Translation from Danish prepared by Jyske Bank of a statement dated 4 June 2025 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 thematic inspection of storage of documentation and the use of non-approved means of communication (record-keeping) at Jyske Bank A/S

Introduction

The Danish Financial Supervisory Authority (the FSA) has implemented an inspection of Jyske Bank A/S and its compliance with the rules on storage of documentation and the use of non-approved means of communication. The inspection was conducted as part of a thematic inspection of three Danish banks that perform investment services and investment activities (hereinafter referred to as securities dealers or the securities dealer). The inspection was conducted between October 2024 and June 2025

Securities dealers performing investment services and investment activities must keep adequate documentation of services, activities and transactions performed. This documentation must include the recording of telephone conversations and the storage of electronic messages relating to transactions carried out on the securities dealer's own account and the provision of services relating to the reception, transmission and execution of customer orders.

The purpose of the documentation requirements is to ensure investor protection and increase legal certainty in the interests of both the securities dealer and their customers. Documentation ensures that proof can be provided of the terms and conditions of each order placed by a customer and that the order corresponds to the transaction executed by the securities dealer. Furthermore, storage of documentation is an important part of detecting and proving possible market abuse.

Based on the above, it was investigated whether Jyske Bank A/S complied with the rules on retention of adequate documentation and what measures Jyske Bank has taken to prevent employees from using privately owned or non-approved means of communication which Jyske Bank is unable to record or copy, and how Jyske Bank monitors the documentation of transactions and orders covered by these requirements and ensures that the quality, accuracy and completeness of the documentation of investment conversations are adequate.

Summary

The inspection showed that employees at Jyske Bank, who primarily work with investment, have their conversations automatically recorded. Employees who only partially work with investment, however, must manually activate recording when the topic is investment.

Jyske Bank has stated that it has established both a technical automated control and a dedicated qualitative control with management follow-up on the quality and completeness of

documentation in connection with transactions. The controls showed that especially the recording of investment conversations with manual recording resulted in a high margin of error.

The FSA believes that the consideration of not unnecessarily monitoring/recording employees may be legitimate, which may justify a system with manual activation of call recording for certain employees. However, the less automated the system/procedures, the higher the risk of human error, which places greater demands in other areas, including increased attention and follow-up on control results.

The number and nature of errors show that Jyske Bank's system and procedures in this area, especially with regard to employees who have to activate recording manually, are insufficient and deficient. Based on this, the FSA assesses that Jyske Bank does not meet the requirement to take all reasonable measures to record relevant telephone conversations and store relevant electronic messages.[1]

Lack of documentation for telephone conversations etc. poses a risk to investor protection because it makes it impossible to verify how advice was given and what was agreed. Furthermore, it becomes more difficult to detect and prove any market abuse, which can weaken legal certainty to the detriment of both Jyske Bank and its customers.

The Danish FSA has therefore ordered Jyske Bank to reconsider and improve its system and procedures in this area, as it does not currently provide sufficient assurance that conversations etc. are logged. This is especially true in relation to documentation that currently requires manual activation of recording. Given the significant margin of error, Jyske Bank is obliged to follow up and assess whether the current system is appropriate and sufficient. Jyske Bank should consider whether there should be a higher degree of automation so that more employees are subject to automatic logging. If a manual system is maintained, other areas must be tightened up, as the number of errors shows that there is insufficient awareness in this area at Jyske Bank. As a securities dealer, Jyske Bank is responsible for meeting the documentation requirements, and Jyske Bank must therefore ensure adequate notification and information of employees, as well as thorough and clear business procedures. Employees must be in the best possible position to navigate and comply with the procedures so that Jyske Bank can meet the documentation requirements.

If sufficient improvement cannot be ensured through such measures, Jyske Bank must reconsider the need for a system with a higher degree of automation.

[1] Executive Order No. 921 on the organisational requirements for securities dealers, section 10(4)