



# Data Driven Machine

*Ian Mynot & CJ Rinaldi*

# Data Driven Machine – Strategy

## **Create best in class customer KYC experience**

- Frictionless onboarding
- Enable bringing new products to market quickly – clear communications with business

## **Navigate ambiguity and shape risk appetite – “wait and see” vs red lines**

- Business activity + regulatory climate = regulatory requirements
- Durability focus: safeguard licences, remove franchise risk

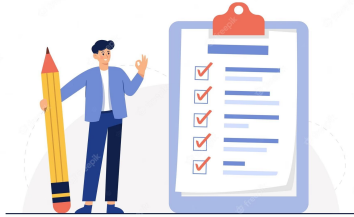
## **Run Compliance like a machine – automate & systematize performance & risk metrics, lower cost**

- Team embedded into business/product development, Ops, IT

## **Play offense and defense with regulation**

- Advocacy to influence sensible crypto regulation (e.g. travel rule, self-hosted wallets, DeFi)

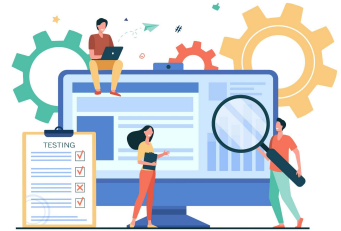
# What ***Data Driven Machine*** means to us



Have the tools in place  
to capture data that  
tells us how our  
business is running



People who can  
interpret this and  
translate it into  
improvements;  
controls and reporting



Monitor the impact of  
these improvements,  
via data, and refining  
the approach  
accordingly

# How are we really *Data Driven*

Systems team have built out MI through bespoke dashboards, including via Project Birch. Exec Committee KPIs leverage this.

We have changed FIU **operational processes** based on data and delivered an OKR to achieve +20% efficiencies over 2023.

We have an industry **leading threat assessment** capability capturing comprehensive data on ML/TF threats

Risk committee risk appetite statement (KRI) being rolled out

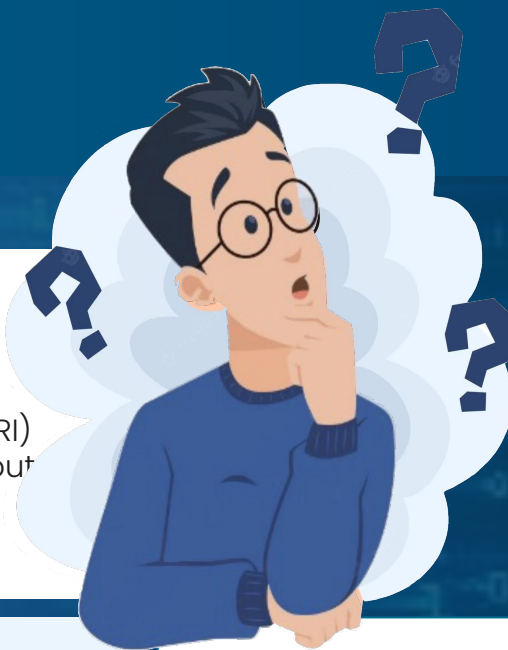
Trade Surveillance rule tuning, based on data analysis.

LEP has introduced **new processes resulting** in decrease of 28% in the time taken to produce data; plus other improved turnaround times.

In KYC Ops, partial automation of processes and other changes led to capacity increases of 200 to 270 cases per month.

Testing and tuning program: AML rules are continually refined based on evidence-based analysis of how they are performing.

Weekly KYC reporting: a consolidated view of our production teams using various dashboards to outline our performance against SLAs.





# Recognising **limitations** and what we have to have in place to be more **data driven**

- **Changing** too many variables at once.
- **Where is the balance** between being data driven and allowing for management judgement and expertise?
- **Data** we have is not the most robust / reliant.
- **How do we balance** data driven focus with need to avoid competition?
- **Being more data driven** is very positive however...



An example of **data driven machine**

TEAM | sky



# Next steps on how we get more **data driven**

## **Compliance Systems team is expanding with the remit of building a data driven machine that can scale, continuously improve and be cost effective**

Aim is to measure, report and continuously improve Compliance program elements. Provide transparency and regular updates to the Executive Management. Follow incremental technology improvements and partner with PDE teams to reduce manual processes and to build for 2x-5x-10x-50x scale

## **Deliver better tooling**

At present PDE works as an internal tooling function for Compliance. We plan to decouple non-product work from the PDE queue. We plan to bring dedicated engineers in Compliance (located in low cost locations) to own and drive non-product Compliance tooling work. This will expedite Compliance tooling work and also keep PDE focused on core Product initiatives.

Deploy AI/ML use cases in partnership with the AI/ML team

**Case Management System will give us better information on how we are handling our cases, remove reliance on clunky sheets-based approaches and improve performance.**

**We will rebuild our proactive investigations capability, expanding from 1 FTE to 3FTE this year, with the ambition for further growth in 2024**