



# Danske Bank: a money laundering scandal

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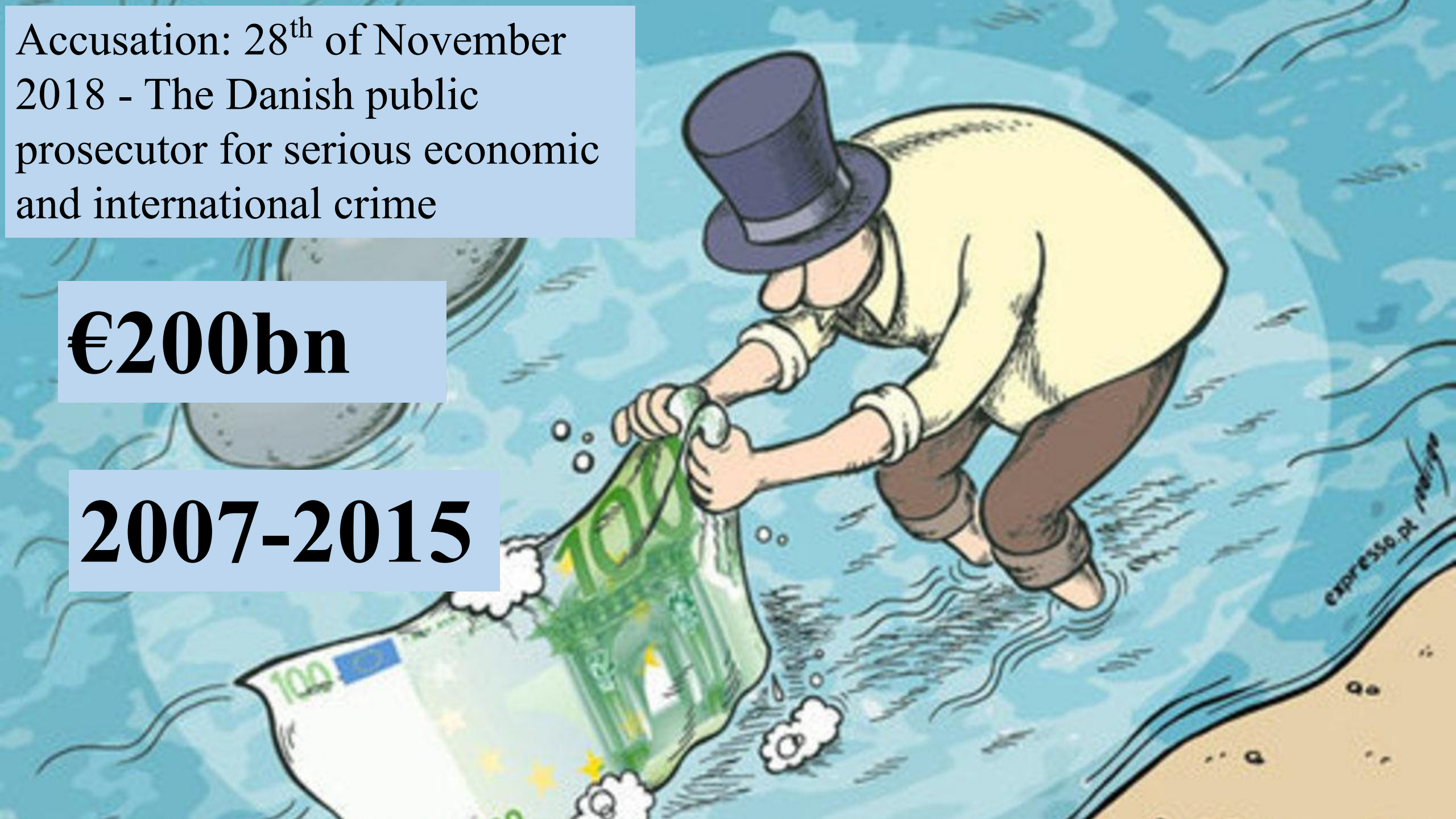
## Plan:

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: 28<sup>th</sup> 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



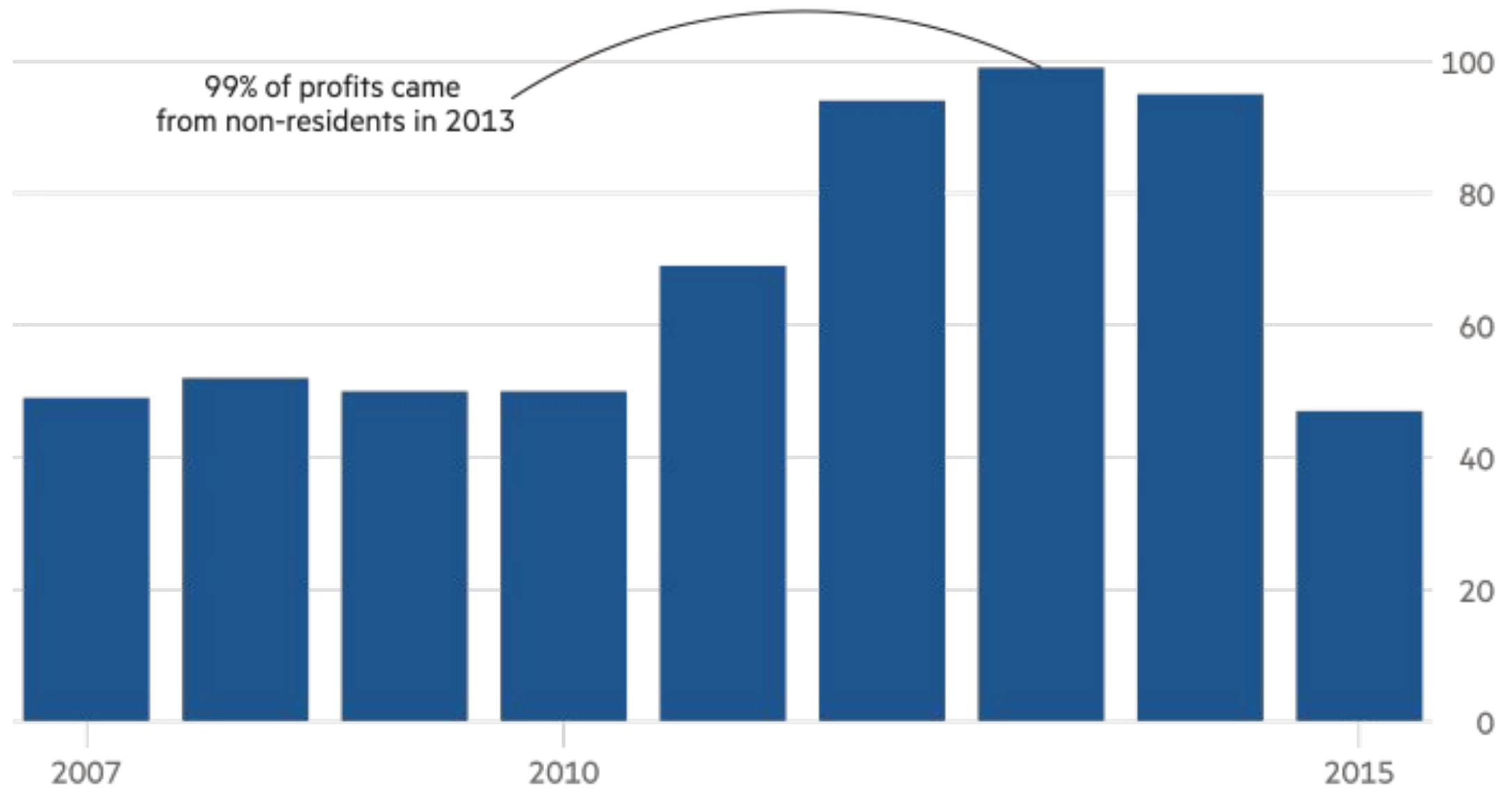
2007 2008

Warnings from Estonian regulators  
and Russian central bank



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

NPR profits before credit losses (%)

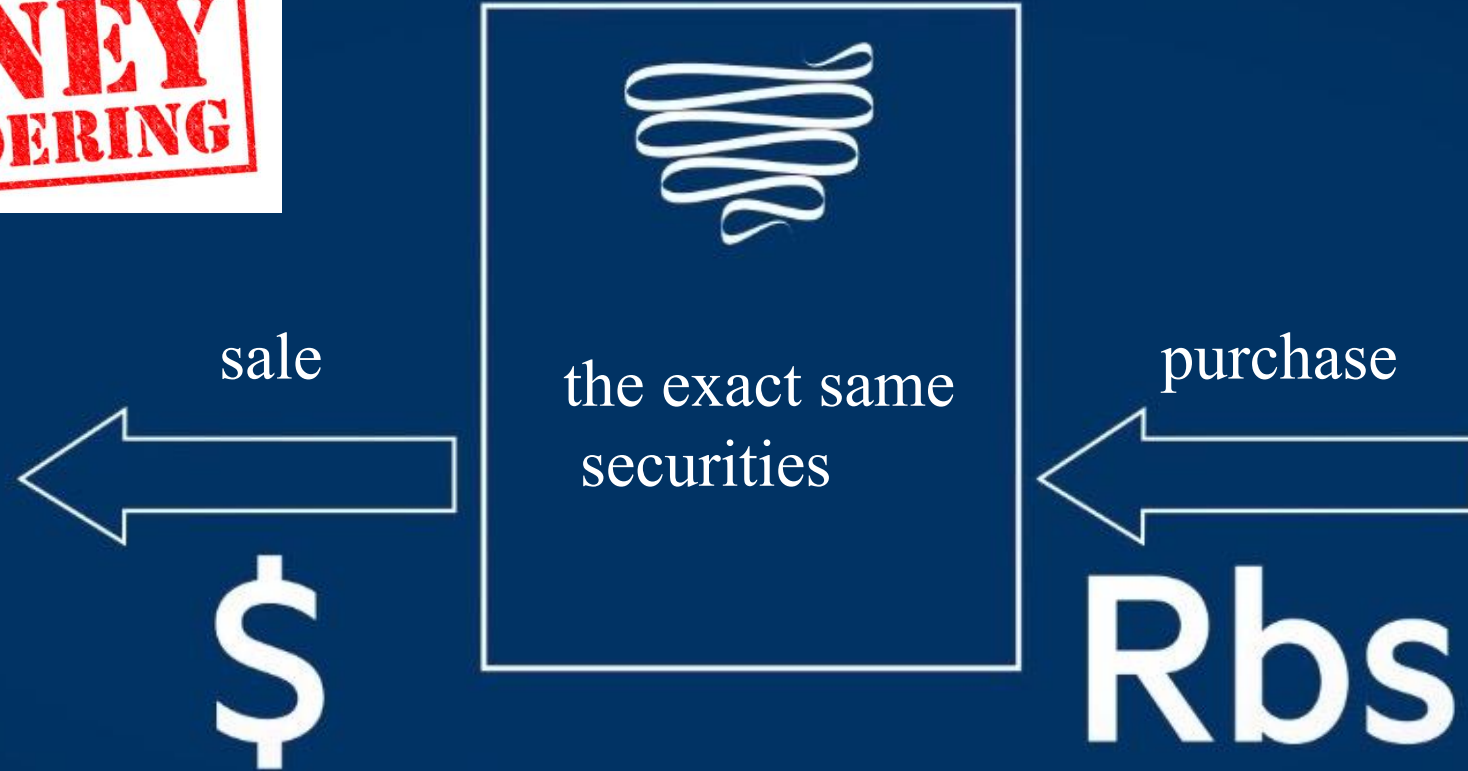


# Suspicious activity



# 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!**

