

# REGTECH100

Profiles of the **REGTECH100**, the world's most innovative RegTech companies that every leader in the regulatory industry needs to know about in 2024



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The **REGTECH100** is an annual list of 100 of the world's most innovative RegTech companies selected by a panel of industry experts and analysts. These are the companies every financial institution needs to know about as they consider and develop their mission critical RegTech and digital transformation strategies.

There's plenty of interest and hype about RegTech in the marketplace, but much of it is superficial, incoherent or self-serving and fails the needs of decision-makers in incumbent financial institutions who require independent, facts, figures and analysis.

The **REGTECH100** list will help senior management and compliance professionals evaluate which digital solutions have market potential and are most likely to succeed and have a lasting impact on the industry.

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## CRITERIA

A range of factors was considered by the Advisory Board and RegTech Analyst team to make the final selection including:

- Industry significance of the problem being solved;
- Growth, in terms of capital raised, revenue, customer traction;
- Innovation of technology solution offered;
- Potential cost savings, efficiency improvement, impact on the value chain and/or revenue enhancements generated for clients;
- How important is it for financial institutions to know about the company?

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## PROCESS



### RESEARCH REGTECH UNIVERSE

Analyse universe of RegTech solution providers on RegTech Analyst database and external sources



### NOMINATE COMPANIES

Shortlist candidates that meet criteria along with companies nominated via the website



### CONDUCT INTERVIEWS & SURVEY

Undertake in-depth interviews or surveys with founders and CEOs of shortlisted companies



### IDENTIFY REGTECH 100

Determine which companies excel in terms of the criteria and can be classified as RegTech innovation leaders



### PUBLISH

Announce results to media and finalists



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- ✓ Improved risk mitigation  
and regulatory compliance
- ✓ Maximized operational efficiencies

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# 6clicks

-  Founded: 2019
-  Employees: 51-100
-  Regulation/Legislation: **We cover a wide range of global frameworks and regulations > [more info here](#)**
-  Subsectors: Cybersecurity/Information Security, Risk Management, Reporting, Compliance Management
-  Regions of operations: APAC, United States, United Kingdom

6clicks is an AI-powered Governance, Risk, and Compliance (GRC) B2B SaaS platform that empowers businesses and advisors to manage risk and compliance effortlessly. The platform offers comprehensive capabilities for risk management, enabling teams to efficiently navigate risk lifecycles, from identification and assessment to mitigation and reporting. Its vendor risk management module facilitates streamlined assessment processes across supply chains, while the regulatory compliance automation ensures obligations adherence and internal controls management. In addition, 6clicks facilitates cybersecurity audit scheduling, internal audit lifecycle management, and custom reporting and analytics. The 6clicks unique Hub & Spoke architecture fosters effective collaboration among distributed teams, and the AI engine, Hailey, enhances the experience with intelligent insights and automation. The platform's content library offers access to a variety of standards, control sets, templates, and playbooks. Founded in Melbourne, 6clicks now also has offices in the US and UK and has been chosen by hundreds of customers worldwide.

# ACA

-  Founded: 2002
-  Employees: 1,001-5,000
-  Regulation/Legislation: **MiFID, MiFID II, KYC, AML, AIFMD, SFTR, EMIR, MiFIR, MAR, SEC Rule 206(4)-7 and 38a -1**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Communications Monitoring, Transaction Monitoring, Cybersecurity/ Information Security, Risk Management, Reporting, Compliance Management
-  Regions of operations: United Kingdom, Europe, United States

ACA Group is the leading governance, risk, and compliance (GRC) advisor in financial services. The company's innovative approach integrates advisory, managed services, distribution solutions, and analytics with its ComplianceAlpha® regulatory technology platform with the specialised expertise of former regulators and practitioners and a deep understanding of the global regulatory landscape. ACA's ComplianceAlpha is the award-winning regulatory technology platform transforming risk and compliance management for over 1,000 leading financial services firms worldwide. By bringing together compliance activities, surveillance, testing, and analytics in one platform, ComplianceAlpha provides CCO's with a unified view of risks and behaviour across their firm.

# AI & Partners

Amsterdam - London - Singapore

-  Founded: 2021
-  Employees: 1-10
-  Regulation/Legislation: **EU AI Act**
-  Subsectors: Risk Management, Reporting, AI System Risk Management
-  Regions of operations: EMEA, APAC, LATAM, NA

AI and Partners B.V. is a trusted advisor for EU AI Act Compliance. AI & Partners specializes in providing comprehensive and tailored solutions for companies subject to the EU AI Act. They guide organizations through the intricacies of regulatory requirements and enable responsible and accountable AI practices. Their team of seasoned experts combines in-depth knowledge of AI systems to deliver strategic guidance and practical solutions that align with clients needs. AI & Partners has completed a 1st PoC with an AI industry team at CMS UK in Q4 2023 (with a 2nd PoC already underway with CMS UK and 2021.AI). CMS is an international law firm with more than 70 offices in over 40 countries and 5,000+ lawyers worldwide. CMS offers deep local market understanding with a global perspective. To find out how AI & Partners' works, email [contact@ai-and-partners.com](mailto:contact@ai-and-partners.com) or visit <https://www.ai-and-partners.com>.



# COMPANY RESEARCH PROFILE

**PRODUCT NAME:**  
ACTICO Compliance Solutions

Founded 2015  
 Immenstaad, Germany  
[www.actico.com](http://www.actico.com)  
[info@actico.com](mailto:info@actico.com)  
 Employees 101-250  
 Regions of operation:  
EMEA, ASIA PACIFIC, AMERICAS

## KEY EMPLOYEES:



**Hans Jürgen Rieder**  
CEO



**Thomas Meyer**  
General Manager and Chief Revenue Officer



**Thomas Knöpfler**  
General Manager and Chief Portfolio & Project Officer

Value Chain: **Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting, Identification/Background checks, Anti-Money Laundering, Sanctions Lists, Adverse Media and PEP screening, Payment Screening incl. Instant Payments, Market Abuse and Insider Trading Detection, Credit Decision Automation, Credit Risk Management**

Subsectors: **Onboarding, Monitoring, Detection, Reporting, Processing & Control**

Regulation/Legislation: **MiFID II, Basel III, KYC, GDPR, EU Anti Money Laundering Directive, MAD II, MAR**

## OFFERING

ACTICO provides software for intelligent automation and digital decisioning. The software and tools used across multiple industries enhance day-to-day decision making and end-to-end automation. The heart of all applications is the ACTICO Platform. It is a technology for digitalizing and automating high-volume, operational business decisions. It helps organizations capture decision-making logic, train and operationalize machine learning models, and apply automated decision making to any application scenario. Used to manage risks, fulfil regulatory compliance obligations, prevent fraud, enhance digital customer engagement, and optimize operations, ACTICO software combines human knowledge and artificial intelligence.

## PROBLEM BEING SOLVED

More regulations, scarce staff resources and rising data volume are the main focus for compliance departments in financial firms and insurance companies. Thus, automation and the use of AI-based technologies such as machine learning is becoming increasingly important. ACTICO enables companies to implement agile services and applications to automate decisions or improve human decision making. Thus, financial services providers and insurance companies can manage digital transformation via technology that helps them adapt regulatory requirements and serve customers in real time.

## TECHNOLOGY

All ACTICO solutions are based on the ACTICO Platform. It consists of components that support business domain experts, data scientists and IT professionals. Business domain experts use the ACTICO Modeler to author decision models graphically and test them for quality assurance. Data scientists use ACTICO Machine Learning to train and validate machine learning models. It integrates machine learning to improve decision quality and increase automation rates. Companies can ramp up new applications and services and implement changes – with little or no need for IT support and without waiting for the software vendor's next IT release.

In May 2023, Forrester Research released The Forrester Wave™: AI Decisioning Platforms, Q2 2023 and named ACTICO a “Strong Performer” among 12 other firms.

## PRODUCT DESCRIPTION

With its Compliance Solutions, ACTICO offers its next gen software package for banks and insurance companies to meet compliance requirements and fight financial fraud. The software automatically monitors customers, business relationships, payments and securities orders and tracks suspicious cases – all within a single application.

Banks and insurance companies benefit from more automation of compliance processes, a modern user interface, and the use of machine learning. All this provides the greatest leverage for cost reduction. The next gen software solutions cover the following topics:

- **Anti-Money Laundering** - Monitor transactions for money laundering, clarify abnormal transactions, classify customer risk
- **Know Your Customer (KYC)** - Automate the Know Your Customer process, continuously update Know Your Customer profiles, integrate compliance checks into client onboarding
- **Customer Screening** - Screen for sanctions, embargoes, PEP status and other risks, Initial screening of potential new customers, regular screening of the customer base

- **Transaction Monitoring** - Check payments/instant payments to prevent money laundering and terrorist financing, screen for embargoes, sanctions and more, carry out real-time checks of payments before posting
- **Market Abuse & Insider Trading Detection** - Monitor for market manipulation, insider trading and trade restrictions, manage insider lists, watch lists and restricted lists, clarify conspicuous securities orders

Banks and insurance companies use ACTICO software for intelligent automation and digital decisioning for various tasks.

ACTICO customers using the Compliance Solutions benefit from a modular package that helps them comply with regulatory requirements more efficiently. It consists of business solutions such as AML/KYC, Sanctions list, PEP and Adverse media screening, payment screening for standard SEPA payments and instant payments. It also offers a module for capital market compliance to detect and prevent insider trading and market abuse.

All software modules belong to one single application. They display and process all suspicious activities (hits) in a central work list. This is an advantage for users since they do not have to work in various applications. The Compliance Solutions come with basic customizable business scenarios, e.g., rules to detect money laundering in financial transactions. On top of this, the solutions offer scope to create individual scenarios and algorithms needed by banks and insurance companies.

The solutions are audit-proof. Reports can be drawn on the processed cases. This makes the processes transparent, reduces the effort required and allows detailed questions to be answered precisely. The software's graphic modeling approach provides a transparent presentation of regulations. Regarding the threshold values and decision logic, it is possible to map any complexity and present it in a structured and comprehensible manner for the business user.

This is what customers say about ACTICO: "Right out of the box, the numerous configuration parameters included in ACTICO allow us to implement new requirements faster, eliminating the need for extensive customization", says Dr. Michael Sendker, Head of the Compliance Digitization Project at Hamburg Commercial Bank, Germany.

## PARTNERSHIPS

**AWS Partner Network** (Cloud solutions partner): The AWS Partner Network (APN) is a global user program of Amazon Web Services, the leading international cloud computing provider. Successful AWS-based businesses are supported by business and technical assistance and sales and marketing support.

**Avaloq** is an industry-leading provider of wealth management technology and services for financial institutions around the world, including private banks and wealth managers, investment managers, as well as retail and neo banks. Martin Greweldinger, Co-CEO at Avaloq, said: "The expansion of our partnership with ACTICO illustrates the importance Avaloq attaches to the basic principle of an open platform architecture. It enables us to quickly add innovative external solutions to our own comprehensive range of products and services to provide our banking clients with the best possible offering at all times."

**RMA:** The Risk Management Association: RMA is a not-for-profit, member-driven professional association serving the financial services industry. ACTICO and RMA have joined forces to offer a market-leading dual risk rating system available in the cloud.

**Scope Ratings:** ACTICO and Scope joined forces to expand the ACTICO Credit Risk Platform through the integration of the industry-leading Scope Credit Scorecards. Leveraging the rating methodologies and tools available within Scope Ratings and the organization's extensive credit expertise, the Scope Credit Scorecards cover a variety of market segments, including Corporates, Project Finance, Banks, and Sovereigns.

## TRACTION/GROWTH

- ACTICO's technology is used by companies on almost every continent, ranging from small/mid-size firms to Fortune 500 companies, including VW Financial Services, Banca AideXa, Hamburg Commercial Bank, Santander, Swiss Life, BayernLB, apoBank, ING, KfW, LGT, VP Bank Group, Maybank, UBS Hongkong
- In May 2023, Forrester Research released The Forrester Wave™: AI Decisioning Platforms, Q2 2023 and named ACTICO a "Strong Performer" among 12 other firms. The report went on to state that "ACTICO has strengths in decision logic authoring tools, explainability, application development tools, solution accelerators, and security." Further, Forrester calls ACTICO Platform a good fit "for customers that are looking to implement one of ACTICO's solution accelerators, especially for organizations in highly regulated industries."

## MANAGEMENT BIO

As CEO, Hans Jürgen Rieder supports ACTICO's progress as a world-class solution provider meeting the needs of global banks, insurers, and financial service providers. He combines managerial expertise, a passion for technology, and an impressive range of finance experience, having worked at Société Générale and advised at PwC. He also held leading positions at SAP AG for several years, including the post of Senior Vice President of Global IT – Application Services. Similarly, his nomination as Vice President of Group Head Applications at ABB Ltd. included overseeing all global applications. Hans Jürgen Rieder served as Group CTO at UBS AG before stepping into the position of CEO at ACTICO in January 2020.



# What is driving banks and insurers to be more compliant?

*In the intricate world of financial services, the concept of compliance guards against the tide of risks, regulations, and dynamic market landscapes. For banks and insurers, navigating these tumultuous seas is pivotal in ensuring operational integrity, maintaining customer trust, and adhering to the ever-evolving regulatory standards. Thomas Suchy, Head of Product Management at ACTICO, examines the drivers for banks and insurers in the compliance space.*



**actico**  
Smarter Decisions

Amidst an intricate web of financial protocols and regulatory frameworks, institutions find themselves constantly adapting to a landscape shaped by multifaceted challenges in relation to compliance. The demands imposed by stringent regulations, the accelerating pace of technological advancements, and the perpetual need for security create a labyrinth that banks and insurers must navigate.

At the heart of these difficulties are governing bodies such as the AMLA EU, also known as the Anti-Money Laundering Authority of the European Union which will become fully operational in 2026 or the German financial watchdog BaFin, as well as the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA). They all set out remarkably intricate regulatory landscapes which are designed to trip up banks, insurers, and other financial institutions if they are not on top of their game.

Moreover, these bureaus are not the only ones setting the regulatory standard, there are numerous up and down the UK and wider afield across the globe. Case in point, the Federal Communications Commission (FCC), who according to research from The True Cost of Compliance, managed to cost UK financial institutions £34.2bn

per annum, which works out at around £194m per bank. These remarkable, jaw-dropping figures are pushing organisations to adopt more effective compliance software, as cash is more often than not king.

## Cost saving strategies in compliance

For banks and insurers, the push to save costs and balance the books is no different to any other company up and down the high street. These financial institutions are always looking to trim the fat on their treasure trove of funds, streamlining their operations and bettering their overall product.

The compliance sector has been outlined as a major opportunity to do so, with a wave of new innovative technology being brought into the sector. At the pinnacle of that, the automation of processes has found its way into the limelight as firm's look to cut costs. Thomas Suchy, Head of Product Management at ACTICO, explains how organisations can utilise the automation of compliance processes to cut costs. He said, "There are a couple of key factors that drive the reduction of compliance costs. Among them are digitalisation and automation of the processes. The target is to increase effectiveness by reducing manual work of compliance teams when clarifying suspicious cases and limiting human error."

This principle of limiting the prospect of human error is one that has been perpetuated in mainstream media too. [The Financial Times](#) reported that global fines for failing to prevent money laundering and other forms of FinCrime more than doubled in 2022, reinforcing the need for more capable compliance software.

For banks and insurers, crafting a uniform software which can be pliable and versatile is a remarkable opportunity for insurers. This standardisation adds to the system's efficiency, enabling rapid adaptation to its vulnerabilities. This will in turn reduce costs by minimising complex maintenance and customisations.

This proactive approach enhances agility and competitiveness in a dynamic financial landscape, fostering resilience against evolving technology challenges, as Suchy explains. "Another decisive factor for cost savings lies in using highly standardised software. This helps banks and insurers to easily roll out software updates and ensure a fast reaction to security issues.

“Flexibility is the key to success. The financial and insurance industry is subject to complex regulations. They often change as new threats emerge. This is why banks and insurers invest in software that offers them maximum flexibility to change processes themselves without having to wait for new releases of their software vendor,” he added.

## Enhancing effectiveness: Machine learning and AI?

As mentioned earlier, in the realm of compliance, flexibility is the cornerstone of success. In this modern world, the integration of dynamic software solutions into banks and insurers is now a pivotal aspect. Moreover, the ability to swiftly modify processes in response to shifting regulatory demands, without being reliant on external software updates, has become imperative.



***ACTICO has made significant investments in developing the ‘Next Generation ACTICO Compliance Solutions’.***

Technologies, led by innovative players like ACTICO, empower these institutions to tailor and tweak their compliance strategies to adhere to stringent regulations while maintaining operational agility, with a clear drive to better their compliance protocols, down to the pressure that a technological revolution naturally causes.

Suchy stated, “Staff shortages in compliance departments and rising costs are ramping up the pressure on banks and insurers. One step they can take is to reduce false positives, also known as false alarms.” Leveraging these advancements becomes vital as financial entities strive to balance compliance with operational agility.

With this in mind, machine learning and artificial intelligence (AI) have emerged as transformational forces, revolutionising compliance efficacy within these institutions. Suchy agreed, explaining its benefits for insurers and banks, “Machine learning – a component of artificial intelligence – analyses potential fraud, for example money laundering cases based on data knowledge.

“Supplemented by the knowledge and experience of compliance staff in the specific area, it is possible to identify anomalies with greater speed and efficiency. As a result, huge data volumes can be analysed more efficiently, suspicious patterns detected more easily, and potential risks identified at an early stage. In practice, banks are shrinking their workload by 50%, for example in payment screening.”

The essence of machine learning lies in its ability to analyse extensive datasets and identify potential fraud, such as money laundering, by discerning complex patterns. When paired alongside a seasoned compliance professional, machine learning offers banks and insurers a key opportunity to improve their own processes, catching risks early, and therefore improving their own regulatory compliance.

However, while machine learning excels in detecting suspicious patterns when parameters are hazy, it’s essential to complement

it with expert rules rooted in precise regulatory parameters. Banks employ these expert rules to automate compliance criteria, enabling the software to navigate clear-cut situations effectively. The synergy between machine learning and experts orchestrates a harmonious compliance framework where machine learning addresses ambiguous scenarios and expert rules navigate clearly defined parameters—culminating in a comprehensive and efficient compliance strategy, as Suchy explains.

“Machine learning is particularly good at identifying suspicious patterns and transactions when the parameters are unclear. But it can’t solve every problem. That’s why it has to be supplemented with expert rules that set precise parameters based on regulatory requirements. The banks’ experts define their business rules, such as certain compliance criteria, and these are then automated via software. These two approaches go hand-in-glove: machine learning when the parameters are vague, and expert rules in clear-cut situations,” he said.

## How ACTICO is optimising compliance processes

Innovative RegTech firm ACTICO, stands among several compliance companies aiming to revolutionise the landscape for banks and insurers. As banks and insurers are driven by the shifting market conditions, propelling them toward partnering with companies who have offerings designed to meet the ever-involving challenges of the compliance landscape.

In recent years, the firm has put serious time and capital into advancing their own offering, preparing a relatively space-age compliance solution that is tailored to the needs of the modern financial institution after deeply analysing the pain points of the sector’s incumbent.

Challenges such as a limited budget, the struggle to find experienced compliance professionals, and the necessity to implement advanced technologies, including AI were observed by Suchy as areas where difficulties were encountered, with ACTICO building their project, with addressing these needs in mind.






In the words of Suchy, “ACTICO has made significant investments in developing the ‘Next Generation ACTICO Compliance Solutions’. They represent a modular package of solutions, for AML, customer screening, and payment screening. They come with a set of basic scenarios, as well as scope to create new scenarios and algorithms. The new software solutions address pain points of the financial and insurance industry such as cost efficiency, as well as the need for future-proof software based on the latest technologies, AI readiness, cloud-first approach.”

This achievement has seen the ACTICO position itself as the perfect partner for banks, insurers, and other financial institutions who are desperately in need of a modernised and effective suite of compliance solutions. Whether it’s AML, KYC, core banking, customer screening, payment screening or even capital market compliance, the German RegTech has you covered via its vast product.

Suchy re-emphasised the strength of his product in this area, stating, “Banks and insurance companies are now well-prepared for the future with these state-of-the-art technological standards. The compliance department and IT will achieve sustainable improvements in cost efficiency, user guidance, and overall operations.”






With products like ACTICO on the market, it is no wonder why banks, insurers, and other financial institutions are now flocking to bolster their own compliance solutions, as they can now, aided by brilliantly sophisticated solutions, swim in these treacherous, shark-infested waters. ●

# ALESSA

-  Founded: 2006
-  Employees: 51-100
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting, Compliance Management, Sanctions and Watchlist Screening, Investigation Workflow
-  Regions of operations: United States, Canada, United Kingdom, Germany, Australia, Caribbean, Latin America, parts of Asia, Kenya

Alessa is purpose-built to support you in fighting financial crime and staying ahead of bad actors. Alessa has simplified and streamlined the compliance and fraud prevention processes so you can focus on the important parts of your job. Alessa is trusted by banks, casinos, MSBs, FinTech's, insurance, mortgage lenders, manufacturing and retail companies in over 20 countries to prevent money laundering and breaches in internal controls. Alessa's Vision - A World Free of Financial Crime. Alessa's Mission - Alessa's noble defenders deliver transformative solutions to fight financial crime. Alessa help their clients reduce risk, save money and grow their business, while also making the world a better place. Alessa's Strategy - To grow by providing the most robust SaaS KYC, AML and fraud prevention solutions for financial institutions and corporates anywhere, anytime.



-  Founded: 2005
-  Employees: 11-50
-  Regulation/Legislation: **GRC & AML (Configurable to requirements of any geolocation)**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting, Centralized Multiple-Vendor workflows Orchestration
-  Regions of operations: United Kingdom, EU, APAC, Americas, Asia

AML Partners specializes in helping Compliance Departments gain end-to-end user control of their AML/KYC/GRC workflow software with 'RegTechONE'. RegTechONE platform features fully integrated workflows, Risk, and screening. Platform features 3rd-party customization, maximum automation, extension, and customer lifecycle management. RegTechONE offers multi-module solution for eGRC workflows, including CDD, eKYC Golden Record, Perpetual KYC, Behaviour/Transaction Monitoring, Screening (all types), Subpoena Search/314a, Dynamic AML Case Management, Vendor Risk, Country Risk, ML/AI ID verification & biometric scanning. RegTechONE is an endlessly configurable, centralized, no-code platform solution for the entire AML/KYC/GRC ecosystem. RegTechONE automates manual elements of ALL onboarded entities including customers, employees, correspondent banks, and vendors. Using 'Design Mode,' RegTechONE users automate, extend, and customize their fully integrated workflows at will, in-house at any time. Each client can configure workflows for any process, any task, any risk, in any language. RegTechONE is endlessly configurable at UI, scalable, and API ready.



-  Founded: 2015
-  Employees: 11-50
-  Regulation/Legislation: **AML, Bribery and Corruption, Fraud, Modern Slavery and Wildlife Trafficking**
-  Subsectors: Financial Crime Risk Governance
-  Regions of operations: Arctic has helped hundreds of clients in 18 countries and over 20 industry sectors

[Arctic Intelligence](#) has helped hundreds of small, medium and large businesses to identify, assess, mitigate and manage their financial crime risk exposures, saving them time and money. Its team of financial crime and technology experts have developed two multi-award-winning AML/CTF risk assessment platforms: [AML Accelerate](#) - designed for small and medium sized companies in over 30 [industry sectors](#) and over 30 [countries](#) guiding them through a process to conduct enterprise-wide money laundering and terrorism financing risk assessments, document AML/CTF Programs and track and monitor, issues, breaches and incidents in real-time. [Risk Assessment](#) - designed for larger companies to conduct risk assessments for financial crime and other risk domains. Uses a highly-configurable platform that can be tailored to your organisation's risk assessment methodology, risk and control libraries relevant to your business and execute these across multiple countries, operating groups or business units, producing real-time dashboards and reports aggregated across the organisation. For more information on Arctic Intelligence and its enterprise-wide financial crime risk assessment solutions click on the link. [Arctic Intelligence - Company Overview](#)



# COMPANY RESEARCH PROFILE

## aRMadillo®

**PRODUCT NAME:**  
Armadillo

-  Founded 1997
-  Hertfordshire, United Kingdom
-  [www.thearmadillogroup.com](http://www.thearmadillogroup.com)
-  [enquiries@armadillo.co.uk](mailto:enquiries@armadillo.co.uk)
-  Employees 11-50
-  Regions of operation:  
Global

### KEY EMPLOYEES:



**Emmanuel Cohen**  
Founder & Co-CEO



**Mike Park**  
Co-CEO



**Amanda Coyle**  
MD Corporate Compliance

Value Chain: **Onboarding, Monitoring, Detection, Reporting**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Risk Management, Identification/Background checks, Compliance Management, Verification ID.**

Regulation/Legislation: **KYC, AML**

### OFFERING

Armadillo is expert in AI driven or standardised Robotic Process Automation (RPA) as well as AI driven analytics, which together with the Armadillo Universe of 500 million companies, 5 billion individuals & 1 billion businesses enables the provision of corporate information including officers, UBOs etc, Original Registry Documents, Sanctions and PEPs Checks, as well as Biometric ID verification for AML (Anti-Money Laundering), Know Your customer (KYC), Due Diligence and Enhanced Due Diligence (EDD).

All of these are global and available for consistent monitoring and audit trail reporting.

### PROBLEM BEING SOLVED

Assisting regulated businesses in passing inspections, preventing prosecution & fines, as well as preventing crime, with the added bonus of helping MLRO's sleep at night! It is essential for a business to carry out ongoing 'Know Your Customer' (KYC) checks in the fight to prevent money laundering, terrorist financing and financial crime. Armadillo provides MLROs and compliance teams with key capabilities including corporate and individual data and original documents, as well as on-going monitoring, ensuring customer on-boarding and continued compliance requirements are met – and fully evidenced – to the highest standards.

### TECHNOLOGY

The Armadillo Hub is a revolution in technology and data supply. The tech offers fully responsive web applications and systems for customers and their users, interlinking different types of data sets with reports & document delivery. Depending on the requirements, original worldwide source and registry documents, together with global data can be accessed or sent directly via web interface, API, email, mobile device or by setting up a regular secure FTP transfer to a preferred server. Individually or all at the same time.

### PRODUCT DESCRIPTION

Armadillo has several products which are both standalone or integrated through the Armadillo HUB. Following its well-defined, Cloud-based product road map, Armadillo has launched its ground-breaking Monitoring service to enable Perpetual KYC (p-KYC).

**Armadillo Registry Docs** supplies original source documents to satisfy 6AMLD requirements. It is the only system that can supply **original documents from every Jurisdiction in the world**. Some 1000 registries in 220 countries including offshore Jurisdictions. Certification, Legalisation, Apostille & translations/Corporate Intelligence Unit (CIU).

**Armadillo Dig Deeper** (ADD System) is the ground-breaking global service, which allows any business to check information on 5 billion individuals, 1 billion businesses and 500 million companies for Sanctions, PEPs (Politically Exposed Persons) and Adverse Media risk exposure, with fully automated monitoring and connections trees. ADD is uniquely integrated with its own specialist reporting system for compliance departments to produce for regulatory inspections.

**Perpetual KYC** - A revolution for compliance together with - **Global Corporate Compliance Reports**.

The perfect compliance solution for regulated businesses. Using RPA and AI, our revolutionary new monitoring system for Perpetual KYC/DD will allow you automated checking of corporates & individuals with full reports annually or more regularly – you choose.

Full corporate information as well as accounting data, details of filings and events. Automated constant monitoring of 500 million companies, 1 billion businesses and 5 billion individuals worldwide for changes throughout the year. Simply input your client's company or individual and click monitor - you can even upload your whole portfolio. Changes in Officers, Owners, UBO, Sanctions and more.

**The Armadillo HUB** - All information is available through the Armadillo HUB together with related data such as relationship mapping, article summaries and relevant links. The HUB reduces costs by eliminating manual processes; helping prepare for inspections with easy reporting; and enhancing your customers' experience by making the application process seamless.

### TRACTION/GROWTH

Armadillo has resources and partners around the world. Giving clients access to corporate reports and documents on over 500 million companies and verification checks on 5 billion adult individuals globally, including PEPs and Sanctions. Armadillo also works through channel partners worldwide with multi-lingual systems.

Armadillo has reached its 50th anniversary and 26 years in tech on the web, as a business helping clients meet and stay ahead of the continually changing world of compliance mandates.

# AI is not taking jobs; it's helping to fill the gap in compliance teams

*With the proliferation of AI, business events are dominated by talk about how financial services will adopt the technology. This has only intensified over the past year, thanks to the hype and popularity of generative AI tools. However, Emmanuel 'Manny' Cohen – CEO and founder of Armadillo – explained that AI is not a new piece of technology and financial services have been using them for the past two decades.*



**aRMadillo**®

He explained that most businesses are already using simple AI solutions that are powered by robotic process automation (RPA). These solutions, used for tasks like data extraction, automate mundane processes that would take humans countless hours. "We've been doing this for the last 20 years. It's just getting more sophisticated as the technology allows you to get more sophisticated in the sense that you can add more systems to look at and it does it much faster."

The technology has advanced over the decades to become powerful. While this has allowed the technology to handle more complex workloads, it has still required teams to work alongside it. This eases concerns about AI displacing jobs; in fact, the technology will mean more work.

"People say AI is going to steal jobs, if anything it's going to help jobs. People were worried when the internet came along. Everyone was saying you're not going to be needed as it'll all be done on the internet. But what has happened is that it's just expanding the economy." There

have been multiple times throughout history where a new technology has been lauded as the end of work for the masses, but that has still not happened. The same thing will happen with AI, it will only expand the economy and build more jobs for people.

The power of generative AI reignited the fear that AI would steal work, but it's not as powerful as people think, he explained. "When you looked at ChatGPT everybody thought, the people who thought 'oh, wow', were the people who don't use technology all the time. ChatGPT is a really good word program, but unfortunately, we now know that its basis was breaking loads and loads of copyrights." The technology is not aware and simply leverages machine learning to create responses based on the information it has been trained on. This technology, like other forms of AI, is a powerful tool but is not competent enough to take the work of a human, yet.

AI technology is a perfect fit for compliance teams, which are grappling with a skill shortage, Cohen explained. "They've added loads of industries into the regulated space but there just aren't enough people. So, companies have to use RegTech to make it easier." Due to compliance teams not having enough staff to cope with the requirements, businesses are putting themselves at increased risk, Cohen explained. They simply lack the resources to examine everything and will only monitor the major risks, leaving them unaware of what's happening at the bottom end of the chain. "They're all just running to stand still. What the AI does is it fills that skills gap."

Sanctions and PEPs lists are constantly changing, particularly in the current global situation. A business could class one of its clients or a company in its supply chain as low risk, but overnight their CEO is added to a sanction list, or a PEP joins their board. This company has just increased in risk and compliance teams might not be aware of it as they only have the time to focus on the known high-risk companies. The only way for firms to cope and to get that information quick enough is through AI-powered automation.

## How Armadillo helps

Armadillo provides companies with robotic automation and AI analytics capabilities for their compliance needs. It offers adverse media screening, and PEPs and sanction checks to ensure companies are compliant with due diligence and know your customer (KYC) requirements. Its monitoring systems will automatically inform a client whether risk has changed on a specific person and provide them with the necessary information.

KYC is plagued by the risk of mistaking someone's identity. While it might seem unlikely to mix someone up, it is easy for a system to mix someone with the same name. It is something Cohen has seen in the past and has helped companies rectify. He added, "We've had to help individuals because they've got the wrong person on their system. It's dangerous as it literally destroys their life." Armadillo's AI technology will ensure the correct person is identified, but it can also be adapted to pull out the profiles that are similar. While this might not seem important, but it can help companies spot anyone who is working off a similar alias.



***People say AI is going to steal jobs, if anything it's going to help jobs. People were worried when the internet came along. Everyone was saying you're not going to be needed as it'll all be done on the internet. But what has happened is that it's just expanding the economy.***

Armadillo is best positioned to help companies with their compliance, because it uses its own technology for its law firm subsidiary. "We are probably the only RegTech that has regulated businesses, including our own law firm, within our group. As we're regulated, we know what companies need. We are actually selling to ourselves. If we can't use it, our clients can't use it and if we love it, our clients will love it."

## The rise of perpetual KYC

Armadillo is fully aware of the challenges firms face with their sanctions and PEPs screening requirements and is launching a perpetual know your customer (PKYC)



***AI is just going to carry on getting better. The better it gets, the more it will help people in companies and PKYC is the future of it.***

solution to help. The solution, which works globally, will automatically notify compliance teams when there is a change within a company, whether that is a new board member or an existing employee having an alerted risk. Its technology will continuously monitor sanction lists and conduct adverse screening monitoring so that compliance teams can be fully aware of the risks and will not be sitting in the dark about any potential problems or timebombs that could suddenly explode, and regulators come knocking at the door.

"There are MLRO (money laundering reporting officers), I've spoken to that don't sleep at night, because they don't know what's going to happen." This new solution is designed so that they can get sleep at night. Traditional KYC systems are periodical, but sanction lists can change overnight. This leaves a huge window of time where a compliance team might be unaware of increased risks. The ability to get these real-time responses and get full visibility via PKYC is something MLRO's are eager for. Cohen added. "We spoke to our clients and more than one has said that it's the holy grail of RegTech."

The need to have perpetual KYC is something that Cohen expects to become mandatory in the coming years. He stated that within the coming years, firms will be expected to know when someone they work with goes on a sanction or PEP list. It will be the same as the current expectations to know when credit ratings change, banks will just have to have the technology in place to keep up with the demand and the only way to do that is with AI. He concluded, "AI is just going to carry on getting better. The better it gets, the more it will help people in companies and PKYC is the future of it." ●

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TECH

- Armadillo has created a revolutionary End to End RegTech platform known as the Armadillo HUB.
- Using RPA (Robotic Process Automation) and AI The HUB is a cloud-based 'ball' of code with digital 'doorways' providing interlinked access to the Armadillo Universe for KYC, due diligence, verification and monitoring.
- The HUB is a perfect compliance solution for regulated businesses giving access to the Armadillo universe of 500 million companies, 1 billion businesses and 5 billion individuals worldwide, also sourcing information from 1,000 + local registries across 220 countries.
- ISO 27001 and ISO 90001 certified.
- Armadillo has 2 regulated entities & an SRA regulated law firm within its group, giving expert know-how of dealing with regulators at the highest level. Critical in making the tech solve real world-AML problems.










-  Founded: 2015
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, Solvency II, KYC, AML**
-  Subsectors: Compliance Management, Risk Management, Reporting
-  Regions of operations: Global






Ascent RegTech helps financial firms avoid fines and reduce reputational risk. Using world-class automation, Ascent identifies the regulatory obligations that apply to their clients' businesses and keeps them updated as rules change. Ascent is a leading European digital service and home to over 480 technology specialists across 5 key European locations (United Kingdom, Germany, Portugal, Malta and Bulgaria). Their consultative teams specialize in software engineering, data engineering, BI, analytics and data science, machine learning and modernization of legacy applications, data ecosystems and infrastructure platforms.



-  Founded: 2011
-  Employees: 11-50
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Risk Management, Identification/Background checks, Compliance Management, Anti-financial crime
-  Regions of operations: United Kingdom & EMEA, North & South America, Asia Pacific

Blackdot Solutions was founded in Cambridge, UK with a clear mission to enable investigative teams to fight major societal problems, such as terrorism, financial crime and human trafficking. It created the software platform Videris to unlock actionable insights from open source data (OSINT), and allow investigators to achieve successful outcomes with pace and accuracy. Blackdot is not just a software provider: it is a member of the OSINT community, known for bringing together OSINT and investigations professionals across sectors to share knowledge, best practices, and ideas. Blackdot cares deeply about its domain, and works closely with their customers and partners to deliver the best solutions to some of society's most challenging problems.



-  Founded: 2020
-  Employees: 51-100
-  Regulation/Legislation: **KYC, AML, GDPR**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Cybersecurity/Information Security, Risk Management, Reporting, Identification/Background checks, Compliance Management
-  Regions of operations: United States, India, UAE, KSA, Indonesia, Singapore, Philippines.

Bureau Inc is an identity decisioning platform that solves problems pertaining to identity verification, fraud prevention, compliance management, and risk mitigation. They help companies across the globe understand if their customers are who they claim to be and if they are trustworthy or not. Bureau works with several banks, insurers, lenders, FinTechs like Uni Card, Gig economy companies like Rapido, and Matchmaking companies like Matrimony.com to make their onboarding processes seamless and secure while protecting any activity and transactions from fraud. Bureau's approach to the world of identity decisioning helps with: Efficiency: Vendor crawl is avoided and Bureau becomes the one stop shop for all things identity, risk, fraud, and compliance. Saving Engineering bandwidth: Bureau's low code platform approach makes integrating new modules or changing the customer journeys as easy as dragging and dropping blocks. Bureau's decisions are provided in realtime.



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[www.kaizenreporting.com](http://www.kaizenreporting.com)



-  Founded: 2007
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, Solvency II, KYC, AML, GDPR, Basel III**
-  Subsectors: Cybersecurity/Information Security, Risk Management, Reporting, Compliance Management
-  Regions of operations: United Kingdom, Ireland, United States, Europe, Australia

CalQRisk is a comprehensive Governance, Risk, and Compliance (GRC) software designed for businesses of all sizes, from SMEs to multi-national corporations. This modular platform allows businesses to manage risks, third-party partnerships, cybersecurity, audits, meetings, and more on a user-friendly platform. CalQRisk's senior leadership, led by seasoned C-suite professionals, is supported by a team with diverse skills in risk management, compliance, software implementation, and software development. Organizations across various industries utilize CalQRisk's software to streamline their risk management processes while ensuring compliance with applicable legal and regulatory requirements. With CalQRisk, businesses can save time and money, allowing teams to concentrate on vital tasks while having effortless access to real-time reports and assurances through a simple click of a button.



-  Founded: 2021
-  Employees: 1-10
-  Regulation/Legislation: **PSD2, KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Communications Monitoring, Risk Management, Reporting, Identification/Background checks, Compliance Management, Third-party Risk Management, Ethics & Compliance
-  Regions of operations: Main focus: Continental Europe, United Kingdom. Plan to expand to rest of Europe and United States in the coming 12-18 months.

CleverChain Ltd ("CleverChain") is an international RegTech company that brings Anti-Money Laundering (AML) and Counter-Terrorism Financing (CFT) compliance expertise and cutting-edge technology to augment due diligence, ethical due diligence and risk assessment of individuals, businesses and digital wallets, globally, and for both customers and third-parties. The company was founded by the minds behind the ground-breaking transformation in AML controls and the inventors of "perpetual KYC" (Know Your Client) at some of the largest European banks, and uses the finest global data sources to enhance intelligence and insight for a wide range of players within and outside the regulated space. CleverChain has developed a modular AML engineering platform that embeds in its fabric financial crime knowledge and expertise and that, unlike other players, originally interprets data and automates decision-making, reliably, transparently and in compliance with internal policies and regulations.



-  Founded: 2018
-  Employees: 11-50
-  Regulation/Legislation: **ASIC, FINRA, MiFID II, FCA, MAS, GDPR, ePrivacy, DFSA, FSC**
-  Subsectors: Communications Monitoring, Conduct Risk Management, Compliance Automation, Continuous control monitoring & Audit
-  Regions of operations: Australia, United States, Singapore, United Kingdom

Cognitive View is a generative AI RegTech that automates compliance and conduct risk monitoring. It offers the first-of-its-kind integrated compliance and complaints co-pilot, aiming to reduce 70% the workload of compliance and complaint professionals. Companies mostly use manual review processes and pay billions of dollars in fines for non-compliance to market conduct requirements. Cognitive View monitors all customer interactions, proactively enabling firms to supervise, retain, and protect data across video, voice, and chat content. Cognitive View is built on Enterprise LLM, supporting security & explainability for regulated industries. It also supports 80+ communication channels, certified and published in 20+ marketplaces. It supports 300+ AI domains for global compliance requirements, including FCA, ASIC, MiFID2, FINRA, SEC, and CFPB. Cognitive View has deployed its solution across the financial, legal, and higher education sectors.

# How CleverChain is revolutionising traditional anti-money laundering (AML) processes

*Despite banks spending millions on AML processes, it is estimated that between \$800m and \$2trn is lost each year to money laundering. More work is needed so firms can capture the illicit trade that still goes undetected. This is part of the reason why Daniele Azzaro founded CleverChain in 2021.*



Azzaro, the CEO and co-founder of CleverChain, explained that the company was born from the recognition there are inherent inefficiencies impacting AML control frameworks. The prevailing issue is that many firms use traditional methods designed for manual execution, ignoring the revolutionary changes technology could bring.

This is not to say financial institutions are not adopting technology, but rather than using it for innovation, it is typically focused on automating legacy processes to reduce overhead costs. This approach ignores the core problem which is a need to strengthen risk controls and enhance overall effectiveness.

He added, "In a landscape saturated with AI-driven solutions, CleverChain distinguishes itself by avoiding the temptation to merely scale up ineffective broken processes. Our commitment lies in the fundamental redesign of AML procedures, leveraging technology not as a mere cost-cutting tool but as a catalyst for reinforcing risk controls. The CleverChain solution goes beyond the industry norm, delivering a paradigm shift in AML frameworks steering a new era of efficiency and effectiveness."

## The creation of a new company

Azzaro has many years of hands-on experience within the world of AML, including collaborations with some of the world's biggest financial institutions. The genesis of CleverChain came while creating breakthrough innovations in the space. Azzaro realised a truly effective risk-based approach relies on an in-depth understanding of data, going much deeper than the data points commonly used.

"Beyond the conventional practice of merely updating data, our breakthrough hinges on a holistic comprehension achieved by contextualising it with both external and internal intelligence. This revelation forms the bedrock of CleverChain's commitment to pioneering solutions that transcend traditional boundaries, marking a paradigm shift in the RegTech landscape."

Today, CleverChain offers a continuous AML due diligence and risk assessment platform that automates end-to-end compliance processes, while identifying high-risk profiles in near real-time. The platform claims to generate over 70% in cost savings by removing the vast majority of low-value manual workflows and customer friction while estimated to be 10x more accurate at identifying high risk clients. The CleverChain team is composed of people with expertise on both first and second lines of defence, seamlessly integrating regulation, operations, and technology, giving it the necessary skill sets to lead the AML world into a new frontier.

Building a business is never easy and creating a company looking to revolutionise an industry-wide problem will encounter several challenges along its way. Like many start-ups in their infancy faced with the paradox of delivering top-tier products with limited resources, CleverChain was confronted with several tough and costly strategic decisions in its early days (including foregoing commercial opportunities) to ensure no compromises were made on quality. By bringing on a strong team of experts, serving as the bedrock of CleverChain, and operating in an ultra-lean fashion, CleverChain forged a commercially viable path to build and offer resilient AML solutions for all customers, big or small, at highly competitive rates while working towards achieving its ambitious goal of becoming a unicorn one day.

"We've been privileged to attract some of the most distinguished industry experts to join our team. By leveraging their expertise and our exceptional network of advisors, we successfully secured the resources needed to cultivate a thriving business. This strategic approach has not only resulted in acquiring numerous new customers but also facilitated our expansion into international markets."

## Standing out from the crowd

The RegTech market is booming. Allied Market Research predicts the RegTech market will grow at a CAGR of 22.6% over the next ten years, rising from a \$9bn value in 2022 to a \$66.9bn by 2032. As the sector continues to grow, RegTech solutions will have to differentiate themselves to stand out from the crowded marketplace.

CleverChain is confident it distances itself from competition because it actively addresses real financial crime risks through continuous customer understanding, rather than focusing on meeting minimum compliance requirements.



***Continuous update of customer data is just one aspect of pKYC. A genuine and effective monitoring system requires prioritising continuous customer understanding through automated AML engineering layers.***

The need for a forward-looking RegTech partner to solve emerging financial crimes is becoming increasingly important in the heavily regulated world. Regulators around the world continue to increase the scope of legal frameworks to include new rules but also extend standards to include a broader spectrum of entities. The increasing complexity of regulations emphasises the need for a solution that is not just meeting standards but is proactive and acts as an effective risk management tool. “CleverChain positions itself at the forefront of this paradigm shift, providing innovative and high-quality solutions that address the evolving needs of the entire industry.”

CleverChain is not only helping firms with traditional finance. Cryptocurrencies have become increasingly popular and regulators are catching on building legislation around its use. CleverChain integrates crypto intelligence into its platform so financial institutions can proactively mitigate indirect risk exposure through their customers, even if they are not offering crypto services yet.

Testament to its appeal in the market, Azzaro pointed to its several strategic partnerships with top-tier, bank-grade data sources. “We’ve been thrilled by the overwhelmingly positive response from clients, data providers, and consulting partners within the industry. Witnessing prospects have that “aha moment” during their initial encounter with our product has been incredibly rewarding. This positive momentum has organically translated into a network effect, with existing clients enthusiastically referring CleverChain to industry partners and counterparts. Drawing on our profound industry experience, we effectively communicate with our clients, truly grasping their needs and fostering authentic, collaborative partnerships.”

## Technology changing the AML world

One of the strategies firms are exploring to improve their AML processes is by adopting perpetual KYC (pKYC). Unlike traditional KYC processes that verify the identity and risk status of an individual on a periodic timeframe, pKYC supports a continuous monitoring of individuals. With pKYC, firms can get a real-time overview of their risk, allowing them to immediately address the risk rather than waiting for the next periodic KYC review to occur.

However, Azzaro believes that most people simply perceive pKYC as a method for continuously updating customer data, when this represents just one aspect. He explains that implementing a genuine and effective monitoring system requires a fundamental shift away from using static data and prioritising comprehension of customers through automated AML engineering layers. This is something CleverChain has pioneered.

He said, “Having pioneered the world’s first successful and regulator-accepted pKYC solution, coupled with invaluable insights acquired from years of operational implementation, CleverChain occupies a unique position in this space. We are poised to collaborate with our clients to develop the most comprehensive and robust financial crime program.”

Another piece of technology that has driven a lot of hype is generative AI. The technology has been pegged as a gamechanger for a lot of industries and compliance is the same. Azzaro noted that the technology offers transformative possibilities in how data is harnessed and that CleverChain was launched to help companies fully realise AI’s potential and truly revolutionise AML processes, not just automate them.

Azzaro said, “For compliance teams, the immediate utility of Generative AI can be seen in its ability to quickly summarize and interrogating data to support an analyst as a co-pilot. However, the genuine breakthroughs will materialize when we seamlessly integrate diverse services into a unified, continuous, and real-time gen AI hub.” While the future of the technology within compliance looks positive, Azzaro warned there are still critical issues. These include data privacy, ensuring auditability and the risk of the AI using false or fabricated answers in its responses. CleverChain is already working in the space and will provide usable solutions to its partners soon.

CleverChain is pioneering real change within compliance, and it is the perfect partner for compliance teams. Azzaro concluded, “Unlike many others in the market, CleverChain isn’t just a vendor – we’re your trusted technology AML engineering partner. Our goal is to simplify compliance, offering solutions that are effective and truly work. We’re here to take away the hassle of repetitive tasks, allowing compliance analysts to shift from routine form updates to more impactful high-risk investigations and we provide a steer to compliance leaders to manage their risks at a portfolio level through a trusted and effective risk-based approach endorsed by regulators.”

To learn more, visit [www.cleverchain.ai](http://www.cleverchain.ai) or contact us on [info@cleverchain.ai](mailto:info@cleverchain.ai) ●



# Case Study: Implementing the first perpetual KYC program to turn regulatory obligations into a strategic advantage for a major European banking group

## The Client

A leading European banking group with a long history and presence in 20 countries, catering to the banking and investment needs of several million individual and business customers.

## The Challenge

The Client faced the insurmountable challenge of reviewing its entire commercial portfolio of over 1 million business customers, many of whom had been onboarded several years prior and never assessed against the latest AML policy standards. Committed to fulfilling regulatory obligations, the Client required a solution that surpassed the traditional ad-hoc remediation approach prevalent in the industry, which is laborious, costly, and inefficient. Additionally, the Client needed a lasting solution that prevented rapid obsolescence of information, which would translate into further, ongoing challenges.

## The Solution

Leveraging deep subject matter expertise and technological innovation, CleverChain's founders designed a solution that offers dynamic and continuous review of all business customers. By automatically combining a range of streaming internal and external intelligence, the solution updates, interprets and risk assesses customer information in real-time, aligning seamlessly with the Client's risk-based approach. The solution – regarded as the first successful perpetual KYC (pKYC) launched at scale – marked a departure from conventional periodic reviews, providing the Client with an effective and reliable means of managing their entire portfolio risk exposure continuously.

The adoption of pKYC not only met regulatory obligations but revolutionized the compliance landscape. By turning a mandate into a strategic advantage, the Client achieved proactive, efficient, cost-effective and continuous compliance management in a dynamic financial environment.

## The Impact

### Stronger risk controls

Identification of risks as they occur, enabling proactive mitigation strategies.

### Significant cost savings

Cost savings of over EUR 90mn per annum, achieved by eliminating the need for manual intervention and customer contact associated with periodic reviews.

### Regulatory recognition

After a thorough review, the regulator hailed the pKYC solution as the best offering in the market and advised other financial institutions to follow suit, positioning the Client as a pioneer in compliance innovation – the world's first to implement pKYC.

### Expanded Scope

Initially launched for business customers, the pKYC solution was later expanded to cover both domestic and international large corporates, as well as individual retail customers, managing a portfolio exceeding 40 million entities.



# Case Study: Implementing a Third-Party Ethical Due Diligence Programme for a leading automotive group

## The Client

An industrial heavy transport and specialty vehicle manufacturing leader with global operations, partners, and suppliers. As part of their ESG programme and mandate as a publicly listed company, placing emphasis on growing their business with third parties in an ethical, compliant, and risk-conscious way.

## The Challenge

The Client had implemented new internal policies to further strengthen compliance with laws such as anti-bribery, corruption, and anti-money laundering, as well as with international economic sanctions and embargo measures.

Given the current geopolitical environment, the Client intended to strengthen the understanding of their suppliers and proactively manage the operational, legal, regulatory, and reputational risks potentially arising from engaging and regularly doing business with a vast and heterogeneous array of business partners on a global scale. For these matters, they deemed necessary to comprehensively investigate any natural or legal person prior to establishing a business relationship and to continuously monitor any direct or indirect change (e.g. chain of control) and any anomalous behaviour or inconsistency in business model and operations. For commercial reasons, investigations had to be performed in a short timeframe to enable the Client to run smoothly.

## The Solution

CleverChain emerged as the partner of choice through a highly competitive procurement process. In particular, CleverChain's tailored service enables the Client to rapidly process a high volume of in-depth ethical due diligence checks on individuals and business entities, from across all continents. As part of the service, CleverChain delivers a granular risk assessment and formulates a recommendation about the opportunity to establish a business relationship, with the ultimate decision solely at the discretion of the Client. If the Client decides to enter a new business relationship, then CleverChain activates an ongoing due diligence and company monitoring over a multi-year timeframe to highlight any high-risk change altering the original risk score and/or the evaluation.

## The Impact

### Consistent insights globally

CleverChain provides consistent insights on its business counterparts globally – coverage to date: 50% Europe, 30% Latin America, and 20% Rest of the world.

### Speed and security

The ability of CleverChain to access local registries in real time, instantly perform complex tasks – such as identifying the whole chain of control and identify Ultimate Beneficial Owners across multiple layers –, corroborate information with bank-grade primary and secondary sources and process large data synchronously, enabled the Client capturing market opportunities, enhancing the counterpart experience, and advancing their business more confidently.

### Higher efficiency

Alongside a higher accuracy and timeliness, the Client improved the efficiency, productivity, and onboarding times of the supply chain process. Manual activities were minimized, freeing up resources for more complex and truly high-risk cases.









-  Founded: 2016
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, Solvency II, KYC, AML, GDPR, SFTR, Basel III, EMIR**
-  Subsectors: Risk Management, Reporting, Compliance Management
-  Regions of operations: United States, CA, EU, United Kingdom






Compliance.ai's mission is to transform the way highly regulated organizations address compliance risk and to modernize compliance processes for both regulators and regulated entities. Compliance.ai delivers regulatory change management (RCM) solutions designed specifically for firms in the banking, financial services, and insurance industry (BFSI). Our unique Expert-In-The-Loop methodology ensures expert oversight of advanced machine learning technologies, which in part simplify and streamline complex RCM and compliance activities for our clients. Our clients include a wide range of BFSI firms, including those with global operations to recently established FinTech innovators. We empower compliance teams to proactively manage the growing volume and velocity of regulatory changes in real-time and ensure that the affected lines of business implement appropriate steps to address obligations. They use our solution to mitigate compliance risk, reduce costs, and boost confidence in compliance status for the entire enterprise.



-  Founded: 2003
-  Employees: 251-500
-  Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, Solvency II, KYC, AML, GDPR, SFTR, Basel III, EMIR, SMCR**
-  Subsectors: Communications Monitoring, Transaction Monitoring, Cybersecurity/Information Security, Risk Management, Reporting, Compliance Management
-  Regions of operations: Global

Compliance is a challenging, complex necessity within the financial services industry. As a global market leader in regulatory compliance solutions, COMPLY combines the power of regulatory technology, services and education to empower Chief Compliance Officers (CCOs) and compliance professionals to navigate the regulatory landscape easily. COMPLY enables firms to scale growth, while remaining vigilant in compliance efforts, by providing solutions designed to manage the burden of complex compliance tasks. Its deep bench of industry expertise – which includes expansive knowledge in technology enablement and regulatory compliance protocols and processes from our product portfolio offerings supports over 7,000 clients, including investment management firms, private equity firms, hedge funds, broker-dealers, registered investment advisers and other financial service sector participants. COMPLY continually supports clients in their work to proactively address core compliance challenges – minimizing risk, addressing critical priorities and meeting new demands as the industry evolves and the firm scales.



-  Founded: 2020
-  Employees: 11-50
-  Regulation/Legislation: **KYC, AML, GDPR**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, Identification/Background checks, Compliance Management, Fraud Detection
-  Regions of operations: Global

ComplyCube was founded with the mission to build trust at scale. It has become a pivotal ally for companies navigating the intricate web of regulatory compliance. At the very core of its ethos lies a firm belief that compliance management should be straightforward, transparent, and effortless, thereby empowering businesses to focus on innovation, growth, and customer satisfaction without being ensnared by the complexities of legal and regulatory frameworks. ComplyCube offers businesses a robust, adaptable, and intelligent compliance management solution meticulously crafted to cater to a wealth of industries. Whether it is finance, healthcare, telecoms, or e-commerce, the versatile platform seamlessly assimilates with the business ecosystem, providing a finely tuned harmony of automated compliance processes and actionable insights curated to propel the business toward operational excellence. At the heart of ComplyCube's offerings is a state-of-the-art compliance platform, powered by automation, artificial intelligence, and machine learning.



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Founded: 2007



Employees: 11-50

Regulation/Legislation: **KYC, AML**

Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Identification/Background checks, Compliance Management



Regions of operations: Bahrain, British Virgin Islands, Cyprus, Estonia, Germany, Greece, Israel, Jordan, Kuwait, Lithuania, Luxembourg, Malta, Mauritius, Netherlands, Romania, Slovakia, Sweden, Switzerland, UAE, UK, US

Complytek is a leading regulatory technology software provider renowned for its cutting-edge solutions in AML, KYC, Risk, and Compliance. With 16+ years of expertise, Complytek has been the backbone for a variety of industries, including Banking, Investment, Forex, Insurance, Payments, Gaming & Gambling, Crypto, and Professional Services, ensuring they fulfil their compliance and regulatory mandates with ease and efficiency. At the core of its mission is the aspiration for a world free from financial crime, fraud, money laundering, and human and drug trafficking. Championing this mission is Complytek's unyielding commitment to innovation. Its AI-powered technology redefines compliance execution by leveraging machine-learning enhanced modules, effectively streamlining and automating processes. This optimization allows for a more focused approach to critical tasks. Its global partnerships with regulatory bodies and industry experts are a testament to our commitment to excellence, making Complytek a trusted ally in the fight against financial crime.




Founded: 2013



Employees: 51-100

Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, Solvency II, KYC, AML, GDPR, SFTR, Basel III, EMIR, Corlytics overs all regulations, given that it collects data from regulators.**

Subsectors: Risk Management, Reporting, Compliance Management, Regulatory intelligence. Regulatory change management. Regulatory policy management.



Regions of operations: Europe, North America and APAC

Corlytics is a leading regulatory technology (RegTech) company dedicated to revolutionising the way financial institutions manage regulatory compliance and risk. With a mission to empower organisations to navigate the complex world of financial regulations effectively, Corlytics provides innovative solutions that help banks, investment firms, and other financial entities stay ahead of regulatory changes and make informed decisions. Corlytics offers a comprehensive suite of regulatory intelligence, risk assessment, compliance management, data analytics and regulatory policy management tools designed to streamline regulatory compliance processes, reduce regulatory risk exposure, and enhance overall regulatory compliance strategies. Their advanced platform leverages machine learning and data analytics to deliver actionable insights, enabling clients to adapt to evolving regulatory landscapes.




Founded: 2011



Employees: 251-500

Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, Solvency II, KYC, AML, GDPR, SFTR, Basel III, EMIR, CUBE monitors and address every law, rule and regulation within financial services**

Subsectors: Risk Management, Compliance Management



Regions of operations: CUBE supports our clients globally

CUBE has formally been in business since 2011 and is the market leader for automated regulatory intelligence for financial institutions, with 8 of the world's top 20 banks as clients, including 6 G-SIBs. CUBE currently has several clients operating in Canada. CUBE's people, processes, and technology have all been purpose built to service the regulatory change management and intelligence challenges their clients face. CUBE is the only organization that can support global customers' regulatory data needs, serving as the trusted single source for all content in their current and future state, notably to provide all required data for regulatory inventories and horizon scanning. CUBE is actively supporting customers with thousands of users and is embedded as a mission critical service and application. CUBE's use of modern technology (AI, NLP, Machine Learning, RPA, etc.) enables them to support customer needs and adapt with agility to support growth, unforeseen events, and increased regulatory scrutiny.



# COMPANY RESEARCH PROFILE



Founded 2017  
 Esbjerg, Denmark  
[www.creditro.com](http://www.creditro.com)  
[support@creditro.com](mailto:support@creditro.com)  
 Employees 51-100  
 Regions of operation: Scandinavia, Europe, Global

## KEY EMPLOYEES:



**Mathias Kobberup**  
Founder and CPO



**Jacob Tinsfeldt**  
CEO

Value Chain: **Onboarding, Monitoring, Detection, Reporting, Processing & Control**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, Identification/Background checks, Compliance Management**

Regulation/Legislation: **MiFID II, KYC, AML, GDPR**

### OFFERING

Credito's primary goal is to protect businesses, regardless of their size, from potential threats. Credito offers a fast, secure, and systematic approach to KYC Compliance. They achieve this through their automated KYC & AML platform, Credito Comply, which simplifies the compliance process, enhances security, and effectively addresses issues such as fraud, bankruptcy, and money laundering.

### PROBLEM BEING SOLVED

Credito's all-encompassing solution covers everything from initial onboarding processes like Customer Due Diligence (CDD), Ongoing Due Diligence (ODD), and Enhanced Due Diligence (EDD) to continuous monitoring, risk assessments, Know Your Employees (KYE), and robust policies & procedures. This holistic approach ensures that businesses can efficiently address all their onboarding and compliance needs through a single, integrated platform.

### TECHNOLOGY

Credito's compliance platform, Credito Comply, automates and streamlines the compliance processes. Operating on a real-time cloud-based infrastructure, it ensures data security and GDPR compliance. With a user-friendly interface and seamless API integration, Credito Comply makes KYC and AML compliance efficient and customizable for industry-specific regulations.

### PRODUCT DESCRIPTION

Credito offers a suite of products designed to enhance business efficiency, security, and compliance, focusing on KYC processes and risk assessments.

**Credito Comply:** Credito Comply automates the handling of KYC processes and risk assessments, utilizing intelligent data. It ensures fast, secure, and systematic compliance with KYC regulations, offering a clear and user-friendly platform. The documentation is always maintained in accordance with applicable legislation.

**Credito Assess:** Credito Assess specializes in risk and credit assessment. It facilitates informed decision-making by notifying users of bad payers, bankruptcies, and fraudulent companies. This helps in avoiding financial losses, debt collection issues, and wasted work hours.

**Credito Sign:** This digital signing solution accelerates the onboarding process. It replaces manual signatures with digital efficiency, allowing users to sign any document, anywhere, without legal concerns. The process takes just 2 minutes, streamlining document handling significantly.

**Integrations/API:** Credito also offers integrations and API solutions to automate time-consuming KYC processes in a single, unified solution. This integration capability suggests a focus on enhancing interoperability and efficiency in KYC-related tasks.

### TRACTION/GROWTH

- More than 700 companies work with Credito including Dansk Revision, Advokatgruppen, CrediNord, Kvist & Jensen, Kirk Larsen Ascanius
- Credito partners with leading companies to provide its solution, including: Experian, Noitso, Collectia, nets

# How Creditro is becoming a compliance superhero

*In a world deeply entrenched in financial complexities and burgeoning illicit activities, Creditro emerged as a beacon of change across the RegTech landscape. Founded by visionary Danish entrepreneur, Mathias Kobberup, the company had a singular goal from its inception: to tackle financial crime head-on.*



“Seeing how easy it actually was to create a falsified financial statement was eye-opening for me,” reflected Kobberup, founder and Chief Product Officer at Creditro. “So we saw that and just wanted to create something that would catch these mobsters. It was all about fighting the bad guys, we saw ourselves a bit like Batman.”

The genesis of Creditro lay in the conviction that combating financial crimes demanded innovation and relentless dedication. The Esbjerg-based firm saw an untapped opportunity to bash heads with criminals and unseat them from their positions of power, closing off their avenues to prosperity.

Their initial bid to achieve this involved creating a credit rating model born out of casual brainstorming sessions—a Friday afternoon endeavour fuelled by beers. Astonishingly, their model achieved a staggering 95% confidence rate in a single attempt, setting the stage for what would become a revolutionary approach to fraud detection.

But how did this casual musing upon these issues swiftly change into a serious point of change in the compliance sector?

“I was with a group of friends and we were just having some beers and trying to build an efficient credit rating model on one Friday

afternoon. We then benchmarked it against the usual suspects and big players in the credit rating industry and somehow we managed to hit a 95% confidence rate after one try.”

This initial foray into the sector happened in 2016, and Kobberup, who was studying economics at the time, explained how they managed to make their model so successful from the outset, while still developing it even further today.

“We tried to build false barriers around it, almost stating if I was a criminal, how would I go about it?” Kobberup explained. This relentless pursuit of understanding the criminal mindset became a cornerstone in their product evolution, perpetually driven by insights gleaned from discussions with credit managers and former police agents.

Creditro’s journey wasn’t merely about building a product; it was about ingraining passion into every aspect of its offerings.

“A lot of our clients are also former police agents who care equally as much as us about this. So, we get a lot of information through this, we still use this methodology to stay up to date, and even today, we still ask ourselves, if I was going to launder a million pounds, how would I go about it?”

“I think the reason we do so well in regards to this is because our customers see how passionate we are compared to our competition. That is really our USP, people recognise this and understand we care. As I said earlier, for us it has always been about stopping the bad guys,” Kobberup affirmed.

## Inside Creditro’s unique offering

It would be foolish to suggest Creditro’s compliance and AML offering is simply contingent on just passion, in fact, in terms of their unique offering, passion is only just the beginning.

To do this, Kobberup and his team have implemented a vast array of products to attack the major needs across the sector. He said, “We have four products, three of them are user-facing, and the last one is an Identity database, StoreMyID which allows end-users (persons) to easily change banks and share their KYC-packages across our customers. This service saves so much effort and time for people who no longer have to send e-mails may not be secure, multiple times a year with sensitive information. With these tools we position ourselves as a strategic and mission critical partner to anything from the small accountant to the international bank with product offering servicing the whole value chain and lifecycle of compliance. They really all work together in harmony.”

Creditro presents a range of innovative solutions catering to contemporary needs. One such solution, Creditro Comply, stands out as a comprehensive platform merging KYC (Know Your Customer) and AML (Anti-Money Laundering) procedures. This tool simplifies compliance tasks by automating documentation and ensuring meticulous record-keeping in line with stringent GDPR confidentiality standards.

By harmonising data collection and workflows, Creditro Comply generates reports that withstand audits and facilitate the seamless gathering of customer information. Its real-time screening and ongoing risk assessments swiftly track shifts in client risk profiles, issuing immediate notifications. This adaptable system allows for customization to comply with specific industry regulations regarding data collection. In essence, it optimizes operational efficiency, expedites onboarding processes, and guarantees compliance through a centralized solution for comprehensive compliance management.



***We are heading toward a direction where everyone will need a huge legal team to understand what they need to know and whether they are compliant, which needs to change.***

Furthermore, Creditro Sign streamlines signature processes by providing secure, legally binding signatures in adherence to GDPR regulations. This feature ensures advanced security measures while simplifying document organisation and management. Offering instant email-based signatures and automated procedures, the product saves time and supports environmental conservation through paperless operations.

Integrated seamlessly with Creditro Comply and Creditro Assess, Creditro Sign consolidates operations within a unified platform, enhancing efficiency by eliminating the need for multiple applications or browser windows.

Moreover, Creditro's integration software facilitates streamlined operations by effortlessly connecting with existing systems via API. This integration eliminates the hassle of employees navigating multiple platforms, ensuring a smooth workflow without complications. Through strategic partnerships with various organisations, Creditro's integration capabilities offer adaptability, empowering teams to access unique data directly within their systems.

API components play a crucial role in facilitating the smooth sharing of information among platforms, thereby optimising functionality and usability. This technology is designed to align with existing processes, saving valuable time previously consumed by manual tasks or the juggling of multiple systems. Accessible via a

browser from any location, Creditro's integrated services provide flexibility and convenience, supporting businesses in streamlining operations and boosting efficiency.

## A view to the future

Looking ahead, Creditro envisions a landscape where KYC approaches and technological stacks undergo significant transformations and even admitted that maybe the future of compliance is going to be too complex for the average member of the public. "What I think will define the area going forward is the decision to say enough is enough in regards to complication," he said.

"I also see a case of information becoming more and more difficult to understand. On a day-to-day basis we pour a lot of resources into understanding and learning the jargon, so we can enable our customers to understand what we know in the most simple of ways.

"We are heading toward a direction where everyone will need a huge legal team to understand what they need to know and whether they are compliant, which needs to change," he added.

As always, regulations are also certain to be a talking point as we head towards the future, with Kobberup asserting that changing EU regulations will impact the market both positively and negatively.

"Currently there is a new regulation in the EU parliament that actually changes things a little bit in regards to money laundering and will make AML like GDPR in a lot of ways. It is a directive where they are trying to standardise the AML regulation, so if you are compliant in Denmark for example, you are also compliant around the EU.

"There are clear positives to this, but also some negatives, things will change and we will have to adapt."

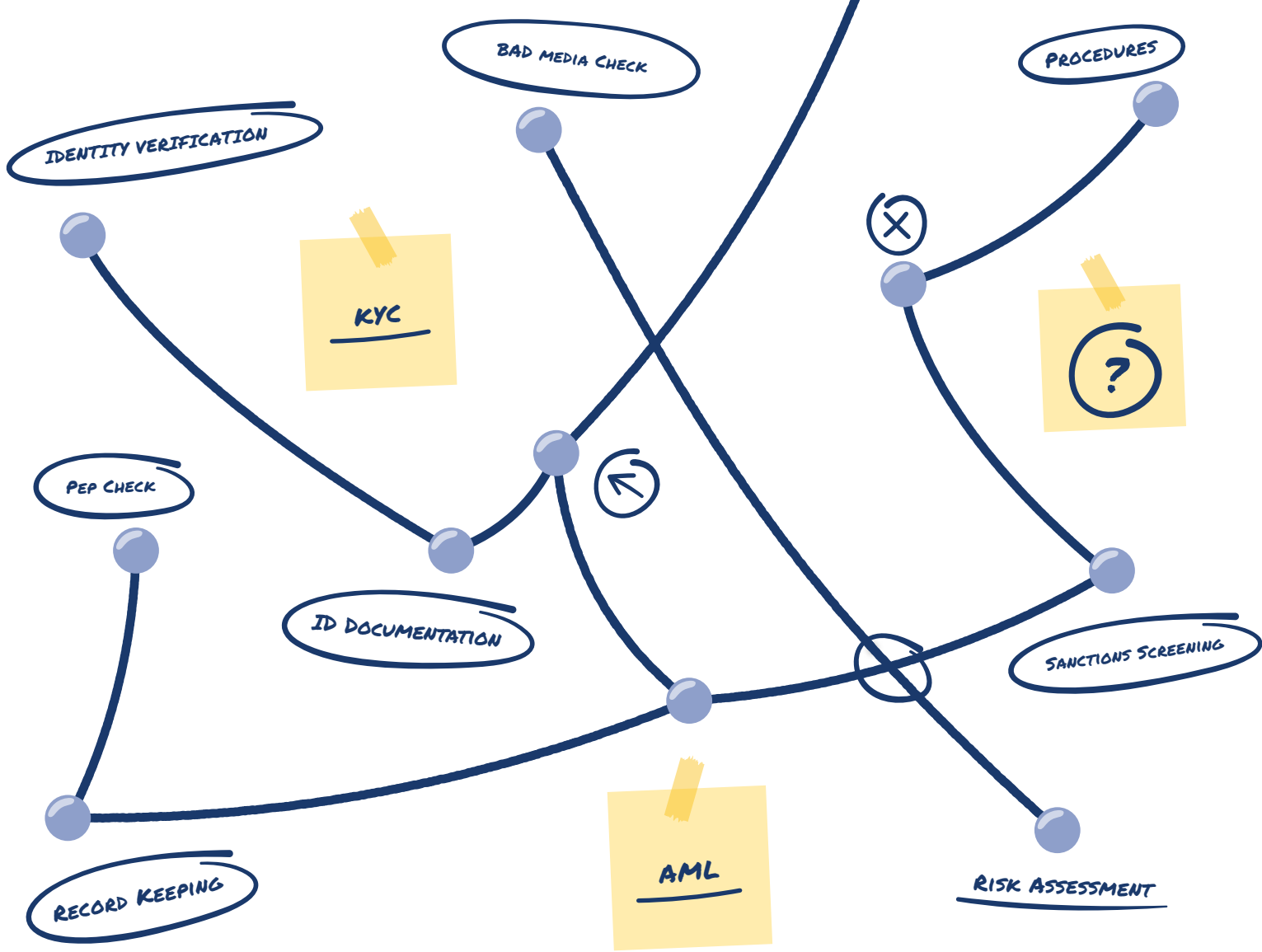
In terms of their future philosophy, Creditro will not be changing the methods that have served them so well. As Kobberup aptly puts it, "We have this philosophy where we break a lot of stuff when developing but we do it so fast that it equals itself out, and we are honest about that. Our business is all about infinite gains; we will never be done; and we will always be pushing to improve.

"If you screw up, you have removed your customer's license to operate, and that is something we take very seriously when developing our product," he continued.

This sentiment reflects the firm's perpetual commitment to advancement, never settling for complacency. Returning to the topic of passion, Kobberup explains the stark contrast between Creditro's outlook compared to larger conglomerates on the stock exchange.

The Dane explained that while stock-exchange-based entities may downscale at some point, software development demands consistent evolution and unwavering responsibility. This mindset, as Kobberup mentions, requires continuous maturity and responsibility in handling the impact and repercussions of innovation and change.

In essence, this is Creditro's ethos, their urge to be the compliance sector's caped crusader and almost a decade on from their initial forays into tackling the bag guys, they have now firmly positioned themselves to live up to their ambitions. ●



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PEP, RCA, and Sanctions Check



Real Beneficial Owners



-  Founded: 2017
-  Employees: 51-100
-  Regulation/Legislation: **MiFID II, Market Abuse Directive (MAD), Benchmark Regulation REMIT**
-  Subsectors: Communications Monitoring, Compliance Management, Data Management
-  Regions of operations: Global

Custodia is driven by building the market utility for digital data capture, validation, and archiving for regulated industries. With a global presence, it offers the services and tools necessary for customers to maintain complete visibility over their data and compliance ecosystem, ultimately transforming regulated digital data into valuable business insights.



-  Founded: 2016
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, KYC, AML, SFTR**
-  Subsectors: Identification/Background checks, Data sharing
-  Regions of operations: United Kingdom, Channel Islands, Switzerland, Luxembourg, Netherlands, United States, UAE.

Cygnatise is a multi-award-winning company that applies blockchain technology to revolutionize the process of Authorised Signatory Management (ASM). Founded in 2016, it was one of the first enterprise blockchain platforms to demonstrate the successful real-world application of blockchain to industry problems, and it is a rare surviving and thriving example. Since launching as the first blockchain company of its kind, the company has continued to expand its global reach and is now live in over forty countries for multiple clients including PWC, Societe Generale, Willis Towers Watson, Charles Schwab, JTC, Raymond James, ADNOC, Evelyn, and SEI. The company has secured investment from investment syndicate Adjuvo, West Coast specialist blockchain VC firm, Bloccelerate, US VCs 1414 Ventures and Massive, and it is a member of Innovate Finance. Cygnatise was selected for the Mayor's International Business Programme (MIBP) 2022 and was a member of the MIBP North American FinTech Trade Mission delegation.



-  Founded: 2004
-  Employees: 51-100
-  Regulation/Legislation: **Solvency II, GDPR, Content providers allows access to global regulatory content**
-  Subsectors: Risk Management, Reporting, Compliance Management, GRC
-  Regions of operations: Global

Headquartered in Denmark, but with additional global office locations, Decision Focus is a GRC solution provider delivering a SaaS platform for medium to large enterprises. The GRC solution is delivered on a no-code, modular platform, enabling a one-stop-shop for most audit, risk, compliance, and governance business needs. In addition to a strong track record in the financial services industry, Decision Focus' client base includes pharma, big tech, and energy customers all characterized by high regulation and demanding risk management.

We help companies action regulatory change








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REQUIREMENTONE






[requirementone.com](http://requirementone.com)



-  Founded: 2018
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, SFTR, EMIR, Dodd Frank, MAS, ASIC, FinfraG, MMSR and REMIT**
-  Subsectors: Reporting
-  Regions of operations: We have offices in Switzerland, Austria, United Kingdom






deltaconX AG is an Owner Managed growing Swiss company, providing a service orientated regulatory transaction reporting solution. It has no external investors or debt allowing it to re-invest a high % of profits into product development. The company's support and development staff are all onshore, based in Vienna, and are all fluent in both English and German. No support or development is outsourced and all staff are employed directly. It has a high retention rate of staff. The company is growing rapidly, increasing FTEs by over 25% in 2023.



-  Founded: 2008
-  Employees: 51-100
-  Regulation/Legislation: **MiFID II, KYC, AML, EMIR, Dodd Frank, AnaCredit, FATCA, MLD, SMCR**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Identification/Background checks
-  Regions of operations: Africa and Middle East

Diligencia helps customers from around the world to find essential information on organisations registered in Africa and the wider Middle East, drawing from primary sources that are otherwise hard to find. Using their curated data, they enable their clients to effectively manage their financial crime risk and compliance obligations, market strategies, and counterparty risks in the MEA region. Their coverage includes entity registration identifiers, corporate structures, ultimate beneficial ownership (UBO) information, individuals' corporate affiliations, and compliance screening (sanctions, PEPs, adverse media). For those situations where a deeper level of analysis can make the difference between success and failure, they offer a range of specialist corporate intelligence services ranging from litigation support, asset tracing, and official record retrieval. Their most recent achievements include a RiskTech Buyside50 2023 ranking from Chartis Research and a regional winner of the International Expansion Category in the Barclays Entrepreneur Awards.



-  Founded: 1994
-  Employees: 1,001-5,000
-  Regulation/Legislation: **Solvency II, KYC, AML, GDPR**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Cybersecurity/Information Security, Risk Management, Reporting, Identification/Background checks, Compliance Management
-  Regions of operations: Global

Diligent is the leading provider of modern governance solutions. Its holistic view of governance, risk, and compliance (GRC) enables transparency and connectivity across an organization – sparking the insights that the most influential organizations need to make better decisions and drive change. From secure collaboration, compliance, and ESG solutions to its industry-leading insights and governance network, Diligent is changing how work gets done at the board and executive level.



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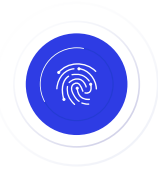
Contact us:  
[regreporting@spglobal.com](mailto:regreporting@spglobal.com)

**Cappitech**






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Market Intelligence





## Discai

-  Founded: 2021
-  Employees: 11-50
-  Regulation/Legislation: **AML**
-  Subsectors: Transaction Monitoring, Reporting, Compliance Management
-  Regions of operations: Europe, Asia and North America






As a full subsidiary of KBC Group, one of Europe's leading Financial Institutions, Discai sets new standards in the RegTech world with innovative and proven Artificial Intelligence (AI) based solutions which fight financial crime. Their solutions are developed in-house by a team of +100 data scientists and feature an unbeatable mix of domain and technology expertise, having passed the highest legal, compliance and risk standards. Discai's flagship offering is the high performance AI based KYT AML – Know Your Transactions Anti-Money Laundering – solution. Utilizing AI and ML, it reveals disguised money transactions 3 times more efficient and 3 times more effective. Moreover Discai is distinctive as a BankTech entity. The solution is developed, tested, validated and maintained via a unique cooperation between compliance domain experts of KBC Group and technology knowhow from the in-house data scientists. A unique combination that sets Discai apart from any other competitor in the world.



-  Founded: 2016
-  Employees: 51-100
-  Regulation/Legislation: **KYC, AML, GDPR, 314(b), Mutual Legal Assistance Treaties, Bank Secrecy / Bank Confidentiality**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Cybersecurity/Information Security, Risk Management, Investigations, Cross-Border Collaboration, Public/Private Collaboration, Private/Private Collaboration, Public/Public Collaboration
-  Regions of operations: North America, EMEA, APAC

Duality is the leader in privacy enhanced secure data collaboration, empowering organizations worldwide to maximize the value of data. Founded and led by world-renowned cryptographers and data scientists, Duality operationalizes privacy enhancing technologies (PETs) to accelerate data insights, and is trusted by public and private sector who is Duality's platform to enable analysis and AI on sensitive data while protecting data privacy, compliance, and protecting valuable IP.



-  Founded: 1984
-  Employees: 251-500
-  Regulation/Legislation: **PSD2, KYC, AML, GDPR, EMIR, FATF, Wolfsberg AML principles, OFAC, goAML by UNODC, FATCA, CRS by OECDUNSC, Dodd Frank, EU & UK Sanctions, FINTRAC Sanctions, AUSTRAC Sanctions, USA Patriot Act Sections 311, 312, 313 and 319 (a) (b),**
-  Subsectors: Transaction Monitoring, Reporting, Identification/ Background checks, Watchlist Screening, Fraud Detection
-  Regions of operations: Eastnets has clients all over the world in more than 120 countries

Eastnets is a leading global provider of compliance and payment solutions for the Financial Services industry. Over the past 35 years, Eastnets has built distinctive expertise to develop and implement standardized and individual solutions against financial crime, and for risk management, monitoring, analysis, reporting, and state-of-the-art consultancy and customer support. Over 750 customers, including some of the largest international financial institutions, rely on Eastnets® solutions and professional services, and over 270 corporate and financial institutions rely on Eastnets® for outsourced SWIFT connectivity and compliance software solutions made available as a service through its fully managed service bureaus. Eastnets is a global company with regional offices in major cities, supported by a large network of global strategic partners. The Eastnets team of anti-money laundering and SWIFT experts deliver payment architecture consulting, implementation services for all SafeWatch and SAA products, back office integration solutions, DR hosting services, training and infrastructure maintenance.



# COMPANY RESEARCH PROFILE



**PRODUCT NAME:**  
Encompass

Founded 2011  
 London, United Kingdom  
[www.encompasscorporation.com](http://www.encompasscorporation.com)  
 Employees 101-250  
 Regions of operation:  
United Kingdom, Europe, APAC,  
North America

## KEY EMPLOYEES:



**Wayne Johnson**  
CEO and Co-Founder



**Roger Carson**  
Co-Founder

Value Chain: **Onboarding, Process Tools & Control**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Compliance Management**

Regulation/Legislation: **KYC, AML**

### OFFERING

Encompass enables firms to improve customer experience, deliver revenue faster and demonstrate consistent compliance with digital profile automation. The company's advanced technology collates data and documents from authoritative global public data sources to create complete digital KYC profiles in real-time. Utilizing the expertise of a global transformation team of KYC and banking industry experts, as well as strategic data, technology and consulting partnerships, enables seamless integration of Encompass into existing workflows and systems for wider downstream use. Streamlining the KYC process with Encompass enables the world's leading banks to improve customer experience and increase operational efficiency and business opportunities.

### PROBLEM BEING SOLVED

KYC is a requirement to conduct business for all regulated entities globally. Predominantly manual, current KYC processes are not scalable, hugely inefficient, costly and error-prone. Customer experience is impacted by repeat and unnecessary requests for publicly available information, causing friction and dissatisfaction and resulting in increased customer abandonment and lost revenue.

### TECHNOLOGY

Encompass is the leading provider of real-time digital KYC profiles of corporate customers.

Automation of a company's KYC search procedure collates data and documents from global sources. Data normalization and entity resolution are applied to build out corporate structures and discover ultimate beneficial ownership (UBO) in more depth, faster and more accurately than manual processes.

A full audit trail, source documents and attribute lineage are included within the digital KYC profile, which can be shared with existing systems, including CLMs and CRMs.

The Encompass platform is easy to scale and fast to deploy, enabling firms to increase effectiveness of KYC.

### PRODUCT DESCRIPTION

**Dynamic KYC process automation** - Limit human involvement to reviews only by fully automating KYC searches and performing multiple searches in parallel. Lay the foundations for faster, more efficient event-driven or periodic KYC refresh of clients with real-time digital KYC profiles.

**Real-time digital KYC profiles** - Complete with source documents, data attribute lineage and audit trail. Not only is this created using unrivaled real-time data access, but data is normalized, and conflicts resolved to deliver deeper and more meaningful customer insight – the level of which is both extremely difficult and time-consuming to gain manually.

**Global public and premium data** - Get global data coverage via a single point of entry into the technology landscape, with extensive pre-built product integrations giving access to real-time golden source information and documentation.

**Corporate hierarchy unwrapping and UBO verification** - Unwrap the corporate ownership structures and identify and verify ultimate beneficial owners faster and better than analysts by automating the KYC investigation process.

**Dynamic audit trail** - A digital record of all KYC activity is automatically stored within Encompass, available to share, download and review when audit, refresh or remediation is required.

Having access to more complete and up to date information reduces the need for customer outreach, which significantly improves the customer experience and gives the organization confidence that policies have been followed consistently and activity is compliant and documented.

### TRACTION/GROWTH

- Encompass' standing as a leader and trailblazer in the industry has been strengthened by a number of accolades received from respected global award bodies and analysts. This includes being named RegTech Partner of the Year at the 2022 British Bank Awards and recognized as the top KYC/KYB Innovation in analyst Datos Insights' Fraud and AML Impact Awards in the same year. Testament to Encompass' continuing impact, this momentum was recently underlined by being selected as the leading vendor within the RegTech market assessment released by Juniper Research, and inclusion in the Chartis RiskTech100 for 2024.

# How Encompass helps banks and financial services organisations detect and prevent financial crime

*Founded in 2011, London-headquartered Encompass claims it enables banks and financial services organisations to improve customer experience, deliver revenue faster and demonstrate consistent compliance with real-time digital KYC profiles.*



The road to the creation of Encompass was a long and winding process. Following the successful exit from their big data visualization business, Wayne Johnson and Roger Carson – the co-founders of Encompass – took the route of many and become fully fledged investors themselves.

However, while on this new path, one of the investments they engaged with proved deeply costly, when they became victims of financial crime. Detailed information on the parties involved in the case that would have flagged this risk was available – however, in Carson and Johnson's experience, it was lacking and manual processes meant it was overlooked.

If both co-founders had access to more information, which showed the true full picture of the aforementioned investment, they would have walked away from the deal – saving themselves valuable time, effort, and money.

It was this experience that gave Carson and Johnson the drive – and confirmation of urgent need – to set up Encompass. With its mission of enabling regulated firms to comprehensively detect and prevent financial crime and reduce regulatory risk, they knew this was desperately needed and saw the gap in the

market for the technology that also facilitates critical business growth.

Today, following a rapid global growth in recent years, Encompass customers include leading global banks and financial institutions, while the organization also has industry-leading partnerships with a number of technology service, data and consulting firms.

The Encompass platform automates the KYC search procedure, as directed by an organization's risk policy to bring together global and authoritative KYC data, documents and evidence via pre-built data integrations. This reduces the risk of human error and ensures the KYC is more effective by processes being followed consistently, every time.

Data is matched, merged, de-duped and standardized in order to create a single digital corporate profile. Complex ownership structures and ultimate beneficial ownership (UBO) are unwrapped in more detail and faster than is possible with manual KYC processes. Furthermore, full data attribute lineage, source documents and a dynamic audit trail are retained as part of the digital KYC profile for future KYC refresh or remediation and audit purposes.

By nature, the technology is simple to scale, also maximizing growth opportunities, with the range of strategic partnerships outlined previously enabling seamless integration with third-party workflow solutions.

## Solving pain points

In order to be a real standout player in the growing RegTech industry, businesses must be able to solve pain points better and more efficiently than their competitors. So, what pain points does Encompass look to solve for its customers, which will have impact now and in the future?

Traditionally, KYC has largely been manual, with banks spending millions creating teams of analysts, which follow written instructions and perform manual searches to discover information about the identity of individuals with control and ownership of companies. It is hugely expensive and inefficient, while also resulting in a lack of control and the need for continued outreach. This impacts the time to complete KYC, ultimately causing customer friction and dissatisfaction, which leads to lost business opportunities.

Manual KYC is far from as effective as it should be, hampering output and customer experience. With KYC automation, on the other hand, organisations are able to build an effective process that is quick, responsive, and optimizes the use of data. This results in drastically improved customer experience, removes KYC bottlenecks, and boosts productivity.

## Industry roadblocks

The RegTech sector is fast evolving, with many new businesses entering the sector every year. However, at heart, there remains a lack of understanding over how organisations can best leverage RegTech solutions, the partners available, and the role each vendor plays within the widening ecosystem.



***In the view of Encompass, while Generative AI has the ability to offer potentially exciting benefits to financial institutions, it will not replace KYC analysts now or at any time in the foreseeable future.***

In Encompass' view, particularly in the current economic climate, when businesses, in many cases, are pushing to work faster and better with limited resources, education of the landscape – and how these solutions are key to boosting processes and ultimate business trajectory – is crucial. Digital transformation starts with understanding the problems and solutions, and focusing on this is how banks will succeed.

## Trends to look out for

With this fast growth that we have witnessed when it comes to RegTech, the industry trends that stand out have also evolved.

According to Encompass, as we approach the end of 2023, one of the most important trends to take notice of – and that will have an impact for years to come – is the shift towards a perpetual KYC/event-driven operating model. pKYC, which uses automation to detect risk more accurately and quickly while improving operational efficiency and customer experience, is a strategic driver for organisations striving to remain competitive in a rapidly evolving financial landscape. While it is seen by many as the 'dream state' when it comes to due diligence, in order to make it a reality, the key lies in ensuring an organization has its data strategy and foundations correctly prioritized and focused in order to go down the path of moving to an effective pKYC model.

Looking ahead, another trend that stands out in the opinion of Encompass is the acceleration of the usage of Generative AI.

## The impact of Generative AI

Generative AI is projected to reach a total value of \$44.89bn by the end of 2023. Going forward, the market size is expected to show an annual growth rate of 24.40%, resulting in a market volume of \$207bn by the year 2030.

In the view of Encompass, while Generative AI has the ability to offer potentially exciting benefits to financial institutions, it will not replace KYC analysts now or at any time in the foreseeable future. Instead, Generative AI will accelerate existing processes and augment the work of analysts, empowering them to detect financial crime risk much more quickly and comprehensively.

## AI's impact on KYC

What impact will AI have on KYC practices in the RegTech industry? In the view of Encompass, looking at KYC onboarding, Generative AI could work in tandem with traditional AI to provide solutions that combine the strength of both technologies while minimizing risk, with benefits crossing areas including improving experience and streamlining data management.






The RegTech organization stated that it is important to realize, though, that the adoption of Generative AI also brings with it a number of challenges. Some of these challenges include the complexity of models, their unpredictability as well as the need for strong and robust risk management strategies. It is the banks that balance AI's potential with addressing these risks that will see the best outcomes.

## Future plans

What lies ahead for Encompass in the future? The firm stated, amongst other things, increasing expertise and insight of its transformation team to help customers accelerate KYC transformation will be an ongoing priority.

Alongside this, as organisations are looking to focus less on KYC efficiency and more on KYC effectiveness, the company plans to continue to focus on increasing the completeness of the profiles it creates. Encompass supports organisations in their drive to ensure they only get the data attributes they need and the best data available, as well as eliminating irrelevant data collation in order to perform better KYC. This removes repeat and unnecessary outreach and improves customer experience. Ultimately, this creates business opportunities and lays the foundation for the growth banks are seeking. ●

# ELLIPTIC

-  Founded: 2013
-  Employees: 101-250
-  Regulation/Legislation: **KYC, AML, MiCA**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting
-  Regions of operations: Elliptic operate globally, with offices in United Kingdom, United States, Singapore and Tokyo






Elliptic was founded in 2013 and pioneered the use of blockchain analytics for compliance, anti-money laundering and counter-terrorist financing in crypto. Today, they are recognized as the leading provider of enterprise-grade compliance solutions for cryptoassets. As the longest-standing blockchain analytics provider in the world, they have built the largest and most accurate dataset in the industry. Coupled with their proprietary technologies and solutions geared towards compliance priorities, they are confident in helping their clients achieve their business objectives. They are backed by some of the largest financial institutions in the world, including Wells Fargo, Santander, SoftBank, JP Morgan and SBI Holdings, and their clients include some of the world's leading crypto businesses, financial institutions, regulators and law enforcement agencies, who use Elliptic tools as a key part of their compliance and investigatory processes.

# EVENTUS

-  Founded: 2014
-  Employees: 51-100
-  Regulation/Legislation: **MiFID II, AML, EMIR, Dodd-Frank, MAR, UMIR, SEC 15c3-5, NYDFS Part 504.3, FATF, RTS 6**
-  Subsectors: Trade surveillance, Market Risk, Transaction Monitoring, Algo Monitoring
-  Regions of operations: United States, Canada, APAC, EMEA

Eventus provides state-of-the-art, at-scale trade surveillance software across all lines of defense. Its powerful, award-winning Validus platform is easy to deploy, customize and operate across equities, options, futures, foreign exchange (FX), fixed income and digital asset markets. Validus is proven in the most complex, high-volume and real-time environments of Eventus' rapidly growing client base, including tier-1 banks, broker-dealers, futures commission merchants (FCMs), proprietary trading groups, market centers, buy-side institutions, energy and commodity trading firms, and regulators. Client's rely on the platform, coupled with the firm's responsive support and product development, to overcome its most pressing trade surveillance regulatory challenges.

# fenergo

-  Founded: 2009
-  Employees: 501-1,000
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD/Tax/ Derivatives), Risk Management, Reporting, Compliance Management, Client Lifecycle Management
-  Regions of operations: APAC, EMEA, MENA, NAM

Fenergo is the digital enabler of regulatory technology for financial services. It provides digital Client Lifecycle Management (CLM) software solutions for Financial Institutions including; Corporate & Institutional Banking, Commercial & Retail Banking, Asset Management & Asset Servicing, Private Banking & Wealth Management. Counting 70+ global Financial Institutions as clients, its award-winning CLM suite digitally transforms how financial institutions manage clients; from initial onboarding to KYC/ AML and regulatory compliance, to data management and ongoing lifecycle KYC reviews and refreshes. Fenergo CLM empowers financial institutions to deliver a faster, compliant and digital customer experience while achieving a single client view across channels, products, business lines and jurisdictions. Fenergo's community-based approach to product development allows clients to collaborate on solution design on a global scale.



# COMPANY RESEARCH PROFILE



**PRODUCT NAME:**  
MarketView and MerchantView

-  Founded 2015
-  New York, United States
-  [www.everc.com](http://www.everc.com)
-  [info@everc.com](mailto:info@everc.com)
-  Employees 101-250
-  Regions of operation:  
Israel, United Kingdom, United States

## KEY EMPLOYEES:



**Ariel Tiger**  
CEO



**Ishai Froind**  
Chief Product Officer

Value Chain: **Monitoring, Detection**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Risk Management, Compliance Management**

Regulation/Legislation: **AML, KYB, CTF, IP infringement, GDPR, All regulations that are required of: financial institutions, merchants and payments companies.**

### OFFERING

The global increase in fraudulent behavior and violation rates has eroded consumer trust. Consumers are losing confidence in purchasing goods and services online. With the growing scrutiny and fines of regulators, marketplace sales, profitability, and brand reputation are at a greater risk than ever. EverC is solving these critical industry challenges with its two AI-driven solution software solutions.

### PROBLEM BEING SOLVED

At EverC, the mission is to power growth for marketplaces and the online seller ecosystem by transforming the internet into a safe and trusted place for e-commerce. With advanced intelligence and automation, EverC uncovers high-risk merchants and detects online money laundering and fake, illegal, and dangerous products and services, immediately removing them, and continuously monitoring to discover new risks – critical to operate in today's environment.

### TECHNOLOGY

EverC employs machine learning-based automation for comprehensive screening and monitoring processes to ensure compliance, efficiency, growth, and risk management in business operations.

### PRODUCT DESCRIPTION

EverC is powering growth for marketplaces and the online seller ecosystem, securing the internet for safe & trusted e-commerce. With advanced intelligence and automation, EverC offered four solutions: MerchantView, MarketView, Risk Insight Services, and KYB, AM Monitoring and Screening. MerchantView is an AI-based merchant monitoring solution that automatically analyzes merchants' URLs and related websites to uncover money laundering and additional risk factors that no one else can detect. MarketView is an AI-driven solution that rapidly identifies and removes the threat of illicit products from online marketplaces with 95% accuracy.

Risk Insight Services are fully integrated services that are designed to complement our technology and help you and your team manage and mitigate risk throughout the merchant lifecycle. EverC can also customize services to achieve your specific risk and compliance goals.

**MerchantView** is a pioneering AI-based merchant monitoring tool that delves into merchants' URLs and associated websites, unearthing money laundering and other hidden risk factors with unparalleled precision.

**MarketView** leverages AI-driven analytics to swiftly identify and eliminate the presence of illicit products in online marketplaces, boasting a remarkable 95% accuracy rate.

**Risk Insight Services** complement our technological solutions, integrate seamlessly into your operations, assisting your team in managing and mitigating risk throughout the merchant lifecycle. Tailored to your unique risk and compliance objectives, these services offer a personalized approach to risk management.

**KYB, AM Monitoring & Screening** powered by machine learning, our automated solutions cover KYB, adverse media monitoring, and screening for sanctions, watchlists & PEP, to manage risk at onboarding and throughout the merchant lifecycle.

### TRACTION/GROWTH

- EverC's Clients: Wish, Visa, Amazon, JPMorgan, American Express and Alipay.
- EverC Partners are global innovators and include: GDI, KPMG, KROLL, Memetica, Wespay, ACAMS

# How EverC helps support compliance amidst intensifying sanctions



The EU has implemented restrictive measures for almost 1,800 individuals and entities in respect to the invasion of Ukraine. The unprecedented scale of sanctions imposed on Russia this past year has exemplified how quickly sanction lists can change and how critical it is for financial institutions to have the technology to cope.

Not only do firms have the challenge of updating their systems to adhere to updated sanction lists, but they also face the increasingly difficult task of finding hidden trails helped by technology. Maya Shabi - senior threat detection and product strategist for EverC - said, "The sanctions campaign against Russia due to the war in Ukraine brought to light the complex web of entities connected to the Russian elite and exposed the myriad of regulatory gaps and loopholes used by them to circumvent traditional AML/CTF protocols." This is particularly the case when considering offshore networks or the people managing finances on behalf of sanctioned individuals, such as brokers and accountants, she continued.

Shabi explained that technology allows criminals to better conceal their illicit activities, while also helping authorities enhance their capabilities in uncovering crimes. On the one hand, criminals can leverage encryption and digital currency to hide financial transactions. This makes it difficult for authorities to track origins and destinations of funds, boosting the possibility of sanction evasion, transaction laundering, and fraud.

On the other hand, data analytics, AI, and machine learning have empowered authorities to quickly analyse vast amounts of data to spot patterns, anomalies, and suspicious activities. Similarly, while blockchain is often linked to criminal activities, it provides a transparent and tamper-resistant ledger that can aid in tracking financial transactions. Finally, RegTech solutions can automate compliance checks against sanction lists to ensure real-time monitoring and identification of matches. Shabi added, "In essence, the duality arises from a constant cat-and-mouse game between bad actors exploiting technological advancements and authorities leveraging these same advancements to stay a step ahead."

## Advice to compliance teams

According to Shabi, companies must manage a vast data network and connect the dots to identify transactions from a sanctioned individual/entity or a terrorist organisation – a critical challenge compliance teams that already have strained resources. Shabi also pointed out that regulators are increasingly levying fines for sanctions violations and governments are intensifying their scrutiny on terrorist financing. This creates a situation where financial institutions need to ensure they can quickly and effectively monitor sanction lists and pivot accordingly.

"Our advice to firms is to take a rigid stand on combating sanctions and use technology for detection—manual processes will not be enough. Technology plays a critical role because of the scale of the problem. The technology to quickly discover counterfeit products, sanctioned products, and organisations tied to terror financing is necessary for the speed and scale of work. Human subject matter experts can then focus on strategy, assist with more difficult cases, and evolve the technology as regulations and criminal tactics change. Using technology to augment human expertise can help ensure compliance without business goals being ground to a halt."

## Working with EverC

EverC is positioned to help financial institutions, payment service providers and payment facilitators efficiently monitor sanction lists and counter-terrorism financing regulations. Its platform combines AI technology with industry expertise from investigators. The EverC R&D team is always building and enhancing machine learning models, including generative AI, to ensure its technology can detect illicit content, counterfeit products, sanctioned products, and ecommerce sites that are involved in facilitating criminal and terrorist activities.

The EverC platform scans millions of websites for illicit activity and adds relevant information to clients to an ever-growing knowledge graph. This uncovers hidden connections between seemingly licit sites to criminal entities that are leveraging the ecommerce ecosystem to skirt sanctions, terror financing, and more. Shabi said, "Our ability to customise is unmatched, and our precision and recall rates are continuously being honed. Our team of experts is embedded in the web to understand the ever-evolving tactics of bad actors, developing new product capabilities to address these methods at scale. Additionally, our team conducts deep investigations."

As to why EverC is the perfect partner, Shabi noted the following standout reasons. The first of these is that the company's founding mission is to bring trust and confidence to the growing ecommerce ecosystem. "We are mission-driven to catch bad actors attempting to take advantage of the ecosystem for nefarious purposes. We have built innovative technology and a team of world class domain experts to attain this vision."

But one of the telling reasons is its proven track record of working with some of the biggest payment providers, banks, card brands and marketplaces. Shabi said, "This experience has provided us with the ability to acutely understand the regulatory and business environment that our customers operate in, solve problems and anticipate market demands, and deliver enterprise-level service and support." ●



# Expanded Regulatory Accountability and Its Impact on Payment Platforms

By Maya Shabi, Senior Threat Detection & Product Strategist for EverC



The global payments landscape is continually increasing in complexity. As technology advances at an unprecedented rate, so do the tactics of illicit actors. In response, regulators are moving at an extraordinary pace to define the parameters of this new threat landscape, expanding accountability throughout the ecommerce ecosystem to protect consumers from fraud and financial crime.

These combined circumstances will increasingly impact marketplaces and payment providers in the coming years.

Payment providers are certainly no stranger to the global and domestic regulatory landscape in their areas of operation. Acquiring banks and financial institutions have departments dedicated to interpreting and maintaining compliance with figuring out financial regulations.

Payment facilitators and fintechs serving financial institutions are not exempt from regulatory scrutiny. Regulatory compliance is a two-way street in these relationships: fintechs must show they can operate in a highly regulated industry so they can partner effectively with banks, and banks must know that their fintech partners maintain compliance so they can avoid fines and enforcement action.

## A Consistent Global Regulatory Framework Signals Shifts

The fragmented nature of guidelines and enforcement has presented an ongoing challenge. Regional inconsistencies and lack of coordination create havens for illicit activity. The [Financial Action Task Force \(FATF\)](#), an independent body creating policy to protect the global financial system against money laundering,

terrorist financing, and funding that supports the proliferation of weapons of mass destruction, was founded to overcome this challenge.

The FATF Recommendations form a set of internationally endorsed global standards to increase transparency and empower countries to act against illicit use of their financial systems. Global AML-CTF regimes are modeled after this framework, and over the years, updated Recommendations have signaled an increasing shift to greater accountability across the payments chain.

## Defining and Expanding the Accountability of FIs in CTF

As regulators work to expand AML/CTF laws to include a wider range of enablers and scenarios, the responsibility of ensuring that these evolving due diligence requirements are fulfilled will fall squarely on the shoulders of the financial industry. We saw this in a recent regulatory response to illicit activity online.

On October 7, 2023, the terrorist group Hamas launched a brutal attack against Israeli civilians. And in this new threat landscape, it became clear that the extremist organization had utilized various payment rails to secure funding: alternative payments options such as cryptocurrency, non-profit organizations (NPOs), and illegal methods of fundraising. There was also an online disinformation campaign perpetuated by Hamas and its broader network during and in the wake of the attack.

Ten days later, the US Department of Treasury announced a government-wide response that included expanding OFAC sanctions targeting Hamas' financing sources, as well as a FinCEN alert urging financial institutions to identify and report potential connections to the group's efforts to garner funds. The illicit activity was funded through exploitation of financial systems, and the financial industry was called upon to play a role in rooting it out.

Such a rapid response is indicative of how much of a priority this issue has become with regulators. FinCEN's mission to "safeguard the financial system from illicit use, combat money laundering and its related crimes including terrorism, and promote national security through the strategic use of financial authorities and the collection, analysis, and dissemination of financial intelligence" has clearly made its way into the online world.

## Conclusion

Emerging trends and threats, increased enforcement scope, speed, and penalties, and expanded accountability will impact all stakeholders in the financial industry.

Strengthening regulatory compliance processes in the financial ecosystem is not just required by law. It is an essential step to continuing the fight against financial crime and illicit activity online – serious global threats that can impact us all. ●



## CASE STUDY

# BPCE Payment Services Strengthens Fraud Detection with Switch to EverC

### BACKGROUND

Paris-based BPCE Payment Services manages **more than 20% of all payment processing activities in France**, serving more than **450,000 merchants and 23 million cards merchants in 40 countries**. Its parent company, BPCE Group, is the second largest banking group in France.

### Challenge

As BPCE began processing payments for a growing number of ecommerce merchants, the company needed a solution with greater accuracy and speed in detecting problematic merchant activity. BPCE Payment Services was using the same SaaS vendor as 80-90 percent of other banks in France, but the results were not sufficiently accurate.

Failure to detect fraud put the payment provider at risk of regulatory action, as well as fines by MasterCard and Visa. It also meant that BPCE sometimes turned away promising merchants because the risk team could not confidently tell whether or not a prospect posed a fraud threat.

### Solution

BPCE switched to The AI-driven MerchantView solution, with machine-learning models, capable of filtering and collecting information on the Internet about various merchants and their activities, and ongoing monitoring capabilities.

The results of their test-drive of the solution were “excellent,” says Younès Sakat, a BPCE director heading a team of risk management experts. “We were able to test the quality of detection and it was significantly improved.”

### Result

In its first year with EverC, BPCE Payment Services has been delighted by the quality of the results.

“The tool is really simple and very intuitive and I use it almost daily,” says Évelyne Andrianarison, acquirer fraud analyst.

While weeding out bad actors, BPCE can accept a higher percentage of merchant applicants. EverC solutions have been instrumental in helping achieve BPCE’s business and growth goals.



# COMPANY RESEARCH PROFILE



Founded 2017  
 Petah Tivka, Israel  
[www.fincom.co](http://www.fincom.co)  
[info@fincom.co](mailto:info@fincom.co)  
 Employees 11-50  
 Regions of operation: Global

## KEY EMPLOYEES:



**Dr. Oleg Golobrodsky**  
Co-Founder, Chairman



**Gideon Drori**  
CEO & President

Value Chain: **Transaction Screening and Monitoring, Onboarding KYC, Ongoing KYC (pKYC), Processing & Control (Case Management), Reporting & Auditing**

Subsectors: **Payments Screening & Monitoring (all payment rails: RTP, WIRE, ACH, SWIFT, etc.), KYC Onboarding and Ongoing (pKYC), Case Management (tasks & audit trail management), Reporting, Auditing tools**

Regulation/Legislation: **AML, 314a, NYDFS 504.3, FinCen, OFAC**

## OFFERING

Fincom revolutionizes AML Sanctions Screening for Banks & Financial Institutions, providing the most accurate screening for all payment rails. Capable of screening mega file in short time, with STP rate of 93-99%, assuring uninterrupted flow of payments, and considerable reduction of operational burden.

## PROBLEM BEING SOLVED

Pain points in Sanctions Screening: high alert rates, long processing times, different systems for each screening type, poor matching capabilities – i.e. missed hits & false positives. Every 3<sup>rd</sup> transaction is stopped!

Fincom solves these problems, guaranteeing >93% STP rate, reducing operational burden by >90%, cutting down alert processing time.

Centralised screening hub covers all payment rails.

## TECHNOLOGY

Advanced technology for data screening: the most accurate and efficient solution for AML sanction screening.

Incorporates a powerful Phonetic-Linguistic engine based on Fincom's entity resolution technology. Utilizing 48 algorithms from Phonetics, Computational linguistics and advanced mathematics. Allows real-time verifications across 44 different languages. It is fully transparent, traceable, and consistent.

## PRODUCT DESCRIPTION

**AML Suite for Banks and FI's**, including:

**Sanction screening for all payment rails:** WIRE, SWIFT, RTP, ACH, etc. Screening all relevant fields within a transaction, using 6 different screening methodologies for different field types (name, address, free text); screening against any required Sanction, Watchlists or customer's internal restriction lists.

**Onboarding KYC/KYB:** facilitates accurate screening of customer names, be they individuals or entities, against updated Sanction & PEP lists.

**Fully automated Ongoing KYC (pKYC):** efficient screening of the entire client's database against the latest version of Sanction & PEP lists without disrupting the usual workflow, with <1% Alert Rate.

**Case Management System** - managing all tasks along the audit trail for all screening rails, supporting multiple teams/jurisdictions. Includes: tasks allocation, decisioning processes, dashboards & reports.

**Automated Alert Suppression** - smart automation for past approvals and constant monitoring of historical vs. current data, reduces the overall alert rate by another 50% over time. Relaxes the use of whitelisting.

**Traceable & Transparent Audit Trail for internal & external audit:** Consistency of results, no AI or ML used! providing transparent access to audit trail information and logs on each decision.

## TRACTION/GROWTH

- Accelerated penetration into Tier 1-3 US Banks, also expanding into smaller banks and credit unions.
- Approached by leading Banks and FI's to replace their legacy solution.
- Partnered with Finastra, Cognizant, and EY.

# Fincom: focusing on boosting sanctions screening efficiency.

*"We bring the certainty of the outcome: considerable reduction of operational costs & the shortest deployment time."*

*Gideon Drori, Co-founder & CEO*



Founded in 2017, the Israeli-based Fincom was inspired by a technological breakthrough achieved by its co-founders who were then working on solving the challenges of data management. Their focus was on matching multiple data entries across databases. CEO and co-founder Gideon Drori explains that at this stage, the company turned its attention to the AML (anti-money laundering) sector. He describes this as a 'two-point' area, where businesses must compare the name of a person or company against millions of entries in a database, which, according to Drori, Fincom does better than any other currently existing technology.

Fincom's technology is based on Phonetic Fingerprint. The technology identifies the sounds of written words based on 56 Phonemes (56 different sounds that are used to speak all world languages). Then the engine maps these phonemes and transforms them into a six-digit mathematical code.

Drori continued, "After accomplishing that, we then apply 48 additional algorithms. This includes two distance algorithms within languages and two distance algorithms between languages. They are used to adjust and accurately match the entropies across multiple databases."

The company is already demonstrating success with its technology. Drori emphasized that Fincom has launched its services in several US banks, including some Tier 1 banks, and is already helping its clients achieve over an 80% reduction in their operational costs.

He added, "We're also enhancing their compliance. We've conducted tests with these banks and are discovering 13-15% additional hits that their legacy systems missed. It's a more accurate solution, and its screening accuracy also eliminates the unnecessary noise in the system and false positives."

## Pain points

In any market, to stand out any company needs to address and solve a pain point better and more effectively than its competitors. In the dynamic and competitive field of RegTech, this is no different.

In the realm of sanctions screening, where Fincom primarily operates, this involves a process required by regulations. As Drori pointed out, regulations explicitly require such screening not only during client onboarding (KYC) process.

Drori added, "But this also needs to be done during other financial activities, like making a transaction, sending money, or taking a loan. There are numerous instances where this screening is required. The challenge lies here, and what we excel at is significantly reducing the rate of false positives."

## AML and CTF importance

In a sector where the aim of the game is to tackle and limit financial crimes and ensure that fines are properly imposed on those who act improperly, the importance of AML and CTF (Counter-Terrorism Financing) is crucial, and the role they play in maintaining financial integrity cannot be overstated.

Drori discusses the significance of these technologies and the challenges they pose for the broader industry. He believes that the industry faces a stringent and difficult operational obligation to comply. It's not a matter of choice; compliance is mandatory. According to Drori, this requirement leads to a substantial operational burden, marked by increased costs, overhead, and time, as well as customer dissatisfaction.

He explained, "We have the capability to mitigate that. We can bring the situation to a point where the customer is not dissatisfied, but quite the opposite. Banks realize that processes are significantly faster and more efficient, this is on top of a reduction in overall costs."

## Generative AI and industry trends

The technology trend of Generative AI is very much in the spotlight at the moment. It has swept through various industries, and this poses the question: will it also transform the RegTech space?



***So, we're stepping in to help a lot of different financial institutions. Some US Tier 1-4 banks are already benefiting from using Fincom's system. Right now, we're engaged in a process to support smaller banks and credit unions.***

In the field of sanctions screening, where Fincom operates, Drori doesn't see Generative AI playing a significant role at present. He mentioned quite a few challenges facing GenAI in AML screening. Among them are inherent AI bias introduced by people who configure AI engines, lack of traceability and explainability, which are crucial for any AML system, and more.

In addition, the co-founder of Fincom points out that the emerging AML trends focus mainly on reducing the rate of False Positives and introducing more effective solutions for anti-fraud and monitoring, while the field of sanctions screening is not getting enough attention.

## Roadblocks for new entrants

With the RegTech market continuing to buzz with activity and new entrants, it becomes ever more important for those involved in the market to find a way to set themselves apart from competitors. For companies involved in the market today, what are some of the most notable roadblocks for new entrants?

According to Drori, a major and clear roadblock is the conservatism originating from the financial institutions themselves. He said, "There is a huge catch 22 in the industry – nobody wants to use a new solution if others haven't adopted it first."

He continued to explain, "You often hear that you should use something already adopted by others. So, if you look at the market, the entire sanction screening market, you'll find, I'd estimate, around 36 players, some of which are not small. But out of these 36 players, only six are actually servicing clients extensively. This is quite revealing. The biggest obstacle in entering the market is... entering the market."

## Future plans

As the company looks into the future, what is next for Fincom? According to Drori, the firm is currently entering the market to assist all types of financial institutions, ranging from smaller entities like credit unions to large, global multinational banks.

Drori stated, "We're the new technology in the field. We know how to play on fields of all sizes, and we're able to support each client with the same level of expertise and the same professionalism."

The CEO of Fincom emphasizes that until now, only larger institutions had the capacity to implement robust AML technologies for automation and reporting. But he believes that banks of all sizes, from Tier 1 to Tier 5, need this capability, and that is what Fincom is bringing to the market.



***Banks realize that processes are significantly faster and more efficient. This is on top of a reduction in overall costs.***

He continued, "So, we're stepping in to help a lot of different financial institutions. Some US Tier 1-4 banks are already benefiting from using Fincom's system. Right now, we're engaged in a process to support smaller banks and credit unions. We're also collaborating closely with Finastra – our global reseller. Fincom's solution is integrated in all Finastra's Payment systems, providing banks with comprehensive AML sanctions screening solution, and reducing their operational burden." ●



# US Banks successful migrated to the latest AML Screening technology: dramatic reduction of operational burden

This case study is based on successful implementation of Fincom's system in 10 Tier 1-3 US banks and well more than 30 POC's during 2022-2023.

## Pain Points

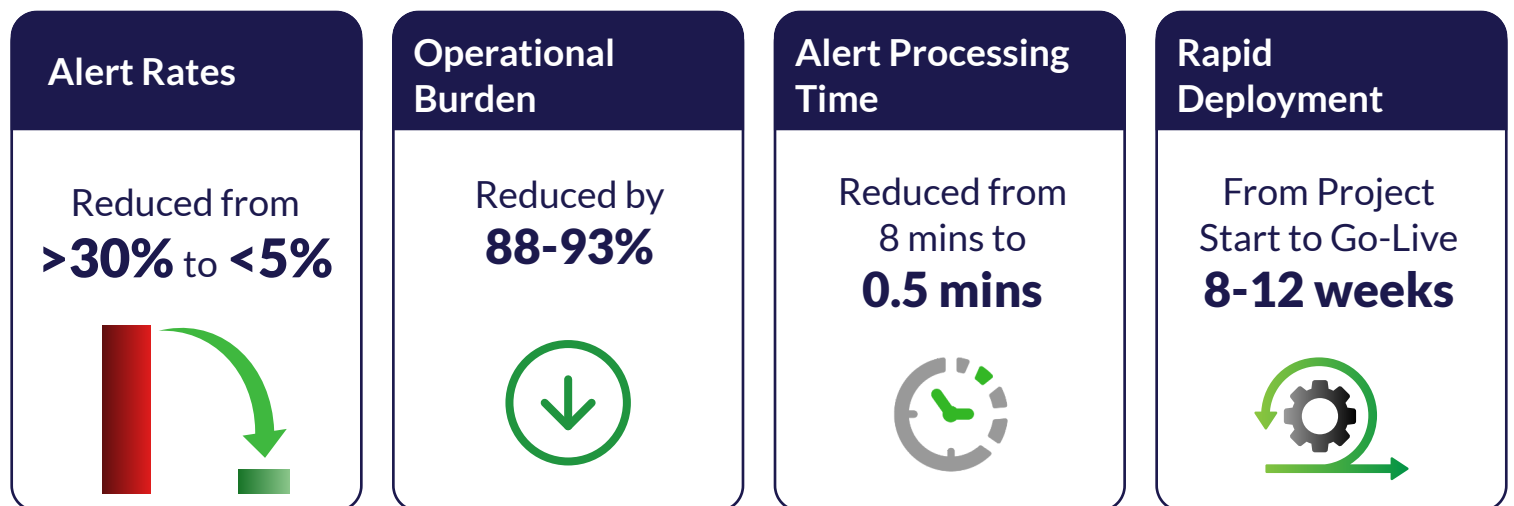
All the banks - subjects of this study, indicated identical challenges: extensive working hours, heavy operational burden, extremely high Alert Rates of well over 25% (38-43%, in most cases), tedious manual resolution processes, different system for each payment rail. Besides the banks were reluctant to change due to previous experience of complex integration & deployment of legacy solutions.

After integrating Fincom's solution, the banks indicated a considerable performance improvements and reduction of the Total Cost of Ownership (TCO).

As the projects started, the banks were startled by efficient and fast deployment: 9 to 12 weeks. Based on utilization of modern technology and tools, the integration was painless and simple, and the compliance teams started working after a short training session.

## Deployment


## How Fincom's Solution Enhanced Banks' AML Processes



In the realm of AML and compliance technology, Fincom's AML Suite stands out as a powerful solution that addresses the challenges faced by financial institutions. With its advanced Phonetic-Linguistic engine, multi-lingual capabilities, real-time screening, and minimized alert rates, Fincom instills confidence in banks to transition from legacy solutions to cutting-edge technology.





-  Founded: 2002
-  Employees: 51-100
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Financial Messaging, Transaction Monitoring, Cybersecurity/Information Security, Reporting, Compliance Management
-  Regions of operations: Offices: Turkey, United Arab Emirates, Kuwait, Azerbaijan






Fineksus provides products and services across 32 countries from Hong Kong to the UK with offices in Istanbul, Dubai, Kuwait City and Baku. By meeting ever-changing demands of the RegTech industry with 21 years of know-how, Fineksus develops cutting-edge tools to bring value for a more efficient and effective way of AML compliance and financial messaging. Fineksus was founded in Istanbul, Turkey in 2002 as a software and professional service provider to deliver technical consultancy, outsourcing services, standalone / SaaS AML and payment software solutions for banks, brokers, and corporations. In the beginning of 2013, Fineksus started managing its ongoing GCC Region operations at its new office in Dubai, UAE.



-  Founded: 2016
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, AML, GDPR, SYSC**
-  Subsectors: Communications Monitoring, Reporting, Compliance Management
-  Regions of operations: EU, United States

From the initial idea of creating a unified platform to oversee a network of client companies' communications in 2016 to where Fingerprint is today, they have always had three fundamental aims at their core. - Simplifying the complex - Adding value with their solutions - Utilising the power of technology to empower people. They are a passionate bunch who believe in what they do. They love seeing how their technology solutions improve their clients' compliance operations and positively impact their wider business outcomes.



-  Founded: 1968
-  Employees: 101-250
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting, Identification/Background checks, Compliance Management, Securities Screening, Social Security Fraud Checks
-  Regions of operations: North America, Latin America, United Kingdom/IE, Europe, Middle East, Asia, Africa, Australia

Innovative Systems, Inc. / FinScan was founded in 1968 and has been a premier provider of enterprise data management and AML/CTF risk management solutions to Fortune 2000 organizations worldwide for more than 50 years. Its high-performance on-premise and cloud software, consulting services, and unique expertise help clients achieve the best business results.



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[www.smarsh.com](http://www.smarsh.com)




## FINTELLIX

 Founded: 2006

 Employees: 251-500

 Regulation/Legislation: **Basel III, ECL, ALLL, CECL, RBI, ADF, NPA, EWS, APRA, MAS, HKMA, GDR, BOM, UAECB, SAMA, CBK, Lloyds.**

 Subsectors: Risk Management, Regulatory Reporting, Data Management

 Regions of operations: India, United Kingdom, United States, UAE, Kuwait, Saudi, South Africa, Mauritius, Singapore, Hong Kong, Australia, Philippines

Fintellix (a G2 Risk Solutions business) is a leading provider of data and regulatory solutions. Their solutions include data management, multi-country regulatory reporting, credit risk management, and supervisory technology for the financial services industry. Their industry expertise together with their data management proficiency and deep regulatory understanding enables them to solve complex data, risk, and regulatory issues for financial institutions. They help maximize the value of data by transforming it into insightful information and analysis that assist their clients in understanding their business performance, managing, and mitigating risks, and meeting compliance requirements while helping them stay ahead in the digital era. Their data management platform is highly scalable and can be implemented to manage the entire life cycle of data for both regulated entities and regulators/supervisors. Their packaged risk and regulatory solutions help financial institutions meet compliance requirements for specific jurisdictions/regulations.


## First AML

 Founded: 2017

 Employees: 101-250

 Regulation/Legislation: **KYC, AML**

 Subsectors: Onboarding Verification (AML/KYC/CDD)

 Regions of operations: United Kingdom, Australia, New Zealand

First AML is an all-in-one AML platform. It powers thousands of compliance experts around the globe to reduce the time and cost burden of complex and international entity KYC. Its enterprise wide, long term approach to the CDD data lifecycle addresses time and cost challenges while minimising compliance, reputational and security risks.

## Flagright

 Founded: 2021

 Employees: 11-50






 Regulation/Legislation: **MiFID II, PSD2, Basel III, KYC, AML, GDPR**

 Subsectors: Transaction Monitoring, Risk Management, Reporting, Compliance Management

 Regions of operations: Germany, United States, Singapore, India

Flagright stands as a beacon in the battle against financial crime on a global scale. Rooted in innovation and unwavering commitment, it specializes in AI-powered Anti-Money Laundering (AML) compliance and fraud prevention solutions. Their mission is simple yet paramount: to empower financial institutions with the tools and expertise needed to counteract financial crimes and uphold the sanctity of secure transactions. Flagright's DNA is a blend of cutting-edge technology and deep industry expertise. They understand that the world of financial compliance is vast and complex. Thus, their suite of solutions is designed to simplify and centralize crucial compliance tools. Their platform includes features such as real-time transaction monitoring, case management, customer risk assessment, and sanctions screening, all wrapped in a user-friendly, no-code interface. One of their distinct advantages lies in their ability to integrate rapidly with existing systems, taking as little as a week—a stark contrast to the industry standard of 2-4 months.



-  **Founded:** 2017
  **Employees:** 251-500
-  **Regulation/Legislation:** **PSD2, KYC, AML, GDPR**
-  **Subsectors:** Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, Identification/Background checks, Compliance Management
-  **Regions of operations:** Fourthline operates globally, with headquarters in Amsterdam and an office in Barcelona.






Fourthline helps regulated enterprises solve digital identity challenges in their fight against financial crime. Founded in 2017 and headquartered in Amsterdam, it is one of the fastest growing FinTechs in Europe. With offices in Amsterdam and Barcelona, Fourthline works for clients such as KPN, flatexDEGIRO, N26, Solarisbank and Wish. With innovative Know Your Customer-technology and best-in-class compliance experts, Fourthline is able to verify thousands of new clients every day. Over 200 checks are performed in no time, checking ID documents, biometrical data, location of the applicant, as well as worldwide sanction lists. In doing so, Fourthline catches 60% more fraud with 99.98% accuracy. How does this work? Customers applying for a financial product are asked to take a selfie, a photo of their ID and enter some personal information. Subsequently, Fourthline performs all checks within one minute through proprietary techniques that combine AI with expert analyses.



-  **Founded:** 2021
  **Employees:** 5,001-10,000
-  **Regulation/Legislation:** **CSRD, EU Taxonomy**
-  **Subsectors:** Reporting, ESG Reporting
-  **Regions of operations:** European Union

Greenomy is at the forefront of ESG reporting solutions, offering global corporations and financial institutions a seamless pathway to compliance with key frameworks, including CSRD, EU Taxonomy, GRI, ISSB, and more. Leveraging our cutting-edge SaaS portal, Greenomy unifies complex regulatory demands into a coherent data model, fortified by ESG data libraries and the power of generative AI. This integration empowers organizations to simplify the creation of comprehensive sustainability reports, allowing ESG teams to focus their resources on driving impactful transformations.



-  **Founded:** 2018
  **Employees:** 51-100
-  **Regulation/Legislation:** **AML**
-  **Subsectors:** Transaction Monitoring, Fraud Transaction Monitoring, Sanction Screening, Counterparty Screening
-  **Regions of operations:** Europe, North America, APAC, LatAm, MENA

Hawk AI helps banks, payment companies, and FinTechs fight financial crime with AML and fraud surveillance. It improves the efficiency and effectiveness of anti-financial crime teams by using explainable AI (patent-pending) and Cloud technology with a core focus on information sharing. The company has scaled globally, processing billions of transactions across 60 countries. Its SaaS software uses a combination of traditional rules and artificial intelligence to detect suspicious transactions in real-time and presents these alerts to Financial Crime specialists for investigation. The solution dramatically reduces false positive rates by up to 97% compared to legacy AML/CFT solutions, while detecting unknown patterns of financial crime. Clients integrate through a RESTful JSON-based API or core banking system plugins. The platform makes use of machine learning by applying traditional supervised learning (XGBoost and deep neural networks) for automating human decisions, as well as unsupervised deep learning (Variational Autoencoders) for outlier and anomaly detection.

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 Worksmart Limited



# COMPANY RESEARCH PROFILE



Founded 2017  
 Kaunas, Lithuania  
[www.idenfy.com](http://www.idenfy.com)

[domantas@idenfy.com](mailto:domantas@idenfy.com)  
 Employees: 11-50  
 Regions of operation: Registered in Lithuania and the United Kingdom but operate globally.

## PRODUCT NAME:

Identity Verification, NFC Verification, AML Screening, Know Your Business, Fraud Scoring, Proxy Detection

## KEY EMPLOYEES:



**Domantas Ciulde**



**Darius Sulte**



**Andrius Sulskis**



**Viktor Vostrikov**

Value Chain: **Onboarding, Monitoring, Detection, Reporting, Processing & Control**

Subsectors: **Onboarding Solutions (AML/KYC/CDD), Communications Monitoring, Transaction Monitoring, Cybersecurity/Information Security, Reporting, Identification/Background checks, Compliance Management**

Regulation/Legislation: **KYC, AML**

## OFFERING

Their pricing model focuses on optimizing customers expenses. By choosing iDenfy, customers need to pay only per Approved Verifications. Approved verification counts when their customer starts and completes the verification process, and the final result of the verification is approved. On top of that, only iDenfy offers a 24/7 done-for-you human supervision resulting in a short verification time (maximum of 5 minutes).

iDenfy is a RegTech startup that provides AML, KYC, and KYB compliance solutions to businesses of all sizes. The company has been recognized as a leading identity verification software in G2's Winter, Summer and Spring 2023 reports. iDenfy has also won the "Enabler of the Year" category at the Lithuanian Fintech 2023 awards.

## PROBLEM BEING SOLVED

iDenfy offers robust solutions for identity verification, helping businesses across the financial services industry, confirming user identities to ensure secure transactions. Its technology adheres to strongest KYC and AML standards, crucial for legal compliance in the financial industry. The streamlined onboarding process facilitated by iDenfy's systems minimizes customer drop-off, improving acquisition rates. iDenfy's global reach enables companies to verify international customers, fostering trust and loyalty. Customizable and easily integrated, iDenfy's solutions are versatile, accommodating various industry requirements. The unique point of iDenfy is the pricing model – charging only per approved verifications, effectively saving up to 70% of KYC costs.

## TECHNOLOGY

iDenfy integrates advanced technologies for identity verification and fraud prevention:

**Biometric Analysis:** Uses facial recognition and liveness detection for identity checks.

**Document Verification:** AI-powered scanning of identity documents from over 200 countries.

**AML Compliance:** Maintains up-to-date databases for anti-money laundering regulations.

**Machine Learning:** Analyzes data for improved fraud detection and risk assessment.

**NFC Technology:** Verifies documents with NFC chips for additional security.

**IP and Proxy Detection:** Prevents fraud by identifying proxy and VPN usage.

**Human Review:** Combines automated systems with professional oversight.

**Global Language Support:** Accessible in multiple languages.

**Customizable Risk Scoring:** Allows businesses to set specific risk thresholds.

## PRODUCT DESCRIPTION

iDenfy employs a range of cutting-edge technologies in their product suite to ensure secure and efficient identity verification and fraud prevention. Here's an overview of the key technologies they use:

**Identity Verification:** This product is designed to verify the identity of individuals quickly and accurately. It uses advanced technologies such as biometric analysis and document verification. The system can scan and validate government-issued IDs from various countries, cross-referencing data with official records to ensure authenticity.

**Business Verification:** Aimed at facilitating the onboarding of business entities, this tool performs due diligence by verifying business registration documents, assessing company profiles, and conducting background checks on key individuals associated with the business. It ensures that businesses meet compliance requirements and mitigates the risk of associating with fraudulent or illegal entities.

**AML (Anti-Money Laundering) Screening:** This service is vital for detecting and preventing money laundering activities. It screens individuals and entities against global watchlists, sanctions lists, and politically exposed persons (PEP) databases. Also, it offers ongoing negative news screening. The system is updated regularly to reflect the latest regulatory changes and helps companies stay compliant with international AML regulations.

**Fraud Scoring:** This technology uses algorithms to analyze transactional and behavioral data to score the risk level of each action. It helps in identifying potentially fraudulent activities by highlighting discrepancies and unusual patterns. The scoring system is customizable to adapt to the specific risk thresholds of different businesses.

**Face Authentication:** This feature is used for ongoing verification of existing customers. It employs facial recognition technology to ensure that the user accessing the service is the same as the one who originally registered. This tool is useful for secure logins, transaction approvals, and high-risk actions.

**Address Verification:** This service verifies the physical addresses of users by cross-referencing them with reliable databases. It may involve the review of utility bills, bank statements, or other official documents. This verification ensures that users are indeed located where they claim, adding an extra layer of security and accuracy in user profiling.

**Proxy Detection:** The system can detect and block connections from malicious proxies, VPNs, and other tools used to mask real IP addresses. This is crucial for preventing fraudsters from hiding their actual location and for ensuring regulatory compliance, especially in sectors where geo-restrictions apply.

**NFC (Near Field Communication) Verification:** Utilizing NFC technology, this product verifies the authenticity of documents with embedded NFC chips, such as passports. The NFC chip data is cross-checked with the physical document and other records for unmatched accuracy in verification.

Each of these products is a part of a comprehensive suite aimed at ensuring the highest standards of security, compliance, and user experience in customer onboarding and ongoing transactions. The company's focus on technology-driven solutions and real-time verification methods highlights their commitment to staying ahead in the field of digital identity and fraud prevention.

## TRACTION/GROWTH

- iDenfy partners with industry leaders to provide their solutions, including:  
LeakIX – LeakIX took the initiative to build an official open-source library for iDenfy, helping future partners and their developers ease the identity verification implementation. By leveraging this library, organizations can expedite the integration of iDenfy's API, eliminating the need for additional setup time.
- iDenfy's clients include: Upstack, ArtFinder, Monneo, Profi Credit, Xcoins, SITickets, The Everset, Lithuanian Bank to name a few.

iDenfy is the only identity verification and compliance company offering a transparent partnerships/affiliate program. By referring iDenfy to your existing partners, you will receive a commission based on the deal size. We offer integration support to your ecosystem to become part of our unique selling points. It is also applicable for cross-marketing. For further information, visit <https://www.idenfy.com/partner-program/>

## MANAGEMENT BIO

### Domantas Ciulde, Co-Founder and CEO

Domantas Ciulde is the Co-Founder and CEO of iDenfy, a global RegTech service company focusing on providing the best-in-class identity verification solutions. With an extensive background in cybersecurity, digital payments, and a keen understanding of the evolving landscape of identity verification, Domantas has been at the forefront of developing cutting-edge KYC/AML solutions that enable businesses to prevent fraud, comply with regulatory requirements, and build trust with their customers in a hassle-free way.

# All-in-one identity verification platform to onboard more users

Convert more users, scale faster, and tackle security challenges with the powerful, all-in-one identity verification, business verification, fraud prevention and compliance platform.

**Overview** Last 24 hours

- 152 Approved
- 30 Denied
- 4 Pending
- 186 Total

**Recent applicants**

Name	Time	Status
Ralph Edwards	13min ago	Approved
Bessie Cooper	40min ago	Denied
Guy Hawkins	2h ago	Suspected

**Balance**

- 47 of 100 Identity verifications
- 84 of 100 AML screening
- 38 of 100 Business verifications

**Driver License**

Julia Roberts

**Sign up successful!**  
Thank you for signing up. You can close the application and back to website.  
Back to website

**4.9 / 5**




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# COMPANY RESEARCH PROFILE



 Founded 1999  
 Dublin, Ireland  
 [www.iongroup.com](http://www.iongroup.com)

 [info@iongroup.com](mailto:info@iongroup.com)  
 Employees: 13,000+ employees  
 Regions of operation:  
Operates globally

## PRODUCT NAME:

XTP Risk JANUS, XTP Central Limits, ION LookOut

Value Chain: **Monitoring, detection, processing, and control**

Subsectors: **Transaction monitoring, capital planning/stress testing, and risk management**

Regulation/Legislation: **MiFID II, EMIR, Dodd-Frank, and other regional regulatory directives in Asia**

### OFFERING

XTP Risk JANUS is a real-time risk monitoring solution that calculates risk indicators like buying power, exposures, P&L, and initial margins. It enables alerting and action triggering across multiple scenarios.

ION LookOut offers a unique integrated platform for regulatory reporting and market abuse detection. Its near real-time capabilities allow investigations to commence earlier.

For clients using both systems, risk alerts can help focus investigations.

### PROBLEM BEING SOLVED

ION's products solve the challenge of identifying risk as it happens or before it becomes a serious problem. There is a strong need for scalable, enterprise-level risk management and compliance software. Especially from sell-side firms that realize the importance of measuring intraday exposure continuously. The ability to evaluate and prioritize risk are key requirements and firms seek real-time initial margin valuations to manage exposure funding.

To protect investors, regulators mandate that financial institutions have systems in place to detect market manipulations, as well as accurate reporting to support regulator analyses.

### TECHNOLOGY

XTP Risk JANUS and ION LookOut have modern HTML5 web GUIs that come with several pre-defined reports. Both systems are open architecture with rich API sets for data integration. They all use in-memory distributed grid technology to enable fast and scalable calculation. Data storage is SQL for static data. ION uses big data technology like Influx and NoSQL (MongoDB, Cassandra) for historical data storage and analytics, and information retrieval technologies (ELK) to handle high volumes and provide fast response times.

### PRODUCT DESCRIPTION

**XTP Risk JANUS** is a real-time position-keeping system with alerting capabilities. The system implements more than 80 risk analytics ranging from balances and margins to exposures, position limits, Greeks, and trade surveillance. The system aggregates risk by client, region, desk, market, asset, or any other measure of interest. XTP Risk JANUS can be used pre-trade, at-trade, or post-trade.

**ION LookOut** is a flexible buy- and sell-side, wide-scope data monitoring system with near real-time reporting. The system integrates data and events from multiple internal and external sources to deliver consolidated record-keeping, monitoring, and reporting. Data quality enforcement is prioritized during collection, stressing validation, accurate synchronization, and correlation across multiple sources. This reduces the risk of reporting wrong/incomplete information or missing abusive behavior.

The system is capable of processing large data volumes (like quotes) and generating alarms in near real-time. It supports several surveillance tasks for both investment firms and trading venues, which can analyze orders, quotes, trades, and public market data in real time. Clients successfully monitor millions of orders and trades, and hundreds of millions of market data events across up to 130 trading venues daily.

### TRACTION/GROWTH

The integration of XTP Risk JANUS and ION LookOut into the ION Markets portfolio allows ION clients to benefit from a full stack, front-to-back, real-time solution that reduces time to market and maintenance costs.



**XTP**  
**XTP**  
**Risk JANUS**

## A large, global FCM implements XTP Risk JANUS for real-time risk management

XTP Risk JANUS provides a single real-time framework to address the needs of a large, global FCM in controlling risk across multiple trading platforms and exchanges. The FCM monitors their counterparty, credit, and market risk. In addition, they supervise their algo and electronic execution as required by MiFID II and other regulatory regimes. With XTP Risk JANUS, the FCM implemented a real-time risk framework across:

- 12 vendors and exchange trading platforms
- 5+ million trades per day
- 60+ exchanges globally

The customer is a major FCM with global operations and offices in the Americas, Europe and Asia Pacific. The FCM offers clearing and execution services on cleared OTCs and exchange traded derivatives across 60+ exchanges globally. Their clearing services cover all underlying asset classes, from stocks, indexes, energy, and commodities to interest rates. Their clients are trading firms, liquidity providers, and asset managers trading futures and options globally using a combination of proprietary trading platforms and vendor or exchange-provided ones.

Their main challenge was the creation of a real-time risk management framework to monitor risk at-trade and post-trade across all trading platforms, markets, and asset classes.

### They needed to address the following areas:

- Intra-day P&L monitoring: Identify clients, who due to moves in the market, may have significant margin calls
- Intra-day Credit Limit monitoring: To ensure clients do not breach their initial margin limits
- Portfolio stress testing: Identify portfolios where hypothetical market moves would result in material losses
- Identify accounts with unusual trading volumes: Manage the risk of losses and intra-day margin calls
- Supervise algorithmic trading to ensure compliance with regulations like MiFID II RTS-6

### They needed to address the following areas:

- |  |  |  |
|--|--|--|
|  5,000 traders                            |  30,000 accounts        |  60 exchanges |
|  12 vendors or exchange trading platforms |  20,000 traded products |  |



XTP Risk JANUS was the perfect choice for this FCM to address these risk monitoring needs with one single system.

The solution was deployed in their data centers and integrated with their BackOffice system to get start-of-day positions and balances of their 30,000 accounts. The FCM was able to create in XTP Risk JANUS a very flexible portfolio hierarchy that allowed them to look at risk from different perspectives and supervise the exposure of clients and counterparties.

### The FCM implemented real-time monitoring of risk indicators like:

- Net Liquidation Value
- Market Risk
- Net Option Value
- Initial and Variation Margin
- P&L: Realized, unrealized, total, intraday, overnight
- Greeks
- Concentration Risk
- Stressed P&L

XTP Risk JANUS was integrated with the FCM middle office system to collect the trades on all the different trading platforms via FIX. An integration with a source of real-time market data allowed XTP Risk JANUS to mark to market the client positions and calculate P&L. For illiquid assets, XTP Risk JANUS implements pricing models to evaluate theoretical prices.

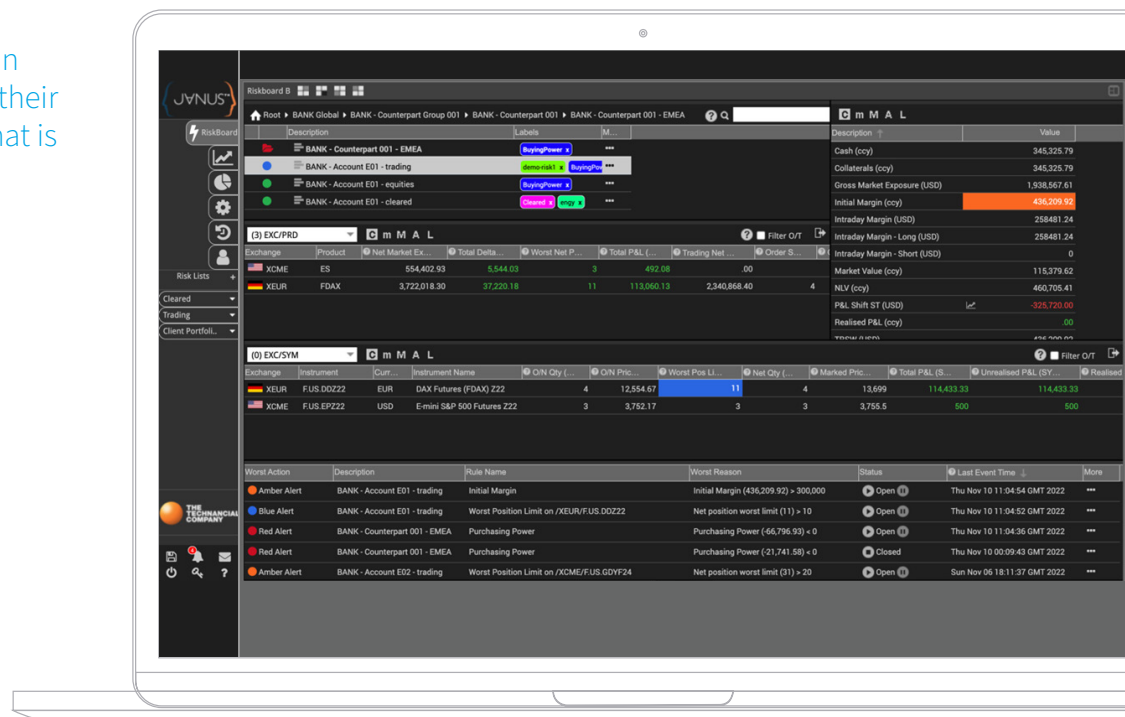
At the same time and from a completely different perspective, XTP Risk JANUS provided the FCM with the monitoring tool they needed to address their MiFID II RTS-6 compliance obligations. By using XTP Risk JANUS capability to monitor not just trades done but also open orders, the FCM activated risk indicators to avoid those clients using algorithmic trading that could potentially disrupt markets.

### Indicators like the following are used to capture the exception and early react to potential problems:

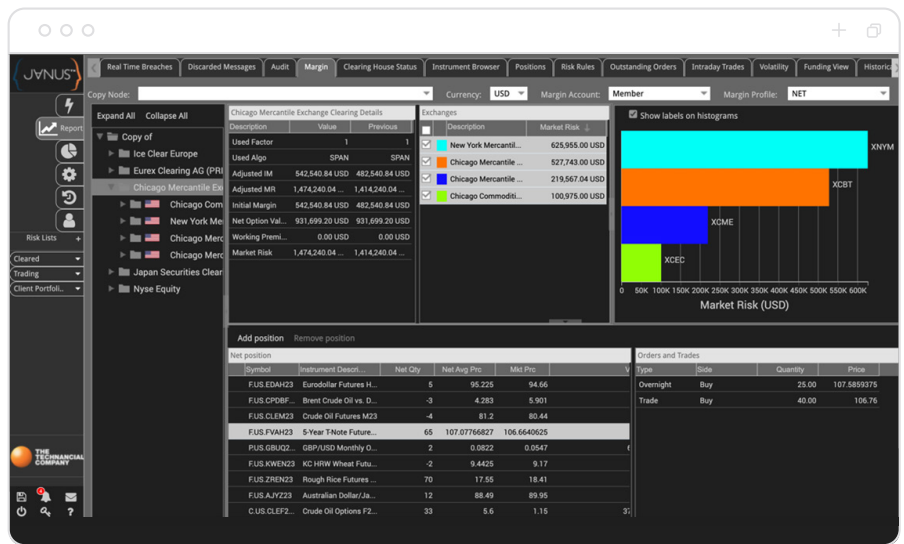
- Message-to-trade ratio
- Order spam
- Repetitive orders
- Excessive child orders
- Price banding

XTP Risk JANUS allowed the FCM to focus on exceptions and effectively manage them when markets are turbulent by high volatility.

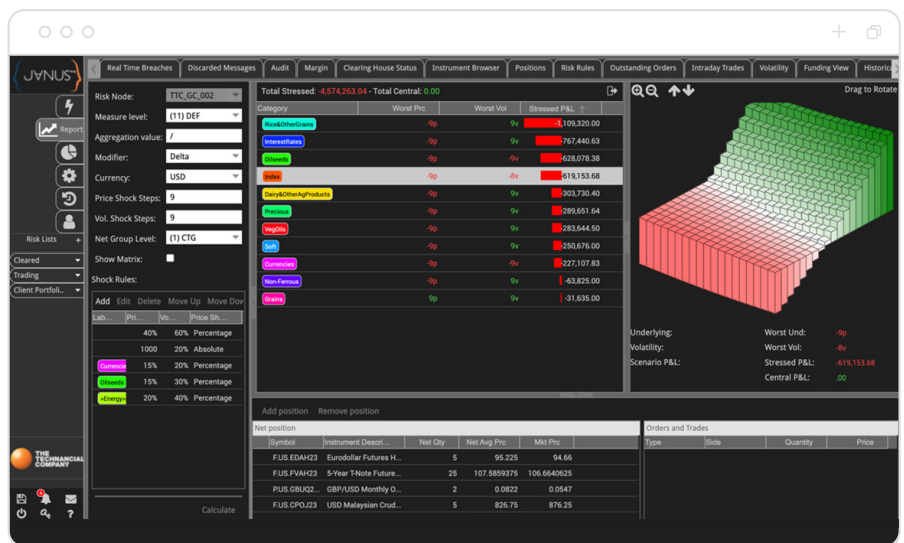
Highly configurable HTML5 dashboards where users can combine widgets to create their own views and focus on what is important to them.



## Initial Margin Report with What-If



## P&L Stress Testing with What-If



Discover what XTP Risk JANUS can do for you. [Book a demo today:](#)



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Website



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[iongroup.com](http://iongroup.com)



Founded: 2016



Employees: 11-50



Regulation/Legislation: **KYC, AML, GDPR, RTW, RTR, GPG45**



Subsectors: Onboarding Verification (AML/KYC/CDD), Identification/Background checks, Compliance Management



Regions of operations: : United States, United Kingdom (Including NI and Channel Islands), Republic of Ireland

ID-Pal is an award-winning global identity verification provider that is GDPR-compliant and ISO 27001 certified by design. The platform provides real-time identity and address verifications with a comprehensive range of advanced biometric, document, and database checks. The solution can be set up in a day and streamlines the Know Your Customer (KYC) and Anti-Money Laundering (AML) processes while offering flexible deployment options, including an out-of-the-box solution, API/SDK integration, and as a Salesforce AppExchange. No technical knowledge is required, and customisation of the app and verification requirements can be done in just a few clicks so that the user experience can be tailored across customer channels, product types and jurisdictions. Back-office efficiencies are immediate, allowing digital transformation through automated decisioning and smart workflows. End-users benefit from a seamless online onboarding experience where their identity, documents and address can be verified in seconds reducing any manual errors or laborious efforts.



Founded: 2000



Employees: 11-50



Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, Solvency II, KYC, AML, GDPR, SFTR, Basel III, EMIR**



Subsectors: Reporting, Identification/Background checks, Compliance Management, Client Lifecycle Management, Client Onboarding, KYC and AML compliance



Regions of operations: Global

iMeta Technologies provides client lifecycle management solutions for Wholesale, Corporate, Institutional Banking and Capital Markets. They deliver accelerated, compliant customer journeys, from onboarding to offboarding and everything inbetween. Organisations often deal with complex business relationships within a heavily regulated environment. iMeta can manage complex onboarding across multiple products and multiple jurisdictions. With their automated software, financial institutions can rapidly onboard their customers, carry out relevant KYC and anti-money laundering checks, and deliver a speedy service to their customers. By using iMeta, firms can focus on delivering a great customer experience whilst ensuring they are managing and maintaining their client records in real-time, within a single central hub, across the organisation globally.



Founded: 2017



Employees: 101-250



Regulation/Legislation: **KYC, AML**



Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Compliance Management



Regions of operations: : Global

Kharon helps leading organizations identify a wide range of sanctions and compliance risks, critical to managing financial crimes, supply chain exposure, export controls, investment risk, and more. Powered by The Kharon Core—the premier global risk analytics engine—their solutions deliver essential insights needed for an all-encompassing perspective on illicit finance and other commercial risks. The Kharon leadership team includes former senior officials from the U.S. Government who have leveraged their unique expertise to build a risk management solution that's trusted by the world's top financial institutions, global corporates, and professional services firms. Kharon provides data and data visualization products and services to financial institutions, corporations, and governments throughout the world. Their data and technology empower organizations to make quicker, more informed decisions related to their risk. Kharon's revenue has doubled (or more) year-on-year over the past five.



# COMPANY RESEARCH PROFILE



-  Founded 2013
-  London, United Kingdom
-  [www.kaizenreporting.com](http://www.kaizenreporting.com)
-  [enquiries@kaizenreporting.com](mailto:enquiries@kaizenreporting.com)
-  Employees 101-250
-  Regions of operation: Global

## KEY EMPLOYEES:



**Dario Crispini**  
CEO



**Ian Rennie**  
Managing Director



**Rory McLaren**  
Chief Product Officer

Value Chain: **Regulatory Reporting Assurance, Control Framework, Compliance Management, Communications Monitoring, Shareholding Disclosure, Regulatory Rule Management.**

Subsectors: **Regulatory Risk Management, Regulatory Reporting, Trade and E-Comms Surveillance, Compliance and Research Management.**

Regulation/Legislation: **MiFID II, SFTR, EMIR, CFTC, SEC, ASIC, FinfraG, MAS, HKMA, Canadian/CSE Reporting, Shareholding Disclosure, MMSR, SMMD, MAR, JFSA.**

## OFFERING

Kaizen's RegTech solutions provide a network of services for the regulatory and reporting community, all accessible via the Kaizen Hub, an easy to use, web-based portal.

Kaizen's solutions are unique in combining regulatory expertise with advanced technology. Their team consists of former regulators and leading industry practitioners who are recognised experts in their respective regulatory or compliance fields.

- Trade and Communications Surveillance
- Research Management Tools
- Single Rulebook
- Shareholding Disclosure
- Regulatory Reporting Assurance

## PROBLEM BEING SOLVED

Kaizen's mission is to revolutionise how firms meet their compliance obligations. Kaizen aims to make working with regulation and compliance easy and cost effective for financial firms by offering a number of solutions, which are all available through a single sign on via the Kaizen Hub platform.

## TECHNOLOGY

Kaizen partners with Amazon Web Services (AWS) to leverage their cutting-edge services in data, AI and security as the leading cloud service provider.

Security is integrated at a fundamental level utilising account level separation to provide a hard boundary between client's data and isolation of different types of workload.

Kaizen makes full use of the variety of data technologies available on AWS from basic storage in Amazon S3 to more sophisticated services such as DynamoDB, Athena or Glue.

## PRODUCT DESCRIPTION

Kaizen has expanded its product offering in recent years. Their [ReportShield™](#) suite of regulatory reporting assurance, which includes Kaizen's flagship Accuracy Testing is now complemented by solutions for Shareholding Disclosure, Trade and Communications Surveillance, Research Management, and Single Rulebook, a digital platform for managing regulatory rules.

Kaizen's global [Shareholding Disclosure Service](#) removes the burden and complexity of shareholding disclosure monitoring and reporting. The service is a fully automated, monitoring and flexible reporting system covering more than 100 countries that addresses the challenges of over 400 global shareholding disclosure rules and requirements including the complex takeover rules.

[Single Rulebook](#) is an easy-to-use software solution that helps legal, compliance and operations teams search, share and manage regulatory rules on one digital platform. With its powerful and dynamic rule maps, Single Rulebook's user interface promotes collaboration and information sharing, enabling firms to work more efficiently with regulations.

Kaizen's [Surveillance Solutions](#) provide both trade and communications monitoring on one platform to help middle office and compliance teams comply with market abuse regulations and detect spoofing, layering and other forms of market manipulation.

Kaizen's [Research Management](#) platform helps research managers oversee and report on the 'broker vote' (i.e. the value of services such as research) including compliance with unbundling and fair value rules. In addition, Kaizen's platform provides access to a comprehensive network of hundreds of research providers and reports.

## TRACTION/GROWTH

- As an innovative data and tech company, in 2020 Kaizen expanded its services to include its Shareholding Disclosure Service and Single Rulebook. In 2023, the company announced its acquisition of Red Deer and strategic investments in [London Reporting House](#) and [Cumulus9](#).
- Kaizen's services help over 160 clients globally, including some of the world's largest Tier 1 banks and asset management firms.
- Global team of over 170 colleagues.
- More than 6bn records tested over the past five years.
- Kaizen partners with global leaders including: the London Stock Exchange Group, Deloitte GmbH, REGIS-TR, Elixirr, Alpha FMC, Accenture France SAS, deltaconX, Point Nine, NextWave/Next Wave-Infinium, Capital Market Partners and New Link Consulting.

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# Fostering collaboration: Kaizen's community approach to navigating regulatory challenges

*The post-Covid world has meant teams are often working remotely. While this is good for morale, it can impact the ability to connect with one another. Dario Crispini, the CEO and co-founder of RegTech growth firm Kaizen, explained how his company is helping bring a sense of community back to compliance.*




## Building a community for compliance

Kaizen was founded in 2013 by Crispini and industry specialist Ian Rennie, a time when RegTech was still in its nascent stages. Over the past decade, the company has had to overcome various market challenges, but one thing Crispini noted was that growing the company doesn't necessarily simplify challenges; in fact, they often become more complex. "For any small company getting off the ground, I always used to think, 'once we get to this point, it will get easier.' But no, it doesn't, the challenges get bigger."

Part of this challenge was to continue growing the company and meeting all the evolving needs of clients, whilst maintaining its nimbleness to react to new developments. Kaizen's original flagship product is its pioneering regulatory reporting assurance, ReportShield™, but in recent years it has expanded its product offering to include a broader suite of compliance solutions including automated tools for monitoring and reporting shareholding disclosures, managing regulatory rules, trade and e-comms surveillance and a research management solution.

Alongside its expansion into other areas of compliance, one of the biggest shocks to the system for Kaizen, and many other companies, was the effects of Covid-19 and the transition to

the remote working culture. The hardest part of this has been encouraging people to get back together. Crispini stated that in the post-Covid world, it has become harder to maintain connections with clients, as people are often not in the office and are spread across various cities and even countries.

To address this challenge, Kaizen has launched a community. "We're trying to have more touch points across our client base and use our position in the industry to bring clients together so they can share their war stories and their pain points." As part of this, Kaizen is launching bespoke online and in-person events and meetings to create a compliance community. Not only do these provide Kaizen with crucial engagement with clients and ideas for how to support client needs, but they also help nurture an environment for compliance professionals to come together and discuss their pain points. Crispini explained that with regulations like the UK's Senior Manager's and Certification Regime (SMCR) increasing personal accountability, people are taking a deeper look at compliance trends to ensure they are not making mistakes and are up to date with everything. The community will also help members see what others are doing and use this to build support for launching projects within their businesses. "If you're the only one across the street saying, 'we need to kick this project off now', it's quite hard to get that approved. If you're telling them you've met with a load of peers and we're all doing this together, with that context it's easier to get approval."

It has already hosted several in-person events, which have had a stellar turnout, especially considering the greater commitment attendance represents in a world of remote working. "There is an appetite to get back together and to start chatting and networking with peers. We are facilitating that," he added.

## Evolving in the marketplace

As part of its mission to become a facilitator in the industry, Kaizen's expanded product offering aims to empower compliance professionals by providing cost-effective, easy to use solutions on the Kaizen Hub, the company's web-based platform.

One of its newest products is its shareholding disclosure solution, which caters to a type of reporting that has global obligations with more than 400 rules across 100-plus jurisdictions. This solution, which was brought into Kaizen through an acquisition, is helping to ease burdens of a complex regulatory framework. "It is a very difficult area where the competent authorities that are responsible for those regulations are not necessarily very understanding of the difficulties of trying to get this information right within a very short timescale."

To be compliant, companies need to calculate their position in a particular way via shares and derivatives in an issuer, then assess whether there's a reporting obligation and then create the submissions correctly. Adding to the complexity, there is no consistency between the 196 relevant jurisdictions. "I've seen some horror stories of regulators where they're making unrealistic demands or claiming that this particular report is wrong for very minor issues."

Crispini also highlighted Kaizen's market surveillance capabilities. The platform, which covers trade surveillance and e-communication monitoring, collates all the relevant information and provides compliance professionals with the all the information necessary to effectively review the system's alerts. Another of Kaizen's newer products is its research management tool, which allows users to access and oversee research bought from brokers. The tool helps them meet their MiFID compliance obligations but it also bolsters transparency over research spend.



***Having an understanding of how the regulator operates and what they're looking for, gives a lot of comfort to our clients as we can tell them from a position of expertise exactly what the regulators are looking for.***

One last solution that Crispini highlighted was Single Rulebook, its digital regulation platform, which allows users to query, track and comment on the regulation they are covering and how they are interpreting it. "It's helping the legal and compliance teams capture, in a systematic way, all their decision-making and interpretations so that firms better can manage that intellectual property that they're creating on an ongoing basis. It also gives firms more resiliency when they use that tool, because if somebody walks out the door, you still have all their decisions and interpretations there, fully searchable and available." Kaizen is integrating Single Rulebook across its offering and will update it with new features, such as the ability to scan the regulatory horizon by monitoring and summarising proposed changes and regulatory discussions.

### Where regulatory expertise meets technology

Prior to founding Kaizen, Crispini spent a decade working at the UK's Financial Services Authority, the precursor to the Financial Conduct Authority. Half of that time was working in the reporting space and supporting the launch of MiFID Transaction Reporting. There he saw firsthand the challenges firms faced to get their reporting accurate, complete and timely. Companies were spending high volumes of resources on fixes and external consultants.

He said, "The consultative approach seemed to fail completely, because they were using manual testing approaches on very small data samples. I left there [the FSA] with a view to do something that would continue that work of trying to make reporting successful for the UK and Europe."

Crispini is not the only ex-regulator on the Kaizen team. Its team boasts subject matter experts for each regulation it covers and engages with regulators across the globe to ensure clients get the exact support they need. This knowledge and experience gives the company a market advantage, as it precisely understands the problems and regulatory expectations. He added, "Having an understanding of how the regulator operates and what they're looking for, gives a lot of comfort to our clients as we can tell them from a position of expertise exactly what the regulators are looking for."

He added that Kaizen's mission is to enhance transparency and improve risk oversight in regulatory processes. Its flagship product, ReportShield™, which includes its quality assurance service, combines regulatory expertise and advanced technology to protect companies from reporting issues. The solution covers all global reporting regimes including MiFID, EMIR, CFTC, SEC, SFTC and many more.

Crispini explained that Kaizen's goal is to give confidence to its clients. Its unique combination of regulatory expertise and technology provides them with everything they need to get on track with their processes and identify any problems. "What we have seen that can happen at a firm is that there's a lot of noise at the senior management level, it pulls in a lot of resources and it's an inefficient response. Whereas, with our experts we've got the experience and knowledge of how you navigate through this process." Rather than relying on expensive consultants that might not even solve the problem, Kaizen provides clients with clear steps on what must be done.

To ensure companies don't have "skeletons in the cupboard", Kaizen's ReportShield™ assurance provides what it calls deep testing, checking 100% of data fields on all reported trades. This is one of Kaizen's most important differentiators. "[Others] tend to pick the low hanging fruit and do some validations here and there. But they leave the tough stuff on the side, because that's really difficult to deal with. We test everything," he said.

### What's next for Kaizen?

Kaizen's ability to continuously innovate is based on its continued engagement with clients. It is always working with them to ensure they understand the requirements and what the unforeseen challenges might be. Crispini noted that it has worked with several clients that have been in a difficult position with their regulatory reporting processes, but it always works with them to find a route forward.

As the regulatory landscape continues to gain complexity, Crispini believes this community approach will be vital. "The way out of this morass is to use RegTech solutions, where we're able to have the experts embed the knowledge into the platforms and we can then support the client with those solutions. We're not a fire and forget platform. We are always there talking to our clients, explaining what's going on, why things are coming up as issues, helping them to understand the situation, and work through the next steps."

As to why Kaizen is the perfect partner for companies, Crispini concluded, "We're not just a technology company, we provide that human element, the regulatory expertise, which gives our clients that added level of confidence and comfort." ●



# COMPANY RESEARCH PROFILE



Founded 2015



Hong Kong, Singapore, UK, Ireland



[www.knowyourcustomer.com](http://www.knowyourcustomer.com)



[info@knowyourcustomer.com](mailto:info@knowyourcustomer.com)



Employees 51-100



Regions of operation:  
GLOBAL

**PRODUCT NAME:**  
Know Your Customer

## KEY EMPLOYEES:



**Claus Christensen**  
Co-Founder & CEO



**Jamie Anderson**  
Global Head of Sales



**Khye Sern Gho**  
Head of Product



**Margherita Maspero**  
Head of Marketing



**Rory O'Connor**  
CFO

Value Chain: **Onboarding, Monitoring, Reporting**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Identification/Background checks, Compliance Management, Corporate Entity Verification**

Regulation/Legislation: **PSD2, KYC, AML, GDPR**

## OFFERING

Know Your Customer is an award-winning RegTech company. Their SaaS platform and APIs are designed to revolutionize the compliance, client onboarding, and periodic review processes, meeting the diverse needs of financial institutions. With their user-friendly interface and advanced automation capabilities, their solution helps streamline and simplify the implementation of business KYC and KYB (Know Your Business) procedures, ensuring a seamless experience for both financial institutions and their customers.

## PROBLEM BEING SOLVED

The client onboarding and business KYC/KYB process is a crucial part of any regulated business relationship: it's where everything starts. And yet, so often it is a frustrating and inefficient experience for both customers and compliance teams, involving manual processes and disconnected systems. Know Your Customer's Modular Compliance technology empowers regulated organisations to meet their business KYC and KYB requirements during onboarding and beyond in a smarter way. The company provides the building blocks teams need to create a solution that meets their needs perfectly, leveraging automation to deliver the ultimate client onboarding experience.

## TECHNOLOGY

Know Your Customer utilises a unique combination of artificial intelligence, machine learning, optical character recognition (OCR), natural language processing (NLP), facial recognition and an unmatched coverage of live connections to company registries to fully digitise the business KYC and KYB process. The backend system is based on the Microsoft tech stack and runs on the Microsoft Azure Cloud. It comes with a full-featured REST API that allows clients to easily integrate with front- and back-end systems. The suite of products also includes a customisable and fully responsive web portal for secure client outreach.

## PRODUCT DESCRIPTION

Know Your Customer's cloud-native platform automates the client due diligence process with a radically innovative approach to AML, business KYC/KYB and corporate onboarding processes. Know Your Customer make it faster, easier and safer for businesses to build the corporate onboarding process that best fits their unique needs.

Each of Know Your Customer's fully integrated products addresses a crucial compliance challenge:

- KYC Workspace** digitises and automates compliance teams' full range of activities across multiple offices, markets and business functions with one cloud-native and intuitive platform.
- KYC Data** provides real-time access to company registries in 130+ countries globally, integrated AML screening, and global ID verification to offer the most secure line of defence against financial crime.
- KYC Review** guarantees always-on compliance through on-going AML monitoring, and perpetual business KYC refreshes of all corporate and SME customers and their shareholders.

Know Your Customer's modular design enables efficient customisation, as clients can select and implement only the functionalities they really need, all available via Rest API. This sets the company apart from competitors. Instead of providing a monolithic and static software, Know Your Customer offer a highly configurable and adaptable solution with multiple modules that can be easily combined to create the perfect solution for clients. Moreover, with the company's latest product enhancement in June 2022, Know Your Customer are now the No. 1 provider of real-time registry connections in the industry, offering direct access to 500+ local registries across 130+ countries worldwide, both via their highly intuitive user interface and through a single API.

## TRACTION/GROWTH

- Know Your Customer's client base includes multiple Tier 1 banks, one of the leading credit card providers globally and various virtual banks in Asia. Current clients in the public domain include: Ping An OneConnect Bank (Hong Kong), Shanghai Commercial Bank (Hong Kong), Choco Up (Hong Kong), Chow Tai Fook (Hong Kong), Coda Payment (Singapore), ONE Group (UK), 3S Money (UK), Aspire, Tricor, One4All (Blackhawk Network), Lambert Smith Hampton, Crosscard, Hamburg Commercial Bank, Premium Credit, ConnectPay, Conexim, CSLB-Asia, Gateway Private Markets

# The driving force behind the Business KYC compliance revolution

*In the rapidly evolving landscape of financial technology, Know Your Customer has emerged as a pioneering force in revolutionising business-entity KYC compliance processes. Founded in 2015 in the global metropolis of Hong Kong, the company was born from the principle of identifying and addressing the profound challenges faced by financial institutions and regulated businesses in navigating compliance and client onboarding.*



From the outset, the company's modus operandi was clear, with its mission. Their goal was to ensure that both compliance teams in financial institutions and their small to medium-sized enterprise (SME) and corporate clients had smooth and efficient processes. Claus Christensen, CEO & co-founder of Know Your Customer, reflects on their journey: "The idea behind Know Your Customer was to develop a SaaS platform and APIs that would revolutionise these processes, but there was one problem: Only real-time company data from official sources would suffice for the serious clients we had in mind, and their regulators. And data of this quality and provenance was not available in the market. We broke through this barrier by building our KYC Data product linking more than 500 global company registries in 130 countries to customer-friendly smooth onboarding and remediation processes that fully comply with AML regulations. Our main goal was to use technology to solve the traditional conflict between full compliance, good user experience and price. A long list of tier-one banking clients agrees that we did."

Know Your Customer's early years were marked by a relentless pursuit of innovation. This ultimately led to the Asian firm producing a model which contained an array of unique features.

The platform's key strengths included a user-friendly interface, advanced automation capabilities, and an extensive real-time registry connection spanning over 130 countries worldwide. This comprehensive coverage provides direct access to official company data, employing AI models trained in-house for shareholding identification—a defining feature that set them apart.

Due to this, Know Your Customer experienced substantial growth, expanding beyond Hong Kong to establish offices in Shanghai, Singapore, Kuala Lumpur, Dublin, and London. This global expansion broadened their reach to all corners of the globe and diversified their clientele across 11 verticals and 18 jurisdictions, earning the trust of renowned organisations like Ping An One Connect Bank, Shanghai Commercial Bank, and others.

This international notoriety has peaked in recent years, as Christensen explained, "At Know Your Customer, we have also fostered valuable partnerships with technology and data providers, which have significantly enhanced the capabilities of our platform. These collaborations enable us to offer a comprehensive and integrated solution that caters to the evolving needs of our customers.

"Recently, we were appointed as the Official Data Provider to the Hong Kong Monetary Authority's (HKMA) Commercial Data Interchange (CDI). These partnerships serve as a testament to our success and the trust that renowned organisations place in our solutions," he continued.

## Inside their unique offering

Know Your Customer's suite of solutions—KYC Workspace, KYC Data, and KYC Review—has become a discovery for many multinational firms who are looking for an ally when addressing their business KYC challenges, from client onboarding to AML/CFT processes. These integrated products offer digitised, automated compliance activities across multiple markets, real-time access to global company registries, AML screening, and continuous KYC refreshes.

Christensen delved into the intricacies of the firm's unique solution, explaining in detail what makes it a global powerhouse. He said, "In terms of KYB and entity resolution, our solution offers the widest coverage of company registry connections globally. It provides real-time access to official company documents, extracts shareholder information, identifies Ultimate Beneficial Owners (UBOs) using AI



techniques, and unravels complex ownership structures. Our platform creates holistic ownership and control structure views based on real-time and official corporate information, reducing time for corporate client onboarding by up to 86%."

The modular software platform is designed to automate client due diligence and AML/CFT processes. Within a centralised and secure digital workspace, compliance teams collaborate, leveraging automatic screening against PEP, sanctions, and adverse media watchlists. Christensen also emphasised that continuous AML screening occurs for all existing customers and shareholders, with real-time flagging of new matches. Moreover, the platform seamlessly integrates with leading screening providers, offering comprehensive analytics and export capabilities for AML/KYC-related activities and matches.

"By combining these solutions, we provide comprehensive and user-friendly tools that cater to the evolving needs and challenges within the industry, offering efficient and accurate compliance processes for financial institutions and regulated businesses," Christensen added.



***The future of Know Your Customer holds exciting prospects. We are actively exploring additional integrations such as advanced AI and Machine Learning into our solutions.***

As part of their remarkable portfolio, Know Your Customer also harnesses a risk engine to convert unique risk policies into highly automated and efficient processes through a fully configurable system. Users can import their distinct risk parameters, encompassing various local regulations, jurisdictions, products, channels, or internal blacklists, directly into the KYC Workspace. This enables the system to automatically allocate low, medium, and high-risk profiles to each potential customer. Additionally, it allows for seamless adjustments in client due diligence pathways to accommodate new risk criteria as they emerge over time.

## Challenges in the space

However, despite the firm's dramatic rise over the past eight years, the journey hasn't been without challenges designed to try and blunt their charge to become international players on the compliance stage. The huge size and culture differential a tech start-up like Know Your Customer and its large multinational banking clients is one of them, as Christensen explained. "It was a steep learning curve for us to understand how our clients operate, their time horizons, and what really is important to them. But ultimately, that is what makes this business so interesting from an entrepreneurial standpoint."

Know Your Customer's response to these challenges has been multifaceted, with a clear focus being pushed onto the flexibility of their solutions, as well as continuous product development,

regulatory expertise, a host of collaborative partnerships, and a proactive risk management team.

When touching upon that flexibility and adaptability, Christensen explained, "One of the key challenges in the regulatory environment is the constant updates and changes in compliance requirements. We have ensured that our solutions are flexible and customisable, allowing organisations to adapt their compliance processes to meet new regulations and requirements."

This push to be dexterous and agile has led the company to push on with their product development to new levels, according to Christensen. The firm focused heavily on continuous improvement - almost in the philosophy of kaizen - allowing them to incorporate new compliance requirements into their platform as the landscape of the sector twists and turns. This has seen the company constantly monitoring industry trends, as they look to tailor their solutions to the latest challenges.

To do this, the firm has partnered with numerous regulatory bodies, in a bid to offer the most-up-to-date service possible. Christensen said, "We embrace regulatory challenges and actively collaborate with regulatory bodies, industry associations, and other stakeholders. By fostering partnerships, we stay informed about upcoming changes and actively contribute to shaping compliance standards, ensuring our solutions remain relevant and effective."

## Their roadmap for the future

Looking ahead, the Hong Kong-based company has an ambitious roadmap for the future. Know Your Customer plans to introduce new functionalities supported by generative AI, sector-specific solutions, and enhanced UX/UI features, all aimed at empowering compliance teams and providing tailored solutions.

Their commitment to advancing compliance technology doesn't end there, as Christensen explains. "The future of Know Your Customer holds exciting prospects. We are actively exploring additional integrations such as advanced AI and Machine Learning into our solutions. I am excited about the new possibilities created by LLMs like ChatGPT in our area. By leveraging these technologies, we aim to automate and streamline more of the KYC process, enhance risk assessment, and improve overall compliance procedures, making them more efficient and accurate."

The firm is also keen to continue its expansion, as its current crop of locations hasn't proven enough to dampen Know Your Customer's appetite for progress, with further plans in place to bolster their impressive list of industry partnerships on top of this.

"Expanding our presence into new markets and geographies is another avenue we are considering. As regulatory requirements vary across different regions, we recognize the importance of adapting and localizing our solutions to cater to specific market needs. This expansion will enable us to establish a strong foothold in new territories and capture new customer segments," said Christensen.

"Collaboration with like-minded FinTech companies is also on our radar. By partnering with other innovative players in the industry, we can foster innovation and create synergistic partnerships. This collaboration will allow us to offer integrated solutions that address a wider range of compliance needs, providing our clients with a more comprehensive and holistic offering," he continued.

Driven by this unwavering spirit, Know Your Customer has risen to the top table in the compliance landscape in just eight short years. Their penchant for innovation and ambition has seen them surpass many Goliaths in the space. Despite this remarkable success, their journey is only just beginning ●

Know Your Customer's award-winning SaaS platform and APIs are designed to revolutionise the compliance, client onboarding and periodic review process, meeting the diverse needs of financial institutions and regulated businesses worldwide.

With our user-friendly interface and advanced automation capabilities, we streamline and simplify the implementation of Know Your Business (KYB) procedures, ensuring a seamless experience for both compliance teams and their SME and corporate customers.



## Our Clients



### KYC Workspace: Elevate your compliance experience

Our cloud-based solution brings simplicity and efficiency to KYB/KYC and AML processes, allowing businesses to digitise and streamline tasks across offices, markets, and functions.

### KYC Data: Strengthen your compliance defences

KYC Data equips compliance teams with real-time access to the most authoritative sources of AML and business data, delivering the intelligence needed for robust protection against financial crime.

### KYC Review: Stay Compliant, Stay Secure

Compliance teams can stay ahead of regulatory requirements with KYC Review, offering perpetual KYB/KYC refreshes and continuous AML screening. Our automated reviews and smart monitoring keep customer






## Our Partners



130+  
Countries  
Coverage






-  Founded: 2019
-  Employees: 11-50
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Identification/ Background checks
-  Regions of operations: Globally. HQ in United Kingdom, offices in London, Singapore, India. Clients across NA/EU/APAC/UK

KYC Hub empowers organisations to streamline their financial crime risk management and compliance journeys by providing an infrastructure based on real-time data insights, hyperautomation, and risk detection. The multi-award-winning SaaS platform enables organisations to mitigate the risk of financial crime and reduce costs by an automated and configurable risk ops infrastructure and better data insights. Their RPA-powered workflow engine together with the customer risk assessment platform enable construction of risk detection journeys for different use cases. Powered by hundreds of AI-enabled verifications, an advanced customer risk engine, and their proprietary knowledge graph of individuals and entities, they empower organisations to tailor their financial crime risk management journeys assessment and reduce costs, friction, and risk.



-  Founded: 2017
-  Employees: 11-50
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, Compliance Management
-  Regions of operations: Global

KYC Portal CLM (KYCP) is the industry's most advanced, award-winning, CDD and AML orchestration platform that automates, centralises, and simplifies the due diligence process. KYCP is a real-time, risk-driven Client Lifecycle Management platform with full ownership of policy automation, increasing operational efficiencies and redefining business relationship outreach. A dynamic workflow platform that reduces risk exposure as well as the cost to maintain such risk.



-  Founded: 2017
-  Employees: 1-10
-  Regulation/Legislation: **MiFID II, AIFMD, Solvency II, KYC, AML, SFTR, EMIR, 116+ global pieces of legislation mandating the use of the LEI globally.**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Compliance Management, Verifiable Identity, Reporting Identifier for several regulatory reports e.g. EMIR, Processing & Control
-  Regions of operations: : UK, Ireland, India

LEI Worldwide provides Legal Entity Identifier (LEI) procurement and on-going corporate governance software solutions enabling financial institutions to obtain LEIs faster, reducing risk, centralizing management, adherence & control; while reducing costs and time investment. The management software also permits different books of business to be monitored individually or at a top overall organizational level. This personnel management feature is unique to the market. LEI Worldwide also offers a suite of LEI solutions such as integration of the LEI to enhance KYC onboarding for e-commerce platforms, mapping LEIs to other identifiers such as ISINs and individual consultations to enable firms to leverage the LEI within their own existing systems. For example, an investment bank may wish to integrate the LEI as a data set within their own legacy system to help with internal KYC process.



# COMPANY RESEARCH PROFILE



Responsible Business Communication

**PRODUCT NAME:**  
The LeapXpert Communications Platform

- Founded 2017
- New York City (US)
- [www.leapxpert.com](http://www.leapxpert.com)
- [info@leapxpert.com](mailto:info@leapxpert.com)
- Employees 101-250
- Regions of operation:
  1. Offices in the United States, United Kingdom, Israel, Singapore, Hong Kong, Vietnam.
  2. Teams in all countries plus Japan, Australia, Spain, The Netherlands.
  3. Customers in all of the above +40 additional countries

## KEY EMPLOYEES:



**Dima Gutzeit**  
Founder & CEO



**Avi Pardo**  
Co-founder & CBO



**Rina Charles**  
Co-Founder & CSO

Value Chain: **Monitoring**

Subsectors: **Communications Monitoring**

Regulation/Legislation: **All major record-keeping and comms regulations - SEC Rule 17a-3, Financial Conduct Authority (FCA): Social Media and Customer Communications Guidance, FINRA Regulatory Notice 07-59, 10-06, FINRA Regulatory Notice 10-59, 11-32, 11-29, 12-29, 4511, 8210, 3110, 3170, Foreign Corrupt Practices Act (FCPA) Corporate Enforcement Policy, NYSE 472 - Communications with the Public -, FSA Conduct of Business Rules (Rule 5.54 & Appendix 18), Gramm-Leach-Bliley Act (GLBA), IROC Regulatory Notice 11-0349, Investment Company Act of 1940, Investment Dealers Association of Canada (IDA 29.7), 9037 - NFA COMPLIANCE RULES 2-9, 2-10, 2-29, 2-36 and 2-39, IRS Rev Proc 97-22 (Books & Records; Electronic Storage; Imaging), and 15+ other regulations**

## OFFERING

LeapXpert's solution enables clients and employees to communicate via WhatsApp, iMessage, SMS, WeChat, Telegram, Signal, LINE, and voice channels in a controlled, secure, and compliant manner. By assigning a single professional identity to each employee, LeapXpert streamlines client communication. It ensures compliance by capturing all client conversations in real-time and provides enterprise controls to protect sensitive data from loss, viruses, and misuse. The solution seamlessly integrates with Microsoft Teams and Slack, and it supports both desktop and mobile devices, including corporate and personal devices.

## PROBLEM BEING SOLVED

Over the past two years, American regulators have imposed more than \$2.6 billion in fines on financial institutions for failing to monitor off-channel client communications. Clients prefer using WhatsApp, iMessage, SMS, and other messaging channels because of their speed and convenience. However, without a proper centralized platform to facilitate, federate, capture, govern, and secure these conversations, firms risk losing oversight and control over critical business data. This opens them up to non-compliance fines and exposes them to security risks.

## TECHNOLOGY

LeapXpert's solution, built on the patented Federated Messaging Orchestration Platform, uses modern and secure cloud technologies such as microservices, orchestration and Open APIs. Deployed as a SaaS and SaaS-dedicated model platform, it enables multi-device access, empowering users on desktops, tablets, and mobile devices. The platform is ISO 27001 certified, guaranteeing robust security and compliance adherence. LeapXpert integrates seamlessly with archiving, surveillance, security and collaboration platform providers.

## PRODUCT DESCRIPTION

The LeapXpert Communications Platform is a pioneering enterprise solution for compliant and secure communications between employees and clients on consumer instant messaging applications and voice channels. The platform enables enterprises to achieve regulatory compliance and meet strict governance policies through its comprehensive data recordkeeping and unrivaled data security and control capabilities.

By using LeapXpert, enterprise employees receive a unique Single Professional identity, enabling them to interact with customers and external parties through voice calls, SMS, and consumer messaging apps such as iMessage, WhatsApp, Telegram, WeChat, Signal, and LINE. The adoption of a dedicated work-only identity or phone number reduces friction and enhances customer satisfaction, all while adhering to enterprise governance policies.

Employees can benefit from a native user experience (“Native Mode”) and use a third-party application for compliant and secure client communications over various channels (“Governed Mode”).

In Native Mode, employees can use their corporate device’s native applications, such as WhatsApp, iMessage/SMS, WeChat, Telegram, and the voice dialer, to communicate with clients. This approach enables them to utilize well-known and user-friendly messaging apps for external communications, while still allowing enterprises to record conversations and monitor for any data security concerns, potential data leaks, or access risks.

In Governed Mode, employees are empowered to communicate with external parties on various messaging and voice channels through Microsoft Teams, Slack, or the Leap Work mobile/desktop application. Enterprises benefit from the ability to capture conversations and promptly detect and monitor for security threats such as viruses and malware. Additionally, this mode aids in addressing information barriers and preventing data leakage issues, all in real-time.



## TRACTION/GROWTH

- 10 top global banks are LeapXpert customers, with tens of thousands of users across 45 countries globally.
- The company has been recognised with several prestigious awards including 2023 Gartner Cool Vendor, 2023 RegTech Insight Awards USA, 2023 and 2022 Microsoft ISV Partner of The Year and multiple awards in the past years.
- LeapXpert partners include: Microsoft, ACA, ASC, BEHAVOX, Mimecast, MirrorWeb, Kerv, eSoon, INOV, ESI, Meta, OpenFin, Shield, Relativity, Steeleye, NCS and more.

## FUNDING - \$36M

- LeapXpert is backed by leading investors including Rockefeller Asset Management, Uncorrelated Ventures, Morgan Stanley, the Partnership Fund for New York City and more
- LeapXpert raised \$22m to extend their Series A funding in March 2023. The company plans to utilize the funds for various purposes, including addressing the financial services industry’s demand, expediting expansion into different industry sectors, expanding its partnership network, ongoing development of the LeapXpert Communications Platform, introducing new vertical modules, improving its voice capabilities, introducing a new public SaaS solution, and implementing additional integrations to enhance its existing technologies.

## MANAGEMENT BIO

### Dima Gutzeit Founder and CEO

Dima brings with him 20 years of experience in leading teams and developing winning products. Prior to founding LeapXpert, Dima built multiple communications applications with an excess of 10 million users, including a large CPaaS (Communications Platform as a Service) deployed globally and serving millions of endpoints every day. Previously, as a startup CTO, he led hundreds of developers across multiple development centers around the world. Dima has significant experience in successfully managing multinational development and product teams in an agile and sustainable manner. A Servant Leader and System Architect, his technology background, understanding of B2C and B2B communications needs, and passion for delivering customer-centric communications tools, led him to found LeapXpert in 2017. He holds a BSc Computer Science from University of Derby.

# How LeapXpert is revolutionizing communications compliance

*Founded in 2017, New York-headquartered firm LeapXpert provides organizations with peace of mind through compliant and secure communication solutions.*



LeapXpert was created by co-founders Dima Gutzeit (CEO), Rina Charles (CSO) and Avi Pardo (CBO). According to Ludovic Rubin, head of product marketing at the firm, one of the burning issues LeapXpert sought to tackle was around messaging and the use of consumer messaging apps within regulated industries.

He explained, "I believe this is what the founders saw at the time of LeapXpert's creation, and the first release of our product went out in 2019 after two years of development. The main use case was how employees communicate with external parties – clients, partners - through messaging apps in a controlled and compliant manner."

The LeapXpert Communications Platform integrates with voice channels and different messaging apps such as WhatsApp, iMessage, SMS, WeChat, LINE, Telegram and more that enables enterprise employees to communicate with their clients through a single pane of glass. These channels are governed, secure and compliant with recordkeeping requirements. LeapXpert enables financial institutions and enterprises to embrace a customer-centered communication approach while maintaining professional conduct and ensuring compliance.

The LeapXpert solutions use a modern technology stack based on cloud, microservices and orchestration

technologies with security-by-design principles.

## Pain points

In a sector that is becoming as important to everyday business operations as communications compliance, the need for companies to have a firm offering that solves problems for their clients has never been more important.

What pain points does LeapXpert solve for its clients? Rubin highlighted three main points that stood out to the company.

"The first is the communication friction between businesses and clients. Many enterprises have official communication channels between their employees and their clients, but clients want to be able to contact their reps or advisers on their preferred application, whether it be WhatsApp, iMessage or even a simple voice call.

"Today, you may have numerous numbers for clients to reach their advisors depending on the channel they are using – so we are trying to simplify and create a seamless and governed communications platform between employees and clients through one professional work number across various channels, or a Single Professional Identity, which we recently launched.

The second point that LeapXpert seeks to solve is around governance and security. Rubin explained, "Enterprises must maintain full ownership and manage strict access to their sensitive data, so our platform offers robust controls such as Data Leakage Prevention (DLP) and granular role-based access controls (RBAC). In addition, when you add new communication channels, this opens to security risks like viruses and malware – so we offer tools to monitor, prevent and remove any security risks on the media that is shared on these channels."

The third point is the area of compliance, Rubin stressed that the company helps firms keep a record of all conversations between their employees and clients across messaging and voice channels, and helps enterprises minimise compliance risk by unifying and storing the conversations in one system. After this, the firm exports all the communication data to long-term archiving systems in order to meet their compliance and recordkeeping requirements' needs .

## Key differentiators

What sets LeapXpert apart from its competitors? On this point, Rubin stated that the company's product is very innovative.

He explained, “We have recently launched our Single Professional Identity feature across various channels, uniquely designed to streamline client communication and minimize governance and compliance risks — aspects critically important to our customers.

“We are also supporting a large breadth of communication channels and native integrations with internal communication platforms. Many other vendors support two or three channels – we support voice, eight messaging channels and a native integration with Microsoft Teams and Slack– which helps our customers to cover existing and future needs across the globe.”

Rubin also highlighted the fact that the company has a large set of built-in enterprise controls that can cover a lot of different needs to prevent data loss, security and access risks.



***We have top tier customers in the US, Europe, and Asia, literally spanning the globe. We work with dozens of partners, and we believe that working with our partners helps bring a lot of value to our customers.***

Furthermore, the firm recently launched a new native voice platform. “We enable a native voice experience on corporate or personal devices in more than 25 countries, thus avoiding the use of a dedicated VoIP app. Combining so many voice and messaging channels in one platform for communications compliance is very new in the industry” stated Rubin.

Another USP for LeapXpert, Rubin underlines, is the firm’s global coverage. He stated, “We have top tier customers in the US, Europe, and Asia, literally spanning the globe. We work with dozens of partners, and we believe that working with our partners helps bring a lot of value to our customers.”

## The rise of AI

While the rise of AI has not taken anyone by surprise, its recent ascent with the arrival of Generative AI platform ChatGPT has sent its popularity into the stratosphere. How could AI’s rise impact communications compliance?

On this point, Rubin believes that AI will be key. He said, “AI impacts a lot of things, it can be very helpful for analysing communications, avoiding big compliance issues before they happen - predictive compliance – so in this sense it is critical.”

The LeapXpert director also took the opportunity to explain that AI – as well as machine learning – is critical for the analysing of mass amounts of communication data to ensure there is no outstanding compliance issues. “Imagine having a large bank with hundreds of employees communicating every day. You need the AI to analyse all the data and ensure there is no compliance issues – this makes AI critical mostly for surveillance purposes.”

## Post-pandemic impact

As the Covid-19 pandemic continues to fade from view, the RegTech industry now has an opportunity to consider the impact the crisis had on the sector – and in particular, the communications compliance space, an area that saw considerable movement as people were forced into a virtual working lifestyle.

“I think there has been a widespread adoption of hybrid working models and technologies over the last few years, especially after the pandemic,” said Rubin. “So many companies have compliance policies to cover this hybrid working model and employees have been trained to know how to use mobile applications in a compliant way.”

He added that although he believed the industry had made a lot of progress, with firms more ready to implement compliance policies needed in this new world, we foresee a second wave of customers looking for compliant client communication solutions, mainly smaller firms in the US.

## Market trends

The RegTech sector has undergone many transformations over the previous decade, and as it looks to the next, there are many questions being asked what will be the key trends to see the light of day. Looking ahead, what could be some of the hottest trends in 2024?

In the view of Rubin, AI and machine learning for predictive compliance and communications data analysis were two particular areas of interest looking towards the next year. We will see more innovation for these use cases.


## Future plans


In a sector as hotly contested and engaged as the communications compliance market, the future is up for grabs for the companies that are able to best solve market needs. What are the future plans for LeapXpert?

Rubin detailed, “Our plan going forward is to enrich our products and solutions – we always want to have more innovative features and capabilities for our customers so we are investing a lot on our products.


“In the upcoming year, our robust roadmap for product development and market expansion will be pivotal. More products are coming that will continue to push businesses to reimagine how they communicate with customers and help them improve customer relationships. Despite our rapid growth to date, our strategy includes forging even more partnerships and leveraging those, in addition direct sales channels, to continue growing our business globally. ●




 Founded: 2018

 Employees: 1-10

 Regulation/Legislation: **KYC, AML**

 Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Identification/Background checks, Compliance Management


 Regions of operations: United Kingdom, EU


With 30 years of successful experience in developing RegTech & LegalTech, the Liga United team offers sophisticated solutions utilised by more than 200,000 users. Their audience encompasses legal, compliance, financial, audit and banking professionals. The team's developments are already trusted by E&Y, Deloitte, Baker Tilly, PwC, KPMG, BNP Paribas, EBRD, to name a few. Their mission and top priority is to make the complex simple and deliver the best possible customer experience to the UK market. They combine the latest tech trends in AI, deep learning and natural language processing (NLP) with reliable data sources and native graphical link interface to ensure doing business in a smooth, secure and transparent way at a time of change and uncertainty. Liga United adheres to the quality and security industry standards (ISO 9001, ISO 27001), GDPR. We invite consulting companies, law firms, financial institutions, banks, AML and compliance experts to join and enjoy co-creation.



 Founded: 2018

 Employees: 51-100

 Regulation/Legislation: **AML**

 Subsectors: Transaction Monitoring, Reporting, Compliance Management


 Regions of operations: Iceland, United Kingdom, Nordics, EMEA, North America

Lucinity was founded in 2018 and is headquartered in Reykjavik, Iceland. It is a trailblazing SaaS AI company that has rapidly become a leader in financial crime prevention. With a global team that spans across the UK and the US, Lucinity brings together industry veterans with invaluable experience from Tier-1 banks, international regulators, and leading legacy vendors. The company is trusted by key clients like Pleo, Visa, Kvika, Arion and Indó, further solidifying its standing in the industry. Lucinity is dedicated to "faster, smarter fincrime prevention," offering a platform that harmoniously blends human expertise and generative AI technology. The platform consists of an integrated suite of tools, including Customer Intelligence, Case Manager, and Regulatory Reporting, aimed at simplifying the complex process of financial crime compliance.



 Founded: 2013

 Employees: 11-50

 Regulation/Legislation: **EMIR, MiFID II, RTS 27/28, Best Execution Monitoring, CRS, FATCA, KYC/AML, Market Abuse, SFTR, ASIC, DAC6**

 Subsectors: Reporting, Transaction Monitoring, Identification/Background Checks, Compliance Management, Taxation Reporting, Best Execution Monitoring, Trade Surveillance

 Regions of operations: : Europe, Australia, America, Africa

MAP FinTech is a leading and award-winning regulatory technology provider for the financial services industry, specialising in reporting solutions arising from the requirements of a number of complex and challenging international regulations such as EMIR, MiFID II/MiFIR SFTR, ASIC, FATCA, MAS, CRS and DAC6. MAP FinTech also provides innovative and comprehensive solutions for Best Execution Monitoring, RTS 27/28 reporting, AML Transaction Monitoring and Screening, Trade Surveillance (Market Abuse), and eKYC (Screening, eIDV, Document Authentication). The Polaris Platform is a centralised solution that allows for the configuration, management and monitoring of all of its products via a single user-friendly web portal. At the back end of its platform, MAP FinTech has developed complex algorithms that facilitate the integration of its clients' systems with the various Competent Authorities (Trade Repositories, ARMs, Regulators, Taxation authorities, etc). Find out more at [www.mapFinTech.com](http://www.mapFinTech.com) or get in touch at [info@mapFinTech.co.uk](mailto:info@mapFinTech.co.uk).









**MERKLE SCIENCE**

-  Founded: 2018
-  Employees: 51-100
-  Regulation/Legislation: **PSD2, AML, MiCA**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Compliance Management, Crypto Forensics
-  Regions of operations: Singapore, United Kingdom, India, United States






Merkle Science is a leading challenger and innovator in blockchain forensics. Through its predictive risk and intelligence platform, Merkle Science enables law enforcement agencies, crypto businesses, and financial institutions to automate and accelerate crypto investigations, crypto compliance, and VASP due diligence. Unlike its competitors, Merkle Science's platform provides strong coverage for EVM chains such as Tron and Ethereum, insights on smart contract risks, and an unparalleled ease of use.


**MINERVA**

-  Founded: 2018
-  Employees: 11-50
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Identification/Background checks, Compliance Management, Enhanced Due Diligence (EDD), Continuous Risk Monitoring
-  Regions of operations: Global - Americas, Asia-Pacific, Europe, Middle East, and Africa

Minerva, a RegTech leader founded by AML industry experts, is reshaping AML compliance, leveraging AI to terraform an antiquated industry and move AML to a real-time, effective practice. Their mission is to continue to improve the industry, push standards, and raise the bar for preventing financial crime.

**MOODY'S  
ANALYTICS**

-  Founded: 1909
-  Employees: over 10,000
-  Regulation/Legislation: **Basel III, Solvency II, KYC, AML, FCPA, UK Bribery Act, OFAC, USA PATRIOT Act Section 312; the Financial Action Task Force (FATF); and the EU 3rd, 4th, 5th, and 6th anti-money laundering directives; ABC regulatory requirements.**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Capital Planning/Stress Testing, Risk Management, Reporting, Identification/Background checks, Compliance Management
-  Regions of operations: : Americas, EMEA, and APAC

Moody's Analytics provides financial intelligence and analytical tools supporting its clients' growth, efficiency and risk management objectives. The combination of its unparalleled expertise in risk, expansive information resources, and innovative application of technology helps today's business leaders confidently navigate an evolving marketplace. Moody's Analytics is recognised for its industry-leading solutions, comprising research, data, software and professional services, assembled to deliver a seamless customer experience. Thousands of organisations worldwide have made Moody's Analytics their trusted partner because of its uncompromising commitment to quality, client service, and integrity.



Founded: 2012



Employees: 11-50



Regulation/Legislation: **Financial Services Legislation including MiFID II, Investor Protection regulations, KYC, AML**



Subsectors: Client Onboarding Journeys, Clearances & Verifications (KYC, AML, CFT, CDD, EDD, Classification, Suitability and Appropriateness), CLM, CRA



Regions of operations: Globally. Clients in Europe, America, Asia, Africa and Oceania.

Much more than your regular “checker”. Be ready for any regulatory change with Muinmos’ one-stop-shop onboarding solution which covers all your onboarding needs. From ground-breaking, market-unique regulatory classification engines; through all types of KYC/AML checks via built-in connectivity to numerous data-sources and completely configurable CRAs (Client Risk Assessments); to full ongoing monitoring. A no-code, user-friendly platform used globally by banks, investment firms, Crypto Asset Service Providers, payment services, asset managers and more, Muinmos’ award-winning, AI powered full-suite solution digitally orchestrates client journeys and onboards any client - retail, professional or institutional - globally within 3 minutes. A ready-to-use SaaS product, available via both UI and API, which can be easily implemented within weeks or even days, Muinmos’ Platform empowers financial institutions to not only improve their operational efficiency, but also their customer experience and stakeholders satisfaction, all throughout the client’s lifecycle.



Founded: 2008



Employees: 51-100



Regulation/Legislation: **MAR**



Subsectors: Compliance regulations around the globe, including SMCR, SEAR, MiCA, MAR, FINRA Rule 3270 & Rule 3280, MSRB Rule G-37, UK SYSC, SFC Code of Conduct, SEC Rule 206, SEC Rule 17a-4, FCA Handbook Section 10-A, CFTC Regulation 23.451, UK Bribery Act for regulators including the SEC, FINRA, FSA, FCPA, FCA and MAS



Regions of operations: Americas, EMEA and APAC

MCO provides firms with comprehensive solutions to manage employee compliance, transactional conflicts of interest, third party relationships and regulatory obligations on one single platform. With MCO, compliance teams can rest assured that they have a cost-effective and efficient framework in place to simplify compliance operations, stand up to regulatory scrutiny and protect the reputation of the firm.



Founded: 2006



Employees: 101-250



Regulation/Legislation: **GDPR, SEC Rule 17(a)-4, MiFID II**



Subsectors: Communications Monitoring, Risk Management, Reporting, Compliance Management



Regions of operations: : United States, Canada

Naehas is a leading financial services industry cloud for exceptional customer experiences. The company delivers personalised products, pricing, offers, disclosures, and customer communications faster and more efficiently while reducing risk. It provides solutions that support enterprise functions including product management, marketing, compliance, and operations. For more information please visit [www.naehas.com](http://www.naehas.com).



## COMPANY RESEARCH PROFILE



-  Founded 1999
-  New Jersey, United States
-  [www.niceactimize.com](http://www.niceactimize.com)
-  [info@niceactimize.com](mailto:info@niceactimize.com)
-  Employees 1,001-5,000
-  Regions of operation: Global

### KEY EMPLOYEES:



**Craig Costigan**  
CEO



**Chad Hetherington**  
VP, Head of Product



**Chris Wooten**  
EVP, NICE Vertical Markets

Value Chain: **Onboarding, Monitoring, Detection, Reporting**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Communications Monitoring, Transaction Monitoring, Risk Management, Compliance Management**

Regulation/Legislation: **Virtually all global regulations for financial crime throughout multiple regions including APAC, EMEA, the US and more.**

### OFFERING

NICE Actimize is a global leader in Cloud platforms. NICE Actimize's cloud platforms include:

- X-Sight—for the high-end AML and Fraud market, an industrialized and extensible platform, self-service tools, open for customer and partner development.
- Xceed—fully packaged for the mid-market AML and Fraud, out-of-the-box, quick time to value, cost effective.

### PROBLEM BEING SOLVED

NICE Actimize offers a comprehensive suite of solutions designed to help financial institutions manage and mitigate risks associated with financial crime, comply with regulations, prevent fraud, and handle investigations and case management efficiently.

### TECHNOLOGY

NICE Actimize combines domain expertise with advanced technology in AI, ML, and automation. The solutions' advanced analytics enable precise decision-making, supported by a strong patent portfolio. Their Cloud Platform is known for scalability, offering comprehensive financial crime risk management solutions for all-sized organizations.

### PRODUCT DESCRIPTION

**Transaction Monitoring** - AI-Based AML Transaction Monitoring Innovation with multi-layered analytics to better detect suspicious activity. Part of NICE Actimize's Anti-Money Laundering suite of solutions, the new SAM-10 solution's entity-centric AML approach delivers data to enrich profiles and multiple layers to segment, monitor, and ensure that only true suspicious activity is identified. With SAM-10, suspicious activity can be intricately understood, accurately monitored, and detected more quickly. NICE Actimize's SAM-10 also offers next-generation analytics, including machine learning for advanced anomaly detection, model optimization, and network risk analytics, accurately detecting suspicious relationships and transaction patterns.

**Enterprise Fraud** - With the industry's broadest line of enterprise fraud solutions, its lineup includes: Card and Emerging Payments Fraud; Dark Web Fraud; Check Fraud; Scams & Money Mules Fraud; X-Sight Entity Risk and more. Its Real-Time Money Mule Solution detects illicit activity throughout the entire customer lifecycle. Using advanced AI, the solution employs a multi-model execution strategy that utilizes a diverse set of models, techniques, and algorithms to identify and prevent fraud.

**Case Management** - NICE Actimize's AI-powered ActOne10 delivers dynamic workflow management, risk insights, and network analytics, all within a unified platform for solving complex financial crime by automating manual and repetitive steps, visualizing deeper insights, and proactively exposing associated risk. ActOne10 allows financial institutions to operate at the speed of risk while enhancing operational efficiency.

### TRACTION/GROWTH

- NICE Actimize's clients include the top ten global banks in the Americas, EMEA and APAC. A sample list also includes LGT, Target Financial, Olivetree, KOHO Financial, Vontobel and more.
- NICE Actimize has numerous integration and reseller partnerships which include: Infosys, Crowe LLP, Matrix-IFS, TCS, Unisys, AGS Nasoft, Deloitte, IBM Japan, Q2 Technologies, Stream IT. NICE's top delivery partners in North America are Infosys, Crowe LLP Matrix-IFS, and TCS as a value-added reseller and implementation partner, which will expand NICE market footprint in insurance and other financial services. NICE's top implementation partners in Central and South America are Unisys and AGS Nasoft. NICE's top implementation partners in EMEA are Deloitte, Infosys. NICE's top implementation partners in APAC are IBM Japan, Q2

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# NICE Actimize Targets KYC Challenges with Entity-Centric Insights – It’s a Risky Business

*The challenges associated with executing an efficient Know Your Customer/KYC program have become even more difficult due to the rapid move to digital, coupled with increased regulatory scrutiny, ever-growing data volumes, and transition towards person-not-present onboarding and ongoing customer remediation.*



## NICE Actimize

Acknowledging it’s not an easy mix of complex issues, global financial institutions are focusing on improving their risk-based approach to these problems, which includes consolidating disparate systems into a single place to provide a holistic view of customers and associated risks.

Hoboken, New Jersey-based NICE Actimize has invested in developing innovative Know Your Customer/KYC solutions that address these critical challenges and which place a strong focus on entity-risk based strategies.

“NICE Actimize combines intelligent automation, AI and machine learning, and network risk analytics, combined with our KYC/CDD domain expertise to increase operational efficiencies and deliver a holistic view of customers and their associated risk,” said Adam McLaughlin, Director of Financial Crime Strategy and AML SME, NICE Actimize.

The acceleration of digital transformation has also placed further pressures on compliance teams — reflecting a noticeable growth in the demand for

automation technologies that understand, validate, verify, and manage the risk of the digital customer.

“These integrated, entity-centric insights allow organizations to quickly identify and act on threats across the customer life cycle without compromising compliance and client satisfaction.” Continued McLaughlin, “NICE Actimize views KYC/ CDD as a growth area within financial crime, especially with the greater regulatory focus on understanding customers and managing customer risk worldwide.”

Among one of the hot button areas, Ultimate Beneficial Ownership verification and validation are getting considerable attention from regulators, especially given the complexity of some corporate structures and associated volumes of data. It is one of the higher-risk areas in mitigating financial crime threats. Another critical challenge is monitoring relationship networks and understanding connections between parties and any associated risk. The present KYC solutions space requires a comprehensive approach to convert these challenges into potential opportunities.

There are a number of examples of greater regulatory focus and tighter legislation when it comes to validation corporates and understanding who is the ultimate beneficial owner of these companies. The US fully implemented the Corporate Transparency Act in 2023, which aims to prevent criminals using US businesses to facilitate financial crime with requirements for them to disclose their beneficial owners and company applicants. In 2022 the UK introduced the Economic Crime Act which introduced an overseas entity register requiring foreign corporates which own UK property to disclose the real identity of the property owner. In 2023 the UK also introduced the Economic Crime and Corporate Transparency Act which overhauls Companies House whereby Directors and owners of companies have to validate their ID by providing official identification documentation before their Company is incorporated on the register.

## NICE Actimize's Powerful CDD-X and X-Sight Entity Risk

The NICE Actimize Customer Due Diligence (CDD-X) solution aggregates available information on customers and related parties, including corporate entities and ultimate beneficial owners, analyses and identifies the risk, ensuring a consistently accurate customer risk score. One of NICE Actimize's powerful CDD/KYC tools is its X-Sight Entity Risk solution, one of its primary differentiators.

NICE Actimize offers a holistic view of entity risk by integrating customer risk with transaction and screening risk. It continuously monitors high-risk changes in customer information, transactional activity, screening results, utilizing investigation disposition decisions, or identifying other risk changes in available third-party data to reassess the customer risk score.



***NICE Actimize views KYC/CDD as a growth area within financial crime, especially with the greater regulatory focus on understanding customers and managing customer risk worldwide***

With the NICE Actimize Customer Due Diligence (CDD-X) solution, NICE Actimize provides complete life cycle assessment and re-assessment of customer risk as part of the know your customer (KYC) process from onboarding to ongoing customer due diligence to customer exit. CDD-X works with other NICE Actimize AML solutions to deliver a centralized, holistic view of the customer, their risk, and their activity. NICE Actimize's CDD-X delivers Entity Resolution capabilities that ensure there are no duplicate entity records and the right data is attributed to the right customer.

Such precision and transparency are critical for financial service organizations. With an accurate view of the underlying entity and its relationships, the associated risk assessment is more reliable, which helps protect businesses from bad customers or enhanced regulatory scrutiny or breaches and improve customer experience for good customers.

Furthermore, its X-Sight Entity Risk capabilities provide an enterprise view of customer risk by connecting risk signals from fraud, AML, third-party data, and other risk systems to provide a single trust score of the customer across the enterprise, assessing all risk attributes of the customer.

NICE Actimize's CDD-X is fully integrated with NICE Actimize WL-X customer and payment watch list screening solution, utilizing screening results to inform and reinform the customer risk score. NICE Actimize has continuously enhanced CDD-X and its associated components with new features and services to drive greater KYC/CDD process efficiency. The provider continues to invest more in extending a holistic and contextual overview of customers for quick onboarding. As a result, consumer review times are significantly reduced while maintaining accurate results. In addition, with full perpetual KYC capabilities, CDD-X can manage customer risks throughout the life cycle more efficiently, identifying material changes in risk, and alerting on the risk changes for review, reducing overall risk exposure.

"The anti-money laundering landscape continues to change. As a global leader in this space, NICE Actimize is continuing to innovate, developing and implementing new technologies to improve effectiveness and ensure organizations exceed regulatory obligations and expectations," concluded McLaughlin. "NICE Actimize has created an ecosystem of partners called Marketplace, which leverages the latest technologies to create a seamless end-to-end solution for fighting money laundering and other financial crime-related activities. NICE Actimize is a market leader that continues to innovate and break new ground with its CDD solution, delivering proven global results to its customers.

### Leading Analyst Rating

Recently, the Chartis Research KYC Data and Solutions Report positioned NICE Actimize as a leading provider of KYC solutions. NICE Actimize achieved high scores across various parameters, including reporting and dashboarding, KYC risk scoring, customer profile enrichment with additional data, customer onboarding and maintenance. Most notably, NICE Actimize achieved a "four-star" rating for the category of KYC risk scoring. Other characteristics influencing the ranking position were market potential attributes, including customer satisfaction, market penetration, growth strategy, business model, and financials.


"NICE Actimize has continued to build out its KYC offering across cloud and on-premise deployments, developing its simulation and model and entity risk capabilities," said Ahmad Kataf, Senior Research Specialist at Chartis Research. "Its strong partnership strategy reinforces its position as a hub for a flexible financial crime compliance marketplace, and it has also demonstrated continued growth on top of its already strong market penetration. All these factors are reflected in its category leader positioning in our KYC Solutions quadrant."


Concluded McLaughlin, "As financial institutions place stronger emphasis on determining risk, NICE Actimize's entity risk approach offers an unmatched ability to access true and transparent business intelligence around customers and entities while managing critical compliance challenges." ●

# norbloc

 Founded: 2016  Employees: 11-50


 Regulation/Legislation: **KYC, AML, CDD, GDPR**

 Subsectors: Onboarding, Verification (AML/KYC/CDD), Risk Management, Reporting, Compliance Management, data sharing


 Regions of operations: Global


norbloc is redefining how customer data is handled and shared, making the lives of individuals, businesses, financial institutions, and governments simpler. Norbloc wants their clients to view KYC as an asset rather than a hassle – an opportunity to build better relationships with their customers. To get there norbloc has built a team that moves fast, with purpose and above all, with their customers top of mind. norbloc's platforms enable individuals, financial institutions, and regulators to effectively manage and securely share verified KYC data across an ecosystem of participating entities, to enhance customer onboarding, increase data security, and mitigate systemic risk. Norbloc's Fides technology powers the UAE KYC Blockchain Platform, live since February 2020, which is the first and only successful distributed KYC utility to be thriving with 16 banks and governmental entities sharing 60% of the corporate data in the region.

# novatus global

 Founded: 2019  Employees: 11-50

 Regulation/Legislation: **MiFID II, SFTR, EMIR, We also cover CFTC, ASIC, Canada, MAS (at present)**

 Subsectors: Transaction Monitoring, Reporting, Compliance Management


 Regions of operations: United Kingdom

Novatus Global combines market-leading technological tools with expert advisors to provide tailored and effective solutions for financial services firms. Their unique experts and technology approach to the regulatory environment enables them to drive impact through action and innovation. Novatus Global has built a company that is different - a company of specialists, who work across four distinct focus areas: Transaction reporting; Compliance; Risk Management; and ESG, driving actionable outcomes for their clients. They provide expert advisors to support firms in meeting their most complex obligations and strategic objectives. Novatus Global applies their advisory expertise and insights to drive the development of market leading RegTech solutions to enable clients to meet their most complex regulatory obligations. Their flagship offering is the Novatus TRA Tool, which enables clients to meet their legal obligations pertaining to reconciling transactions (across all key reporting regimes).

# OMNIA

 Founded: 2021  Employees: 11-50






 Regulation/Legislation: **AML, GDPR, Sanctions related obligations**

 Subsectors: Transaction Monitoring, Cybersecurity/Information Security, Risk Management, Reporting, Compliance Management, Transaction filtering

 Regions of operations: North America, Latin America, Europe, Middle East, Asia

OMNIA is a company founded by two brothers who have previously worked in the cybersecurity national defense system. Their objective is to increase the security of web3 businesses and enable privacy & compliance by default in any technology stack with zero friction. The company operates on the basis of design thinking, continuously capturing market feedback and agile iterating through concepts and new features. This allows them to adapt their existing solutions to real industry pain points and meet the demands of the market.



-  Founded: 2019
-  Employees: 11-50
-  Regulation/Legislation: **PSD2, GDPR, CPPA, HIPAA, LGPD, CPRA**
-  Subsectors: Communications Monitoring, Cybersecurity/ Information Security, Risk Management, Compliance Management
-  Regions of operations: Worldwide






Private AI is a leading company specialising in privacy solutions that address the critical issue of leveraging the value of data while protecting sensitive personal information. Their market-leading machine learning solutions are designed to identify, redact, and replace various types of personal data across a wide range of data formats, including text, structured data, PDFs, audio, and images. Private AI's mission is to empower organisations across all industries to enhance data privacy while ensuring compliance with evolving global privacy regulations.



-  Founded: 2019
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, EMIR, SFTR, MAS, ASIC**
-  Subsectors: Transaction Reporting
-  Regions of operations: United Kingdom, EU, APAC

Qomply takes away the pain in transaction reporting by ensuring reports are right the first time. Transaction reporting Quality Assurance, Remediation, Submission and Day-to-Day processing of reports are straightforward with Qomply. Qomply's technology automatically executes a "forensic-level" matrix of rules and scenarios across reports. Thousands of validation rules, easily exceeding the 250 validation rules set forth by the regulators, are instantly executed on transaction reports providing firms with that assurance their reports are accurate and complete as possible. Qomply's easy-to-use dashboard empowers firms to send their reports directly to the regulator – bypassing costly fees with efficient, straight-through processing power. This all leads to the fewest number of steps in the pipeline of reporting and ensuring reports are right the first time. Immediate, accurate, complete – Qomply is the only solution trusted by leading regulatory consultants.



-  Founded: 2009
-  Employees: 51-100
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Financial Crime Risk, Compliance and Regulatory Risk, Supply Chain Risk, ESG Risk, National Security Risk
-  Regions of operations: North America, Latin America, Europe, Asia

Quantifind's precise risk intelligence automation empowers organisations to understand their customers, partners, and suppliers in the context of global data to reduce exposure and costs while increasing productivity and maintaining compliance. Quantifind's risk intelligence solutions are delivered through superior AI, ML, precise language models, natural language processing (NLP), and the emerging field of name science to parse through billions of structured and unstructured data points with accuracy, speed, and scale. Risk teams get millisecond results to verify entities and quickly deliver a highly accurate risk assessment.



# COMPANY RESEARCH PROFILE



 Founded 2010  
 Cedar Park, TX, United States  
 [www.redoakcompliance.com](http://www.redoakcompliance.com)  
 [sales@redoakcompliance.com](mailto:sales@redoakcompliance.com)  
 Employees 11-50  
 Regions of operation: Global

## KEY EMPLOYEES:



**Stephen Pope**  
CEO



**Richard Grashel**  
CTO



**Cathy Vasilev**  
COO

Value Chain: **Financial Services Compliance Reviews, Books and Records Storage and Regulatory Reporting**

Subsectors: **Compliance Management, Risk Management, Reporting, Compliance Technology**

Regulation/Legislation: **GDPR, SEC Rule 17(a)-4, MiFID II**

## OFFERING

Red Oak Compliance Solutions is a leading provider of intelligent compliance software, offering an array of cutting-edge AI-powered solutions to assist firms of all sizes in navigating the increasingly intricate regulatory landscape.

Their technology solutions are specifically designed to minimize risks, reduce costs, and optimize processes, all while providing a comprehensive suite of 17(a)-4/WORM compliant features that are consistently enhanced to keep up with the ever-evolving regulatory landscape, ensuring that their clients are always ahead of the curve.

## PROBLEM BEING SOLVED

Compliance and marketing teams worldwide are under immense pressure to rapidly create, review, and approve marketing materials while keeping an eye on costs.

With regulations evolving, compliance teams are seeking intelligent technology solutions that can automate manual tasks and improve efficiency and accuracy in their procedures while safeguarding their firms. Marketing teams are also driving firm revenue with quicker ROI. They need solutions to ensure that final drafts are compliant before sending them for a formal compliance review, ultimately reducing review times across the board.

## TECHNOLOGY

Red Oak's software is a subscription-based service that is powered by AI and operates on a SaaS model. It is entirely cloud-based and requires only a browser and internet connection to use.

The software is designed to be mobile responsive and can work on any device without the need to download or install an application, allowing users to work from any location. This model reduces the security and support burden and allows Red Oak to focus on enhancing and supporting the core cloud application. Additionally, API integrations are available for many leading industry platforms.

## PRODUCT DESCRIPTION

Red Oak's software is an online subscription service that operates on a Software-as-a-Service (SaaS) model. Powered by AI, the software offers a comprehensive range of features that are compliant with SEC Rule 17A-4. It is customized to cater to the growing requirements of financial firms globally, irrespective of their size.

The company's flagship advertising review software enables financial firms to reduce costs, minimize risks, and enhance efficiency in their compliance review process. It does so by helping them improve their advertising review approval and regulatory reporting procedures.

Red Oak's software is user-friendly and straightforward to implement. Many of Red Oak's clients go live within a few weeks of implementation. Implementation primarily involves three to five online sessions with Red Oak's dedicated implementation specialists to configure the software to meet the client's specific needs. Once the software is fully functional, financial firms can:

- Submit, review, and approve materials more efficiently and effectively.
- Improve the accuracy of compliance reviews, allowing teams to focus on high-priority requests.
- Manage the firm's risk better instead of the submission process.
- Respond to regulatory requests more effectively and efficiently through submission packages.
- Maintain full transparency by tracking the history of any submission from start to finish with automated tracking and record-keeping, resulting in significant efficiency and creating an audit trail.
- Eliminate emails, spreadsheets, and the need for paper reviews and manual processes.



Red Oak's software solutions are unique by offering business users the flexibility to easily modify their configuration as their needs evolve without any risk to their books and records. There's no need for a new vendor statement of work, no waiting for IT or the vendor, and no additional budget required. With Red Oak Software, the firm's representatives, analysts, and management can have complete visibility into the compliance process. The software comes with some distinctive features that set it apart, such as:

- Lexicon: scans the text of uploaded documents for words and phrases that require attention and flags them for the submitter before submission.
- Enhanced Review: allows teams to annotate in parallel on PDF, Microsoft Word, Excel, and PowerPoint documents, as well as video and audio files using enhanced annotations.
- Smart Review: leverages intelligence to streamline the disclosure review process. It scans material to report any gaps compared to the required disclosures and can intelligently apply them based on your rules and policies.
- The result? Red Oak Software empowers firms to manage their compliance requirements with confidence and ease.

### **TRACTION/GROWTH**

- Inc. 5000 ranked Red Oak Compliance as one of the fastest-growing private firms in the U.S. for five consecutive years.
- Recognized in 2023 by FinTech Global as an AI FinTech 100 and ESG FinTech 100 technology firm.
- 2023 Net Promoter Score of 87% by clients.
- Over 1,800 firms are using the company's software globally.
- Clients range from single-state advisers to the top 20 global asset managers.
- Red Oak has grown in a deliberate and controlled fashion since its inception. That gradual pace has allowed them to remain laser-focused on their clients and continue developing their software.

# Debunking the fears CCOs have with adopting technology

*RegTech is booming. In fact, the market is expected to grow at a 24.9% CAGR to be worth \$60.7bn by 2030, up from \$12.8bn in 2023. Despite these projections, many CCOs are still hesitant to fully embrace a technology change. Amy Watson – Chief Marketing Officer at Red Oak Compliance – offers guidance on overcoming these fears.*



Watson noted that CCOs understand the value of technology and its ability to improve processes. Unfortunately, there are various competing factors that impact their approach to attain it all. Pressures from boards or institutional leadership urge them to do more with less, while marketing departments want material and content reviewed quicker. Looking within their team, they face pressure around team engagement and reducing burnout from stockpiling workloads and repetitive manual processes. This doesn't even account for increased regulatory scrutiny that requires compliance teams to adapt consistently. "With all that, process improvement and a technology change might not be at the top of the list of hurdles you want to tackle at the moment," she added.

Yet, CCOs are fully aware that technology is the key to their struggles and will help them stay ahead of regulators and reduce burdens on teams. One of the challenges we often hear that is holding them back is the fear of change, Watson said. "Compliance leaders struggle with the possible commitment of resources and low internal adoption rates. They tend to cringe at the thought of changing systems, figuring out what happens with their legacy data, and how long it will take to get their teams trained and the new system up and running."

Watson added, "But to move forward, we must push through those fears and face the facts. You need better technology to increase

process efficiency and effectiveness, and you need it to reduce regulatory exposure. You can't properly execute a compliance program on spreadsheets anymore. And you can't properly scale or execute successful compliance programs on outdated legacy software. Compliance leaders are at that pivotal moment where they must take the leap to achieve next-level success."

## Biggest fears

Watson emphasized that CCOs' fears are not unfounded. Many have faced poor implementations or signed long-term contracts with solutions that proved to be a shadow of what was promised. With pressures from the top, many fear the effects of picking a tool that fails to deliver. The only way to avoid this is through an in-depth due diligence process. While due diligence is never enjoyable, they are vital. CCOs should ask for recommendations from industry peers, select a few providers for demos, and invite key stakeholders to hear their opinions on the tool.

"Beware of anyone who makes you feel like they are pushing you through too fast. Those are red flags for impending sales quotas, and poor solutions that don't stand up to what else is available in the market. Good technology vendors will give you space and time to make your decision."

Watson encouraged CCOs to check client references as part of the due diligence process. Ask the provider for a list of active users, both new and seasoned. This will give a more accurate perspective of the solution from different points of the relationship. Finally, Watson noted that searching for technology partners with compliance expertise is best. "They will better understand the scope of the regulatory landscape and how regulators operate within it. When software developers have this level of knowledge, you can feel confident knowing they will better understand the atmosphere you operate in and the challenges you want to solve."

## Balancing budgets

Another primary concern of CCOs is the tightness of budgets, which are only shrinking in the current turbulent market. Watson noted that getting senior staff onboard with RegTech requires effective communication and value demonstration. The team will need to effectively communicate the potential cost savings the technology could have, including reduced manual work, improved efficiency, and lower likelihood of errors and fines. They will also need to highlight the benefits of how streamlined processes frees time for staff to focus on more critical tasks. Notably, there needs to be continuous communication during the decision process, ensuring that questions or concerns are addressed promptly.

She added, "Leadership needs to see that the investment in intelligent software extends past sales, marketing, and business processing teams. It must also carry over to compliance and legal teams if they expect them to keep pace successfully. Employing some of these strategies can help build a compelling case for implementing a technology solution and gain support from senior staff who play a role in the decision-making process."

"While RegTech offers significant benefits regarding efficiency, accuracy, and compliance, some stakeholders are apprehensive about the associated costs. However, pricing often accurately reflects the level of work the solution provides. For example, developing and maintaining software that can adapt to regulatory change can be resource-intensive and require higher development and maintenance costs."

“

***We let you move forward at a comfortable pace and will never rush you to close the deal. We are proud to have received a 2023 client net promoter score of 87%, which helps demonstrate our dedication to client satisfaction.***

Similarly, to ensure the reliability and precision of the technologies, it requires investment in research, development, and testing, which may influence pricing. As the RegTech industry continues to evolve and mature, increased competition and economies of scale have led to more competitive pricing for those in the market to purchase a solution." Software development and the technology industry as a whole have evolved tremendously over the past several years, allowing more creative approaches to their business models. These advancements have translated into more cost-effective ways of building, releasing, and supporting technology solutions.

"Despite these concerns, it's essential to recognize the long-term value that RegTech solutions can bring to organizations. The potential savings should outweigh the upfront costs in terms of time, labor, and the mitigation of regulatory risks."

## Managing systems

Disheartened by bad previous experiences and the overwhelming feeling of replacing legacy systems with technology can also put CCOs off implementing new RegTech solutions. However, relying on outdated systems will only hinder innovation and the ability to meet customer and market demands. "Unfortunately, you will not make major improvements without ripping off the proverbial band-aid."

As advice, Watson urged teams to complete thorough assessments of current systems to spot pain points and inefficiencies, define objectives for adopting the technology, look for recommendations from peers, engage stakeholders with the decision-making process, build a robust risk mitigation plan, prioritize training, and adopt a mindset

of continuous evaluation and improvement. Watson reiterated, "It is important not to let the fear of change drive your decision or indecision. While it might feel overwhelming at first, a good technology partner will help lead you through the process to help you make the right decision for your organization."

## How Red Oak Compliance can help

Red Oak was founded by industry experts with first-hand experience with the issues highlighted in this article. Their driving mission was to create an intelligent solution that would meet the exact needs of a client. From the initial interaction with a potential client, Red Oak prides itself on helping them navigate through any fears. "We let you move forward at a comfortable pace and will never rush you to close the deal. We are proud to have received a 2023 client net promoter score of 87%, which helps demonstrate our dedication to client satisfaction. We will gladly host as many demos of the software as necessary to help ensure you and your team are comfortable with the functionality."






For those worried about budgets, Red Oak operates on a cloud-based SaaS model that only requires a browser and internet connection. No installations are required, and systems are automatically updated. This model keeps costs low and reduces security and support requirements. On top of this, it allows clients to easily modify their workflows without any risk to their books and records or the need to secure a new vendor statement of work or additional budget.

Finally, its solution is user-friendly and straightforward to implement. Clients can launch the solution within weeks, depending on business complexity, and will have a dedicated implementation expert to support the entire process.

Red Oak offers AI-powered compliance software solutions designed to minimize risks, reduce costs, and optimize processes whilst providing a comprehensive suite of 17(a)-4 compliant features that effectively scale as their clients' needs evolve. At the heart of Red Oak is process improvement, Watson added. For example, its advertising review software leverages AI to streamline marketing compliance. The tool reduces manual workloads so compliance teams can focus on high-priority tasks. Key features include an ability to scan documents and flag problematic words or phrases, an enhanced review stage that allows teams to annotate and complete side-by-side reviews, and automated notifications that boost transparency between teams. Ultimately, the solution lets marketing and content teams correct issues before submitting for review, empowering quicker approvals.

As to why Red Oak is the best solution, Watson noted that it offers cutting-edge AI-powered solutions, a dedication to enhancing existing solutions, 24/7 support, flexibility, and the ability to streamline compliance processes. Watson concluded, "All these reasons and so many more are why Red Oak continues to be a leading provider of intelligent compliance software. If you haven't done so already, we encourage you to connect with our team via a discovery call or a demo. Let's talk, and you will discover the difference of Red Oak." ●



-  Founded: 2022
-  Employees: 11-50
-  Regulation/Legislation: **AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring
-  Regions of operations: United Kingdom, United States , Canada






Refine Intelligence has developed a novel approach to help banks become more effective at identifying and blocking financial crime. Most AML transaction alerts are triggered by legitimate life activities such as selling a house or buying a used car and this can overwhelm investigators. Banks can't see these behaviours in context, and devote many resources to investigating false alarms. Refine provides critical context in real time to explain customers' actions using two capabilities. The first of which are user-friendly digital inquiries in which customers are asked about the source of funds, the nature of the activity and other crucial information in a consistent, unbiased manner. On top of this, the solution is AI trained using a unique, proprietary data set of genuine customer activity patterns that can automatically recognize specific customer life stories, also known as "greenflagging." With Refine, banks bolster their existing AML monitoring to understand customer behaviour and transactions more clearly, leading to more effective and efficient investigations.



-  Founded: 1993
-  Employees: 501-1,000
-  Regulation/Legislation: **MiFID II, Basel III, Solvency II, SFTR, EMIR, MMSR, FMIA/FinfraG and CSA reporting, IORP II, FATCA, AOEI/CRS, DAC6**
-  Subsectors: Capital Planning/Stress Testing, Risk Management, Reporting, SupTech solutions (data management platforms) for central banks and regulators, Tax Reporting
-  Regions of operations: Global with offices in Austria, Germany, Ireland, Netherlands, Romania, Singapore, Sweden, Switzerland and United Kingdom

Regnology (formerly BearingPoint RegTech) is a leading international provider of innovative regulatory, risk, and supervisory technology solutions (RegTech, RiskTech, and SupTech) and services along the Regulatory Value Chain for financial services. Regnology works closely with regulators and, as a member of standardisation bodies such as XBRL, actively contributes to the standard-setting process. Regnology combines regulatory knowhow with a proven, reliable, and forward-looking solution suite, advisory, managed services, and training seminars.



-  Founded: 2019
-  Employees: 11-50
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting, Watchlist Assessments, Adverse Media, Compliance Risk Management, Transaction Screening
-  Regions of operations: Sub Saharan Africa, United Kingdom, Switzerland

RelyComply is revolutionising the regulatory landscape, providing fintechs, banks, and financial companies with a single AML compliance platform that utilises cutting-edge AI and machine learning techniques. As criminals exploit the many loopholes made available through rapidly developing technologies (such as cybercrime threats resulting from digital wallets, online payment systems, shell companies, and offshore accounts), global and local regulatory bodies are clamping down on misconduct related to financial crime requirements. It has never been a more pressing time to implement smarter, automated AML processes to tackle heightened levels of money laundering, trafficking, and affiliated crimes. The difficulty for financial companies is finding an AML solution that balances the cost of compliance while reducing false positives, mitigating regulatory risk, and increasing client onboarding rates.



## COMPANY RESEARCH PROFILE



-  Founded 2023
-  New York, United States
-  [www.regulo.ai](http://www.regulo.ai)
-  [contact@regulo.ai](mailto:contact@regulo.ai)
-  Employees 10-20
-  Regions of operation:  
United States, United Kingdom

### KEY EMPLOYEES:



**Ravi Madavaram**  
Co-Founder & CEO



**Sundeep Bhimoreddy**  
Co-Founder & CTO



**Koushik Jayakumar**  
Co-Founder & CRO

Value Chain: **Onboarding, Monitoring, Detection**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Risk Management, Identification/Background checks, Compliance Management, AML/ KYC Remediation, Fraud Management**

Regulation/Legislation: **KYC, AML, Fraud**

### OFFERING

Regulo solutions for Sanctions, PEP, negative news screening are industry leading and are very effective in complying to regulations.

### PROBLEM BEING SOLVED

Traditional name screening process often produces high false-positive rates and encounter challenges when dealing with names in diverse languages. And the rationale behind machine learning algorithms employed to mitigate false-positives is typically a blackbox and hard to explain.

### TECHNOLOGY

Regulo utilises face recognition combined with privacy enhancing technology (PET) and proprietary face datasets to deliver effective fincrime solutions. Face matching is easily explained by looking at the faces.

### PRODUCT DESCRIPTION

Regulo offers innovative solutions across the fincrime spectrum.

#### **Fraud Screening**

Regulo's Fraud Screening solution employs extensive global fraud face datasets for detection and prevention. Curated manually by our vigilant team using global media sources, these datasets not only offer real-time protection but also identify dormant fraudsters within the customer base.

#### **Sanctions Screening**

Regulo's Sanctions Screening combines exclusive facial datasets of individuals on OFAC, HMT, UNSC, and EU lists. Integrating traditional name-screening with advanced face screening, it strategically marries the familiarity of name-based processes with cutting-edge face matching technology, ensuring an accurate and efficient sanctions screening process for financial institutions.

#### **PEP Screening**

Regulo's PEP Screening uses facial datasets of individuals in global political activities, superseding traditional name-based processes. This not only streamlines screening but eradicates false-positives entirely.

#### **Adverse Media Screening/ Negative News Search**

Regulo's Adverse Media Screening scans millions of articles daily, uniquely using facial data instead of names. This innovative approach ensures that flagged adverse news is consistently relevant, streamlining the process and saving considerable effort.

### TRACTION/GROWTH

- Regulo raised \$200k in their pre-seed round in March 2023
- Face datasets boast a global network, encompassing 10,000 identified fraudsters worldwide and a whopping 10 million name-face pairs.
- Comprehensive face datasets cover Sanctions (OFAC, HMT, UNSC, and EU) and Politically Exposed Persons (PEP) across major nations (US, UK, Russia, India, China, Germany) and Adverse Media.

# Busting the AML false positives myth: Regulo's vision for a zero-false-positive future

*Founded in 2023, Regulo is the next-generation financial crime solution that helps financial institutions comply to Sanctions, PEP, Adverse Media and fraud regulations efficiently by eliminating false-positives.*



Regulo was co-founded by Ravi Madavaram, Sundeep Bhimireddy and Koushik Jayakumar, who all have backgrounds in financial services. Ravi was a regulatory technology specialist at Advance.ai, Sundeep was senior ML engineer at AWS and Koushik has been serving financial services clients for over 15 years.

According to Madavaram, the majority of AML and fraud processes in banks suffer from inefficiency due to false-positives ranging from 40% - 99%. A lot of screening companies focus on decreasing false-positives. The Regulo co-founder believed firmly that this inefficiency of false positives needs to be eliminated. "I wanted to challenge this status quo - and this is where Regulo comes in. My vision for Regulo is to have the Northstar of having no false positives and a complete 100% efficiency in how you do financial crime processes."

Madavaram quit his job and decided to pursue his vision to deal with the problem. And most financial institutions consider false-positives as a necessary evil. "As I talked to more customers, I realized that false positives are the holy grail of the financial crime industry. Everyone thinks that they cannot be eliminated."

Achieving a zero false positive future is a work in progress for Regulo, with Madavaram hoping that a significant milestone could be within reach over the next 3 years thanks to the advancements in technology that the company is actively pursuing.

He commented, "The core reason why most false positives happen in the industry is that most of the time you equate a customer to their name, their email, their mobile number, etc. Most of these identifiers of a person are not unique to that person, and so a fraudster can take that identity and pretend to be the customer and create a lot of inefficiency within the financial ecosystem."

"This is where we came in and said, identity is still the key play and is the main reason firms are having problems and that's why we arrived with a biometric-based identity. Equating identity to the facial biometrics of a customer, is not new or unique to us - it is a very mature practise in the KYC space. What we are doing is using facial biometrics for backend processes like Sanctions, PEP, fraud, and adverse media screening."

These processes are still seen as a bit riskier from a privacy standpoint, Madavaram remarked. This is what led the firm to think about how to protect privacy while also delivering the efficiency and effectiveness of having no false positives. To solve this, Regulo built a revolutionary technology, which converts a face into a hash in an irreversible process. "Even if somebody steals the hash, your data is still protected" Madavaram remarked.

The Regulo CEO also took the opportunity to highlight that in Singapore - the home country of Madavaram for a few years - face biometrics for identity is pretty much the default. He mentioned that in the US market, this trend is very much behind the curve compared to the other markets.

He stated, "I think there is a lot of apprehension, as well as doubts around facial technology itself in the US. While I understand the apprehension, this is the future. It is kind of inevitable."

“There are quite a few successful implementations of biometrics across the globe. For example, India implemented Aadhaar and Singapore implemented SingPass. In India, due to Aadhaar, AML checks are not even done at each financial institution; a central bank registry service takes care of this. That’s an example of 100% efficiency!”

### Key differentiators

In a market becoming as hotly contested as that of facial biometrics, having an offering that enables you to stand out is becoming the key dividing line between the winners and the losers.

What sets Regulo apart from others? Using facial biometrics for identity is nothing new. However, using facial biometrics for processes like Sanctions, PEP and Adverse Media is something no one else is doing, Madavaram claimed.

In addition, while there are firms who are involved in hashing – Madavaram highlighted that none are using it for financial crime processes. Thirdly, Regulo has its facial datasets. “We are compiling individual Sanctions, PEP and fraud datasets – we are compiling a list of faces for all these people,” he said.

“

***Let’s say I am a consumer and I’m using a financial institution and someone scams me – I lose money. The obligation of that used to be half and half, depending on who is the culprit – the loss used to go to them.***

However, Madavaram said he wanted to take differentiation with a pinch of salt. “My thought process is that differentiation is a byproduct of vision. You keep focusing on achieving your vision and differentiation automatically follows you. What defines us is what our vision is, and that is our Northstar and what we want to focus on.”

### Industry trends

As the RegTech industry continues to evolve with new challenges and opportunities coming its way, what trends stand out for Madavaram and Regulo?

“

***We are still at an early stage, so at the moment, we are spending most of our time understanding our clients, spending time understanding why our clients buy our solutions and which customer segment finds most value in our solutions***

While Regulo’s primary market is the US market, Madavaram has started to notice in the UK space that there has been a shift in regulatory policy around whose responsibility it is when someone is financially scammed.

He explained, “Let’s say I am a consumer and I’m using a financial institution and someone scams me – I lose money. The obligation of that used to be half and half, depending on who is the culprit – the loss used to go to them.

“But in the UK, there has been a recent law which makes the obligation lean a lot more heavily towards financial institutions. What that does is make financial institutions a lot more wary, they have a lot more responsibility.”

According to Madavaram, there are a lot more models that are coming up in the UK since the law has come into effect, where banks are working with other banks to ensure other banks to ensure they’re learning about fraud before it impacts them.

He added, “Also because GDPR is by far the most complex privacy law in the world, I would expect that consortium models and hashing and privacy-enhancing models would become a necessity in the next few years.”

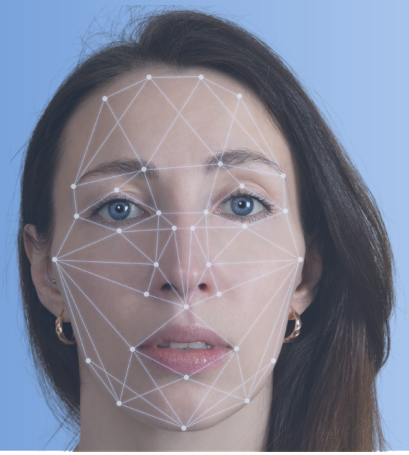
### Future plans

Going into 2024, Regulo’s focus is firmly focussed on its clients. “We are still at an early stage, so at the moment, we are spending most of our time understanding our clients, spending time understanding why our clients buy our solutions and which customer segment finds most value in our solutions,” said Madavaram.

The Regulo CEO added that the firm is laying the foundations for its business at this point, and focusing on the clients is something that he doesn’t expect to change anytime soon. ●

# KYC & AML Remediation Case Study - reducing name screening false-positives using face recognition

An effective solution for quick and effective remediation!



## INTRODUCTION

Regulo solutions for Sanctions, PEP, negative news screening are industry leading and are very effective in achieving business objectives. The solution is powered by face recognition and the privacy is protected through proprietary AI based hashing.

## KEY METRICS



**69%**  
lower false-positives



**1,000**  
Man-days effort saved

[Book a free demo today](#)

 [www.regulo.ai](http://www.regulo.ai)

 [contact@regulo.ai](mailto:contact@regulo.ai)

 New York

## CHALLENGES

The client was fined for gaps in their compliance program. They updated the KYC & AML policy to better comply to the regulations. This led to a huge backlog in the remediation cases especially for name screening and negative news. With time constraint to complete the remediation tasks, they were looking for an effective and efficient way to clear cases.

## SOLUTIONS

When it came to choosing a remediation partner, Regulo's innovative face based screening service was an easy choice for the client.



Face based screening



Privacy enhancing technology (PET)



Sanctions & PEP face datasets

## BENEFITS

1

### Effective

Overcome name-based challenges such as translation, transliteration, and eliminate the need to optimize name-matching thresholds.

2

### Efficient

**70% reduction in false positives** automatically using face screening in addition to name screening

3

### Explainable

Verify the results visually (by comparing the customer and SDN/ PEP individual or auto-clear based on AI matching.





# COMPANY RESEARCH PROFILE

## REQUIREMENTONE

**PRODUCT NAME:**  
RequirementONE

-  Founded 2020
-  London, United Kingdom
-  [www.RequirementONE.com](http://www.RequirementONE.com)
-  [hello@RequirementONE.com](mailto:hello@RequirementONE.com)
-  Employees 11-50
-  Regions of operation:  
Global with operations in Europe, Australia and North America

### KEY EMPLOYEES:



**Martin Gorm Pedersen**  
CEO & Co-founder



**Helen Dann**  
CCO & Co-founder

Value Chain: **Monitoring, Reporting, Process Tools & Control**

Subsectors: **Compliance Management, Risk Management**

Regulation/Legislation: **ANY regulation selected by a customer's experts**

### OFFERING

RequirementONE is an end-to-end compliance lifecycle management platform that offers agnostic regulatory horizon scanning and change management capabilities.

RequirementONE significantly reduces the cost, complexity, and time of keeping you and your colleagues proactively informed of global, national, and local regulations and best practises from around the world as changes and updates take place in real-time.

### PROBLEM BEING SOLVED

The proliferation of obsolete software tools has made the world of compliance too complex and costly. This isn't financially sustainable for organisations.

RequirementONE has developed a unique app-based platform that leverages the power of AI, which makes obtaining, managing, and sharing compliance-related intelligence intuitive, quick, and easy.

### TECHNOLOGY

By leveraging the power of end-to-end automation, you're now able to connect your data to your people on a single collaborative platform that modernises and future-proofs your compliance requirements.

RequirementONE has a single global data lake for regulatory developments that is accessible via a modern API, robots that automate core staff tasks, generative AI that accelerates analysis and a multi-lingual AI engine that gives people the information they need proactively and in real-time.

### PRODUCT DESCRIPTION

RequirementONE is a leading RegTech firm that specialises in providing innovative solutions to help organizations effectively address regulatory change. Its platform offers a comprehensive suite of tools and resources designed to supercharge companies' efforts in staying compliant in a fully digitalised way. It is compliance simplified.

#### Tailored Solutions for Your Needs

With RequirementONE, you have the flexibility to align the platform with your specific business requirements and geographies. Gain access to a vast repository of regulatory updates from over a thousand regulators, industry bodies, and best practice sites across relevant jurisdictions.

#### Efficient Change Analysis and Triage

Managing regulatory updates across multiple geographies can be a daunting task, which is why RequirementONE offers a solution that simplifies the complete process. The platform provides fully translated regulatory updates that are automatically routed to the appropriate stakeholders, ready to be actioned. Analyse changes comprehensively, leverage complete change history, and generate comprehensive reports to meet specific regulatory compliance needs.

#### Rapid time to value

The platform is easily configurable by a subject matter expert (SME), to manage the companies' processes, automating repeatable tasks, using Artificial Intelligence to boost productivity and full reporting, resulting in rapid time to value.

### TRACTION/GROWTH

- Teams within small and large organisations that are impacted by regulatory change rely on RequirementONE's unique apps-based platform to identify and action change while digitalising downstream activities resulting in cost reductions of up to 80%.
- The company has established services and implementation partnerships with Grant Thornton, NextWave Consulting and other regional partners.

# RequirementONE - a Catalyst for Digital Innovation

*Founded in 2020, RequirementONE is an innovative data platform providing real-time access to global regulatory developments. It facilitates the digitalization of a company's processes and activities through its collaborative platform.*

Our conversation today is with CEO Martin Gorm Pedersen, a seasoned entrepreneur whose tech career began in Denmark. Launching his first B2B software company as a teenager, Pedersen's early endeavours laid the groundwork for a notable career focused on leveraging technology to solve complex business challenges. With a history rich in founding and co-founding tech companies, from London to Silicon Valley.

"During my tenure at my previous company, I brought Helen Dann on board to oversee client interactions and customer success. Her exceptional performance led to our partnership in co-founding RequirementONE," shares Pedersen.

Pedersen and Dann identified two major challenges facing organizations: First, the need for comprehensive digitalization to replace disjointed and incomplete processes, thus enabling accelerated, collaborative work. Second, the necessity to transform traditionally manual, cumbersome regulatory change processes into digitized, largely automated, operations across any regulatory domain.

## The Technology Behind RequirementONE

RequirementONE offers a dual-faceted platform approach. The first is the data element, which scans global regulators, thought leaders, and industry bodies in real-time, in any language. Complementing this is the collaborative side, enabling users to digitize their internal processes through configurable solutions.

"Our regulatory change solutions are designed for regulatory impact assessments. Clients can configure solutions encompassing information architecture, robotic process automation, and business intelligence reporting without needing to code," explains Pedersen. Clients employ these solutions for various purposes, including horizon scanning, downstream regulation change management, reporting requirements, risk management, policy and procedure management and cybersecurity compliance to name just a few.

Pedersen emphasizes RequirementONE's unique market position, given its unparalleled configurability. The platform serves a diverse user base, from large international financial services monitoring multiple jurisdictions to midsize organizations and consultancies in heavily regulated industries.

## The Significance of Horizon Scanning in Regulatory Compliance

Considering the importance of ensuring compliance with regulatory change, Pedersen elaborates on the criticality of a unified strategy when it comes to horizon scanning and impact assessments.

He identifies three primary challenges faced by their client base in monitoring regulatory changes:

1. **Scope:** monitoring a multitude of regulators, industry bodies, and standard-setting organizations across various geographies, in multiple languages, each with non-standardized content. This wide scope necessitates a comprehensive tracking mechanism.
2. **Volume:** covering dozens or even hundreds of topics requires continuous identification, assessment, and filtering. This emphasises the need for an efficient system to manage and assess the vast amount of information.
3. **Timeliness:** prompt responses to regulatory change is crucial. It enables organizations to influence, plan and react with reduced stress and ensures that appropriate actions are documented. Timely responses are essential to remain compliant and adaptable.



## REQUIREMENTONE

Pedersen understands the concern posed by the significant risks associated with inadequate compliance monitoring, such as reputational damage and financial penalties. In his view, a unified approach in horizon scanning and impact assessments, therefore, becomes indispensable for organizations to navigate the complexities of regulatory changes effectively.

## Generative AI's Role and Market Trends

The advent of Generative AI technologies, including Bard, ChatGPT, and other Large Language Models (LLMs), has marked a significant shift across industries, particularly noticeable in the financial sector. These advancements prompt discussions about how such technologies can streamline processes and influence the RegTech market.

Pedersen regards Generative AI as a pivotal development in technology over the past two decades. "Generative AI is not merely an add-on; it's a foundational element in developing solutions where data and analytics play a crucial role. As we advance in training large language models, we are beginning to see outputs characterized by unprecedented precision, scale, and speed," Pedersen remarks.

He believes in the transformative potential of Generative AI, capable of significantly impacting various processes with its relevant applications.

Addressing broader market trends, Pedersen points out a significant shift in business-to-business (B2B) solutions. "The era of cumbersome, clunky systems is fading. Today's market demands consumer-friendly solutions that are adaptable and user-centric". This trend indicates a move towards more tailored, efficient systems that prioritize user experience and flexibility over traditional, rigid systems.

We believe the future lies in highly consumerised and rapidly deployed solutions, such as our configured solution for horizon scanning and impact assessment, with a quick time to value for the customer." ●



## BUSINESS COLLABORATION TRANSFORMED

How RequirementONE converted 10 disparate applications into a cohesive digital ecosystem in just 10 weeks.

### Customer

A mid-size international organisation seeking to consolidate and digitise their fragmented application landscape.

### Challenge

Complex, siloed, internally developed applications were hindering operational efficiency, wasting time and money.

### Solution

RequirementONE rapidly configured and digitised ten key legacy business applications into a modern cohesive digital ecosystem.

### Background

The organisation was encumbered by a patchwork of internally developed legacy applications and spreadsheets, each operating in isolation. This siloed approach led to significant inefficiencies, data inconsistencies, and communication barriers across departments. The challenge was not just technological but also cultural, requiring a shift from fragmented processes to a unified digital strategy. The need for a platform that could power these disparate systems while ensuring scalability, user-friendliness, and data integrity was paramount.

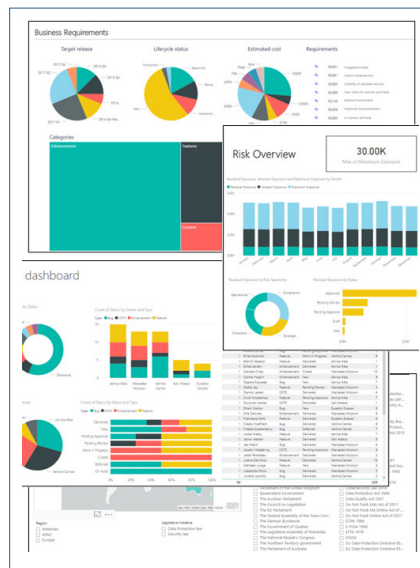
### Selection criteria

The organisation sought a solution that was scalable, user-friendly, and capable of supporting multiple applications without significant downtime. RequirementONE's reputation for easy-to-use technology, along with its robust support and training, made them a standout choice.

### Results

The digitisation of ten applications in ten weeks led to remarkable improvements in efficiency, data consistency, and inter-departmental communication. The unified platform facilitated better decision-making, reduced manual errors, and enhanced overall operational agility. The project delivered a significant return on investment, both in terms of time saved and increased productivity within three months.

Real-time reporting for any configured solution



Document		Table	
Risks			
R1457			
No Consumer PII protection process			
Scope what is needed, and present back to the business			
Status :		New	
Risk Taxonomy :		Compliance	
Design :		3	
Implementation :		1	
Monitoring :		1	
Evaluation :		1	
Effectiveness :		0.5	
Overall Control Effectiveness :		4	
Residual Exposure :		9000	
Inherent Exposure :		18000	
Maximum Exposure :		30000	
Conclusion :			
Risk neither mitigated nor acceptable			

Configure solution to your specific business need

### Customer experience

Collaborating with RequirementONE was a game-changer. Their team's expertise in digital integration, coupled with their commitment to understanding our unique needs, made the transition smooth, effective and the configurability makes our new solution future proof.

"RequirementONE's solution was a perfect fit. It's not just a platform; it's a digital revolution."

- Chief Technology Officer

"The transformation with RequirementONE exceeded our expectations. It's a new era of efficiency for us."

- Chief Operations Officer

## RESISTANT.AI



Founded: 2019



Employees: 51-100



Regulation/Legislation: **AML**



Subsectors: Compliance, Anti Money Laundering, Fraud Detection, KYC and Onboarding in Banking, Insurance, Payments, Lending (including BNPL), IDV, Brokers



Regions of operations: United Kingdom, EU and North America

At Resistant AI, they've been using machine learning to hunt cybercriminals for over 16 years, and they've followed them into the field of financial crime. Their state-of-the-art machine-learning techniques make the AI and automation systems of financial services resilient to manipulation and attack. By analyzing everything from submitted documents to ongoing customer behaviors, Resistant AI uncover and prevent document forgery, serial fraud, synthetic identities, account takeovers, money laundering, and previously unknown financial threats that operate on a large scale. Backed by GV (formerly Google Ventures), Index Ventures, Credo Ventures, Seedcamp, Notion Capital and several angel investors specializing in financial technology and security, Resistant AI is headquartered in Prague with offices in London and New York. Their client roster includes Payoneer, Habito, Holvi and Finom. Visit [resistant.ai](https://resistant.ai) or connect on LinkedIn to learn more.



Founded: 2013



Employees: 101-250



Regulation/Legislation: **KYC, AML**



Subsectors: Onboarding Verification (AML/KYC/CDD), Cybersecurity/Information Security



Regions of operations: Globally with existing customers in United Kingdom, Europe, North America, Middle East, Singapore and Australia

Ripjar Ltd is a data intelligence company whose mission is to provide global institutions with the most advanced data and analytics solutions to protect themselves in real-time from evolving risks that threaten their growth, prosperity and value. Banks, governments, and financial institutions trust Ripjar globally to monitor and investigate threats, risks, and criminal activity. Ripjar's Labyrinth platform combines best-in class natural language processing, machine learning, entity resolutions, automation, data visualisation and security to provide users with clear, precise answers to their most important questions. Ripjar was founded by experienced technologists from Britain's Government Communications Headquarters (GCHQ) and is headquartered in Cheltenham, United Kingdom.

## RiskSmart



Founded: 2020



Employees: 11-50



Regulation/Legislation: **MiFID II, PSD2, Solvency II, GDPR, EMIR**



Subsectors: Cybersecurity/Information Security, Risk Management, Reporting, Compliance Management



Regions of operations: United Kingdom







RiskSmart is an all-new risk management platform. It sounds simple, right? That's because its purpose is. RiskSmart is not just here to make the lives of risk professionals - who have been historically underserved - easier. It is here to help them excel at their work, allowing them to get the recognition they deserve and taking their business's risk management to the next level. In order to tackle today's challenging economic climate, businesses need empowering. Managing risks with confidence is critical to growth. That's exactly what RiskSmart is here to do. And here's the thing - the creators of RiskSmart are all former risk professionals themselves. They have been there, felt the pains, and longed for a platform that solved all of their problems.



# COMPANY RESEARCH PROFILE

**S&P Global**  
Market Intelligence

**PRODUCT NAME:**  
S&P Global Market Intelligence  
Cappitech

-  Founded 1917
  -  New York, United States
  -  [www.spglobal.com/marketintelligence/en/](http://www.spglobal.com/marketintelligence/en/)
  -  [www.cappitech.com](http://www.cappitech.com)
  -  [regreporting@spglobal.com](mailto:regreporting@spglobal.com)
  -  Employees 10,000+
- Regions of operation:  
United Kingdom, Europe, United States, Canada, APAC (Singapore, Hong Kong, Japan, Australia)

## KEY EMPLOYEES:



**Pierre Khemdoudi**  
Senior Vice President and Head of Regulatory Solutions, Network and Regulatory Solutions, S&P Global Market Intelligence



**Struan Lloyd**  
Head of Cappitech

Value Chain: **Reporting, Processing & Control**

Subsectors: **Reporting, Compliance Management**

Regulation/Legislation: **MiFID II, SFTR, EMIR, SEC, CFTC, Canadian Derivative Reporting, MAS, ASIC, JFSA, HKMA, FinfraG**

### OFFERING

Cappitech's provides multi-jurisdiction trade and transaction reporting, best execution and business analysis solutions that meet the fast-evolving needs of over 550+ buy and sell-side clients. Led by a team of experts with a 20+ year track record we work collaboratively with our customers and the industry to anticipate and prepare for changing regulatory reporting requirements. Cappitech has also built in a range of value-add and enhanced services such as extensive reconciliation and exception management tools, the ability to reduce UTI pairing breaks and managed services, among others.

### PROBLEM BEING SOLVED

- Full automation of regulatory reporting
- One point of contact for all your reporting jurisdiction
- Simple, intuitive yet powerful dashboard to monitor in real-time your reporting status as well as perform audit trail
- Operation support complementing your back-office support and compliance team
- Price improvement through economies of scale

### TECHNOLOGY

Cappitech's solution is hosted on AWS cloud. Major focus is put on data security and integrity. Cappitech uses Agile Methodology and includes quality assurance as part of the development cycle, thus achieving a high level of efficiency and quality.

### PRODUCT DESCRIPTION

Cappitech's cross-jurisdiction compliance platform fully automates the reporting process and provides a comprehensive view on a single, intuitive dashboard for reporting regimes such as EMIR, MiFID, SFTR, CFTC, SEC, Canadian reporting, ASIC, HKMA, MAS, JFSA and others. Cappitech's platform is the most technologically advanced in the market, with the power to manage, process and analyse large quantities of data for reporting purposes and make it simple for compliance managers to have the transparency they need to achieve CAT (Complete, Accurate and Timely) reporting.

Cappitech's flexible and customizable solution is designed to meet existing and future reporting requirements to help ensure customers are compliant even when regulations change, or new regulations are introduced.

As a leader in the industry, Cappitech is changing how financial market participants meet their compliance obligations. Cappitech believes in deriving insights from trading data to help customers both comply and improve decision-making. Cappitech's dashboard is the gold-standard in the industry for data visualization for regulatory reporting and analysis and have won multiple industry awards for the company's solution, technology and service.

### TRACTION/GROWTH

- + 550 customers across all financial client-types globally
- >50m Transactions processed each day giving us superior intelligence and experience when reporting to an ARMs (Approved Reporting Mechanism) or TRs (Trade Repositories).
- +10 TRs & ARMs. Cappitech are endpoint agnostic and provide access to any endpoint you choose.
- 90% G-SIBs (Global Systemically Important Banks) trust Cappitech with their most complex regulatory reporting.

This document is being provided for information purposes only. It is not designed to be taken as advice or a recommendation for any specific investment or strategy decisions.

# How S&P Global Market Intelligence Cappitech is supporting firms with regulatory requirements

*Cappitech says that it helps customers to operate with confidence by bringing them leading data sources and technologies that embed insight in their daily work.*



## S&P Global

Pierre Khemdoudi serves as the senior VP and head of regulatory solutions, network & regulatory solutions at S&P Global Market Intelligence. According to Khemdoudi, the department at the firm is focused on solving issues that could appear complex to a client and help simplify it for them.

He explained, "We're trying to give our clients the tools to monitor all their regulatory requirements. The scope of changes in the regulatory world is constant and the complexities are always growing, so these tools are becoming increasingly important, and we are there to make complex and complicated challenges simpler."

Khemdoudi added that just looking at the past year and a half, there have been a number of changes across markets from Japan to North America – and that the focus of the company is to help its clients navigate in this ever more challenging and expansive regulatory world.

### SEC 10C-1 regulation

Back in October, the Securities and Exchange Commission (SEC) adopted the SEC10C-1 regulation – a regulation that will require reporting information about securities loans to registered national securities associations. The rule is intended to increase the transparency and efficiency of the securities lending market.

"I think it's a very important regulation, in some ways, following on from the SFTR regulation that impacted securities finance transactions, in Europe. SEC 10C-1 will impact securities lending transactions in the US," said Khemdoudi.

He continued, "There has been a clear mandate from SEC chair Gensler about bringing transparency to the securities lending market. From a regulator point-of-view, they want to bring more transparency to the area."

Khemdoudi underlined that the regulation is significant since it is the first reporting regulation for the securities finance market in the US. He highlighted that following a 'pretty heavy' consultation process, the regulators have somewhat simplified the reporting process making it easier for industry participants to comply, as well as providing, most likely, a better transparency for the regulators.

### Key industry trends

The RegTech sector is continuing to experience significant growth across the board, with many new companies entering the space. With this growth, the trends that occupy the market will continue to evolve. What are some of the most pressing trends in the mind of Khemdoudi?

"The management of data is a growing trend, and the cost of managing this reported data keeps growing. The total cost of ownership is something that has become more and more important to manage for our clients, in a regulatory world where change is constant and complexity is increasing. There is an ever-growing pressure around optimising the total cost of ownership of regulatory reporting programs," Khemdoudi said.

Alongside this trend was an ongoing development of companies shifting from internal builds to third-party vendor solutions. "I think it is clear that for any financial institution trying to rationalise the total cost of ownership, switching to a third-party vendor is an obvious path," said Khemdoudi.

The S&P Global Market Intelligence SVP went on to state that one key thing that has and will change from this year to next is that financial institutions are really looking for SaaS solutions as well as vendor solutions.

“

***Looking ahead to the medium-to-long-term future, Cappitech is planning to further build on the client community it has already established and expand it wider.***

"There is a true realisation that customisation costs money and it increases the friction of adopting vendor systems, so financial institutions are trying to look for SaaS solutions that are normalised and provide an efficient mutualised solution," he said.

Another trend pushed forward by Khemdoudi is that idea that firms are looking for strategic partners where the ROI of adopting a solution can be increased, due to the ability through one implementation to solve several problems.

The final key trend highlighted by Khemdoudi surrounded the area of technology within the regulatory space.

He explained, "The leaders who are in charge of the large financial institutions regulatory solutions needs now to have a big technology overlay, because technology can solve most of their problems when it comes to data management, cost, time, efficiency or real time reporting. So many of these people have toiled and armed themselves with this knowledge."

### GenAI impact on RegTech

As far as impact, the Generative AI technology has created a monumental shift in the way entire industries work, with the technology – such as OpenAI's ChatGPT – constantly adapting and learning new ways to work.

Will it have an impact on RegTech? Khemdoudi believes that regardless of the industry, it will be hard to say that Generative AI won't have a large impact on our lives.

He stated, "I'm sure our peers and clients are tinkering with GenAI and trying to figure out how they can leverage this technology in order to be faster and more efficient to manage, monitor and understand their data and processes. There are multiple use cases and there are billions of dollars invested across the industry in these cases."

### Roadblocks for RegTechs

In a sector that is fast becoming more expansive and saturated with new businesses, the roadblocks for RegTech firms to stand out amongst the pack are becoming more prevalent. What are some of the roadblocks companies should keep an eye out for?

In the view of Khemdoudi, talent – most specifically finding it – is the number one challenge he is finding after speaking to peers and clients about their most pressing challenges. Alongside the talent gap, he also cited ongoing changes to technology as another potential speed bump for firms to counter.

Khemdoudi also mentioned that when he talks to clients about Generative AI, a lot of them are very excited. However, one of the key roadblocks here is that many of these people are not sure how best to approach GenAI in an enterprise construct and are looking for guidance.

He explained, "Many corporations do not allow or restrict the use of ChatGPT because of concerns related to disclosure of proprietary information. But how do you best test, leverage and design your enterprise GenAI technology? I think these are some of the main roadblocks."

### Future plans

Looking ahead to the medium-to-long-term future, S&P Global Market Intelligence Cappitech is planning to further build on the client community it has already established and expand it wider.

Khemdoudi remarked, "In the regulatory reporting Space, We have built a community of several hundred clients and a technology that has capabilities of handling large amount of information, billions of reports and handle big data payloads." "We want to make this regulatory information available to our clients because, for many, we are the only place where they can have a complete picture of their activity across many different business lines –providing them with that view will help them navigate efficiently their reporting and enable them to further increase the quality of their information." ●



# COMPANY RESEARCH PROFILE



**PRODUCT NAME:**  
SaifrReview® and SaifrScan®

Founded 2020  
 Boston, MA, United States  
[www.saifr.ai](http://www.saifr.ai)  
[contact@saifr.ai](mailto:contact@saifr.ai)  
 Employees 11-50  
 Regions of operation:  
United States

## KEY EMPLOYEES:



**Val Herard**  
CEO & Co-Founder



**Arindam Paul**  
Vice President, Data Science



**David Johnston**  
CTO

Value Chain: **Detection, Process Tools & Control**

Subsectors: **Compliance Management, Compliant Public Communications Review**

Regulation/Legislation: **FINRA 2210 & SEC 482**

## OFFERING

Saifr®, a Fidelity Labs company, is a RegTech provider enabling marketing, legal, and compliance teams within financial services companies to reduce the friction in their content creation, approval, and filing processes. Saifr helps clients generate more compliant content up to 10x faster while reducing risk exposure.

What makes Saifr noteworthy is the company's robust artificial intelligence. Saifr can create machine learning models because of Saifr's unique access to data. The AI enables marketing and compliance teams to create compliant communications faster, less expensively, and more collaboratively.

## PROBLEM BEING SOLVED

Traditional content workflows typically have many touchpoints and email handoffs which are inefficient and can pose compliance risks. Saifr's solutions foster collaboration between professionals, both inside and outside the organization. The natural language processing (NLP) engine flags marketing and compliance risks, explains why something is flagged, suggests alternative language, and recommends disclosures. The result is compliant materials that are created, reviewed, approved, and filed more efficiently.

## TECHNOLOGY

Saifr utilizes proprietary NLP models and computer vision models trained on a unique corpus of millions of financial services datapoints. Saifr's NLP models include both computational linguistic and transformer-based techniques that utilize supervised and unsupervised machine learning to flag potential content standards risks in financial services public communications.

## PRODUCT DESCRIPTION

Saifr's robust models can be accessed via two solutions: SaifrReview which is a cloud-native workflow application and SaifrScan which leverages Saifr's APIs to provide AI within software already used by marketing and compliance.

**SaifrReview** is an intuitive, innovative SaaS solution that makes it easy to collaborate (internally and externally) and simplifies the development and approval of public communications containing text, images, audio, and video. The models "understand" content as it is being created and highlight potentially risky words, phrases, and images. The engine also explains why something might be problematic—promissory, misleading, exaggerated, not fair and balanced, etc.— and suggests alternative text and possible disclosures.

There are also models that highlight brand guidelines such as demographics, sentiment, education level, and inclusive language. Marketing can proactively make any changes before compliance even sees the first version allowing fewer rounds of review. Compliance and marketing teams have more time to focus on more complex issues.

All comments, changes, and approvals are tracked automatically and are available for reporting and auditing. SaifrReview helps deliver on-brand, compliant materials faster and more efficiently.

**SaifrScan** is an add-in available within Microsoft 365 and .pdf applications. These add-ins allow customers to use Saifr's advanced AI models to conduct compliance and brand scans on marketing communications directly within their current business software. These add-ins deliver the same scan speed and accuracy as working directly within the SaifrReview application.

In addition to these two products, Saifr's models can be implemented into current processes via APIs. The APIs act as a guardrail for any public or private large language models that generate content to help ensure that content is compliant with regulations. Saifr's APIs can provide an added check to help ensure compliance.



** PARTNERSHIPS**

Saifr has a strategic relationship with Pinpoint Global Communications (Pinpoint). As a result, Pinpoint clients are able to use Saifr's artificial intelligence (AI) modules in their workflows, helping them to create compliant marketing communications more efficiently.

** TRACTION/GROWTH**

- Saifr was born in 2020 within Fidelity Labs, the in-house innovation incubator of Fidelity Investments.
- Saifr began with access to millions of documents representing the work of thousands of marketing and compliance experts in various lines of business. These documents, and those from other independent sources, were validated by former regulatory staff attorneys and feed Saifr's NLP models. These proprietary data and resulting models help overcome many of the shortcomings found in rules-based lexicons and make Saifr distinct from competitors.
- Saifr has been implemented across a number of subsectors within financial services including investment advisors, broker dealers, asset managers, banks, and other segments.
- Saifr is exploring partnerships with companies that are building private or public LLMs and need the output to be compliant with industry rules and regulations. Saifr's models provide that extra guardrail.

Saifr has been recognized as a leader, winning several awards:

** MANAGEMENT BIOS****Vall Herard, CEO and Co-Founder**

Vall Herard has a mastery of emerging technologies like AI, machine learning, blockchain, and micro-services. He earned a BA in mathematical economics and econometrics and an MS in computational finance.

Vall has extensive experience in financial services and FinTech holding senior leadership roles at Fidelity Investments, Inc., BNP Paribas S.A., The Bank of New York Mellon Corporation, UBS Investment Bank, NumeriX, Renaissance Risk Management Labs, Barrie & Hibbert Limited, and Misys (Finastra Limited).

**Arindam Paul, Vice President, Data Science**

Arindam has been at the forefront of AI since 2012; and in 2015, he transitioned to Deep Learning for unstructured data and formed an applied research team with the goal of automating cognitive processes. He currently heads the AI-Applied Research Team for Saifr in India where his team has successfully trained/leveraged LLMs for text, vision, audio, and video to help solve complex business problems.

**David (Jono) Johnston, CTO**

Jono is a hands-on technologist with a record of leading highly skilled teams and fueling business growth in consulting and corporate environments. He is extremely technically competent in terms of full stack development and is adept at working with product owners to deliver quality, client-focused software.

His company experiences include Fidelity Investments, Putnam Investments, Sallie Mae, and Safran.

Watch this demo [video](#) of SaifrReview.

Watch this [video](#) highlighting Saifr's compliance analytics.

Watch this [video](#) highlighting Saifr's marketing analytics.

# From Crisis to Opportunity: How Saifr launched during Covid to revolutionise marketing compliance

*When the world went into lockdown in 2020 in a bid to stop the spread of Covid-19, many companies went into a state of survival. Many were forced to furlough staff and look for loans to ensure they could weather the storm. Building a new startup might have been the last thing some would think to do during this time, but Vall Herard did just that with Saifr®.*




Prior to creating Saifr, Herard had been using traditional regression econometrics to help manage market and credit risk. He started playing around with the idea of doing something similar to measure and calculate compliance risk but was uncertain about the demand for this capability. "I was at a compliance conference in a room full of chief compliance officers at major financial institutions, and I asked if measuring compliance risk was something that folks would be interested in. They said 'Yes! But, the data doesn't exist.' That was my lightbulb moment. There was obviously the need, and I knew where to get the data," he said.

Soon after, the idea for Saifr was formed within Fidelity Labs, an in-house software incubator of Fidelity Investments. Fidelity had been using an internal tool for 20+ years to manage the compliance approval of marketing materials, serving as a good data source for the new platform. The Saifr team started with access to millions of documents from the work of thousands of marketing and compliance experts across various business lines. These documents, as well as others from independent sources, were validated by regulatory staff attorneys and were used to train Saifr's natural language processing (NLP) models for addressing compliance risk. The foundation of Saifr's AI is what sets it apart

from other solutions in the market. "Our robust models detect compliance risks with greater than 90% accuracy, significantly reducing human intervention and touch points," Herard added.

The goal of Saifr was to help marketing teams provide timely communications to their target audience while maintaining compliance. Herard explained that regulations from the SEC and FINRA do a good job of protecting investors. However, these regulations constantly evolve and a violation, even if it was a simple oversight, can have negative impacts on a business. This includes monetary penalties that can be hundreds of millions, but could also impact brand reputation, disrupt business, reduce productivity, cause revenue losses and more.

Marketing teams struggle to make timely communications with their customers as content often necessitates multiple compliance reviews until it is approved. These reviews are not quick, and various types of communications, spanning video, audio, image and text, leave compliance teams with a huge stack of reviews to complete. This is where Saifr's NLP technology can help reduce stress.

Saifr provides marketing, legal and compliance teams with the power to reduce the burdens of marketing compliance reviews. Herard added, "Saifr helps to streamline the process of creating, reviewing, and approving compliant content. Saifr offers value to both marketing and compliance teams—value that only multiplies when both groups use our offering."

## Starting during a pandemic

Launching a solution during a pandemic, though challenging, was not a significant impediment, Herard noted. During the height of the pandemic in 2020, the company was in the ideation stage of development and funding followed in the fall. The following year was then spent building the products. Saifr went to market in 2022, when the pandemic was largely over. The company was perfectly placed to support companies coming out of survival mode.

While the pandemic wasn't too big of a concern for Saifr, it did impact it. "The biggest challenge was building a company from scratch during the pandemic. Normally a startup environment is a small, co-located team ideating together—often in the garage or a dark basement. It is a testament to Fidelity's technology and innovative culture that we were able to assemble the team that had never met to build the offering. This gives us confidence that we can face any other challenges that might come our way and still deliver for our clients."

## Key mistakes in marketing compliance

Marketing is a complex web that requires input from various teams. Copywriters, editors, subject matter experts, designers, videographers, legal divisions and compliance teams are just some of the departments that are involved. This creates an environment of constantly going back and forth to ensure the message is clear and engaging, but also compliant. As a result, there are a lot of mistakes that can slip through.

One of the most common missteps is not involving compliance early in the journey, Herard explained. By involving them near the beginning, it can shorten the process by quickly addressing barriers. Another problem is firms failing to use the right tools and relying on emails as the primary form of discussion between teams. "Emails going back and forth between multiple departments can easily lead to version control issues, missed comments, and risk to the organization. Tools like Saifr can ease collaboration between teams, track changes, maintain versions, and help with measurement and reporting." The final mistake that Herard noted was with marketing teams not understanding the regulations. He urged marketers to spend time understanding the rules so they can improve their content and reduce the number of reviews needed. "A nice by-product of using AI tools like Saifr is that we help upskill employees on how to comply with regulations," he added.



***Our robust models detect compliance risks with greater than 90% accuracy, significantly reducing human intervention and touch points.***

Generative AI has received a lot of hype over the past year and could add to the mistakes firms make. Many companies have already adopted the technology to help with their operations, and marketing seems like a common home for it. In fact, a report from eMarketer claimed that 46% of organisations leveraging generative AI are using it within marketing. On top of this, Gartner predicts that nearly a third of marketing messages from large organisations will be created through AI. However, Herard warned firms from racing to adopt the technology.

"Marketing teams are beginning to use AI tools to create content. Most of these tools use LLMs. No matter the type of LLM, public or private, the result is more content faster. However, if the business is in a regulated industry, the marketers are likely creating more non-compliant content faster that will only overwhelm the compliance department. That's because most LLMs don't know what is and isn't compliant." Before these LLMs can be leveraged, firms will need a layer of AI to run compliance checks. This would enable teams to keep pace with the content and reduce the risk of non-compliant errors.



***Companies that want to reduce friction in their process of creating and approving compliant content, get content into market faster, or reduce their compliance risk should consider working with Saifr.***

## Where Saifr comes in

Marketing teams can leverage Saifr to gain confidence in their communications. Its AI technology can "read" text, flag any language that might not be compliant, suggest alternative wording and recommend disclosures. The platform can also cross-reference communication messages to ensure they follow brand guidelines, this includes demographics, sentiment, document readability level, and inclusive language. Herard described Saifr as the first stage of a compliance check that results in cleaner content that requires fewer subsequent reviews and allows teams to distribute content faster.

"Even if the marketing department doesn't use Saifr, compliance can get the benefit of scanning the documents that have been submitted to score which ones are concerning. When reviewing documents, Saifr models "understand" content (text, images, audio, and video) and can flag risks, explain why the language was flagged, recommend alternative language, and suggest disclosures. Compliance teams can complete reviews more quickly and focus their time on the more complex issues." By leveraging its technology, firms can mitigate regulatory risk, while boosting efficiency.


The RegTech company has had a strong year, with widespread adoption across various sectors and a notable partnership with Pinpoint Global Communications. The deal provides Pinpoint customers with access to the Saifr platform to help ensure compliance within their marketing campaigns. Saifr is currently exploring more partnerships with companies that are building private and public large language models and need the output to be compliant with industry rules and regulations.


As Saifr gears up for an ambitious period of growth, Herard outlined what makes it the best partner. "Companies that want to reduce friction in their process of creating and approving compliant content, get content into market faster, or reduce their compliance risk should consider working with Saifr." ●

# shield.

 Founded: 2018  Employees: 101-250

 Regulation/Legislation: **MiFID II**

 Subsectors: Communications Monitoring, Risk Management, Compliance Management


 Regions of operations: United States, Europe, APAC


Shield enables compliance teams in financial services and other highly regulated industries to read between the lines to see what their employee communications are really saying. Many of these organizations struggle with compliance because they are unable to gain visibility into the mass of scattered data across all of their communication channels to mitigate against market abuse, internal bad actors and increasing regulatory risk. By applying advanced AI, NLP, and visualization capabilities, Shield is enabling enterprises and financial institutions to more effectively manage and mitigate communications compliance risks. Shield has helped leading financial organizations to reduce false positive alerts by 97%, conduct faster investigations, and save on compliance costs.

# sigma360

 Founded: 2017  Employees: 11-50

 Regulation/Legislation: **KYC/KYB, AML**

 Subsectors: Enhanced Due Diligence, Risk Analytics, Onboarding Verification (AML/KYC/KYB/CDD), Transaction Monitoring, Risk Management, Compliance Management, Investigations, Transaction Monitoring Alerts Management


 Regions of operations: United States, Czech Republic, Spain, Brazil

Sigma360 provides a new, smarter way to continuously evaluate risk and build trust in any relationship. Using advanced real-time risk analysis and monitoring technology, Sigma360 actively screens thousands of global data sources and puts essential compliance insights into a single platform, thereby reducing manual workflows, enriching existing client data, and helping teams make clearer, more timely decisions for onboarding, relationship management, and investigations. Sigma360 is the only compliance product on the market that automates the entire process of collecting, organizing, and scoring publicly available risk-related data in one place. Because Sigma360 has brought all relevant risk data sources into its own cloud-based data lake, it is able to draw connections between different data sets—enabling a shift from the point-in-time reviews employed today to dynamic analysis and interpretation of client data.

# SMARTSTREAM

 Founded: 2000  Employees: 1,001-5,000

 Regulation/Legislation: **MiFID II, SFTR, EMIR, ISO20022, Basel III**

 Subsectors: Capital Planning/Stress Testing, Risk Management, Reporting

 Regions of operations: United Kingdom, United States, Australia, Austria, Canada, China, France, Germany, India, Italy, Japan, Kenya, Luxembourg, Netherlands, South Africa, Spain, Singapore, Switzerland, UAE

SmartStream Technologies is a recognised leader in financial transaction management solutions that enable firms to improve operational control, reduce costs, build new revenue streams, mitigate risk and comply accurately with the regulators. By helping its customers through their transformative digital strategies, SmartStream provides a range of solutions for the transaction lifecycle with AI and machine learning technologies embedded - which can be deployed in the cloud or as managed services. As a result, the majority of the world's top 100 banks, rely on SmartStream Transaction Lifecycle Management (TLM®) solutions to deliver greater efficiency to their operations.



# COMPANY RESEARCH PROFILE



**PRODUCT NAME:**  
Smarsh Enterprise Platform

-  Founded 2001
-  Oregon, United States
-  [www.smarsh.com](http://www.smarsh.com)
-  [info@smarsh.com](mailto:info@smarsh.com)
-  Employees 1001-5000
-  Regions of operation:  
Global

## KEY EMPLOYEES:



**Kim Crawford Goodman**  
CEO



**Stephen Marsh**  
Founder and Chairman



**Tom Padgett**  
General Manager, Enterprise  
Business Unit

Value Chain: **Monitoring, Detection, Reporting**

Subsectors: **Communications Monitoring**

Regulation/Legislation: **MiFID II, AML, FINRA, IIROC, FCA, MiFID II, OBA, AML and more**

### OFFERING

Smarsh enables companies to transform oversight into foresight by surfacing business-critical signals in more than 100 digital communications channels. Regulated organizations of all sizes rely upon the Smarsh portfolio of cloud-native digital communications capture, retention, and oversight solutions to help them identify regulatory and reputational risks within their communications data before those risks become fines or headlines.

### PROBLEM BEING SOLVED

Smarsh provides a solution to efficiently capture, store, and monitor an organization's electronic communications to meet regulatory requirements and manage risk.

### TECHNOLOGY

Smarsh offers several AI capabilities in its solutions to help organizations analyze their digital communications to reveal risk, comply with regulations, protect against threats, and safeguard their reputation.

Smarsh's regulatory-grade approach to AI provides the power of machine learning with the predictability, control, and explainability required in a regulatory environment. Smarsh's unique technology combines lexicons and machine learning models with Boolean logic in a no-code user interface that makes it easy to quickly configure, test and deploy new models in production. Discrete models detect specific risk types and are easily augmentable for new use cases.

### PRODUCT DESCRIPTION

The Smarsh Enterprise Platform is a cloud-native solution designed to future-proof an organization's communications data strategy from capture and archiving to discovery, supervision and surveillance. Solutions in the Enterprise Platform span the entire lifecycle of your data and are deployable individually or as a group to provide additional value:

- Smarsh Capture supports 100+ channels that are retained in the channel's native format and context. Email, social, mobile, IM & collaboration, and voice channels are captured with solutions deployed to meet an organization's unique needs on-premise or in the cloud. Smarsh natively captures and manages the widest variety of communications and includes APIs for the ingestion and enrichment of content.
- Enterprise Archive is the compliant storage solution that covers the most stringent communications retention and immutability regulations, including FINRA, IIROC, FCA, MiFID II, and GDPR.
- Built for demanding legal workflows, Enterprise Discovery is built to collect, preserve, review, and export electronic communications data at speed. Organizations can save time and money in e-discovery and investigations by placing legal holds quickly, reviewing all communications in native format and reducing the need to over-collect prior to export for outside counsel and third-party review tools.
- With Enterprise Conduct, organizations can take supervision and surveillance initiatives to the next level. Utilizing battle-tested technology, Conduct empowers teams to work more efficiently by reducing noise by up to 95%. Reveal intent within an organization's communications at scale, uncover the truth faster, and augment the expertise of risk mitigation teams with Enterprise Conduct.

### TRACTION/GROWTH

- Smarsh partners with industry leaders to provide their services including: Amazon AWS, Zoom, Slack, Microsoft and Salesforce
- Smarsh has 6500+ customers, covers 100+ channels and manages billions of messages monthly.

# How Smarsh redefined compliance in the digital era

*Smarsh, a pioneer in regulatory technology (RegTech), emerged from the visionary mind of Stephen Marsh in 2001. Grounded in his experience within the financial services sector, Marsh foresaw the imminent need for regulated organisations to effectively manage their digital communications. With traditional regulatory retention and oversight rules extending to new communication technologies, he identified a gap and founded Smarsh to bridge it.*



Tom Padgett, General Manager of Smarsh Enterprise, explained the company's founding months, "Steve had been working in the financial services industry and saw that the companies lacked a streamlined solution to be able to capture and archive their communications data and meet their compliance requirements."

From these humble beginnings in Brooklyn, New York, Smarsh has evolved into the global industry leader that it is today, serving a substantial portion of the world's largest banking and insurance companies.

Padgett examined their growth, attributing it to a steadfast commitment to innovation, "Ultimately, it has been a constant commitment to innovation that has enabled Smarsh to become and remain the industry leader in communications compliance – even as the digital messaging landscape has revolutionised over the last two decades."

## Keeping up with the times

Over this more than two-decade journey, the US firm underwent significant transformation, aligning its offerings with the changing dynamics of digital communication. This constant evolution aligned firmly with Marsh's early vision, to spot the trends across the digital communications sector that no one else was spotting.

Upon its inception, the firm initially focused on email, an antecedent to the modernised, futuristic digital landscape, as Padgett explained, "Back in 2001, e-mail was the dominant forms of digital communication, but Steve saw that with the rapid advancements in digital infrastructure, communication was also evolving fast."

Indeed, it was Marsh's vision that continued to drive his eponymous company forward through the 21st century, with the firm leveraging up-and-coming technologies to find success in an industry where every change is scrutinised, thanks to ever-increasing regulatory restrictions, as Padgett revealed.

"He knew that regulated organisations would need a solution that is able to keep up [with the digital transformation of communications]. Over the past 22 years, we have witnessed the needs of customers change dramatically as the number and complexity of communications platforms have surged. Over this time, Smarsh has evolved, expanding into platforms like Microsoft Teams and Zoom, and leveraging new technologies like AI to be able to further help meet these challenges head on. Throughout all these changes, our core purpose has remained the same – using technology to transform mandatory oversight into valuable foresight for our customers," he continued.

## The jewel in the crown

While Smarsh has acted as the regulatory sector's chameleon for much of its two-decade run, shapesifting into whatever caters to the needs of the modern client, as we head into 2024, it has established an offering as the centrepiece of its portfolio - the jewel in the crown.

This flagship product is known as the Smarsh Enterprise Platform, and it stands as an integrated, cloud-based solution crafted to safeguard and prepare enterprise communication data strategies for the future. It facilitates the acquisition of fresh perspectives by leveraging top-notch technologies such as elastic compute, natural language processing, machine learning, and artificial intelligence.

According to research from the TMF Group, in 31% of regions surveyed, there's an indication that clients might be unaware of the upcoming complexity of regulatory changes in regard to compliance, highlighting their lack of preparedness for what lies ahead. With this in mind, large financial institutions are finding it more difficult than ever to meet compliance regulations - which is where the Smarsh Enterprise Platform steps in.



***We continue to develop and release AI-powered 'Scenarios', purpose-built models to help organisations accurately identify and address specific behaviours at scale.***

Padgett explained what their flagship product provides, stating, "The Smarsh Enterprise Platform is our cloud-native communications retention and oversight solution for enterprises. It enables large, highly-regulated organisations to meet the complex needs of global compliance.

"Alongside capturing and retaining the myriad of communication channels that organisations use today, the platform leverages Smarsh-developed AI to surface business-critical insights from organisations' stored communications data. We serve over 6,500 customers including 90% of the world's leading financial services organisations," he continued.

Smarsh's services don't stop there however, the firm also has its own simple, yet comprehensive risk management solution, targeted at small and mid-sized companies. The Professional Archive aims to ensure easy-to-use and effective digital communications compliance, and covers a wide range of needs, from capturing over 100 channels and website data to archiving, supervising, discovering, and securing information.

On top of this, it also has its own third party and cyber risk management solutions, which can enhance your organisation's cybersecurity stance and effortlessly oversee the security and compliance of devices, networks, users, and vendors through a unified interface. Tailored to align with the National Institute of Standards and Technology (NIST) Cybersecurity Framework, Smarsh Cyber Compliance encompasses compliance and reporting functionalities.

## Challenges across the landscape

The landscape of compliance technology isn't devoid of challenges. Padgett acknowledged the impact of incoming regulations, citing the Biden Administration's Executive Order on Artificial Intelligence which has captured the attention of many in the industry. However, while others may see this as a concern, he sees this as a validation of Smarsh's foresight in developing 'regulatory-grade AI' solutions, aligning with the imminent regulatory standards for AI implementation.

Padgett said, "Smarsh has been developing AI solutions for a decade and has long been predicting that there are three pillars to AI: data, tech and regulation. This Executive Order removes all doubt that regulations are a third pillar. We see the regulation of AI as less of a challenge, more so validation that the time-consuming and labour-intensive work we prioritised to develop 'regulatory-grade AI' solutions, including model explainability, exhaustive testing to ensure protections against bias and discrimination and continual evaluation - was ahead of the curve."

On top of this, the rapid development of new messaging platforms presents a vast challenge for compliance solution providers. Padgett emphasised the sector's struggle to monitor and capture diverse communication types while addressing the complexities arising from a growing array of messaging platforms. Specifically, monitoring "change-of-venue" conversations poses a significant associated challenge.

In terms of addressing this proliferation of new communication platforms, Padgett once again turned to Smarsh's highly vaunted adaptability, claiming that the ability to be agile, dexterous, and quick of foot, was the path to keeping up with the evolving technological landscape.

## What does the future hold?

Looking forward, Padgett envisions AI as an indispensable element rather than a luxury in compliance offerings. In line with Smarsh's long-term strategy, the firm has been an "early-mover" in the AI space, as the company looks to avoid resting on their laurels, and instead be a part of the next wave of change, as it has over its 22-year run.

As the company steers toward 2024, Smarsh is aiming to focus on its market differentiators according to Padgett. He said, "We continue to develop and release AI-powered 'Scenarios', purpose-built models to help organisations accurately identify and address specific behaviours at scale. We are frequently adding to our library of Scenarios, which span market conduct, financial crime, workplace conduct and more. In addition, we have forged strong strategic relationships with key technology partners like AWS and collaborate closely with the modern communications platforms our customers depend on including Slack, Zoom, and Box."

Smarsh's trajectory exemplifies its unwavering commitment to innovation, regulatory excellence, and adaptive solutions, cementing its position as a stalwart in the ever-evolving landscape of compliance technology.

Starting with Marsh's vision at the turn of the century all those years ago, the firm has never failed to fulfil its modus operandi sitting on the tenets of innovation, and future-planning, meaning that just as it was back in 2001, Smarsh is looking ahead to the future, aiming for ambitious targets, that its competition can't even see yet. ●



# COMPANY RESEARCH PROFILE

- Founded 2011
- Ilkley, United Kingdom
- [www.smartsearch.com](http://www.smartsearch.com)
- [info@smartsearch.com](mailto:info@smartsearch.com)
- Employees 101-250
- Regions of operation: United Kingdom, United States, Netherlands

## KEY EMPLOYEES:



**James Dobson**  
Marketing Director



**Martin Cheek**  
Managing Director



**Fraser Mitchell**  
Technical Director

Value Chain: **Onboarding, Monitoring, Detection, Reporting, Processing & Control**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, Identification/Background checks, Compliance Management**

Regulation/Legislation: **KYC, AML**

## OFFERING

While there are various verification services, screening solutions and monitoring platforms on the market, SmartSearch offers an unmatched single-source digital compliance solution, meaning clients do not have to go anywhere else, or use (and pay for) multiple systems to meet their requirements.

SmartSearch has recently become one of only two providers in the UK to offer triple-bureau reliability which has a 97% match and pass rate. SmartSearch also offers several unique technological enhancements that its competitors do not.

## PROBLEM BEING SOLVED

Traditional compliance and AML services are time-consuming and often inaccurate, so it is widely acknowledged that electronic solutions are the most robust and efficient way to conduct AML checks. However, these services are often inflexible and unable to tailor the processes to make them business or even sector specific. SmartSearch could see there was a gap in the market for an all-in-one digital solution, and created the first digital compliance platform in the UK to offer identification, verification, screening, enhanced due diligence and monitoring, all from one platform.

## TECHNOLOGY

To ensure a smooth transition, SmartSearch introduced an innovative software design and development approach to breaking down complex functionalities into modular, independently developed, deployed, and scalable services, employing custom logic to redefine software systems to maximise performance and flexibility. This strategy enabled rapid development iterations and the ability to isolate and fix any bugs which allowed the team to optimise resource allocation, enhance operational efficiency and minimise downtime.

## PRODUCT DESCRIPTION

SmartSearch is a unique, digital Know Your Customer solution offering identification, verification, screening and monitoring all from one easy-to-use cloud-based platform.

SmartSearch utilises facial recognition, biometric technology and video evidence to offer remote checks, which is not only beneficial for client firms but also their own customers whose onboarding process can be completed quickly and efficiently.

SmartSearch's streamlined, automated service can be tailored to a business' specific needs and risk profile while the unique batch upload service provides retrospective checks on existing customer databases, enabling new clients to achieve a fully compliant position regardless of their previous AML processes and procedures.

A continual improvement service division guarantees clients never have to upgrade to stay compliant, and this year, driven by increased money-laundering and fraud threats, changes in regulation and growing demand for bespoke AML solutions, SmartSearch launched the 'next generation platform' which includes a seamless new interface and several major enhancements:

1. Configurability - fully tailored, bespoke solutions
2. Triple bureau data - the highest match and pass rate on the market (97%)
3. Perpetual Know Your Customer (pKYC) – instant access to the latest search outcomes and audit trails
4. User Management – better control of compliance procedures
5. Automation – configurable, automated workflows
6. RESTful API functionality – quick and efficient integration
7. Source of Funds checks - uses open banking to ascertain vital financial information.
8. Risk Assessment - automatically assign your clients to a specific risk category
9. Co-Branding - fully customise your SmartSearch platform
10. Self-Serve Reporting - run, manage and tailor your own reports
11. Subject History Trail - Access all historical events for every search subject

## TRACTION/GROWTH

- SmartSearch's clients include: Black Solicitors, SPF, Cohen Arnold, Satis, Rathbones, TAM Asset Management, Garbutt + Elliot, Mason Owen, Ashford Legal
- SmartSearch partners with the industry's best to provide their solutions, these include: TransUnion, Experian, Equifax, SimplyBiz, Tenent, BTC, Aryza, LAVATECH, Bluecoat, YBDSA Landmark, IWP, Index/Dye & Durham



# Embracing evolution: How pKYC is changing the compliance landscape

*In the ever-evolving landscape of financial compliance, the traditional Know Your Customer (KYC) process is undergoing a metamorphosis. Perpetual KYC (pKYC) stands at the forefront of this transformation, offering a dynamic and modernised approach to customer verification. SmartSearch, a pioneering force in the realm of electronic verification and monitoring, is championing this evolution with its ground-breaking platform. As regulatory demands and privacy concerns continue to intensify, pKYC has emerged from the shadows, and is set to reshape the way businesses approach compliance procedures.*



## SmartSearch

Before heading to the future, first we must delve into the past, which means looking into traditional KYC procedures, these are often transactional, involving periodic checks at fixed intervals. In stark contrast, pKYC is an ongoing, dynamic process that continuously updates customer information as part of a comprehensive risk management strategy. While traditional KYC is often chastised for being rigid, cumbersome and intermittent by many that have dealt with it, pKYC offers a holistic view, ensuring a more robust risk management process by monitoring changes in real-time. Its efficiency lies in collecting only essential information, aligning with a privacy-centric approach and reducing risk while requiring fewer resources.

This is exactly why the more ambitious companies that reside in the regulatory technology sector (RegTech) are now looking to incorporate it into their offerings, to better their processes and give their customers a more satisfactory solution.

### Inside SmartSearch's advanced pKYC offering

One firm that is producing such a product is SmartSearch, a trailblazer in electronic verification and anti-money laundering (AML) solutions since its inception in 2004, it successfully revolutionised the compliance landscape in 2011 by launching the first digital AML solution encompassing identification, verification, screening, and monitoring within a unified platform.

The Yorkshire-based company has now taken another leap forward, unveiling an enhanced platform which offers all the tenets of a traditional KYC offering in one streamlined process - capturing the magic that is pKYC.

The award-winning software can efficiently perform electronic KYC checks in just 2 seconds for any type of client who may wish to utilise it. On top of this, the product can be integrated seamlessly in a swift 24-hour process ensuring minimal disruption, enabling uninterrupted client onboarding while conducting AML checks with existing data files. This collaborative capability integration not only saves time but also reduces costs significantly, streamlining AML compliance processes for enhanced efficiency.

Zowie Lees-Howell – VP of Enterprise Sales at SmartSearch - spoke candidly on the firm's game-changing software, stating, "This year sees the launch of the most advanced solution yet; the enhanced platform utilises the very latest in big data, open banking, and biometrics to host identification for every part of the KYC process within one platform. The KYC checks are automated to enable clients to recheck their customers regularly, while ongoing monitoring ensures all customers are screened for sanctions and PEPs. By combining the latest KYC checks with automated and configurable monitoring SmartSearch is able to offer a perpetual Know Your Customer (pKYC) solution."

Addressing the escalating need for stringent compliance without compromising customer privacy, pKYC aligns with data protection principles and global privacy standards such as GDPR and CCPA. SmartSearch's solution inherently integrates data protection considerations, emphasising data minimisation and purpose limitation. By collecting only necessary data for identity verification, it resonates with GDPR's core principles, ensuring enhanced privacy for customers within a compliance-driven environment, as Lees-Howell explains.

"In the case of SmartSearch, data protection and ensuring global privacy standards has been a part of the solution from its inception. pKYC addresses the growing need for robust compliance while ensuring enhanced privacy for customers because its objective of collecting only essential information for identity verification promotes a privacy-centric approach," she said.

This is doubly important when you consider a recent study from Statista, in Q1 2023, global data breaches led to over six million exposed data records. Comparatively, the highest volume of exposed data records since Q1 2020 occurred in Q4 2020, totalling nearly 125 million data sets.



***To transition to pKYC, regulated firms must invest a huge amount of technical and financial resources into APIs and other integrations, as well as into sourcing additional data and new platforms.***

The firm's unique proposition stands out further by providing an all-encompassing digital compliance platform that covers identification, verification, screening, and continuous monitoring, according to Lees-Howell. The solution's ground-breaking features make it one of the market's most highly lauded and efficient products.

"SmartSearch also offers several unique regulatory and technological enhancements that make its solution the most accurate on the market, including triple bureau data functionality (for a market leading match and pass rate of 97%), fully automated and configurable workflows with services that can be integrated through RESTful APIs and Source of Funds powered by open banking technology," Lees-Howell said.

## Pros and cons of pKYC

Navigating the uncharted landscape of pKYC entails weighing its advantages and challenges, some of which we are not fully privy to - as with any emerging technology. Embracing its dynamic risk management and cost-efficiency, firms encounter hurdles like data quality reliance and cultural shifts. Understanding these facets is crucial in embracing the evolution of compliance procedures.

According to Lees-Howell, the benefits of the solution are clear to see, noting its dynamism, scalability, security, as well as cost effectiveness and reliability. Compared to a traditional KYC offering, this modernised product "reduces risk, protects privacy, increases reliability and - because it is automated - requires much less effort on the part of the regulated firm, saving time, money and resource," she explained.

Despite this, there are some potential pitfalls regarding the solution that could hamper some firms, particularly those undertaking the perceived daunting task of transitioning to pKYC, Lees-Howell stressed, "Cost presents a hurdle, especially for businesses without existing digital compliance AML solutions. They must first transition to digital KYC before embarking on the pKYC journey."

Moreover, she emphasised the criticality of data quality, cautioning that reliance on external databases of dubious quality can imperil the process reliability: "pKYC's effectiveness hinges on rich, consolidated, and high-quality data. Relying on outdated or compromised external databases poses severe risks.

"It is also worth keeping in mind that pKYC is an evolving practice, meaning there is no 'standardised model' which is causing some hesitation for some firms in adopting pKYC into their compliance procedures," she added.

## Perpetually moving forward?

pKYC has swiftly established itself as the future of risk management in the financial sector due to its dexterity and security when dealing with risk management. This means that despite the challenges that will accompany transitioning it into a company's solution, it is a necessity for firms looking to remain relevant in a constantly evolving sector at the precipice of innovation.

While this is a challenge, risk often breeds reward, as Lees-Howell explains, "To transition to pKYC, regulated firms must invest a huge amount of technical and financial resources into APIs and other integrations, as well as into sourcing additional data and new platforms. Some of the larger financial institutions have started to put pKYC systems in place, but due to the time, resources and expertise needed to set up pKYC in this way is very difficult and expensive to build, not to mention hugely siloed, with numerous third parties involved making true integration difficult.

"But this has opened up a huge opportunity for third parties to create affordable solutions that enable small and medium sized regulated businesses to transition from KYC to pKYC. Therefore, the future of KYC within the RegTech landscape will almost certainly involve more and more regulated firms moving from their own internal KYC systems toward specialist third-party RegTech providers - like SmartSearch - who can help them make the move from transactional KYC to a much more dynamic, reliable and cost-effective pKYC solution," she added.

In essence, the future of KYC lies in perpetually moving forward with pKYC. Its pre-emptive features allow businesses to keep pace with the super-fast technological changes and the billions of online financial transactions in today's compliance landscape, ensuring a more secure and adaptive approach to risk management.

As the financial world navigates through escalating regulatory demands and mounting privacy concerns, the evolution from traditional KYC to perpetual KYC signifies a pivotal shift. SmartSearch's pioneering platform encapsulates the essence of this evolution, offering a robust and comprehensive solution that heralds a new era in compliance. The future promises a transition towards more dynamic and cost-effective pKYC solutions, where specialised providers like SmartSearch will play an instrumental role in reshaping the compliance landscape. ●

# FSS WEALTH & PENSIONS

FSS Wealth and Pensions is a team of fully qualified financial advisers based in Scotland. Being regulated by the Financial Conduct Authority (FCA), it is crucial that FSS Wealth and Pensions have an effective compliance solution in place to improve processes, avoid financial penalties and stay ahead of their compliance obligations.

“We adopted intelligent office as our back-office system and the integration with SmartSearch was a natural fit. Previous systems had given us constant PEP and sanctions headaches but with SmartSearch’s ability to analyse the more granular data and details it has saved us a huge amount of laborious and additional work.”

## THE BRIEF

FSS Wealth and Pensions, a financial advice firm focusing on investment and retirement, sought an anti-money laundering (AML) solution that would streamline their processes, increase automation, and improve overall business efficiency while ensuring compliance.

Prior to using SmartSearch, FSS Wealth and Pensions existing manual processes were time-consuming, cumbersome and costly. The high false positive rates meant their internal team spent too much time requesting and processing additional information from their clients, which slowed down their onboarding processes.



## THE SOLUTION

Upon experiencing the capabilities of the SmartSearch platform, FSS Wealth and Pensions successfully integrated SmartSearch’s robust AML solution, into their existing back-office system. This integration proved to be a “game changer”, offering seamless connectivity and automation.

By leveraging SmartSearch’s individual AML check solution, FSS Wealth and Pensions were able to overcome the challenges of manual intervention, which enabled them to perform AML checks more efficiently. If a client failed a check, the real-time data allowed them to make additional checks within a much shorter time frame. There was no downtime chasing documents from clients or delaying processing of business.

## THE RESULTS



**50% reduction in time spent on AML processes**

The integration via an open API eliminated the need for manual downloads, uploads, or printing, making the entire process smoother and more efficient.



**85% reduction in false positives**






Thanks to SmartSearch’s strategic partnerships with the UK’s leading credit reference agencies, 85% of unsuccessful cases are now automatically resolved.



**Faster customer onboarding**

SmartSearch has delivered improved compliance oversight, consistent results, and a reduction in false positives. Ultimately elevating the quality of their compliance programme, resulting in faster onboarding and overall user experience.



-  **Founded:** 1999
  **Employees:** 101-250
-  **Regulation/Legislation:** SEC, ESMA, ASIC, HKMA, MAS IAC, FCA SMCR, Ireland's Central Bank (Individual Accountability Framework) Bill, including SEAR, FCA Training and Competency requirements, FAR (Australia)
-  **Subsectors:** Transaction Monitoring, Risk Management, Reporting, Compliance Management
-  **Regions of operations:** North America, EMEA, APAC, MENA

StarCompliance is a leading provider of employee compliance technology solutions. It provides configurable, user-friendly software solutions designed and developed to automate and simplify everyday compliance processes, while ensuring companies and their employees meet the strictest regulatory standards, and in the process safeguarding their hard-earned reputations.



-  **Founded:** 1991
  **Employees:** 101-250
-  **Regulation/Legislation:** AML, KYC
-  **Subsectors:** Onboarding Verification (AML/KYC/CDD), Risk Management, Compliance Management
-  **Regions of operations:** Global






In the US, Sybrin focuses on KYC solutions, leveraging over 30 years of industry expertise to enhance the onboarding processes of financial institutions, prioritizing trust, security, and compliance in every customer interaction. Their KYC product is designed with a global perspective and is unique as it can be used as either a holistic or modular solution to fit the customers' requirements and budget. These modules include a document reader, document fraud detector, onboarding platform and liveness verification. The platform's core mission is to build trust, not only during onboarding, but throughout every customer interaction, thereby increasing customer satisfaction, reducing costs, and freeing up employees' time to focus on other priorities. Globally, Sybrin's enterprise software solutions are deployed in more than 20 countries worldwide, serving over 100 customers for the Financial Services, Insurance, and Telecom industries. These offerings include Payments Processing, Customer Communications, Document Management, Case Management, and Fraud Risk Management.



-  **Founded:** 2016
  **Employees:** 11-50
-  **Regulation/Legislation:** FATCA/CRS/Chapter 3
-  **Subsectors:** Onboarding Verification & Compliance Management (FATCA/CRS/QI Compliance)
-  **Regions of operations:** United States, United Kingdom, Switzerland, Canada and Asia Pacific






TAINA Technology is an award-winning regulatory technology company that leverages cutting edge technology to empower financial institutions globally to revolutionize their compliance and customers' experience. The market-leading, fully automated FATCA and CRS Validation platform developed by TAINA is being used at scale by the world's largest and most sophisticated financial institutions and Big 4 to save costs, reduce risks, and transform their customers' experience.



-  Founded: 2011
-  Employees: 51-100
-  Regulation/Legislation: **PSD2, KYC, AML, GDPR, eIDAS, eIDAS 2**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Communications Monitoring, Transaction Monitoring, Cybersecurity/Information Security, Risk Management, Reporting, Identification/Background checks, Compliance Management, eSignature (Contracting), Know Your Business, PSD2&SCA Compliance
-  Regions of operations: Global



Tecalis, with over 10 years of expertise, 6 offices, customers in more than 20 countries, and first-class partners, helps leading companies in all fields to solve their biggest technological challenges, creating innovative business solutions that improve the digital experience and security for millions of users. They are reinventing, optimizing, and simplifying the way users engage with companies. They simplify, optimize, and innovate the way millions of users engage with more efficient and productive businesses. They develop digital products that drive sustainability and growth, keeping their customers ahead of the curve. They offer a SaaS stack of digital products made to lead that cover 6 top-demanding fields: Identity Verification (KYC/AML - Digital Onboarding), Electronic Signature, Certified Communication, Authentication (MFA&SCA Strategy, KBA and Biometrics), Anti-Fraud Controls (Prevention, Analysis & Risk Management), Automation (RPA&BPM, Comprehensive Digital Transformation).



-  Founded: 2017
-  Employees: 51-100
-  Regulation/Legislation: **MiFID II, GDPR, Dodd-Frank, FINRA, and more**
-  Subsectors: Communications Monitoring, Cybersecurity Information Security, Risk Management, Compliance Management
-  Regions of operations: North America, United Kingdom, EU, and ANZ

Theta Lake's [multi-award](#) winning product suite provides [patented](#) compliance and security for modern collaboration platforms, utilizing more than 100 frictionless partner integrations that include RingCentral, Microsoft Teams, Webex by Cisco, Zoom, Slack, Asana, Movius, Mural and more. Theta Lake can capture, compliantly archive, and act as an archive connector for existing archives of record for video, voice, and chat collaboration systems. In addition to comprehensive capture and archiving, Theta Lake uses patented AI to detect and surface regulatory, privacy, and security risks in an AI assisted review workflow across what is shared, shown, spoken, and typed. Theta Lake enables organizations to safely, compliantly, and cost-effectively expand their use of communication platforms. Visit us at [Thetalake.com](https://thetalake.com); [LinkedIn](#); or X (Twitter) at [@thetalake](#).



-  Founded: 2021
-  Employees: 1-10
-  Regulation/Legislation: **PSD2, AML, UK Financial Markets and Services Bill - requirement to reimburse fraud victims**
-  Subsectors: Transaction Monitoring
-  Regions of operations: United Kingdom, EU, United States

Third Line Analytics Ltd. is a privately funded start up founded in late 2021. It has developed a next generation real-time payments transaction screening and fraud detection solution called 'AlertSpeed'. AlertSpeed supports watchlist / name screening, counter-party enrichment, sanctions circumvention and fraud detection (APP) use cases for RTP and other payments rails at a compelling price point. It leverages a unique blend of advanced entity resolution and proven behavioral based ML, and can operate at On-Line-Transaction-Processing speeds. Matching accuracy is increased by a first-to-market proprietary entity resolution enhancement that can significantly reduce false positives. Alongside world-class entity resolution experts, the team has considerable experience successfully deploying machine learning into US banks for fraud detection and other use cases. AlertSpeed can be deployed in low cost cloud, on prem or as a hybrid deployment with proof of value achievable in a few weeks or less.



**Tookitaki**  
a Thunes. company



Founded: 2014



Employees: 101-250



Regulation/Legislation: **KYC, AML, Fraud**



Subsectors: Onboarding Verification (AML/KYC/CDD),  
Transaction Monitoring, Reporting



Regions of operations: Singapore, India, United States, United Kingdom Presence in Indonesia, Taiwan, Philippines, UAE, Brazil

Tookitaki is a global name in the world of anti-financial crime. It pioneered the concept of fighting financial crime through an ecosystem or a community-based platform, where patterns on money laundering, and terrorist financing are shared by industry veterans regularly. Titled the Anti-Financial Crime (AFC) ecosystem, it helps any financial institution to learn, share and use typologies to counter emerging FinCrime patterns and stay safe and secure. Built on a federated learning framework, the AFC ecosystem powers the flagship compliance solution FinCense to detect quality alerts, ensuring effectiveness and efficiency in AML programs. The FinCense platform is the world's best anti-financial crime platform for fintech firms. With unparalleled risk coverage, FinCense seamlessly integrates with the extensive AFC Ecosystem, FinCense not only detects but anticipates threats, driven by a community-driven knowledge core. Scaling effortlessly with you, Tookitaki FinCense's modern data engineering stack assures real-time responsiveness and superior technical performance.




Founded: 2021



Employees: 11-50



Regulation/Legislation: **KYC, GDPR**



Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Compliance Management



Regions of operations: Global

Trustfull is a real-time risk intelligence platform based on digital footprints. Utilising silent checks on multiple signals including phone number, email address, IP address, device, and browser, Trustfull helps companies across different industries assess risks and provide a safer online experience. Main use cases include: KYC, AML, Account Takeover, Promo Abuse and Transaction Monitoring.




Founded: 2021



Employees: 51-100



Regulation/Legislation: **MiFID II, KYC, AML, GDPR**



Subsectors: Onboarding Verification (AML/KYC/CDD), Reporting, Compliance Management



Regions of operations: Ireland, United Kingdom, United States

valid8Me is a comprehensive SaaS-based platform enabling AML & KYC compliance for businesses. The company's due diligence platform addresses regulatory obligations from initial onboarding to client lifecycle management in a radically future-proof and cost-effective way, whilst offering clients & counterparties a more secure and convenient onboarding experience. The company was founded in 2021 and the aim was to reduce the time and money that companies spend when onboarding clients, counterparties, and funds, and fulfilling their AML & KYC obligations. Their main client base is Tier 1 global financial institutions with the potential upside for their clients being huge given the benefits that the valid8Me platform can realise for firms of this nature.



# COMPANY RESEARCH PROFILE



Founded 2007  
 Paris, France  
[www.vneuron.com](http://www.vneuron.com)

[press@vneuron.com](mailto:press@vneuron.com)  
 Employees 101-250  
 Regions of operation: Europe, Middle East, Africa, United States

## PRODUCT NAME:

Reis™ Risk and Compliance Suite

## KEY EMPLOYEES:



**Fateh BEL HADJ ALI**  
President



**Mohamed OUEDERNI**  
Executive partner



**Mahmoud MHIRI**  
ExecutivePartner



**Ghassen HAMROUNI**  
ExecutivePartner



**Mohamed MELLITI**  
ExecutivePartner

Value Chain: **Onboarding, Monitoring, Detection, Reporting, Processing & Control**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting, Identification/Background checks, Compliance Management**

Regulation/Legislation: **KYC, AML, GDPR**

## OFFERING

Reis™ RCS incorporates cutting-edge technologies to deliver a robust financial security and compliance solution. Vneuron's platform is cloud-based, providing flexibility and scalability, enabling users to access it from anywhere. Vneuron's offering solves a multitude of issues for financial institutions. This allows for a solution that is both innovative and quick, solving several different challenges relating to regulatory and compliance requirements within the same package.

## PROBLEM BEING SOLVED

Vneuron Risk and Compliance tackles financial institutions' pressing compliance issues, such as navigating outdated versus modern solutions, complex regulatory checks, and high investigation expenses, along with the challenge of false positives. The solution, Reis™ Risk and Compliance Suite (RCS) boasts a modern interface, comprehensive regulatory support, cost, and time-saving automated operations, and an impressive 80% reduction in false positives.

## TECHNOLOGY

Vneuron's Reis™ RCS, powered by AI and Machine Learning, offers scalable AML compliance solutions tailored to various organizations' sizes and regulations. It includes different modules ranging from transaction monitoring to KYC, employing behavioral monitoring, rule-based AML protocols, and advanced Natural Language Processing algorithms for comprehensive name screening, covering even low-resource languages.

## PRODUCT DESCRIPTION

As compliance challenges evolve and fraud becomes more complex, automating AML processes has shifted from a luxury for big institutions to a necessity for all. The Reis™ Risk and Compliance Suite has emerged as a trusted solution for global financial institutions, offering a comprehensive AML technology designed to meet strict regulatory requirements. The Reis™ RCS suite presents different modules, each tailored to specific aspects of compliance:

**Reis™ KYC:** This module streamlines customer onboarding by incorporating sanctions screening and adopting a risk-based approach. It ensures that financial institutions can confidently verify the identity and assess the risk associated with their clients.

**Reis™ AML:** Leveraging the power of intelligent segmentation and AI, this module provides sophisticated transaction monitoring capabilities. It excels in the detection of suspicious and unusual behaviors, enhancing the institution's ability to combat money laundering.

**Reis™ Transaction Filtering:** This module offers comprehensive payment screening technology capable of filtering domestic, cross-border, and remittance payments. It ensures compliance with screening requirements across all payment types, reducing the risk of illicit financial flows.

**Reduce False Positives with Reis™ RCS:** By leveraging descriptive statistics and best-in-class name screening technologies, this module achieves an impressive 80% reduction in false positives compared to legacy systems.

**Case Management, Collaboration, and Workflows:** Vneuron's risk and compliance suite leverages Robotic Process Automation for seamless case management, collaboration, and workflows. The platform streamlines centralized investigations, automates data entry, and enhances communication within compliance teams through a user-friendly, customizable drag-and-drop workflow system, optimizing efficiency in creating suspicious activity reports (SARs).

**Flexibility and Ease of Use:** Reis™ technologies have been meticulously designed with user-friendliness in mind. The platform offers end-to-end configuration without necessitating development efforts for full dashboard and workflow customizations.

**Best of Breed:** Award-winning solution, presenting configurable architectures and frameworks for easy integration to any type of system even legacy ones, and guaranteeing time and resource optimization.

## TRACTION/GROWTH

Vneuron has garnered notable success, named KYC Category leader by Chartis in the RiskTech Quadrant for KYC Solutions. They were also recognized as the best anti-money laundering solution provider in the Water Rankings 2023.

With 200+ customers in renowned financial institutions across Europe, Africa, and the Middle East, Their Reis™ RCS platform, boasts over 40,000 daily users and diligently screens more than 50 million customers. Strategic partnerships with leading data providers enabled seamless data source selection without integration issues.

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# Vneuron's path to become a compliance forerunner

*Vneuron, a Parisian RegTech firm founded in 2007, has carved its path as a forerunner in the world of risk & compliance technology. Upon its inception, the company had ambitious targets, as it looked to ruffle the feathers of the established quo and revolutionise the space.*



With revolution on the mind for the visionary French firm, Vneuron identified a pressing industry challenge: the ongoing struggle between robust compliance solutions burdened by outdated systems and modern platforms with their own baked-in limitations, as Mahmoud Mhiri, Executive Partner at Vneuron explained, "Recognising the challenges faced by financial institutions in navigating this delicate balance, Vneuron seized the opportunity to capitalise on the unmet needs within the industry. We have observed that legacy compliance solutions often hindered operational efficiency and agility, while modern solutions fell short in providing a holistic and robust response to evolving regulatory requirements."

## Vneuron's "ground-breaking" compliance offering

In reaction to this market gap, Vneuron took the initiative to introduce their compliance suite, aiming to overcome the aforementioned typical trade-off between legacy and contemporary systems. The system, known as the Reis™ Risk and Compliance Suite, was that answer, and Mhiri delved into just what makes it special.

He said, "Vneuron introduced the Reis™ Risk and Compliance Suite. This innovative platform serves as a beacon of progress for financial institutions, offering a comprehensive solution that transcends the traditional trade-off between legacy and modern systems. With Reis™ RCS, financial institutions no longer have to compromise on compliance effectiveness or technological modernity.

"The suite is designed to be a game-changer for AML compliance technology needs, providing a unified and user-friendly platform that seamlessly integrates with existing systems. It ensures a comprehensive response to regulatory requirements while preserving modernity and ease of use, thereby empowering financial institutions to navigate the complex landscape of compliance with confidence," continued Mhiri.

Vneuron's USP revolves around being an all-encompassing, one-stop-shop for AML compliance, offering advanced technology,

customization, and a commitment to user experience. Mhiri emphasised, "We eliminate the fragmented landscape of tools and systems," making their solution scalable and adaptable to organisations of varying structures and sizes.

On top of this, the firm's software is consistently lauded for its scalability, and its ability to cater to organisations of any size. But the quality of their product compared to their rivals in the space doesn't stop there, as Mhiri explained.

"What truly distinguishes Vneuron is its incorporation of best-in-class technology. Advanced features, including name screening, pre-trained algorithms, statistical modelling, and lookalike modelling, provide nuanced insights beyond conventional compliance solutions. This technological backbone transforms Vneuron from a mere compliance tool into a strategic asset for navigating the evolving landscape of financial regulations," he continued.

## Future Trends and Expansion Plans

Mhiri anticipates that the future will belong to trends like enhanced data privacy measures, notably, the introduction of the Digital Operational Resilience Act (DORA) in the European Union that will comprehensively address ICT risk management in the financial services sector and harmonise the ICT risk management regulations, and emerging technologies like blockchain and quantum computing, as well as a focus on AI transparency and ethics.

Vneuron's strategy is set to see the continuation of their proactive approach that has served them so well in the past. With regulatory challenges always on the horizon for firms in the sector, they aim to continue to develop their offering to thrive amid the chaos, as Mhiri explained.

"Minor updates are consistently rolled out to address nuanced regulatory adjustments, maintaining real-time relevance. These may include fine-tuning AML rules, updating filtering criteria, and enhancing reporting functionalities. Core updates, on the other hand, are strategic endeavours designed to accommodate substantial regulatory shifts. These updates may involve the integration of advanced screening mechanisms, implementing new algorithms, or introducing comprehensive workflow adjustments.

This commitment to continuous improvement ensures that our customers are equipped to navigate the ever-changing regulatory environment with ease," he said.

Looking forward, the French firm has set out ambitious growth targets for 2024 and beyond - in keeping with the company's DNA. "Geographically, we aim to establish a robust and noticeable presence in new highly competitive markets," according to Mhiri.

Vneuron is also looking to continue adding to its wealth of talent in its ranks, as they look to push on amidst their commitment to excellence. This means "recruiting exceptional talent globally to better understand diverse market needs," in Mhiri's eyes, as they look to continue operating using their key tents of innovation and integrity.

Vneuron's journey epitomises innovation and commitment in the realm of financial compliance. With a steadfast focus on addressing industry challenges, integrating cutting-edge technology, and staying ahead of regulatory curves, the firm stands as a beacon of progress in the evolving landscape of financial technology.

With a global footprint and a mission to halt financial crime, Vneuron's pursuit of continuous technological improvement has seen them build an enviable client list across the world, and boast offices on three continents. But this is just the beginning for the Parisian operation, which is pushing even further to optimise the performance of any business. ●



# Reis™ KYC Infinity

For a Seamless Onboarding experience

## Introduction

In the fast-evolving landscape of regulatory compliance, financial institutions (FIs) grapple with dynamic regulatory frameworks. This case study explores how Reis™ KYC Infinity revolutionizes FIs' onboarding, providing a seamless solution for compliance complexities.

## Results and Insights

- **Efficiency Gains:**

FIs experienced a **30% reduction** in onboarding time, increasing operational efficiency.

- **Accuracy Enhancement:**

Intelligent data control led to a **20% reduction** in errors, ensuring higher data accuracy.

- **Proactive Compliance Measures:**

Trigger-driven reviews resulted in a **40% increase** in proactive compliance processes, staying ahead of evolving requirements.

- **Risk Mitigation:**

Continuous risk assessments contributed to a **15% reduction in potential risks**, demonstrating effective real-time risk mitigation.

## CHALLENGES



FIs encounter numerous challenges in complying with rapidly changing regulatory standards. Manual onboarding processes are often time-consuming, error-prone, and struggle to keep pace with the evolving regulatory landscape.

## SOLUTION



Reis™ KYC Infinity seamlessly integrates advanced automation and machine learning, streamlining onboarding processes and enhancing customization, precision, and efficiency.

## KEY FEATURES



### Customized and Automated Workflows

1

Empowering FIs to tailor workflows to unique needs while incorporating automated processes, the platform ensures a personalized and intuitive data input process.

### Customer Data Control

2

Achieving intelligent data control through customizable smart validation rules and external validation enhances data accuracy and integrity.

### 360° View Dashboards

3

Offering comprehensive visibility into the compliance landscape through intuitive dashboards facilitates informed decision-making.

### Trigger-Driven Periodic KYC Review

4

Empowering FIs to tailor workflows to unique needs while incorporating automated processes, the platform ensures a personalized and intuitive data input process.

### Integration Broker

5

The modern integration framework facilitates real-time customer data integration across various CRMs and core systems.



hello@vneuron.com



www.vneuron.com

+ All other features included in Reis™ KYC

# AML Under the Clock: Navigating the Final 12 Months Before DORA's Implementation

By Mahmoud MHIRI, Executive Partner at Vneuron



In an era where digital resilience is paramount, the Digital Operational Resilience Act (DORA) emerges as a pivotal regulation, reshaping the operational framework of financial institutions.

## Understanding DORA

DORA, officially published in December 14th, 2022, stands as a testament to the European Union's commitment to strengthening the digital operational resilience of the financial sector.

DORA will be enforced from January 17, 2025, and aims to consolidate and enhance the digital defense mechanisms of financial entities against cyber threats, operational disruptions, and other digital risks.

There are barely 12 months left before enforcement, the pressure is mounting for financial institutions to proactively integrate DORA into their operations, fostering a proactive approach to digital resilience.

## Impact of DORA on AML Frameworks

DORA's immediate impact on AML frameworks emphasizes the crucial need for heightened digital agility and resilience.

AML systems must now withstand diverse digital disruptions, from cyberattacks to system failures. This mandates a comprehensive reassessment of existing AML technologies and processes, ensuring not just regulatory compliance but also resilience against digital challenges.

DORA advocates a broader perspective on operational risk, encompassing compliance risks. AML frameworks must transform into proactive tools, anticipating and mitigating potential compliance risks. This transformation necessitates a more profound integration of AML systems with other operational risk management tools.

## Technological Innovations and Solutions

To comply with DORA, financial institutions must adopt AI and ML for efficient AML systems. It is important to mention that staying informed about evolving EU AI regulations, particularly the proposed AI Act, is crucial. Proactive understanding and preparation for these regulations are essential to avoid compliance issues. Also, integrating AML systems with broader IT infrastructure, including cloud-based solutions, will enable real-time monitoring and rapid response to risks, aligning with DORA's objectives for enhanced security and resilience.

## Strategic Recommendations

For financial institutions looking to adapt their AML frameworks in line with DORA, a strategic approach is essential.

First, conducting a comprehensive risk assessment to identify vulnerabilities in current AML systems is crucial. Based on this assessment, institutions can prioritize areas for improvement, focusing on enhancing digital resilience and compliance capabilities.

Investing in advanced technologies like AI, ML, and blockchain can significantly bolster AML frameworks. However, technology alone is not a panacea. It must be complemented by robust processes, skilled personnel, and a culture of compliance and resilience.

Collaboration and information sharing with other financial institutions and regulatory bodies can also play a crucial role in adapting to DORA's requirements. Such collaboration can lead to better understanding of emerging risks and more effective strategies to counter them.

The introduction of DORA marks a significant milestone in the journey towards a more resilient digital financial ecosystem. Through tech innovation, resilience culture, and holistic risk management, institutions can comply with DORA and fortify defenses against financial crimes. Agility, foresight, and collaboration are key pillars in the evolving regulatory landscape, shaping the future of AML frameworks ●



# COMPANY RESEARCH PROFILE



## PRODUCT NAME:

Accord (UK, Ireland, Singapore), Tracsmart, Caresmart, Checksmart, Testsmart



Founded 1995



Milton Keynes and London



[info@worksmart.co.uk](mailto:info@worksmart.co.uk)



Employees 200+



Regions of operation:  
UK, Ireland, Australia, Singapore

## KEY EMPLOYEES:



**Nic Dent**  
Market Engagement Director



**Mat Paixao**  
Director of Revenue



**Emma Howell**  
Business Development Manager

Value Chain: **regulatory compliance, people risk mitigation, compliance process management, adherence to consumer duty requirements.**

Subsectors: **training and competence, knowledge and competence and the wider topic of employee competence. SM&CR and other similar accountability regimes across the globe (including governance, reasonable steps, delegation, certification and the directory), complaints management, quality assurance.**

Regulation/Legislation: **SM&CR, SEAR (Ireland), IAC (Singapore) FAR (Australia), DISP, TC and MIFIDII competence requirements.**

## OFFERING

Worksmart has established a strong reputation by providing support to the leading financial service businesses in the UK, guiding them through the complexities of regulatory compliance. As other regions adopt variations of UK regulations, Worksmart is committed to helping companies in those countries adhere to the requirements.



## PROBLEM BEING SOLVED

Worksmart offers a comprehensive range of innovative and multi-award winning RegTech solutions that are built upon a deep understanding of the market and Worksmart's expertise in the regulatory sphere. Their solutions are designed to enhance operational efficiency by strengthening organisations' approach to governance, risk, and compliance, resulting in significant time and cost savings while facilitating the implementation of regulatory changes.



## TECHNOLOGY

Worksmart's latest solutions are cutting-edge SaaS web applications, powered by the Microsoft stack. They are securely hosted on a private cloud, ensuring top-notch protection for all customer data. With separate databases that are encrypted at rest, you can trust that your information is in safe hands. These applications boast a ReactJS front end, seamlessly communicating with ASP.NET and SQL Server on the back end through web APIs.

## PRODUCT DESCRIPTION

- Tracsmart (Training & Competence)** – Tracsmart has been built with our clients' competence and people risk in mind. Understanding that key roles in regulated entities are subject to the FCA's Training and Competence (T&C) rules is well established practice.
- Accord (SM&CR)** – Accord is the only purpose-built SM&CR solution on offer that has been built by practitioners in conjunction with trade body support. The Senior Managers and Certification Regime (SMCR) ensures that Senior Managers are individually accountable for their business decisions, their conduct and the competence of those that they manage.
- Accord Singapore (IAC – Singapore)** - Accord has been configured to meet the requirements of the Individual Accountability and Conduct regime, which will allow Senior Managers to focus on the outcomes expected by MAS.
- Accord Ireland (IAF Individual Accountability Framework)** – Accord Ireland is designed to facilitate the tracking and managing all process concerned with evidencing governance, individual accountability and fitness and probity.
- Caresmart (Complaint Management (Lloyd's and General Market))** - The market today demands increased scrutiny of both the complaints process and of a firm's reporting output. Our Caresmart solution supports those accountable for effective customer experience management.
- Checksmart (Quality Assurance)** – Checksmart enables organisation to amongst other features, the ability to review customer interactions using configurable, risk-based rules, as it is essential that regulated firms respond quickly to rapidly evolving market needs.
- Testsmart (Competence Testing)** - With the implementation of many regulatory people initiatives such as the MiFID II Knowledge & Competence regime, the Insurance Distribution Directive and the Senior Managers & Certification Regime. Testsmart can facilitate the testing of factual knowledge and how an individual might apply this.

## TRACTION/GROWTH

Worksmart joined Davies, the specialist professional services and technology company in April 2022. Serving 1,500+ insurance, financial services, and highly regulated clients worldwide, our 8,000+ strong team help our clients to manage risk, operate their core business processes, transform and grow. We deliver professional services and technology solutions across the risk and insurance value chain, including excellence in claims, underwriting, distribution, regulation and risk, customer experience, human capital, digital transformation and change management.

Our RegTech clients include HSBC, Liverpool Victoria, Chaucer, Schroders and Barclays. With deep regulatory experience, a comprehensive, award-winning product range, and consulting expertise, our regulatory and technology experts help clients turn regulatory change into business advantage.

# How Worksmart's holistic approach to compliance is making waves in the RegTech sector

*Niche provider of RegTech solutions, Worksmart, serves to help firms manage governance, compliance, and risk. We sat down with Market Engagement Director, Nic Dent, to talk keeping up with the ever-changing RegTech landscape, key challenges, and future plans for the business.*



**worksmart**  
REGULATORY CHANGE MEETS BUSINESS ADVANTAGE

## Q: What differentiates Worksmart within the RegTech industry?

Our solutions support workflows to drive, monitor, and evidence direct affirmative steps and any remediation required, helping businesses evidence proper governance and appropriate management of business processes. We're very good at consolidating MI (management information), giving people transparency and visibility of that, and enabling them to link that MI directly to targeted action—and I believe it's this holistic approach that makes us so appealing to firms.

Additionally, just the sheer breadth of our capability, experience, and insight means we can confidently deliver for clients facing various requirements within the governance and risk compliance management space. In fact, we often describe ourselves as having been a

RegTech company before RegTech was even a term—we've been doing it for over 30 years with some of our client relationships lasting 15+ years!

Since then, we've implemented with over 80 organisations and have 180,000+ users of our technology across multiple sectors including banking, investment, insurance, consumer credit, and wealth management.

## Q: What pain points do you solve for your clients?

Our products align to particular workflows and processes. For example, we have a product called Tracsmart that manages training and competence (T&C) and competence and capability regimes. We also have a quality-checking solution designed to meet the requirements of predominantly sales quality reviews, file reviews, and other quality standards across businesses as well. And then we have our Accord product, which is our Software as a Service product designed to collate all the records, evidence, and workflows necessary to evidence accountability regimes.

The value of our technology is enshrined in its ability to automate these processes, ensure consistency in management of these things, and of course, we also help provide and evidence efficiency, transparency, and reliability of the audit history.

## Q: How do you ensure your RegTech solutions can accommodate changing regulatory requirements?

Regulatory change is a moving target and naturally, part of our job is to keep abreast of these changes. To do this, we prioritise having subject matter experts within the organisation who can analyse the impact of regulatory changes and requirements.

We're continuously horizon-scanning, and so often, the ongoing development plans we have and the kind of themes we're thinking about, are what differentiates us from others within the industry.

Things happen on a regular basis and that kind of regulatory insight is fed into the product evolution process. We're also bound through contractual arrangements with our clients to keep them on the right side of the regulatory obligations, through our frequent software updates and amendments, and so keeping up with the latest information is non-negotiable for us for that reason, too.



*The Worksmart product set is a bedrock for integrating with other processes. So, we are looking forward towards a notion of enhancing what we do through the broader capabilities that are available within other innovative tools*

We also gain feedback from our customer base which informs our developmental roadmap as well—because not only have we got to consider the regulatory obligations of what we must do, but we also need to factor in what firms are keen to do as well.

### How has RegTech evolved in the past 12 months?

Firms are looking far more holistically across their MI and have a much greater understanding of how RegTech can automate the transactional day-to-day processes, and the benefits of doing so.

Consumer Duty is the phrase on the financial service sector's lips right now, so compliance and RegTech is becoming much higher on the agenda for a lot of firms. In line with this, there's more attention being placed on MI—not only for firms to produce more of it to meet Consumer Duty regulations, but also to give an indication of what they're doing with that MI—the actions they're taking and the corrective interventions they're taking resulting from what that MI is telling them.

It also comes with expansive evidential requirements that mean firms must deploy advanced data-driven technology solutions to meet the regulator's data-

focused demands. Because of this, we know it's crucial to support many of our clients in adapting their current processes to comply. These are the gaps we can help firms to bridge.

### What are some of the key challenges for financial services firms looking to be compliant in 2024?

There are two big milestones coming up in 2024 for firms to consider: the embedding of Consumer Duty into BAU activity, and the new accountability regime in Ireland—specifically SEAR (Senior Executive Accountability Regime) and IAF (Individual Accountability Framework).

Though the Consumer Duty deadline for firms to get all their systems and controls in line with the regulations passed in July, in 2024 firms will face another challenge: to provide a pack of MI that's been signed off by their senior management team to acknowledge they're managing Consumer Duty appropriately. They'll also need to show what they're doing in terms of remediation and the ongoing evolution of that.

And that's exactly what we're all about at Worksmart—teaching firms that they can help themselves an awful lot when they look past regulatory requirements as something they have to meet, and instead, view it as something they should be doing for good business practice. It's even in our strap line: “regulatory change meets business advantage”.

Similarly, the FCA's plans with the Ireland's accountability regime revolve around ensuring any organisation systems that aren't purpose-built risk compliance and governance platforms (but currently act as one), are reflecting on whether they're using the right tools for the job. If not, they should consider whether they're creating more risk, concern, overhead, and admin tasks from using the accessible technology, rather investing in the right one.

### What's next for Worksmart?

The Worksmart product set is a bedrock for integrating with other processes. So, we are looking forward towards a notion of enhancing what we do through the broader capabilities that are available within other innovative tools—for example, with the integration of Voice of the Customer into things like complaints management processes, QA processes, and competence management processes.

Similarly, with AI being used more readily within the financial services sector, we see opportunity for leveraging it for the analysis of MI in the future—perhaps through predictive analytics. ●

# ViClarity



Founded: 2008



Employees: 51-100



Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, Solvency II, KYC, AML, GDPR, SFTR, Basel III, EMIR, The system is configurable and workflow can be built for any regulations across any industry**



Subsectors: Onboarding Verification (AML/KYC/CDD), Cybersecurity/Information Security, Risk Management, Reporting, Compliance Management, Vendor Management, Incidents. Documentation/Policy Management



Regions of operations: Ireland, UK, Europe, USA, Canada, Australia, Caymens, Bermuda

ViClarity is an award-winning provider of governance, risk and compliance (GRC) management software solutions for highly regulated industries, such as Healthcare, Insurance and Financial Services. Organisations of all sizes utilize their GRC tools to enhance and automate their risk and compliance processes. ViClarity Europe was founded in 2008 and merged with U.S. based compliance consulting firm, PolicyWorks, LLC, in 2020. Today, they are one ViClarity, a globalRegTech organisation headquartered in Tralee, Co Kerry and with offices in Des Moines, Iowa and Boston, Massachusetts in the US. ViClarity has more than 1,000 global clients in a wide variety of regulated industries. Their clients have utilised their technology platform to save countless hours of manual work, streamline processes and navigate a changing regulatory environment.



## ABOUT US

This summary was produced by RegTech Analyst.

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[www.RegTechAnalyst.com](http://www.RegTechAnalyst.com)



## ABOUT US

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We serve a network of over 300,000 FinTech professionals from market-leading organizations – financial institutions, technology innovators, corporate investors, venture firms and expert advisory firms. We enable them to get the information they need to make better business decisions and to connect and engage with the people and organisations they want to do business with.

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