

# On 9 December 2022, Santander UK announced that it had accepted the FCA's findings relating to historical anti-money laundering controls in its Business Banking division, including a penalty of £107,793,300.

**Chief Executive Officer, Mike Regnier, commented:** "Santander takes its responsibilities regarding financial crime extremely seriously. We are very sorry for the historical Anti-Money Laundering (AML) related controls issues in our Business Banking division between 2012-17 highlighted in the FCA's findings.

"While we took action to address our AML issues once they were identified, we accept that our AML framework at the time should have been stronger. We have since made significant changes to address this by overhauling our financial crime technology, systems and processes. Today over 4,400 staff are focused on preventing financial crime and we continue to invest to meet our responsibilities and keep our customers and communities safe."

## Why has Santander agreed this settlement?

- Santander UK has agreed a settlement with the FCA following an investigation into its Business Banking anti-money laundering controls during the period 31 December 2012 – 18 October 2017.
- The investigation focused on issues with Santander UK's historical AML processes for Business Banking customers. Among the FCA's findings it identified six former Business Banking customers operating as Money Services Businesses (MSBs) where our AML controls did not operate in line with the relevant requirements.

## How did this impact your customers?

- There was no direct customer detriment, although we acknowledge that our AML controls within Business Banking were not strong enough.

## What markets were impacted?

- The focus of the FCA's findings was our AML controls in relation to our Business Banking customers in the UK only. The bank served approximately 566,000 Business Banking customers at the time, around 4% of Santander UK's customer base in 2017.

## Why did this happen?

- While we took action to address our AML issues once they were identified, we accept that our AML framework at the time should have been stronger. We have since made significant changes to address this by overhauling our financial crime technology, systems and processes.
- Today over 4,400 staff are focused on preventing financial crime and we will continue to invest and do all we can to keep our customers and communities safe.

## What investment have you made in improvements?

- Over the last ten years we have invested in improving and enhancing our financial crime systems and controls and in the last five years alone we have invested over £700m in a major change programme which goes beyond the FCA's findings to transform our bank-wide financial crime control framework.
- We have over 4,400 people currently focused on preventing financial crime and have created an Anti-Financial Crime Academy that provides content and competency-based training and certification for all roles.
- We continue to invest in systems and people to ensure we keep our customers and the communities in which we operate safe.

## What else do you do to address financial crime?

To support our work in tackling financial crime:

- We are members of UK Finance sharing best practice with others in the industry;
- We are long-standing members of the industry's Joint Money Laundering Intelligence Task Force;
- We have collaborative relationships with United for Wildlife and Stop the Traffik; and
- We work with the Police Regional Organised Crime Units.

## Financial Crime Statement

Santander is committed to deterring, detecting and disrupting financial crime. Our policies and controls are designed to ensure that financial crime risks are identified, appropriately mitigated and managed. These policies and controls, together with our anti-financial crime strategy, seek to promote responsible and sustainable commercial growth, protect our communities and foster prosperity. Santander UK's full financial crime statement can be found [here](#). The Group's Financial Crime declaration can be found [here](#).