

Company announcement

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Danske Bank accepts fine of DKK 12.5 million

Danske Bank A/S has today been charged by the Danish Public Prosecutor for Serious Economic and International Crime (SØIK) with having violated the stipulations of Danish anti-money laundering (AML) legislation on the monitoring of transactions to and from correspondent banks. In this connection, Danske Bank has accepted a fine of DKK 12.5 million. The charge and the fine are the result of the inspection made by the Danish FSA at Danske Bank in 2015. The inspection statement issued in March 2016 included reporting Danske Bank to the police.

“We have a special responsibility with regard to the combating of money laundering, and regrettably, we have not lived up to that responsibility in terms of the monitoring of transactions to and from correspondent banks,” says CEO Thomas F. Borgen. “That is the reason why we have been fined, and we have accepted and will pay the fine. We have since taken many initiatives to considerably strengthen monitoring in relation to correspondent banks, and today, the situation is quite different. In recent years, we have generally strengthened our efforts to combat money laundering and other financial crime very considerably. This includes considerable investments in new IT systems to support monitoring, tighter control, adding resources to AML activities and more extensive training of staff. The combating of money laundering and criminal activity is high on the agenda and a priority across the entire Danske Bank Group.”

The fine notice reads as follows: Danske Bank A/S is charged with having violated section 78(3), cf. (1), cf. section 11(1)(5), of Danish Act No. 651 of 8 June 2017 on Measures to Prevent Money Laundering and Financing of Terrorism (the Danish Anti-Money Laundering Act) (formerly section 37(7), cf. (1), cf. section 12(5), of Danish Consolidation Act No. 1022 of 13 August 2013) by, in the period from November 2012 to the issuing of an order on 15 March 2016 to be implemented by 1 August 2016, in the financial institution Danske Bank A/S, CVR No. 61126228, Holmens Kanal 2-12, Copenhagen, not having monitored transactions executed as part of business relations to ensure that the transactions matched the undertaking’s or the person’s knowledge of the customer and the customer’s business and

risk profile, including, where necessary, the origin of the funds, since Danske Bank, in relation to transactions executed in connection with its correspondent bank relationships, did not monitor transactions where the transactions did not involve a customer of Danske Bank. The fine is set at DKK 12,500,000 (twelve million, five hundred thousand Danish kroner).

Danske Bank AML activities at Group level

- More than 900 employees are dedicated to the combating of financial crime.
- Every month, we screen 3.9 million customer transactions.
- Every week, we screen 15 million customer numbers against international sanction lists.
- Every year, we record more than 150,000 warnings of unusual customer behaviour in relation to money laundering and the financing of terrorism.
- In the past year, we have submitted more than 8,600 reports to the authorities.

The FSA's statement on its inspection and Danske Bank's comments from March 2016 are available at danskebank.com.

Danske Bank

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