



Danske Bank: a money laundering scandal

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Plan:

1. Accusation
2. Criminal beginning
3. Warnings from regulators
4. Suspicious activity
5. Whistleblower
6. The closure of non-resident business in Estonia
7. Possible punishment

Accusation: 28th of November
2018 - The Danish public
prosecutor for serious economic
and international crime

€200bn

2007-2015



Flow of dirty money

Between 2007-2015 the Estonian branch of Danske Bank became a pipeline for dirty money flowing out of Russia, Azerbaijan and Moldova

the Estonian branch of Danske Bank

RUSSIA

MOLDOVA

AZERBAIJAN



The Beginning

2007 - Danske Bank established its Estonian unit after takeover a Finland Sampo Bank



SAMPO

FINLAND

ESTONIA

2007

Non-resident pre-tax profits

2008 - the Estonian branch generated 8% of
Danske's total profits before tax

8%

2007 2008

Danske's assets

accounting for 0,5% of the
bank's assets

0.5%

2007

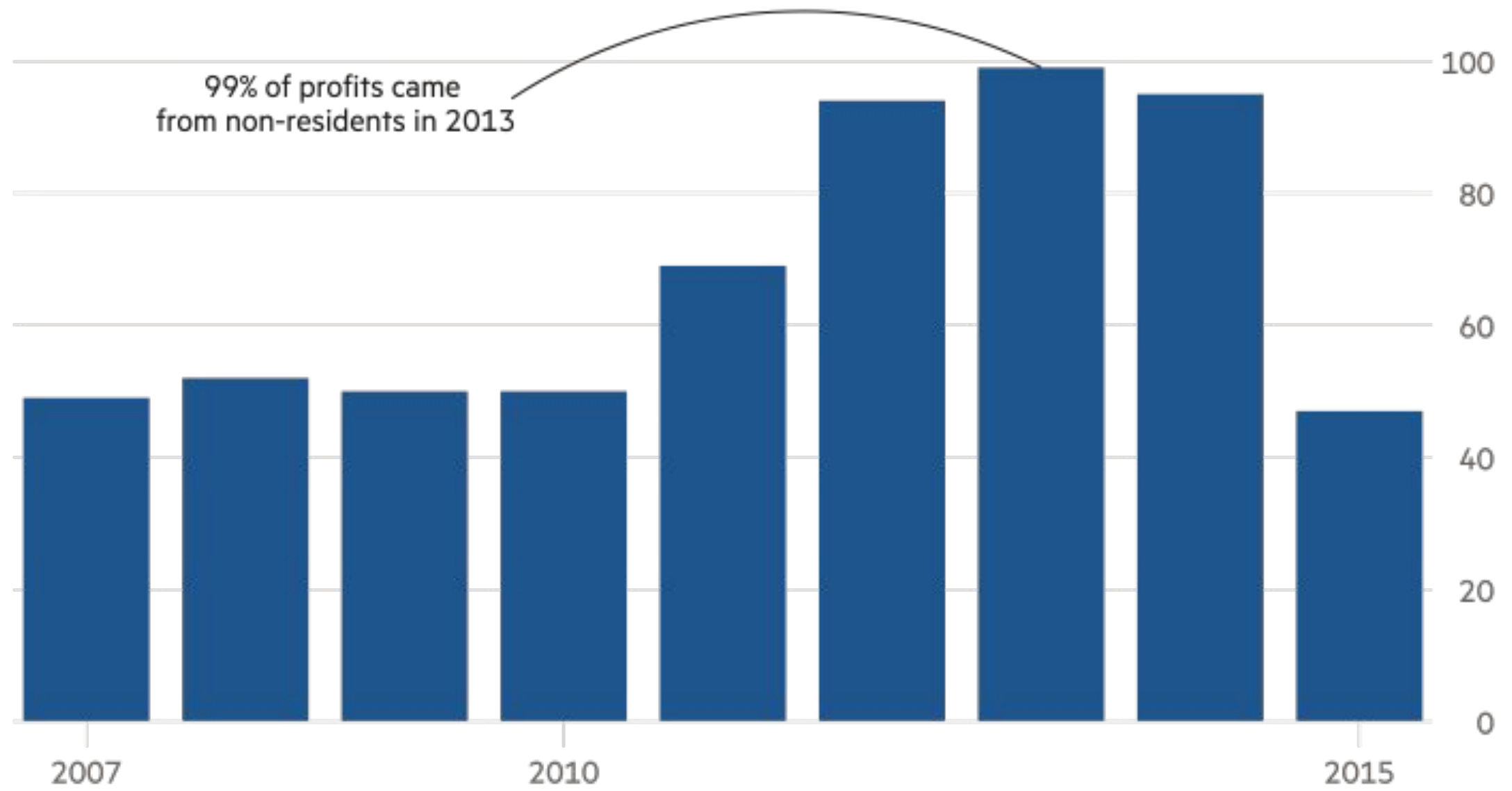


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2007 2008

Warnings from Estonian regulators
and Russian central bank

Much of Danske's Estonian profits came from non-residents

NPR profits before credit losses (%)

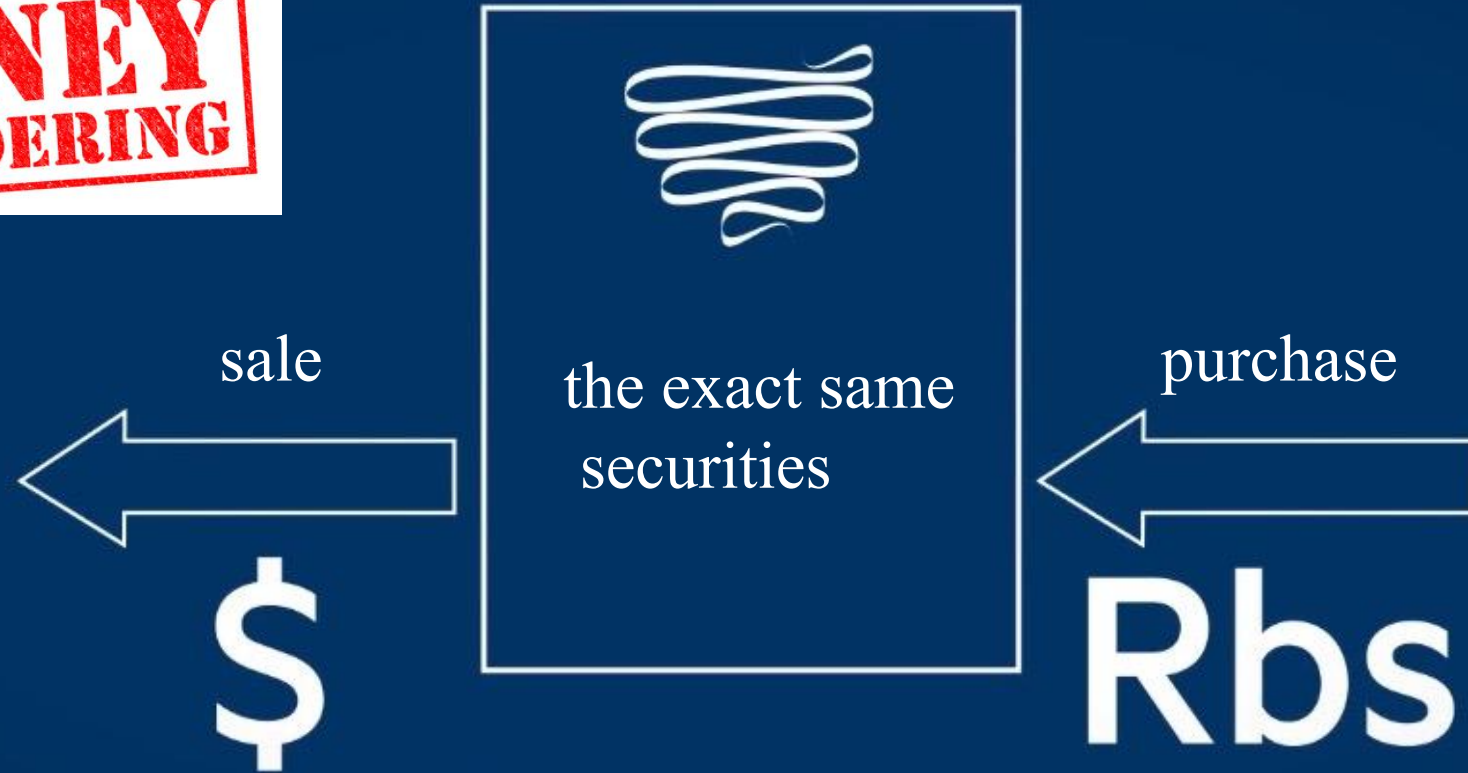


Suspicious activity



Mirror trades

**MONEY
LAUNDERING**



2007 2008 2010 2013

2013 - JPMorgan (a correspondent bank for dollar transactions for Danske in Estonia) quit - a massive warning signal



2013 - An internal email was written by a whistleblower



Mailboxes

▷ Inbox

▷ Drafts

▷ Sent

▷  Inbox

▷  Follow up

▷  Priority

From: **Howard Wilkinson**

Subject: **'Whistleblowing disclosure - knowingly dealing with criminals in Estonia branch'**

2007 2008

2010

2013



2014 - Danske's internal auditors produced a critical report about the non-resident business

**In 2016
Danske
completed
the closure
of its
non-resident
Business
in Estonia**

NON-RESIDENT BUSINESS

CLOSED

2010

2013

2016



2018 – Danske bank is facing criminal investigations from the US Department of Justice and Estonian authorities

Possible punishment

- \$8bn fine
- Bank liquidation
- Another US actions



**Thank you for your
attention!**

