Know-your-Customer Managed Services at Financial Institutions

Implementing customer identification requirements is becoming increasingly challenging for financial institutions – we are equipped to provide you with targeted assistance in this area in order to effectively navigate these complexities.

Our KPMG Managed Service solution model offers you professional excellence, innovative technology, and flexible scalability to meet the increasing KYC requirements with efficiency and precision.

Increasing regulatory requirements and expanding customer volumes are placing significant pressure on your KYC processes. In addition, through discussions with our customers and our engagements in various KYC projects, we know that:

- From 2027 onwards,there will be over 50% additional new regulations relating to the EU AML with a focus on customer due diligence obligations.
- The operational effort is expected to triple due to reduced frequencies for checking and updating customer files.
- Currently, KYC checks take up to 15 hours on an average to complete, depending on their complexity.
- Process costs averaging over EUR 2,000 per customer for KYC onboarding and remediation are not uncommon.
- Complex data collection processes increase frustration among customers and employees, potentially leading to acceptance problems.

As the market and quality leader in AML and KYC, we help you successfully overcome these challenges.

> The Increasing regulatory requirements of the new EU AML Regulation presents significant challenges to KYC organizational models. Our KYC Managed Service offers targeted relief, enabling you to focus on what matters most: "your customers".

Timo Purkott
Partner,
Financial Services

Our KYC solution models

To support you according to your specific needs, you have the option to choose between two distinct variants:

Variante 1 – KYC Workforce
Our KYC experienced KPMG experts and service center teams offer flexible support to your day-to-day KYC business operations, both nationally and internationally. In addition, we can implement a "follow-the-sun" model, if desired.

By integrating with your existing process model and IT systems, we eliminate the need for time-consuming IT implementations, thereby maintaining your existing compliance framework.

Variante 2 – KPMG Tech+
Alternatively, our KPMG experts and service center teams offer, with even more comprehensive support through our AI-based, fully automated KPMG Sapphirus platform, potentially reducing your average KYC operating costs by up to 50%.

By integrating KPMG Sapphirus into your existing IT infrastructure data integrity remains secure and enhances overall efficiency.

© 2025 KPMG AG Wirtschaftsprüfungsgesellschaft, eine Aktiengesellschaft nach deutschem Recht und ein Mitglied der globalen KPMG-Organisation unabhängiger Mitgliedsfirmen, die KPMG International Limited, einer Private English Company Limited by Guarantee, angeschlossen sind. Alle Rechte vorbehalten.

KYC Service Center Teams

1 KYC Workforce | 2 KPMG Tech+

Both options allow you to leverage our service centers in Germany, Bulgaria, and India for operational support, offering enhanced flexibility and cost-efficient scalability.

- **Expedited onboarding and enablement** through standardized procedures and experienced employees.
- **High quality assurance** through harmonized processes aligned with regulatory requirements.
- **Flexible scalability** to tailor capacities in order to meet your specific needs.

Service Center Germany

- Direct customer proximity through our financial services experts at KPMG AG
- Broader German-speaking network through our additional service center employees
- Anchored in the German market, we provide reliable support through a pool of experienced KYC experts

Service Center Bulgaria

- Cost-efficient near-shore solution that ensures high availability and operational stability
- EU data protection area (GDPR-compliant) - providing regulatory security and flexibility
- Experienced KYC analysts with extensive banking and compliance expertise

Service Center India

- Maximum scalability and 24/7 processing through a "follow-the-sun" model
- Significantly lower cost structure while maintaining high quality standards
- Leverages extensive offshore experience in KYC programs

Service Center Germany

Service Center Bulgaria

Timezone

+1h

Service Center India

Timezone

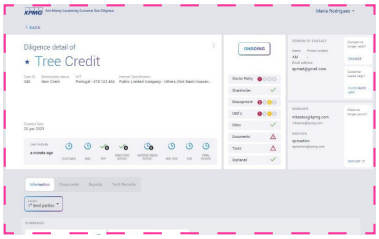
Winter: +4,5h
Summer: +3,5h

KPMG Sapphirus as an AI-based, fully automated KYC platform

2 KPMG Tech+

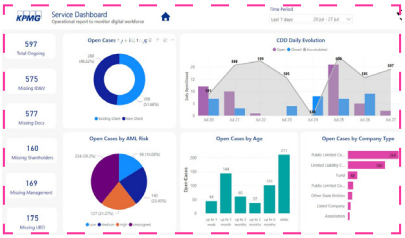
As part of Option 2, KPMG Sapphirus offers the possibility of cost-efficient and digital KYC processing.

Customizable Client Portal



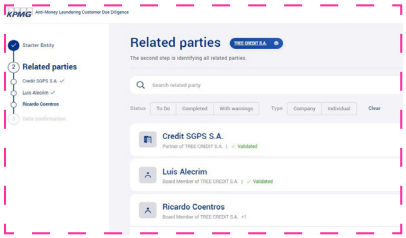
Direct communication and personalized dashboards

Real-Time Operations Cockpit



Real-time tracking of KYC processes

Digital file for KYC processors



Workspace for efficient process handling

Source: KPMG in Deutschland, 2025

© 2025 KPMG AG Wirtschaftsprüfungsgesellschaft, eine Aktiengesellschaft nach deutschem Recht und ein Mitglied der globalen KPMG-Organisation unabhängiger Mitgliedsfirmen, die KPMG International Limited, einer Private English Company Limited by Guarantee, angeschlossen sind. Alle Rechte vorbehalten.

Your added value through our Know-Your-Customer Managed Services

Our KYC Managed Service offers you a combination of a proven collaboration model and cutting-edge technology, combined with the ability to scale operations as needed.

1 KYC Workforce **2 KPMG Tech+**

- Expert teams that can be scaled at any time - offering flexible expansion tailored to your support requirements
- Coordinated operating model – ensuring seamless collaboration
- Global resources – across nearshore and offshore locations for enhanced flexibility

2 KPMG Tech+

Additionally

- Customer portal – facilitating direct communication and personalized dashboards
- Management information reporting – enabling real-time tracking of KYC processes
- AI-based document extraction – streamlining the analysis and evaluation of customer documents

Contact
KPMG AG Wirtschaftsprüfungsgesellschaft

Victoria Wildhirt
Partner
Financial Services
M +49 160 6245521
vwildhirt@kpmg.com

Arvind Sarin
Partner
Financial Services
M +49 174 3267985
arvindsarin@kpmg.com

Timo Purkott
Partner
Financial Services
M +49 174 3407416
tpurkott@kpmg.com

Thomas Grol
Partner
Financial Services
M +49 172 6767837
tgrol@kpmg.com

www.kpmg.de

www.kpmg.de/socialmedia

Die enthaltenen Informationen sind allgemeiner Natur und nicht auf die spezielle Situation einer Einzelperson oder einer juristischen Person ausgerichtet. Obwohl wir uns bemühen, zuverlässige und aktuelle Informationen zu liefern, können wir nicht garantieren, dass diese Informationen so zutreffend sind wie zum Zeitpunkt ihres Eingangs oder dass sie auch in Zukunft so zutreffend sein werden. Niemand sollte aufgrund dieser Informationen handeln ohne geeigneten fachlichen Rat und ohne gründliche Analyse der betreffenden Situation.

© 2025 KPMG AG Wirtschaftsprüfungsgesellschaft, eine Aktiengesellschaft nach deutschem Recht und ein Mitglied der globalen KPMG-Organisation unabhängiger Mitgliedsfirmen, die KPMG International Limited, einer Private English Company Limited by Guarantee, angeschlossen sind. Alle Rechte vorbehalten. Der Name KPMG und das Logo sind Marken, die die unabhängigen Mitgliedsfirmen der globalen KPMG-Organisation unter Lizenz verwenden.