



How ING Achieved a Global KYC Solution Using Pega Client Lifecycle Management

Nicolas Chaperon and Karin den Ouden
June 2023



do your thing

A close-up photograph of a person's hands typing on a silver laptop keyboard. The person is wearing a grey sweater over a white t-shirt. In the background, another person's hands are visible typing on a laptop. The scene is set in a modern office with a white desk and a smartphone lying on it. The lighting is soft and professional.

[Introduction](#)

[About Us](#)

About the Speakers

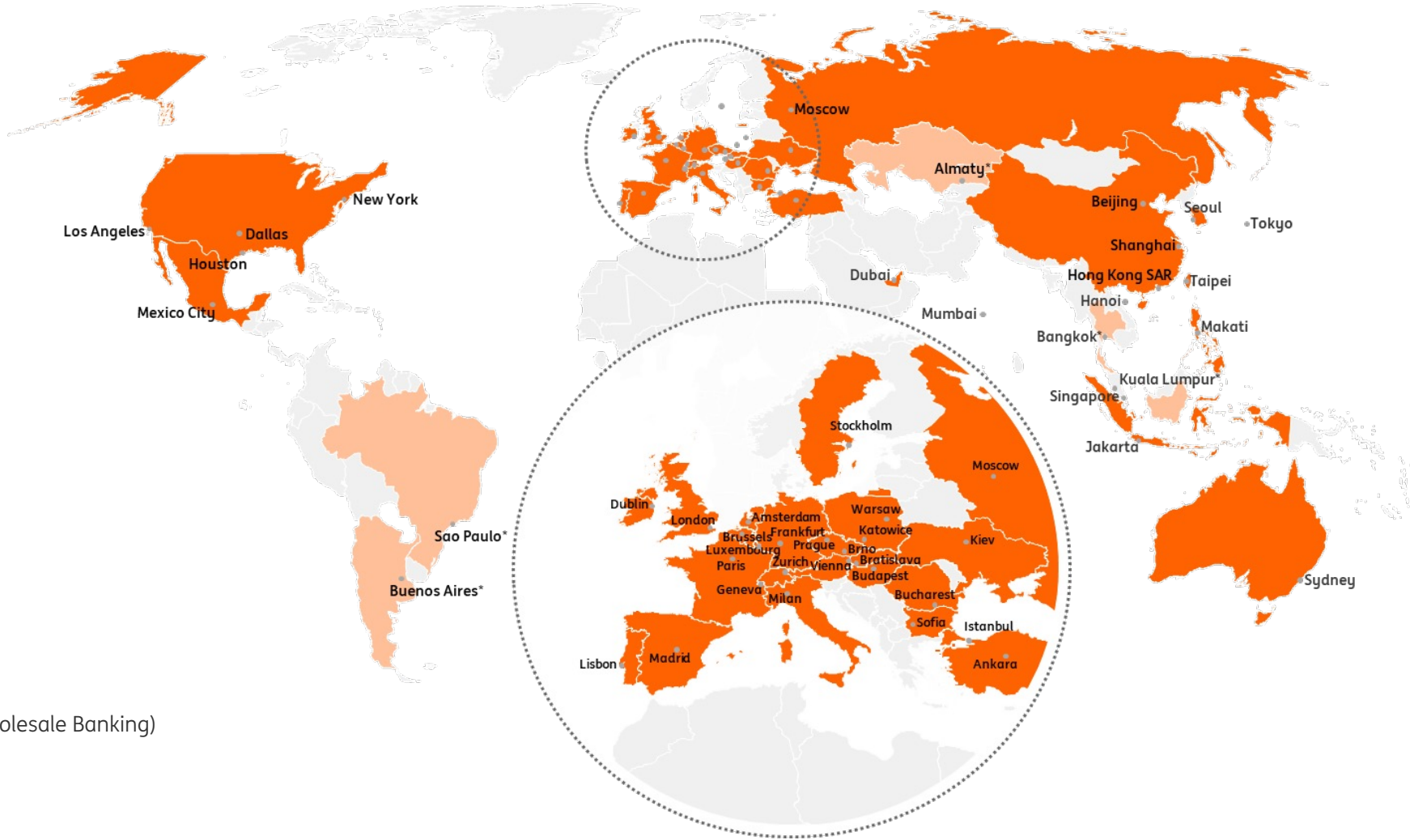


Karin den Ouden
Head of KYC Delivery



Nicolas Chaperon
Head of IT Global KYC & Fraud

About ING Bank



- ING countries (Retail and/or Wholesale Banking)
- ING countries being closed
- ING offices

About our Story



One Global Application



How it Started



900 Million Dollars...

ING to pay €775m in money laundering case

Penalties are the largest ever imposed on a company by Dutch public prosecution service

Dutch bank ING fined \$900 million for failing to spot money laundering

By Toby Sterling, Bart H. Meijer

4 MIN READ



AMSTERDAM (Reuters) - Dutch bank ING Groep NV admitted criminals had been able to launder money through its accounts on Tuesday and agreed to pay 775 million euros (\$900 million) to settle the case.



ING has agreed to pay €775m in penalties for compliance failures at companies — including a Curacao lingerie company and Russian operator — to allegedly launder hundreds of millions of euros over six years.

The penalties are the largest ever imposed on a company by the Dutch public prosecution service, which said it found “clients were able to use accounts held by ING for criminal activities for many years, virtually undisturbed” from 2010 to 2016.

The offenses were unearthed after the Dutch prosecutor probed accounts of four companies that had accounts at ING, including \$55m in accounts held by the daughter of Uzbekistan’s president by a unit of Russian operator VimpelCom.

ING reaches settlement agreement with Dutch authorities on regulatory issues in the ING Netherlands business

September 2018 7 min read

Amsterdam, 4 September, 6:59 am CET

ING has reached a settlement agreement with Dutch Public Prosecution Service; ING agrees to pay a fine of €675 million and €100 million for disgorgement; ING acknowledges serious shortcomings in the execution of customer due diligence policies to prevent financial economic crime at ING Netherlands in the period investigated (2010-2016); ING sincerely regrets that these shortcomings enabled customers to misuse accounts of ING Netherlands; ING has initiated measures against a number of (former) senior employees with broader responsibility for the safeguarding and execution of FEC CDD policies and procedures in ING Netherlands, including holdbacks of variable remuneration and suspension of duties; ING Netherlands has taken various steps to enhance its compliance risk management and will continue to strengthen its compliance culture and awareness; ING is committed to conducting its business with integrity, which includes compliance with applicable laws, regulations and standards in each of the markets and jurisdictions in which it operates; The Dutch Public Prosecution Service and the Dutch Securities and Exchange Commission expected not to take further actions.



What is KYC

KYC = short for 'Know Your Customer'



To prevent

Money laundering and terrorist financing



To fight

(Financial) crimes

Such as

Tax evasion, drug violence, human trafficking,
corruption, and trade of illegal goods

Houston...



- Dutch prosecution investigated ING
- Project called 'Houston'
- Misuse of ING's financial products
- Shortcomings in the KYC processes
- ING settled in 2018 for 775M€ (900M\$)



Causes flagged by Prosecutor

- Lack of attention and priority
- Business over compliance
- No structural solutions
(nothing gets fixed structurally)
- Lack of internal control and responsibility
- Lack of escalation culture

A man wearing a brown hat and a green velvet jacket is smiling as he loads a large, dark-colored suitcase onto a train. The train is white with maroon accents and has its door open. The scene is set on a train platform with a corrugated metal roof. In the background, other passengers and a bench are visible. An orange banner with white text is overlaid on the left side of the image.

Our Way Forward

The Programs' Devil's Triangle

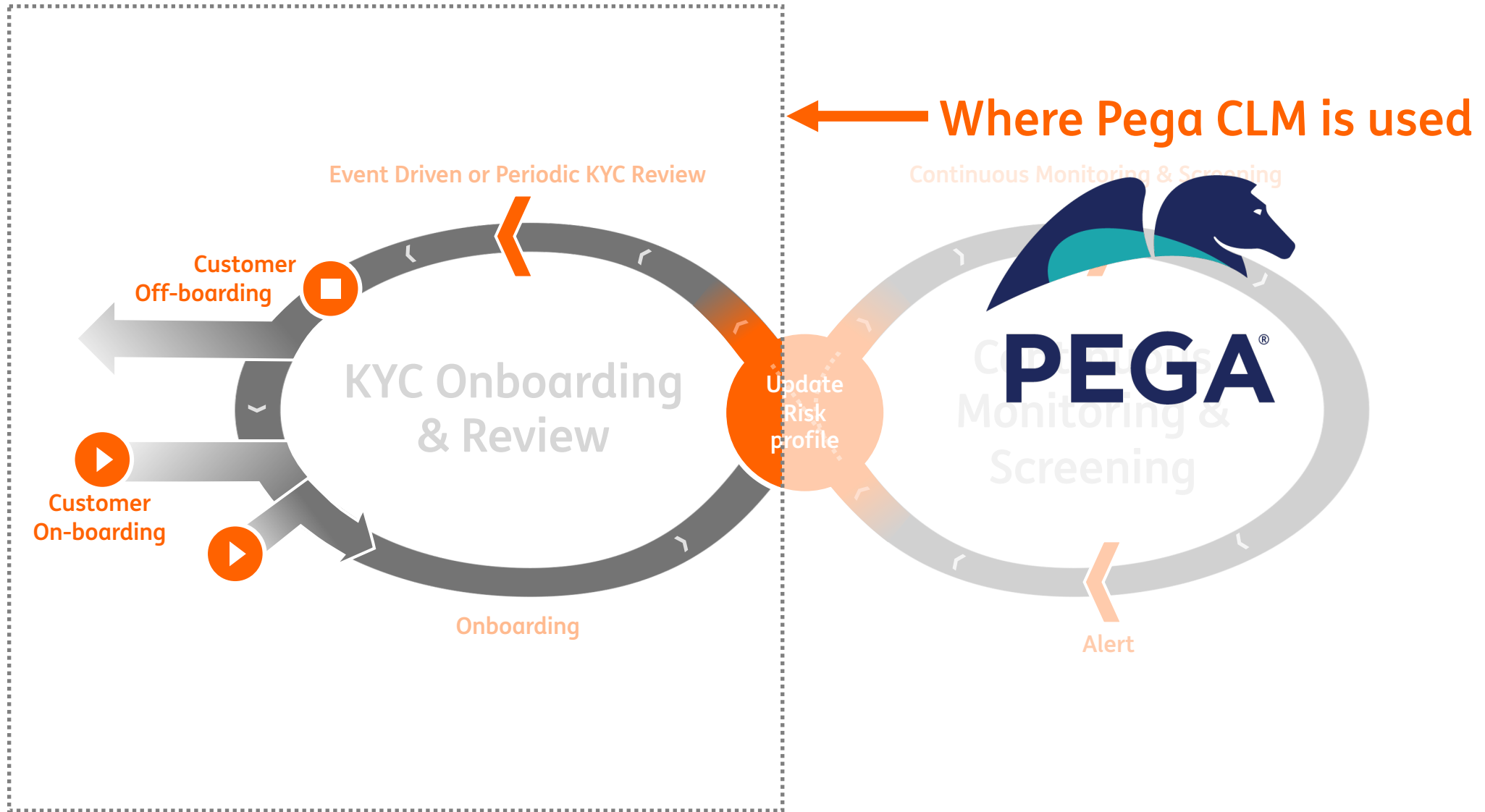
Over 35 million customers to be reviewed by 2400 analysts



By 10 build squads centrally
And
Over 500 project FTE in countries

To deliver 108 strategic milestones in over 30 countries in 3 years

ING KYC Lifecycle and PEGA CLM



Building Globally





Building Blocks for Success

Celebrate!

Pilot and scale

Co-Design locally

Leverage IT eco-system

Vision 'what does good look like'

C-Level commitment

3 Tech Ingredients to Build a Global Application



Strong layer cake thinking



Balance customization



Set of principles



Way of Working

Our Way of Working in One Image



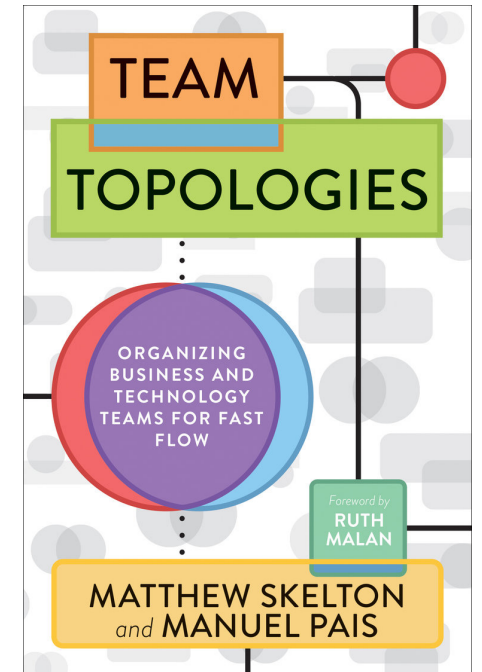
Balancing the Team(s)



Technical blocks

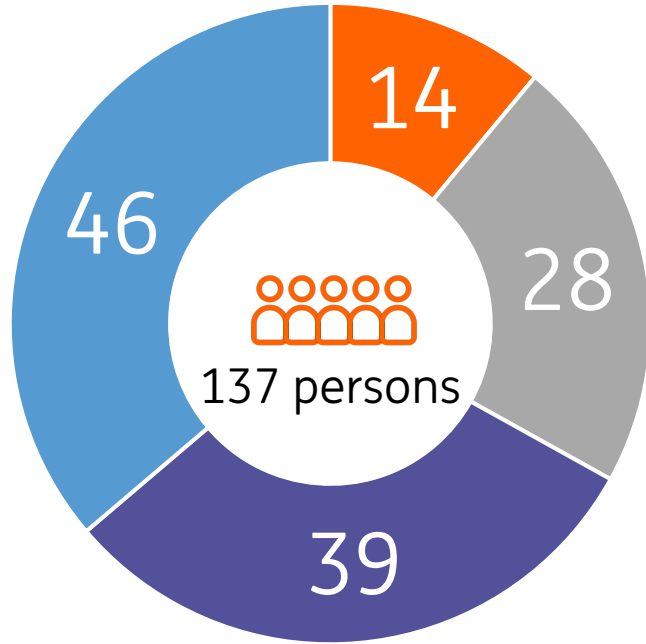
Process and business capabilities

} Balance to maximize the delivery flow



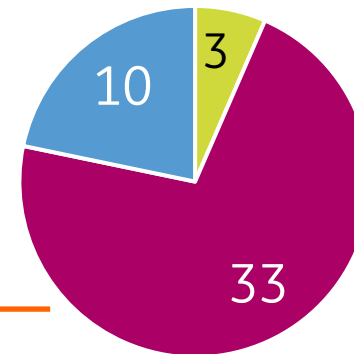
Infographic of the Core Team

* Numbers shown are yearly totals for 2022



- Product Owner
- Business Analyst
- Ops Engineer
- Pega Engineer

- 14 teams
- 6 nationalities
- 3 working locations
- 2230 yearly user stories
- 28 yearly releases
- 230 yearly changes in PROD
- 1 application
- Servicing 38 countries



- Pega Software Architect
- Pega Senior Software Architect
- Pega Lead Software Architect

Issues Encountered

And How We Solved Them



Global Application Controls



Automated tests

Test framework

Performance tests

Release train

Of Course It Will Not Always Be a Smooth Ride



Solving the Problem(S)



Enhanced infrastructure

Optimized database

Greater usage of out-of-the-box

Revisited Queue Processor setup

Performance tests suite

A man and a woman are sitting on a large rock in a mountainous landscape. The woman, on the left, is wearing a pink beanie and a pink jacket, looking down at a laptop. The man, on the right, is wearing an orange beanie and a grey jacket, holding a tablet. They are surrounded by green trees and rocky terrain. In the foreground, there is a rolled-up purple mat and a yellow bag.

Current Status

Where Are We Now?

We Have Reached Our Goal



Harmonized and consistent process

1 Global standard, local uplift

All countries onboarded – speeding up

What We Are (Most) Proud of



On time delivery of rollout calendar



Teamwork IT-Business / Local – Global



1M cases per Quarter, **2M** cases per Quarter by end of '23



2.7M Clients reviewed so far, **7M** in total by end of '23



91,5% fully automated case completion



2400 ING users

The image features several black silhouettes of microphones on stands against a light blue, slightly hazy background. The microphones are arranged in a cluster, with some on stands and others on boom arms. The lighting is soft, creating a professional and artistic atmosphere. In the upper left, there is a small, out-of-focus light source, possibly a bird or a light fixture. The overall composition is clean and modern.

Questions

[Hear More](#)





WUOL



do your thing





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