

Green property financing for corporate clients

In line with Jyske Bank's objective of offering financing arrangements that support sustainable transition, Jyske Realkredit introduces green mortgage loans for corporate clients.

Now Jyske Bank's corporate clients can finance their green buildings by taking out a green mortgage loan. Green mortgage products as a financing option are intended to motivate more corporate client to make green investments in both new and existing buildings and hence contribute to reducing CO₂ emissions.

Initially, the loan is granted for the financing of commercial buildings that meet the criteria of Jyske Bank Green Finance Framework. In most cases, this will mean financing of properties with a low energy consumption (energy classifications A and B), renovated properties, production plants for renewable energy, wastewater treatment plants and plants for energy supply.

“The green loan will meet the increasing demand from borrowers for sustainable loan products - clients demand the product, because it is of value relative to the surrounding world and helps to emphasise the company’s sustainability profile”, says Rune Møller Director of Jyske Bank Erhverv.

The loan corresponds to the existing loan “Jyske Kort Rente” but is financed by a separate, green Cibor3 bond. Also, bond investors express demand for sustainable investment opportunities.

“Investors who have set up sustainable funds are looking for sustainable low-risk investment opportunities. By issuing AAA-rated green mortgage bonds, we offer them the investment product they are looking for”, says Christian Bech Ravn, Head of Rating & IR, Jyske Realkredit.

Loan portfolio with room for improvement

Mortgage loans for corporate clients account for 40% of Jyske Bank’s total loans and represent 10% of the CO₂ emission relating to loans.

“This is the business area with the lowest Co₂e intensity, but because it accounts for such a large proportion of our loan portfolio, it makes sense to intensify our efforts to promote loans for environmentally sound commercial properties”, says Trine Lysholt Nørgaard, Head of IR and Sustainability.

Jyske Bank aims to increase its corporate loans for green buildings from DKK 30 bn to DKK 40 bn in 2025.

“We would like to enable our clients to make progress in this area, and we can do this, among other things, by offering financing arrangements supporting a sustainable development”, says Trine Lysholt Nørgaard.

Jyske Bank anticipates that it will be able to offer sustainable solutions in all material business areas by the end of 2021. Initially, the green mortgage loan will only be offered with a floating rate and only to corporate clients, but also personal clients’ newly built houses can in time be financed with the green bond.

To learn more, please see – jyskebank.dk or [Jyske Bank Group Green Finance Framework](#)

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