



# REGTECH100

Profiles of the **REGTECH100**, the world's most innovative RegTech companies that every leader in the regulatory industry needs to know about in 2021

The **REGTECH100** is an annual list of 100 of the world's most innovative RegTech companies selected by a panel of industry experts and analysts. These are the companies every financial institution needs to know about as they consider and develop their mission critical RegTech and digital transformation strategies.

There's plenty of interest and hype about RegTech in the marketplace, but much of it is superficial, incoherent or self-serving and fails the needs of decision-makers in incumbent financial institutions who require independent, facts, figures and analysis.

The **REGTECH100** list will help senior management and compliance professionals evaluate which digital solutions have market potential and are most likely to succeed and have a lasting impact on the industry.

---

## CRITERIA

A range of factors was considered by the Advisory Board and RegTech Analyst team to make the final selection including:

- Industry significance of the problem being solved;
- Growth, in terms of capital raised, revenue, customer traction;
- Innovation of technology solution offered;
- Potential cost savings, efficiency improvement, impact on the value chain and/or revenue enhancements generated for clients;
- How important is it for financial institutions to know about the company?

---

## PROCESS



### RESEARCH REGTECH UNIVERSE

Analyse universe of RegTech solution providers on RegTech Analyst database and external sources



### NOMINATE COMPANIES

Shortlist candidates that meet criteria along with companies nominated via the website



### CONDUCT INTERVIEWS & SURVEY

Undertake in-depth interviews or surveys with founders and CEOs of shortlisted companies



### IDENTIFY REGTECH 100

Determine which companies excel in terms of the criteria and can be classified as RegTech innovation leaders



### PUBLISH

Announce results to media and finalists



## COMPANY RESEARCH PROFILE



Founded 2015  
 Immenstaad, Germany  
[www.actico.com](http://www.actico.com)  
[info@actico.com](mailto:info@actico.com)

Employees 101-250  
 Regions of operation: EMEA, Americas, APAC

**PRODUCT NAME:** ACTICO Decision Management Platform and Compliance Suite

### KEY EMPLOYEES:



**Hans Jürgen Rieder**  
CEO



**Thomas Knöpfler**  
CSO & Co-Founder



**Christine Moosherr**  
COO & Co-Founder



**Volker Großmann**  
CTO & Co-Founder

Value Chain: **Onboarding, Monitoring, Detection, Reporting, Processing & Control**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Identification/Background checks, Compliance Management, Sanctions Lists and PEP screening, Market Abuse and Insider Trading Detection, Fraud Management**

Regulation/Legislation: **MiFID II, PSD2, Basel III, KYC, AML, GDPR, Basel III**

### OFFERING

Actico is an international provider of software for intelligent automation and digital decisioning. The company provides software and tools used across multiple industries enhancing day-to-day decision-making and end-to-end automation. Its ACTICO Platform is a flexible and scalable technology for digitalizing and automating high-volume, operational business decisions. It helps organizations capture decision-making logic, train and operationalize machine learning models, and apply automatic decision making to any application scenario.

Used to manage risks, fulfil regulatory compliance obligations, prevent fraud, enhance digital customer engagement and optimize operations, Actico software combines human knowledge and artificial intelligence with its automation technology. The adaptive, cloud-architected software helps companies to gain agility, achieve business excellence and attain higher customer satisfaction.

### PROBLEM BEING SOLVED

The intelligent use of advanced analytics, automation and machine learning is becoming increasingly important for the financial sector. Actico enables companies to implement agile services and applications to automate decisions or improve human decision-making. Thus, financial services providers and insurance companies can manage digital transformation via technology that helps them adapt regulatory requirements and serve customers in real-time.

Actico has proven software solutions in the area of Compliance, Credit Risk Management and supports its customers with Business Rules Management technology (ACTICO Platform) for individual use cases such as fraud prevention, real-time customer communication in banking, multi-channel pricing, underwriting processes, customer engagement, and many more.

### TECHNOLOGY

The compliance suite administration environment is based on the award-winning ACTICO Platform, a flexible and scalable software for digitalizing and automating high-volume, operational business decisions. It is designed for intelligent automation and digital decisioning and combines human knowledge and AI with automation technology. The unified low-code platform makes it easy to implement applications and services in order to improve market responsiveness. The Platform consists of components that support business domain experts, data scientists and IT professionals throughout the entire digital decisioning lifecycle. Business domain experts use the ACTICO Modeler to author decision models graphically and test them for quality assurance. Data scientists use ACTICO Machine Learning to train and validate machine learning models. It uniquely integrates Machine Learning to improve decision quality and increase automation rates.

### PRODUCT DESCRIPTION

With its Compliance Suite, Actico offers a comprehensive solution to meeting compliance requirements and fighting financial fraud. People, business relationships, payments and securities orders are automatically monitored, and suspicious cases tracked – all within a single application.

Many banks, financial service providers and insurance companies enjoy the benefits of the Compliance Suite which include:

- Rapid adaptation to regulatory changes
- Low compliance risks through proven procedures
- Compliance with internal requirements
- One unique system for compliance and anti-financial fraud management
- Digitalized and automated testing of millions of transactions daily
- Low workload for compliance staff through modern procedures
- Low implementation costs due to distinctive standards

This document is being provided for information purposes only. It is not designed to be taken as advice or a recommendation for any specific investment or strategy decisions.

The suite consists of the following modules:

- Anti-Money Laundering - Monitor transactions for money laundering, clarify abnormal transactions, classify customer risk
- Know Your Customer - Automate the Know Your Customer process, continuously update Know Your Customer profiles, integrate compliance checks into client onboarding
- Sanctions Lists and PEP screening - Screen for sanctions, embargoes, PEP status and other risks, Initial screening of potential new customers, regular screening of the customer base
- Transaction monitoring - Screen payments to prevent money laundering and terrorist financing, screen for embargoes, sanctions and more, carry out real-time checks of payments before posting
- Market abuse & insider trading detection - Monitor for market manipulation, insider trading and trade restrictions, manage insider lists, watch lists and restricted lists, clarify conspicuous securities orders

The Compliance Suite uses rules to detect unusual client behaviour and potential compliance risks. Combining rules with machine learning links the expert knowledge of compliance officers with knowledge that is automatically learned from data resulting in increased fraud detection rate and reduced financial losses.

The basis of this suite is the ACTICO Platform which helps organizations capture decision-making logic, train and operationalize machine learning models, and apply automatic decision making to any application scenario. The graphical approach of the ACTICO Platform empowers business experts to create and maintain business logic or rules, thus enabling a better alignment between technology and business departments. Its approach is to map e.g. compliance and regulatory requirements in a central repository that applications can access.

## PARTNERSHIPS

Actico partners with leading organisations globally including (among others):

-  – Cloud solutions partner
-  – Integration partner for Compliance solutions and DMN
-  – The Risk Management Association and ACTICO jointly offer a cloud-based dual risk rating system
-  – ACTICO cooperates with Scope Ratings, a leading European rating agency in the area of financial spreading

## TRACTION/GROWTH

- Actico's technology is used by companies on almost all continents, ranging from small/mid-size to Fortune 500 companies, including (among others):



- Gartner has identified Actico as a Sample Vendor for Decision Intelligence in Hype Cycle for Data Science and Machine Learning, 2020 and Hype Cycle for Artificial Intelligence, 2020, a Sample Vendor for Composite AI in Hype Cycle for Artificial Intelligence, 2020 and Hype Cycle for Emerging Technologies, 2020.

## MANAGEMENT BIO

### Hans Jürgen Rieder – CEO

Hans Jürgen Rieder received his degree in business administration from the University of Mannheim, Germany. After positions at Société Générale and at PwC as a management consultant, he served in several senior roles at SAP AG before ultimately becoming the SVP Global IT – Application Services. He was since responsible for all global applications as VP – Group Head Applications at ABB Ltd, and most recently was the Group Chief Technology Officer at global Swiss bank UBS AG. He has been Chief Executive Officer of Actico GmbH since January 2020.

# Why ACTICO is ready for the jump in RegTech demand

*The pandemic has caused demand for RegTech solutions to jump, but ACTICO is more than ready for it.*



Thomas Knöpfler, CSO, General Manager and Co-Founder at ACTICO

**actico**  
Smarter Decisions

The RegTech sector could potentially come out stronger because of the Covid-19 crisis. It is one of the few industries that could. While the global pandemic has wreaked havoc on the world economy, it has also demonstrated the pressing need for companies to introduce reliable compliance solutions to their structures. Financial services firms now know that they must digitise their compliance structures. In short, demand for digital compliance solutions has skyrocketed.

German ACTICO is one of the RegTech companies that have noticed this shift in the market. "We have experienced that the importance of technology has been reaffirmed in the last few months," says Thomas Knöpfler, chief sales officer, general manager and co-founder at ACTICO.

It is hardly a secret why more businesses are adopting new tech solutions at this time of financial turmoil. They have realised that by building new digital structures, they are able to snap into action faster and cheaper without falling foul of regulatory demands. "Digitalisation not only reduces human dependence and increases

resilience, but is also the backbone of agile and innovative organisations," Knöpfler says. "Most of the above challenges can be addressed by rethinking the paradigms of tools and techniques in automation projects."

Of course, that doesn't mean that ACTICO has neglected to protect both the company and its employees. "At ACTICO, we had proactively prepared ourselves for the risks that the coronavirus can bring with it," says Knöpfler. "Our measures are designed to contribute to the protection of the health of people in our environment. At the same time, it is very important to us to ensure a continuous workflow. In addition to established and solid business continuity processes, which are in use, we benefit from the many years of experience of our colleagues in working remotely with international customers. Of course, our infrastructure is set up for this."

ACTICO's origins can be tracked back to the launch of Innovations Software Technology in 1997. But much has changed over the years. "Since 2015, the company has been operating as ACTICO," explains Knöpfler. "It develops and markets software solutions specifically tailored to meet the requirements of banks, insurance companies and financial service providers and other industries."

The company's success can be found at the core of ACTICO's innovative platform, which empowers its clients via intelligent automation and digital decisioning. "It combines human knowledge and artificial intelligence with automation technology," Knöpfler continues. "It is used by banks and insurance companies around the globe to implement various kinds of business applications. Among them are: compliance, credit risk management, loan origination, underwriting, claims management, multi-channel marketing and pricing."

Indeed, ACTICO already supports over 100 banks, insurance companies and financial service providers in more than 25 countries. The organisations that have tapped into the potential of using the platform include UBS Hongkong, Santander, KfW, ING, Volkswagen, LGT Group, Rand Merchant Bank (South Africa) as well as major banks in the US, Canada and Asia Pacific. "Most of them have implemented our RegTech solutions for their compliance, credit risk and loan origination management," Knöpfler says.

“The ACTICO platform is the base of these solutions. However, banks and insurance providers also use the ACTICO platform for individual applications like real-time customer communication, fraud detection, underwriting or multi-channel pricing. They have chosen this platform because it combines business rules and machine learning technology with automation software. It gives more control to business experts while leveraging AI for data-driven insights.”

However, the rising demand for RegTech solutions like ACTICO’s is not only due to Covid-19. Indeed, the surge can be traced back to the global financial meltdown of 2008. Following the implosion of the world economy, governments around the globe introduced new legislation to prevent the bad behaviours that triggered the crisis in the first place. While understandable, the new regulations meant more red tape for companies to cut through. Because of that, many businesses today need digital solutions to ensure they can more easily comply with the new and increasingly complex net of regulations.

One of the areas financial services firms must consider is risk management. “Changing regulatory requirements result in extremely high costs and money must be spent regularly to make adjustments,” explains Knöpfler. “A lot of automation has already been implemented in this area, but the degree of automation varies from one institution to another. Many banks have hundreds or thousands of applications, all of which must be checked for changes issued by supervisory authorities.”

This is hardly news to the organisations’ leadership. “Most executives know that they need to realign their enterprise architecture and, above all, drive technological innovation,” he continues. “But they often lack a clear strategy on how to promote comprehensive automation in the company. Many companies are still somewhat helpless when it comes to using digital technology for decision management and are too lightly relying on simple techniques such as robotic process automation (RPA). While this promises rapid effects, it ends just as quickly in chaos.”

Some companies have responded to the situation by essentially throwing everything they’ve got at the problem. The axiom they follow seem to be that ‘the more RPA tools, the better’. To Knöpfler this is not the way to go. “In our opinion, RPA creates short-term benefits, in the medium term it is questionable, in the long term it leads to high complexity,” he says. “Intelligent automation is achieved through a holistic approach that takes all digital processes into account. This includes low-code platforms, possibly also an RPA tool (with all its secondary effects) and a decision management system.”

And that is just what they get with ACTICO. “Our customers use decision automation when

they have to make complicated decisions, the decisions often change, IT and business have to work well together and they want to store knowledge centrally in a system that can be accessed by different applications,” Knöpfler says. “Decision automation stores the knowledge of the people who have made these decisions so far. This makes the decision management system a central knowledge database and a practical basis for decision-making – the ‘brain’ of the company, so to speak.”

He adds that in a world where regulatory requirements are constantly in flux, it would be foolish to store these rules in individual applications. “If a bank did that, it would have to make sure that every time the regulatory requirements were changed, the changes were applied to all applications and that nothing was forgotten,” Knöpfler says. “Above all, this would have to be done in all applications using the same logic and the same checks. And this makes it clear that it is intelligent to store these rules centrally once. Because the bank only has to maintain them in one place and can be sure that they are applied everywhere.”

Demand for RegTech solutions has jumped considerably in the last year. ACTICO’s team is not resting on its laurels to meet it. For instance, it recently launched the ninth version of its platform. “This software for intelligent automation and digital decisioning combines human knowledge and AI with automation technology,” Knöpfler says. “Our customers benefit from this low-code platform since it makes it easy to rapidly implement applications and services and adapt quickly in order to improve market responsiveness.”

In fact, using this type of technology is something he believes will become increasingly popular in the industry. “In the area of RegTech, we sincerely believe that AI and machine learning will be new drivers in the foreseeable future,” Knöpfler says. “The last few years have brought a flood of new laws and regulations for banks. There is no doubt that these developments make the work of risk and compliance functions more complicated and time-consuming. It is impossible for banks to cope with this situation using their existing procedures and staffing levels, but non-compliance with these regulations can result in heavy fines.”

“Machine learning is on the way to becoming best practice in banking and insurance. It is often used for sanctions and payment monitoring. Along with analysing huge volumes of data from different sources at high speed, machine learning can draw its own conclusions. This ensures compliance with legal requirements while increasing efficiency and cutting costs. We have experienced that compliance projects with machine learning reduce effort up to between 50 and 60%.”

In other words, ACTICO is ready to lead the way in the next stage of the RegTech industry’s evolution. ●