CGI HotScan360
An enterprise risk management platform delivering fraud detection, transaction screening and customer due diligence capabilities.
Market forces are driving significant change in the compliance and risk market

### Technology Development
- Flexible integration, Machine learning, High availability, High scalability

### Customer Expectations
- Real-time transactions, Smooth payments, Omni-channel security

### Legal and Regulatory Pressure
- GDPR, AML, Instant payments, Open API, KYC/CDD

### Investment and Maintenance Efficiency
- False positive alerts, Operational excellence, Availability of expert resources, FTE reduction

### CGI HotScan360’s key features and benefits

#### All-in-One Risk Management Platform
- Comprehensive anti-financial crime platform covering AML and fraud monitoring, CDD, transaction filtering and enterprise case management
- All modules provided through a single solution, single implementation and single license
- Designed to comply with the latest and upcoming regulations to ensure legal compliance and protect the bank’s reputation
- High-performance, real-time risk engine that scans and scores thousands of transactions per second
- Includes in-memory databases with response times in milliseconds for full support of instant and online payments
- Developed in close cooperation with major banks, with fine-tuned rule sets and treatments for fraud and customer identification

#### Coverage of All Data & Channels
- White-box solution, with full control of decisioning monitoring and processes
- Full data vertical coverage (L1 to L5 Gartner levels)-from device identification to multi-channel big data analysis
- Capability to integrate non-standard internal and external data sources and normalize the data
- Allows plug-in of third-party solutions for advanced device intelligence, case management or other capabilities per client request
- Covers all standard digital banking channels, as well as internal and external data sources, through out-of-the-box interfaces

#### Investment & Maintenance Efficiency
- Self-learning rules and system improvement through ongoing suggestions for scenarios that increase AML and fraud detection and lower false positive rates over time
- Cost savings through more reliable risk detection using big data predictive and advanced analytics, along with machine learning models
- Cost savings through reduced customer authentication costs, process automation and operational FTE reduction
- Detailed overview of a bank’s risk situation through strong reporting, analytical and visualization capabilities
- Full deployment possible in six months or less
- Effective and integrated incident case management
- Active and rolling updates support for high availability and scalability, even during patching and disaster recovery situations
- Sandbox allows production data to be used for testing, delivers analytics to help optimize the effectiveness and efficiency of the system and provides an audit of the testing process
What is CGI HotScan360?
CGI HotScan360 is a versatile and complex financial crime and risk management platform. It provides real-time monitoring and big data analysis for customer activities and identifies potential fraud.

When anti-money laundering, customer due diligence and fraud detection systems operate using the same data sets, why use multiple solutions?

**CGI HotScan360 Core Features**

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<thead>
<tr>
<th>FDS</th>
<th>CDD</th>
<th>AML</th>
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<tbody>
<tr>
<td>Fraud Detection System</td>
<td>Customer Due Diligence</td>
<td>Transaction Filtering and Monitoring</td>
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<tr>
<td>Protection of customer funds and data</td>
<td>Protection of banks from risky customers</td>
<td>Protection of society from money laundering</td>
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**Real-Time Digital Client & Transaction Behavior**

**Real-time data scanning is a must for successful fraud prevention**
People today are sensitive about their security. Repetitive fraud will eventually lead to the loss of customers and revenue decline. Further, institutions are required to implement anti-fraud measures by law. If they fail to provide clear evidence that measures have been implemented based on the latest compliance requirements, they will face formal investigation, with the possibility of heavy fines.

**Smart solution for any financial institution**
We provide an out-of-the-box solution that can be integrated within any bank environment and can begin AML detection in a surprisingly short time while providing outstanding quality. The CGI HotScan360 CDD module manages customer data and activities using modern delta screening algorithms and intelligent re-scoring algorithms. This smart solution significantly reduces total cost of ownership.

**Online processing of customer transactions**
CGI HotScan360 is able to process all customer transactions online and suspend suspicious transactions while submitting them for investigation. Sources and destinations are further analyzed. In addition, behavioral profiles are calculated and then used to detect divergences potentially leading to money laundering activities.

**Adaptive Authentication Use Case**
A customer would like to make a standard online payment. Based on CGI HotScan360’s fraud prevention approach and behavior analyses (for example, of the customer’s chosen payment type, typing speed and geographic location), customer authentication is not needed. In addition to benefiting the customer in terms of convenience, the bank’s costs for SMS authentication or calling also are significantly decreased.

**Proactive Fraud Detection Use Case**
A customer is about to log into their Internet banking account unaware of malware on the device. CGI HotScan360 identifies the threat and, to protect the customer’s finances, denies access to their account. At the same time, it informs the bank, which contacts the customer and decides on next steps.
Innovative technology to meet customer expectations

CGI HotScan360 is an open, scalable and fully modular platform that is built using the most advanced frameworks. Most of its components can be fully integrated with other systems or omitted. All implemented workflows and processes can be customized based on a client’s specific business needs.

**CGI HotScan360 Integration Architecture**

<table>
<thead>
<tr>
<th>Layer</th>
<th>Description</th>
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<tbody>
<tr>
<td>L1</td>
<td>Protection and monitoring endpoint device, authentication, device identification, geo-location, etc.</td>
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<tr>
<td>L2</td>
<td>Monitoring of user’s navigation behavior and comparison to common user patterns</td>
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<tr>
<td>L3</td>
<td>Single channel anomaly identification using defined rules and statistics</td>
</tr>
<tr>
<td>L4</td>
<td>Data combined from multiple channels; combined monitoring for users, accounts, entities, etc.</td>
</tr>
<tr>
<td>L5</td>
<td>Analysis of relationships among internal and external entities and their attributes (e.g., users, accounts, products, etc.)</td>
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**CGI HotScan360 Integration Architecture**

- **Data Inputs**
- **Scoring**

**Integration Layer**
(MQ, REST, SOAP, Batch, etc.)

**CGI HotScan360 Risk Engine**

- Unified Case Management
- In-Memory DB
- Predictive Model (Machine Learning) Management
- Third-Party Integrations
- Reporting
- Analytical UI
- Real-Time Rules Engine
- Management UI
- AML KYC Functions

**Big Data Customer and Transaction Data Store**
(Behavioral and raw data store in Hadoop/HBase)
Key findings from our 2018 CGI ClientGlobal Insights report on retail banking

Our financial services business is made up of ~11,000 people working across 5 continents.

CGI is a trusted advisor to 15 of top 20 banks globally, including the top 10 European banks and 9 of the top 10 U.S. banks.

With more than 40 years of listening to the needs of our clients, innovating together to create business value, helping clients with their digital transformation, and delivering to achieve stakeholders’ long-term success.

Now that most retail banks have digital strategies in place, the next focus is on extending those strategies to their partner ecosystem. This is a necessity given the potential or implied impact of open banking on the industry.
2018 Business Priorities

- Protecting the bank (93%)
- Digital customer-facing transformation (91%)
- Improve end-to-end customer experience (91%)
- Drive actionable insights from data and analytics (87%)
- Acquire digital talent and change bank culture (83%)

Transformation Challenges

Cultural change and change management remain a top barrier to digital transformation, with some regional differences. Ninety-one percent of North American executives cited cultural change and change management as their top barrier, for example, while 87% of European executives cited regulatory compliance as their top challenge.

- Cultural change and change management (89%)
- Technology and agility constraints (83%)
- Regulatory and compliance concerns (79%)
- Cybersecurity concerns (72%)
- Digital customer experience design (52%)

About our 2018 CGI Client Global Insights for banking:
- 219 banking clients interviewed across 14 countries
- Three sub-sectors covered: retail banking, corporate and transaction banking, and capital markets
- 40% interviewed were business leaders; 60% were IT leaders
- Findings below are based on our retail banking interviews
About CGI

Founded in 1976, CGI is one of the largest IT and business consulting services firms in the world. Operating in hundreds of locations across the globe, CGI professionals help clients to achieve their goals, including becoming customer-centric digital organizations. We deliver an end-to-end portfolio of capabilities, from high-end IT and business consulting to systems integration, outsourcing services and intellectual property solutions that help accelerate clients’ results. CGI works with clients around the world through a unique client proximity model complemented by a global delivery center of excellence network to help clients accelerate results, transform their organizations and drive competitive advantage.

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