

The Top 5 Financial Crime Compliance Trends for 2025

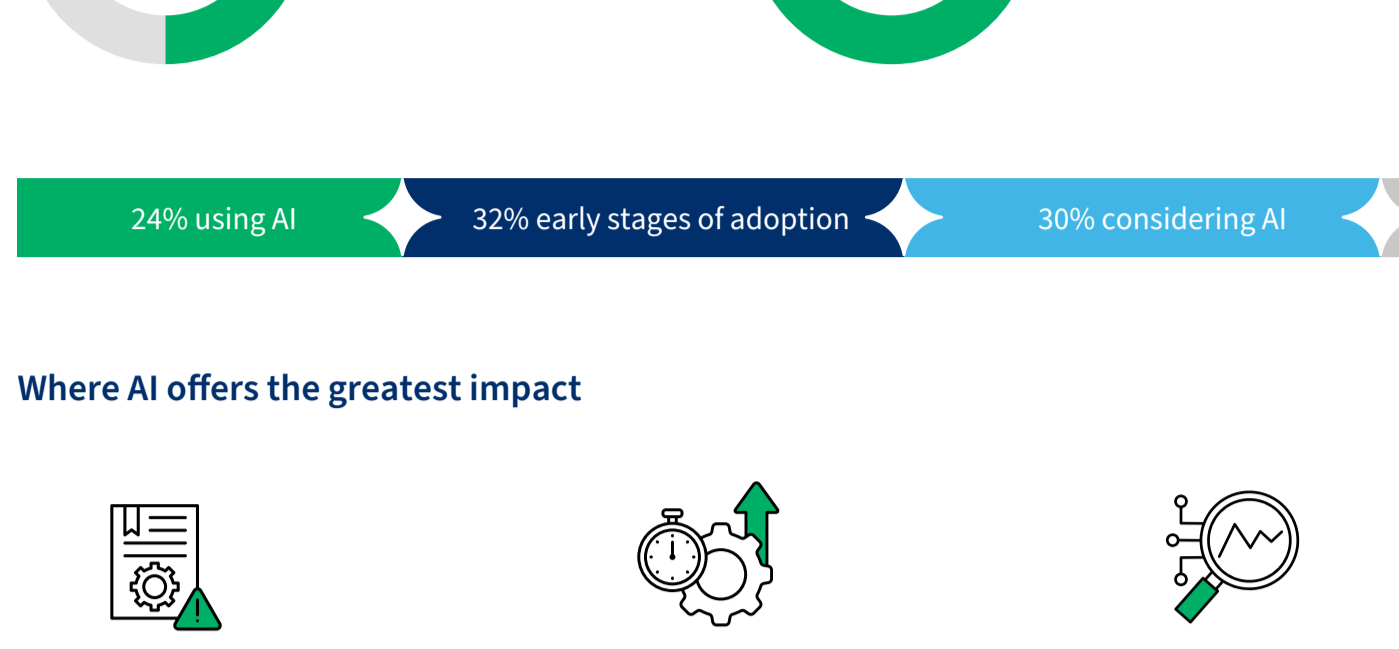
The basics of fighting financial crime have not changed. Dependable data and know your customer are still essential. But the world is more dynamic, complex and interconnected than ever before. The financial crime compliance trends for 2025 reflect the challenges of this changing landscape. Here are our top predictions for the coming year.

1 Artificial Intelligence begins to bear fruit in the fight against financial crime

The value of AI lies in its ability to analyze enormous troves of structured and unstructured data in real time to detect anomalies. AI-driven models continually learn – using use new data, natural language processing (NLP), past behavior, and historical transactions to improve match quality and proactively identify suspicious activity. With a 56% increase in AI-backed financial crimes¹, banks need to reassess existing tactics. The most effective way to combat this growing threat is through a combined approach that integrates AI-powered solutions, human expertise and high-quality data.

\$1.4 trillion Yearly cost of financial crime to the global economy²

\$34.7 billion Amount financial institutions are expected to spend on financial crime compliance technology in 2024³



- Where AI offers the greatest impact**
- proactive risk assessment
 - greater efficiency
 - real-time identification of anomalies
 - better accuracy and match quality (and fewer false positives)
 - better transparency and explainability for more assured regulatory compliance

2 Private-public partnerships highlight the value of strategic collaboration

The increasingly complex criminal networks and transnational nature of financial crime have spawned a shift in the industry toward strategic collaboration. Regulatory agencies, law enforcement and private-sector entities are joining forces to share intelligence and fight financial crime together. These collaborative endeavors offer an effective line of defense for detecting and preventing money laundering, terrorist financing and other financial crimes.

Public-private partnerships take shape around the world

- South Africa: Project Blood Orange**
The South African Police collaborated with a multidisciplinary team, including KPMG and the South African Revenue Service, to investigate a criminal network responsible for the country's rhino poaching crises. As a result, 16 people were arrested for money laundering, corruption and conspiracy.
Zero incursions for over **5 months** | **>30%** decrease in rhino poaching⁶
- Singapore: COSMIC**
Launched in April 2024, COSMIC is the first centralized digital platform for the sharing of customer information among financial institutions.
- UK: Economic Crime Plan 2**
With a focus on joint priorities and collaboration across government agencies, law enforcement, and private entities, the UK ECP2 aims to "prevent, detect and disrupt economic crime."⁷

3 Regulatory reach gets longer, wider and deeper

Many organizations know firsthand the financial and reputational repercussions that come from exposure to illegal activities from partners and third-party suppliers. New regulations are tightening the screws on sanctions compliance, due diligence, and know your business (KYB) requirements. Ongoing monitoring and robust risk assessment – for gatekeepers as well as for environmental, social and governance (ESG) risk – will be key to ensuring third-party relationships stand up to scrutiny in an evolving regulatory landscape.



More than **1/3** of organizations find it challenging to keep up with changing regulations¹²

4 Bribery and corruption take top billing

Bribery and corruption can destabilize economies, undermine trust in government institutions, choke outside investment and stymie growth. Despite anti-corruption laws in 50 countries, managing risks from bribery and corruption remain a challenge around the world.

Organizations without a deep understanding of their supply chain risk doing business with corrupt third parties. Transparency, ongoing monitoring and effective risk assessment of third-party relationships are essential to combating the threat from bribery and corruption.



\$3.6 trillion Annual cost of bribery and corruption globally (\$1 trillion in bribes and \$2.6 trillion stolen through corruption)¹⁴

48% of compliance professionals expect bribery and corruption risks to increase¹⁵

Third-party relationships are a concern

Nearly all Foreign Corrupt Practices Act (FCPA) enforcement issues since 1978 **involved a third party**¹⁶

59% of senior executives cite third parties as the greatest corruption risk to their business¹⁷

Anti-bribery and corruption efforts around the world

- Organization for Economic Co-operation and Development (OECD) Anti-Bribery and Corruption
- U.S. Foreign Corrupt Practices Act (FCPA)
- California Transparency in Supply Chains Act (CTSCA)
- UK Bribery Act
- UK Modern Slavery Act
- United Nations Convention against Corruption (UNCAC)¹⁸

5 Customers continue to set the bar higher

The digital transformation that took hold during Covid has not abated. In fact, it has elevated expectations. Consumers want speed, convenience, security, low fees, and a personalized experience – all in a seamless, secure environment that doesn't make them jump through hoops for every interaction.

Delivering a customer-centric experience while balancing fraud prevention and compliance is expected to remain both a challenge and a priority for financial service providers for the foreseeable future.

Customer experience is the **#1** driver of customer loyalty¹⁹



Banks that prioritize customer experience

- grow **3x faster** than those who don't²³
- realize a **55%** increase in ROI
- capture a **1.9x** higher share of wallet²⁴

93% of organizations consider customer experience a competitive differentiator

85% of financial crime compliance executives say enhancing customer experience is a top priority²⁵

Changing regulations highlight the need for fast, seamless financial crime compliance

The payment window for complying with the SEPA Instant Payments Regulation for processing instant euro credit transfers²⁶ is **10 seconds**

The financial crime compliance landscape is set to see a number of changes as it evolves through 2025. LexisNexis® Risk Solutions merges industry-leading global risk intelligence with advanced technology to deliver solutions that pack a punch against financial crime. Meet evolving regulatory compliance requirements, proactively assess third-party risk, and defend against current and emerging threats with greater accuracy and efficiency.

Contact us to learn how LexisNexis® Risk Solutions can help your organization improve efficiency, boost compliance, and reduce the cost of financial crime.