

Welcome to the webinar. It will start in few minutes...

WEBINAR

"Artificial Intelligence and Software Automation will unravel the need for Trust in the Banking Sector"

July 18th 2019 - from 11.30 to 12:30



Guest speaker
FORRESTER

Moderator: **Marco Di Luzio** – Chief Marketing Officer at InfoCert

Speakers: **Craig Le Clair** - Vice President & Principal Analyst at Forrester Research

Carmine Auletta - Chief Innovation & Strategy Officer at InfoCert



OUR DIGITAL TRUST,
YOUR BUSINESS VALUE

About InfoCert

Marco Di Luzio | CMO at InfoCert



THE FIRST PAN-EUROPEAN QUALIFIED TRUST SERVICES PROVIDER (QTSP)



InfoCert, as a leading Qualified Trust Service Provider, developed a strategy to build-up the first pan-European QTSP with solid institutional roots and huge focus on European markets and regulatory compliance, aiming to create a **Digital Champion** in the Trust Services market



Data Centers
located in Europe



GDPR Compliant
Services



Technical Support
Management



Cross-Border
Delivery

ABOUT INFOCERT



9
Offices
(1 in Latam)



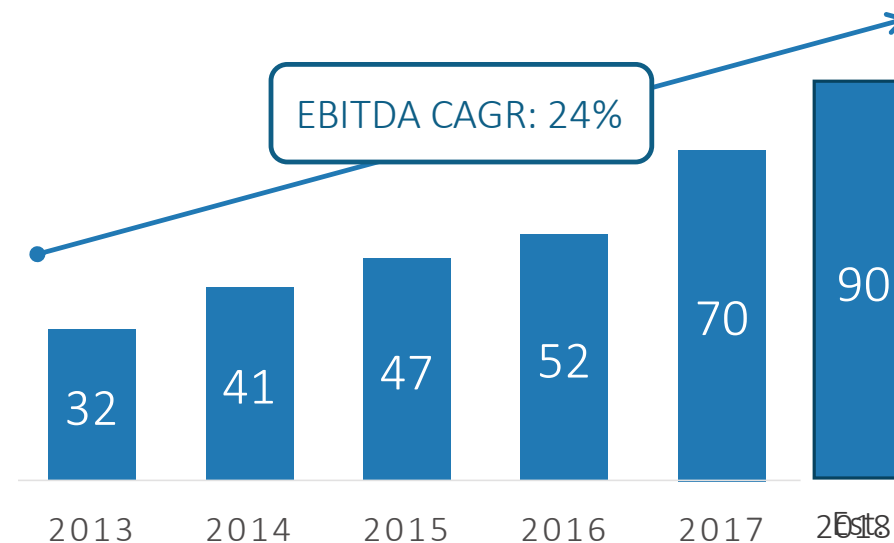
500
Employees



90 MLN
Turnover



17
Patents



InfoCert's Revenues Trend - M€

OUTSOURCE THE LIABILITY OF YOUR PROCESS





Artificial Intelligence and Automation in Financial Services

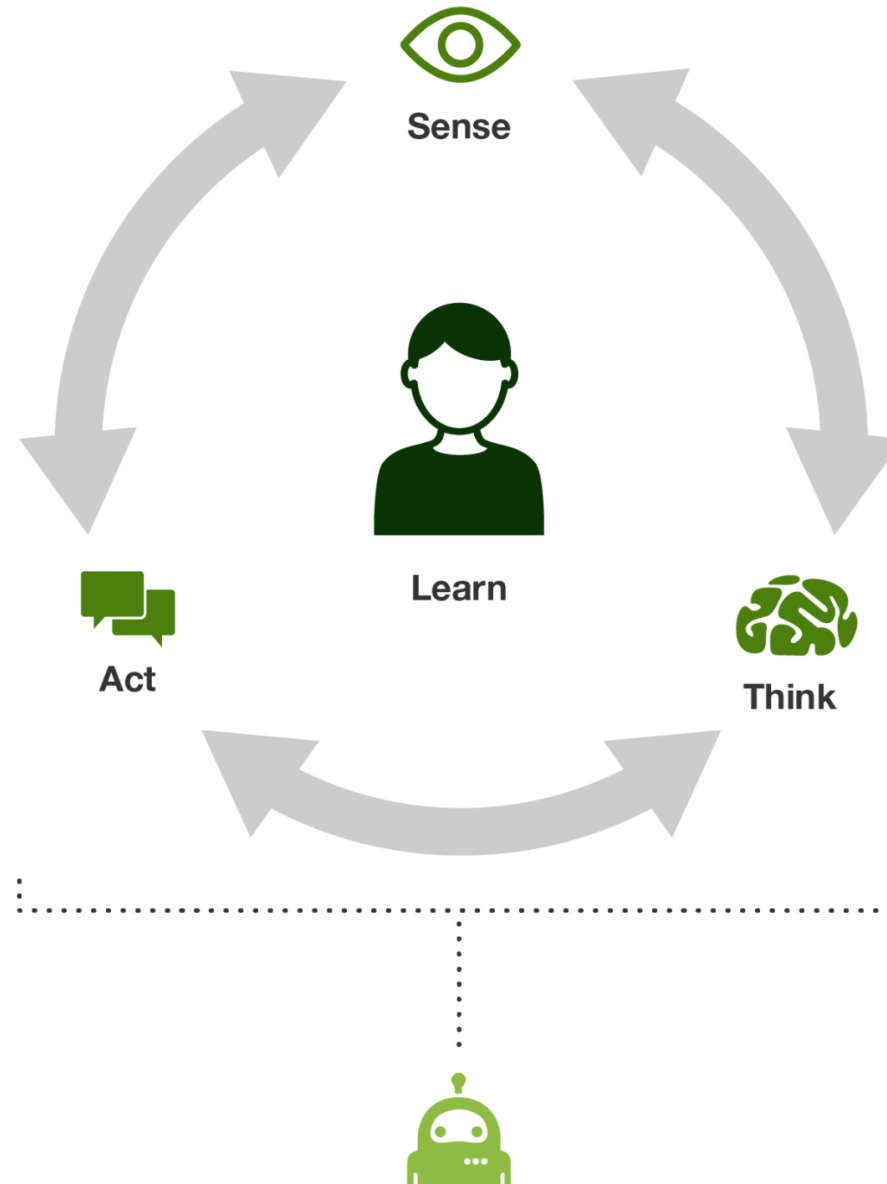
Craig Le Clair VP, Principal Analyst

A solid green triangle pointing downwards from the top-left corner of the slide, creating a diagonal split with the light blue background.

The Forces Of Automation

AI comprises a plethora of tools

The forces are built
On a number of AI is
building block
technologies – it's
not one single
technology itself.



Sense

- Image and video analysis
- Facial recognition
- Speech analytics
- Text analytics

Think

- Machine learning platforms
- Deep learning platforms

Act

- Natural language generation

Sense, think, and act

- AI-enhanced analytics solutions
- Conversational service solutions

Automation's Impact Is Profound



- Fewer Total Humans Needed
- Flattening Organizations
- Invisible Robots Empty Cubicles
- Granny Meet You Robot
- More Diverse Workforce
- Reduce Coordination & Logistics Burden
- Decisions Move To Machines
- Unpredictably
- People Lose Data Control

A green diagonal graphic element in the top-left corner of the slide.

Use Cases In Financial Services For AI And RPA

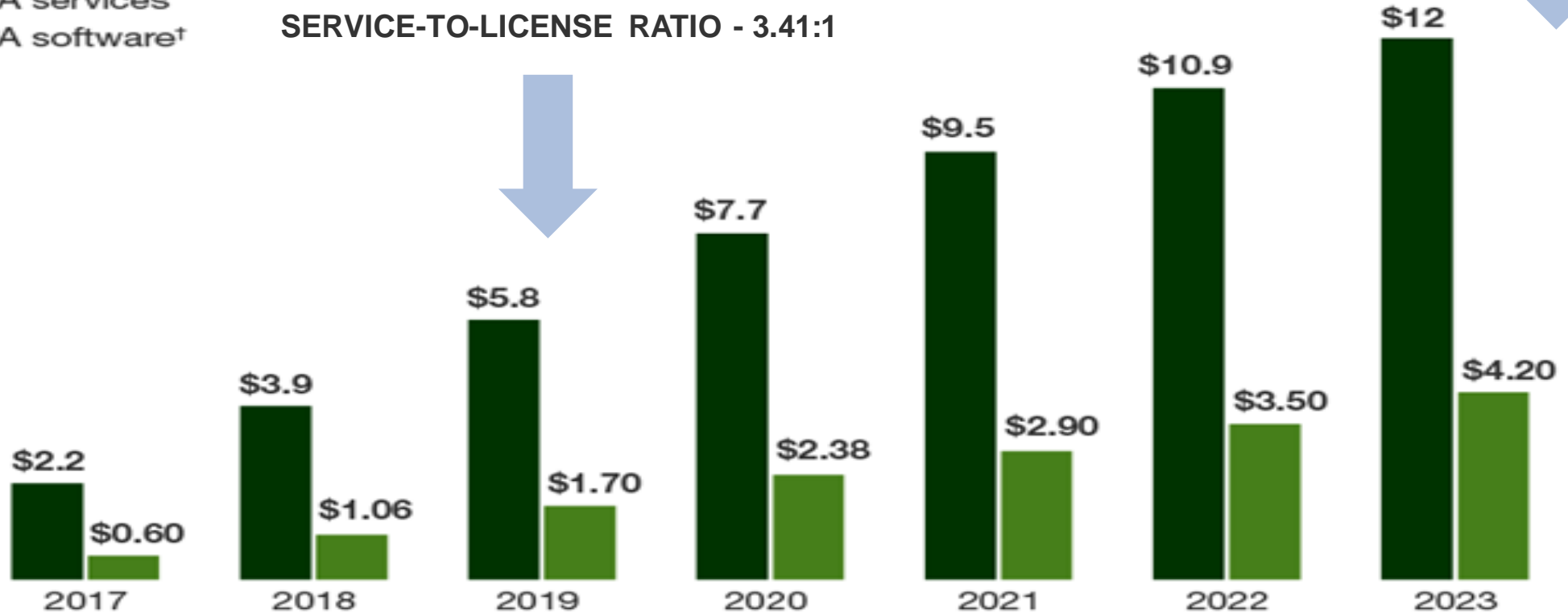
Robotic Process Automation software and services market estimate, 2017 to 2023

(US\$ billions)

SERVICE-TO-LICENSE RATIO 2.85 :1

■ RPA services*
■ RPA software†

SERVICE-TO-LICENSE RATIO - 3.41:1

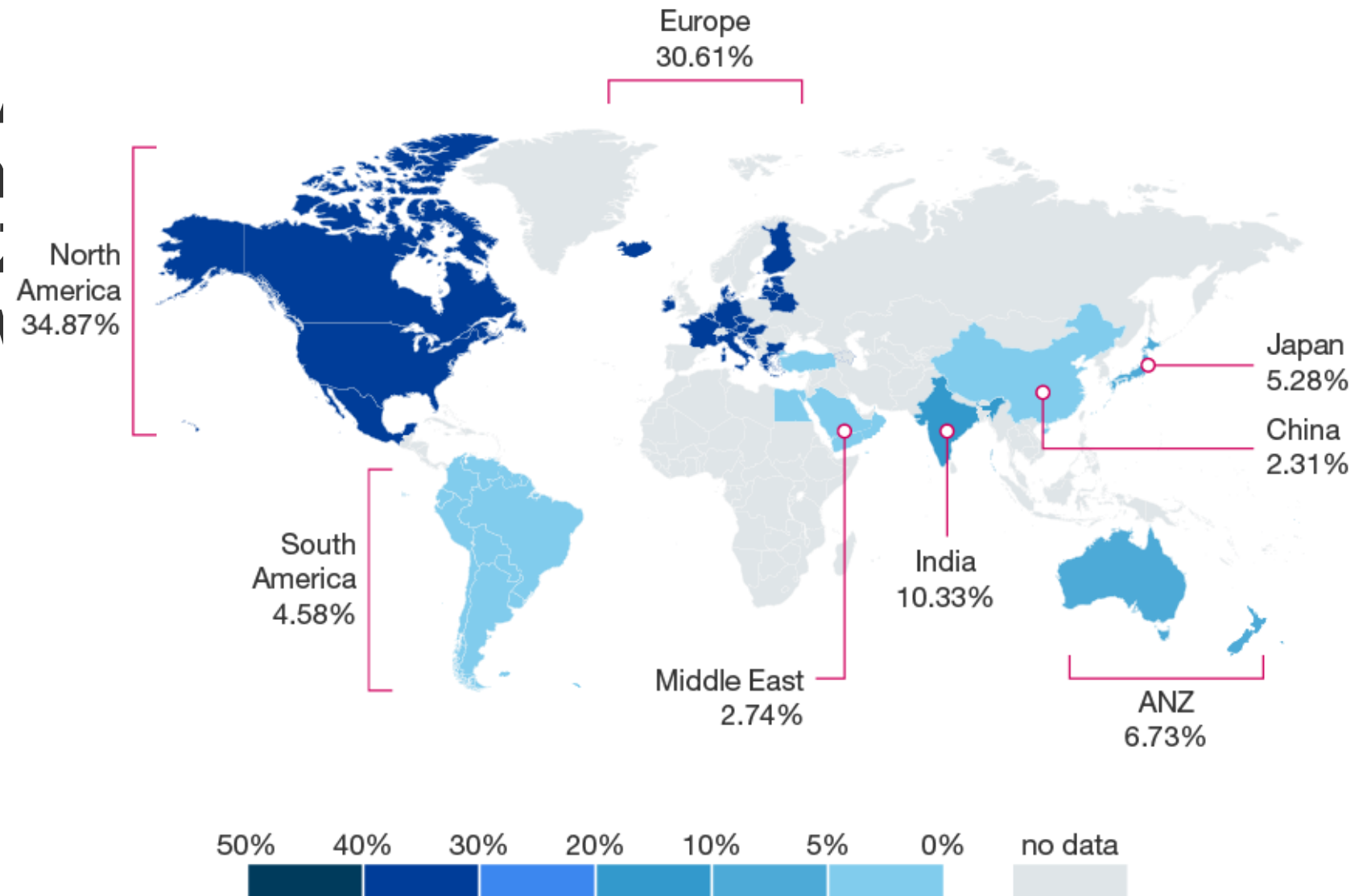


*Source: Forrester's Q2 2019 Robotic Process Automation Services Forrester Wave™ Online Survey (Global)

†Source: Forrester's Q1 2017 Robotic Process Automation Wave™ Online Survey (Global)

Source: Forrester report, RPA Services Market To Reach \$12 Billion By 2023

The US leads RPA services spending but India and ANZ exhibit rapid growth

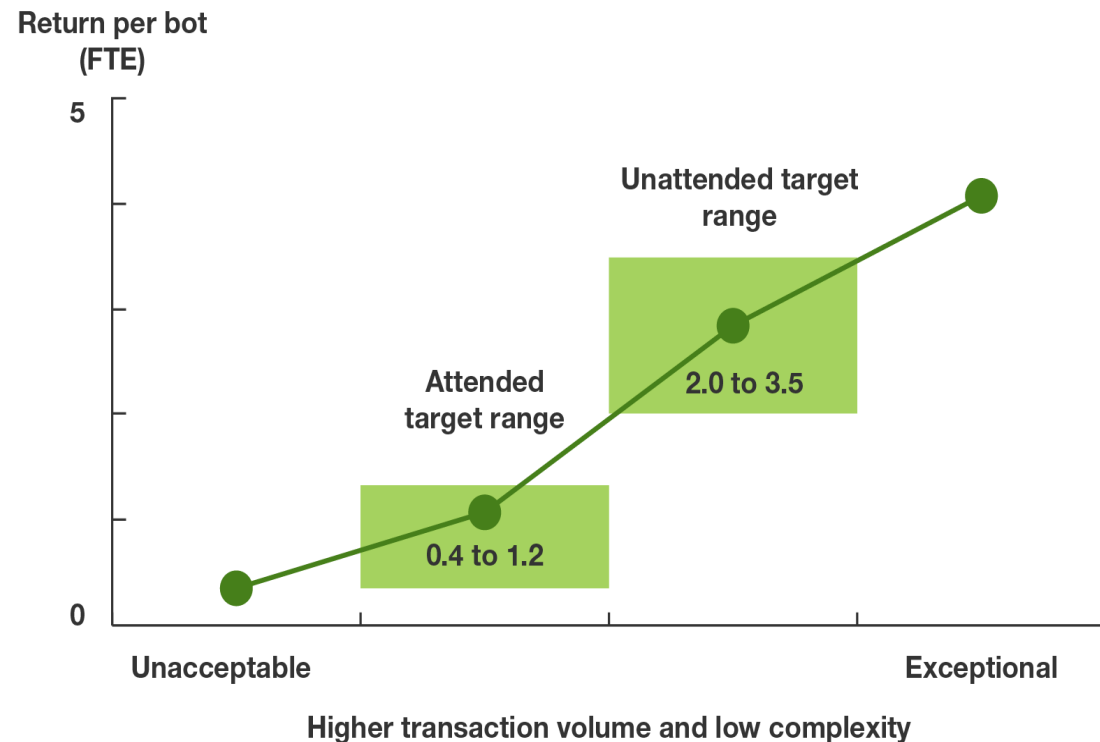


Source: Forrester's Q2 2019 Robotic Process Automation Services Forrester Wave™ Online Survey (Global)

Source: Forrester report, RPA Services Market To Reach \$12 Billion By 2023

For Many The Automation Journey IS Starting With RPA

Volume and simplicity drive the offset of full-time employees (FTEs)



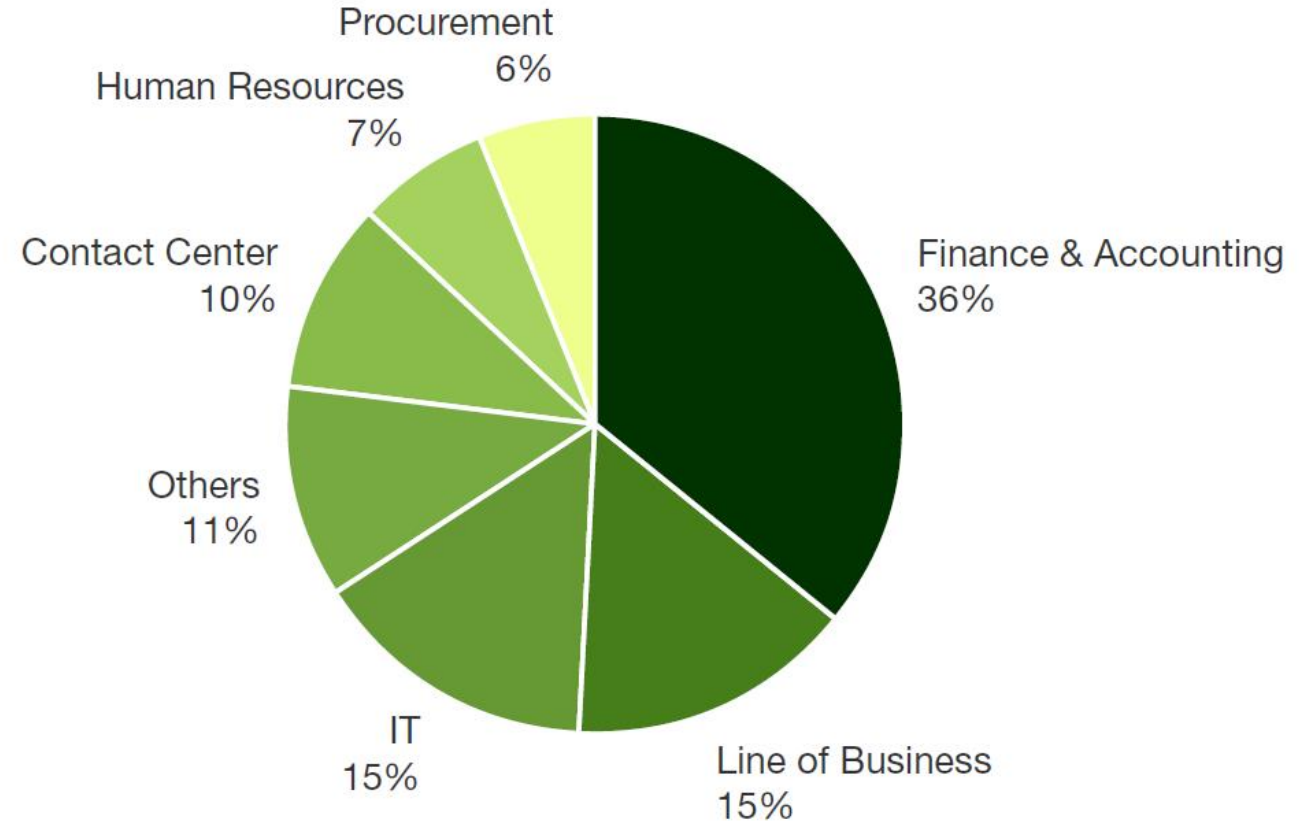
› Attended RPA is defined as:

“Automation that interacts in real time with humans who initiate and control robot tasks, often embedding functions within apps., generally associated with front-office, agent-led activities.”

› Unattended RPA is defined as:

“Automation that replaces a complete human function in a ‘lights-out’ “batch-oriented” manner, creating a virtual workforce, generally associated with back-office activities.”

Finance & Accounting comprises over a third of deployed bots



Source: Forrester's Q2 2019 Robotic Process Automation Services Forrester Wave™ Online Survey (Global)

Source: Forrester report, RPA Services Market To Reach \$12 Billion By 2023"

And Possibly In Finance & Accounting

Closing, consolidating, and reporting			Reporting		Purchase-to-pay	Order-to-cash
General ledger	Tax planning	Monthly/quarterly close	Entity	Statutory	Purchasing	Order entry
Tax reporting	Reconciliation	Benefits	Management	Regulatory	Partner credentials	Collections
Inquiry management	Consolidations	Fixed asset	Performance	Global exceptions	Payment processing	Billing



High impact



Medium impact



Low impact

Follow the “Rule of Five” for RPA Success

Less Than **5** Decisions Made

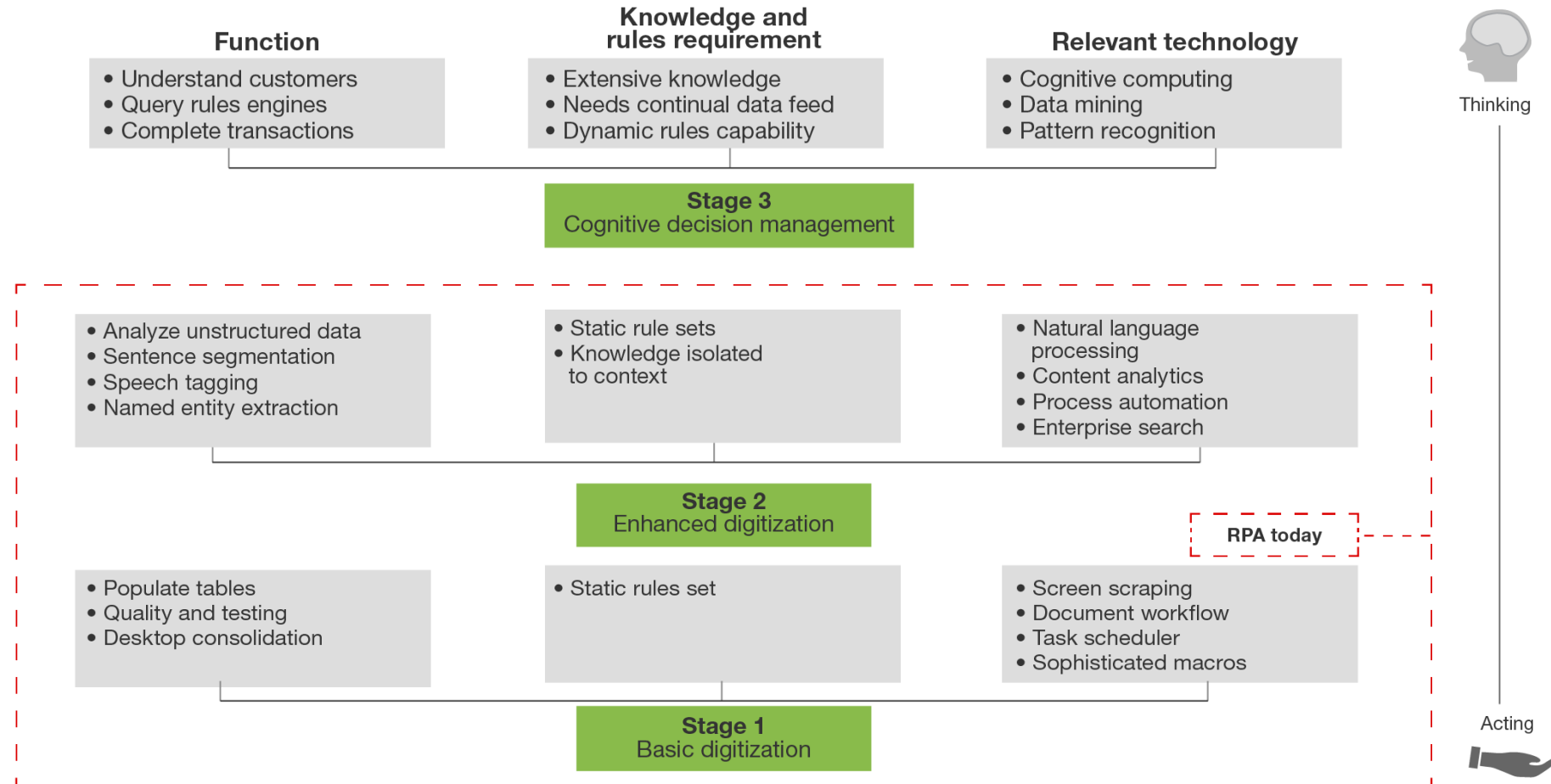
Less Than **5** Applications Accessed

Less Than **5** Hundred Clicks

Example Tasks That Meet The Rule Of Five

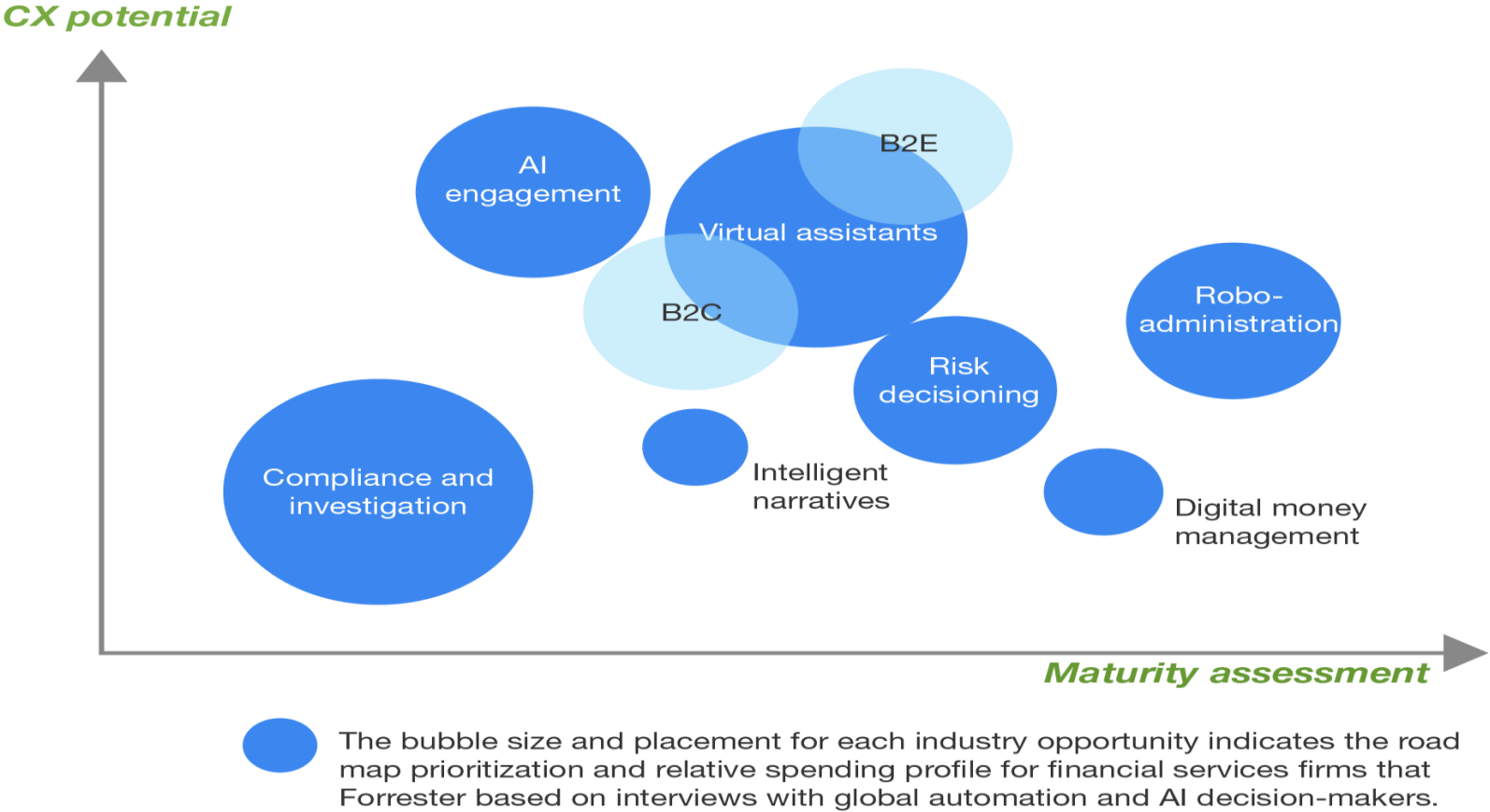
Business Line	Function	Process Name	Time / Minutes	Transactions / Year
Human Resources	Payroll	Termination Payroll	15	3,200
Human Resources	Payroll	Advances	10	1,350
Human Resources	Payroll	Checklist	65	35
Human Resources	Payroll	Allocation Updates	6	960
Finance	Accounts Payable	EFT Upload	3	26,000
Finance	Accounts Receivable	Sales Audit	5	18,000
Finance	Accounts Receivable	Collection Reconciliation	3	145,000
Finance	General Ledger	Dailey Debits	25	1,200
Finance	General Ledger	Bank reconciliation	35	1,600
Finance	General Ledger	Month End Entries	7	14, 000
Finance	Accounts Receivable	Sales Audit	5	18,000
Finance	Accounts Receivable	Collection Reconciliation	3	145,000

Intelligent Automation Is A Progression



Seven Use Cases Balance AI Maturity With Age-Of-The-Customer Aspirations

Confusion And Vendor Adolescence Stalls AI Innovation In Financial Services



Threats & The Role Of Trust

Trust affects profitability, reputation, and compliance

› The bottom line

- Losses due to fraud
- Spend on fraud prevention resources

› Brand value and customer loyalty

› Regulatory compliance

- Know your customer
- Anti-money laundering



Source: iStockphoto (<http://www.istockphoto.com/stock-photo-14070669-customer-loyalty-crossword.php>)

Fraudsters are one step ahead of banks

- › Fraudsters don't have to be compliant – banks do (AML, KYC, etc.)
- › Fraudsters only have to get it right once – banks have to get it right all the time
- › Omnichannel models are behind

Trust Involves Many Technologies

Adjacent Support

- Non-Repudiation
- Document Archival
- Workflow Automation

Forrester DTM

- e-Signature
- Authentication
- Biometrics
- Trust Services Platform
- Content Management
- Process Management

Adjacent/Related Markets

- Enterprise Content Management
- Business Process Management
- Collaboration
- Robotic Process Automation
- Customer Communications Management
- Configure, Price, Quote
- Contract Lifecycle Management

AI Can Help

- › Artificial intelligence (AI) will accelerate transactions and improve customer experience but increase risk
- › AI is also being integrated with fraud management and anti-money laundering (AML) solutions.
- › Pattern of previous transactions undertaken by the customer such as type of transaction, region, time and purpose of transaction.
- › AI can analyze signing ceremony metadata help improve adoption and identify anomalies
- › AI also transforms the backend work of banks into algorithms, thus improving productivity.

It's a delicate balance and a hard problem to solve



**False Positives
(Operational
Efficiency)**

**Fraud
(Management
Efficiency)**



**Friction
(Customer
Satisfaction)**



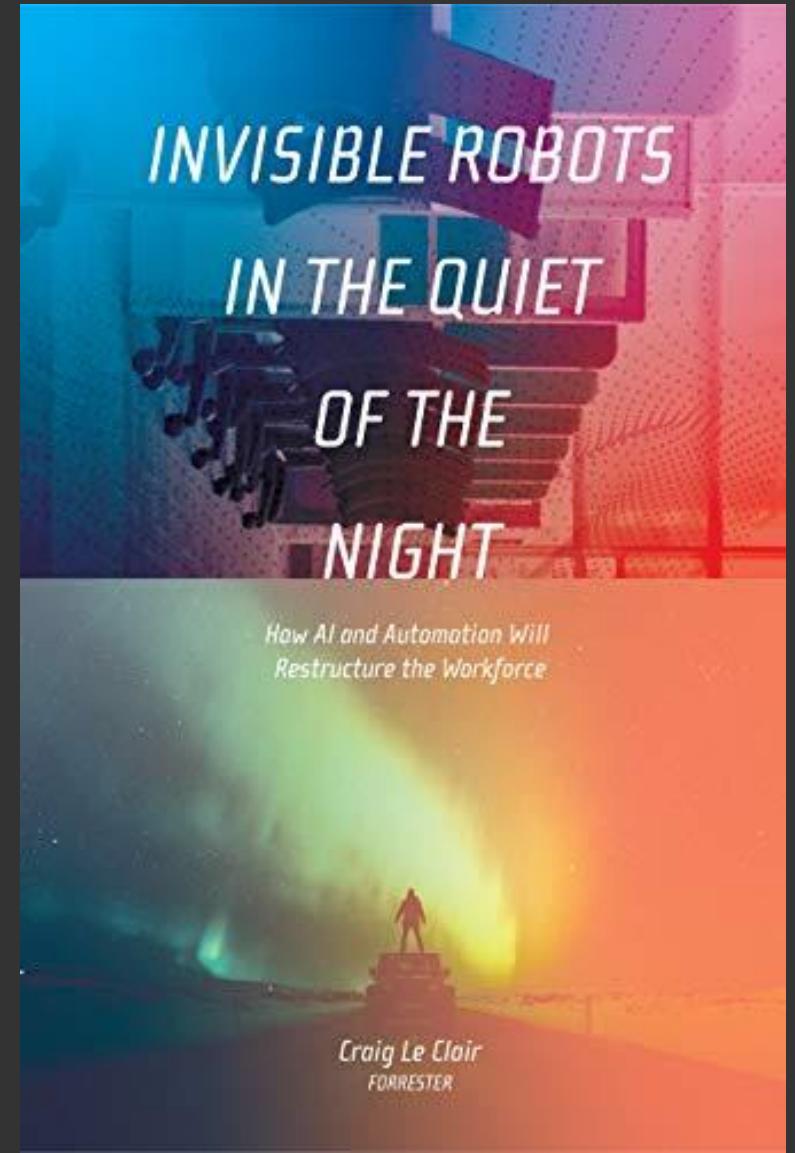
FORRESTER®



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Thank you

FORRESTER.COM



OUR DIGITAL TRUST,
YOUR BUSINESS VALUE

The Trust framework to secure Unbundled Banks

Carmine Auletta | CISO at InfoCert



Traditional Banking ecosystem has been historically characterized by a direct connection between the Customer and the Bank.



BUSINESS IMPLICATIONS:

- ① Banks tend to be "vertically" integrated
- ② One critical point to be secured
- ③ Traditional Trust Model

WHAT IS TRUST?

The pillars of Digital Trust

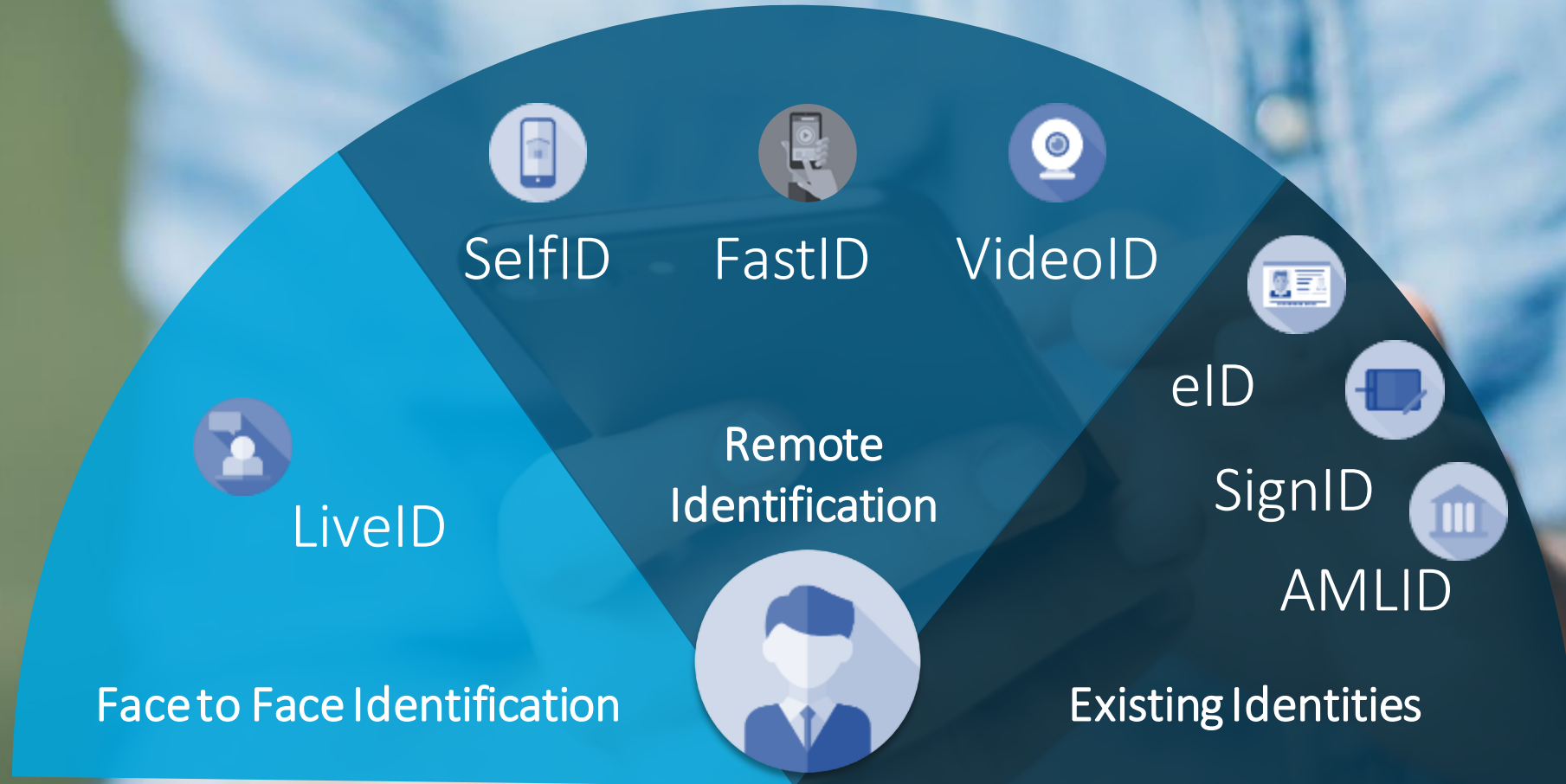
Trustworthy digital transactions require:

- 1. certification of parties' identities*
- 2. integrity, authenticity and confidentiality of exchanged data*
- 3. a clear liability framework*

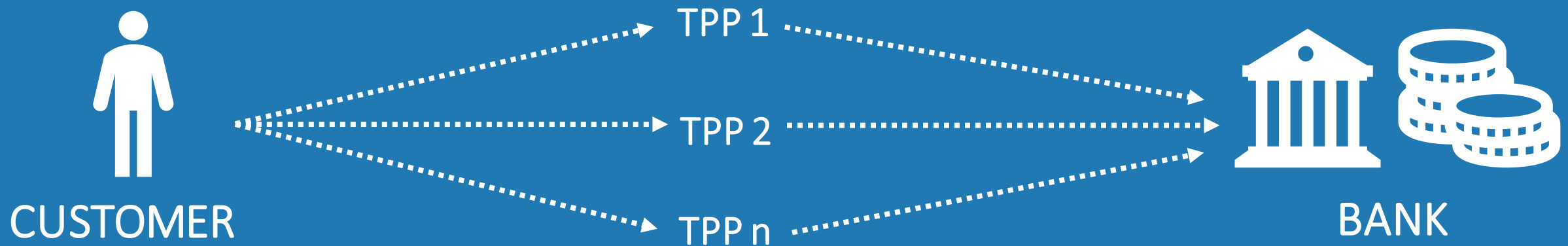


TRUST FOCUS: IDENTIFY YOUR CUSTOMER

Multiple identification tools through several channels



The opening of Banking services to **Third Parties Providers (TPPs)**, imposed by PSD2 Directive, has caused the unbundling the traditional business model in Banking



BUSINESS IMPLICATIONS:

- ① The intermediaries manage the relationship with the client
- ② A wide variety of entry point to be managed
- ③ Extended chain of Trust



Secure Connections



Trusted Identification



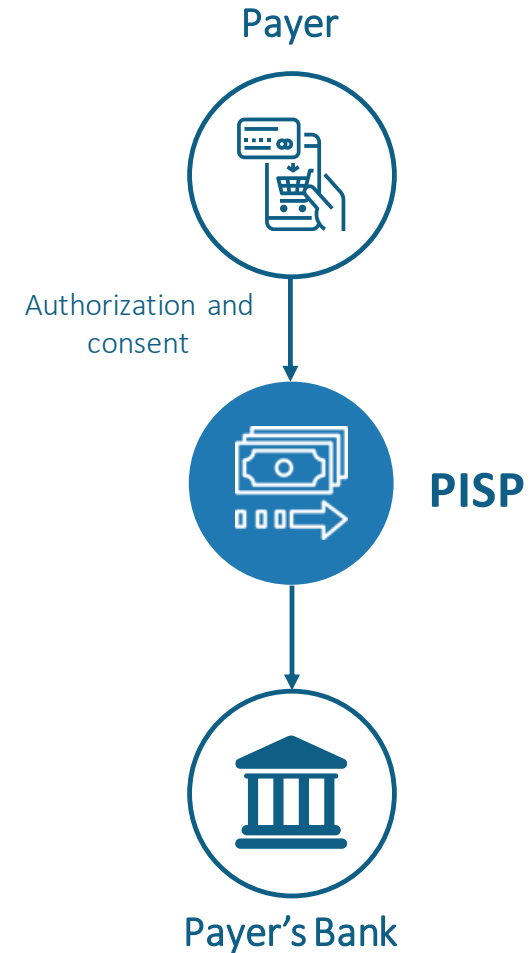
Strong Customer Authentication



Data integrity



Audit trail



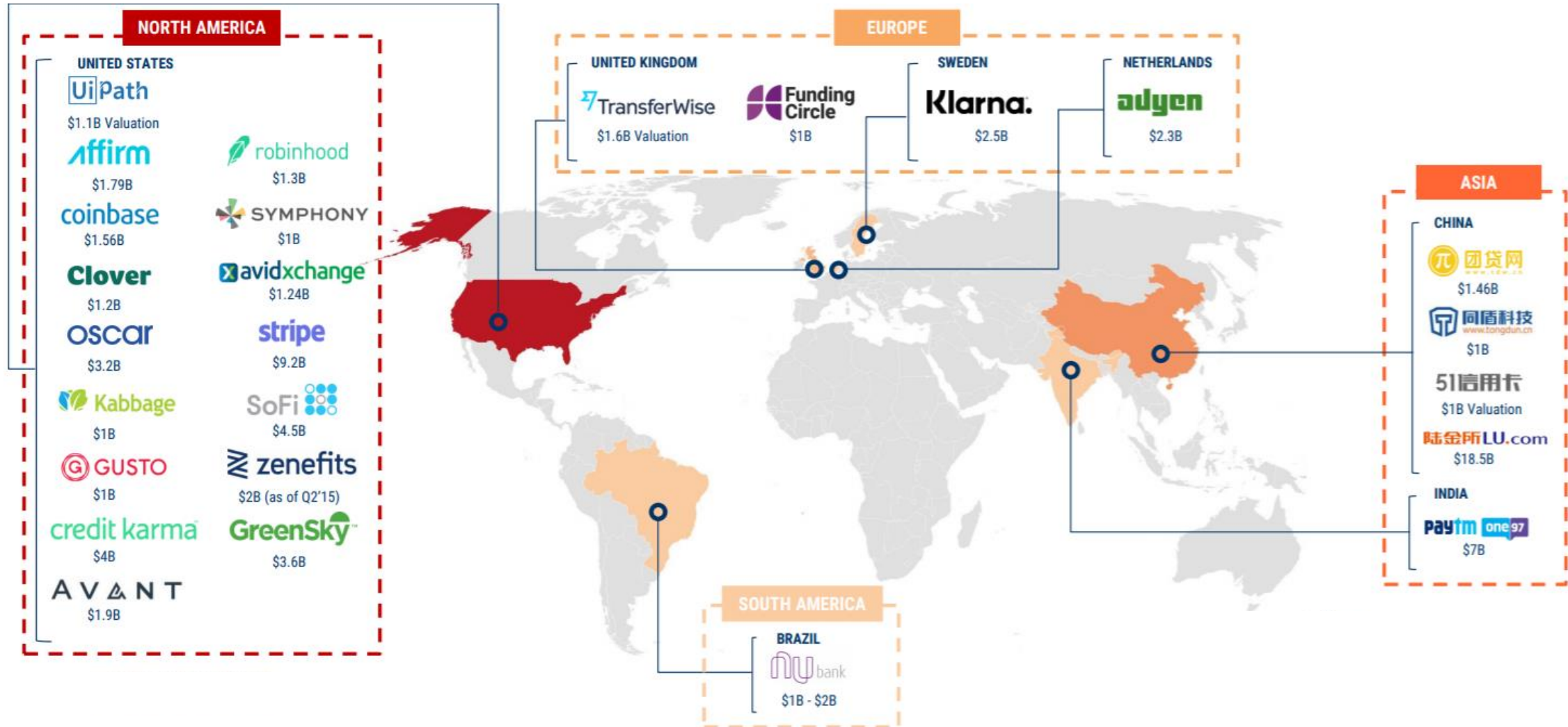
Qualified Website Authentication Certificates (QWACs)

- Identity Validation
- Secure Transactions

Qualified Electronic Seal Certificates (QSEALCs)

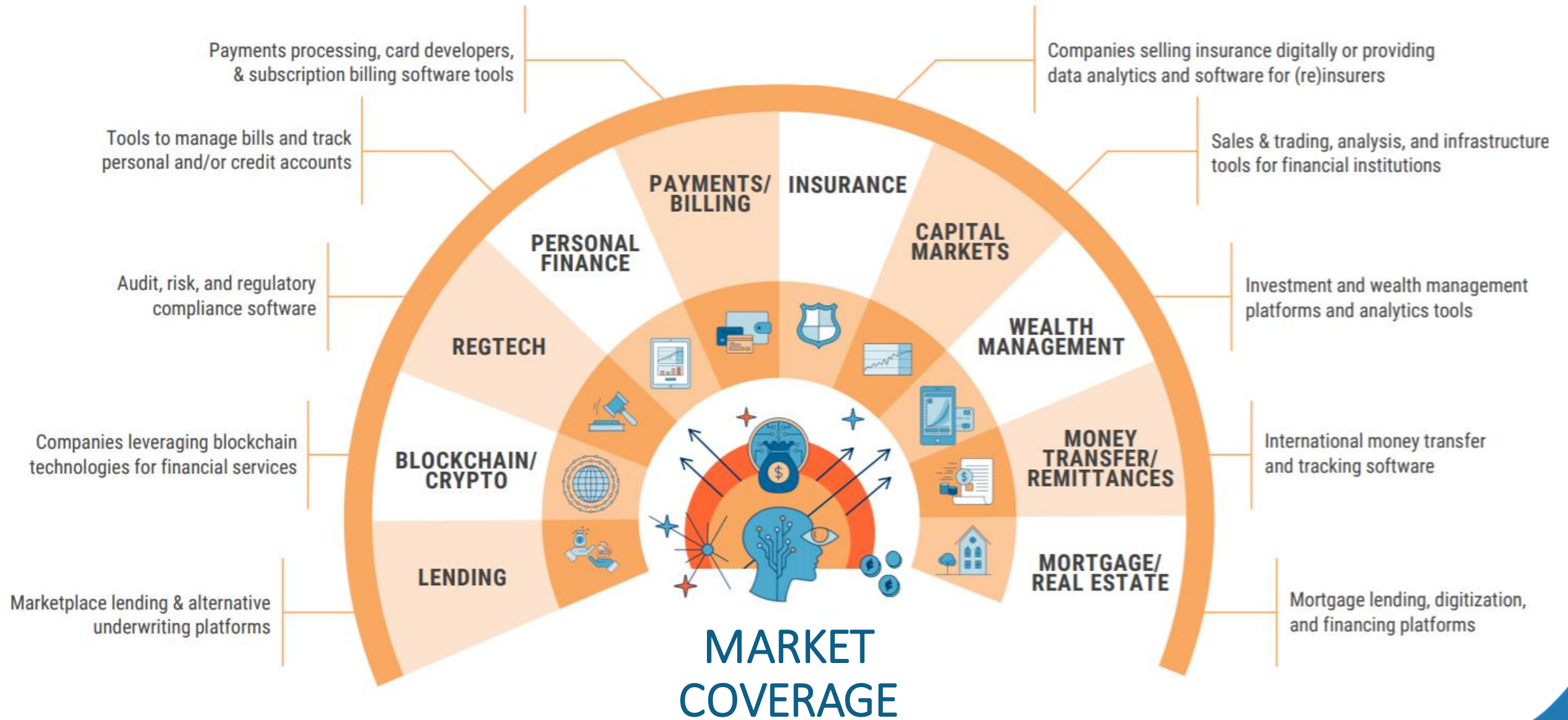
- Data Authenticity and Integrity
- Legal Evidence

FINTECH – THE NEW PICTURE IN FINANCE



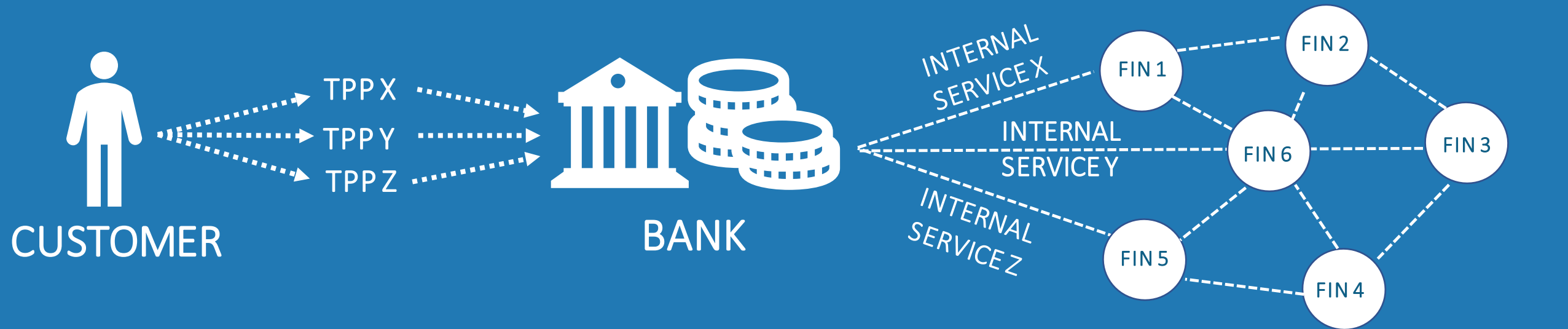
Source: Global Fintech Report 2018 – CB INSIGHTS

FINTECH – THE NEW PICTURE IN FINANCE



Source: Global Fintech Report 2018 – CB INSIGHTS

The FinTech B2B space is characterized by "horizontal" newcomers specialized in specific business processes. Banks to effectively adopt their services will need to unbundle their services...



BUSINESS IMPLICATIONS:

- 1 Banks from vertical integration to aggregator
- 2 Fragmentation and unbundling of Internal Services
- 3 From a Trust chain to a Trust fabric



Secure Connections



Trusted Identification



Strong Customer Authentication



Data integrity



Audit trail

WHAT IS NEW (AND MORE COMPLEX):

- 1 FROM LINEAR RELATIONSHIP TO MASH NETWORK
- 2 LEGAL JURISDICTION
- 3 ARTIFICIAL INTELLIGENCE



MID PKI

*InfoCert Trust fabric
for the IoT world*

Digital certificates are issued for SW components, legal entities and personnel involved in business processes

A PKI infrastructure guarantees authenticity, confidentiality and integrity of data exchanged between the actors

Out of the box processes for secure secret sharing, automated machine certification, location authority, etc..

Benefits

A clear **accountability** schema for actions undertaken by **SW, people or Legal Entities**

Data exchanged is traced, monitored, archived and attributed with **legal certainty** to an owner

High **flexibility**, compliance with **industry standards** and leverage of InfoCert patented solutions

Our Digital Trust, Your Business Value



Thank you!

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Q&A TIME



CARMINE AULETTA

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Strategy Officer
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CRAIG LE CLAIR

Vice President &
Principal Analyst
at Forrester Research



MARCO DI LUZIO

Chief Marketing Officer
at InfoCert

THANK YOU!

Thank you for your participation!

*All participants will receive an email
with instructions to download webinar's material.*

