

NOTAT

(The Danish Financial Supervisory Authority)

Finanstilsynet

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BØRS

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Report on inspection of activities at Jyske Bank A/S (setting of reference rates)

1. Introduction

In December 2014, the Danish Financial Supervisory Authority conducted a limited inspection at Jyske Bank A/S in its capacity as a bank setting reference rates.

The focus of the inspection was to establish whether the institution had conducted the presupposed controls and had organised in such a way that the rules on separation functions are complied with.

2. Summary and risk assessment

On the basis of the inspection, the FSA assesses that, to a sufficient degree, Jyske Bank A/S meets the rules for setting reference rates.

However, in connection with the inspections, the FSA ordered that the bank itself should check that business procedures and descriptions of work processes, etc. are adhered to, which also entails comparisons of reported data with transactions executed. Moreover, the bank was ordered to assign more employees to the task of being a reporter and a controller as it was established that the bank did not always conduct the presupposed four-eye control on a daily basis.

Also, the FSA pointed out that Jyske Bank should introduce changes in IT systems to ensure that only relevant employees have access to the quotations of the day.