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Jyske Bank A/S

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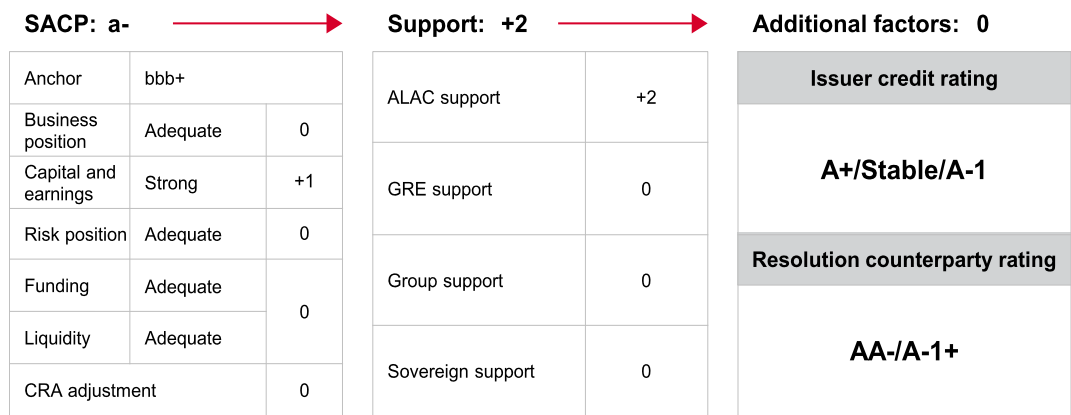
Related Criteria

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Jyske Bank A/S

Ratings Score Snapshot

Global Scale Ratings
Issuer Credit Rating A+ / Stable / A-1
Resolution Counterparty Rating AA- / -- / A-1+ <i>Nordic Regional Scale</i> <i>Issuer Credit Rating</i> -- / -- / K-1



ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. SACP--Stand-alone credit profile.

Credit Highlights

Overview	
Key strengths	Key risks
A solid domestic franchise in retail and commercial banking.	Scope to further improve profitability and efficiency metrics relative to those of international peers.
Strong risk-adjusted capitalization and sound earnings capacity.	Limited geographic diversity.
Very large buffer of loss-absorbing debt instruments.	Dependence on wholesale funding.

We expect Jyske to maintain capital as a strength, helped by solid earnings and a potential additional Tier 1 (AT1) issuance in 2024. We believe Jyske will continue to develop its solid domestic position as the third-largest domestic player in Denmark by market share. We project the bank will restore its risk-adjusted capital (RAC) ratio to 12%-13% in 2023-2025, after acquiring Svenska Handelsbanken activities in Denmark temporarily weakened its RAC ratio to 11.6% as of year-end 2022 (12.3% as of year-end 2021). We also view positively the bank's current commitment to a

minimum 11% RAC when deciding on capital distributions. We anticipate that capital will remain supported by Jyske's improving earnings, backed by stronger margins, higher lending volumes, a manageable increase in risk cost, and the smooth integration of its recent acquisition. We forecast solid return on equity (RoE) for Jyske of between 10.0%-11.5% in 2025, after 13.9% for the first nine months of 2023, and 10.4% in 2022.

We anticipate that Jyske will maintain relatively resilient asset quality despite concentration risk in the real estate sector. We believe the bank will continue to demonstrate sound asset quality metrics despite its high concentration in domestic mortgage and mortgage-like bank loans. This is a very high 73% of its loan portfolio, of which 48% is for residential loans, with the remainder in commercial real estate (CRE) markets. Accordingly, we are mindful that Jyske's lending portfolio remains vulnerable to generally high fluctuations in the property market. However, about one-third of Jyske's CRE exposure includes social, subsidized, and cooperative housing backed by state or municipality guarantees that we assess as much less vulnerable than more volatile CRE exposures like offices, which make up about 19% of the bank's total CRE exposure. The risk is also balanced by high collateralization, with average loan-to-value of about 44% as of end-September 2023; high product diversification; de-risking of the mortgage book; and increased fixed-interest-rate lending in recent years. Along with Denmark's resilient economy, we forecast a manageable increase in credit costs to about 14 basis points (bps) of customer loans in 2023-2025, up from 3bps for the first nine months of 2023, following the loan loss reversals reported in 2022 and 2021.

We forecast that Jyske will continue to hold a material buffer of bail-inable debt to support the long-term issuer credit rating. On the back of the expected risk-weighted asset growth, Jyske Bank continuously adjusts its issuance plans for senior nonpreferred debt to comfortably meet regulatory requirements. As such, we expect it will continue building up its buffer of additional loss-absorbing liabilities, adding further protection for senior creditors. We project that the additional loss-absorbing capacity (ALAC) buffer will be around 7.7% as of year-end 2023 and remain sustainably above the 6% threshold of S&P Global Ratings'-adjusted risk-weighted assets (RWAs) through 2026.

Outlook

The stable outlook reflects our expectation that Jyske will maintain high buffers of capital and bail-inable debt instruments, represented by our projection of the RAC ratio and ALAC buffer remaining sustainably above 10% and 6% of S&P Global Ratings' risk-weighted assets, respectively, over the next two years. We also expect the bank will reach targeted improvements in its risk-adjusted profitability while credit loss provisions will remain contained, and Jyske will continue to report sound asset quality metrics in its expanded portfolio by operating with sound risk management broadly in line with those of domestic peers.

Downside scenario

We could take a negative rating action if the bank fails to generate better risk-adjusted profitability, or unexpectedly substantial asset quality problems were to emerge from its high mortgage loan concentration, particularly CRE. This could materialize, for example, if higher risk costs from concentrations or single customers and lower earnings result in a significant decrease in the bank's RAC to below 10%.

We could also lower the rating if, contrary to our expectations, long-term trends in lending growth and margins highlight a weaker business franchise, or if the bank's risk-adjusted profitability materially underperforms that of peers in the coming 12-24 months. Similarly, we could lower the rating if ALAC declines materially, which is also contrary to our expectations.

Upside scenario

We consider it a remote scenario that, in the next two years, we would raise the issuer credit rating on Jyske, to which the senior preferred issue ratings are linked.

Key Metrics

Jyske Bank A/S--Key ratios and forecasts

(%)	--Fiscal year ended--				
	2021a	2022a	2023f	2024f	2025f
Growth in total assets	(3.8)	15.9	6.6-8.0	0.9-1.1	0.9-1.1
Net interest income/average earning assets (NIM)	0.8	0.9	1.3-1.4	1.2-1.4	1.2-1.3
Cost to income ratio	59.0	58.6	49.7-52.3	48.8-51.3	47.3-49.8
Return on average common equity	9.3	10.4	10.7-11.9	9.7-10.7	9.7-10.7
Gross nonperforming assets/customer loans	1.8	1.8	1.8-2.0	1.9-2.1	2.0-2.2
Risk-adjusted capital ratio	12.3	11.6	12.1-12.8	12.3-13.0	12.4-13.1

All figures are S&P Global Ratings-adjusted. a--Actual. f--Forecast. NIM--Net interest margin.

Anchor: 'bbb+', Given That Jyske Operates Predominantly In Denmark

We use our Banking Industry Country Risk Assessment economic risk and industry risk scores to determine a bank's anchor, the starting point in assigning an issuer credit rating. Our anchor for a commercial bank operating only in Denmark is 'bbb+', based on an economic risk score of '2' and industry risk score of '4'. Our economic and industry risk trends for the Danish banking sector remain stable.

Our assessment of low economic risks for Denmark reflects our view that Danish banks benefit from operating in a high-income, open economy, with mature political and institutional settings that promote fiscal discipline and growth-stimulating policies. We expect muted 1.2%-1.4% real GDP growth in the Danish economy in 2023-2024, from 2.7% growth in 2022. We project the difficult operating environment will likely increase credit losses, but to manageable levels, mostly for non-mortgage credit exposure toward small and midsize enterprises (SMEs).

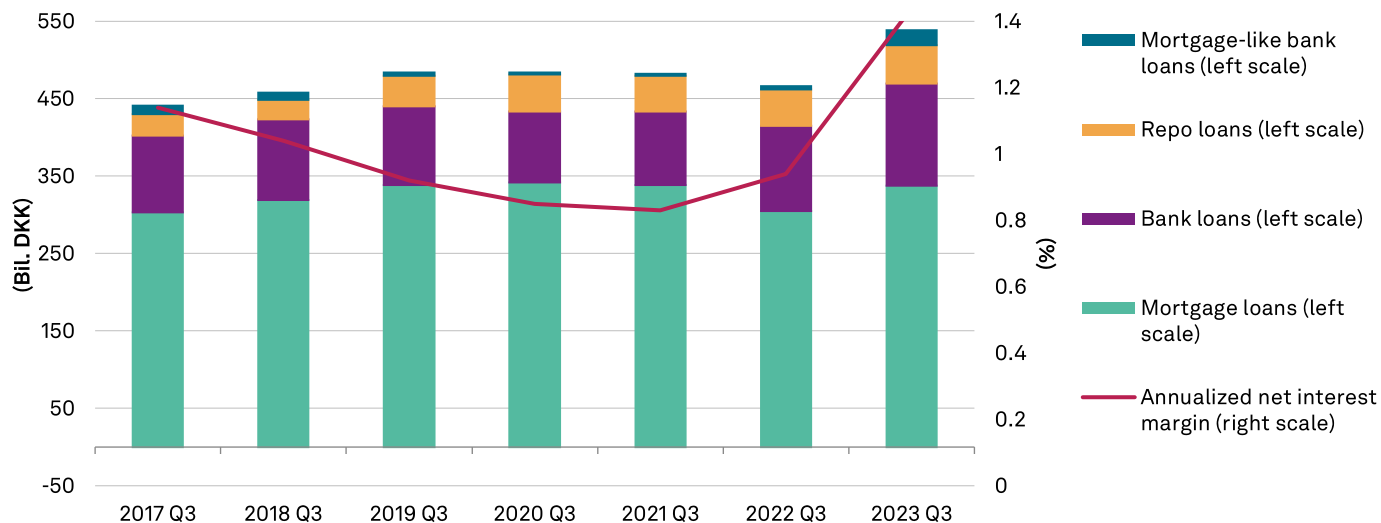
Our industry risk assessment incorporates our expectation that Danish banks' profitability will improve due to increased net interest income on the back of interest rate hikes. We expect it to remain below some Nordic peers, however, due to significant investments in information technology (IT) and compliance, and competitive pressure in retail mortgages and corporate lending. The sector has higher reliance than peers' on functioning wholesale markets, but the Danish covered bond market's stability continues. We view the regulatory environment in Denmark as being in line with that of EU countries overall. This balances a generally robust track record of macroprudential policies and conservative bank supervision with the national anti-money-laundering (AML) governance shortcomings highlighted in Danske Bank's Estonia case. However, local banks and regulators have progressed in strengthening the country's overall AML framework and we expect this focus to continue considering significant public attention and overall political consensus.

Business Position: Further Diversification Of Its Solid Franchise In Denmark

We anticipate that Jyske will continue to diversify its sound earnings profile based on further improving its solid roughly 12% market share in customer loans. In our view, the acquisitions of Svenska Handelsbanken's Danish business, consisting of healthy SME lending and retail mortgage loans (about 16% of Jyske's total loans and advances as of Sept. 30, 2022), further strengthened its domestic market position. We anticipate that the ongoing integration will be well managed and smooth. In recent years, Jyske has increased its relative share of mortgage lending by repatriating loans previously financed via mortgage lender, Totalkredit, while uncollateralized bank loans, mostly to corporates, have been largely stable. This has positively contributed to lowering the bank's overall risk profile while reducing top-line margins. Furthermore, with material increases in interest rates by the Danish central bank since 2022, Jyske has materially improved its net interest margins.

Chart 1

Jyske Bank A/S changing loan book: Lower risk with higher share of mortgage lending and elevated net interest margin

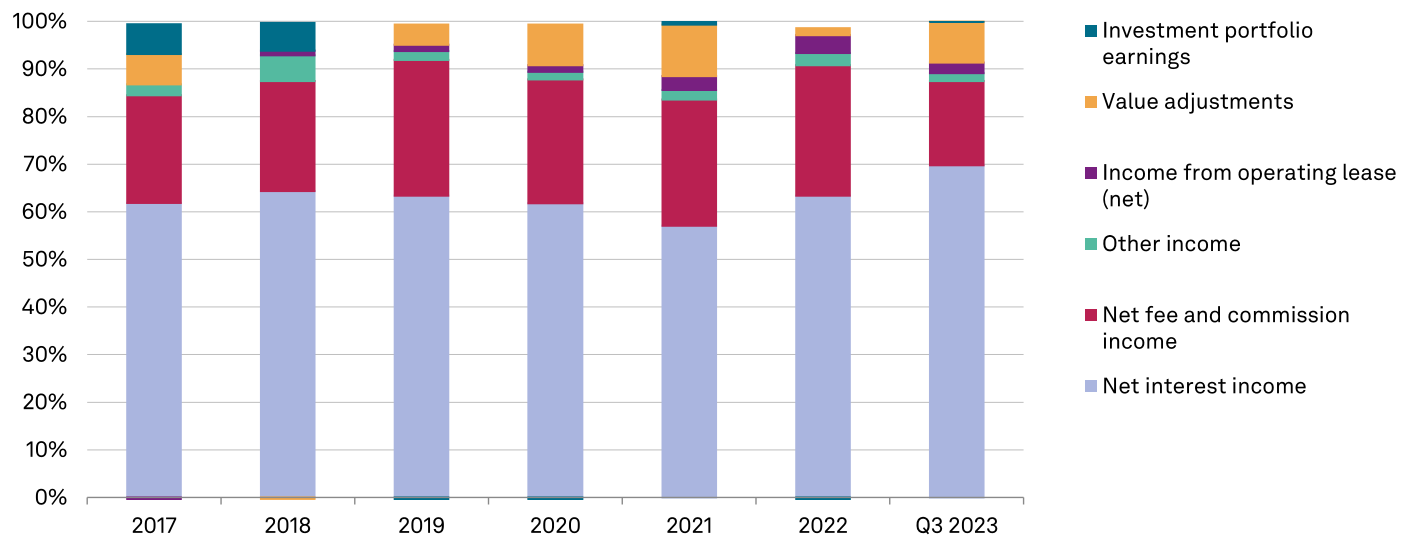


The decline of mortgage loans in Q3 2022 is explained by the fact that even though the volumes (i.e. nominal value) in the loan book increased compared to Q3 2021, the higher interest rates takes the fair value down, leading to a decrease in the balance sheet amounts. The decline is attributed to falling prices of Danish mortgage bonds driven by higher interest rates. DKK--Danish krone. Source: S&P Global Ratings. Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

Jyske has demonstrated a stable growth trajectory in terms of assets and revenues over the past five years. In addition to net interest income (70% of total income as of Sept. 30, 2023), Jyske's revenue mix builds largely on generally stable net fees and commissions, mainly comprising securities trading, lending fees, and payments. More volatile performance-related fees have accounted for less than 3% of net fees and commission income on a quarterly average since first-quarter 2016. The bank also provides value-added services such as asset management, mainly to retail clients and leasing to personal and corporate clients.

Chart 2

Jyske Bank's revenue mix provides diversification and stability

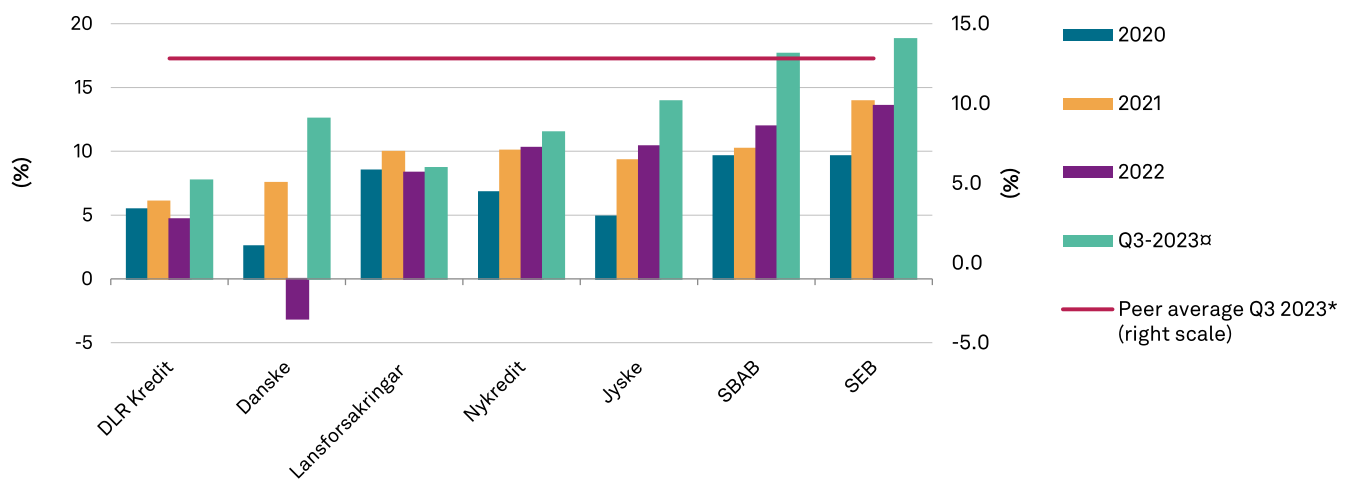


Source: Jyske Bank A/S.
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We anticipate that the bank will maintain its strategy of focusing on relationship-based commercial banking for households and SMEs, while working on further improving its digital offering and asset management footprint.

Chart 3

Profitability is in line with domestic peers, but lacks international peers



*ROE: Return on average common equity (%). ^αNykredit and DLR Kredit data is as of Q2-2023 and Q1-2023, respectively.
Source: S&P Global Ratings.
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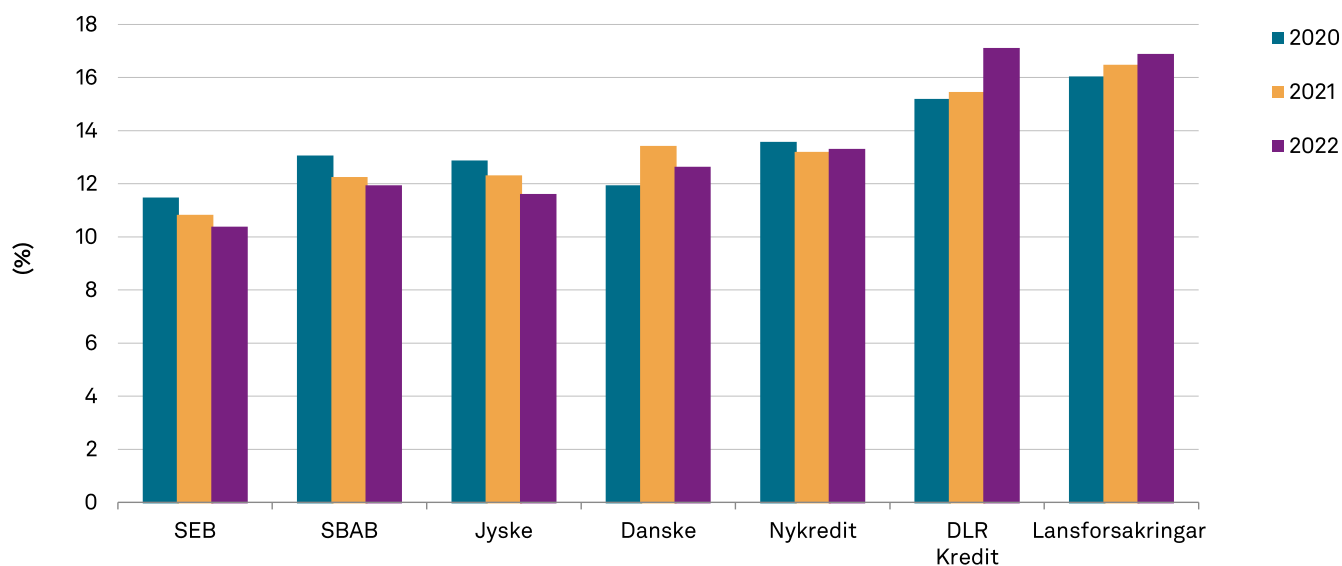
Capital And Earnings: Jyske Will Likely Maintain High Capitalization

We forecast that Jyske will preserve its high capitalization, as indicated by our projected RAC ratio in the range of 12.0%-13.0% through 2025. As such, we believe that Jyske will restore its capital position after the Handelsbanken acquisition, which caused its RAC ratio to decline to 11.6% at year-end 2022. We expect the bank to maintain solid internal capital generation, supported by a relatively resilient Danish economy. For example, the benefits from higher interest rates and relative stability in real estate prices, ongoing conservative capital distribution, and improved operating efficiency. Our base-case projection incorporates a muted 1.0-1.5% loan growth until 2025 in line with the overall Danish banking system, and cost efficiency measures after its integration-related cost peak in 2023.

Accordingly, we expect Jyske Bank to maintain its common equity Tier 1 (CET1) ratio in the target range of 15%-17% and a total capital ratio of 20%-22% until 2025, after 16.7% and 20.9%, respectively, at Sept. 30, 2023. This is comfortably above the regulatory CET1 requirement of 10.3%. In our view, Jyske has also a good quality of capital because the three AT1 instruments included in our assessment of the bank's capital base, amounting to about DKK3.3 billion, represent only 8% of total adjusted capital as of Sept. 30, 2023. Depending on its capital position and market developments, the bank currently envisages the issuance of additional AT1 instruments in 2024.

Chart 4

Jyske Bank has maintained stable RAC ratio over the past years



RAC-S&P Global Ratings' RAC ratio before diversification (%). Source: S&P Global Ratings.

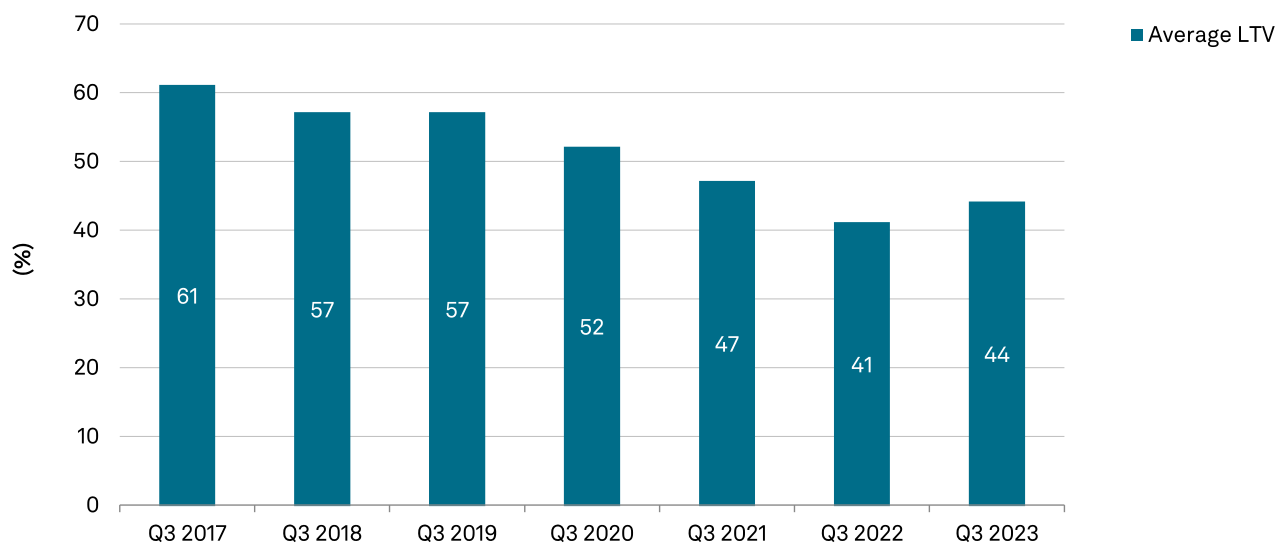
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Risk Position: Prudent Lending And Provisioning Results To Offset Risks Stemming From High CRE Exposures

We expect Jyske's risk profile will remain a neutral rating factor. We anticipate that the bank's prudent risk management, cautious lending standards, and very high collateralization will continue to contribute to the ongoing sound asset quality of its loan portfolio, broadly in line with our assessment of economic risk for the Danish banking system. This balances our general concerns about Jyske's concentration in the domestic real estate market, standing for 73% of the total loan book. We consider CRE financings to be more vulnerable overall to generally structural high fluctuations in CRE markets, in which Jyske Bank has one of the highest exposures among its peers.

Chart 5

Jyske Bank A/S is derisking its mortgage portfolio



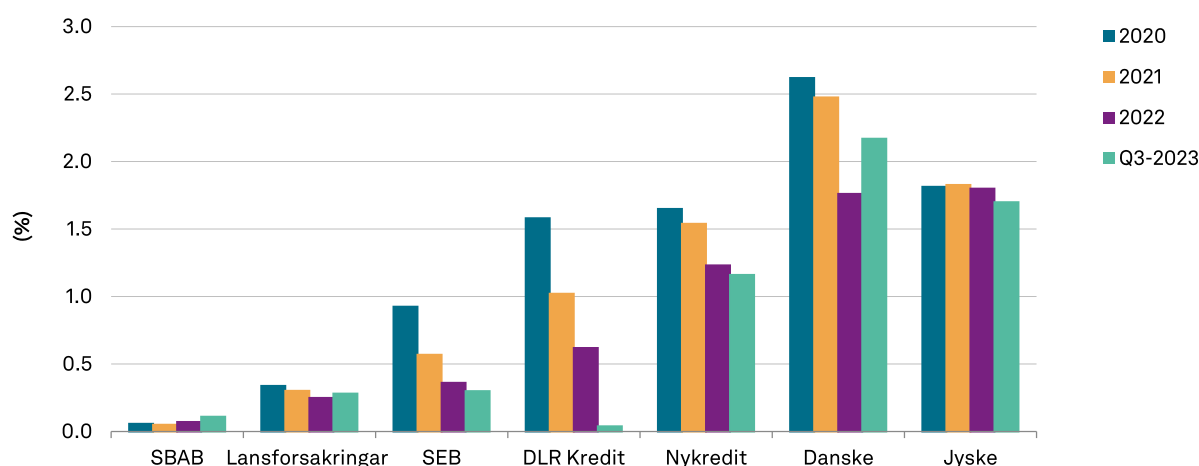
Sources: Jyske Bank A/S, S&P Global Ratings

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As a result, we forecast that Jyske's cost of risk will likely become more manageable--at about 14bps by 2025--given the challenging macroeconomic environment. This is up from the favorably low 3bps in the first nine months of 2023, or 13bps as of year-end 2022. Similarly, we project that Jyske's gross nonperforming loans (NPLs) will increase to 2.0% in 2025, after 1.7% on Sept. 30, 2023, which is somewhat higher than those of many Nordic peers. Jyske's proportion of stage 2 loans increased slightly to 3.5% as of September 2023 from 3.2% as of year-end 2022, but is still well below the 4.8% at year-end 2021.

Chart 6

Jyske Bank's asset quality remains resilient, but slightly weaker than most peers



NPA: Gross nonperforming assets/customer loans + other real estate owned (%). Source: S&P Global Ratings. Nykredit and DLR Kredit data is as of Q2-2023 and Q1-2023, respectively.
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Funding And Liquidity: Sound Funding Profile Similar To Larger Danish Peers'

We anticipate Jyske's funding and liquidity profile will remain a neutral rating factor, well managed, and in line with domestic peers' over the next two years.

Jyske has a higher share of covered bond financing than many of its international peers (52% of the total funding base as of September 2023). It benefits strongly from the stability of the Danish covered bond market and its unique features, both of which support its adequate funding assessment. We anticipate that the Danish covered bond market--a key investment target for Danish pension funds--will continue to perform well, as highlighted during the turbulence caused by COVID-19 in 2020 and more recently in early parts of 2022-2023, when the covered bond markets remained open. A further supporting factor is the 2014 Danish covered bond legislation that extends bond maturities by 12 months in the event of a failed auction, thus effectively passing refinancing risks to investors and repricing risks onto borrowers.

Moreover, we anticipate that Jyske will continue to benefit from its franchise, as reflected in its diversified core customer deposits of around 28.5% of the funding base as of Sept. 30, 2023. Despite the substantial contribution of corporate deposits to Jyske's deposit book (more than 50% of the total in September 2023), we think these deposits are stable and do not show material single-name concentrations. This benefits the bank's SME lending profile and provides it with a steady source of funding for its nonmortgage lending. Jyske's stable funding ratio has improved slightly to 96% as of September 2023, from 93% at year-end 2022, but remains somewhat lower than many peers'. Similarly, Jyske's regulatory net stable funding ratio (NSFR) was 136% in September 2023, compared with 129% at year-end 2022, reflecting the increased issuance of MREL (minimum requirement for own funds and eligible liabilities) debt and

rising deposit levels.

We expect Jyske to maintain its sound liquidity management. This includes regular stress and backtesting and maintaining an adequate liquidity position, represented by a 1.0x ratio of broad liquid assets to short-term wholesale funding as of end-September 2023. Similarly, the bank's regulatory liquidity coverage ratio (LCR) stood at 181% in September 2023, down from a seasonally inflated figure at year-end 2022. The bank has an internal guideline setting the minimum liquidity coverage ratio at 150%, compared with a minimum regulatory requirement of 100%.

Support: Two Notches Of ALAC Support From Sustainably High ALAC Buffers

We include two notches of support above Jyske's 'a-' stand-alone credit profile because we expect the bank will continue to build a material ALAC buffer through 2025 that will protect senior bondholders. We forecast Jyske's ALAC ratio at 7.7%-8.4% between 2023-2026, up from 7.1% at year-end 2022. We consider the bank's strategic commitment to maintain an ALAC buffer well above the 6% threshold and its corresponding updated funding plan with higher planned issuances in 2023-2026.

We continue to view Denmark's resolution regime as effective under our ALAC criteria because, among other factors, we think it contains a well-defined bail-in process under which authorities would permit nonviable systemically important banks to continue critical functions as going concerns, following a bail-in of eligible liabilities.

Additional Rating Factors: None

No additional factors affect the ratings.

Environmental, Social, And Governance

We see ESG for Jyske Bank as broadly in line with that of industry and country peers.

The bank, as part of its ESG program, launched initiatives to increase transparency of the sustainability objectives for clients, while simplifying access to sustainable advice and products. Jyske Bank seeks to increase its share of lending to sustainable areas such as green buildings, clean transport, and renewable energy. By 2025, it aims to finance 5 terawatt-hours of renewable energy and DKK50 billion of low-energy commercial property, and promises that 30% of loans for vehicles in its leasing book will be for low-emission vehicles. By 2030, the bank aims to reduce the carbon dioxide footprint of the managed equity investments by 75% and that of the funds with investments in Danish mortgage bonds by 40%, both compared with 2019. Besides those environmental goals, the bank recently increased its transparency on some social and governance targets, by publishing key performance indicators on, among others, employee turnover (10.6% by year-end 2022), the gender pay gap (1.18 by year-end 2022), and supervisory board gender diversity (33.3% by year-end 2022).

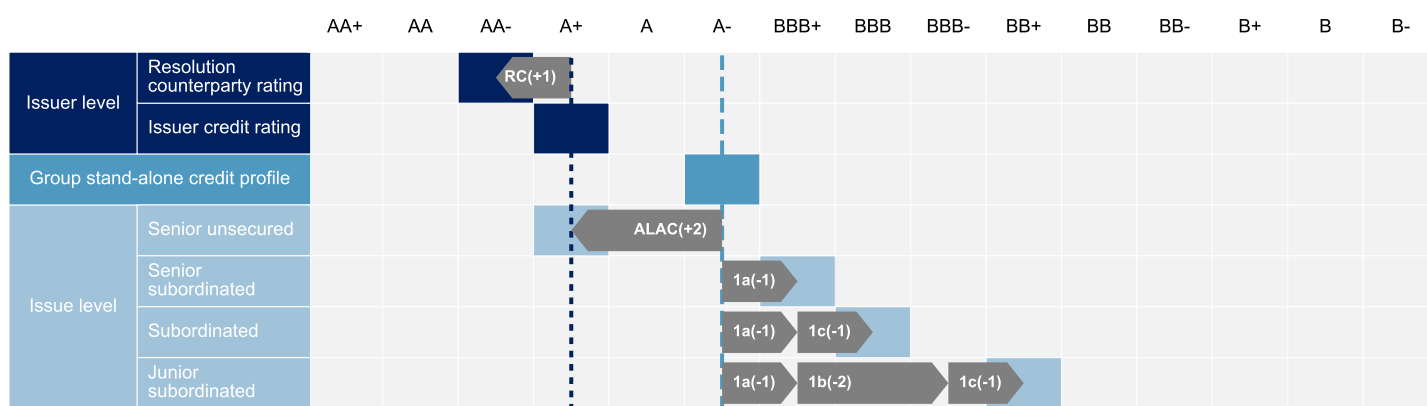
Key Subsidiary: Jyske Realkredit

We believe that Jyske Realkredit will remain a core subsidiary and align our long-term issuer credit rating and outlook on it with those on Jyske Bank. We think it is highly unlikely that Realkredit's relevance will diminish within the group given its vital role in the enlarged bank's funding strategy for Danish residential and commercial mortgages.

Issue Ratings

We rate Jyske's debt instruments according to their respective features.

Jyske Bank A/S: Notching



Key to notching

- Group stand-alone credit profile
- Issuer credit rating
- RC Resolution counterparty liabilities (senior secured debt)
- ALAC Additional loss-absorbing capacity buffer
- 1a Contractual subordination
- 1b Discretionary or mandatory nonpayment clause and whether the regulator classifies it as regulatory capital
- 1c Mandatory contingent capital clause or equivalent

Note: The number-letter labels in the table above are in reference to the notching steps we apply to hybrid capital instruments, as detailed in table 2 of our "Hybrid Capital: Methodology And Assumptions" criteria, published on March 2, 2022.

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Resolution Counterparty Ratings (RCRs)

We assigned 'AA-/A-1+' RCRs, one notch above the long-term ICRs, to Jyske. The RCRs relate to certain senior liabilities that we consider explicitly protected from default in an effective bail-in resolution process.

Key Statistics

Table 1

Jyske Bank A/S--Key figures					
--Fiscal year-ended Dec. 31--					
(Mil. DKK)	2023*	2022	2021	2020	2019
Adjusted assets	756,226	746,669	647,122	672,648	649,737
Customer loans (gross)	493,960	493,507	448,975	444,613	444,491
Adjusted common equity	38,362	33,827	34,468	32,375	31,761
Operating revenues	10,644	9,529	9,202	8,500	8,438
Noninterest expenses	5,048	5,583	5,432	5,349	5,495
Core earnings	4,105	3,747	3,145	1,665	2,412

*Data as of September 30. DKK--Danish krone.

Table 2

Jyske Bank A/S--Business position					
--Fiscal year-ended Dec. 31--					
(%)	2023*	2022	2021	2020	2019
Loan market share in country of domicile	12.0	12.0	11.0	11.0	12.0
Total revenues from business line (DKK millions)	10,645.0	9,535.0	9,241.0	8,502.0	8,473.0
Commercial and retail banking/total revenues from business line	90.4	86.7	85.7	86.5	88.5
Other revenues/total revenues from business line	9.6	13.3	14.3	13.5	11.5
Return on average common equity	13.9	10.4	9.3	4.9	7.6

*Data as of September 30. DKK--Danish krone.

Table 3

Jyske Bank A/S--Capital and earnings					
--Fiscal year-ended Dec. 31--					
(%)	2023*	2022	2021	2020	2019
Tier 1 capital ratio	18.1	16.7	20.0	19.9	19.4
S&P Global Ratings' RAC ratio before diversification	N/A	11.6	12.3	12.8	12.2
S&P Global Ratings' RAC ratio after diversification	N/A	9.4	9.9	10.8	10.2
Adjusted common equity/total adjusted capital	92.1	91.1	91.1	90.7	90.7
Net interest income/operating revenues	67.0	61.9	54.8	59.4	62.9
Fee income/operating revenues	17.0	26.5	25.1	24.6	27.4
Market-sensitive income/operating revenues	8.8	(0.0)	10.4	6.8	1.9
Cost to income ratio	47.4	58.6	59.0	62.9	65.1
Preprovision operating income/average assets	1.0	0.6	0.6	0.5	0.5
Core earnings/average managed assets	0.7	0.5	0.5	0.3	0.4

*Data as of September 2023. N/A--Not applicable. RAC--Risk-adjusted capital.

Table 4

Jyske Bank A/S--Risk-adjusted capital framework data					
	Exposure*	Basel III RWA	Average Basel III RW(%)	S&P Global Ratings RWA	Average S&P Global Ratings RW (%)
Credit risk					
Government and central banks	103,504.1	4.7	0.0	2,223.5	2.1
Of which regional governments and local authorities	19,785.7	3.0	0.0	485.4	2.5
Institutions and CCPs	104,601.1	8,396.2	8.0	12,304.8	11.8
Corporate	258,300.6	102,437.5	39.7	154,333.7	59.7
Retail	320,920.1	56,040.6	17.5	87,926.4	27.4
Of which mortgage	269,717.8	43,579.8	16.2	56,191.0	20.8
Securitization§	7,518.4	1,496.3	19.9	1,513.7	20.1
Other assets†	9,727.8	9,239.8	95.0	9,759.6	100.3
Total credit risk	804,572.0	177,615.2	22.1	268,061.7	33.3
Credit valuation adjustment					
Total credit valuation adjustment	--	1,625.0	--	6,346.9	--
Market risk					
Equity in the banking book	1,643.0	1,804.3	109.8	13,848.8	842.9
Trading book market risk	--	10,121.5	--	15,182.2	--
Total market risk	--	11,925.7	--	29,031.0	--
Operational risk					
Total operational risk	--	14,633.9	--	17,114.8	--
	Exposure	Basel III RWA	Average Basel II RW (%)	S&P Global Ratings RWA	% of S&P Global Ratings RWA
Diversification adjustments					
RWA before diversification	--	222,658.8	--	320,554.5	100.0
Total diversification/ Concentration adjustments	--	--	--	74,883.6	23.4
RWA after diversification	--	222,658.8	--	395,438.1	123.4
	Tier 1 capital	Tier 1 ratio (%)	Total adjusted capital	S&P Global Ratings RAC ratio (%)	
Capital ratio					
Capital ratio before adjustments		36,828.0	16.5	37,128.0	11.6
Capital ratio after adjustments‡		36,828.0	16.7	37,128.0	9.4

*Exposure at default. §Securitization exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and S&P Global Ratings' risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions.

‡Adjustments to tier 1 ratio are additional regulatory requirements (e.g. transitional floor or pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. CCPs--Central counterparty clearing house. Sources: Company data as of Dec. 31, 2022. S&P Global Ratings.

Table 5

Jyske Bank A/S--Risk position					
	--Fiscal year-ended Dec. 31--				
(%)	2023*	2022	2021	2020	2019
Growth in customer loans	0.1	9.9	1.0	0.0	0.6
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	23.4	24.3	18.7	19.5
Total managed assets/adjusted common equity (x)	19.8	22.2	18.8	20.8	20.5
New loan loss provisions/average customer loans	0.0	(0.1)	(0.1)	0.2	(0.0)
Net charge-offs/average customer loans	(0.1)	(0.1)	(0.1)	0.1	0.1
Gross nonperforming assets/customer loans + other real estate owned	1.7	1.8	1.8	1.8	2.1
Loan loss reserves/gross nonperforming assets	54.4	48.9	58.6	64.4	50.8

*Data as of September 2023. RWA--Risk-weighted assets. N/A--Not applicable.

Table 6

Jyske Bank A/S--Funding and liquidity					
	--Fiscal year-ended Dec. 31--				
(%)	2023*	2022	2021	2020	2019
Core deposits/funding base	28.5	28.3	21.2	21.5	22.1
Customer loans (net)/customer deposits	251.1	258.7	365.5	344.7	346.3
Long-term funding ratio	71.8	71.9	74.6	74.2	76.4
Stable funding ratio	95.9	93.4	93.5	95.5	95.8
Short-term wholesale funding/funding base	29.9	29.7	27.1	27.4	25.1
Regulatory net stable funding ratio	136.0	129.0	138.0	N/A	N/A
Broad liquid assets/short-term wholesale funding (x)	1.0	0.9	0.9	1.0	1.0
Broad liquid assets/total assets	26.3	24.4	21.4	23.0	21.6
Broad liquid assets/customer deposits	102.6	96.6	113.9	121.6	110.4
Net broad liquid assets/short-term customer deposits	(2.1)	(8.2)	(13.7)	(5.9)	(2.9)
Regulatory liquidity coverage ratio (LCR) (x)	181.0	417.0	448.0	N/A	N/A
Short-term wholesale funding/total wholesale funding	41.5	41.1	34.1	34.6	32.0
Narrow liquid assets/3-month wholesale funding (x)	2.0	1.8	2.3	1.9	1.9

*Data as of September 30. N/A--Not applicable.

Jyske Bank A/S--Rating component scores	
Issuer credit rating	A+/Stable/A-1
SACP	a-
Anchor	bbb+
Economic risk	2
Industry risk	4
Business position	Adequate
Capital and earnings	Strong
Risk position	Adequate
Funding	Adequate
Liquidity	Adequate
Comparable ratings analysis	0

Jyske Bank A/S--Rating component scores (cont.)

Issuer credit rating	A+ /Stable/ A-1
Support	+2
ALAC support	+2
GRE support	0
Group support	0
Sovereign support	0
Additional factors	0

ALAC--Additional loss-absorbing capacity. GRE--Government-related entity. SACP--Stand-alone credit profile.

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, March 2, 2022
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Methodology For National And Regional Scale Credit Ratings, June 25, 2018
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Leading Nordic Banks Enjoy Record Profits Amid Higher Interest Rates, Nov. 1, 2023
- Banking Industry Country Risk Assessment Update: October 2023, Oct. 27, 2023
- Nordic Banks: Resilient To Economic Weakening, Oct. 18, 2023
- Research Update: Denmark 'AAA/A-1+' Ratings Affirmed; Outlook Stable, Aug. 11, 2023
- Research Update: Jyske Bank And Jyske Realkredit Upgraded To 'A+' From 'A' On Sustainably Higher Bail-Inable Debt Buffer; Outlook Stable, July 21, 2023
- Jyske Bank A/S, Nov. 18, 2022
- Banking Industry Country Risk Assessment: Denmark, June 9, 2022

Ratings Detail (As Of December 7, 2023)*

Jyske Bank A/S	
Issuer Credit Rating	A+ /Stable/ A-1

Ratings Detail (As Of December 7, 2023)*(cont.)

<i>Nordic Regional Scale</i>	--/--/K-1
Resolution Counterparty Rating	AA/--/A-1+
Commercial Paper	
<i>Foreign Currency</i>	A-1
Junior Subordinated	BB+
Senior Subordinated	BBB+
Senior Unsecured	A+
Short-Term Debt	A-1
Subordinated	BBB
Issuer Credit Ratings History	
21-Jul-2023	A+/Stable/A-1
23-Oct-2019	A/Stable/A-1
05-Apr-2018	A-/Positive/A-2
10-Feb-2012 <i>Nordic Regional Scale</i>	--/--/K-1
Sovereign Rating	
Denmark	AAA/Stable/A-1+
Related Entities	
Jyske Realkredit A/S	
Issuer Credit Rating	A+/Stable/A-1
Resolution Counterparty Rating	AA/--/A-1+
Senior Secured	AAA/Stable
Short-Term Secured Debt	A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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