

Administrative penalty of 21 December 2022

Administrative penalty imposed on the credit institution Banque Degroof Petercam Luxembourg S.A.

Luxembourg, 2 March 2023

On 21 December 2022 the CSSF imposed an administrative fine amounting to 1,560,000 euros on the credit institution Banque Degroof Petercam Luxembourg S.A. ("the Bank").

The fine was imposed on the basis of the provisions of Article 2-1 paragraph (1) and Article 8-4 paragraphs (1) and (3) of the amended Law of 12 November 2004 on the fight against money laundering and terrorist financing (hereafter the "AML/CFT Law") for non-compliance with professional AML/CFT obligations.

This administrative fine was imposed following a CSSF on-site inspection that had started in September 2019 and targeted the framework of fight against money laundering and combating the financing of terrorism during which important weaknesses were identified in the Bank's AML/CFT framework, such as a failure to report some suspicions of money laundering, some late reporting of suspicions and deficiencies at the level of the name matching controls (i.e. controls aiming at detecting persons subject to restrictive measures in financial matters, politically exposed persons, persons suspected of criminal activities or exposed to negative press). The identified deficiencies and the sanction relate to facts observed at the time of the on-site inspection in 2019/2020. Since then the Bank has taken remedial actions to address them and significant changes have been made at the level of the supervisory and management bodies as well as at the level of the control functions.

For the purpose of determining its sanction, the CSSF duly took into consideration the swift reaction of the Bank to put in place remedial actions aiming at resolving the deficiencies.

This disclosure is made in accordance with Article 8-6 paragraph (1) of the AML/CFT Law.

