

MEMORANDUM

The Danish Financial Supervisory Authority

25 October 2022

Statement on review of Danske Bank A/S's handling of EU sanctions against Russia and Belarus

Introduction

In March 2022, the Danish Financial Supervisory Authority (the Danish FSA) initiated a review of how Danske Bank A/S (the bank) was handling EU sanctions against Russia and Belarus. The review formed part of a cross-sector review of the area in question at a number of banks.

Risk assessment and summary

Danske Bank is the largest financial institution in Denmark. The bank provides all types of banking services, including complex financial products for investors, full-service banking solutions for business customers as well as asset management and investment services. The bank has a significant number of personal and business customers, including many customers with relations outside Denmark. The bank has subsidiaries, branches and representative offices in a number of jurisdictions outside Denmark, and the bank cooperates with a large number of correspondent banks outside Denmark. The extent of the bank's transactions, including transactions with parties outside Denmark, is therefore considerable.

In the opinion of the Danish FSA, the international nature of the bank, including its large number of cross-border transactions and investment activities and its large number of customers outside Denmark, entails that the bank, on the present basis, is subject to a high inherent risk that the bank's transactions on its own or its customers' behalf may breach applicable regulations on financial sanctions against countries, persons, etc.

The review did not give rise to supervisory reactions.