

Private Bank – Automation of CDD process and solving for compliance with complex regulatory requirements



One of the Regional Japanese Private banks, with presence in multiple countries in the APAC, was looking to digitize customer due diligence and onboarding process.

In the current state the Core Banking platform is used to capture some key attributes of the outcome of due diligence along customer information, however most of the activities for due diligence are manual and managed through spreadsheets and shared drives.

They have high and ultra-high net worth customers with relationship across multiple countries. The CDD requirements are quite extensive, there is specific emphasis on ensuring adequate due diligence for complex ownership structures and source of wealth of their customers.

Relationship Managers have the primary responsibility for collecting required information from customer, they rely on specialist staff at every stage in the process to ensure requirement were adequately met.

The Bank contacted Diligent for a POC of its **Enterprise Customer Due Diligence**® platform for automation of CDD process with specific capabilities for specialized due diligence for higher risk situations for ensuring effective AML & FCT risk mitigation.

Key Challenges and Diligent Solution

Challenges	Diligent Advantage
Policy management that covered regulatory requirements across multiple countries	Configuration of policy and local regulations across countries in the rules engine
interpretation on what is needed from the customer, significant frontline time on CDD activities.	Single click requirement generation, no back and forth to ascertain what is needed
Operational complexity and over dependence on Subject matter experts	System driven execution of policy resulting in consistent execution.
No single source of truth, information scattered in multiple location	Single repository of CDD information, version-controlled profiles ensuring compliance at all times.
Significant management time on compliance, Limited transparency on aggregate exposure	Aggregate view of areas of concern at customer and portfolio level

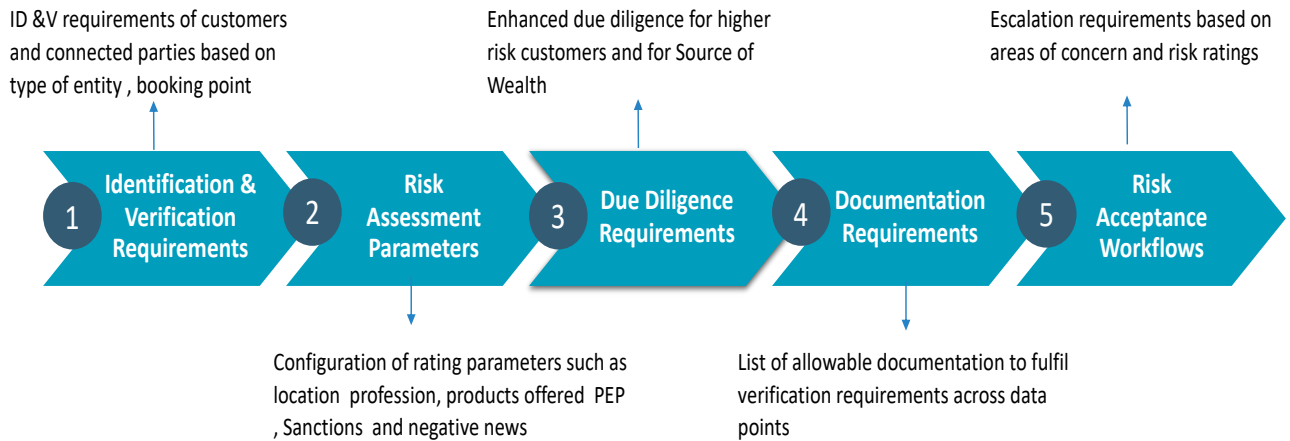
Automation of CDD Processes

Stage 1 : Defining Policy and Local Regulatory Requirements Rules in the Enterprise CDD - Configuration Engine



Bank Resources : AML Compliance, Subject Matter Expert and Advisory from Business Operations.

Configuration Steps in Diligent



Stage 2 : Front Line Module deployment – End to end execution of CDD in Diligent

Bank Resources : Front Line RMs, CDD Operations Staff

End to End Process Flow with Diligent

