

# Helping SEB to combat money laundering and terrorist financing



*Working to prevent crime is high on SEB's agenda. That is why we are continuously working to improve our processes and routines to protect ourselves and our clients against fraud and loss.*

All financial institutions must have measures in place to prevent money laundering and the financing of terrorism. One of the most important instruments to SEB in this area is maintaining accurate and up-to-date information about your company and business operations.

This is part of the 'Know Your Customer' process – where we document our clients', and their employees, identity and banking needs. In this process, the following measures are of particular importance to SEB's ability to detect and prevent acts of fraud, money laundering and the financing of terrorist activities:

- **verifying the identity of our customers. SEB needs you to provide evidence of, among other things, the company's identity, address, ownership structure and Beneficial Owners. Among the items required are a certificate of registration and an annual financial report.**
- **in certain cases it is necessary to, through a copy of their passport or by other means, verify the identity of individuals within the company.**
- **understanding the purpose and reason of the company's intention with the relationship.**
- **understanding the nature of the business and geographic location of the business activities.**

We need your assistance in continuously providing us with up-to-date information on the company's ownership structure when and as needed.

## **Transactions requiring further inquiries**

SEB employs several measures to monitor and investigate individual transactions in accordance with internationally agreed standards and

criteria. In addition to the above, SEB will in some instances require further information, such as information relating to the purpose of the transaction and the source of funds, regarding specific transactions that your company undertakes with us. We highly appreciate your co-operation and assistance in this matter.

If you have any questions with regard to the above, please contact your client executive.

## Money laundering

Money laundering is the act of concealing the origin of money obtained through illegal activities to give it the appearance of legitimately obtained funds. The financial system is typically used to launder money since the use of complex financial transactions makes it increasingly difficult for the funds to be traced and confiscated.

## Terrorist financing

Terrorist financing has received more attention following the aftermath of September 11<sup>th</sup> 2001. It is an offence to finance or to facilitate the financing of terrorism – and financial institutions must report to relevant authorities any knowledge or reasonable grounds for suspicion of terrorist financing.

## A billion dollar business

Money laundering and the financing of terrorism have an estimated international turnover of 1,000 – 1,500 billion USD. That is comparable to the Gross National Product of India (1,000 billion USD).

International co-operation and common regulations are required in order to counter this type of activity, which is why the international Financial Action Task Force (FATF) has laid down 40 recommendations regarding money laundering and 9 recommendations concerning terrorist financing. These rules, along with other considerations imposed in the form of the EU Anti Money Laundering Directive, have been incorporated into national law in most of the jurisdictions that SEB operates in.

## Help us in our continuous efforts to stop money laundering

SEB is committed to the prevention of money laundering and preventing financing of terrorist activities. That is why we do everything we can to protect ourselves – and you – against fraud and loss. We hope this will motivate you to continue working alongside us for safe banking and insurance services.