

# **Skandia UK Selects Datanomic's Watch and PEP List Management Solution Ahead of Pending EU 3rd Money Laundering Directive**

Up to One Million Client Records to Be Screened Across Different Parts of the Business Through Automated, Proactive Sanctions and PEP Monitoring Solution

Data integrity specialists, Datanomic Ltd, today announced that leading long-term investment provider, Skandia UK, has selected its Watch & PEP (Politically Exposed Person) List Management solution to deliver a more automated and consistent foundation for mitigating risk as part of its implementation planning for the EU 3rd Money Laundering Directive, which becomes law in the UK on 15 December 2007. Skandia will be using Datanomic's solution to support its proactive Sanction and PEP monitoring in conjunction with World-Check's database to screen up to one million client records across different parts of its UK-Group business.

"The pending EU legislation was a key horizon deadline for us to look at ways to further enhance our control environment," said Steve Blackburn, Group Financial Crime Officer for Skandia UK. "We wanted to respond to changing regulation but also possible future supervisory expectations we anticipate. Datanomic's Watch & PEP list Management offered a solution partnered with World-Check with whom our parent, Old Mutual Plc, also has an established relationship."

Regulatory initiatives, such as Basel II, MiFID and the 3rd EU Money Laundering Directive, have placed stringent information management requirements on Financial Services organisations. Money Laundering Reporting Officers (MLROs) face increasing Know Your Customer challenges. The scale, complexity and cost of screening customers against published sanctions lists ('Watch Lists') and named Politically Exposed Persons (PEP) lists is becoming a major administrative burden for compliance departments. The legal requirement to continually and accurately screen their customer base presents organisations with new operational challenges. Traditional matching methods require a smarter, more sophisticated approach.

Datanomic's Watch & PEP List Management solution enables users to define how closely any two records match. Standard comparisons are pre-configured but can be edited, removed or new ones added in a risk-based approach. When the defined thresholds are met, the decision of Match, No Match or Review can be automated. Most importantly, Datanomic's match rules mean manual decisions made on reviewed records will automatically be remembered next time the data is processed, unless either record has changed.

"The frequency of how often we screen client records will vary across the business and be driven by risk-based considerations. The system will be operated and managed within Skandia's internal financial-crime function," added Blackburn. "The Datanomic solution will add to our assurance levels, with a more automated ability to detect and identify relationships needing appropriate investigation and possible monitoring."

Compromised data exposes organisations to both financial and reputational risk.

Datanomic has templates for matching against a number of different lists, including World-Check and has worked with leading financial institutions to deliver a highly intelligent data matching solution that is designed for ease of use by non-technical users.

In addition to significantly reducing complexity and administrative overhead, Datanomic's Watch & PEP List Management solution delivers industry best practice, providing a base from which management can develop tailored policies and procedures appropriate to their business. By reducing the amount of manual matching required, Datanomic's solution frees up resources to focus manual effort on more complex tasks. Moreover, improving the effectiveness of enterprise data applications further enhances corporate performance and competitive advantage.

Datanomic's Watch & PEP List Management solution delivers a rapid return on investment and fast implementation. The solution can be purchased as a technology package that is owned in year one, rather than as a service commanding an annual fee.

#### About Datanomic

Datanomic's holistic approach to data management enables its growing list of European and North American blue chip clients to rapidly achieve a Return on Investment by exposing and correcting deficiencies in information the business relies upon. Our clients come from a wide spectrum of industries including financial services, telecommunications, government, professional services and engineering. We are proud to count Barclaycard, Alliance & Leicester, Deutsche Bank, GAM, Davy, PricewaterhouseCoopers, KPMG, BellSouth, AMEC Oil & Gas and a number of NHS Trusts among our customers.

#### About Skandia UK

Skandia is one of the leading international long term savings groups providing pensions, investment and protection products through intermediaries in the UK and overseas, with assets under management of £36 billion. Skandia UK is a division of the Skandia Group, which is owned by Old Mutual plc.