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Oracle Financial Services Know Your Customer (KYC)

Ensuring Regulatory Compliance while Enhancing Customer Experience

With technological advances and sophistication of perpetrators of financial crime, financial institutions (FIs) globally face the urgency to elevate their efforts to identify and detect illicit transactions, fraud, non-compliance, and illegal activities, as early as during customer onboarding.

Oracle Financial Services' (OFS') Know Your Customer (KYC)/ Customer Due Diligence (CDD) not only assists these FIs in early identification and detection to prevent financial crimes but also allows them to meet ever-evolving regulatory requirements. By providing streamlined onboarding and seamless KYC for the entire customer lifecycle (CLM), Oracle helps FIs enhance their customer experience.

A Comprehensive KYC/ CDD Platform

Oracle's KYC/ CDD coupled with AI, ML, Graph Learning, and Advanced Analytics provides a holistic risk view for the entire customer lifecycle, including customer onboarding, ongoing due diligence, and enhanced due diligence (EDD) processes. It offers a comprehensive, flexible, and extensible risk-scoring module for both batch and real-time to meet diverse KYC regulatory requirements across global institutions.

Our Differentiated Value Proposition:

- Utilizes sophisticated information exchange formats to easily maintain and share data across existing systems, enabling FIs to perform real-time checks against their new customer and identify risk exposures of the customer without compromising customer experience.

- Multi-Dimensional risk scoring models that supports multi-country, multi-jurisdiction as well as different businesses like retail, corporate, wholesale, etc.

- Onboarding service caters to all aspects of CIP verification, Screening, scoring, and decision of onboarding with just one REST-based API integration.

- Complete end-to-end customer lifecycle management for data, process, and risk management and eliminate 'friction.'

Industry Challenges

- Rapid increase in technology-enabled and sophisticated financial crimes

- Ever-evolving global and local regulations

- Managing multiple databases/ watchlists/ sanction lists

- Siloed systems and manual processes causing lower efficiency and higher costs

Why Oracle KYC?

- 25 years of fighting financial crime for over 150+ global FIs

- Recognized as Leader in Quadrant SPARK Matrix for KYC/CDD 2021

- Recognized as Leader in Chartis KYC Report 2020

- Streamlined onboarding process with significant reduction in onboarding time (~80%)

- Seamless KYC with integration between front, middle and back-end teams

- Stay ahead of regulatory curve with proven, tested regulatory backbone with AML/KYC coverage for all FATF/AML directives

- Improve the customer experience with a simplified and consistent onboarding process

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- Productized integration with multi-dimensional data sources, partners ensuring a more seamless implementation with incremental and continuous reviews

- Comprehensive & integrated with Transaction Monitoring (TM), Customer Screening (CS), Enterprise Case Management (ECM), Compliance Regulatory Reporting (CRR), on unified case management.

- Incorporates advanced analytics like AI/ML, Integration with innovative automation tools (RPA), Graph-based investigations to support digital transformation trends

- Also, offer a SaaS-based integrated offering that allows our customers to configure the application to their specific needs.

Holistic & Multi-Dimensional risk scoring with 360° Review of Customer

OFS KYC offers a holistic, customer-centric approach with a focus on streamlining the onboarding process, reducing customer touchpoints, improving customer experience, increasing compliance, improving team efficiency & reducing costs.

Streamlined Onboarding: OFS KYC is designed to streamline the onboarding process with minimal customer touchpoints and comply with AML/FATF-based KYC regulatory requirements.

360° view of entity and associated risks: OFS KYC provides extended configuration for periodic review and accelerated re-review for escalation of a change in customer profile or risk scores.

Event-based triggers: As OFS KYC is integrated with a behavior detection platform, KYC can look at the alerts/events of a particular configured pattern and trigger re-review of the customers.

Enhanced Due Diligence (EDD) Investigation process: aided by the underlying case management platform's investigation capabilities and, user-friendly and powerful investigative tools to adjudicate a customer's risk assessment. Risk assessments that meet specific thresholds are escalated for due diligence. Behavioral and predictive analytics capabilities allow better high-risk customer management, enhanced due diligence (EDD), periodic review, and ongoing monitoring.

Change in information: By default, all risk factors, which are out of the box, comes with a pre-defined change log process and review process inbuilt. It is configurable and extendable via user interface and configurations.

Capturing the beneficial owner's information: To comply with FinCEN's UBO regulatory requirements, OFS KYC has extended the data capture (such as names, date of birth, address, identity documents, etc.) of beneficial owners who may be customers/ non-customers of the FIs.

Key Features

- 360° view of individuals/ entities
- Real-time Entity Scoring Engine
- Advanced & Enhanced due diligence process
- Automated Screening against industry watch lists
- Continuous Monitoring / KYC
- Graph-based advanced entity resolution
- Ensuring Regulatory Compliance while Enhancing Customer Experience
- Pre-integration with Oracle's other FCCM applications

Key Benefits

- Improved Customer Experience
- Accelerated Adaptability to Changes in Rules and Regulations.
- Increased Operational Efficiencies
- Reduced costs

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Standard integrations support end-to-end compliance

While OFS' KYC comes pre-configured with our other FCCM applications, it is also delivered with standard information exchange interfaces that support integration with interfaces such as:

- **Onboarding service:** a REST-based service exposed to onboarding system by OFS KYC to enable quick and seamless onboarding.

- **Customer and account reference data interface:** used to capture the customer and account information to process risk assessments further. Currently, the KYC system refers to the data fed into the AML system from the staging area.

- **Watchlist interface:** The watch list data is used to screen customers against internal and external watch lists, which FIs upload through the DIS file. This interface is applicable for batch and online. The interface is for the internal watch list and OFS CS watch list as well.

- **Risk score feedback interface:** The information exported from this interface can be updated into other front and back-office systems. As part of the closure of a risk assessment through batch mode, the risk score is also made available for other back-office systems.

- **AML and fraud alert interface:** The AML and Fraud alert data is used to initiate an accelerated re-review of the customer and used as a factor that contributes to the overall risk score.

- **Capability of external data source interface:** Capability of interfacing with external systems for performing ID verification, negative news providers, etc. The infrastructure is available for REST-based services by configuring the input and the output as required for external verifications.

Intelligent Automation and Advanced Analytics

OFS KYC incorporates advanced analytics like AI/ML, integration with smart automation tools (RPA), Graph-based investigations to support digital transformation trends.

- Leverage Oracle FCCM's machine learning capabilities to dynamically create customer clusters using internal bank client and transactional data.

- Score clients based on how they relate to the peers in their segments.

- Provide a learned machine narrative for describing changes in risk factors and red flags.

- Create comprehensive graph visualizations of shell company and UBO networks, including identification of heightened risk entities leveraging the third party negative news data.

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About Oracle Financial Services Analytical Applications

Oracle Financial Services Analytical Applications bring financial institutions best-of-breed capabilities to proactively manage Financial Crime, Compliance, Risk, Treasury, Finance and the Front Office. The applications are built upon a commonly available analytical infrastructure consisting of a unified financial services data model, analytical computations, a Metadata driven "R" modelling platform, and the industry-leading Oracle Business Intelligence platform.

A single, unified data model and infrastructure provides one version of the analytical "truth" to business users throughout the entire enterprise. This enables financial services institutions to confidently manage performance, governance, risk and compliance. Shared data, metadata, computations and business rules enable institutions to meet emerging business and regulatory requirements with reduced expenses and the unified platform helps financial institutions to leverage existing investments.

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