

# WEBINAR

## Digital Trust Services to unlock **Innovation** in Financial Services

Monday, **March 11th**  
from **3 pm** to **4 pm** (CET)



**FORRESTER®**

### SPEAKERS:

Marco Di Luzio - Chief Marketing Officer at InfoCert

Igor Marcolongo - Head of Business Compliance at InfoCert

Dean Davison - Principal Consultant at Forrester Research

## WEBINAR'S TOPICS

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THE EUROPEAN REGULATORY FRAMEWORK

INFOCERT AND THE DIGITAL TRANSFORMATION IN FINANCIAL SER.

THE TOTAL ECONOMIC IMPACT OF INFOCERT IN BANKING

## WEBINAR'S TOPICS

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### THE EUROPEAN REGULATORY FRAMEWORK


*Igor Marcolongo - Head of Business Compliance at InfoCert*

INFOCERT AND THE DIGITAL TRANSFORMATION IN FINANCIAL SER.

THE TOTAL ECONOMIC IMPACT OF INFOCERT IN BANKING

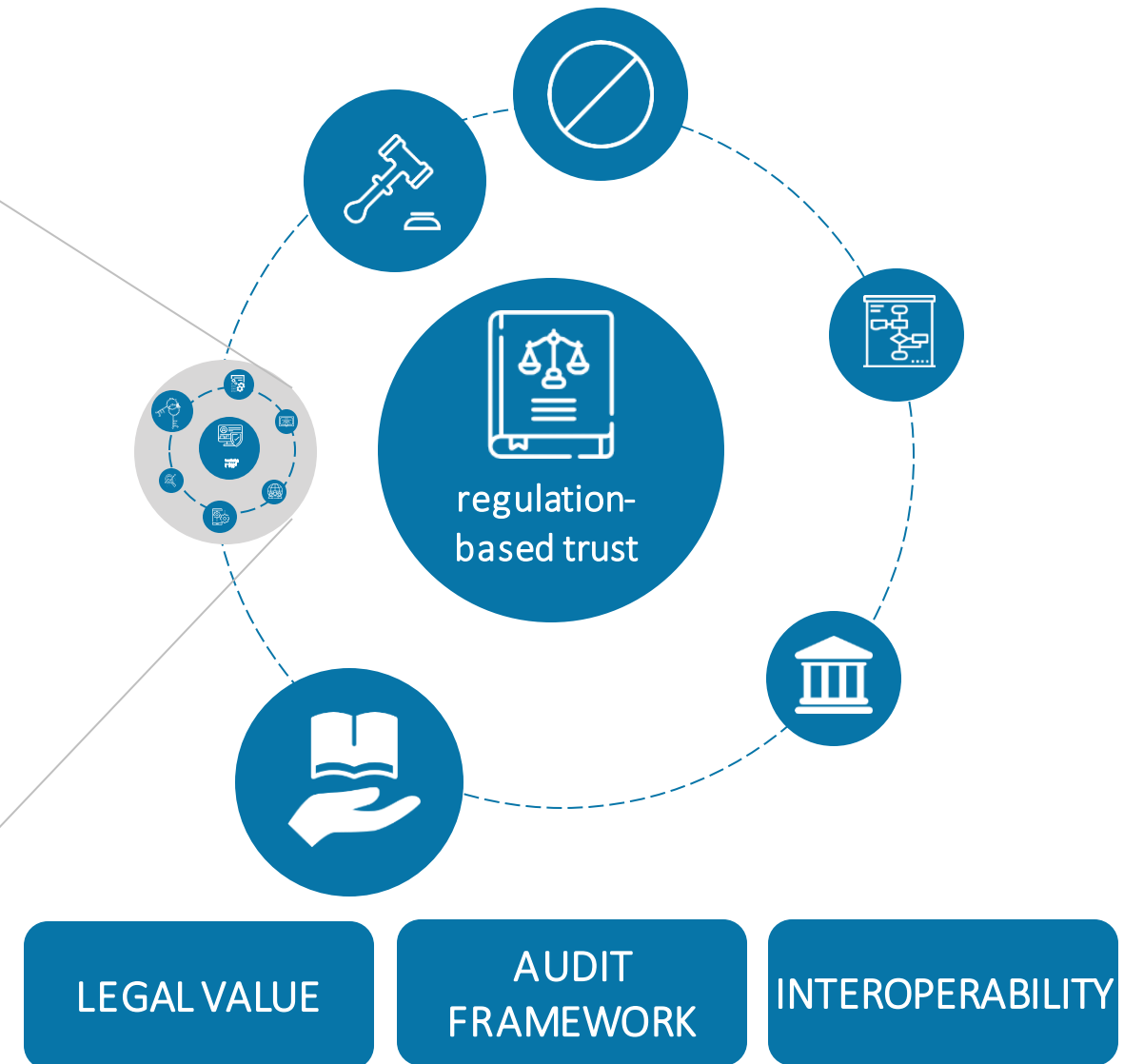
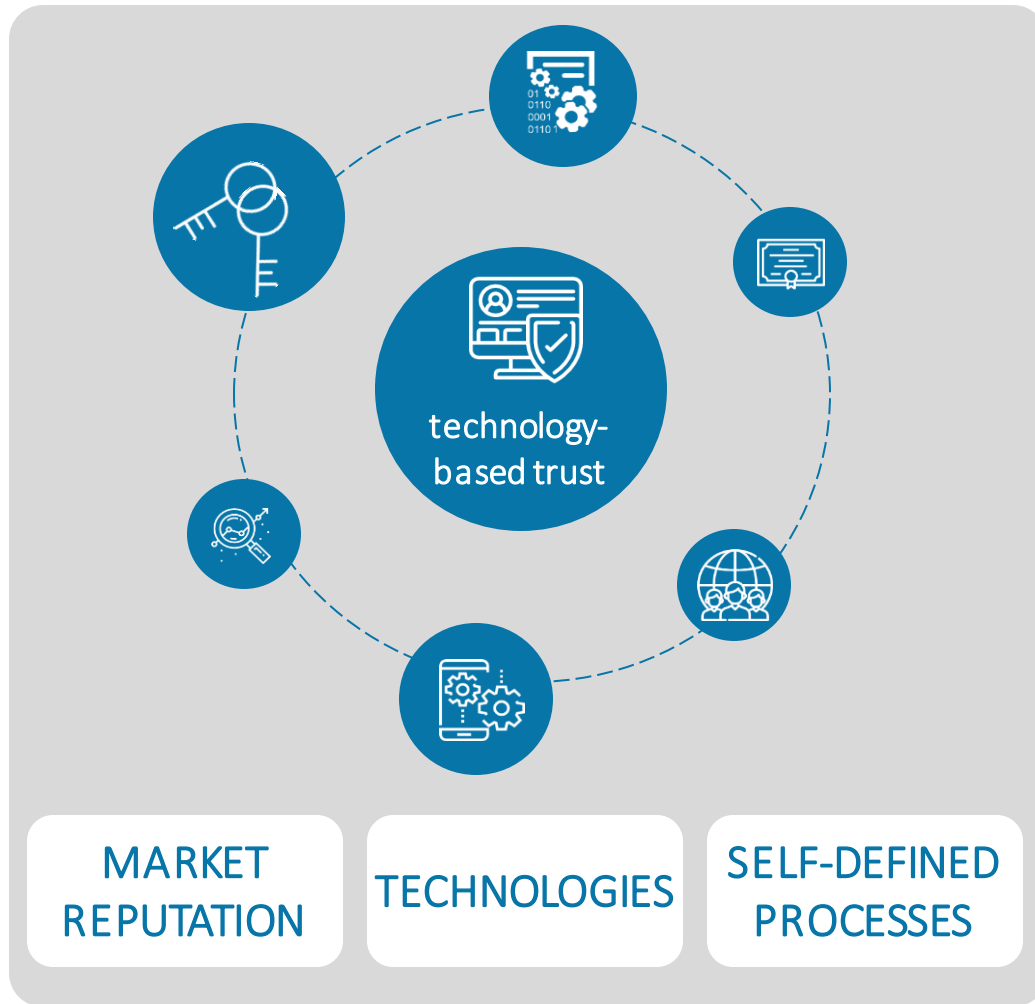
## WHAT IS TRUST?

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A trustworthy digital transaction requires the certification of parties' identities, a clear liability framework, secure and reliable processes

# TRUST DE FACTO VS TRUST DE IURE



# THE EIDAS REGULATION



## **Electronic IDentification Authentification and Signatures**

EU Regulation n° 910/2014

### Chapter II

Mutual recognition of e-identification means

### Chapter III

Electronic trust services

- Electronic signatures
- Electronic seals
- Time stamping
- Electronic registered delivery service
- Website authentication

### Chapter IV

Electronic Documents



# A LONG JOURNEY FOR EUROPEAN TRUST

Trust  
Services

eID

2014

17.09.2014  
Entry into force of the  
eIDAS Regulation

2015

29.09.2015  
Voluntary cross-border recognition

2016

1.07.2016  
Date of application of eIDAS rules for trust services

2017

26.11.15  
first eID eIDAS compliant

2018

29.09.2018  
Mandatory cross-  
border recognition

2019

eSignature Directive rules

# THE KEY PRINCIPLES FOR TRUST SERVICES

## Trust Services

TRANSPARENCY AND ACCOUNTABILITY

TECHNICAL STANDARDS

NON-DISCRIMINATION IN COURTS  
OF ELECTRONIC DOCUMENTS

TECHNOLOGICAL NEUTRALITY

SPECIFIC LEGAL EFFECTS ASSOCIATED  
TO QUALIFIED TRUST SERVICES

RISK MANAGEMENT APPROACH



ELECTRONIC  
SIGNATURE



ELECTRONIC  
SEAL



TIME  
STAMP



WEBSITE  
AUTHENTICATION



SIGNATURE  
VALIDATION AND  
PRESERVATION



ELECTRONIC  
REGISTERED  
DELIVERY



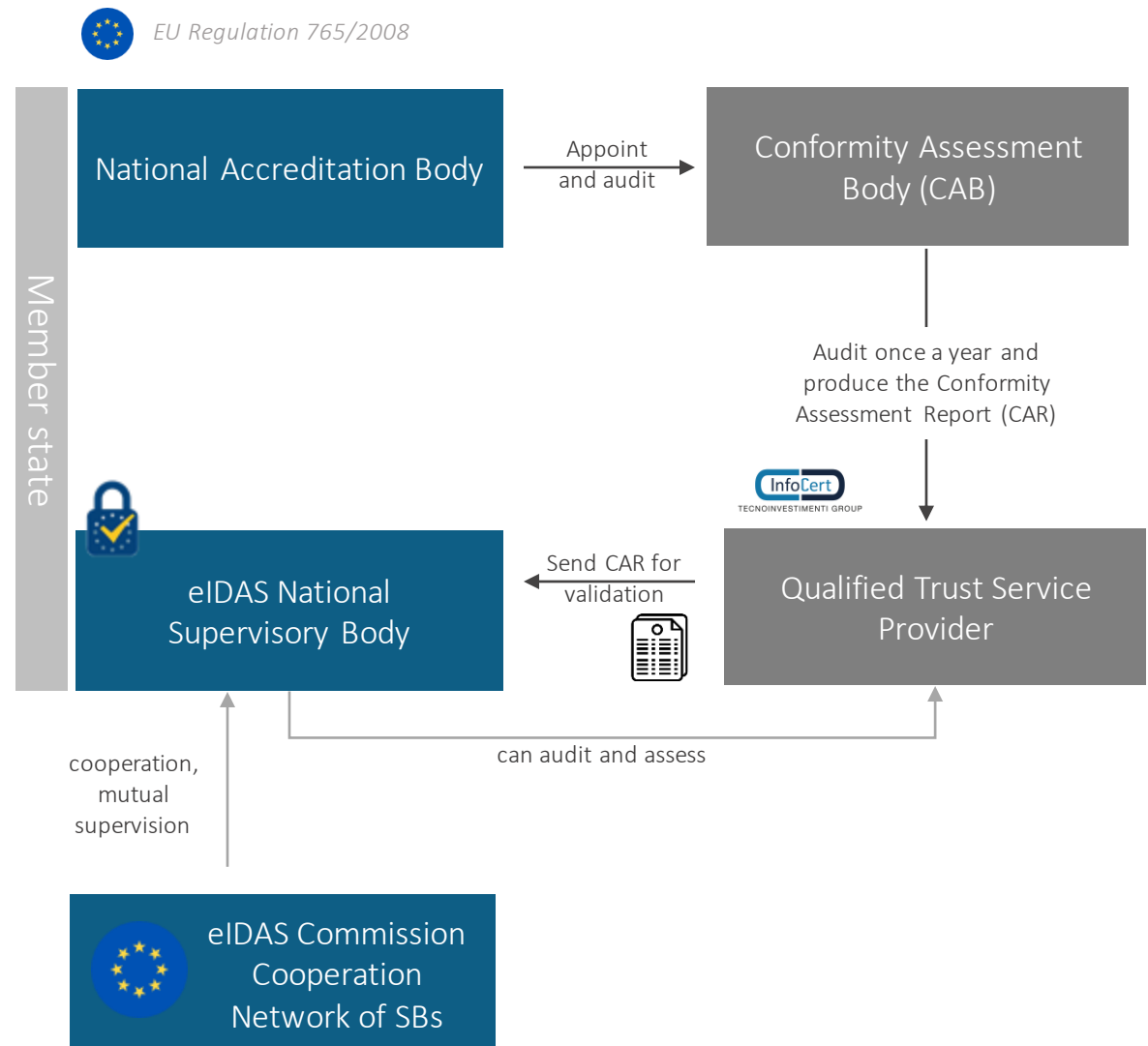
# THE VALUE OF A QUALIFIED TRUST SERVICE PROVIDER



# SUPERVISION ON QUALIFIED TRUST SERVICE PROVIDER

eIDAS defines a **common qualification and audit schema** for Qualified Trust Service Providers

Every member state has to designate a **Supervisory Body**



# EIDAS CAN UNLOCK THE POTENTIAL OF OTHER REGULATIONS





### AML5

*“Accurate identification and verification of data of natural and legal persons are essential for fighting money laundering or terrorist financing. The latest technical developments in the digitalization of transactions and payments enable a secure remote or electronic identification. Those means of identification as set out in [the eIDAS] Regulation should be taken into account”*

Jan 20

10

The Payment Service Directive 2 (EU Directive 2015/2366) states that TPPs identification shall rely on a qualified certificate, as defined in eIDAS Regulation



QWAC

Qualified website authentication certificate  
Article 3(39)



QSEAL

Qualified electronic seal certificate  
Article 3(30)

Accessing bank accounts through impersonification and “screen scraping” will no longer be allowed, especially on TPP’s identification and on secure communication by the ASPSP and by the AISP, PISPs, and CISP’s issuing card-based payment instruments.

## GDPR

*“the controller shall implement appropriate technical and organizational measures to ensure and to be able to demonstrate that processing is performed in accordance with this Regulation. Those measures shall be reviewed and updated where necessary”*

*article 24.1*



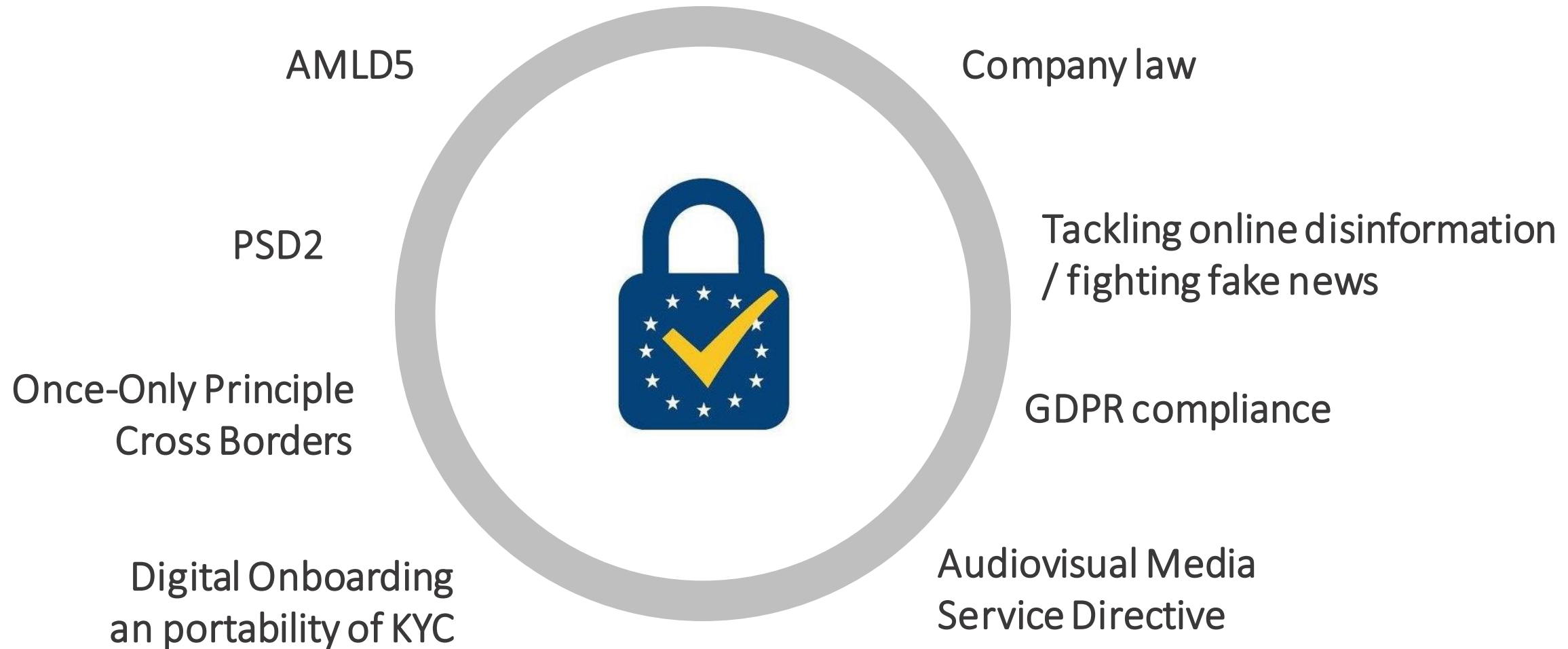
### MIFID II

“investment advice” means the provision of personal recommendations to a client, either upon its request or at the initiative of the investment firm, in respect of one or more transactions relating to financial instruments. This shall be **customized and suitable** for the investor, that must have **all the relevant information and documents** before getting to the investment decision





## THE TRUST JOURNEY IS JUST STARTED...



*...what's next?*

## WEBINAR'S TOPICS

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*Marco Di Luzio – Chief Marketing Officer*

THE TOTAL ECONOMIC IMPACT OF INFOCERT IN BANKING

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

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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



With InfoCert, LuxTrust and Camerfirma are already part of the Group. Our mission is to bring cutting-edge solutions in all European Countries effectively leveraging our single market understanding in terms of local compliance and customers' knowledge as well as offering a wide range of Group's product portfolio

# COMPANY SNAPSHOT



9  
Offices  
(1 in Latam)



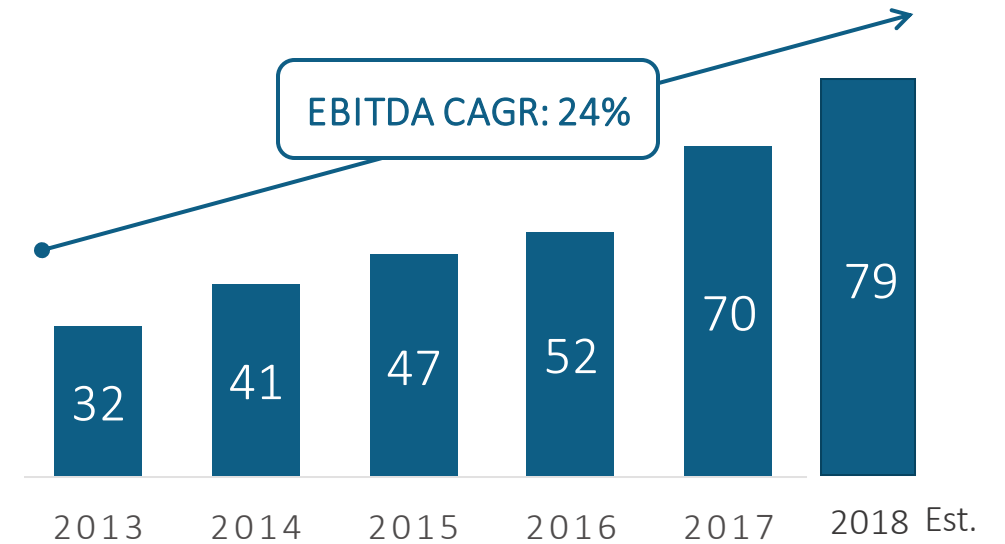
500  
Employees



90 MLN  
Turnover



17  
Patents



InfoCert's Revenues Trend - M€

## BUSINESS VOLUMES

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 **17** Countries with  
enterprise customers

 **1.6M** Retail customers

 **+150M** Digital Signatures

 **+2k** Enterprise customers

 **+750M** Preserved Documents

 **+350M** eDelivery Messages

Just in 2018

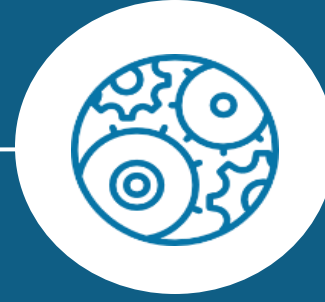
# THE GO-TO-CUSTOMER APPROACH



Technology  
Experts



Compliance  
Experts



Process  
Experts



Solution Design  
Experts

Thanks to our wide spread knowledge, **we reinvent digital workflows for our customers, designing, developing and delivering end-to-end business processes by ourselves.**

## ASSETS

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Data Centers  
located in Europe



GDPR Compliant  
Services



Technical Support  
Management



Cross-Border  
Delivery





# CUSTOMER EXPERIENCE IS THE NEW MANTRA

**47%** Customers who choose a Bank for easiness of Service

**92%** Banks who recognize Customer Experience as the guiding principle to increase its business

**96%** Banks who aim to offer a better customer experience to enable a successful Digital Transformation



The process to identify unknown customers and verifying their identity with highest level of Trust



### Collecting client's personal data and ID documents



The anti-impersonation steps ensures that the customer applying for the product are "who they claim to be"



## Verification of the customer's identity and compliance



Ensure that a contract is duly signed between the customer and the financial institution



It is necessary to make a smooth and transparent experience for the customer who doesn't see all the systems used during the process

# TRUSTED ONBOARDING PLATFORM (TOP)

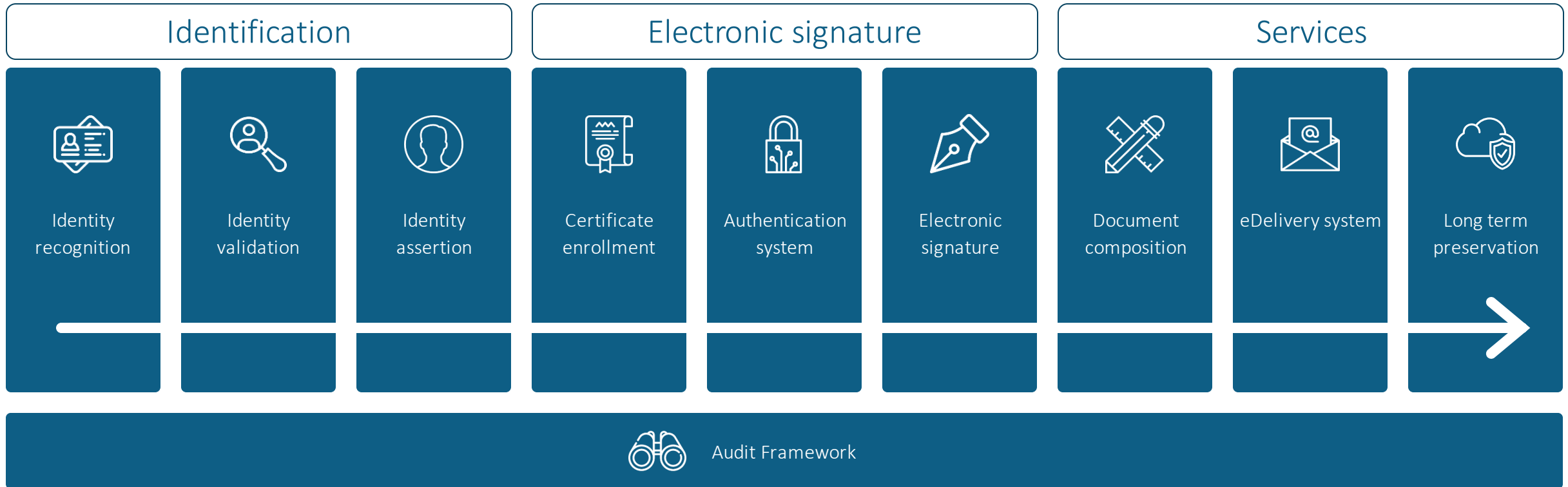
# TOP

Trusted Onboarding Platform™ (TOP) is InfoCert's patented solution for customer identification and digital subscription of contracts.

TOP enables easy and smart integration of e-signature processes within existing systems, enhancing the user experience and speeding up the customer journey.



# BUILDING BLOCKS OF THE PROCESS

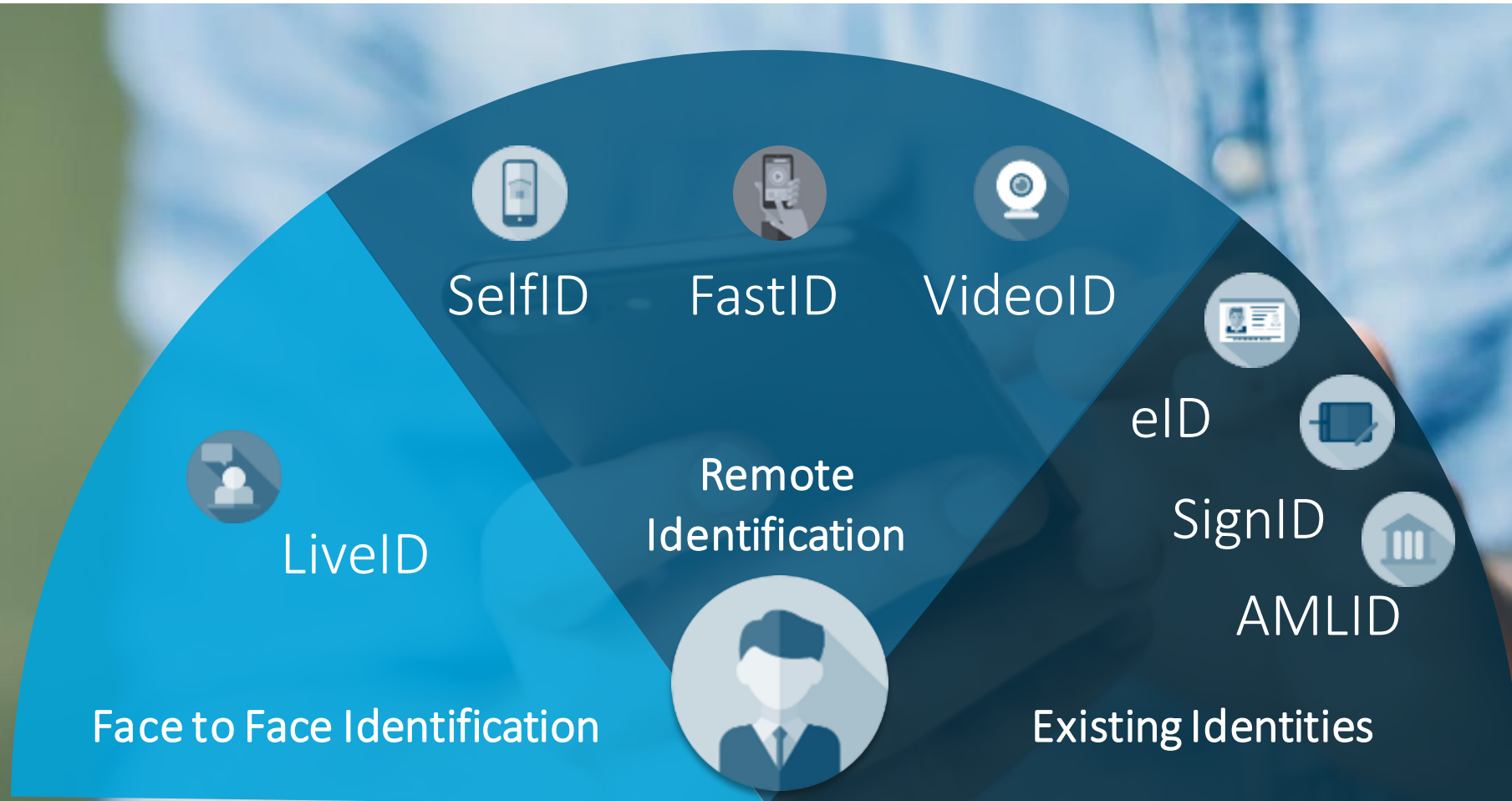


TOP is a modular platform where its components, that can be mandatory or optional for a specific process, are coherently set in a unique technological framework able to address different business needs



# IDENTIFICATION

Multiple identification tools through several channels



# REMOTE IDENTIFICATION OFFERING



SelfID

A full **Self**-registration and unattended procedure based on mobile or desktop, AI and biometrics technologies in order to automatically assert an identity



Unattended



Self Video Wizard



Multidevice  
(APP & SDK)



FastID

A **Hybrid** procedure which uses the same UX defined for SelfID with the addition of a light video conference held by an operator



Hybrid



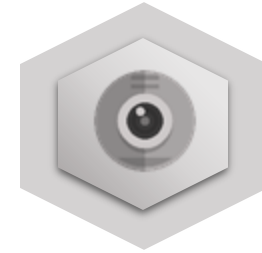
Self Photo Wizard



Light Video Conference



Multidevice  
(APP & SDK)



VideoID

A full remote **assisted** identification procedure where an Operator verifies the customer's identity through a video conference



Live



Guided Photo Wizard



Video Conference



Multidevice  
(APP & SDK)

# ELECTRONIC SIGNATURE

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## Advanced Electronic Signature

- Based on a digital certificate
- Balance of trust and UX
- Signatory identification
- Trust based on process design

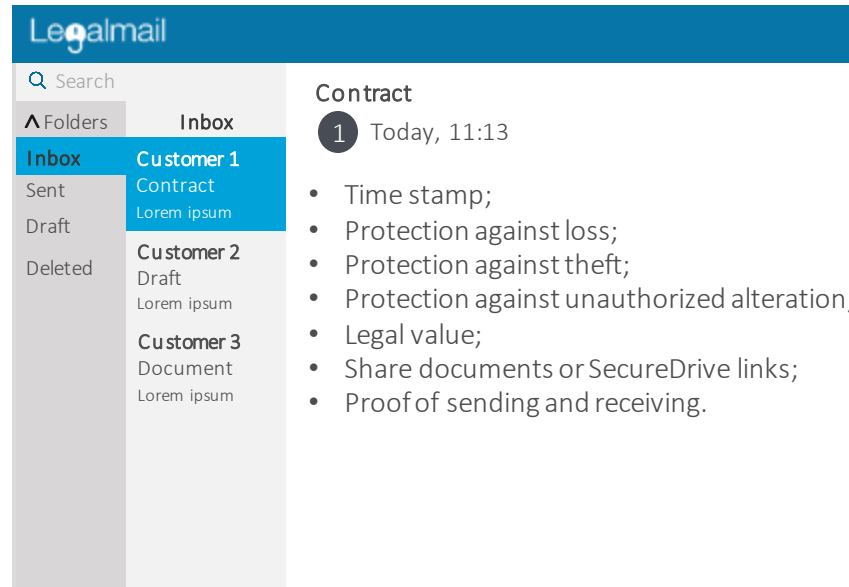
## Qualified Electronic Signature

- Based on a qualified certificate enrolled by a CA
- Full legal value
- Reversal of burden of proof



# LEGALMAIL – TRUSTWORTHY E-MAIL COMMUNICATION CHANNEL

Legalmail



Government  
communication  
channel



Timestamped  
messages



Legal  
value



Receipts



Knowledge  
assumption



Attachments

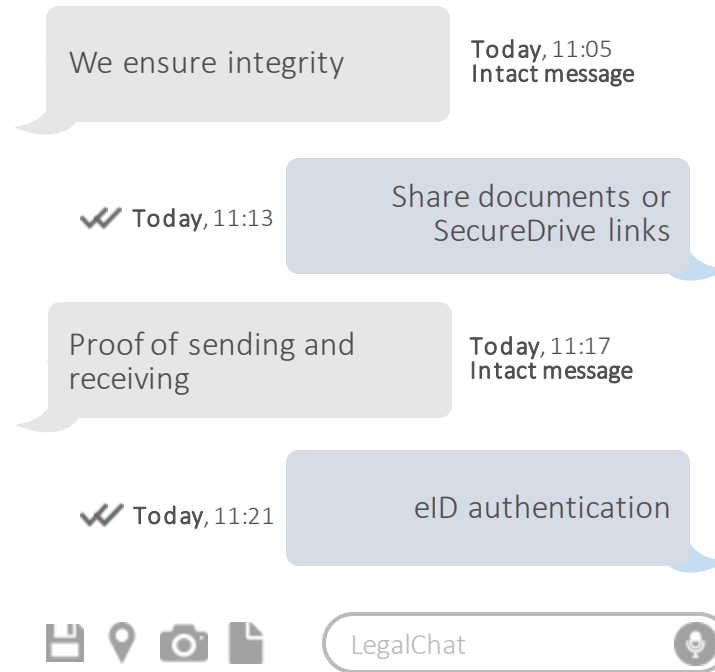


eDelivery and  
certified  
communication

Legalmail is InfoCert's certified email system:

- It time stamps every message and provides evidence relating to the handling of the transmitted messages;
- It protects transmitted data against the risk of loss, theft, damage or any unauthorized alterations;
- Represents the official communication channel between citizens/enterprise and the Public Administration.

# CERTYCHAT – THE EASIEST WAY TO COMMUNICATE WITH CUSTOMERS



Patented  
solution



Timestamped  
messages



Legal  
value



eID  
access



User  
friendly



Attachments



eDelivery and  
certified  
communication

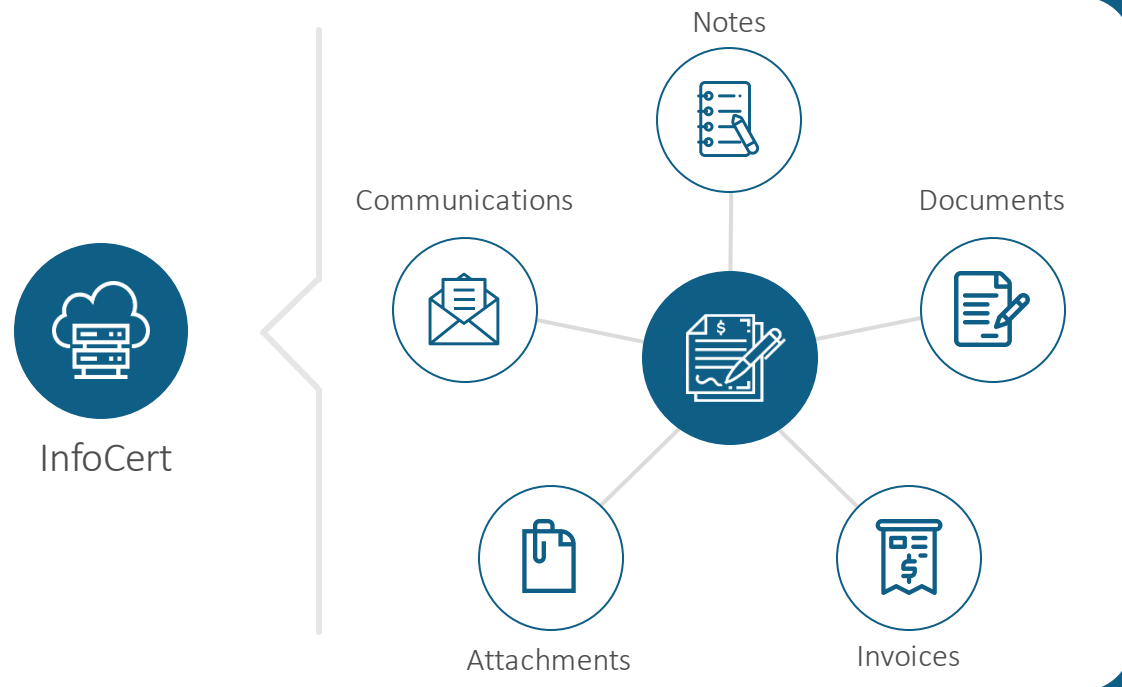
CertyChat is a patented certified chat-based messaging platform through which third parties can interact in certified and easy way. CertyChat is characterized by:

- Bot interaction;
- Information and data exchanged can be used to create documents with full legal value;
- Time of sending and receiving is timestamped.

# LEGALDOC - TRUSTED ENVIRONMENT FOR LONG TERM PRESERVATION

LegalDoc is a document preservation system able to guarantee integrity, readability, accessibility, and durability of the preserved documents overtime.

The ultimate goal is to guarantee the security of client's documents and boost their credibility when it comes to questioning the quality of the data the control.



Compliance with stringent regulations is every day more important for organizations in the digital era.

Regulatory requirements encompass quality of data, data retention, as well as the procedures used to manage information during its lifecycle.

Even though some industries such as healthcare, banking, and insurance are subject to stricter supervision and more detailed requirements, other industries are not immune from data protection and cybersecurity requirements.

Documenting internal procedures and best practices is required to achieve full compliance, sometimes becoming as important as compliance itself.



Readability  
over time



Compliant with  
legal frameworks



Remote  
access



Documents  
integrity



Secure access



Legal  
value

# A TRUSTED ENABLER: EIDAS QUALIFIED CERTIFICATES FOR PSD2

## Qualified Website Authentication Certificates (QWACs)

- Identity Validation
- Secure Transactions

## Qualified Electronic Seal Certificates (QSEALCs)

- Data Authenticity and Integrity
- Legal Evidence

## WEBINAR'S TOPICS

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# FORRESTER®

**CHALLENGE THINKING. LEAD CHANGE.**



# The Total Economic Impact Of InfoCert In Banking

**Dean Davison, Principal Consultant**

March 11, 2019





# Agenda

## › *Introduction*

## › *What is TEI?*

## › *Executive summary*

## › *Analysis*

## › *Financial summary*

### **Please note:**

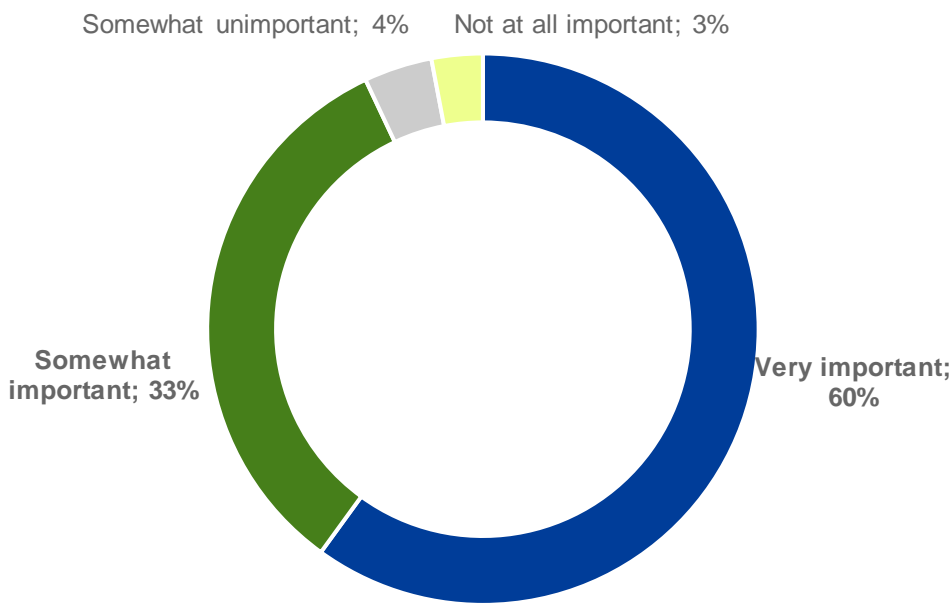
This slide presentation is an abridged, graphical, and complementary representation of a case study.

For a full explanation of methodology and details on model calculations, please refer to the full case studies:

- 1) The Total Economic Impact of InfoCert Trusted Onboarding Platform, August 2016.
- 2) The Total Economic Impact of InfoCert GoSign, February 2018.
- 3) The Total Economic Impact of InfoCert TOP for Instant Lending, September 2018.

# “Next-level” business case justifications are increasingly important for technology investments

Over 90% of IT decision makers find value in a business case



Base: 825 IT decision makers at North American enterprises

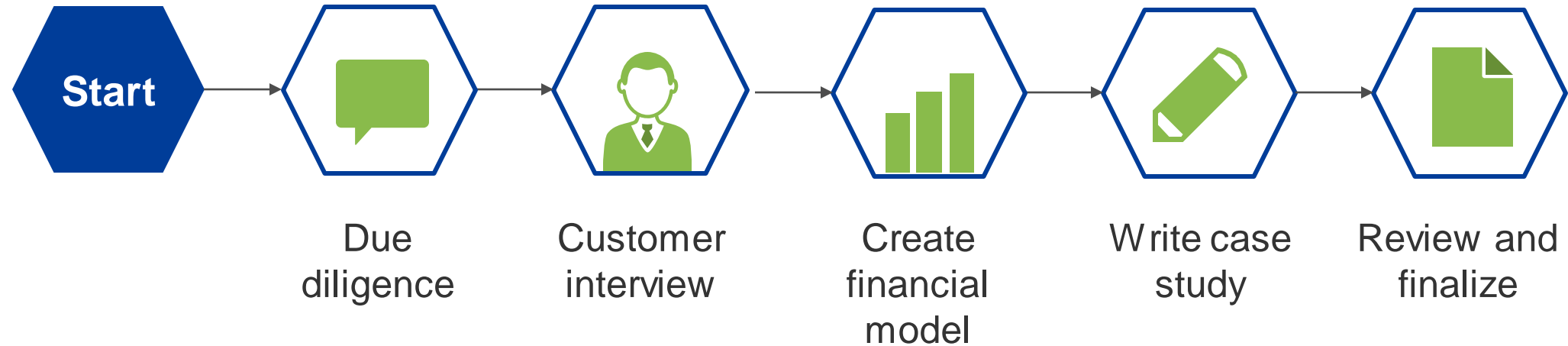
What is an **effective** business case?

		TCO	ROI	TEI
IT impact	IT costs			
	IT cost savings			
Business impact	User efficiency			
	Business effectiveness			
Risk/uncertainty	Risk mitigation			
	Risk versus reward			
Strategic impact	Scalability			
	Flexibility			

# The objective of the TEI framework is to identify all of the factors that affect an investment decision



# Forrester took a multistep approach to evaluate the impact of Dell Technologies Application Portfolio Optimization



# Disclosures

The audience should be aware of the following:

- › This document is an abridged webinar version of three case studies.
- › The study is commissioned by InfoCert and delivered by the Forrester Consulting.
- › Forrester makes no assumptions as to the potential return on investment that other organizations will receive. Forrester strongly advises that readers should use their own estimates within the framework provided in the report to determine the appropriateness of an investment in InfoCert.
- › InfoCert reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.
- › The customer name for the interview was provided by InfoCert.
- › Forrester does not endorse InfoCert.



**Using InfoCert TOP, banks were able to improve customer onboarding and distance contracting with full legal value, quickly completing any customer remote onboarding process and contract subscription; reducing time, cost, and fraud; and improving the customer experience.**

Source: Source: The Total Economic Impact of InfoCert Trusted Onboarding Platform, October 2016



# TEI ON REMOTE CUSTOMER ONBOARDING

Source: Source: The Total Economic Impact of InfoCert Trusted Onboarding Platform, October 2016

# The Customer Interviewed by Forrester

## Client Background:

- **Bank located within the European Union** with many physical branches.
- **Executives wanted to simplify the customer experience** for new accounts by providing a 100% digital experience.
- **Possesses excellent customer satisfaction scores** with high ratings from hundreds of thousands of customers.
- **Engaged with InfoCert for about two years** with the Trusted Onboarding Platform providing the enabling technology for its digital channel.

“The real goal that we wanted was to open the account without any paper for the customer and with a process that in half an hour was able to give an account number and immediately enable the customer.”



“The rate of closing was very, very high compared to other banking situations. InfoCert eliminated the need to go into a bank branch or to send a contract in the mail. It is a direct process that results in a much higher rate of success.”



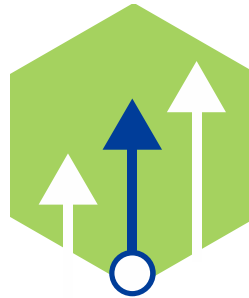
Source: Source: The Total Economic Impact of InfoCert Trusted Onboarding Platform, October 2016

# Forrester has determined the following three-year impact

Based on an analysis of InfoCert Trusted Onboarding Platform customer feedback and quantified benefit, cost, risk, and flexibility factors.



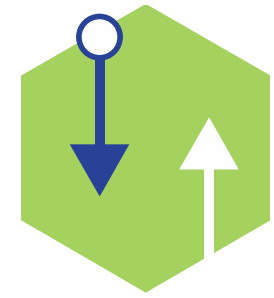
**ROI**  
**174%**



**Benefits PV**  
**€ 18,3M**



**NPV**  
**€ 11,6M**



**Payback**  
**0.6 Months**

Source: The Total Economic Impact of InfoCert Trusted Onboarding Platform, October 2016

# The customers shared experiences before and after using InfoCert products

## The Customer Journey

### Technical Objectives/Challenges

- Speeding up the onboarding/signing process
- Reducing amount of paperwork processed
- Reducing physical archival space for paperwork

### Solution Requirements

- Frictionless transaction environment
- Cost-effective
- Quick integration

### Key Results

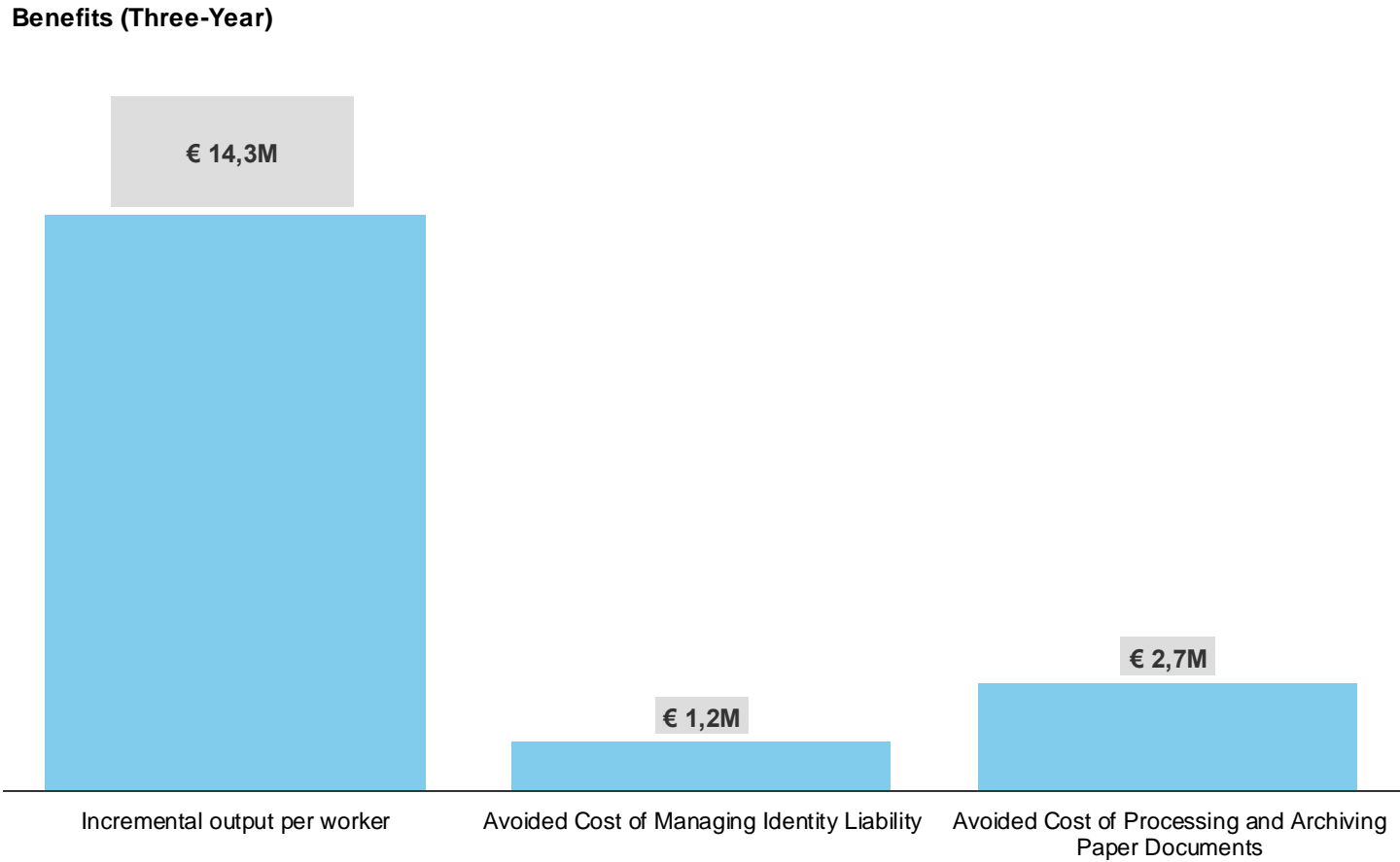
- Increased revenue
- Shortened time for customer onboarding at banks
- Reduced FTE time spent on signings
- Reduced storage space and costs for archiving



Source: The Total Economic Impact of InfoCert Trusted Onboarding Platform, October 2016; The Total Economic Impact of InfoCert GoSign, February 2018

# The customers quantified key benefits from the InfoCert Trusted Onboarding Platform investment

Three-year total PV benefit breakdown



Source: The Total Economic Impact Of Trusted Onboarding Platform, October 2016



# Incremental revenue from signing up additional customers



The organization was able to reach a wider audience and get a higher conversion rate, signing up to 30% more customers.

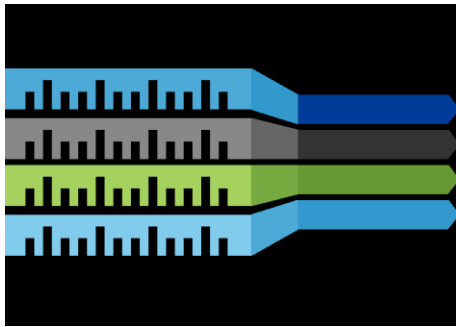
Forrester risk-adjusted this benefit downward by 15% to account for other banks that may experience a different result.

## Increased revenue over three years

Total customers signed	526,000
Incremental customers signed	302,100
Revenue per customer account	€ 1.000
Profit margin	7%
Risk adjustment	▼ 15%
Net profit (risk-adjusted)	<b>€ 17,9M</b>
Three-year benefit PV	<b>€ 14,3M</b>

Source: Source: The Total Economic Impact of InfoCert Trusted Onboarding Platform, October 2016

# Avoided cost of managing identity liability



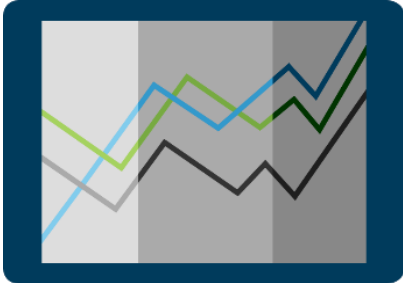
- Government agencies increasingly hold banks accountable for fraud, forcing the banks to validate the identify of individuals applying for bank accounts.
- InfoCert uses proprietary technology to validate the identify of applicants and shifts the compliance accountability and financial liability away from the bank and onto InfoCert.
- On average, 0.06% of all applications come from fraudulent identities, which is reduced by 0.01% by using InfoCert.

Total signed	Average fraud rate	Estimated number of fraudulent applications	Cost per fraudulent applications	Risk adjustment	Avoided cost	Three-year avoided cost PV
526,000	0,05%	263,000	€ 6,700	▼ 15%	€ 1,5M	€ 1,2M

Source: Source: The Total Economic Impact of InfoCert Trusted Onboarding Platform, October 2016

# Avoided cost of processing and archiving paper documents

A digital-only experience for customers results in a savings for the bank because it has no paper documents to process or archive.



During the first year, bank avoided processing and archiving 150.000 documents and more in subsequent years.

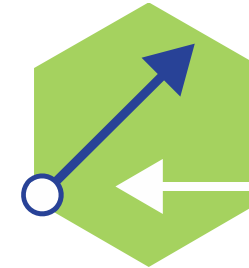
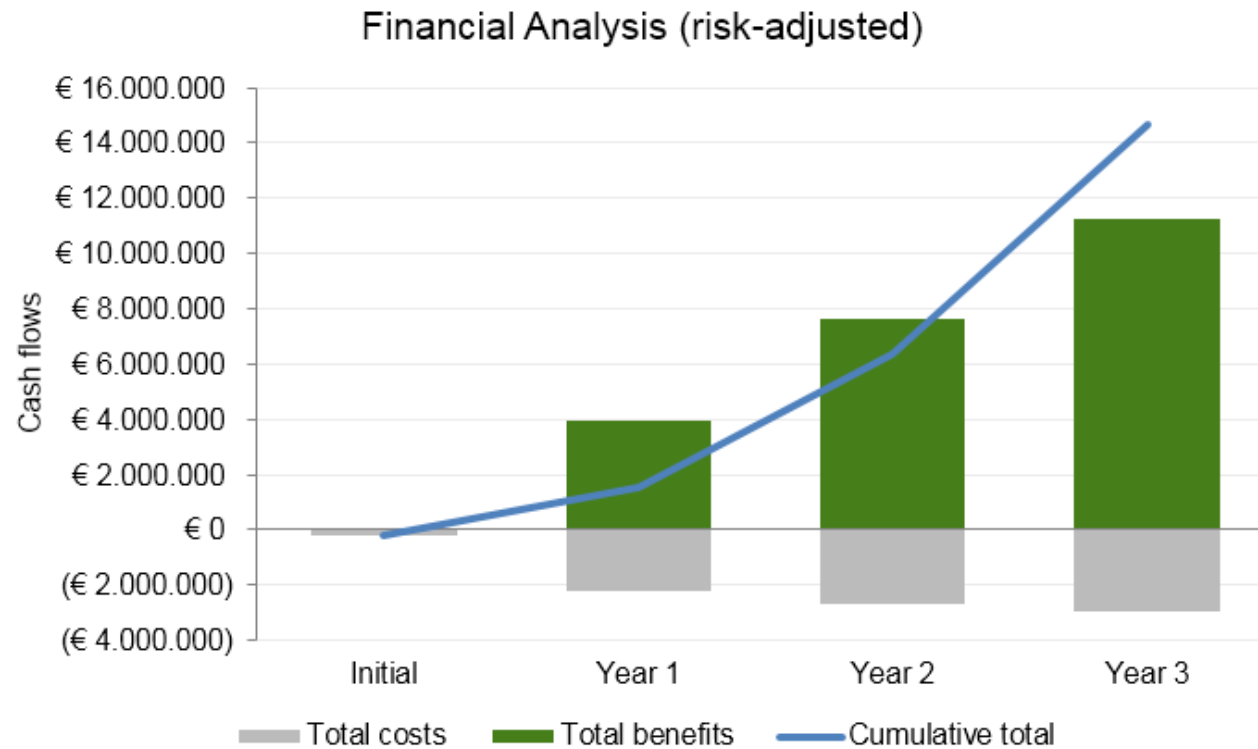
Forrester risk-adjusted this benefit downward by 5% as most banks will recognize this savings.

## Avoided costs over three years

# of documents that avoided processing	526.00
Cost of document processing	€ 5.00
# of documents that avoided archiving	857
Cost of archiving per document per year	€ 1.00
Risk adjustment	▼ 5%
Bank savings (risk-adjusted)	€ 3,3M
Three-year benefit PV	€ 2,7M

Source: Source: The Total Economic Impact of InfoCert Trusted Onboarding Platform, October 2016

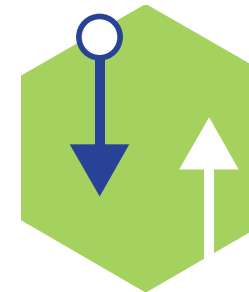
# Three-year model summary results for InfoCert Trusted Onboarding Platform



**ROI**  
**174%**



**NPV**  
**€ 11,6 million**



**Payback**  
**0,6 months**

Source: Source: The Total Economic Impact of InfoCert Trusted Onboarding Platform, October 2016

# TEI ON DIGITAL LENDING

Source: The Total Economic Impact of InfoCert TOP for Digital Lending, September 2018



# The Customer Interviewed by Forrester

## Client Background:

- **Global bank headquartered in the European Union** with regional regulatory requirements. Forrester interviewed a division working with InfoCert to reengineer the personal loan process.
- **Transitioned to a fully digital personal lending process** with InfoCert TOP. Transformed a 13-day paper process for personal lending to a 5- to 10-minute digital process.
- **Engaged with InfoCert for more than a year** while using Instant Lending as the tool for digital signature, authentication, and disbursement.

“We started to understand how we could develop a new process for personal loans because our current process was very, very old-fashioned.”



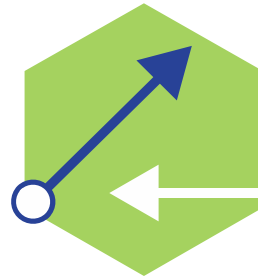
“The idea was to also use digital signature for personal loans together with the other enhancements, and it completely changed the process. Now our process for a customer with a payment account from request to disbursement is less than 10 minutes.”



Source: The Total Economic Impact of InfoCert TOP for Digital Lending, September 2018

# Forrester has determined the following three-year impact

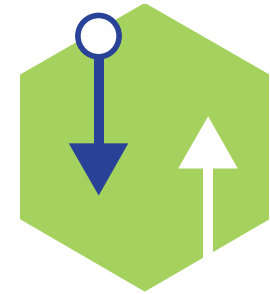
Based on an analysis of InfoCert Trusted Onboarding Platform customer feedback and quantified benefit, cost, risk, and flexibility factors.



**ROI**  
**260%**



**NPV**  
**€ 718.969**



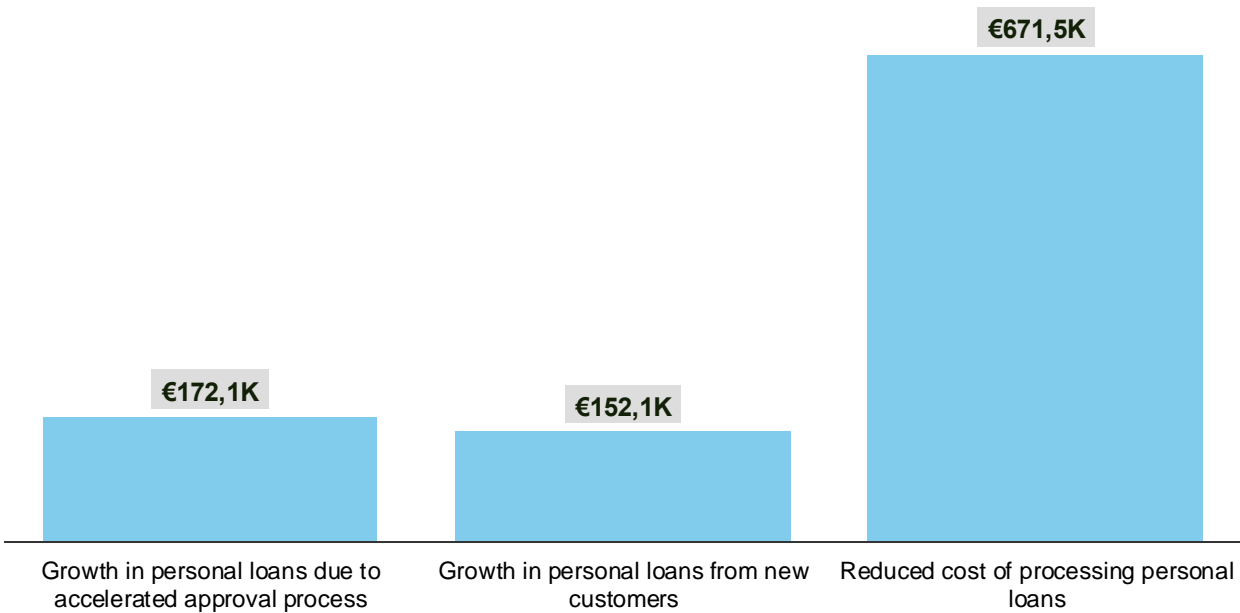
**Payback**  
**<3 months**

Source: The Total Economic Impact of InfoCert TOP for Digital Lending, September 2018

# The customers quantified key benefits from the InfoCert Trusted Onboarding Platform

Three-year total PV benefit breakdown

Benefits (Three-Year)



Source: The Total Economic Impact of InfoCert TOP for Digital Lending, September 2018

# Growth in personal loans due to accelerated approval process



The process from application to approval was reduced from six days to nearly immediate (average of less than 1 minute).

The number of customers who changed their minds and renounced taking the loan once offered declined by 80%.

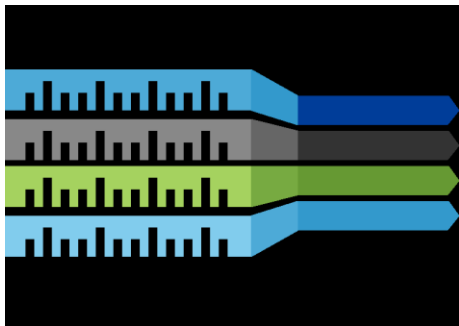
The number of customers who changed their minds and renounced taking the loan once offered declined by 80%.

## Increased revenue over three years

Annual personal loan value	€ 5M
Increase in loan volume	6% in Year 1 4% in Year 2 2% in Year 3
Increased revenue (over three years)	€ 1.5M
Profit margin	15%
Risk adjustment	▼5%
Three-year benefit PV	€ 172.096

Source: The Total Economic Impact of InfoCert TOP for Digital Lending, September 2018

# Growth in personal loans from new customers



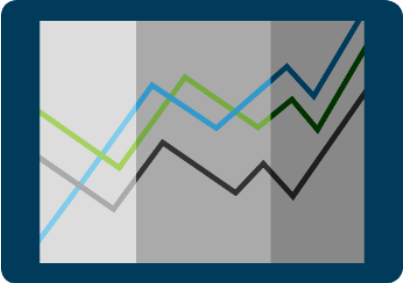
- In addition to accelerated loan programs for existing bank customers, the organization also launched initiatives targeting customers new to the bank.
- During this time, several banks ran marketing campaigns around the country emphasizing a “new-age banking experience” that included rapid loan approval. Because of the offering enabled by InfoCert, the bank was able to participate in this regional trend.
- The bank launched programs in Year 3 that resulted in an extra €1,5 million in loan value and €225.000 in incremental profit.

Total signed	Profit margin	Risk adjustment	Three-year avoided cost PV
€ 1.5M	15%	▼ 10%	€ 202.500

Source: The Total Economic Impact of InfoCert TOP for Digital Lending, September 2018



# Reduced cost of processing personal loans



An outsourcing provider processed the loan applications. The vendor avoided activities such as reviewing applications, confirming applicant identities, evaluating applicant credit, and physically signing paper documents.

Applicants avoided the need to fill out paper applications and make multiple visits to a physical bank to sign agreements and receive funds. Thus, the vendor cost to the bank declined 30% per year even with a 100% increase in loan volume.

## Avoided costs over three years

Annual outsourcing cost for vendor to process loans	€ 1M
Reduced cost using InfoCert	30%
Reduced cost	€ 300.000
Risk adjustment	▼ 10%
Bank savings (risk-adjusted)	<b>€ 270.000</b>
Three-year benefit PV	<b>€ 671.450</b>

Source: The Total Economic Impact of InfoCert TOP for Digital Lending, September 2018

# Interviewees shared the following thoughts from the ThoughtWorks investment

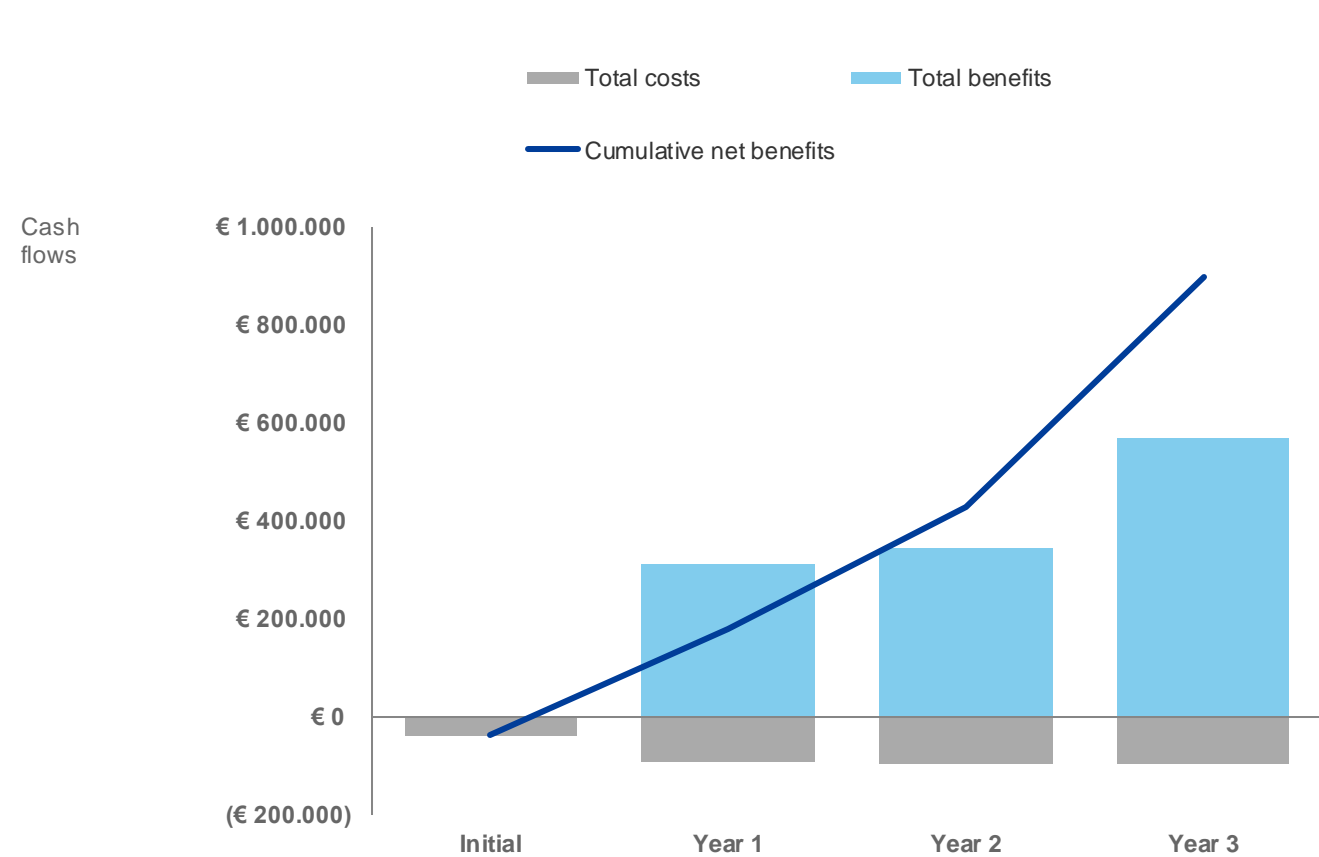


“We already expanded beyond just current customers. We started with current customers, and then we expanded to prospects (individuals new to the bank). So, we are already expanding the capabilities. Customers are very happy, and customer rating is very high.”

“We are expanding the digital process into other countries within the European Union. France and Romania are beginning to use this approach, and many other countries are discussing a similar approach.”

Source: The Total Economic Impact of InfoCert TOP for Digital Lending, September 2018

# Three-year model summary results for InfoCert Trusted Onboarding Platform



**ROI**  
260%

**NPV**  
€ 718.969

**Payback**  
<3 months

Source: The Total Economic Impact of InfoCert TOP for Digital Lending, September 2018

# THANK YOU!

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*Let's keep in touch*



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