



HORIZONS REPORT

# Financial Crime Compliance (FCC) in Financial Services, 2026

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Excerpt for Capgemini

“

The future of AML lies in moving from fragmented compliance tasks to an integrated value chain that combines intelligence, automation, and trust.

”



**Hansa Iyengar**

Practice Leader, HFS Research

“

Compliance is a perpetual demand. It will never leave financial institutions. The path to managing cost lies in AI and agentic solutions at scale, but scale requires a foundation. Fragmented data, siloed functions, broken processes, legacy systems, and trapped institutional knowledge are the real barriers. AI is emerging in pockets, yet the function as a whole is arguably the most primed for transformation. That is the velocity gap. Until that is bridged, enterprises will continue to absorb the rising cost of compliance and struggle to keep pace with regulatory change.

”



**Divya Iyer**

Practice Leader, HFS Research

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# 1

## Introduction and research methodology

# Introduction to HFS Horizons: Financial Crime Compliance (FCC) in Financial Services, 2026

Welcome to our **HFS Horizons: Financial Crime Compliance (FCC) in Financial Services, 2026** study. Horizons are HFS Research's [vendor evaluation research vehicle](#) designed to assess the innovation and value potential of provider capabilities across three distinct horizons:

## Horizon 1

The ability to industrialize FCC operations for cost, risk, and regulatory performance  
*Example:* AI-led alert triage, scalable KYC, intelligent name screening, SAR/STR automation, case triage hubs

## Horizon 2

**Horizon 1 +** integrated FCC workflows (KYC, screening, monitoring, case management) with real-time risk scoring and dynamic model tuning  
*Example:* Unified platforms for customer due diligence/enhanced customer due diligence (CDD/ECDD), fused risk analytics, and alert orchestration

## Horizon 3

**Horizon 2 +** ecosystem intelligence and innovation-led transformation  
*Example:* AI fairness and bias mitigation, cryptographic readiness for quantum risk, digital wallets triggering FCC, peer-to-peer risk typologies

This study examines how FCC service providers drive tech-enabled, outcome-focused compliance by scaling digital capabilities across the anti-money laundering (AML) value chain. It uses the “why, what, how, and so what” framework to uncover actionable insights into the future of integrated financial crime prevention with a focus on banking and financial services (BFS).

# Inclusion criteria

## Participation guidelines cover:



### Revenue

Annual revenue from FCC-specific services of at least US\$100 million. For specialist boutiques with strong capabilities across the FCC value chain, inclusion may be considered based on strategic relevance and differentiation, even if they fall below the revenue threshold.



### Services

An existing portfolio of FCC services spanning multiple parts of the HFS FCC value chain, demonstrating operational maturity and delivery at scale across compliance domains (e.g., KYC, AML, transaction monitoring [TM], sanctions).

# Executive summary (1/2)

- 1 The Horizons show a clear maturity divide in FCC capabilities**

Across the 15 providers evaluated, the split within each Horizon highlights structural differences in capability maturity. Horizon 3 leaders are distinguished by ecosystem-led models, embedded AI, and end-to-end FCC integration, moving beyond siloed services to intelligence-driven compliance. In contrast, Horizon 2 players are focused on stitching together platforms, workflows, and analytics, while Horizon 1 providers remain anchored in operational efficiency, scale, and service level agreement (SLA)-driven delivery. The distinction is not about who has the capability, but who can operationalize integrated, AI-led FCC at scale.
- 2 FCC is shifting from compliance function to a real-time risk engine**

Financial crime compliance is breaking out of its silo and becoming an enterprise-wide control layer. The rise of digital transactions, embedded finance, and AI-driven fraud is forcing institutions to move beyond fragmented AML processes toward integrated, intelligence-led models. FCC is no longer a workflow. It is becoming a real-time risk decisioning layer embedded across the enterprise. As digital transactions, embedded finance, and AI-driven fraud accelerate, fragmented AML processes are collapsing. The shift is structural: from periodic compliance checks to continuous, intelligence-led risk management across the lifecycle.
- 3 The AI preparedness gap is exposed**

Despite heavy investments in GenAI and agentic AI, most firms remain stuck in limited-impact pilots. The bottlenecks are structural: fragmented data, weak lineage, legacy rule engines, and immature governance frameworks continue to prevent scale. AI is improving specific tasks in pockets but falling well short of any transformational impact. In the pursuit of embedding AI, structural weaknesses in FCC architecture are being exposed faster than enterprises can fix or govern them. The foundation required to deliver enterprise-grade AI remains the critical missing piece.
- 4 Compliance is perpetual, and cost pressure is driving urgency**

Compliance is a perpetual need. The consequences of non-adherence, from fines and reputational damage to broader risk exposure, can be irreversible. Yet the escalating cost of compliance is no longer sustainable. Manual investigations, duplicated controls, and fragmented ecosystems have turned FCC into a high-cost, low-yield function. While firms see it as a cost transformation lever, run-the-business spend continues to crowd out structural change, locking institutions into reactive compliance cycles.
- 5 A clear gap exists between provider ambition and client reality**

The FCC operating model is shifting from linear workflows to connected, intelligence-driven systems. Onboarding, monitoring, and investigations are no longer discrete stages, but part of a continuous feedback loop enabled by real-time data and orchestration. Value is moving from process efficiency to decisioning precision across the lifecycle.

# Executive summary (2/2)

- 6** **The future FCC model is an integrated, always-on value chain**

FCC is moving away from linear workflows toward a connected, intelligence-driven system spanning onboarding, monitoring, and investigations. Capabilities such as perpetual KYC, real-time alerting, and cross-stage orchestration are becoming essential. This signals the emergence of a unified FCC value chain where data, decisions, and controls flow continuously rather than sequentially.
- 7** **Clients and partners want providers to move from operators to owners**

Clients and partners now expect ownership of outcomes, not just execution. While satisfaction with delivery and domain expertise remains high, expectations are shifting to provider-led innovation, differentiated IP, and outcome-linked commercial models, recasting providers as transformation owners.
- 8** **The real disruption is the convergence of fraud and AML (FRAML)**

A critical shift underway is the breakdown of traditional silos between fraud, AML, and sanctions. Leading providers and enterprises are converging these into unified FRAML models, driven by the need for real-time decisioning and holistic risk visibility. This convergence is less about efficiency and more about catching complex, multi-stage financial crime patterns that single-domain systems miss. The future of FCC is not “AML first.” It is risk-first, spanning fraud, payments, and compliance together.
- 9** **Data, not technology, is emerging as the primary competitive advantage**

While most providers now have comparable AI narratives, the differentiation is increasingly tied to data orchestration, entity resolution, and network intelligence capabilities. The ability to unify customer, transaction, and third-party data into a single risk view is becoming the foundation for everything else (AI, automation, and decision making). The emerging reality is that providers are no longer competing on tools, but on who controls and structures the data layer best.
- 10** **FCC is moving toward as-a-service and outcome-based commercial models**

Traditional FTE and effort-based pricing is giving way to unit-based, case-based, and outcome-linked models, particularly in areas such as alert handling, investigations, and KYC. This shift reflects the enterprise demand for flexibility, scalability, and measurable value. It also signals a bigger change: FCC is becoming a consumable service, where clients are increasingly expected to pay for outcomes (e.g., alerts cleared, risk reduced) rather than inputs (people deployed).

# HFS Research's definition of FCC



This study focuses on how service providers are helping FCC leaders establish rigorous processes and programs scaled with **technology and operations (people)**. The focus is less on the type of risk, including fraud, bribery and corruption, embezzlement, tax evasion, insider trading, money laundering, cyberattacks, and terrorism, and more on establishing FCC best practices across the BFS enterprise.



FCC programs have traditionally favored lower-risk, **people-driven compliance rigor over innovation-led operations**. But scaling with people alone is difficult. FCC teams comprise hardworking subject-matter experts who fight financial crime and safeguard their firms' reputational integrity through compliance. However, these are often insufficient to meet new requirements, let alone handle remediation or enforcement actions, and need to be amplified and augmented by **AI and automation**.



Against this backdrop, we want to understand the following: How do service providers help clients transform FCC operations? How are they shifting **FCC programs to be led by AI and automation?** How are they addressing the **dual challenge of bad actors that exploit rapidly evolving technologies to invent new financial crime methods, while regulators simultaneously expand and tighten controls?** How do they deliver **innovation in the process?** And how do they ensure the **adequacy of AML measures**, since, without robust processes, banks risk colossal fines and reputational damage?

# The FCC in financial services value chain, 2026

HFS evaluates how service providers drive innovation across the FCC value chain in the context of BFS firms. The focus is on the AML program employed in the financial services sector. The study assesses vendor capabilities and industry-specific solutions that deliver scalable, intelligence-led, and outcome-driven FCC services to maximize business value.

	Client due diligence and risk profiling	Sanction screening	Risk assessment and scoring (onboarding and ongoing)	Customer due diligence (ongoing [OCDD] and enhanced due diligence [ECDD])	Transaction monitoring	Account monitoring	Case management
Focus of the report	<ul style="list-style-type: none"> <li>Collect and authenticate key identity and risk data</li> <li>Enable non-documentary ID validation (biometrics, digital footprints)</li> <li>Resolve mismatches through case management and customer follow-up</li> <li>Ensure compliance with AML/CIP regulations via robust platforms</li> </ul>	<ul style="list-style-type: none"> <li>Screen against OFAC, PEPs, sanctions, watchlists, and adverse media</li> <li>Apply advanced matching to detect potential risks</li> <li>Conduct continuous and periodic screening of names/transactions</li> <li>Escalate confirmed matches through regulatory reporting</li> </ul>	<ul style="list-style-type: none"> <li>Use analytics to score and segment customers by risk</li> <li>Assess exposure and design mitigation strategies</li> <li>Apply technology to automate ongoing risk assessment</li> <li>Provide clear auditability for regulatory review</li> </ul>	<ul style="list-style-type: none"> <li>Trigger re-verification or extra KYC based on risk</li> <li>Investigate high-risk accounts and anomalies</li> <li>Apply enhanced due diligence where required</li> <li>Manage decisioning and customer communication</li> </ul>	<ul style="list-style-type: none"> <li>Integrate and consolidate transaction data across systems</li> <li>Automate screening and anomaly detection with AI/ML</li> <li>Generate and prioritize real-time alerts by risk level</li> <li>File SARs/STRs with regulators as required</li> </ul>	<ul style="list-style-type: none"> <li>Conduct periodic and event-driven customer reviews</li> <li>Enable perpetual KYC supported by advanced tech</li> <li>Detect and escalate suspicious account activities</li> <li>Ensure ongoing compliance and regulatory alignment</li> </ul>	<ul style="list-style-type: none"> <li>Triage alerts and resolve false positives efficiently</li> <li>Create and manage formal investigations</li> <li>Oversee case disposition and customer remediation</li> <li>Maintain comprehensive records of findings and actions</li> </ul>
Horizontal	<b>Cross-functional processes</b>						
	Audit trails and documentation   Regulatory reporting   Customer communication and remediation   False positive management   Continuous improvement and learning						
	<b>Enabling technologies</b>						
	Data and platforms   AI and automation   Regulatory alignment   Agentic AI						
	<b>Horizontal business processes</b>						
Case triage and investigation management   Customer remediation and alert disposition workflows   Transaction monitoring optimization and tuning   Enhanced due diligence (EDD) process orchestration   Sanctions governance and watchlist screening operations   Risk rating calibration and oversight reporting							
<b>Horizontal IT processes</b>							
Centralized AML data lake and case data standardization   FCC platform interoperability   Regulatory compliance API integration   Secure cloud migration for AML platforms   Continuous model validation and version control   Compliance systems observability and resilience management							

## The 15 service providers evaluated in this report

 **accenture**

 Capgemini

 cognizant

**Deloitte.**

  
**EY**  
Shape the future  
with confidence

 **firstsource**

 genpact

**IBM**

**Infosys**<sup>®</sup>

**KPMG**

**LTM**

 **Mphasis**  
The Next Applied

 **pwc**

 **SUTHERLAND**<sup>®</sup>

**tcs** **TATA**  
CONSULTANCY  
SERVICES

Note: All service providers are listed alphabetically.

# Sources of data

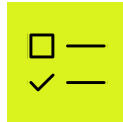
This Horizons research report relies on myriad data sources to support our methodology and help HFS obtain a well-rounded perspective on the service capabilities of the participating organizations our study covers. Sources are as follows:



## Briefings and information gathering

HFS conducted detailed **briefings** with AI leadership from each vendor.

Each participant submitted a specific set of **supporting information** aligned to the assessment methodology.



## Reference checks

We conducted reference checks with **11 active clients and 15 active partners**, via survey-based and telephonic interviews.

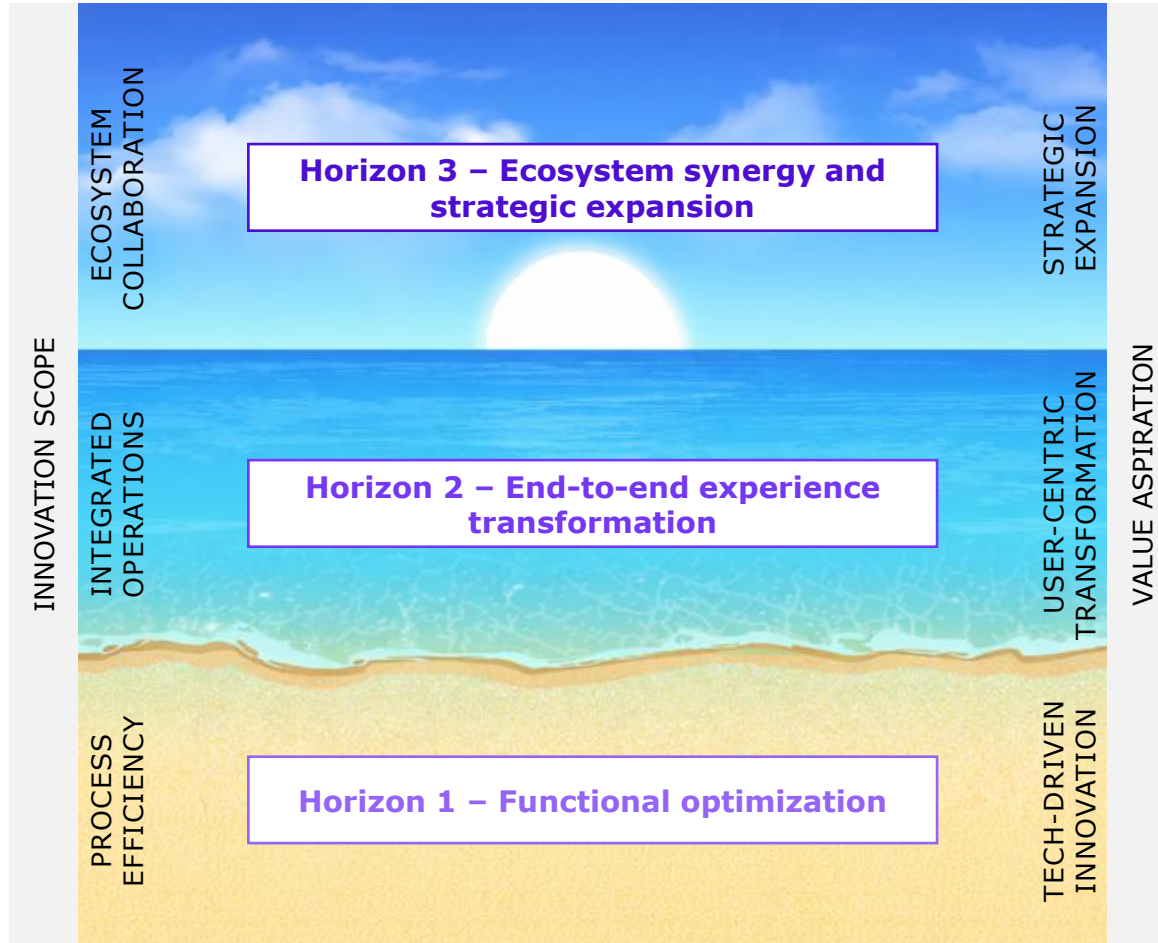


## Other data sources

**Public information** such as press releases and websites.

**Ongoing interactions, briefings, virtual events**, etc., with in-scope vendors and their clients and partners.

# HFS Horizons for Financial Crime Compliance (FCC) in Financial Services, 2026



## Horizon 3 – Driving collaborative innovation for proactive financial crime prevention

### Horizon 2 +

- Integrated ecosystem-level FCC platforms with AI/GenAI-led typology detection
- Shared intelligence networks (e.g., consortia for sanctions screening, typology libraries)
- End-to-end visibility into fincrime risks across customer, transaction, and supply chain touchpoints
- Thought leadership in embedding FCC into broader enterprise risk and compliance architecture
- Launch of new models aligned to FCC, e.g., real-time wallet screening, crypto AML layers

## Horizon 2 – Modernizing FCC operations through integration, analytics, and intelligent workflows

### Horizon 1 +

- Embedded risk analytics across onboarding, due diligence, and monitoring
- Unified platforms that enable real-time alerting, re-screening, and suspicious activity triage
- Intelligent workflows supporting perpetual KYC and cross-stage remediation
- Interoperable systems for linking screening, monitoring, and risk scoring with alert closure
- Delivery of seamless FCC processes across L1–L3 operations with transparency and control ownership

## Horizon 1 – Standardizing and scaling AML processes for efficiency and compliance readiness

- Strength in delivering compliance-aligned services across customer lifecycle operations:
  - KYC/CDD onboarding and refresh
  - Name screening, transaction screening
  - Case investigation and SAR filing
- Use of digital ID validation, biometric capture, and audit-ready documentation
- Ability to maintain SLA-driven delivery across AML operations with automation and reporting
- Demonstrated client success in reducing false positives, speeding up CIP/KYC processes, and improving audit scores

Note: All service providers within a Horizon are listed alphabetically  
 Source: HFS Research, 2026

# Horizons assessment methodology

This research evaluates the capabilities of service providers across a range of dimensions to understand the **why, what, how, and so what** of their FCC services offerings. It is based on input from clients, partners, employees, and augmented with analyst perspectives. The following illustrates how we assessed your capabilities:

← Distinguishing service provider characteristics →

Assessment Dimension	Assessment sub-dimension	Horizon 1 Service Providers	Horizon 2 Service Providers	Horizon 3 Service Providers
<b>Value proposition: The why?</b>  (25%)	• Strategy and roadmap	<ul style="list-style-type: none"> <li>Ability to <b>deliver basic compliance enablement</b> (e.g., transaction monitoring, sanctions screening)</li> <li>Largely BPO delivery model with a focus on cost takeout and efficiency</li> </ul>	<ul style="list-style-type: none"> <li><b>Horizon 1+</b></li> <li>Ability to deliver end-to-end FCC operation transformation and modernization with embedded analytics and risk-tiering</li> <li>Business-aligned FCC service strategies</li> </ul>	<ul style="list-style-type: none"> <li><b>Horizon 2+</b></li> <li>Ability to deliver FCC-led ecosystem integration and regulatory agility</li> <li>Strategic innovation addressing emerging risks, such as establishing an FCC program for digital assets like crypto</li> </ul>
	• Vision for scalable, outcome-led compliance transformation			
	• Differentiators: why clients work with you			
<b>Execution and innovation capabilities: The what?</b>  (25%)	• Breadth and depth of services across the FCC value chain	<ul style="list-style-type: none"> <li>Point solutions focused on compliance SLAs and audit readiness</li> <li>Basic AI enablement</li> </ul>	<ul style="list-style-type: none"> <li><b>Horizon 1+</b></li> <li>End-to-end platform-led compliance transformation</li> <li>Leveraging AI, graph analytics for alert quality, risk scoring, model tuning</li> </ul>	<ul style="list-style-type: none"> <li>Horizon 2+</li> <li>Intelligence-led FCC orchestration across preventive, detective, and corrective layers</li> <li>Tech-enabled advisory and model governance</li> <li>Regulatory horizon scanning and dynamic policy response</li> </ul>
	• Strength of talent pool			
	• Innovative solutions and intelligent automation, AI/ ML			
<b>Go-to-market strategy: The how?</b>  (25%)	• What transformation outcomes are you pitching to clients?	<ul style="list-style-type: none"> <li>Strong technical and capability focus</li> <li>Transactional delivery model</li> <li>Few co-creation examples</li> <li>Limited ecosystem collaboration</li> </ul>	<ul style="list-style-type: none"> <li><b>Horizon 1+</b></li> <li>Strategic GTM with bundled services (e.g., onboarding + TM + remediation)</li> <li>Dedicated FCC COEs, strong partner ecosystem (regtech, core banking)</li> </ul>	<ul style="list-style-type: none"> <li>Horizon 2+</li> <li>Collaborative ecosystems with regulators, banks, tech firms</li> <li>Embedded innovation models (regulatory sandboxes, industry alliances)</li> </ul>
	• Nature of investments in your FCC business (M&A, training, R&D)			
	• Co-innovation and collaboration approaches with customers and partners, including creative commercial models			
	• Assuring outcomes and voice of the partner			
<b>Market impact: The so what?</b>  (25%)	• Scale and growth of FCC business: revenue, clients, and headcount	<ul style="list-style-type: none"> <li>Referenceable and satisfied clients for ability to execute technology transformation</li> </ul>	<ul style="list-style-type: none"> <li><b>Horizon 1+</b></li> <li>Demonstrated impact on direct business outcomes</li> </ul>	<ul style="list-style-type: none"> <li><b>Horizon 2+</b></li> <li>Impactful change in compliance posture</li> <li>Recognized by regulators, industry benchmarks</li> </ul>
	• Proven outcomes showcasing compliance transformation through FCC services offered			
	• Voice of the customer			

# Focus of the FCC services Horizons study

## Future-ready FCC services

How are you evolving FCC offerings with AI, automation, and ecosystem collaboration?

## Transformation focus

How are FCC services enhancing risk management, resilience, and compliance agility?

## FCC innovation

What critical innovations will drive the FCC function forward? How are you harnessing and integrating differentiated technologies in the process?

## AI and automation as game changers

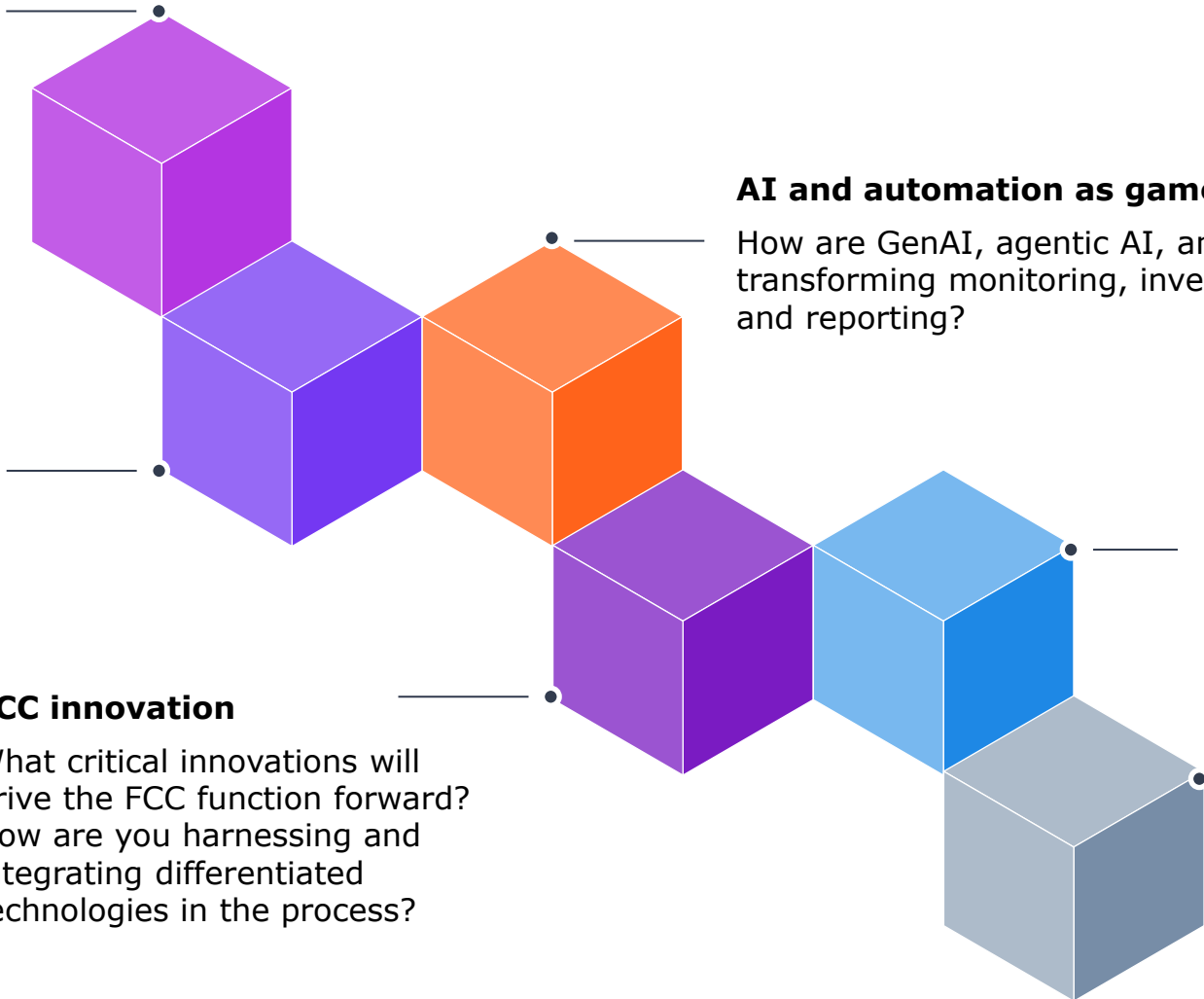
How are GenAI, agentic AI, and analytics transforming monitoring, investigations, and reporting?

## Outcome mindset

What measurable impact are you delivering in risk reduction, speed, and audit readiness?

## Operational maturity

How robust are the controls, escalation, documentation, and continuous improvement cycles across the FCC lifecycle?



# 2

## Market dynamics

# Top FCC challenges financial institutions face in 2026

## Fragmented risk architecture and siloed controls



Decades of layered systems across AML, fraud, sanctions, payments, and onboarding create disconnected workflows and inconsistent customer views. Poor entity resolution and weak data lineage undermine risk accuracy, audit defensibility, and enterprise visibility.

## The velocity gap exposed where AI ambition and enterprise readiness diverge



GenAI and machine learning pilots proliferate, but enterprise impact stalls. Legacy rule engines, siloed data, and incomplete governance frameworks prevent AI from operating safely at scale. Automation improves surfaces, not structural constraints.

## Heightened regulatory and AI accountability pressure



Regulators are increasing scrutiny on explainability, model governance, board oversight, and personal accountability. Legacy systems lack integrated audit trails and control transparency, elevating enforcement and reputational risk.

## Escalating cost of compliance and operations



Manual case handling, duplicated controls, and fragmented vendor stacks drive rising fixed costs. "Run-the-business" budgets crowd out modernization, leaving institutions stuck in a cycle of reactive compliance spend.

## Workforce scalability and expertise constraints



Compliance and investigative models remain human-intensive. Experienced investigators, AI governance specialists, and regulatory domain experts are scarce, limiting scale as volumes and complexity increase.

## Constrained agility, monetization, and ecosystem growth



Rigid cores delay product launches, pricing changes, partner integrations, and real-time risk decisioning. Institutions struggle to support embedded finance, instant payments, and API-driven business models without structural modernization.

# What enterprises really want from FCC service providers

## Measurable risk reduction beyond just operational support

Institutions want proof that risk exposure is decreasing. That means sustained reduction in false positives, better true-positive detection, improved SAR quality and defensibility, fewer regulatory findings, and lower enforcement risk. Simply processing alerts faster is not enough; customers want tangible risk outcomes.

## AI that is scalable, governed, and regulator-defensible

Clients want AI that survives regulatory scrutiny. They want it embedded into end-to-end workflows, clear model governance, and explainability. Documented controls and audit trails, safe human-in-the-loop orchestration, and the ability to stand behind AI decisions in regulatory reviews are non-negotiable.

## A convergence of unified FRAML risk, not parallel optimization

Fraud, AML, sanctions, onboarding, and payments can't operate in silos anymore. Clients expect integrated data models, shared customer risk profiles, real-time payment monitoring, and cross-domain signal orchestration.

## Data architecture fixes for scaling AI and automation, not more rules

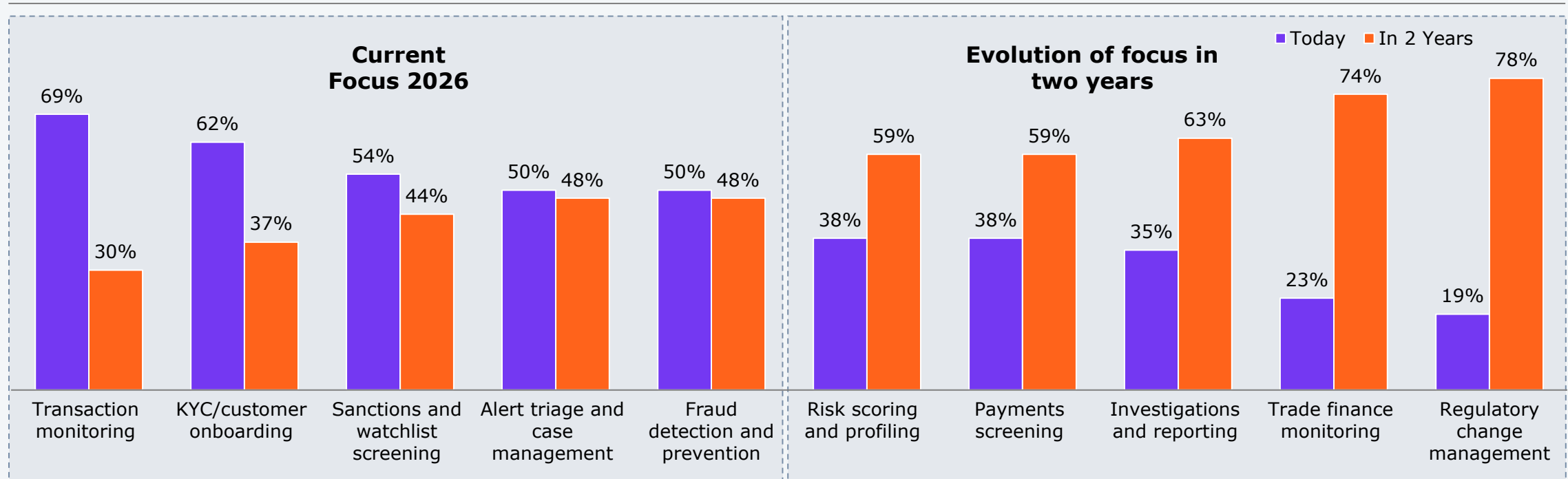
Institutions increasingly recognize that the problem is not rules, but data. They expect providers to address entity resolution, network intelligence, real-time ingestion, data lineage, and develop model-ready architectures.

## Cost compression without risk inflation, while also strengthening controls

Banks are under margin pressure. They expect lower cost per case, industrialized managed services, smart automation, and flexible commercial models (unit, gain-share, hybrid), but not at the expense of detection quality.

# AI and agentic adoption in AML is detection-led today, but will evolve to decisioning-led AML over the next two years










In your AML operations, where do you think AI and agentic solutions are being used today? Also, where do you expect the greatest adoption in the next two years? (select all that apply)



**Enterprises are moving from using AI to detect risk toward using AI to interpret, decide, and explain risk.**

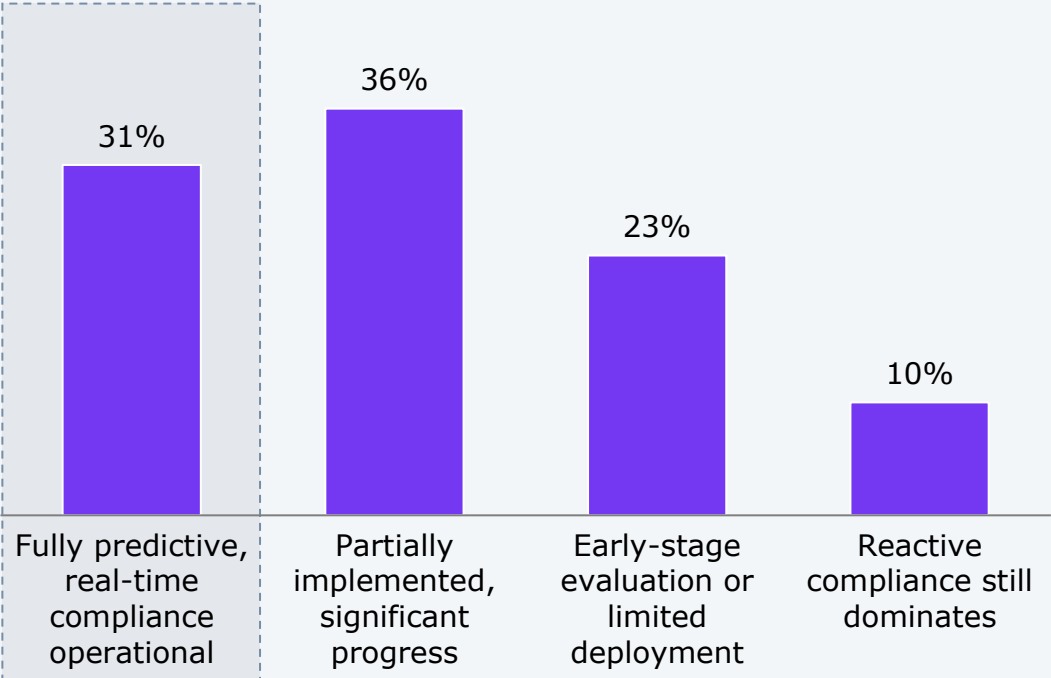
Sample: 26 FCC client and partner references  
Source: HFS Research Pulse, 2026

# Evolving FCC expectations and pain points

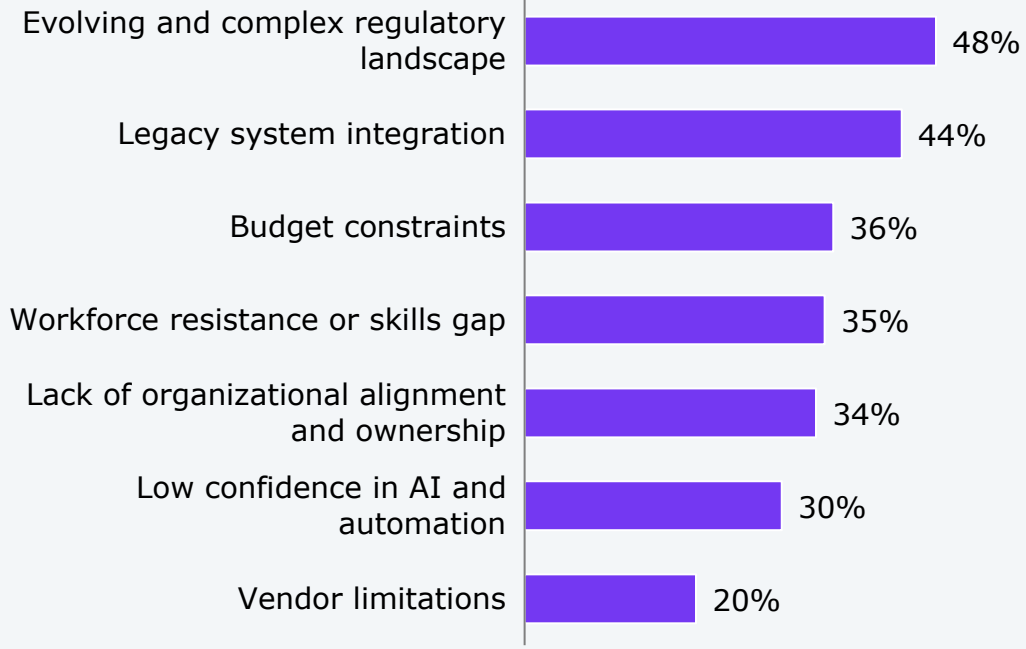
	Demand side – Enterprise expectations 	Supply side – Provider offerings 	Key pain points to address 
<b>AI-embedded investigations and case management</b> 	Banks want AI to meaningfully reduce false positives, accelerate alert triage, automate enrichment, and support defensible SAR drafting with full explainability and built-in governance.	GenAI copilots, autonomous analyst agents, narrative generators, automated alert enrichment, and AI-based prioritization models	<ul style="list-style-type: none"> <li>• Model explainability and regulatory defensibility</li> <li>• Hallucination and bias risks</li> <li>• Weak integration into core case management platforms</li> <li>• AI pilots not scaling beyond controlled environments</li> </ul>
<b>FRAML convergence and real-time risk orchestration</b> 	Institutions want unified fraud, AML, sanctions, onboarding, and payments monitoring with shared customer risk views and real-time signal orchestration across domains.	Integrated data lakes, shared case management layers, and real-time screening capabilities for instant payments and digital channels	<ul style="list-style-type: none"> <li>• Deep organizational silos between fraud and AML</li> <li>• Inconsistent customer identifiers and risk scoring logic</li> <li>• Batch-based legacy monitoring engines</li> <li>• Governance complexity in unified operating models</li> </ul>
<b>Data foundation modernization for AI readiness</b> 	Banks expect clean entity resolution, network intelligence, data lineage, and real-time ingestion pipelines that make AI reliable and regulator-ready.	Modern data platforms, graph analytics, API-based ingestion, and cloud-native monitoring frameworks	<ul style="list-style-type: none"> <li>• Fragmented data ownership across business units</li> <li>• Poor lineage documentation and audit trails</li> <li>• Parallel writes to legacy and modern systems during transformation</li> <li>• Privacy, residency, and cross-border data restrictions</li> </ul>
<b>Cost compression with risk integrity</b> 	Institutions want measurable reductions in cost-per-case and alert backlogs without weakening detection quality or increasing regulatory exposure.	Managed services expansion, outcome-based pricing, automation accelerators, and AI-led productivity models	<ul style="list-style-type: none"> <li>• Labor-heavy legacy operating models</li> <li>• Hidden quality degradation when cost-cutting</li> <li>• Misaligned commercial incentives</li> <li>• Incomplete automation of upstream signal generation</li> </ul>
<b>Regulatory-grade governance and board transparency</b> 	Boards and regulators expect transparency into model decisions, audit trails, remediation programs, and measurable control effectiveness.	Model governance frameworks, control dashboards, AI risk management protocols, and remediation playbooks for consent orders	<ul style="list-style-type: none"> <li>• AI governance lagging innovation</li> <li>• Inconsistent documentation standards</li> <li>• Supervisory skepticism of black-box automation</li> <li>• Personal accountability regimes increasing pressure</li> </ul>
<b>Talent model evolution and sustainable capability transfer</b> 	Banks want scalable investigative capacity, AI-literate compliance teams, and long-term capability uplift without vendor dependency.	FCC academies, co-delivery models, AI training programs, neurodiverse investigation models, and managed-to-transfer engagements	<ul style="list-style-type: none"> <li>• Scarcity of experienced investigators</li> <li>• Resistance to AI-enabled workflows</li> <li>• Over-reliance on offshore labor arbitrage</li> <li>• Weak internal ownership post-transformation</li> </ul>

# Regulatory complexity and legacy systems make real-time compliance elusive for most

## To what extent has your organization moved toward predictive, real-time compliance capabilities?



## What is the biggest roadblock to achieving fully digital compliance and governance?



Sample: 505 BFSI enterprise decision makers  
Source: HFS Research Pulse, 2026

# 3

## Horizons results: Financial Crime Compliance (FCC) in Financial Services, 2026

# Summary of providers assessed in this report

Providers	HFS point of view
<b>Accenture</b>	Helps large financial institutions modernize financial crime programs by integrating data, analytics, and operations across the FCC lifecycle
<b>Capgemini</b>	Supports FCC modernization with regulatory advisory, tech transformation, and scaled managed services, using data and AI-led automation for intelligence-led compliance
<b>Cognizant</b>	Modernizes FCC operations by redesigning compliance workflows and orchestrating fragmented RegTech ecosystems with AI-enabled automation
<b>Deloitte</b>	Supports enterprise financial crime programs through regulatory expertise, AI-enabled investigation platforms, and managed compliance operations
<b>EY</b>	Integrates modular platforms, global risk and regulatory expertise, and emerging agentic intelligence to industrialize FCC programs and boost operational efficiency
<b>Firstsource</b>	Helps financial institutions move from siloed compliance processes to integrated, AI-enabled FRAML operations with human-in-the-loop oversight
<b>Genpact</b>	Modernizes AML operations through AI-led automation and deep process expertise

Providers	HFS point of view
<b>IBM</b>	Supports enterprise financial crime programs through AI-enabled detection platforms, regulatory advisory from Promontory, and integrated fraud and identity intelligence solutions
<b>Infosys</b>	Leverages platform assets, AI-driven workflow intelligence, and strong SI heritage to industrialize FCC transformation at scale
<b>KPMG</b>	Strengthens FCC through regulatory-led transformation, operating model redesign, and data-driven monitoring modernization
<b>LTM</b>	Supports enterprise FCC modernization through data platform engineering, financial services technology expertise, and partner-led compliance solutions.
<b>Mphasis</b>	Brings scaled FCC coverage and partner-driven tech-enabled execution to drive speed and efficiency
<b>PwC</b>	Ensures FCC through regulatory-led transformation, operating model redesign, and monitoring modernization
<b>Sutherland</b>	Delivers tech-engineered, platform-optimized FRAML operations for faster and smarter compliance
<b>TCS</b>	Stabilizes and transforms FCC operations by integrating compliance platforms, data, and automation at scale

Note: All service providers are listed alphabetically

# HFS Horizons: Financial Crime Compliance (FCC) in Financial Services, 2026



Note: All service providers within a Horizon are listed alphabetically  
 Source: HFS Research, 2026

# 4

## Capgemini profile: Financial Crime Compliance (FCC) in Financial Services, 2026

# Capgemini: Supports FCC modernization with regulatory advisory, tech transformation, and scaled managed services, using data and AI-led automation for intelligence-led compliance



Strengths	Development opportunities
<ul style="list-style-type: none"> <li>• <b>End-to-end FCC lifecycle coverage bridging strategy, technology, data, and operations:</b> Capgemini’s capabilities span regulatory advisory, target operating model (TOM) design, cloud-native technology modernization, data/model optimization, and managed services, helping clients shift from fragmented compliance processes to integrated FCC architectures.</li> <li>• <b>Advisory-led FCC model connecting regulatory expertise with scalable operations:</b> The firm combines regulatory advisory depth with technology modernization and managed services, enabling clients to redesign compliance functions rather than simply operate them more efficiently.</li> <li>• <b>Agentic and digital workforce model focused on redesigning compliance workflows:</b> Instead of applying automation purely to reduce manual work, Capgemini is driving hybrid digital-human operating models where pre-trained digital workers handle routine remediation, screening, and investigation triage. This signals a shift from task automation toward workflow orchestration.</li> <li>• <b>WNS acquisition, which significantly strengthened the managed services engine behind the FCC offering:</b> The addition of WNS adds substantial delivery scale and operational depth, particularly in fintech and crypto compliance and the mid-market segment, closing a gap in large-scale managed services execution. This strengthens Capgemini’s ability to support the full lifecycle of FCC transformation, from advisory and technology to operational run-state.</li> <li>• <b>Client and partner kudos:</b> Clients laud its commitment to long-term partnerships, operational flexibility, deep domain talent, and reliable, client-centric delivery. Partners highlight its deep FCC expertise, strong technical capabilities, global scale, and collaborative approach to delivering AI-enabled compliance solutions as key strengths.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>AI-led transformation currently concentrates on operational layers rather than decision intelligence:</b> Much of the AI and agentic activity focuses on automating remediation tasks, alert triage, and screening workflows. While this drives efficiency, the next stage of FCC transformation will require deeper capabilities in predictive risk analytics, behavioral monitoring, and advanced decision intelligence.</li> <li>• <b>Value proposition is credible on efficiency, with an opportunity to lead on risk intelligence:</b> While efficiency outcomes are well demonstrated, sharpening the messaging around proactive risk management and regulatory foresight could position Capgemini more firmly as a strategic FCC transformation partner.</li> <li>• <b>Innovation is largely partner-enabled:</b> Collaborations such those with Microsoft and WorkFusion support hybrid workforce models and accelerate deployment. While this strengthens execution and regulatory alignment, further development and articulation of proprietary FCC assets can enhance differentiation.</li> <li>• <b>Client and partner critiques:</b> Clients see an opportunity to strengthen judgment-led decision making and expand fintech-focused automation. Partners want accelerated innovation and time-to-market, deeper GTM alignment, stronger execution coordination, and scaled partner technologies across segments and regions.</li> </ul>

Revenue mix	Mergers and acquisitions (2022–2025)
<ul style="list-style-type: none"> <li>• <b>FCC revenue mix:</b> Advisory, technology modernization, data and analytics, and managed services across KYC, screening, and investigations</li> <li>• <b>Service distribution:</b> Strategy and transformation, managed service operations, technology modernization, data-driven insights, and AI enablement</li> </ul>	<ul style="list-style-type: none"> <li>• 2025 – Delta Capita, WNS</li> <li>• 2023 – Exiger</li> <li>• 2022 – Chappuis Halder &amp; Co.</li> </ul>

Partnerships	Key clients	Global operations and resources	Flagship internal IP
Microsoft, Google Cloud, AWS, WorkFusion (UiPath), ServiceNow, Pegasystems, Camunda (Oracle), NICE Actimize, Moody’s, SymphonyAI, Databricks, Fenergo, Quantexa, Hummingbird, Sayari, Alloy, Lucinity, Bretton AI, Elliptic, Chainalysis, Veriff, Mistral AI, Neo4j, FICO	<b>Number of FCC clients:</b> 80+ <b>Key clients:</b> Confidential	<b>FCC specific headcount:</b> 7,500+ <b>Number of delivery and innovation centers:</b> 15 <b>Locations of centers by major geos:</b> North America, Europe, UK, ASPAC	<ul style="list-style-type: none"> <li>• Perpetual KYC Sandbox</li> <li>• KYC 2.0 real-time KYC framework</li> <li>• Corporate KYC agentic orchestration framework</li> <li>• AI-enabled transaction monitoring accelerators</li> <li>• Digital worker-led screening automation</li> <li>• Chargeback and disputes management solution</li> </ul>

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Hansa Iyengar leads the banking, financial services (BFS), and IT services research practice at HFS Research. She focuses on delivering practical, forward-looking insights that help BFS leaders navigate change across financial services and on providing critical analyses of service provider strategies, enabling buyers to make more informed sourcing and partnership decisions.

Hansa brings more than 15 years of expertise in deep enterprise technology and IT services. She has led global research portfolios on competitive intelligence, digital transformation, and market trend analysis for technology and telecom enterprises. With a track record of authoring influential thought leadership, she is known for her sharp strategic thinking, enterprise-first perspective, and commitment to cutting through hype to deliver insights that matter.



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Divya Iyer is a practice leader for HFS Research, leading industry analysis of banking and financial services and covering the intersection of technology, business, and financial services. She works closely with service providers, financial services enterprise clients, and the broader supporting ecosystem to actualize their goal of articulating the business impact and unlocking value in these relationships. In her two decades of experience, Divya has gained expertise in IT and business services and researched emerging and established digital business models, technologies, startups, and business solutions suppliers.



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Hridika Biswas is an Associate Practice Leader at HFS Research, focusing on the transformation of finance and business process operations through AI-led services. She examines how enterprises and service providers are moving beyond traditional outsourcing toward outcome-driven, technology-enabled models. Her work sits at the intersection of generative and agentic AI, process intelligence, and data and analytics, with a focus on enabling decision-centric operations, reducing process debt, and accelerating enterprise transformation. She works closely with enterprises and providers to shape strategies.

Hridika brings over a decade of experience in research and analytics, with prior roles at Kantar (supporting British American Tobacco) driving global, data-driven decision-making.

## About HFS

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