More bang for the buck for insurers

Opportunity to create a competitive edge by thinking differently about your payment infrastructure

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Foreword

Payment transformation is everywhere you look. In the last five years there have been subtle but marked changes in how we pay for items and the expectations around how integrated the experience is.

Some companies in the financial services sector have realised that interactions such as billing and claims disbursements are a great way of generating positive customer experiences and brand loyalty, and have built entire customer engagement strategies based on payment transformation. Their efforts are aided by continued investment in payment capabilities and infrastructure to fully automate and digitise the underlying processes, allowing companies to save more time and money, reduce errors and build robust, secure and compliant end-to-end payment solutions.

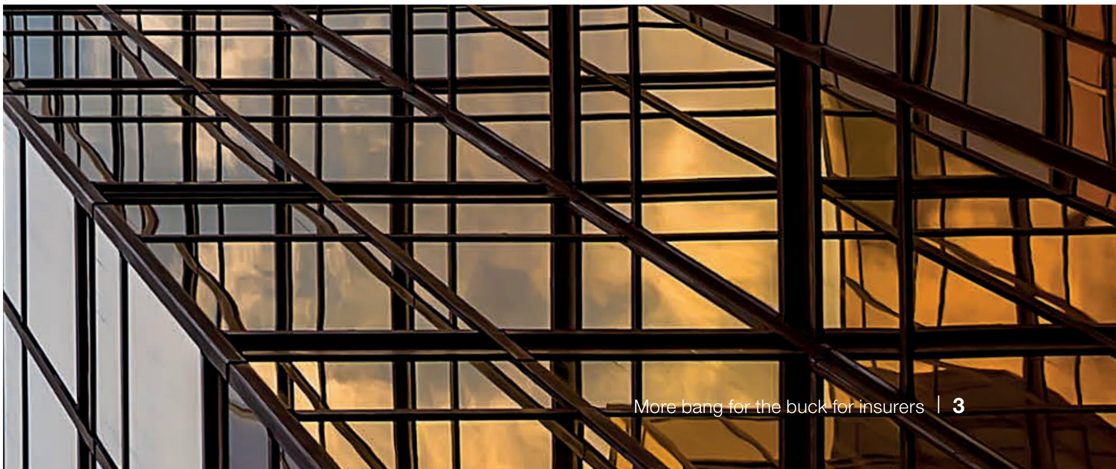
Given the changes in other sectors, the insurance industry has been slow to act. Only now is it beginning to recognise that payments play a central role in delivering a positive customer experience, achieving an opex (operational expenses) reduction and unlocking positive capex (capital expenditure) effects.

Several factors make it challenging for insurers to benefit from the full spectrum of added value that a payment transformation unlocks. Such factors include the scattered organisational landscapes, narrow project scope definition, a lack of knowledge around best-in-class payment solutions and the fact that payments always impact multiple critical areas of an insurer's operating model.

Besides these challenges, this paper outlines the opportunities where payments transformation can create value for the organisation and ultimately for the customer, but only when looked at more broadly rather than purely functionally from a CFO perspective. We also develop strategies that encompass the transformation of their front-, middle-office and enterprise-wide payment capabilities, and the benefits of doing so.

Payments are one of few areas where insurers can positively impact both customer experience and their business operations. However, the size and scale of the opportunity is not yet fully understood. To remedy this, this paper provides clear examples of:

- where and how rationalising payment infrastructure can improve the existing operating model
- the importance of adopting a total cost of ownership view of the entire payment landscape
- how to go about quantifying future benefits and the type of savings that could be unlocked by optimising payment architecture and processes.



Broader context of payment formation

Digitalisation (for the purposes of this report, digitalisation refers to any payment made over the internet, by mobile or by phone, including those made by card) has changed the needs and expectations of customers and consequently the way companies interact with them.

Customers today are better informed, more demanding and have higher expectations of the products and services they buy. They expect a seamless customer journey across and between different channels, as well as fast and personalised customer service. To remain competitive, companies need to anticipate, understand and respond to changes in customer behaviour.

These changes in customer behaviour and expectations have had a direct impact on payments. Driven by digitalisation, more and more payment methods have entered the market, offering customers increasingly flexible and convenient payment options.

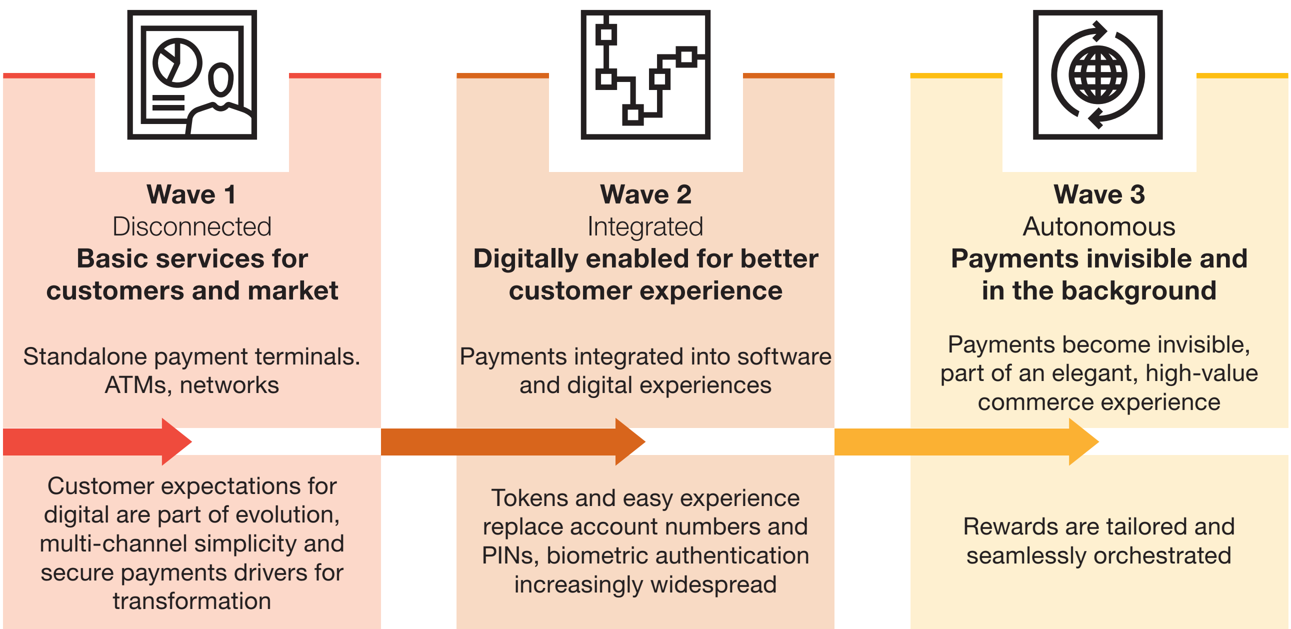
Amazon was quick to recognise the enormous value of innovative and fast payment processes, it patented the One-Click approach in 1999, meaning that customers only need to enter their billing, shipping and payment information once.

In the banking industry, in recent years the introduction of open banking has accelerated digital innovation in the payment space. New and evolving technologies have created opportunities to revolutionise product offerings, customer experience, infrastructure capabilities and cost-to-market.

Insurers have benefited from these developments and have been able to reference and apply learnings from other sectors. However, in terms of the core capabilities of their payment infrastructure, insurers lag behind the e-commerce, travel, retail and banking sectors. In our view, insurers are currently between a first and second 'wave' of industry-wide transformation (see figure 1).

As we'll explore later in this paper, payments are not a core competency for insurers. For example, you typically don't see 'Chief Payment Officer' positions in the insurance industry, as you would in other sectors. In traditional insurance operating and organisational models, payment infrastructures tend to exist in multiple functions, teams and systems. The insurance industry still has a long way to go to catch up, not to mention surpass the progress made in other sectors.

Figure 1: Value chain



The payment market for insurers in the past

Today's insurance payment provider landscape is scattered across local, regional and global providers. Many insurers manage highly customised payment system processes, maintain multiple legacy systems and historically have operations split between payment collection and pay-out functions.

This fragmentation has made it difficult for insurers to visualise efficient, customer-oriented payment systems geared to the future.

Overall, their payment architecture has historically been set up based on the following characteristics:

- The conclusion of an insurance policy was stationary and paper-based, with payments processed via bank transfers or direct debits.
- These payments were typically processed by banks via SEPA credit transfer (SEPA CT) and SEPA direct debit (SEPA DD); this could even be done fully automatically using payment software (SAP APM, FIS Traxx, etc.).
- System houses provided solutions for automating cash and liquidity management to make reconcilia-tion, account disposition and liquidity management efficient.
- Payment functionality was centred on efficient processing within an architecture that was separated according to premium collection and claims payment functions.
- Insurers managed legacy payment structures that enabled basic, primarily account-based payments (e.g. credit transfers, direct debits, bill payments and advance payments) and therefore typically struggled with the integration of card-based payments or alternative payment instruments.

In recent years, we've seen the following changes

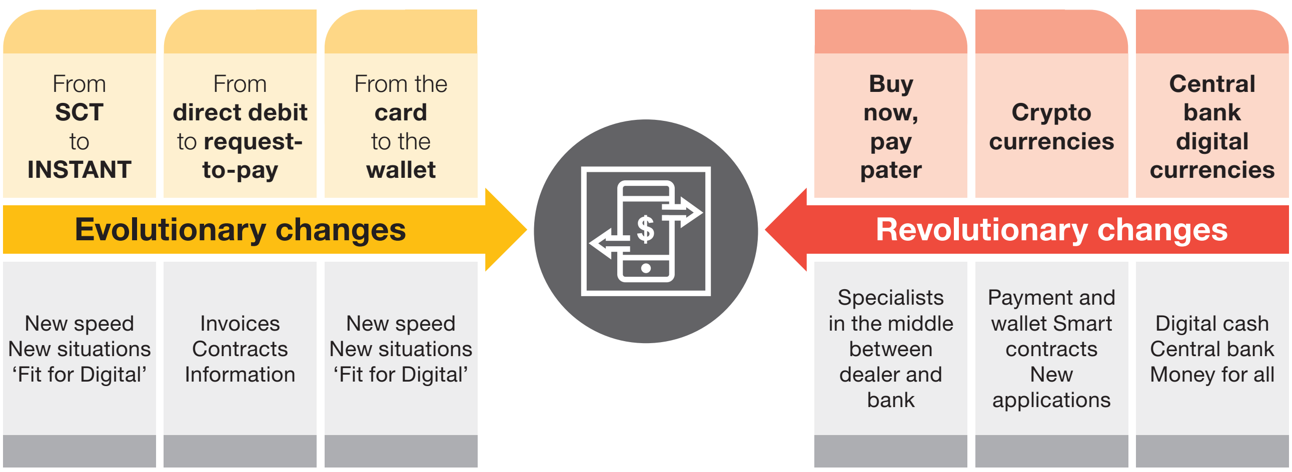
To offer new payment methods it has been necessary to adapt existing payment infrastructure to integrate payment service providers (PSPs) and payment gateways. Seamlessly integrating PSPs is challenging and therefore often results in insufficient integration, with system breaks and differences in formats and data.

This can lead to high manual efforts and costs, for example when reconciliations and transfers are executed in different formats. As the benefits for the customers of easy and convenient payment processing have accelerated the use of new payment methods, the costs for insurers have continued to rise. For their part, payment system providers have established interfaces that offer PSPs or gateways to be seamlessly connected. One of these system providers is Duck Creek Payment, the partner that collaborated with us on this white paper.

The driving forces behind the emergence of payment solutions ecosystems can be summarised as follows:

- **Regulation:** The payments market faces a number of regulatory changes, with standardised rules for specific SEPA countries or within the EU. Many of these affect the whole payments infrastructure, including instant payments, conversion to XML ISO20022 formats, open banking and strong customer authentication. The Digital Operational Resilience Act is an example of a recent change that will have a broad impact on the structure of the payment provider landscape and the way this is integrated into insurers' operating models. For a more detailed overview of payment-related regulation, please refer to PwC's payment regulatory radar.
- **Evolving European payment landscape and choice of the right payment mix:** We're witnessing shifts from cash to digital, from offline to e- and m-commerce and from days to instant. Digital wallets are on the increase, and we see a battle between account-based versus card-based strategies.
- **Customer experience:** Customer preferences are shifting as customers call for alternative and digital payment solutions. The checkout experience is a differentiating factor. Payments need to be instant, invisible and integrated, with a high level of flexibility to be available anytime and everywhere.
- **Processes:** An end-to-end view of the payment process is required as a market standard combining cash-in and cash-out.
  - **Cash-in:** check-out solutions for different customer interfaces (e.g. direct to customer, broker, intermediaries, embedded insurance channels) and channels (offline, online).
  - **Cash-out:** payout via different customer interfaces (e.g. direct to customer, broker, intermediaries, embedded insurance channels) and channels (offline, online).
- **Payment structure rationalisation:** Integration with surrounding systems (e.g. core insurance, treasury/finance, etc.), choosing the right payment provider setup and load balancing between competing PSPs.

Figure 2: Payments between evolution and revolution

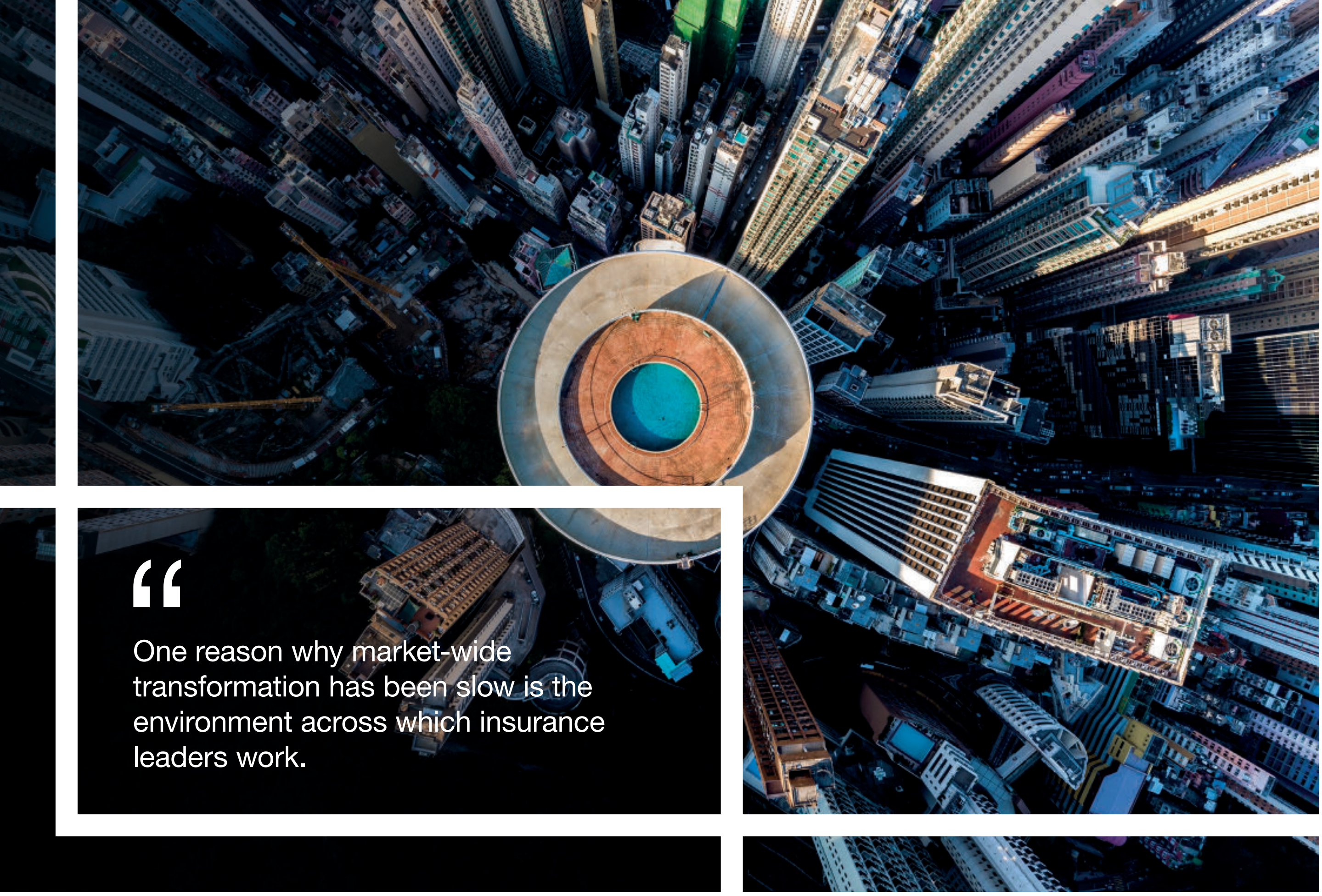


> "Global cashless payment volumes are set to increase by more than 80% from 2020 to 2025, and to almost triple by 2030.

Outlook: consumer payment behaviour expected to change in the insurance sector

PwC's global Payments 2025 & Beyond report outlines a compelling rationale behind payment infrastructure optimisation, noting that:

- Global cashless payment volumes are set to increase by more than 80% from 2020 to 2025, from about 1 tn in transactions to almost 1.9 tn, and to almost triple by 2030.
- Asia-Pacific will grow fastest, with cashless transaction volumes growing by 109% until 2025 and then by 76% from 2025 to 2030, followed by Africa (78%, 64%) and Europe (64%, 39%). Latin America comes next (52%, 48%), with the US and Canada growing least rapidly (43%, 35%).
- 42% of survey respondents felt strongly that there would be an acceleration in cross-border, cross-currency instant and B2B payments in the next five years. This is reinforced by the adoption of ISO20022, a globally developed methodology for transmitting data which provides a consistent messaging standard for payments.



> "One reason why market-wide transformation has been slow is the environment across which insurance leaders work.

Organisational realities for insurers present challenges in staying competitive

The drivers behind today's operational and strategic agendas for insurers have not changed drastically:

- How can insurers ensure adherence to evolving compliance and regulatory frameworks?
- How can insurers manage costs and drive operational efficiency?
- How can insurers generate new business opportunities, and grow and retain their customer base?
- How can insurers innovate and differentiate in increasingly competitive and complex markets?

Payment transformation can impact all of these areas, but what we see is that it's often overlooked as a strategic priority at C-suite and management level.

The insurance industry has been slow to bring in outside expertise – in an area that is not a core competency – and has underestimated the impact of directly tackling payment systems and processes. It has also overlooked the scope of company-wide payment infrastructures.

One reason why market-wide transformation has been slow is the environment across which insurance leaders work. It's important to realise that insurers are typically set up across different:

- lines of business (often with different operational demands in terms of payment volumes)
- customer segments (including retail versus commercial)
- geographies (operating within different regulatory frameworks).

If we look internally within an insurance organisation, the operating landscape becomes even more complex, with a payment ecosystem affecting many different areas:

- multiple departments (most notably finance, business services, claims and IT)
- multiple channels (both online and offline)
- multiple platforms (often comprising different payment providers)
- multiple payees (including customers, brokers and third-party vendors)
- two distinct core payment processes (both collection versus payout)

Insurers have the opportunity to offer more than just payments and to unlock benefits from operations, systems and the customer

Our interactions show that the small number of insurers currently differentiating themselves from peers look at the rationalisation of their payment infrastructure both as a means to unlock connected benefits and as a key enabler of innovative business models.

We recommend that CIOs, COOs, CTOs, CFOs and other key decision-makers look at the impact of enhancing their payment infrastructure across two dimensions (see figure 3):

We see these dimensions as complementary to each other, but stress that in terms of planning improvement initiatives, teams need to work cross-functionally to fully map the scope and potential benefits that could be unlocked through payment optimisation initiatives.

Figure 3: Payment infrastructure across two dimensions

1

Operations and system impact

As a:

- generator of opex and capex benefits (cost reduction)
- tool for process enhancement and automation
- key enabler of unified reporting

2

Business and customer impact

As a:

- enhancement to the overall customer experience
- lever in enhanced loyalty and rewards programmes
- generator of proprietary customer data and insights

Developing a total cost of ownership view is fundamental to understanding the multi-dimensional impact of payments on an insurer's operating model

In our experience, the key starting point of developing a payment transformation roadmap is to invest time to understand the total cost of ownership (TCO) of the entire payment landscape – mapping the end-to-end activities, systems, processes and costs associated throughout the payment life cycle.

Anchoring future payment improvement initiatives to a TCO view provides a transparent framework to assess the interrelated factors that need to be considered for insurers to transform payment capabilities and make quantitatively based investment decisions.

Using TCO as a baseline, insurers are forced to:

- take a 'horizontal' company-wide view of payment transformation, rather than looking at it from a siloed, 'vertical', department-by-department perspective
- and linked to this, mobilise cross-functional teams to map and understand the current state and payment life cycle
- understand at which points the payment life cycle touches on the existing organisation
- visualise what needs to be considered to optimise existing processes and system architecture
- connect 'operations and system' and 'business and customer' priorities.

A comprehensive, transparent and (signed-off) organisation-wide payment TCO should be viewed as a 'right to play' for insurers and be used as a key enabler to:

- understand the true costs per payment transaction
- make better-informed investment decisions
- have more quantifiable business cases
- serve as the basis for faster decision-making matrices and internal buy-versus-build decisions.

Our broader market interactions reveal that clients with a good understanding of the TCO of their payment infrastructure (clients in the e-commerce, retail, travel and banking sectors) have an informed view of their true total payment costs and volumes (both executed and failed), and use cost per transaction as a core operational and strategic KPI.

What we've observed, from partnering with insurers, is that many insurers don't think in this way, or aren't fully able to derive and understand their payment TCO.

A lack of insight on their current payment TCO as well as a lack of awareness of a cost per transaction should trigger short-term discussion and action.

Figure 4: Payment transformation equation

$$\text{Cost per transaction} = \frac{\text{Total Cost of Ownership}}{\text{\# All transactions}}$$

It's just the tip of the iceberg: applying TCO and lessons learned from a payment provider API integration

While a single payment provider connection may seem simple, both PwC and Duck Creek Payments are observing that insurers can severely often underestimate the underlying complexity and the TCO, leading to a diverse set of post-integration cost and operational complexity issues.

Even though one might believe a single integration is simple, it still requires the deployment of resources with non-core knowledge and expertise in payments, as well as the building of bespoke tools and solutions, and requires adherence to very strict business requirements and regulations. Connecting multiple providers makes it even harder. And running multiple businesses with different needs and roadmaps amplifies the challenge even further.

Expectations

**One provider:
underestimated investments and risks**

Just one quick API integration.
However: complexity and TCO are underestimated

Costs

- Industry advice
- Vendor selection: RFI/RFP/RFQ process
- Provider due diligence and procurement
- External consultants
- Technical requirements and build
- Impact and dependency analysis/management
- Risk management
- Maintenance and upgrades
- Support and escalation processes
- Configuration via IT change request
- Opportunity cost
- External IT partners
- TPP, software providers

Risks

- Provider lock-in
- Missed opportunity
- Internal compliance issues
- Data access/governance
- Not covering next market/payment tech need
- Provider is down
- Change to compliance requirements

Reality

Expectations

One provider: example from Tier 1 insurer

Actual costs and time significantly exceed initial expectations

Costs

Example from Tier 1 insurer:		Months	Cost in USD
Business	Business case, requirements, RFI/RFP/etc., procurement, InfoSec	1.5	75k
Integrations	Planning, establish team and training	1	100k
	Use case and architecture design	1	75k
	Back-end integration	2	150k
	Front-end build	1.5	100k
	Consultants	2	150k
Maintenance	Ongoing maintenance and configuration	1	50k
	Cloud infrastructure	–	50k
	Total	**10**	**750k**

Risks

PSP integrations can take >3 months – then regulations or requirements might change

Reality

Key takeaways:

- Strategic projects – involving multiple payment providers – significantly increase the TCO.
- Integration complexity can be high: insurers pay a rather high price for maintaining complex legacy systems and operating landscapes!

Use cases

The use cases below, developed with Duck Creek Payments, have been structured to show how a TCO view of the payment life cycle can be used to develop transformation initiatives relating to the following areas: operational (use case 1), customer experience (use case 2) and partnership and ecosystem (use case 3).

We'll provide supporting information to show how to go about quantifying future benefits and provide supporting examples of the type of benefits achievable on the basis of the typical profile and volume of payment transactions for small, medium and large insurers.

Level 0	**TCO –** methodology of mapping and understanding cost across the organisation
Use case 1	**Cost per transaction –** understanding scope and inter-dependencies
Use case 2	**Customer experience –** driving customer engagement
Use case 3	**Personalisation –** unlocking the network effect

In each of the use cases, we've included a target operating model view. This not only highlights the multidimensional and interconnected nature of an insurer's payment infrastructure, it also demonstrates the importance of taking a total cost of ownership view when looking at payment optimisation.

We also aim to provide guidance on how to execute this and the key operating processes and functions that need to be included as part of the scoping, execution and operational phases of any change.

Front office

- **A** Marketing
- **B** Sales
- **C** Distribution
- **D** Service Portals

Middle office / back office

- **E** Enterprise Data and Analytics
- **F** Product Development
- **G** Underwriting and Pricing
- **H** Policy Operations
- **I** Billing and Collections
- **J** Claims Processing
- **K** Ceded Re-insurance

Enterprise-wide

- **L** Finance and Actuarial
- **M** Capital Management
- **N** Risk and Governance
- **O** Regulatory Affairs
- **P** Strategy

Use case 1 – Cost per transaction view: direct debit failure

Context

Bank direct debits have historically been the main mechanism for collecting premiums. For a variety of reasons, an average of 0.5% to 2% of premium collections fail (around 1.5% to 1.9% in less mature organisations or product lines).

A bank transaction costs around USD 0.01 per transaction (at volume), meaning a monthly volume of 100,000 policies costs USD 12,000 per year. At a failure rate of 0.8%, this is 9,600 failed payments.

> “For this use case, the main drivers of total cost of ownership stem from policy operations, financial and actuarial, and IT.

Impact on the value chain

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S Human Capital
T Procurement and Facilities
U Legal and Compliance

Present reality

Reconciliation and allocation of amounts for payment to the correct months is sometimes done manually and in general is highly inefficient. Due to the complexity of an insurer’s operations, it’s inevitable to dedicate a high level of IT and project resources to any improvement initiative.

Future state

Full process automation can be achieved by applying third-party technical solutions such as payment middleware and leveraging pay-by-link capabilities. These technical components reduce the manual processes and can reduce the overall total cost of ownership by 50%, which will then translate into a significant reduction in costs per transaction.

You should also take the following factors into consideration:

H (Policy Operations): Operating policies requires processes to notify the policyholder of a failed payment and to collect new premiums. Adding a credit card as an immediate or alternative means of payment means integrating a new payment provider and updating the billing system.

I (Billing and Collections): This involves updating/enhancing the billing functionality to include different scheduling of transactions, building new connections to new payment service providers, and integrating with the billing system and processes.

R (IT): Resources will be required to perform the integration and provide service and support (and tickets from the business).

> Full process automation can reduce total cost of ownership by 50%, which then leads to a significant reduction in cost per transaction.

Benefits

For a book of 100k policies, one billing system and one country, no further enhancements or developments, limited portals and interfaces.

With the right technology solution and service portal a TCO for debit failure is estimated at USD 80k one-off and USD 295k p.a., which translates to USD 1.5m over five years.

- With 6 million policy transaction over five years the cost per transaction corresponds to USD 0.26 per transaction.
- Not implementing any solution increases the TCO estimate to USD 2.3m over five years, which corresponds to USD 0.36 per transaction.
- Building an own solution even increases the TCO estimate to USD 2.8m over five years, which translates to USD 0.46 per transaction.

A payment solution saved USD 0.10 per transaction versus doing nothing and even USD 0.20 versus building. Use these numbers to scale for larger books of business to calculate savings, complexity factors of 1.5x (multi line OR legacy) and 2x (multi-line AND legacy).

Use case 2 – Customer benefit/engagement view: claims payout (broker)

Context

For intermediated business, direct engagement between an insurer and the customer needs to be appropriately managed between the insurer, the intermediary and the client, given that the customer relationship sits with the intermediary. Insurers must build, support and maintain specific broker channels, reflecting broker-specific payment processes and systems. This can lead to excessive costs and compliance issues for insurers – particularly given the multi-system, channel and in some cases cross-LoB and territory challenges that can be involved.

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“For this use case, the main drivers of total cost of ownership stem from service portals, claims processing, financial and actuarial, and IT.

Present reality

The number of payment methods that can be supported is limited. The process is quite bespoke and thus cumbersome and expensive to maintain. Payment information could be collected more efficiently by additionally integrating pay-by-link or a direct feed into a content management system.

> To reduce potential costs and compliance issues, the insurer may choose to rent or purchase a standard broker service portal.

Future state

To reduce the potential costs and compliance issues, insurers can deploy a technology that allows the checkout component to be designed for the broker while the payment interface still belongs to the insurer. The insurer can decide to either rent or buy an off-the-shelf broker-facing service portal.

One should also take the following factors into consideration:

D (Service Portals): It's possible to develop and provide broker-facing portals that allow the 'checkout' experience for end consumers to be customised on the basis of the broker's branding and design requirements. Ensuring the ongoing smooth operation will mean building and developing a support infrastructure to maintain that technology and take care of broker enquiries and issues.

J (Claims Processing): The claims department is typically responsible for collecting payment information from customers. Collecting this information takes time and needs to be in a compliant manner. Responsibility for these actions generally lies with the claims department, but the job of executing payments is passed on to finance. This can introduce delays, inefficiencies and the possibility of human error into the process.

L (Financial and Actuarial): The finance team has to set up specific processes (manual and automated) to deal with these types of engagement.

R (IT): Resources will be required to build the broker portals and interfaces. This is an ongoing commitment to both further development and maintenance.

Benefits

We've seen domestic insurers in the DACH market save up to USD 250k in ongoing claims processing costs by collecting critical payment information more efficiently and exploiting the possibilities for automation. Such insurers have additionally been able to cut the maintenance and service costs, generating additional savings of up to USD 120k per year.

Use case 3 – Unlock network effect: payout optionality

Context

The final stage – and the biggest prize for insurers with best-in-class payment capabilities – occurs when they are able to unlock the network effect of being part of an external payment ecosystem.

The claims process is one of the most, if not the most, important interactions with a customer. Offering the right payment amount, in the right manner, at this point will have a considerable impact on the customer's perceived value and satisfaction with regard to their claims experience and the experience with the insurer in general.

To cover the full range of disbursement options (bank transfer, push to card, wallets, vouchers, etc.), you need an enormous number of partners and providers as well as resources in the areas of operations, IT and finance.

> “For this use case, the main drivers of total cost of ownership stem from service portals, enterprise data and architecture, IT and, legal and compliance.

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Present reality

Delivering the right payment amount and being able to provide and execute the right options in terms of how it's delivered requires an enormous number of partners and providers to achieve an extensive and holistic cover – all of which calls for the commitment of substantial operational, IT and financial resources.

Future state

With the right payment technology solution and service portal, the costs of the relevant capabilities can be significantly reduced – particularly through a ‘rent’ or ‘buy’ model.

Insurers should additionally consider the following:

D (Service Portals): It's key for the product/finance functions to manage the customer journeys, workflows and option management. It's also key for the customer to interact with the options/choices compliantly.

E (Enterprise Data and Architecture): Different information flows, for each payment type, need to be appropriately recorded and managed.

J (Claims Processing): Internal resources spend time collecting and chasing payment information, recording it and explaining payment options that they aren't experts in. So more training is key. Additionally, some may choose the path of least resistance, failing to communicate or choose options for clients for their own convenience.

L (Finance and Actuarial): Different payment types are available through different vendors (e.g. vouchers, pre-paid card, push-to-card, bank transfer, etc.) and accounts need to be created, maintained, reported and reconciled for each of them. Different payment types involve different costs, settlement processes/structures, agreement types, etc., all of which have to be maintained and settled.

R (IT): Various bespoke interfaces, technologies and portals need to be built to fit into your IT landscape, tools and portals.

U (Legal and Compliance): You need to ensure the compliance of vendors and the technology, in addition to data compliance (more personal data collected in the form of phone numbers, email addresses, etc.), AML and sanction-checking requirements and tracking of amounts (to avoid breaching maximum amounts).

> "The benefits resulting from operational improvements are significant and they increase insurance coverage and continually cover more payment types.

Benefits

For a book of 100k policies, one billing system and one country, no further enhancements or developments, limited portals and interfaces.

The benefits stemming from the operational improvements described above amount to USD 240k one-off and USD 261.5k p.a. in cost savings, which is a 51% reduction on the TCO of this capability (USD 1.5m over five years versus USD 3.1m over five years without the tech solution). In addition, this approach is also likely to bring the following benefits:

- It will free up IT, finance, compliance and legal resources to focus on other topics in the business.
- The tech modernises an insurers set-up, increases coverage and covers more payment types on an ongoing basis, and all this is included in the licence fee.
- Additional benefits will accrue if the approach is applied to more complex set-ups for much larger books of business.

> “Investing in your payments infrastructure offers you tremendous opportunities to exceed your customers' expectations, generate operational and investment benefits, and differentiate yourself from the competition.

The time to act is now

Don't miss the opportunity to improve customer experience and unlock key opex and capex benefits.

The increasing availability and adoption of digital payment solutions in other sectors, as well as the further development of third-party payment tools and platforms, is increasing the incentives and putting pressure on insurers to transform their payment set-up. It's time for them to develop proactive payment optimisation strategies across the insurance value chain.

Investing in your payment infrastructure offers huge opportunities for you to exceed customer expectations, generate opex and capex benefits and differentiate yourself in an increasingly digitalised and service-based marketplace.

Within the industry, the response has been mixed. While some carriers have been slow to act and are taking a siloed approach to improvement, the market leaders are initiating transformation programmes involving cross-functional implementation teams to address the front, middle and back-office dimensions of current and future operating models, not to mention new market entrants and digital first insurers.

Insurers who wish to embrace the transformative opportunities arising from payment solutions need to do three things:

1) **PLAN** the full breadth and depth of payments involved in their existing operating model, including view on TCO.

2) **SELECT** two or three business use cases where payments play a critical role in either enhancing customer engagement and/or driving process improvement and optimisation.

3) **EXECUTE** by creating a cross-functional team to conceptualise and implement use cases.

The PwC insurance team, with its differentiating front-to-back insurance capabilities and credentials across payment, treasury and TOM optimisation, can help you design and implement a best-in-class payments solution and transform the way you interact with your customer.

We look forward to exploring the key strategic and operational considerations that need to be reviewed when you set about optimising your payment infrastructure, and partnering with you as you embark on an exciting transformation journey.

Interested in a first conversation to learn how we can work with you?

Please contact one of the people listed on the following page.

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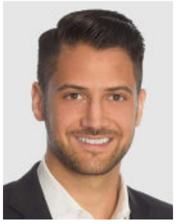

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Glossary

OpEx	Operating expenditure (OpEx) is an expense that a business incurs through its normal business operations. Operating expenses include rent, equipment, inventory costs, marketing, payroll, insurance, step costs, and funds allocated for research and development.
CapEx	Capital expenditures (CapEx) are funds used by a company to acquire, upgrade, and maintain physical assets such as property, plants, buildings, technology, or equipment.
SEPA	The Single Euro Payments Area (SEPA) is a transaction system that harmonizes the way cashless payments are transacted between euro countries. European consumers and businesses who make payments by direct debit, instant card transfer, and credit transfers use the SEPA architecture.
SCT	SCT stands for 'SEPA Credit Transfer' which is a payment method used for credit transfers within the Single Euro Payments Area (SEPA). It typically involves the transfer of funds from one bank account to another within the SEPA region and is typically processed within one business day.
ISO20022	ISO20022 is an international standard for financial messaging. It provides a common data modeling framework and syntax for the development of financial messages used in various financial transactions such as payments, securities, trade finance, and foreign exchange.
API Integration	API integration refers to the process of connecting and integrating different software applications or systems using Application Programming Interfaces (APIs). An API acts as a set of rules or protocols that allow different applications to communicate and share data with each other.
TPP	In the financial industry, a Third-Party Provider (TPP) refers to a third-party organization or service provider that offers financial services to customers by accessing their financial data. TPPs operate through the use of APIs, allowing them to securely access and use customer data with proper consent.
AML checks	Anti-Money Laundering (AML) checks refer to the processes and measures implemented by financial institutions and businesses to identify and prevent money laundering activities, terrorist financing, and other forms of financial crimes.

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