

Danske Bank  
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Belfast  
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Peter Hall  
Clerk of the Finance Committee

Sent by email

Tuesday 13 May 2025

**Subject: Inquiry into the Northern Ireland Banking and Financial Services Landscape**

Dear Peter,

UK Finance has advised us that there were some follow up questions for banks, following the sector's evidence given to the committee as part of the Inquiry on 9 April 2025.

Please see responses below from Danske Bank.

**1)Any ethical focus that the banks apply to their investment activity and payment of dividends, and any wider policy involving an ethical stance.**

Northern Bank Ltd (trading as Danske Bank) does not have an investment business. Northern Bank's primary role is to provide banking services to local people and businesses in NI.

The Bank does not pay dividends to anyone other than its sole shareholder – Danske Bank Group. Any dividends paid are at the discretion of our local Board and are only paid after ensuring that Northern Bank has the capital it needs to support its customers and its forward-looking growth plans here in NI.

**2)The resolution of issues surrounding cross-border banking.**

Danske Bank does not have a retail banking presence in the south of Ireland. Our main focus is on providing accounts to customers in NI.

We can however facilitate banking arrangements for customers who live in border areas if the customer's circumstances require it, for example, if they need a sterling account for employment purposes in NI.

Through the inquiry, a point was raised about availability of euros in NI. Danske Bank offer euro currency in all 24 of our NI branches. We also own and operate 76 ATMs across NI, and we have added functionality that allows 41 of these machines to dispense euros.

For NI business customers we also offer a business currency account, which pays credit interest where the currency held is in euros.

### **3)Efforts made by the banks to support charities in their banking activity.**

At Danske Bank we opened around 160 charity/voluntary organisation accounts last year. We were one of the banks that worked with the voluntary sector and UK Finance to agree a standard Voluntary Organisation Banking Guide. In terms of what we have done since then, we have shared the guide with our customer facing teams and we have it up as external guidance on our website. We also have a dedicated local customer contact team that are fully trained to engage with charities/voluntary organisations on applications and queries.

We have a paper process specifically put together for charity/voluntary organisations. For these groups, after we have received the necessary information and documents, on average, the account will be open and ready to use within three days.

As an industry we appreciate that account opening identification requirements for charities and voluntary organisations can feel onerous. However, currently, there are established regulatory reasons why banks must carry out these checks. We are committed to continuing to work closely with the local charity/voluntary sector, and UK Finance, to further explore how we may better serve the sector moving forward.

### **4)The banks' appetite for risk with regard to investing in/lending to SMEs and micro businesses in NI.**

Last year we welcomed over 1,500 new small/micro business customers to Danske Bank. SMEs are the backbone of the Northern Ireland economy and offering them banking and lending services is a fundamental part of our business.

We approved around £40m of lending to local small/micro businesses in 2024, a 14% increase year-on-year.

If the committee requires any further information please let us know.

Your sincerely



Simon Little

Head of Communications

Danske Bank