

29 October 2024

Jyske Bank Strategy Update



Jyske Bank Strategy Update

01
Highlights from Q3 2024



02
Jyske Bank Strategy



03
Financial Outlook



04
Business, Corporate &
Institutional Banking



05
Personal & Private
Banking



06
Digitalization, AI,
and Data-Driven
Banking



07
Summary



1.

Highlights from Q3 2024



Upgraded guidance for 2024

- Net profit upgraded to DKK 5.0bn-5.3bn from DKK 4.7bn-5.1bn in 2024 on 11 Oct.
- RoTE of 13.2% in Q3 amid positive financial markets and loan loss reversals.
- EPS of DKK 21.7



Updated strategy

- Increasing underlying profitability to mitigate lower short-term interest rates
- Accelerating growth in select, profitable market segments with untapped potential
- Leveraging strengths of comprehensive, digital offering and client relationships



2028 targets announced

- 10% Return on tangible equity
- <50% Cost/income ratio
- >40% of current market capitalisation Cumulative excess capital generation



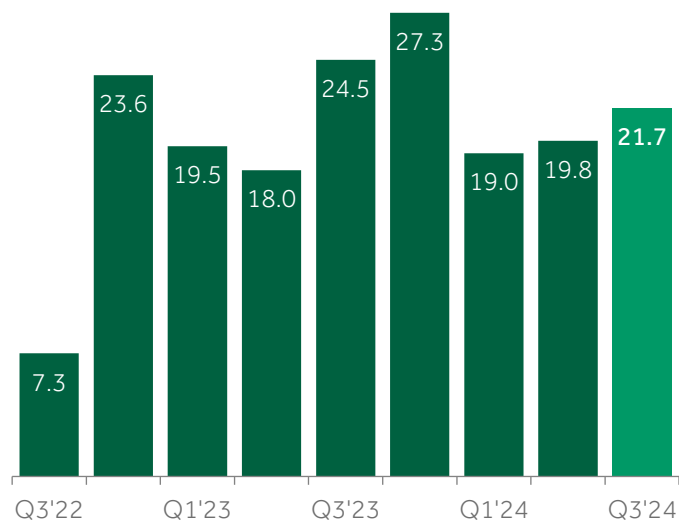
Continued good operating performance amid decreasing rates

Healthy fee income development underpinned by higher assets under management

13.2% Return on tangible equity (p.a.)	47% Cost/income	-2bp Cost of risk	17.2% CET1 ratio	DKK 21.7 Earnings per share
--	---------------------------	-----------------------------	----------------------------	---------------------------------------

Earnings per share

DKK

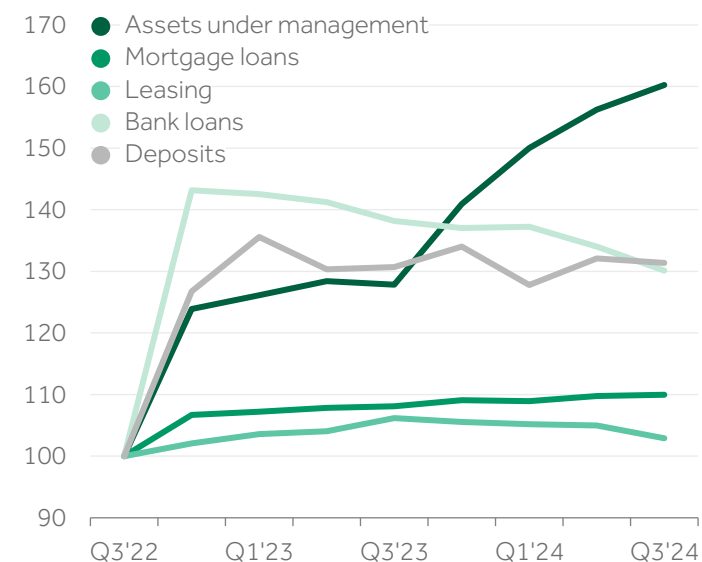


Profit/loss statement

DKKm	Q3'24	Q3'23	Index
Net interest income	2,334	2,516	93
Net fees and commissions	627	602	104
Value adjustments	453	452	100
Other income	33	35	94
Income from operating lease	32	66	48
Core income	3,479	3,671	95
Core expenses	1,641	1,583	104
Core profit before loan losses	1,838	2,088	88
Loan impairment charges	-83	-13	-
Core profit	1,921	2,101	91
Investment portfolio	6	65	9
Pre-tax profit	1,927	2,166	89
Tax	505	548	92
Net profit	1,422	1,618	88
Attributable to AT1 holders	66	41	162

Business volumes

Index

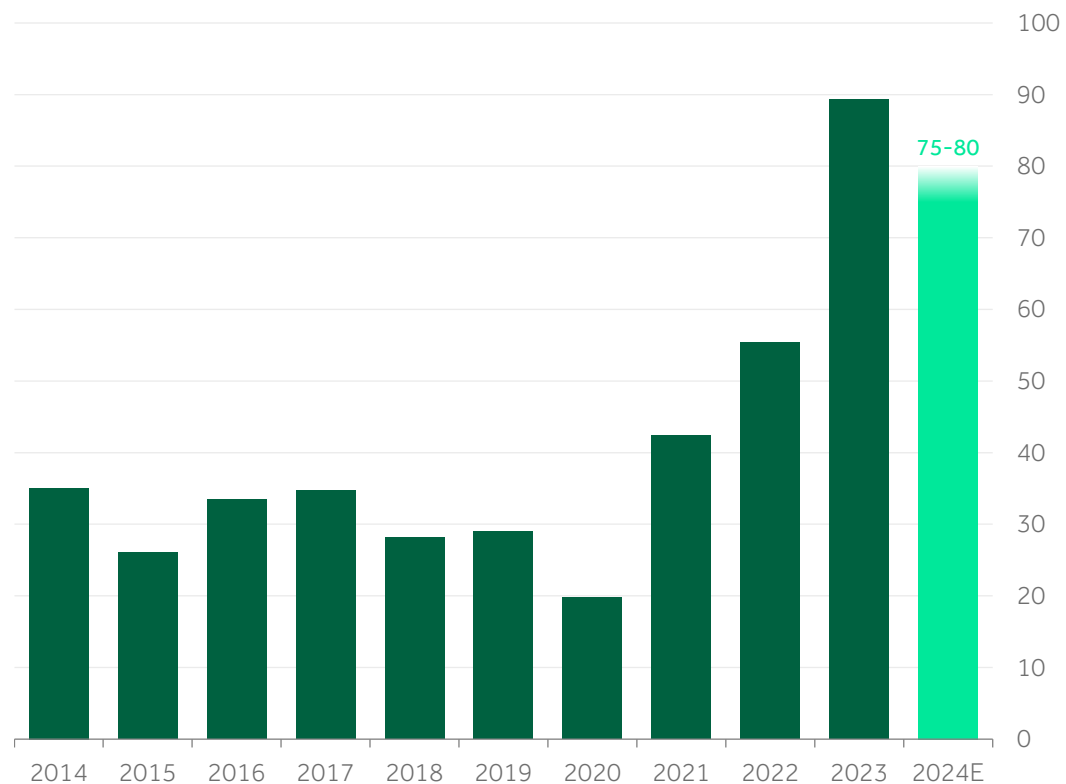


Targeting net profit of DKK 5.0bn-5.3bn

Guidance upgraded earlier in October from upper half of DKK 4.3bn-5.1bn

Earnings per share

DKK



Core income

Lower in 2024 than in 2023

Mainly due to lower value adjustments

Core expenses

Slightly higher in 2024

Synergies to partly counteract PFA Bank acquisition and inflation

Loan impairments

Low level in 2024

Post-model adjustments buffer of DKK 1,783m
Previously: Slightly higher in 2024 than in 2023

Net profit

DKK 5.0bn-5.3bn in 2024

Earnings per share of DKK 75-80

Capital

15%-17% CET1 ratio, 20%-22% capital ratio

Targeting ~30% dividend payout ratio supplemented by share repurchases.

2.

Jyske Bank Strategy



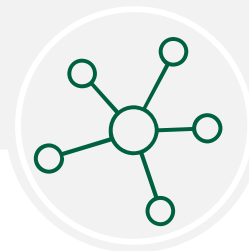
Jyske Bank – Focused domestic bank

Financial institution in Denmark, focused on the attractive domestic market



Focus on Denmark ...

- Banking business and portfolio with a **domestic focus**
- Divested **foreign activities**
- Increased strength in Denmark through focused **acquisitions** (e.g. Handelsbanken-DK, PFA Bank and Opendo)



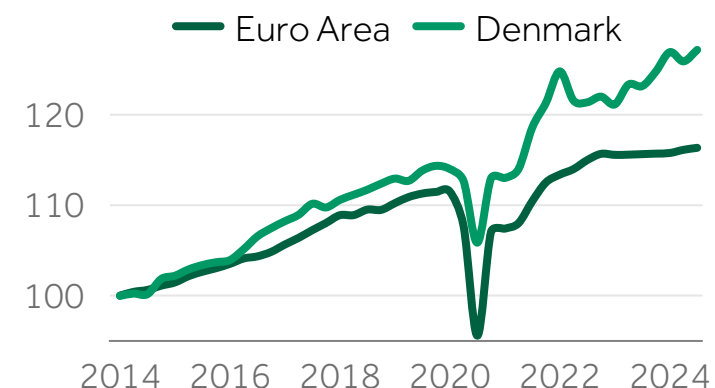
... an attractive market ...

- Leading **AAA** economy
- **2nd** in EU digital economy and society index¹
- Relatively **low compliance risk** rated market



... with steady growth

GDP, chain-linked volumes, 2014 = 100



Strengthened position in Denmark

We have achieved a stronger position through profitable high-quality growth



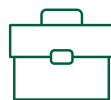
	Strategic:	Value:
<p>Handelsbanken Denmark 2022 Integration on-track</p>	<p>Integrate large player, including steering principles and branding</p>	<p>RoE-accretive, scaling ~20% in core areas</p>
<p>PFA Bank 2023 Integration on-track</p>	<p>Capital-light income (investment fees)</p>	<p>RoE-accretive, scaling ~7% in AuM</p>
<p>Opendo leasing portfolio 2024 Closing 31/10/2024</p>	<p>Supporting our leading position in the growing leasing market</p>	<p>RoE-accretive, scaling operating leasing business >60%</p>

✓ **Delivered/on track to deliver according to communicated case**

Where we are today

We offer competitive solutions across Business, C&I, Personal, and Private Banking segments

Business, Corporate & Institutional Banking



- **Top-3¹** in Business and Corporate & Institutional Banking
- **Full-fledged and competent offer of banking and advisory** by highly skilled advisors
- **One of largest in Danish asset-based vehicle financing** and green solutions markets
- **Competitive in medium-sized business segment**, and, increasingly, in chosen strongholds for largest corporate and institutional clients
- **Preferred bank for clients**, and one of the most reliable contender bank with a focus on long-lasting relationships

Personal & Private Banking



- **Top-3¹** with Danish Personal Banking customers
- **Full, competitive product and solutions offer** across everyday banking, pensions, investments, mortgages and lending
- **Distinctive, highly-rated capabilities** for Private Banking clients
- **Modern digital platform** with high quality digital and mobile customer solutions
- **Nationwide coverage** and branch network, present in all major regions

In-house mortgage underwriting through Jyske Realkredit

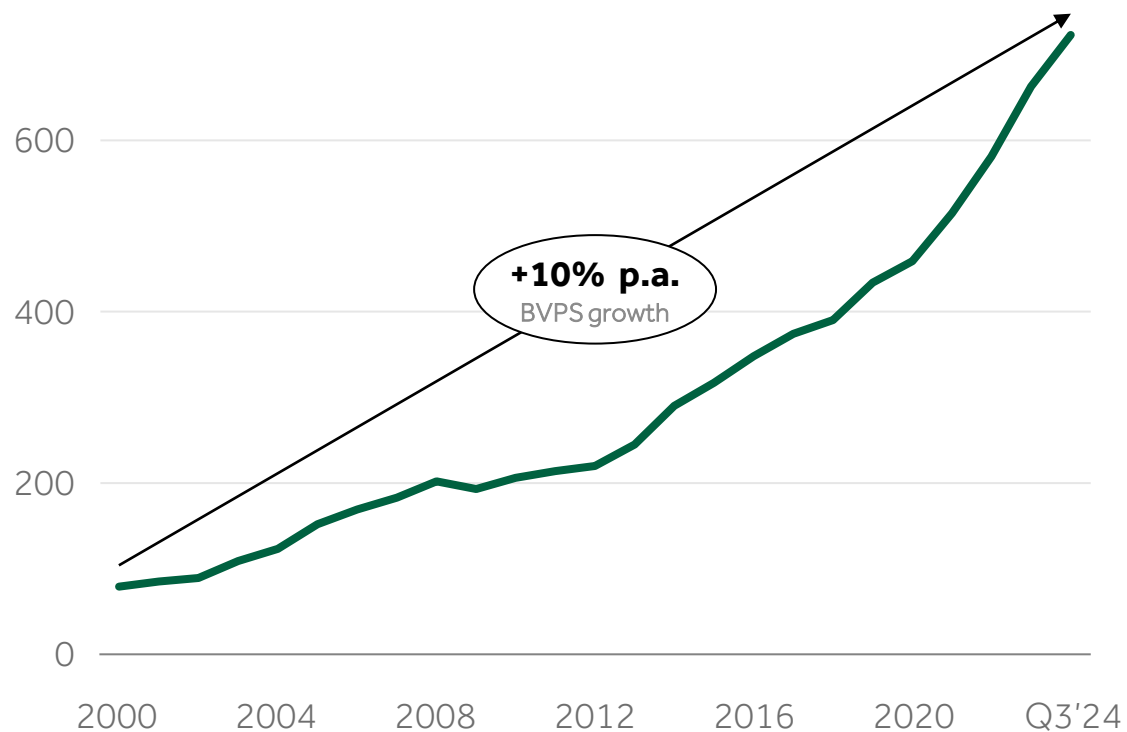


Solid performance

We have consistently created value for our shareholders in previous cycles

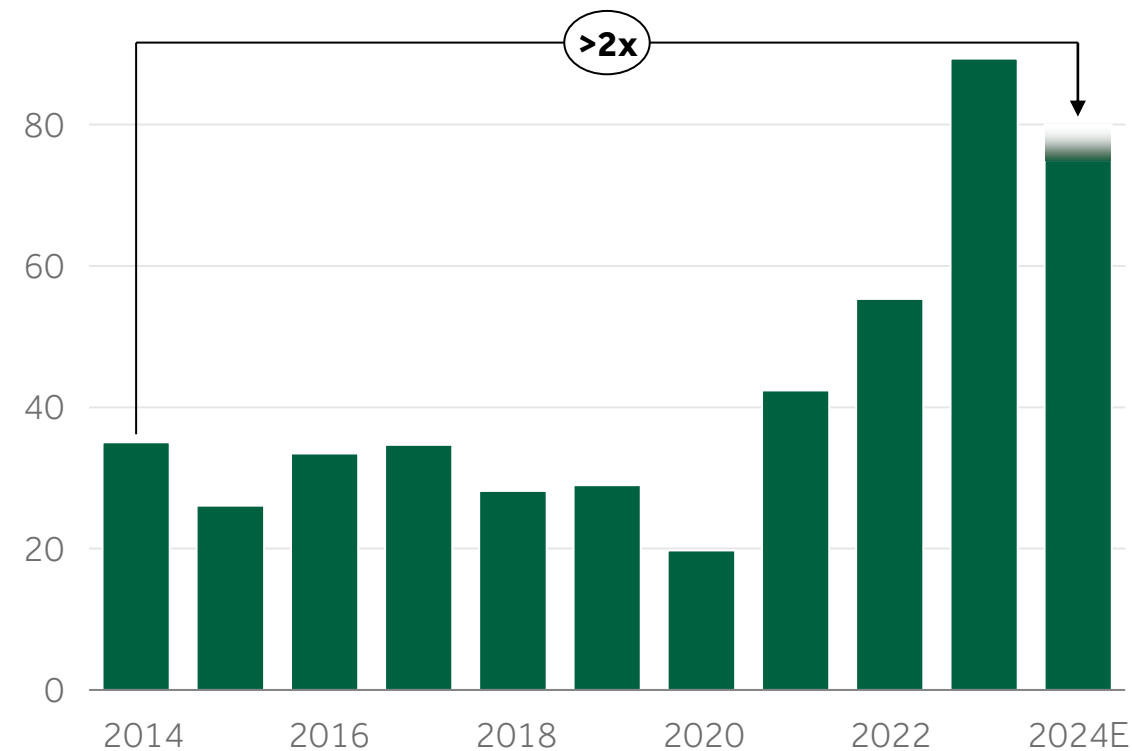
Growing consistently throughout cycles

Book value per share (DKK)



Increasing profitability

Earnings per share (DKK)

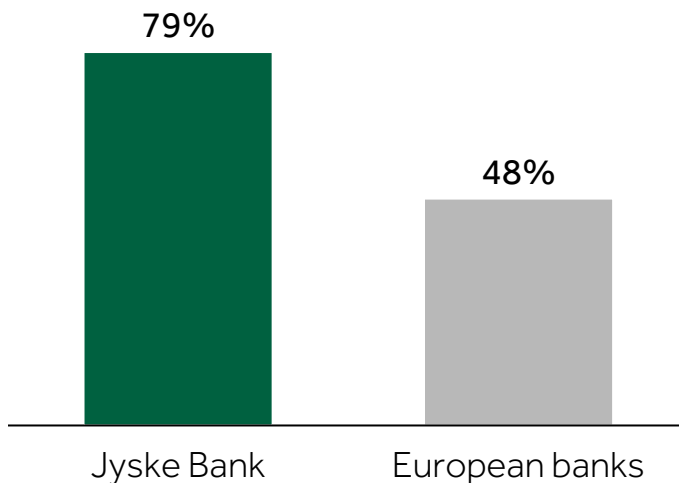


Consistent approach to risk

We have maintained a cautious and conservative credit and risk profile and have a strong focus on compliance

Highly collateralised exposures

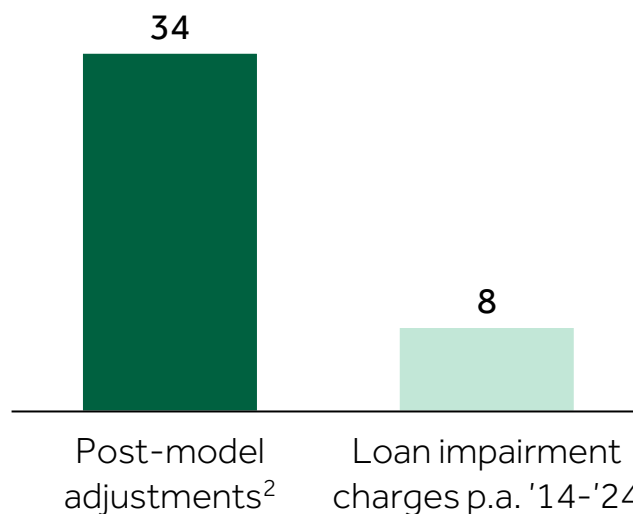
+31pp vs. European avg.



Share of lending secured by real property¹

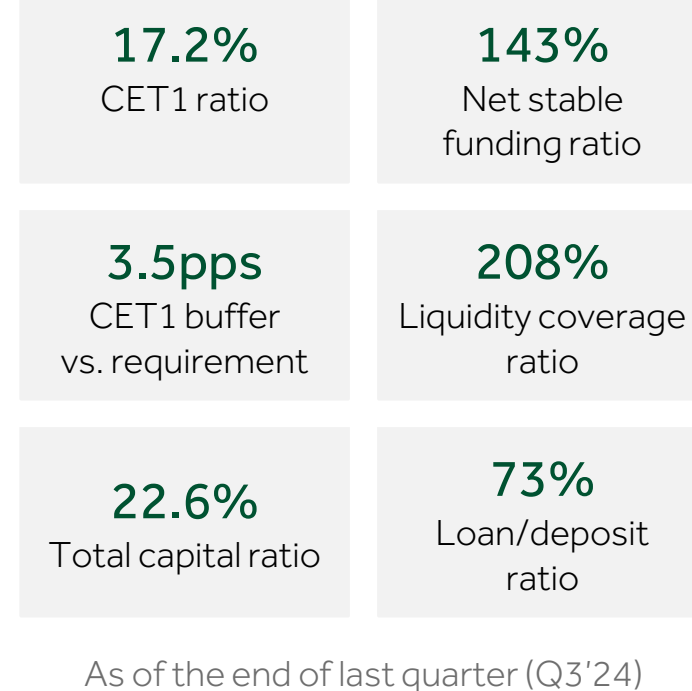
Low cost of risk and healthy buffer

Buffer >4x cost of risk



As fraction of total loan portfolio (bp)

Solid capital and liquidity positions



Strong focus on compliance and KYC and AML procedures and large investments in tech and people (added >100 extra employees)

Risk Strategy

We continue our conservative approach to risk to enable stability and attractive returns through the cycle



Business Model and Scope

- Low risk/ highly collateralised loans
- Domestic Danish focus in core banking services
- Limited international exposure
- Group wide risk management framework

Risk Appetite and Governance

- Conservative risk appetite and sound risk culture
- Robust methodologies, metrics and targets
- Centralised risk governance and control framework

Capital and Liquidity Management

- Fully sufficient capital buffers
- Stable funding structure and robust funding plans
- Proven market access in market stress

Risk Mitigation and Hedging

- Group wide principles for risk identification and risk mitigation
- Strict collateralisation policies and comprehensive hedging strategies
- Investing in compliance culture

Risk Management Operating Model and systems

- Risk aggregation and consolidation in integrated ERM systems
- Risk appetite and policies closely monitored and frequently reported
- System enabled central and decentral follow-up on delegated lines

Improved strategic optionality

Recent and imminent developments further strengthen our position

Opportunities in mortgage

- Antitrust ruling creates new opportunities to be explored for new partnerships/cooperation, market consolidation, and jointly funded mortgage solutions
- Allows for a measured approach, pursuing strategically and financially sound opportunities
- Upcoming regulation, incl. CRRIII, is expected to create a more level playing field for retail mortgages in the coming years



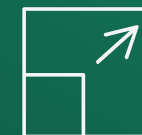
Potential in cooperation and sourcing

- Strategic sourcing, partnerships and cooperation will be pursued to optimise value propositions and efficiency
- New Bankdata commitment to deliver solutions that will accommodate Jyske Bank's needs in a closer collaboration and enable more value creation and cost efficiencies



Scale opens new possibilities

- Our recent organic and in-organic growth unlocks the ability to serve larger and more clients with more complex needs profitably
- We have the capabilities to grow profitably with quality business and can expand further



Antitrust settlement unlocks structural opportunities

New strategic options available, which we are exploring

Availability of structural options in mortgages



Better opportunities for market consolidation

Commission income from already distributed mortgages unaffected by M&A



Mortgage partner switching

Commission income for already distributed mortgages unaffected by partner switch



Jointly funded mortgage solution

Commission income on already distributed mortgages unaffected by new partnerships



Distribution not possible

Mortgage parallel distribution is not possible²



All available
options are
on the table,

we take a measured
approach, only pursuing
financially and strategically
sound opportunities

Potential for more

- **Customers:** Enhancing the customer experience and helping individuals, families and companies to unleash their potential
- **Shareholders:** Secure Jyske Bank as an attractive investment well into the future
- **Employees:** Develop and engage competent and talented colleagues
- **Society:** Contribute to and help enable a thriving and sustainable Danish society

Jyske Bank Strategy

Building on our core strengths and taking them to the next level

Where to invest

- 
- Focus and set high ambitions
 - Enhance momentum with **Medium-sized Businesses and selectively large Corporate and Institutional clients**
 - Enhance momentum with **Affluent Personal customers, Homeowners and Private Banking clients**
 - Enhanced momentum will benefit **all customers and clients**

How to win

- Build a **simpler and more seamless** banking experience bringing us closer to our customers
- Continue a **conservative risk approach** for stable attractive returns through the cycle
- Use **size to our advantage**: Proactive and reliable, big enough to serve complex client needs
- Offensively deploy **new technologies** - accelerate digital, systematically using AI and data driven banking
- Further improve our **execution capabilities** across the business
- Recommit to **motivate talents**, and to accelerate **pace of transformation**

How we plan to achieve our goals

Our strategy is built on four key elements

Business, Corp. & Inst. Banking

Personal & Private Banking



Strengthen position

Be a better bank for all and enhance momentum with **Medium-sized Business segment**, drive profitable growth in **Large Corporates** and deepen existing relationships

Become an even better bank for all and enhance momentum with **Affluent Personal customers, Homeowners and Private Banking** clients



Leading advisory

Enhance advisory capabilities by **simplifying and digitalizing processes** to free up advisor time and better understand client needs

Improve relationships by **raising quality and frequency of customer engagement** and by supporting advisors with new digital and AI-tools



Competitive products

Expand product offering for **Cash- and Risk-management**, and enable cross-selling of products and solutions across client segments

Enable our advisors to provide **360° dynamic financial advice, with simple attractive bundles** and deliver enhanced home-financing offering



Next level digital

Invest in **digital and AI-powered solutions that benefit strategic segments** to improve advisor efficiency and response times

Become an even stronger relationship bank with enhanced benefit of local presence and simple, digital customer journeys leveraging AI and CRM



Impactful marketing

Improve market reputation and marketing **effectiveness** through refined brand positioning, improved messaging, and clear values

Provide **personalized and targeted cross-channel interactions** across channels with updated brand identity and brand positioning

Operating the bank

Step up in key areas to better enable the strategy

New steering principles

supporting strengthened performance through the cycles

- Customer experience
- "House in order"
- Profitable growth



People and performance

emphasising competence, potential and diversity

- Competence and development
- Highly engaged employees
- Succession planning



Sustainability

ingrained in our daily business and constructively helping customers' transitions

- Net zero commitment
- Client value proposition
- Responsible operations



Branding and marketing

for a leading Danish bank

- Refresh brand positioning
- Personalised communication
- Digital sales and marketing



We continue our conservative approach to risk to enable stable, attractive returns through the cycle

Business Model and Scope

Risk Appetite and Governance

Capital and Liquidity Management

Risk Mitigation and Hedging

Risk Management operating model and systems

Operating the bank – step up in key areas

We implement new steering principles throughout the organisation, to support, structure, and enhance performance management

New steering principles

People and performance

Sustainability



Customer experience

- Strengthen our **relationships** with customers, by improving their satisfaction
- **Attract new customers** based on competitive and reliable customer offerings



House in order

- Focus on **risk, compliance and credit**
- **Quality** as a top priority
- **Efficient processes**



Profitable growth

- **Measured and controlled approach** – pursuing profitable quality growth
- **Operational excellence** focused on simplicity, automation, optimisation, and robustness

Operating the bank – step up in key areas

We focus on stronger performance and diversity

New steering principles

People and performance

Sustainability



Competence & development

- Strengthen performance through goals and development tied to business objectives and new steering principles
- Continuous upskilling with learning objectives and by bringing in new strong capabilities, e.g., for new technologies



Highly engaged employees

- Foster employee engagement to be among the best in the sector
- Attract, develop and retain ambitious and competent employees
- Be an attractive and developing place to work



Succession planning

- Structure the development of potentials at all organisational levels
- Continuously assess strategic positions and timely succession
- Drive “strategic potential” initiative to increase diversity

Operating the bank – step up in key areas

We are committed to make a difference

New steering principles

People and performance

Sustainability



Notes: 1) AA MSCI ESG rating, Medium Risk Sustainalytics ESG rating, B CDP climate change score; 2) Since 2019, green financing up 98% and emission intensity down 37%; 3) Loans and operations by 2045 and investments by 2050

3.

Financial Outlook



2028 targets & assumptions

Financial Outlook

10%
Return on
Tangible Equity

Targets

<50%

Cost/income ratio
by mitigating the impact
of inflation

~30%

Dividend payout ratio
supplemented by share
buybacks

Assumptions

15-17%

CET1 ratio¹
lower end of range
assumed post 2024

8bps

Cost of risk
through the cycle

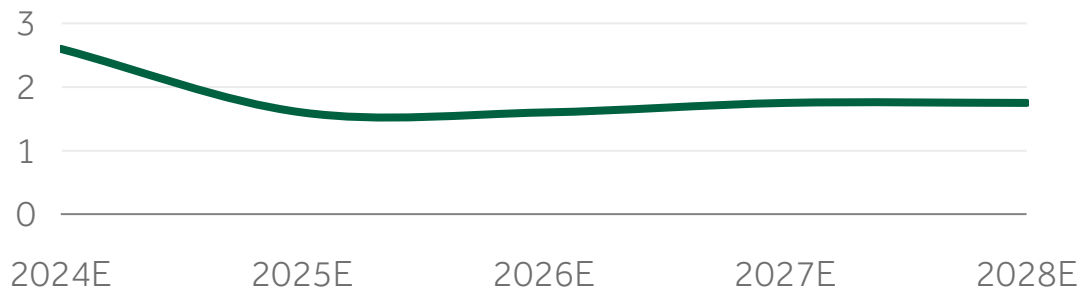
Note: 1) CRE buffer of 0.9% included in 15-17% CET1 ratio

Main macroeconomic assumptions behind our 2028 plan

We expect the Danish policy rate to decrease to 1.6% by end of 2025 before rising back to 1.75% in early 2027

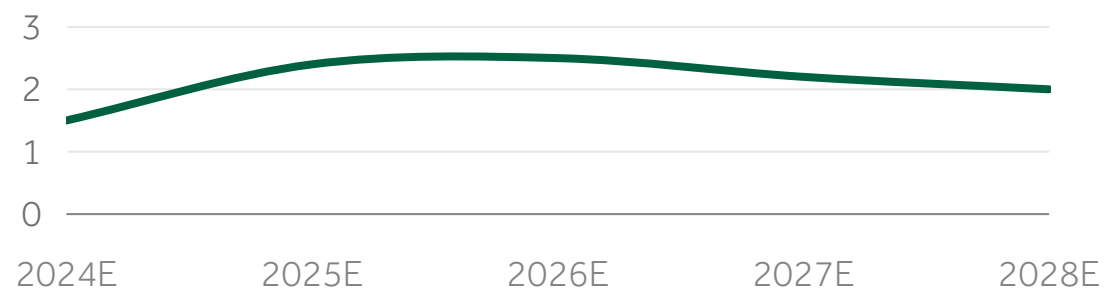
Policy rate

Development 2024 – 2028 (%)



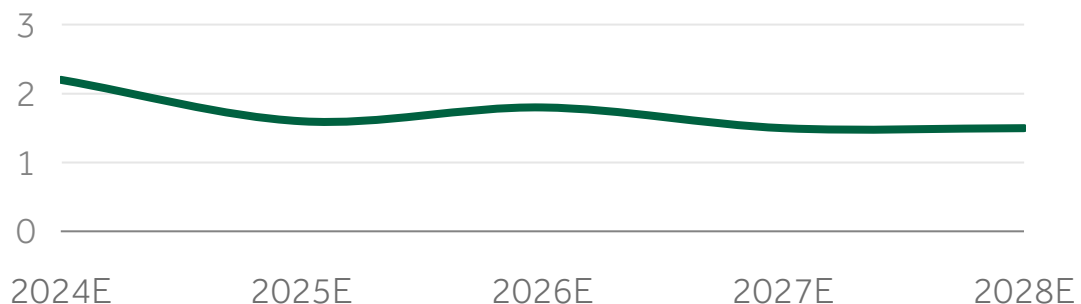
Inflation

Development 2024 – 2028 (%)



Real GDP growth

Development 2024 – 2028 (%)



Unemployment

Development 2024 – 2028 (%)



Return on Tangible Equity of 10% in 2028

We expect to improve underlying profitability in the coming years

Return on Tangible Equity

Development 2024 – 2028 (%)



Key drivers for 2028 target

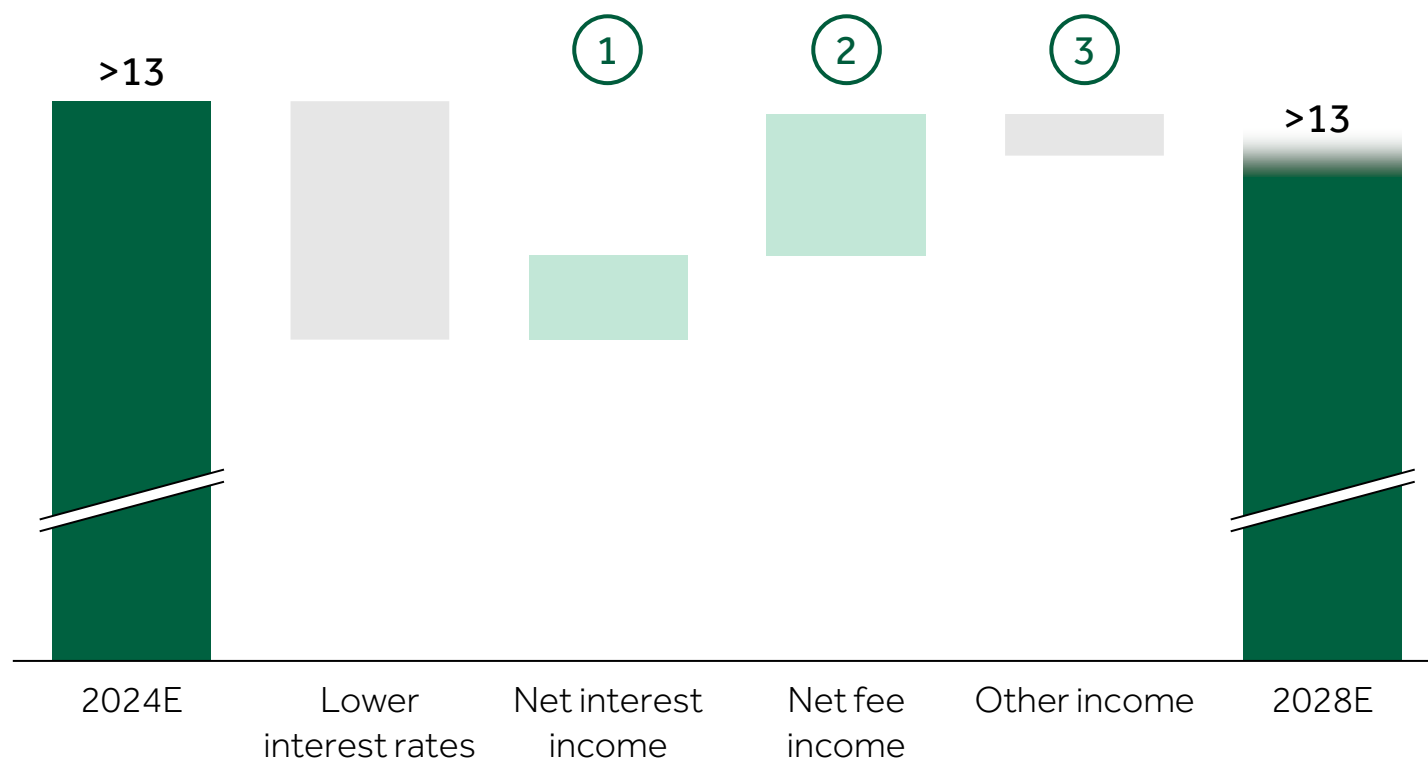
- 1 Significantly lower interest rates**
 Danish policy rate of 1.75% in 2028 to significantly reduce the net interest margin
- 2 Income**
 Organic growth to more than offset lower value adj. and lower income from operating lease
- 3 Costs**
 Headwind from cost inflation to be roughly offset by cost measures and lower one-offs
- 4 Cost of risk**
 Normalisation of loan impairment charges to through-the-cycle level of 8bps
- 5 Capital**
 Higher capital levels caused by organic growth

Stable income development despite significantly lower interest rates

We will focus on capital-light income growth amid a normalising interest rate environment

Income

Development 2024 – 2028 (DKK bn)



Key drivers for 2028 target

- 1 Net interest income**
Lending growth of 1%-3% p.a. and deposit growth of 2%-4% p.a., below trend of the last decade, to underpin net interest income growth from 2026 to 2028
- 2 Net fee income**
Normalising activity levels and focus on capital-light growth as well as market returns supplemented by net inflow of assets under management to support strong fee income growth
- 3 Other income**
Normalising gains from sale of used cars for operating lease as well as normalising value adjustments from high levels in 2024

Cost/income ratio <50% in 2028

We expect to maintain a cost/income ratio below 50% supported by significant cost initiatives

Cost/income ratio

Development 2024 – 2028 (%)



Key drivers for 2028 target

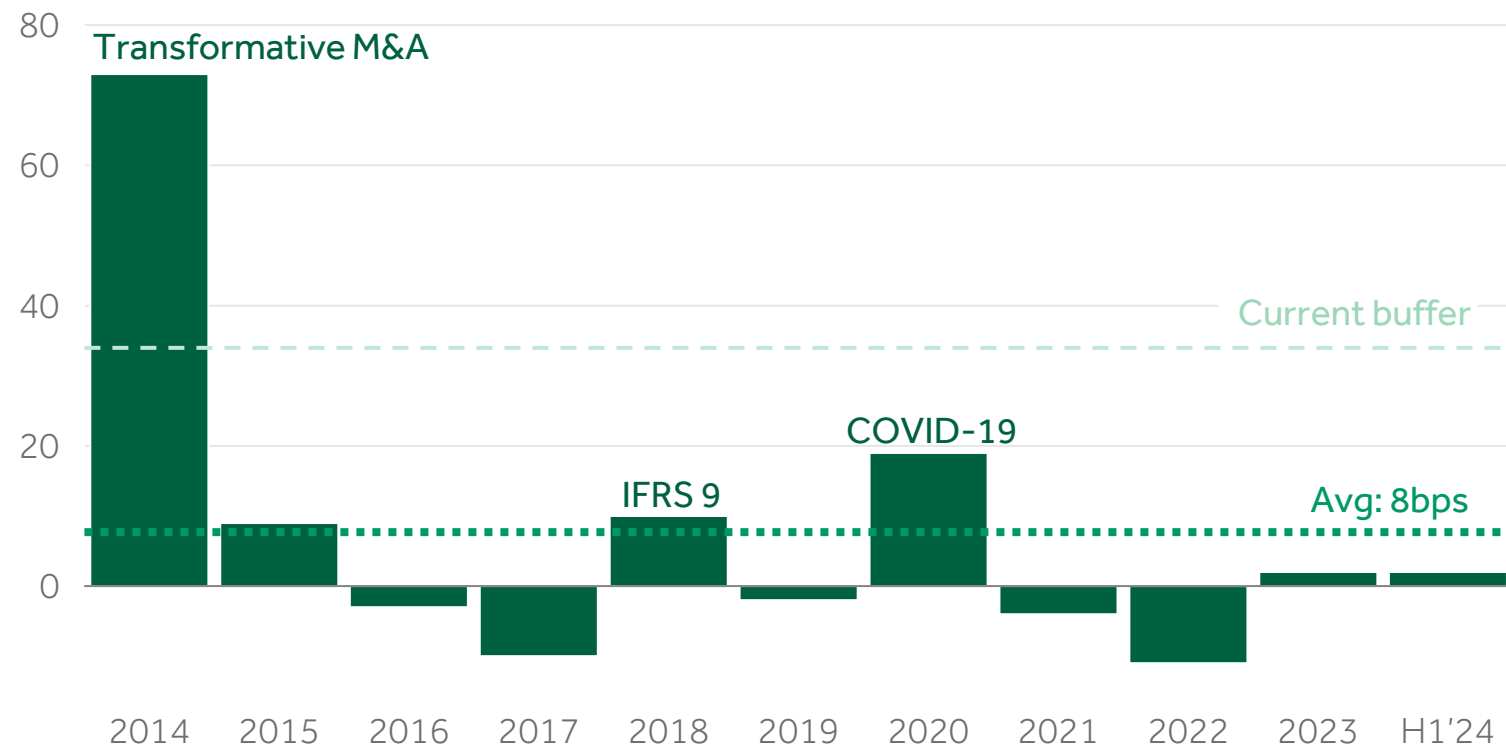
- 1 Inflation**
 The Danish inflation rate is expected at a moderate level of 2%-3% p.a. with slightly higher wage inflation for the coming years.
- 2a Cost initiatives**
 Structural cost reductions, simplification, reaping synergies and focus on core business to result in a significant gross cost take-out, and combined with a lower level of one-off items, in a nearly stable overall cost development.
- 2b Investments**
 Continuously investing in improved processes and IT to make long-term efficiency gains while supporting sustained growth.

Normalised cost of risk

Loan impairment charges of 8bps p.a. through the cycle equivalent to the level from the last 10 years

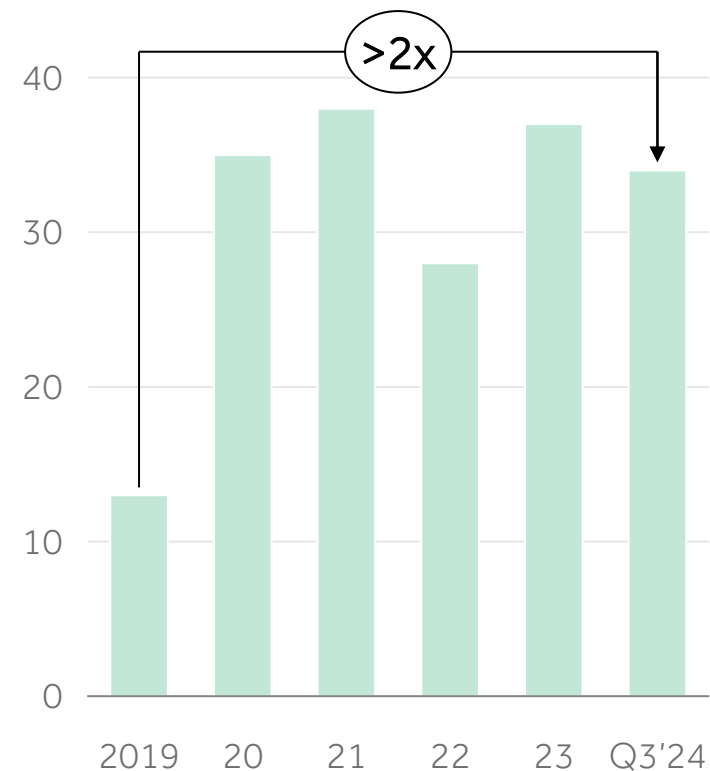
Cost of risk

Loan impairment charges (bp, p.a.)



Buffer

Post-model adjustments (bp)

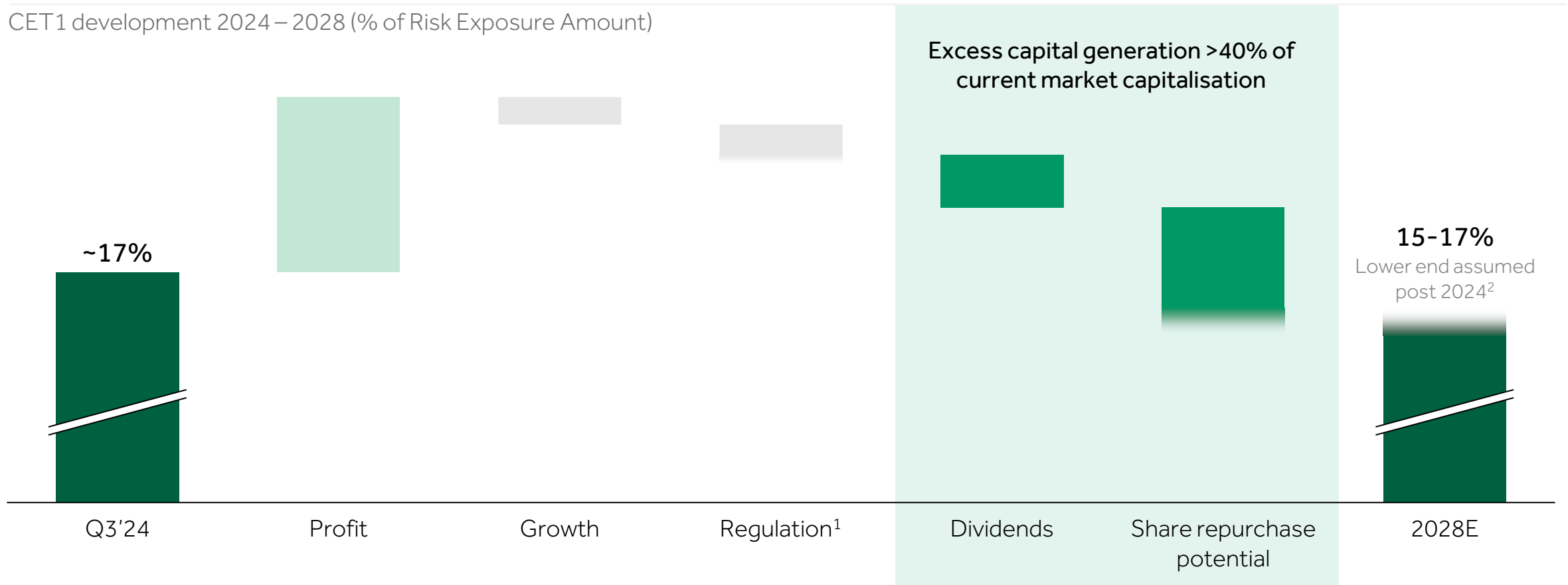


Growing capital returns to shareholders

We expect to generate excess capital >40% of current market capitalisation

Capital generation and usage

CET1 development 2024 – 2028 (% of Risk Exposure Amount)



Note: 1) Full impact of Basel IV is expected to be up to 1.5pp as previously communicated; 2) CET1 ratio in the lower end of the 15%-17% range assumed post implementation of Basel IV/CRR III on 1 January 2025. After 2025, capital targets are expected to be revised.

Why Jyske Bank?

We aim to deliver attractive returns through the cycle



Operating in Denmark, a structurally attractive banking environment

AAA economy with stable growth, high digitalization and low compliance risks



A solid financial profile with low risk through the cycle

Limited interest rate exposure and structurally growing, low risk Danish mortgage exposure



Strong platform for healthy growth

Full, competitive product- and solutions-offer on a proven platform



Focused strategy to improve profitability without compromising risk

Ensure profitable quality-growth and maintain a conservative risk approach



Growing capital return to shareholders

~30% dividend policy supplemented by share buybacks

4.

Business, Corporate & Institutional Banking



Business, Corporate & Institutional Banking

We are a leading and one of the largest banks for the business, corporate and institutional segments



Business Banking

Top-3 leading player in Business & Corporate Banking based on bank lending and guarantees¹

Full-fledged and competent offer of banking and advisory by highly skilled advisors

Strong Commercial Excellence capabilities with an edge in strategic and sector specialised advisory

One of Denmark's largest players in asset-based financing



Synergies through Close Collaboration

Increase customers benefit: Seamless access to products incl. advisory, asset management, risk, payments, lending, and leasing

Specialised, Client-Centric Advisory: Combined advisory teams with selected clients offer responsive solutions and build long-term relationships

Shared Infrastructure: Shared processes and infrastructure reduce costs and speed up service delivery

In-house lending services: Mutual offerings within mortgage underwriting provide significant competitive edge



Corporate & Institutional Banking

Best in class offerings in selectively chosen service areas supported by close and long lasting relationships

Tailored debt/loan solutions, complex transactions and strategic advisory, focused on **corporate and institutional clients**

Leading player in Danish mortgage bond market, excelling in FX, commodities, derivatives and mutual funds market

Leading asset manager in Danish bonds incl. sustainability, corporate high yield strategies and mixed solutions

2028 aspiration and targets

Business Banking

Preferred bank for **business banking clients** that value our proposition of reliability, professionalism, competent advice and responsiveness

Corporate & Institutional Banking

Preferred and reliable bank for **large corporate and institutional clients** within our product and advisory strongholds

#1

In business banking advisory satisfaction¹

+50%

More business client meetings per advisor

+15%

Growth in share of wallet²

Top 3

Ranking in selected criteria supporting strategic focus

+50%

Growth in AUM from Institutional clients

+20%

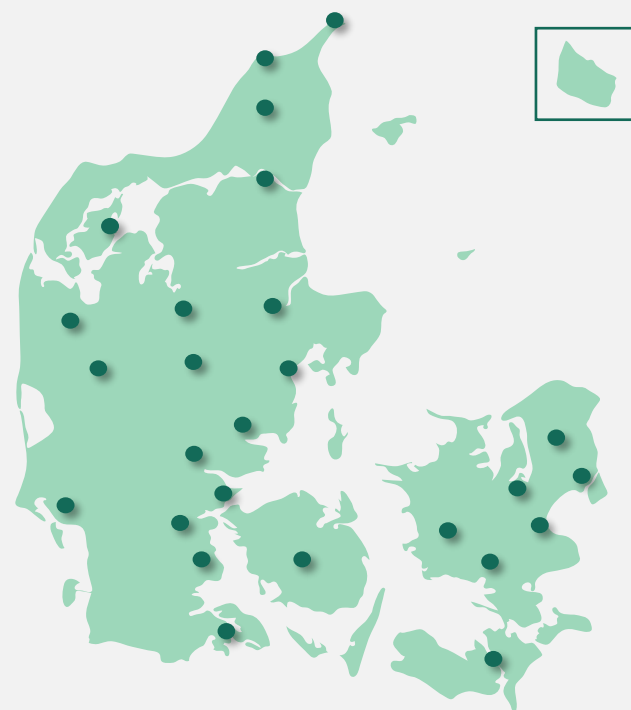
Additional clients in medium businesses and selected large corporates

Business Banking: Strengthen position

We will further expand into high-potential areas through leading advisory

Strong foundation

- Leverage stronghold within existing market footprint
- Capitalise on recent centralisation in CPH to unlock new profitable growth opportunities
- Invest to further expand position in CPH to capture market potential
- Strengthen position with medium-sized businesses to ensure profitable quality growth



● Jyske Bank business centre

Leading advisory

▶ **Accelerate Commercial Excellence:** Implement AI-driven sales playbooks to personalise and specialise advisory, enhancing client engagement frequency and quality

▶ **Invest in Frontline Advisory:** Expand our frontline capacity and utilise AI to deliver tailored, proactive advice with structured prospects and discussions

▶ **Increase client-facing time:** Integrate AI tools to automate workflows, improve decision-making and deliver real-time, data-driven recommendations such as:

- Digital training modules on product advisory
- AI-generated meeting notes and semi-automated account planning
- Digitalisation of core cross-functional processes and between frontline and back-office to ensure efficient workflows

Business Banking: Competitive products and solutions

We integrate our competent advisory and products into the most relevant solutions in the market

Leader in Risk Management



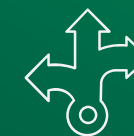
- **Specialised Risk Services:** Combine risk advice with loan monitoring and debt management
- **Digital Risk Control:** Provide better risk management and tailored advisory through client data and existing tools
- **Currency Risk:** Facilitate client currency strategies

Improve digital solutions



- **Digital self-service channels:** Make daily banking easier and more efficient for our clients through self-service solutions
- **ERP system integrations:** Enable secure data sharing, and use APIs to integrate and deliver a unified financial overview

Solution synergies



- **Green loans and sustainability linked financing:** Recognise client effort for more sustainable business initiatives
- **Cross-sell asset-based financing:** Offer strong asset-based financing solutions through Jyske Finans
- **Capital Markets products and expertise:** Utilise capital market products and advisory to seamlessly support Business Banking clients

Jyske Finans

As one of Denmark's largest asset-based financing providers, we enhance value for both business and corporate clients

Today

Strong Foundation

Among 3 largest asset financing companies in Denmark



**26 DKK bn
in balance**

Economies of Scale

Highly efficient



**165 FTE and
C/I on 24%**

Satisfied Customers

Deliver our loan and leasing products through agile digital platforms



65% NPS

Towards 2028...



Solutions tailored to bank customers

Increase focus on relevant asset-based leasing solutions to both business and private clients



Preferred choice for clients and partners

Become the trusted advisor while securing client satisfaction, strengthening both Jyske Bank and our clients



Increase our current market share

Secure current market leader position through organic growth and by participating in industry consolidation



Focus on sustainability

Inspire clients on their path towards more sustainability



Strengthen our operational excellence

Continue to be the most cost-effective player in the market by keep optimising processes and data utilisation

Business, Corporate & Institutional Banking: Strategy

We will deliver profitable and high-quality growth through initiatives within four strategic pillars

Business Banking

Corporate & Institutional Banking



Strengthen position

Be a better bank for all and enhance momentum with Medium-sized Business segment and retain existing clients by strengthening position and deepening current relationships

Drive profitable growth in Large Corporates, expand in institutional asset management by deepening relationships, and retain position in market services



Leading advisory

Professionalise and increase client meeting quality and frequency through stronger go-to-market approach, performance mgmt. and AI-assisted advisory

Serve and challenge our clients better by refining client advisory processes and focusing on their individual needs, and **deploy AI-assisted advisory**



Competitive products

Serve clients better with complex and international needs through risk mgmt. and transaction banking solutions and **cross-sell markets** and leasing solutions

Expand risk advisory solutions to C&I segment, **grow asset mgmt.** through deepening client relationships and sustainability as drivers



Next level digital

Improve client service with **better response times and efficiency** through digital solutions powered by AI and data

Optimise solutions and advisory through new technologies, AI, and data, delivering tailored data, and by reporting directly to client systems



Impactful marketing

Position Jyske Bank as a **leading, high-value business bank** through stronger positioning, and efficient AI-driven sales and marketing

Increase market awareness of our strengths through revamped positioning and networks, engaging contacts as brand ambassadors

5.

Personal & Private Banking



2028 aspiration and targets

Personal & Private Banking

Be the preferred bank for Affluent Personal customers, Homeowner, Private Banking customers, and Everyday Banking customers

#1

Among Private Banking clients
in satisfaction¹

Top 3

Among Personal customers in
satisfaction¹

+35%

Growth in Assets
under Management

+50%

Increase in annual
customer
acquisition (%) in
target segments

+100%

Increase in value-
adding customer
meetings per
advisor per week

Personal & Private Banking

In Personal and Private Banking, we have a competitive platform and products

We offer competitive products and services to all customers



Full, competitive product offering



Strong platform for becoming an even stronger relationship bank utilising physical channels and leading digital channels



#1 preferred partner for Private Banking clients, 9 years in a row

Top 3 player in Danish Personal Banking market¹

>625,000

Personal customers and Private Banking clients²

of which ~25%

are Affluent Personal customers or Private Banking clients³

and >30%

with home-financing with Jyske Bank

Delivering on the strategy

We build a simpler and more seamless banking experience bringing us closer to our customers



Strengthen position

Become an even better bank for all and enhance momentum with **Affluent Personal customers, Homeowners, and Private Banking** clients



Leading advisory

Improve relationships through **frequent customer interaction** with a systematic, proactive customer approach with focus on capital-light products

Enhance advisor meeting quality and frequency and **boost cross-selling** through tailored, AI-driven tools, and improved performance management



Competitive products

Enable our advisors to provide **360° dynamic financial advice**, based on simple product offering with attractive, clear, and competitive bundles

Enhance **home-financing offering** through stronger relationships, faster commitments and partnerships in e.g. remortgaging and home buying journeys



Next level digital

Become an even stronger **relationship bank** with local presence, personal, competent advisors and simple, attractive digital customer journeys

Deliver more **proactive and relevant customer engagement** through enhanced CRM tool and AI-assisted servicing and documentation



Impactful marketing

Position Jyske Bank as a **reliable, accessible relationship bank** through launching an updated brand identity and positioning

Provide **personalised and targeted cross-channel marketing** through implementation of digital and data-driven sales and marketing

Strengthen position

Become an even better bank for all

How we will serve

	Private Banking	Affluent	Homeowners	Everyday Banking
How we will serve	<ul style="list-style-type: none"> → Premium advisors with close client relationships → Best-in-class product offering → Tailored investment solution 	<ul style="list-style-type: none"> → Proactive, personalised service and support from advisors through multiple channels → Frequent, cross-channel touchpoints 	<ul style="list-style-type: none"> → Early Homebuyer engagement with a strong top-funnel presence → Seamless service to existing Homeowners 	<ul style="list-style-type: none"> → Digital advisory → Access to advisors when needed → Digital self-service → Tailored solutions for young customers

Opportunity

Opportunity	Further capitalise on our position with Private Banking clients	Leverage Private Banking expertise to improve frequency and quality of advisor meetings for Affluent customers	Engage early in the home-buying journey to leverage high customer mobility	Ensure customers have easy and efficient everyday banking
-------------	---	--	--	---

6.

Digitalization, AI and Data-Driven Banking



Enhancing digital competitiveness based on strong point of departure

Harvesting significant customer, quality and efficiency benefits of transformations to integrate AI into all value chains, data driven banking, public cloud and in digitalization of customer journeys

Point of departure

2028 ambition



Customer experience driven

- Leading full digital product suite for personal customers
- Good tools and processes in place for our business customers

- Improve digital competitiveness especially for business customers utilising AI and data driven banking, and next level digitalized customer journeys



Scalable platform

- Strong, agile, scalable platform with cost-sharing through Bankdata setup
- Strengthened digital Operating Model for higher value creation

- Better use of Bankdata with solutions that fit our needs, close collaboration, and based on an open banking model utilising AI, data, APIs and cloud



New technologies

- AI exploration and initial use cases underway
- New coherent AI and data-driven banking programme

- Future proof technology foundation after transformation to the cloud, data driven banking and AI integration in value chains



Compliant and resilient setup

- Continued investment in AML and KYC systems and procedures
- Resilient cybersecurity setup

- Further investments in quality and efficiency of AML and KYC with AI and data integration
- Continued resilient cybersecurity setup

Digitalization, AI and Data investments (1/2)

We are building solutions to further strengthen our customer experience through data and AI

Digitalization initiatives

AI and data-driven banking

- **Launch AI assistants** to boost satisfaction, service, and efficiency across value chains
- Leverage data insights to fully utilise AI potential and **develop valuable data products** like "next best action"
- **Integrate AI to improve** sales and service, customer journeys, knowledge management internal processes, development, compliance and more

Customer experience

- **Introduce automated credit for faster approvals**, reducing customer response time utilising AI and data
- Adopt AI and data-driven CRM tools for more holistic customer view to offer **tailored solutions**
- **Streamline the onboarding process** to enhance the customer experience
- Introduce **investment advisory service** to help make more informed decisions

Product development

- Bring **offerings for large corporate clients** to the next level i.e. Cash Management
- **Tailor financial products** to match evolving customer needs (e.g., loan monitoring)
- Strengthen product and service offerings through **strategic partnerships**

2028 ambition



**Data and AI-
powered value
chains in the bank**



**Tailored solutions
and faster
response time**



**Leading product
offering**

Digitalization, AI and Data investments (2/2)

We are building solutions to strengthen our digital platform and foundation

Digitalization initiatives

Effective development & ops

- Optimise developer experience to drive productivity
- Migrate key workloads to public cloud to enable innovation, cost out, flexibility, and AI
- Optimise and automate processes to provide **faster and more efficient services** utilising AI and data

Technology modernisation

- Introduce counterparty management systems to improve interactions and decision-making
- Adopt public cloud-based web and mobile bank to offer AI integration and robustness
- Offer DevOps platforms based on cloud and AI-enabled development toolchain

Secure and resilient

- Increase customer trust and confidence via a more secure and resilient bank
- Utilise AI to maintain the highest standard of **regulatory compliance also for AI risks**
- Advance cyberattack and risk modelling and add more automation to Security and resilience testing to stay adaptive towards cyber-risks and new threats

2028 ambition



Unlock cloud potential with key applications on public cloud



Advance technology to enable personal and accessible banking



Best in class security, resilience and compliance

AI and Data-Driven Banking

AI and Data will be an integral enabler and key competency of our strategy

Program on AI and Data-Driven banking launched recently to...

- Derive the first experiences
- Stand-up the infrastructure
- Develop the test & learn capabilities to embrace emerging technologies

What this means for ...

Our Jyske Bank colleagues

AI and data will help **automate low-value tasks and free up focus** on more complex activities with **higher impact** for our business and personal fulfilment



Our customers

AI and data will **transform aspects of how our customers interact with and experience us**. AI and data enabled solutions will **help us better anticipate needs** and deliver personalised advice and solutions



Our business

AI and data will **unlock "step-change" productivity and efficiency gains** across all parts of our organisation, yield new insights, generate new opportunities, and increase our overall quality



Strengthened Digital Operating Model

Investments and developments are underpinned by a new OpModel ensuring efficient delivery of strategic priorities



Business-aligned organisation to ensure higher value creation through close integration of development and IT to business

Implemented



New governance & budget process with top-down prioritisation based on the strategy to ensure resources are prioritised for key strategic priorities

Implemented



Right-source between internal development, our preferred partner Bankdata and other partners to scale up efficiencies and effectiveness through solutions that fit our needs, closer collaboration with more influence in win-win models and with transformation to an open banking model based on AI, data, APIs and cloud

On-going implementation

7.

Summary



Strategy

Jyske Bank's potential for more will be realised through a focused strategy

Potential for more

Business Unit strategies



- Be a better bank for all and enhance momentum with **Medium-sized Business segment**, drive profitable growth in **Large Corporates** and deepen existing relationships
- Focus on **reliability, professionalism, competent advice**

- Become an even better bank for all and enhance momentum with **Affluent Personal customers, Homeowners and Private Banking** clients
- Be a **relationship bank** with a focus on customer experience supported by digital solutions

Risk



Conservative credit and risk profile for **stability and attractive returns** through the cycle

Digital



Systematic use of **AI and data in new digital solutions** with better client and internal experiences, generating income and higher productivity

Operating the bank



Results oriented **steering principles**

Inclusive culture focused on **people and performance**

Sustainability ingrained in our daily business

Brand positioning to reflect a leading bank

Financial ambition



10% RoTE

<50% C/I

15-17% CET1 (lower end after 2024)

8bps p.a. cost of risk through the cycle

~30% dividend payout and **share buybacks**

For further information, please join Jyske Bank's

Strategy Update conference call

14:00 CET, 29 October 2024 ([link](#))



Disclaimer

This presentation and the information contained therein is furnished and has been prepared solely for information purposes by Jyske Bank A/S. It is furnished for your private information with the express understanding, which recipient acknowledges, that it is not an offer, recommendation or solicitation to buy, hold or sell, or a means by which any security may be offered or sold.

The information contained and presented in this presentation, other than the information emanating from and relating to Jyske Bank A/S itself, has been obtained by Jyske Bank A/S from sources believed to be reliable. Jyske Bank A/S can not verify such information, however, and because of the possibility of human or mechanical error by our sources, Jyske Bank A/S or others, no representation is made that such information contained herein is accurate in all material respects or complete. Jyske Bank A/S does not accept any liability for the accuracy, up-to-dateness, adequacy, or completeness of any such information and is not responsible for any errors or omissions or the result obtained from the use of such information. The statements contained herein are statements of our non-binding opinion, not statement of fact or recommendations to buy, hold or sell any securities. Changes to assumptions may have a material impact on any performance detailed. Historic information on performance is not indicative of future performance. Jyske Bank A/S may have issued, and may in the future issue, other presentations or information that are inconsistent with, and reach different conclusions from,

the information presented herein. Those presentations or the information reflect the different assumptions, views and analytical methods of the analysts who prepared them and Jyske Bank A/S is under no obligation to ensure that such other presentations or information are brought to the attention of any recipient of the information contained herein.

Nothing in this presentation constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to your individual circumstances, or otherwise constitutes a personal recommendation to you. This presentation is intended only for and directed to persons sufficiently expert to understand the risks involved, namely market professionals. This publication does not replace personal consultancy. Prior to taking any investment decision you should contact your independent investment adviser, your legal or tax adviser, or any other specialist for further and more up-to-date information on specific investment opportunities and for individual investment advice and in order to confirm that the transaction complies with your objectives and constraints, regarding the appropriateness of investing in any securities or investment strategies discussed herein.

Jyske Bank A/S or its affiliates (and their directors, officers or employees) may have effected or may effect transactions for its own account (buy or sell or have a long or short position) in any investment outlined herein or any investment related to such an

investment. Jyske Bank A/S or its affiliates may also have investment banking or other commercial relationship with the issuer of any security mentioned herein. Please note that Jyske Bank A/S or an associated enterprise of Jyske Bank A/S may have been a member of a syndicate of banks, which has underwritten the most recent offering of securities of any company mentioned herein in the last five years. Jyske Bank A/S or an associated enterprise may also have, within the last three years, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all of the entities mentioned herein or may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investment concerned or a related investment.

Any particular security or investment referred to in this presentation may involve a high degree of risk, which may include principal, interest rate, index, currency, credit, political, liquidity, time value, commodity and market risk and is not suitable for all investors. Any securities may experience sudden and large falls in their value causing losses equal to the original investment when that investment is realized. Any transaction entered into is in reliance only upon your judgment as to both financial, suitability and risk criteria. Jyske Bank A/S does not hold itself out to be an advisor in these circumstances, nor does any of its staff have the authority to do so.