ING Group, Commerzbank, and Nordea lead financial crime risk global ranking

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Elucidate's FinCrime Risk Monitor (EFRM) ranking is based on the company's open database for scoring the financial crime risk vulnerability of financial institutions

- With a score of 74.98 (out of 100) the ING Group came out at the top of the FinCrime Risk Monitor ranking from Elucidate, a financial crime risk benchmarking company.
- Commerzbank (scoring 74.70) and Nordea (scoring 74.52) ranked in second and third place respectively, rounding out the top places.
- The list examines the largest 100 banks according to their market capitalisation and assets under management.

Berlin, Germany, 11 October 2021 — Dutch financial services corporation, ING Group, has been ranked as the leading institution in financial crime risk management in a ranking that examines the largest 100 banks in the world according to market capitalisation and assets under management. Commerzbank, from Germany, and Nordea, from Finland, positioned themselves second and third respectively.

Elucidate's FinCrime Risk Monitor (EFRM) ranking is based on the company's open database for scoring the financial crime risk vulnerability of financial institutions. The platform aims to build trust and confidence in an industry beset with financial crime scandals in recent years, by providing a universal financial crime risk standard and benchmark.

Shane Riedel, CEO of Elucidate, said: "The EFRM represents a shift from superficial and inaccurate risk scoring of financial institutions. On the surface, based on a limited amount of public data, one might have anticipated that some of the strongest banks in the market are quite poor at managing financial crime risk. In reality, and based on the most timely and insightful data sets, we see that banks can and are shifting their risk profiles. These banks deserve to be acknowledged for the results of their efforts."

ING Group's placement at the top of the ranking rewards the Bank's efforts under its Global KYC Enhancement Programme and other initiatives started in 2017.

Speaking on the list, Dr. Anjishnu Bandyopadhyay, Senior Data Scientist at Elucidate stated: "The banks analysed in the ranking serve as central nodes within the global financial system. Therefore, any financial crime risk associated with these has an increased likelihood of contagion through the market. It is important to examine closely what efforts these institutions are taking to mitigate their risk."

For the report, 100 banks were analysed distributed across 26 different jurisdictions. Amongst these China, the US and Japan are the countries with the most representation with 17, 13 and 7 banks listed respectively. However, the average scores for these jurisdictions lie far from the top-scoring institutions, most instead being within the 54-57 range.

The EFRM score is an aggregation of scores across four themes: customer portfolio, transactional activity, reputation, and geographic footprint. Ranking algorithms are developed for each of the four themes. The scores for the first two themes, which quantify dynamical financial crime risk, are calculated using gaussian modelling. The reputation risk is calculated by employing Natural Language Processing (NLP) methods like sentiment analysis of entities identified using Named Entity Recognition (NER) on public data. The final EFRM score is a weighted average of these four themes with the highest weights assigned to transactional and customer risk themes.

For financial institutions seeking additional information and insights, Elucidate offers their regulated benchmark, the Elucidate FinCrime Index (EFI), with in-depth data analysis across nine industry risk themes, that help professionals build trust in your network through more transparent compliance.

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The full ranking can be accessed here: *EFRM Ranking - 100 Largest Banks*

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