Translation from Danish prepared by Jyske Bank of a statement dated 2 July 2026 issued by the Danish Financial Supervisory Authority (Finanstilsynet). In the event of any discrepancy between the Danish version and the English version, the Danish version shall prevail.

Report on Inspection of Jyske Bank A/S regarding Appropriateness Assessments and Product Governance

In March 2026, the Danish Financial Supervisory Authority conducted a functional inspection of Jyske Bank A/S focusing on the Bank's product governance and its appropriateness assessments of customers.

The product governance requirements entail that banks must have arrangements in place to ensure that the financial products they offer are compatible with the needs and characteristics, etc. of the target market. This is intended to ensure that banks only offer and recommend products when doing so is in the customer's best interest.

Under the appropriateness assessment requirements, banks must, when selling complex products without providing investment advice, obtain information about the customer's knowledge and experience. Based on that information, banks must assess whether the product in question is appropriate for the customer and, if it is not, must warn the customer accordingly.

The inspection formed part of a thematic inspection in which four banks were examined.

Summary and risk assessment

The Bank offers a range of complex products to retail investors through non-advised trading, making the Bank's approach to appropriateness assessments important for the protection and information of customers investing through the Bank.

The inspection found that the Bank's procedures for appropriateness assessments are inadequate to ascertain customers' actual knowledge and experience of the characteristics and risks of a given product. In addition, customers are not provided with sufficiently clear warnings where the Bank has assessed that a product is not appropriate for the customer. Finally, the Bank's internal control procedures are not sufficiently comprehensive. This involves a risk that customers may gain access to products that are not appropriate for them.

Consequently, the Danish Financial Supervisory Authority has ordered the Bank to ensure that it conducts appropriateness assessments in a manner that effectively determines whether the customer possesses the necessary knowledge and experience of the characteristics and risks of the specific product, and that customers are provided with adequate warnings where a product is not appropriate for them.[1]

In addition, the Bank's reporting and analysis of the extent to which products are sold to customers outside the target market are not sufficiently accurate and reliable to enable the

[1] Cf. Executive Order on Investor Protection in Securities Trading (Executive Order No. 760 of 14/06/2024), section 12(1) and (3), and Commission Delegated Regulation (EU) 2017/565, Article 55(1).

Bank to monitor such sales and implement measures to mitigate instances of mis-selling. This involves a risk that the Bank may sell products where doing so is not in the customer's best interest.

Consequently, the Danish Financial Supervisory Authority has ordered the Bank to strengthen its product governance framework so that it can accurately measure sales to customers outside the products' target market, follow up on instances of mis-selling, and ensure that products are sold to the appropriate target market.[2]

[2] Cf. Executive Order on Product Approval Procedures (Executive Order No. 245 of 07/03/2023), section 17(1) and (5).