

Press release

## **Comments on the Danish Financial Supervisory Authority's (FSA) Fit & Proper assessment of Lars Stensgaard Mørch**

Jyske Bank wishes to advise that Lars Stensgaard Mørch, in consultation with Jyske Bank, has previously requested the Danish Financial Supervisory Authority (FSA) to undertake a fit & proper pre-assessment. The Danish Financial Supervisory Authority has concluded that it cannot issue a positive pre-assessment at the present time.

The Danish FSA's assessment was based on Lars Stensgaard Mørch's role at Danske Bank with regard to Danske Bank's money-laundering case in Estonia. The Danish FSA has laid particular weight on an amendment to the Financial Business Act from June 2018, which in the view of the Danish FSA requires a stricter assessment in the case. The Danish FSA emphasizes that when assessing whether a person meets the fit & proper requirements, the Danish FSA must pay particular attention as to whether the person, prior to assuming a senior management role in the new financial company, has been a part of the management of a company that has violated money laundering rules.

During the entire employment process, Jyske Bank has naturally been fully aware of Lars Stensgaard Mørch's background at Danske Bank. Jyske Bank therefore undertook comprehensive due diligence before the decision to employ Lars Stensgaard Mørch was made.

In connection with its investigations, Jyske Bank has sought a considerable number of references on Lars Stensgaard Mørch. The references have been extremely positive in relation to Lars Stensgaard Mørch's personal, professional and managerial competencies and values.

Based on Jyske Bank's evaluation of the facts and relationship, and with significant weight placed on the dialogue with Lars Stensgaard Mørch, Jyske Bank has full confidence in Lars Stensgaard Mørch, and that he possesses a high degree of integrity and the necessary personal and professional competencies for a management position at Jyske Bank.

Jyske Bank disagrees with the assessment made by the Danish Financial Supervisory Authority, which we believe is based on too strict a standard, as well as an incorrect assessment of Lars Stensgaard Mørch in a highly complex case, where he has strived at all times to do the right thing. This assessment is also supported by our Legal Counsel.

Jyske Bank has placed considerable emphasis on the fact that SØIK ("Særlig Økonomisk og International Kriminalitet" or Department for Serious Economic and International Crime), after a very extensive and thorough investigation of the case involving interviews with a large number of persons, including Lars Stensgaard Mørch, and their review of very comprehensive case material, has concluded that there is no basis for a case against Lars Stensgaard Mørch. SØIK's assessment of Lars Stensgaard Mørch's role in the case is therefore totally aligned with Jyske Bank's own view. Jyske Bank also notes that the Danish Financial Supervisory Authority has not made any claims that Lars Stensgaard Mørch has violated money-laundering rules.

Jyske Bank takes due note of the Danish Financial Supervisory Authority's ex-ante assessment and, together with Lars Stensgaard Mørch, has decided to look ahead.

Lars Stensgaard Mørch is employed in a position that does not require fit & proper approval. Jyske Bank is very satisfied with the employment of Lars Stensgaard Mørch and looks forward to reaping the benefits of his competencies, which we are convinced will both strengthen the Bank and be to the benefit of our customers, shareholders and employees.

Yours faithfully,  
Jyske Bank