	26 Apr. 2023	1 Jul. 2027	Nasdaq OMX	DK0009412397
Green covered bond Jul. 2027	AAA (S&P)	DKKm 1,318	5 Apr. 2024	1 Jul. 2027	Nasdaq OMX	DK0009414682

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