

EOS JOURNAL

THE MAGAZINE FOR CLIENTS OF THE EOS GROUP – ISSUE 01.2018

COMPLIANCE FROM THE CLOUD

How artificial intelligence is showing companies the way through the regulatory jungle

REDEFINED PROTECTION

In the EU, companies will soon be subject to different standards for handling data. EOS is prepared

Focus
Regulation

A step ahead
with rules
and regs





Klaus Engberding
Chairman of the
EOS Group's Board of Directors

Dear reader,

'If you think compliance is expensive, try doing without it', is a popular dictum among compliance experts. After all, companies risk incurring exorbitant financial penalties if they do not comply with the law. A current example is the EU General Data Protection Regulation (EU-GDPR), which comes into force on 25 May. In a worst-case scenario, companies will have to pay up to EUR 20 million respectively four per cent of their previous year's worldwide turnover if they do not observe the strict requirements. Many firms, including EOS, have therefore been preparing for the new regulations for quite some time. To find out how our data protection experts are getting the Group ready for the EU-GDPR, read from page 14 onwards.

Since the financial crisis triggered a large wave of regulation, banks have been putting in a great deal of effort and expense to ensure they work in compliance with the rules and can prove so, if need be. According to estimations of Citi Group, financial institutions spend around EUR 224 billion per year on compliance measures. A young industry, the Regtechs, promises to lower these costs. Beginning on page 10, read about how they help compliance and risk managers meet the legislative requirements more easily and efficiently by using software, artificial intelligence and machine learning.

Keep questioning.

Klaus Engberding



Contents

03	News
04	The heart beats for change EOS is raising the bar with its new purpose 'For a debt-free world'. This guiding principle is setting the pace for the transformation into a digitised Group
06	Let the music pay Thanks to SUISA, Swiss composers earn money for their works through copyright. For ten years now, the association of artists has been relying on EOS when customers do not pay
10	When robots manage regulations The financial industry in particular is feeling the increasing regulation. By using artificial intelligence, Regtechs intend to reduce the pressure on efficiency and costs
14	Data protection redefined From May, new data protection regulations will apply to companies across the entire EU. What is changing and how EOS is meeting the strict requirements
16	Not large, but really great Switzerland offers countless lakes, natural wonders and big cities. Not to mention the culinary delights... Top tips from a connoisseur of the alpine republic

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Buying in tandem

EOS has recently purchased two receivables portfolios in conjunction with a Preferred Partner.



At the end of 2017, the EOS Group acquired two receivables portfolios in Portugal. 'The packages have an overall nominal value of around EUR 160 million', says Felix Beutler, Senior Manager International Business Development at the EOS Cross-border Center in Hamburg, Germany.

The sellers were two large banks. One of these financial institutions has repeatedly awarded such contracts to EOS. The packages contain around 14,000 receivables from private and business clients and involve primarily

consumer and restructured loans, unsecured mortgages, credit card debt and overdrafts.

As with earlier acquisitions in Portugal, EOS worked with its local Preferred Partner as the Group does not have any offices in the country. 'In total, we have already realised six debt purchases together. Servdebt knows the Portuguese market inside out. We jointly implemented the calculation, the bidding strategy and contract negotiations', explains Mr Beutler. Servdebt is now also responsible for the collection. ■

Personnel work: Excellent

The industry magazine 'Human Resources Manager' and Quadriga University of Applied Sciences in Berlin, Germany, have recognised the outstanding, sustainable human resources work of EOS Holding in Hamburg. The experts nominated the recruiting video for the HR Excellence Award. This means it is one of the four best projects in the category Employer Video (corporation). The interactive film 'Virtual Beginner' provides prospective applicants with an unusual yet authentic look at the first day of work at the Group. 'Around 80 per cent of applicants play the video prior to their interview. We are getting lots of positive feedback. This and the award nomination are a great success', says Malin Augustin from Human Resources Marketing at EOS Holding. The film can be viewed at bit.ly/2Hkl0wb (in German only).

From four to 400

EOS Matrix in Bulgaria celebrates its anniversary and successes.

EOS Matrix in Bulgaria is looking back on its successful growth on the occasion of its 15-year birthday. The company celebrated its anniversary in November with around 200 guests. Managing Director Rayna Mitkova-Todorova recalled the early beginnings: 'As we launched in 2002 under the name Europe Matrix, the team consisted of four employees'. The EOS Group acquired the debt collection specialists in 2005. 'We now offer a secure workplace for 400 people. Our two call centres are a unique feature in the country'. Today, EOS Matrix is the top revenue-earning debt collection company in Bulgaria. ■



Birthday party: Around 200 guests celebrated 15 years of the Bulgarian EOS subsidiary



Attending the gala at the HR Excellence Award: Malin Augustin, Sylke Sergel and Julia Rüdiger (left to right) from Human Resources Marketing at EOS Holding



The new heartbeat:
Seven principles of collaboration make EOS more agile

CORPORATE CULTURE

The heart beats for change

The EOS Group's new purpose – 'For a debt-free world' – is ambitious. EOS is hereby setting out the guiding principles for its conversion into a digitised company. What does this approach mean and how will it benefit clients and debtors?

SHORTCUT

- The new purpose, 'For a debt-free world' is another stage in the cultural change at EOS.
- The guiding principle emphasises the Group's aspiration to give debtors a fair chance every day to settle their payment obligations.
- The EOS Group wants to become the technology leader in the industry.

Why are people motivated when they come to work each morning? For employees of the EOS Group, the answer is clear. The purpose 'For a debt-free world' defines what drives the people at EOS to give their best each and every day. 'In our work, it is not just profit and salary that count. We all want to be part of a greater entity. The purpose guides us, strengthens identification with the Group and motivates us', says Klaus Engberding, Chairman of the EOS Group's Board of Directors (see interview at right). The purpose, however,

is not some artificial slogan. 'We have developed it in conjunction with our employees. The meaning behind our work is thus already part of our DNA', emphasises the CEO.

Questioning hierarchies

With the introduction of the purpose in November, EOS has completed another stage in its Cultural Journey@EOS. In order to embed necessary changes and the purpose 'For a debt-free world' in the company, EOS has defined seven principles according to which employees work with one another as well as with clients and debtors. These principles form the heartbeat of EOS: trust, walk your talk, love to learn, strive for excellence, embrace change, share your knowledge, be courageous.

Klaus Engberding

Chairman of the EOS Group's
Board of Directors

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We want to transform
the analogue EOS company
into a digitised,
data-driven investor.

Just how the purpose and the heartbeat will change EOS in real terms will become clear over the coming months. Employees have already submitted 263 suggestions on how to breathe life into the purpose and the heartbeat. Selected by staff as the best idea is an app that should make it easier for debtors to comply with payment agreements. Its start is planned for 2019. Employees from all company locations have also applied to be Culture Companions to establish the new ways of thinking and working in their countries. Ultimately, that which applies to the core business is also applicable to the cultural change: 'The experts are integrated in the teams', says Mr Engberding. 'We will be able to make even better use of their know-how in the future.' ■



Infos bit.ly/2CgvZTG

More about the new EOS purpose
and heartbeat



CEO Klaus Engberding: 'We give debtors a fair opportunity to settle their payment obligations every day'

INTERVIEW

'EOS is much more than a debt collection specialist'

Mr Engberding, the new purpose of the EOS Group is 'For a debt-free world'. Do you want to clear away all the world's debts?

No, there will always be debts. Helping companies advance through credit-financed investments or financing a house through a loan is indispensable to the economy and consumers. But if borrowers cannot service their loans, EOS finds a solution. Every day we give debtors a fair opportunity to settle their payment obligations and the prospect of a debt-free life. At the same time we help creditors gain access to their money through the use of our products and services. Our purpose expresses our overriding goal.

Why does EOS need a purpose?

The world of work is changing rapidly due to digitisation. In these turbulent times, we need a meaningful mission statement, a purpose that guides us all. The new world of work also requires new principles for how we work together in future, such as more flexibility and personal responsibility. With the EOS purpose and heartbeat, we are continuing to develop our culture in order to ensure the success of EOS.

How will EOS change so it is equipped for the digital future?

We will remain, first and foremost, a debt collection specialist. But at the same time, the EOS Group is much more than that. We want to transform ourselves from an analogue company into an agile, digitised and data-driven investor. Our goal is to be a market leader. After all, who can name the second man on the moon? Or the second largest social network after Facebook? I want to develop EOS into the world's most significant data platform for debt collection. This vision is what drives me personally.

How do you want to achieve this market leadership?

We are continually increasing our competitiveness with the help of digital technologies. For instance, we are currently developing a self-learning debt collection system. Our Center of Analytics can analyse large volumes of data at breakneck speed – in full compliance with data protection, of course. We can thus define the best possible next step in the collection process and customise how we address debtors in their personal situations. This increases our productivity and incoming payments while simultaneously lowering costs. This ultimately benefits our debtors and clients. We will continue to fine-tune this system in future.

ARTISTS ASSOCIATION

Let the music pay

SUISA knows the value of music very well. For the Swiss Cooperative Society of Music Authors and Publishers ensures that creative people earn money for their works. When it comes to debt collection, the Society relies on the expertise and fair conditions of EOS in Switzerland (EOS Schweiz).



SHORTCUT

- SUISA collects license fees for playing music in public.
- Instead of running their own debt collection department, they hand over unpaid receivables to EOS Schweiz.
- The society has been using the entire service portfolio of the Swiss EOS subsidiary for ten years.

Five minutes of brass-band music cost CHF 5.52 (EUR 4.72). The price of an alpenhorn performance is CHF 2.23 (EUR 1.91). Choral singing incurs costs of CHF 11.66 (EUR 9.97).

Every time musicians play a piece, for instance on the Swiss public radio, the creators receive their due. Ensuring this happens is the job of SUISA, the Swiss Cooperative Society of Music Authors and Publishers. It collects copyright fees from anybody playing or performing music outside a private setting in Switzerland and Liechtenstein.

Money for artists

‘Our members are composers and music publishers. They hand over the copyrights to their works on a trustee basis. Licenses are issued by us to users of these pieces of music. We then distribute the income to our members’, says Chantal Bolzern, Departmental Head of Performance Rights at SUISA. This ensures that music creators receive fair compensation. Some 37,000

01 Swiss cultural assets: A specifically defined fee will be due for an alpenhorn performance

02 The musician Seven: The Swiss performer sees SUISA as a valued partner

Chantal Bolzern: The Departmental Head at SUIA loves music



SUIA

- Founded in 1923, SUIA now protects the rights of around 37,000 music creators from Switzerland and Liechtenstein.
- The Society employs 210 staff members.
- In 2016, 1,686,422 works were registered with SUIA.
- Approximately CHF 147 million (EUR 125 million) landed in SUIA's account in 2016 from the use of copyrights. Almost CHF 129 million (EUR 110 million) was paid to members, which was the largest sum to date.
- CHF eight million (EUR 6.8 million) flowed into SUIA members' pension funds in 2016.

music creators participate in SUIA. This includes R&B and soul musician Jan Detwyler, better known under the alias 'Seven'. Long recognised as a star in the Alpine republic, he recently caused a stir in Germany on the TV show 'Sing my Song'. 'Remuneration for copyrights are an essential component of my income', he says.

The party-loving Swiss

'Most of our clients are radio and TV stations, as well as concert and party organisers', explains Ms Bolzern. In 2016, SUIA licensed just under nine million performances on the radio and television. What's more: 'The Swiss are avid party and concert-goers. The income we can disburse to our members is developing just as favourably', says Ms Bolzern. Copyright royalties also go to SUIA, such as if a

company places musical accompaniment on its website, or a gym runs a spinning class with a driving beat.

SUIA agrees tariffs for various client groups to ensure they do not need to determine license fees for each individual user. The tariffs are negotiated with industry associations, such as the Hotel and Restaurateur Association Gastrosuisse or the Information and Communication Technologies Association Swico. Once the tariffs are approved, they are binding for all customers. The more important the role of the music in the area in question, the higher the tariff. A concert organiser will have to pay more than a café playing background music.

Thanks to contracts with more than 100 foreign sister societies, SUIA represents two million music creators around the ▶

world vis-à-vis 90,000 clients in Switzerland and Liechtenstein. A key challenge involved in this activity is that music is increasingly being distributed via online channels, such as YouTube and Facebook. Streaming and downloads generate massive volumes of data, which is why SUISA needs truly high-performance IT to comb through the data flows. Online licensing swallows up 95 per cent of its entire computing power.

Maintaining good business relations

Receivables management is handled by SUISA itself up to a certain point. 'Our customer service representatives create the invoices and the licensing and accounting program processes the payment information, which then triggers a reminder', explains the Departmental Head.

'In economically difficult times, music is often the first area where people try to save money and this unfortunately results in our receivables not always being settled on time', says Ms Bolzern. If a certain deadline passes, SUISA hands over the case to its

Chantal Bolzern

Departmental Head of Performance Rights at SUISA



It is more efficient to have receivables processed by a specialist. We are very satisfied with EOS Schweiz.

01 SUISA

member Marc

Trauffer: The pop singer stormed the Swiss charts with songs in his native dialect

02 Background

music: Chantal Bolzern in the Zurich restaurant Elle'n'Belle



MUSIC: THE BILLION-EURO INDUSTRY

After experiencing a lengthy period of stagnation at the start of the millennium, the worldwide music industry turnover grew by 5.9 per cent in 2016. It was the largest increase since the International Federation of the Phonographic Industry (IFPI) started measuring turnover in 1997. The industry brought in around EUR 13 billion in 2016 about half of which came from the digital side of the business. Business with the fee-based streaming services industry, in particular, accounted for more than 60 per cent of the growth in 2016.

debt collection service provider. 'We do not have our own debt collection department because we are convinced that it is more efficient to have receivables processed by a specialist. This is why we searched for a reputable provider offering fair conditions. We also place great importance on our service provider dealing with our customers in a fair and respectful way, and preserving our good reputation', emphasises Ms Bolzern. At the end of the day, SUIISA wants to continue business relationships with users on good terms.

Cost-effective and international

In EOS in Switzerland (EOS Schweiz), the Society has found a specialist which meets its needs. 'SUIISA uses our entire service portfolio', explains Peter Kondakow, Director Business Analytics & Customer Management at EOS Schweiz (see interview on right). 'We take over debtor management for small receivables and pre-litigation debt collection, as well as the monitoring of titled receivables.'

Since SUIISA is doing more business with customers abroad, it also uses the cross-border debt collection services of the international EOS Group. 'We work together with the EOS companies or selected partner companies in the debtor's country. This means we cover over 180 countries around the world', explains Mr Kondakow. International cases are automatically forwarded by EOS Schweiz via the EOS Cross-border platform to local partners in the relevant country for onward processing. Throughout this process, SUIISA always keeps in touch with its trusted contact person in Switzerland.

Ms Bolzern can see only benefits in this cooperation: 'We are very satisfied with EOS Schweiz. This is why we have been working together for around ten years.' She says EOS has the specialists and infrastructure to motivate debtors to pay in a cost-effective way. SUIISA staff can then concentrate completely on licensing and advising clients. They can focus on the most enjoyable aspect of their work which, according to Ms Bolzern, is daily contact with the people who share their love of music. ■

INTERVIEW

We motivate debtors

Peter Kondakow, Director Business Analytics & Customer Management, explains how EOS Schweiz finds solutions with benefits for all sides.

How is EOS Schweiz positioned in its home market?

As the second largest debt collection company in Switzerland, we work for many large corporations. Regardless of whether the customer is a multinational company or an artists' association, we always maintain its good reputation. Our customers value our reliability and discretion.

How is data exchanged with SUIISA?

The exporting of debt collection cases from SUIISA's system functions fully automatically via our interface. We receive the cases in text format using a file structure we developed jointly with SUIISA. After the SUIISA data are exported, the system prepares and forwards the data to us. Our debt collection system then imports the data automatically. When the data have been opened, SUIISA receives an automatic feedback file. This procedure, which is very simple, safe and convenient for all involved, accelerates the debt collection process.

How do you handle data processing?

We follow firmly established process steps but always keep the individual case in mind. In pre-litigation debt collection, we do everything in our power via written and telephone contact to persuade customers to pay. If this is unsuccessful, we initiate legal proceedings. Even after we have attained an enforceable title, we still look after the debtor. For instance, we may motivate debtors to make instalment payments. This allows them to settle outstanding amounts, even if they are in financial difficulties. Continuous processing of the outstanding receivable is important. That work includes address monitoring and regular phone calls. We treat debtors with respect at all times. Our goal is always to find a solution that benefits everybody.



Peter Kondakow:
Respect and reliability have top priority for him

EOS SCHWEIZ

- EOS Schweiz has been offering professional credit and receivables management solutions on the Swiss market since 1958. The company has been part of the EOS Group since 1994.
- In addition to its headquarters in Kloten, the company maintains offices in Lausanne and Bellinzona.
- Its 120 employees look after around 4,000 customers, particularly from the finance and telecommunication industries, the retail trade and public administration.



Infos ch.eos-solutions.com/en
More on EOS Schweiz

REGTECHS

When robots manage regulations

Companies see themselves confronted with an increasing number of guidelines. By employing artificial intelligence and machine learning, Regtech companies make complying with regulations easier.

SHORTCUT

- Regtechs help companies adapt their software to meet growing regulatory requirements.
- Young firms are relying on new technologies such as machine learning.
- Regtech solutions are diverse, from regulatory analysis and reporting to risk management.



MORE INFORMATION

- The Regtech Special Report 2017 indicates the regulatory challenges in the finance industry. bit.ly/2CLnoct
- The Deloitte magazine 'Inside' offers a glimpse into the Regtech universe. bit.ly/2ksNPwN

Whatever newspaper American readers picked up on 8 January 1954, one subject dominated the headlines. For the very first time a computer, an IBM 701, had functioned as a translator. Researchers at Georgetown University, Washington, together with an IBM software expert, had developed a program that could translate Russian sentences into English. During the demonstration, the computer translated 61 statements on various subjects in what may have been the first computer operation involving artificial intelligence (AI) in the United States. AI is smart technology that imitates and realistically simulates human behaviour and thinking. Over 60 years later, the subject has taken on new dimensions.

Banking on artificial intelligence

Then as now, IBM plays a decisive role in AI matters. Its latest coup is the offer from Watson Financial Services, which wants to help bank employees cope with regulatory tasks more easily. With this service, the IT giant is moving into the territory of so-called Regtech firms. The name is a compound of the English words 'regulatory' and 'technology'. By using cutting-edge technologies, Regtechs

help companies comply with regulatory requirements such as those for reporting or investor protection.

Knowing 300 million pages

Regtechs are a variety of Fintechs, technology-based companies that have been engaged in the finance sector for a few years now. Banks and insurers have to master constantly expanding responsibilities in risk and compliance management. According to the management consulting firm McKinsey, this accounts for some ten to 15 per cent of total expenditures of the big banks. This burden is expected to increase in the coming years. By the year 2020, the

Cooperation:
Robots take over time-consuming tasks





Expanding responsibilities: Artificial intelligence helps companies through the regulatory jungle

GOOD REASONS

With the help of intelligent software, Regtechs efficiently utilise the information in large amounts of data to simplify and automate compliance processes. As a result, the costs of manual data processing or of risk detection are considerably lower.

financial services sector will be struggling with an estimated 300 million pages of regulations, including such far-reaching ones as Basel IV, IFRS 9 or the new EU General Data Protection Regulation (see page 14).

Reaching decisions faster

This is where the Regtechs come into play. With their software solutions, they promise to respond to risk and compliance issues

more effectively and help enterprises to reach decisions more quickly. Using technology in compliance processes is not new. What's new, however, are the technologies themselves, which allow better integration of extensive amounts of data.

Generally, most Regtechs rely on cloud applications. They make it easier for firms to exchange data amongst various company groups or departments and create common processes. ▶



Man-Machine: Regtechs help working efficiently and in compliance with the law

SMALL AND EFFICIENT

Market share by company size: The majority of Regtechs are companies with up to 50 employees.

38 %

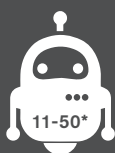
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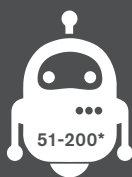
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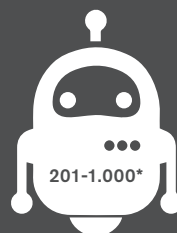
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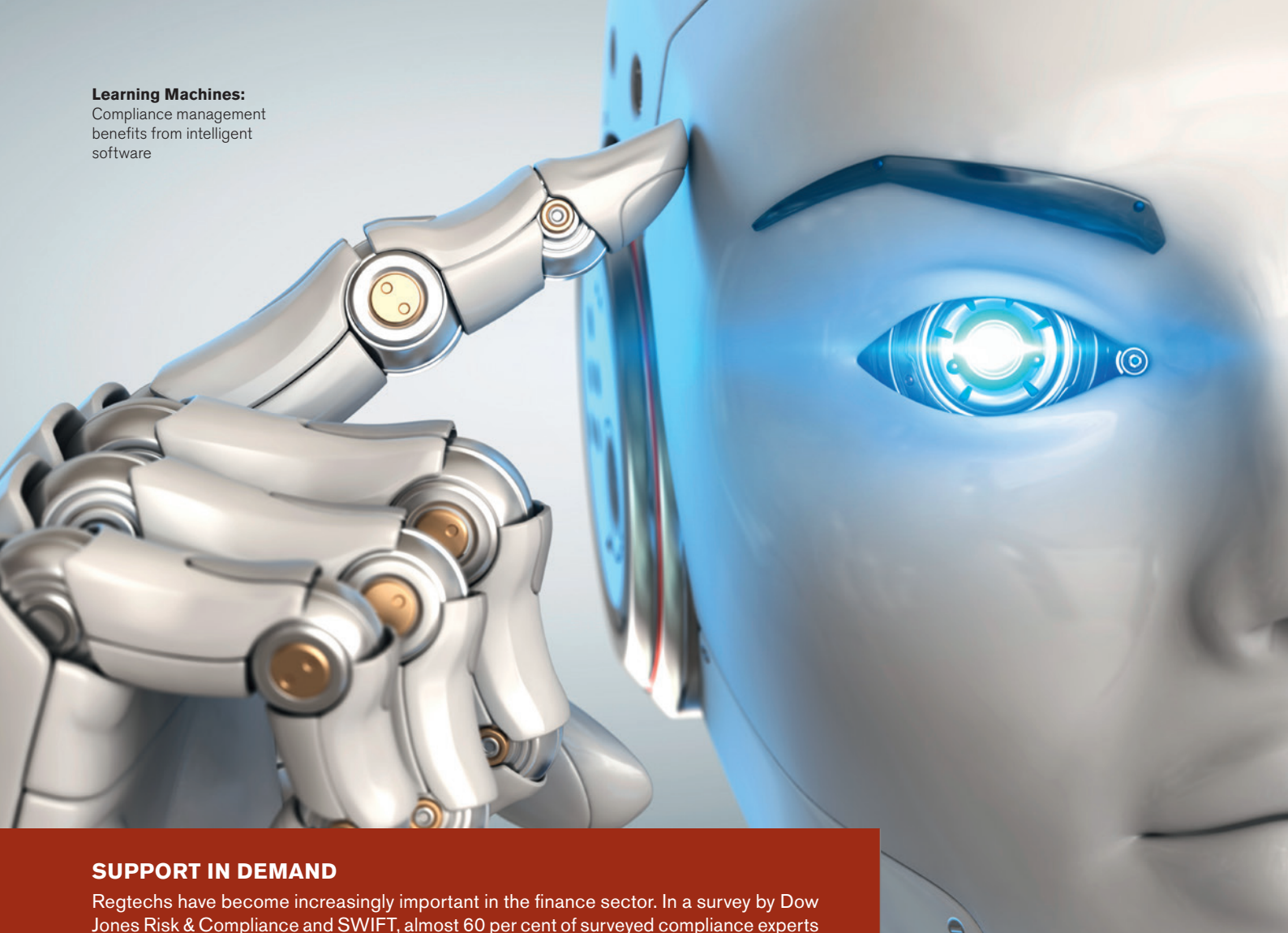


201-1.000*

* employees

Source: Deloitte magazine „Inside“, 2017

Learning Machines:
Compliance management
benefits from intelligent
software



SUPPORT IN DEMAND

Regtechs have become increasingly important in the finance sector. In a survey by Dow Jones Risk & Compliance and SWIFT, almost 60 per cent of surveyed compliance experts said that Regtechs have improved their work. Furthermore, over half of them plan to increase spending on Regtech solutions over the next three to five years.

Evaluating giant data quantities

The second important innovation is machine learning which involves complex technologies that carefully analyse information with the aid of algorithms. The systems develop on their own. The advantage is that great quantities of data can be evaluated in real time, even if they are of relatively poor quality like email texts or voice recordings. Genuinely cognitive systems can read up to 800 million pages per second in a natural language and process millions of documents. On the basis of these evaluations, scenarios can be created which make it easier for managers within the company to reach decisions.

Avoiding risky relationships

Whereas all Regtechs rely on modern technologies, they differ clearly – and sometimes substantially – in what they offer. For instance, start-ups that focus on reporting help companies manage their data more simply and efficiently and report to the

appropriate regulatory authorities. Other Regtechs specialise in the field Know Your Client (KYC). Their task is to analyse potential customers and business partners. They use the company's customer data and compare them with criminal files, commercial registers and social media data. The goal is to identify risky customer and business relationships, and either avoid entering into them in the first place or terminate them in good time.

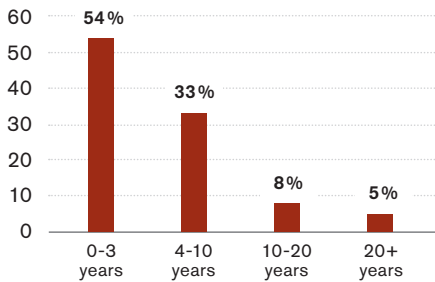
A further field of activity is the analysis of regulations. Regtechs help identify new rules and, at the same time, uncover any weak points inside a company. They also flag changes to domestic and foreign legislation. That helps firms prepare for future circumstances and conditions. 'Technological progress, as well as specialisation in a business niche provide companies with better methods of implementing regulatory standards. In the area of money laundering, for example, the number of offences and fines can be reduced drastically', says



Problem solvers: Technological tools support employees in risk and compliance management

YOUNGSTERS IN THE FINANCIAL INDUSTRY

Most Regtechs are currently still in the start-up phase.



Over half of Regtech companies have been on the market for less than three years. Only one in 20 is an established financial company.

Source: Deloitte magazine 'Inside', 2017

Sven Krämer, Partner in the corporate consultancy firm zeb that shows, explains and classifies new regulations on its 'Regulatory Hub' online platform (see interview on the right).

EOS, too, will rely on such services in the future. 'We want to further develop our business partner screening. Therefore we rely on a provider with whose services we can apply artificial intelligence with self-learning search engines and individually adaptable search parameters. We find it much easier to obtain information on potential business partners – and spend much less time doing so', says Sibylle Weingart, Corporate Compliance Officer at EOS Holding.

Man plus machine

Whatever the task the Regtechs focus on, they all rely on intelligent software. For without it, firms can hardly cope with the growing regulatory requirements in an efficient manner. Eugene Ludwig, CEO of the IBM subsidiary Promontory, is convinced of this. 'We need people to handle risk and compliance issues now and in the future. But the current situation is not sustainable. People cannot tackle the challenges alone. Modern-day technological tools are therefore essential'. ■



Christian Schiele:

As Partner he heads the Practice Group Regulatory Reporting & Analytics at the corporate-consultancy zeb



Sven Krämer:

Partner who leads the Practice Group Finance & Risk Information Services at zeb

INTERVIEW

'Arriving at sound risk decisions'

Regulation is a big cost generator in the financial industry. Management consultants Christian Schiele and Sven Krämer explain how Regtechs help companies cope with demands for greater efficiency.

The number of Regtechs is growing. Are their IT solutions in such great demand?

Christian Schiele: The growing regulatory obstacles and tougher regulatory requirements have had a major economic impact on banks and insurers. For many banks, regulation has become one of the top three cost generators over the past ten years. Besides qualified personnel, what they need are new process and technology-based solutions. Apart from regulatory demands, banks are under increasing efficiency pressure. The industry is therefore open to new ideas and standards in order to reduce current expenditures and apply future changes more efficiently. At the same time, the Fintech segment is looking for suitable application scenarios for the use of modern solutions. The subject areas of supervisory law and regulation are obvious choices for the development of new ideas and the number of providers is increasing accordingly.

What do Regtech solutions provide?

Sven Krämer: With their offers, the Regtechs replace staff-intensive regulatory processes with flexible, automated software solutions. For banks and insurers, it pays to be open-minded towards the Regtechs in order to make compliance more efficient and economical. Nevertheless, in each case they should check carefully whether the desired result can really be achieved with the offer in question.

What's the benefit for compliance and risk management?

Christian Schiele: In the short term, Regtech solutions help companies automate simple compliance tasks and reduce operating risks. From a longer-term perspective, compliance functions will support well-informed risk decision-making on the basis of data-based insights and knowledge. Further cooperation amongst all interested parties in the industry, i.e. the bank supervisory authorities, banks and technological enterprises, is required for the Regtech eco-system to grow.

GDPR

Data protection redefined

As of May, uniform and far-reaching data protection regulations will apply in the EU. EOS has been preparing carefully for these changes since 2014, so that the Group will meet the new requirements.

SHORTCUT

- Debt collection will still be possible after the introduction of the new data protection regulation (GDPR), but there are strict requirements relating to transparency.
- At EOS, modern software ensures sufficient data security.
- There is a lot of close consultation between the Data Protection Officers of the various EOS companies in Europe.



Sylvia Mundt
Data Protection Officer
at EOS Holding

A recent survey conducted by the international audit network RSM reported some surprising numbers. By November 2017, 28 per cent of the most successful company directors in Europe had not yet addressed the issue of the EU General Data Protection Regulation (GDPR). Just eight per cent of those questioned said that they were prepared for the new EU regulation and had taken all necessary measures. These figures are all the more astonishing as the EU Commission had submitted its first draft as long ago as 2012.

The regulation will go into force on 25 May 2018 and will take precedence over the national data privacy laws of all EU member states. In future, institutions and companies that store and process data will have to meet even more comprehensive obligations with regard to documentation and information.

EOS started preparations in 2014

Sylvia Mundt, Data Protection Officer at EOS Holding in Hamburg, has been working on this issue since 2014. Her job is to get EOS ready for the GDPR, as a number

of things will change for the Group. In future, for example, every debtor whose details are stored by the company needs to be informed accordingly after four weeks at the latest. Debtors must be advised, for example, where the company is storing their data or how they can contact the company's data protection officer. Many other obligations have also to be taken into account.

Debt collection still possible

The good news for those that rely on debt collection service providers is: 'Even after GDPR goes into effect, debt collection companies are to be recognised as the responsible entity and not as the processor', explains Kirsten Pedd, Chief General Counsel of the EOS Group in Germany. 'This



EOS must be able to prove at all times that it is complying with the GDPR.

STANDARDISATION OFFERS BENEFITS TO FIRMS

According to the EU Commission, the uniform, Europe-wide data protection legislation will help companies save costs in the future.



EUR 130 million

was what it cost companies under the previous system to inform the 28 different data protection bodies.



EUR 2.3 billion

is the estimated economic benefit resulting from the future standardised law.

Sources: European Commission

Transparency for data: Companies must provide information about the data they store



EU Parliament:
In the case of the GDPR, European law supersedes national law

THE MOST IMPORTANT ASPECTS OF THE GDPR

- The protection of personal data will be standardised across Europe.
- Companies must be able to prove at all times that they are complying with the rules and not only when a complaint is received.
- In the event of non-compliance, penalties can be imposed amounting to up to four per cent of a company's global annual turnover.

means they can continue to operate as they did before except that they have to meet their obligations related to information and transparency.'

That includes a very extensive documentation obligation, because companies have to prove that they are complying with the GDPR. Every company must be able to constantly show which data it has where and for which purpose the data have been stored, as well as who is processing it and why. There must always be a legal justification and a legitimate purpose for the processing of data. Otherwise the data have to be deleted. 'In any case, the documentation must always be kept up to date', says Ms Mundt, because the relevant data protection body has the right to inspect it at any time.

Regardless of whether a debtor or an employee is involved, all natural persons can request and receive information about all data stored about them. 'For security reasons

we only issue such information by post', says Ms Mundt.

Protect data like treasure

Thanks to its Data Protection Officer, EOS is well prepared worldwide. One of Ms Mundt's jobs is also to keep all Group employees that handle data informed of the content and relevance of the GDPR. 'For EOS, data are extremely valuable and worthy of protection', stresses the expert. This is why the company takes great care of its precious data, and not just from 25 May 2018. ■



For more information please see:

bit.ly/2EaTLlv

Summary of the GDPR

bit.ly/2kcTx6t

Overview of GDPR requirements, especially for SMEs

SWITZERLAND



Not large, but really great

In just a small area, Switzerland offers four languages, many cultures, countless natural wonders, exciting cities and other highlights. Marek Pokoraczki of EOS Schweiz knows the best.

At just 40,000 square kilometres, Switzerland is one of the smallest countries in Europe, but a powerhouse of specialties. There you can find rustic mountain villages, historic towns, modern art, countless lakes and, of course, cheese, chocolate and fine watches. Its diversity can be attributed in part to its location. Located between Germany, Austria, Italy and France, it is influenced from all directions. For one thing, the country of eight million has four official languages – German, Italian, French and Rhaeto-Romanic. Nevertheless, Switzerland has its own inimitable spirit.



Cultural diversity

A good place to start a trip through the country is the point on Lake Constance where Switzerland, Germany and Austria meet. Marek Pokoraczki, Collection Specialist at EOS Schweiz, recommends a boat trip from Romanshorn, Arbon or Rohrschach. It pays to take a side trip to St. Gallen, whose old part of town with its winding alleys is a UNESCO World Heritage Site. The baroque abbey library holding books and manuscripts up to 1,100 years old is highly regarded throughout the world. And: 'St. Gallen offers Switzerland's best fried sausage', says Mr Pokoraczki.



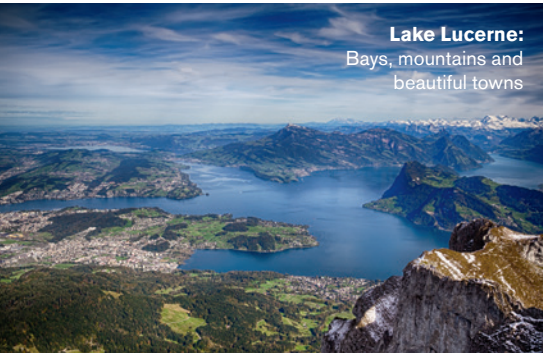
Age-old tradition:
The Appenzellers have been producing their cheese for around 700 years



Exhilarating heights
Europe's highest train station atop the Jungfrauoch



Lac Souterrain: The underground lake is the biggest of its kind in all of Europe



Lake Lucerne: Bays, mountains and beautiful towns



Lucerne: The water tower and wooden bridge dating back to the 14th century



Mild climate: The sun shines over Lago Maggiore more than anywhere else in Switzerland

EOS IN SWITZERLAND (EOS SCHWEIZ)

Since 1958, EOS Schweiz has been offering professional credit and receivables management solutions on the Swiss market and has been part of the internationally active EOS Group since 1994. Its approximately 120 employees have their offices in Kloten, Lausanne and Bellinzona.

Cheese from lofty heights

The second culinary speciality is cheese from north-eastern Switzerland. This dairy product has been produced in the small villages of Appenzell Canton for 700 years. Today, it is home to 52 traditional village dairies. Some of these are open to the public. Explorers with no fear of heights can take a spectacular cable car trip in Appenzell. In just ten minutes, the Säntisbahn climbs an altitude of 1,122 metres on its journey from the Schwägalp pass.

Italian atmosphere in Ticino

In south-eastern Switzerland, meals are often accompanied by polenta and fine wine from a local vineyard, given the Canton Ticino's proximity to Italy. Lago Maggiore is a popular holiday destination for foreigners and Swiss alike. One reason is probably the mild climate. The town of Locarno boasts of being the warmest town in Switzerland, thanks to its average 2,300 hours of sunshine per year.



Marek Pokoraczki
Collection Specialist
EOS Schweiz

This 21-year old works as a Collection Specialist in the Overseas Department of the company's main office in Kloten near Zurich and in the French-speaking branch near Lausanne. A passionate motorcyclist, he particularly values the family-like atmosphere at EOS.

A special type of boat trip

Lac Souterrain, by contrast, is cooler. With a surface covering 6,000 square metres, it is the largest underground lake in Europe. Those passing through Saint-Léonard in the Canton of Valais should definitely explore the lake by boat. 'The 30-minute trip is an otherworldly experience', says Mr Pokoraczki.

Steamboats and the Middle Ages

One of the best known above-ground lakes stretches through the mountains of the Alpine foothills in the centre of Switzerland. Tourists can sail from fjord to fjord by boat on Lake Lucerne. Those with a taste for nostalgia can take one of the historic steamboats. A good place to start is the city of Lucerne on the western shore. Many people consider it to be the most beautiful city in Switzerland. With its old town and lake-front fortifications dating from the 14th century, it almost feels forgotten by time. ▶

Berne:
The captivating capital city with a medieval backdrop



Basel Art museum:
The city offers more than 40 exhibition spaces to marvel at all types of art

TRAVELLING: GOOD TO KNOW

GETTING HERE

Switzerland is a neutral state and is not a part of the European Union. Citizens of Germany, Austria and other EU countries – with the exception of Denmark and the Republic of Ireland – can travel to Switzerland with a valid identity card. Citizens of other states require a passport and, under some circumstances, a visa (info available at bit.ly/2G2JPvn).

CUSTOMS

Even though Switzerland is part of the Schengen area, the Swiss conduct customs and passport controls on arrivals. Adults are permitted to bring into the country two litres of drinks with an alcohol content of up to 15 per cent, one litre with a higher percentage of alcohol, 200 cigarettes or 50 cigars. Other goods brought in may not exceed a total value of CHF 300.

BY TRAIN

Switzerland is home to Europe's highest train station, Jungfrauoch, at an altitude of 3,470 metres. The Swiss Federal Railway also offers a wide range of panoramic trips. Train enthusiasts can find various offers for trips of one day or more and book tickets at: bit.ly/2Ew5rTO

BY CAR

Rental cars can be found in all Swiss cities, at airports and major train stations. All that is needed to hire one is a valid national driving license. Those driving in Switzerland in their own car will need a 'vignette' to drive on motorways. The windscreen stickers can be obtained at border crossings, petrol stations and post offices. Driving in the alpine republic is a real experience: several panoramic roads offer spectacular views of mountain and lake landscapes. Winter tyres are absolutely necessary during the winter.



01



02



03

01 On the ski trail:

Toggenburg in the Canton of St. Gallen is paradise for cross-country skiers

02 Under palm trees:

A glamorous skiing experience in Davos

03 The Matterhorn:

The fifth-highest mountain in Switzerland is popular amongst skiers, hikers and climbers alike

Fasnacht: a cultural treasure

At the western section of the country where Switzerland, France and Germany meet lies Basel. Particularly to art-lovers, the city is a by-word for art thanks to its countless, internationally renowned museums. One of the best times to visit is during the carnival period, known as Basel Fasnacht, which was recently added to UNESCO's list of the Intangible Cultural Heritage of Humanity.

To the east of Basel lies one of the country's largest natural wonders: the Rhine Falls at Schaffhausen. At a width of 150 metres, the mighty river cascades 23 metres into the depths. These impressive dimensions make it the largest waterfall in Europe.

Zurich – the secret capital

When speaking of Switzerland, there is one city that certainly should not be missed: Zurich. For Mr Pokoraczki, the nation's largest city with around 400,000 residents is an absolute highlight of the Alpine republic. 'Many students and people from other nations live in Zurich. This is what makes the city so colourful and full of life', gushes Mr Pokoraczki. Be it for shopping, fine dining or swimming in the lake – he gives the best insider tips for a visit to the city he chooses to call home (see right). ■

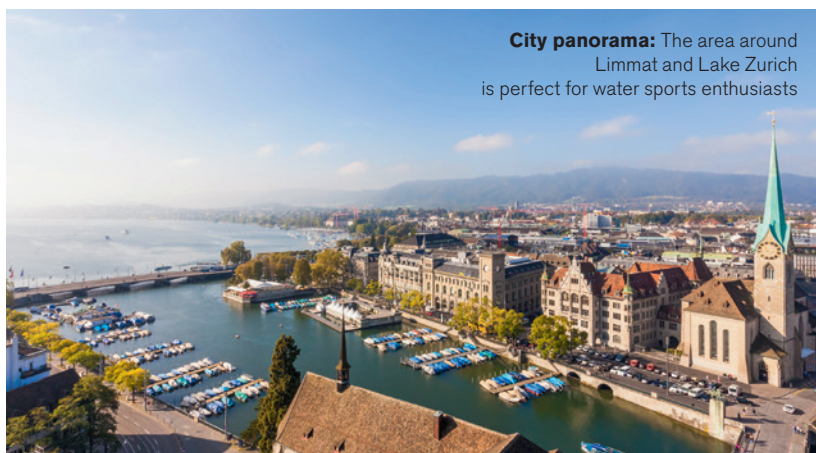


Info:
myswitzerland.com

ZURICH FOR EXPLORERS



HOTSPOTS



City panorama: The area around Limmat and Lake Zurich is perfect for water sports enthusiasts

VERDANT, LIVELY, INTERNATIONAL

Switzerland's largest city is a rewarding travel destination at any time of the year. In summer, the lake and river are ideal for swimming and winter sports fans will love the winter snow. But there are also exciting events taking place throughout the year, such as Europe's largest Latin American festival 'Caliente' or the Techno Street Parade. zuerich.com/en



PANORAMIC VIEW

Marek Pokoraczki's favourite spot on the Waidberg offers a fantastic view of the city and mountains. The 'Die Waid' restaurant serves an ideal accompaniment in the form of Swiss and international cuisine.

diewaid.ch/?lang=en



CONTEMPORARY ART

In addition to its main collection, the Migros Museum of Contemporary Art also shows alternating exhibitions with works from renowned artists, such as Ai Weiwei, Yves Klein or the Swiss visual artist Pipilotti Rist. migrosmuseum.ch/en



CHILLING AND SWIMMING

On hot summer days, many Zurich natives can be found swimming out in the open air in a 'Badi'. The city's numerous outdoor swimming areas invite you to bathe in the lake or Limmat river.

bit.ly/2Eml2pl



CYCLING AND EXPLORING

The residents of Zurich are environmentally conscious and avid cyclists. Visitors can easily join in. All you need to do is pay a deposit of CHF 20 and the free bikes are yours to use.

bit.ly/2nVldxa

SNAZZY SLEEPING

Modern design meets the Middle Ages. The 35-room, 14-suite Widder Hotel was created in 1995 out of nine historic town houses. Today, the latest technologies and comfort galore await guests. The lake and various shopping options are right next door.

widderhotel.com/en/home

AUTHENTIC CUISINE

More than 100 years old and recently lovingly refurbished, the Schützengasse Restaurant combines traditional dishes with contemporary cuisine for a very special treat.

schuetzengasse.com

SWEETS WITH STYLE

The Sprüngli Confectionery at Paradeplatz is a true institution. Zurich residents have been buying their chocolates and pastries here since 1836. The adjoining café is the ideal place to unwind after a stroll through the city.

spruengli.ch/cms/en

PRIVATE SIGHTSEEING

There are many city tours – the most enjoyable way to explore the sights is with born-and-bred Zurich residents. You can book a variety of walking tours at 'Free-walk' – free of charge.

freewalk.ch

GOING OUT

Zurich has the highest ratio of clubs to residents in the whole of Europe. Many nightspots are found in Langstrasse in the city centre. The Niederdorf district also is a good place to party.

bit.ly/2EiJpAo

SHOPPING

For clothing, shoes or watches, look no further than **Bahnhofstrasse** and the surrounding alleys for exclusive fashion. For smaller, trendier boutiques, **Limmatquai** is the place to go.

Is success
a question
of cash flow?

Or a question
of ideas?



A successful company needs both:

A cool head for calculating and a passion for the matter at hand. This belief is reflected in our guiding principle: 'EOS. With head and heart in finance'. This principle flows through to our work for your company. Our services minimise your level of payment default risk, improving your cash flow. This means that you benefit from increased security, have more resources for new ideas and remain successful in the long term. You can find out more about our services at www.eos-solutions.com

With head and heart in finance

